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PROCEEDINGS AND DEBATES OF THE 98th CONGRESS, FIRST SESSION

SENATE—*Wednesday, March 16, 1983*

(Legislative day of Monday, March 14, 1983)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

God of righteousness, justice, and truth, we need Thee in this place. We need to listen for Thy voice—to heed Thy word—to seek Thy will. We are involved in no military engagements, but there is no peace. We see confrontation and conflict all about us—racial, political, social, male versus female, parent versus child. Most relationships seem adversarial. Our streets are unsafe—apprehension, cynicism, anger, mistrust, and fear pervade our Nation. Millions never have enough to eat. Millions are unemployed. Thousands starve to death daily. The poor, the elderly, the weak, and our youth live under a cloud of hopelessness.

And dear God, this is the only government we have. The people languish for good news, they look to Congress for some reason to hope. Don't let leadership be busy rearranging furniture while the house is burning down. Help us, Lord, humble us, rebuke arrogance, pride, and independence. Unite us. Infuse us with Thy love. Through Jesus Christ our Lord. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SENATE SCHEDULE

Mr. BAKER. Mr. President, I have no need for my time under the standing order, except to say that we will have two cloture votes today, unless the first one prevails.

I wish I could report to the Senate that some progress has been made overnight on working out this matter, but I cannot report that. I intend to do my best to pass this bill. I believe we will pass this bill, but exactly how that is going to happen, I am not prepared to say for the moment.

Mr. President, I urge Senators to consider that we are running out of time, and we have to end this.

I yield to the minority leader.

Mr. BYRD. I thank the majority leader for yielding.

Mr. President, I yield to Mr. BRADLEY such time as he desires, under my standing order.

Mr. BRADLEY. I thank the leader very much for his courtesy in this matter.

S. 816—SUPERFUND EXTENSION

Mr. BRADLEY. Mr. President, today, on behalf of my colleague from New Jersey, Senator LAUTENBERG, Senator MOYNIHAN, Senator MITCHELL, Senator STAFFORD, and myself, I am introducing a bill to extend the Superfund through 1990.

First, we now know that the magnitude of the hazardous waste problem is even larger than we had earlier feared. Second, EPA has been slow to begin the cleanup. To insure that the cleanup effort develops and maintains momentum, this legislation would provide additional time and additional funds for this enormous task.

The Superfund was established in 1980 under provisions of the Comprehensive Environmental Response, Compensation, and Liability Act. Eighty-seven percent of the revenues in the current $1.6 billion Superfund come from taxes on the manufacture or import of certain chemicals and petroleum. The remainder comes from general revenues. These sources of revenues will cease in 1985 under existing laws.

The bill we introduce today would simply delay the expiration date from 1985 until 1990 and would extend the authorization for the same 5 additional years. This legislation does not include programmatic changes that may be required. It is primarily intended to emphasize a continued commitment to the goals of the Superfund.

The toxic waste problem in our State of New Jersey gives us a particular interest in this problem. We have 65 sites on the EPA list of 418 worst sites identified so far, more than any other State. Further, of the 20 worst sites in the Nation, 6 are in New Jersey.

Since 1977, our State has been building a cleanup fund of its own, known as the New Jersey Spillfund. It provided the model for national legislation. The problem, however, is beyond the means of any individual State. This was why I was a prime sponsor and worked to pass the Superfund legislation in 1980, and it is why Senator LAUTENBERG and I now propose to extend the Superfund program.

The $1.6 billion currently available is clearly insufficient to make a significant dent in the task of cleaning up the Nation's worst dump sites. Even if augmented by fines or contributions from private parties, the existing funds could clean up no more than an estimated 200 sites. In the State of New Jersey alone we now know that some 230 sites are in need of cleanup.

The inadequacy of the existing fund has forced EPA to adopt policies to stretch available dollars. The agency now negotiates with polluters to use private funds rather than the Superfund for the cleanup. If negotiations fail, EPA takes polluters to court to extract cleanup payments. These two policies, while understandable, delay cleanups necessary to protect public health. Finally, with insufficient funds and enormous numbers of waste sites, EPA is forced to pursue cosmetic, rather than thorough, cleanup efforts.

Extending the Superfund law, thereby increasing the resources available to EPA, can ameliorate these problems. Just as importantly, the extension will restore the faith of the American people that the Federal Government is indeed committed to protecting them from the threats of toxic wastes. It is this faith that we want to

restore by doubling the time and resources available for Superfund.

I urge my colleagues to support this legislation, and I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 816

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 221(b)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by—

(1) striking out "and" from subparagraph (D);

(2) striking the period from subparagraph (E) and substituting a comma; and

(3) adding the following new subparagraphs at the end thereof:

"(F) 1986, $44,000,000,

"(G) 1987, $44,000,000,

"(H) 1988, $44,000,000,

"(I) 1989, $44,000,000, and

"(J) 1990, $44,000,000, plus an amount equal to so much of the aggregate amount authorized to be appropriated under subparagraphs (E), (F), (G), (H), and (I) as has not been appropriated before October 1, 1989.".

(b) Section 223(b) of such Act is amended by striking out "next 5 fiscal years" and substituting "10 fiscal years after the date of the enactment of this Act".

(c) Section 303 of such Act is amended to read "Unless reauthorized by the Congress, the authority to collect taxes conferred by this Act shall terminate on September 30, 1990."

SEC. 2. (a) Section 4611 of the Internal Revenue Code of 1954 is amended by—

(1) striking out "1985" and substituting "1990";

(2) striking out "1983" and substituting "1988"; and

(3) striking out "1984" and substituting "1989".

● Mr. LAUTENBERG. Mr. President, I am joining today with my colleague from New Jersey, Senator BRADLEY, in introducing legislation to extend the life of the Superfund program through 1990. Our legislation extends the program an additional 5 years past the current expiration date of 1985 and doubles the funds available to States and localities to clean up abandoned dump sites. This legislation is meant to send a clear signal to the administration and the public that we are commited to lengthening the life of the Superfund so that enough funds and enough time are available to make headway on cleaning up festering toxic waste sites.

We introduce this legislation at a time of severe disruption at the Environmental Protection Agency and in the midst of growing and profound concern among our people about the commitment of their Government to protect the public health and environment. We do so in the wake of daily disclosures about the dangers associated with highly toxic waste sites which are poisoning our water supplies and threatening the health of our citizens. We say today that we can no longer tolerate mismanagement, politics, redtape and a lack of commitment at the EPA. Since 1981, we have seen repeated attempts to weaken our basic environmental statutes, recommendations to cut back on expenditures to protect the public health, and inadequate enforcement of the Nation's environmental laws. We say today that the American people deserve better.

New Jersey residents draw about one-half of their drinking water from wells. At least 455 poisoned wells have been ordered shut down in the last 4 years due to leaching and groundwater contamination. In one major county chemicals from an abandoned dump seeped into an aquifer that supplies water to local residents. Charcoal-purification equipment has been installed, at great expense, to remove the dangerous substances contaminating the water. Elsewhere in my State, residents face foul smelling, black soils and sludges permeated with toxic metals, solvents, paint residues and other hazardous compounds which threaten their homes and families. Streams that were once pure and stocked with fish are discolored and can no longer support any form of life.

Clearly, Mr. President, New Jersey has more than its share of hazardous waste problems, but toxic waste knows no boundaries and is a problem of enormous national dimensions. Estimates of the number of sites needing attention are upward of 15,000. At best, only 150 to 200 sites can be addressed under the existing Superfund authorization. Therefore, our bill proposes to extend the life of the fund, and double its resources, to better address these national needs.

Right now, the Superfund has a $1.6 billion ceiling. Eighty-six percent of its funds are derived from a tax on chemical feedstocks. The remaining moneys going into the fund come from general revenues. Our bill would provide for a total of $3.2 billion for the Superfund through 1990, with the same proportion of funds coming from fees levied on the industry and from moneys from the Treasury. Even this allocation of funds does not come close to meeting our needs. But we believe it is important at this time to extend the life of the program and increase the funds available so that States can plan future clean up actions. The fact is, Mr. President, that EPA has been dragging its heels in obligating moneys from the Superfund. Not a single site has been thoroughly cleaned up since the program began.

The State of New Jersey is one of only a handful of States which has set up its own hazardous waste cleanup program. In our State we have a spill fund which preceded the Federal law. This fund generates about $800,000 a month in taxes paid by chemical and petrochemical businesses in New Jersey. In addition to the spill fund, New Jersey voters approved a $100 million bond issue in November 1981. While I am not completely happy with the pace at which the State is moving to implement these programs, clearly these two actions bespeak a commitment on the part of the people of New Jersey to share responsibility with the Federal Government in cleaning up these hazardous situations.

The simple fact is, Mr. President, there is no way that our States and localities can raise the financial resources needed to meet absolutely essential cleanup needs. Nor is it right that they should be saddled with these responsibilities. For any grant awarded to a State under Superfund, a matching State contribution of 10 to 50 percent is currently mandated. To require more from the States, and local taxpayers, would be stretching resources to the limit. It would also saddle the public with a burden and debt which is not rightfully theirs. The residents of New Jersey did not dispose of toxic materials in their streams, ponds, forests, and roadsides. They are not the ones who should be taxed further to address this problem. Nor should they be forced to live in fear for their safety and the safety of their children.

Mr. President, I understand that members of the respective taxing and environment committees in the Senate and the House of Representatives are going to take a very close look at the provisions of the Superfund program this year. It could well be that certain provisions of the act need revision. The criteria by which sites are judged eligible for Superfund moneys, the structure of the fees levied on industry, the liability provisions and the degree of matching funds required from States and localities all need careful review.

Senator BRADLEY and I offer our legislation within the context of these deliberations. We are introducing our bill today to send a loud and clear signal. To EPA we say, "get moving." To our constituents and Americans across this country, we offer our commitment to protect them from the threat of toxic waste.

I look forward to working with my colleagues on this legislation this year. I fervently hope that the President will appoint a professional, nonpartisan Administrator, to replace Mrs. Burford at the EPA, who will manifest a real commitment to the mission of that agency and to the public it serves. In turn, Mr. President, I hope the Congress will act to block further cuts in essential EPA programs, reject recommendations to weaken our environmental laws, and insist that EPA enforce the law vigorously.●

● Mr. MITCHELL. Mr. President, I am pleased to join as a cosponsor in

the introduction of legislation to extend the life of the Comprehensive Environmental Response, Compensation and Liability Act, known as the Superfund law. Unless reauthorized, the law will expire in 1985. It is beyond question that the purposes for which the Congress enacted the law in 1980 will not be accomplished by them.

In 1980, the Congress put in place a mechanism to deal with the thousands of abandoned hazardous waste sites across the country as well as the many other sources of the release of hazardous substances into the environment.

In fact, the task of addressing the widespread toxic chemical contamination in this country has hardly been started, almost 2½ years later. The law was not perfect. The magnitude of the problem was not known. And perhaps we were overly optimistic. But the fact of the matter is that the law has not really been tested and found wanting. It has not been tried by the Environmental Protection Agency.

The implementation of this law has proceeded extremely slowly. Relatively little money has been expended from the Superfund and relatively few suits have been filed.

We do not know the extent to which the 1980 Superfund law needs midcourse corrections. We still do not have a complete understanding of the magnitude of the problem. But we do know that the goals of the Superfund program will not be accomplished by the end of fiscal year 1985.

I intend to examine closely the need for modifications to the law. But it is important to send the signal now that there remains a strong commitment to the protection of public health and the environment from the toxic poisons that are an actual or potential threat to every citizen in this country.●

Mr. BRADLEY. Mr. President, I ask unanimous consent that Senators EAGLETON, STAFFORD, RANDOLPH, and HOLLINGS be listed as original cosponsors of the bill that I introduce today to extend the Superfund for another 5 years from 1985 to 1990.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT REFERRAL OF LEGISLATION TO EXTEND THE SUPERFUND LAW

Mr. STEVENS. Mr. President, I ask unanimous consent that the bill Senator BRADLEY introduced today dealing with extending the Superfund law, be jointly referred to the Finance Committee and the Committee on Environment and Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE 1983 ST. PATRICK'S DAY MESSAGE OF THE FRIENDS OF IRELAND

Mr. KENNEDY. Mr. President, on behalf of the Senate members of the Friends of Ireland, it is a privilege for me to submit our 1983 St. Patrick's Day message, signed by 30 Members of the Senate and 49 Members of the House of Representatives. I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

THE FRIENDS OF IRELAND 1983 ST. PATRICK'S DAY MESSAGE

Those of us in Congress who follow Irish affairs have in recent years chosen the occasion of St. Patrick's Day to reaffirm our commitments both to help end the violence in Northern Ireland and to contribute by peaceful means to the great goal of Irish unity.

Two years ago, we founded the Friends of Ireland to provide a forum for an informed American role in assisting an overall political settlement. As Friends of Ireland, we shall continue to do all we can in the year ahead to inform the Congress and the American people about the conflict in Ireland, and to further the goal of a just and enduring peace.

It must surely be clear that any lasting political settlement in Northern Ireland can be achieved only by peaceful and constitutional means, through negotiation, compromise, and with the consent of all those involved—not by ultimatum, intimidation, or violence, which serve only to prolong the anguish of that deeply divided community and frustrate progress toward unity and political reconciliation.

On this St. Patrick's Day, therefore, we appeal again to our fellow Americans to reject those who believe in bloodshed, to renounce organizations which are the agents of violence and to deny American dollars to any group that condons or contributes to the killing. Instead, we urge our fellow citizens to be unyielding in their commitment to peaceful political change.

1982 was a year of disappointment and concern for all of us who hope for peace in Northern Ireland. Callous bombings, vicious assassinations, and reckless maimings of the innocent carried out by terrorist organizations have contributed to the atmosphere of despondency and aggravated the cycle of vengeance in a community that has already suffered too much for too long. Disturbing allegations about a recent pattern of shooting incidents by the security forces in Northern Ireland and continued reliance by law enforcement authorities on lethal plastic bullets are cause for deep concern. Chronic unemployment, the continuing British commitment to an unworkable political proposal, and the lack of progress toward ending institutionalized discrimination in Northern Ireland have dimmed the hope of early progress in resolving economic and political problems.

At the heart of the Northern Ireland conflict lies a profound crisis of identity and allegiance. Just as the troubles will not be battered or bombed away by terrorists, so they cannot be wished away by measures that serve only to preserve the status quo. The roots of the conflict lie deep in the history of Ireland and in the record of Britain's involvement there. As such, we believe it requires the bold cooperation of both the British and the Irish Governments jointly pursuing at the highest levels a new strategy of reconciliation.

In the summit agreements of Irish and British Prime Ministers, there exists the framework for pursuit of such a strategy. We therefore would welcome—and encourage—revival of contacts between the two Governments at this level.

We are also heartened by the progress within Ireland of the debate on reconciliation. We commend the important recent decision by the Irish Government to establish a forum for consultation on the means by which peace and stability can be achieved in a new Ireland through the democratic process. We are especially encouraged by the agreement of all the political parties in the Republic of Ireland and of the Social Democratic and Labour Party in Northern Ireland to participate in this forum. And we welcome their action in seeking the views of all peoples of both traditions in Ireland, North and South, who share the objectives of this constructive new undertaking.

We hope that steps such as these will lead in the very near future to a solemn commitment by all the parties to heal the divisions within Northern Ireland and to reconcile the two major traditions that exist in Ireland.

There should also be an American dimension to this healing process. As Friends of Ireland, we have been heartened by the support we have received for our endeavors from the Irish Government and Parliament. We believe that the cause of reconciliation between the Protestant and Catholic traditions in Ireland and between Britain and Ireland is one which merits the full support and the responsible involvement of the United States.

To this end, the Friends of Ireland have sought to foster a close working relationship with the Parliament in Ireland, with the Government there, and with the main political parties of that Nation. Last year, at the invitation of the Speaker of the Irish Parliament, a delegation of the Friends of Ireland visited Ireland for meetings with party leaders and with the Government. Since then, a sister organization has been established in the Irish Parliament to advance our shared goal of greater understanding and cooperation between our two peoples. We send greetings to our friends in the Irish Parliament. We warmly welcome their message of support today, and look forward to receiving them soon in Washington.

On this St. Patrick's Day, we renew our commitment to the great goal of Irish unity, and reiterate our conviction that the only sure road to a just and lasting peace is to end the division of the Irish people. We seek a unity based on democratic principles, achieved by negotiation and persuasion, secured with consent freely given by a majority of the people of Northern Ireland and with full constitutional safeguards for the rights and traditions of all concerned.

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ST. PATRICK'S DAY MESSAGE TO THE FRIENDS OF IRELAND GROUP IN THE U.S. CONGRESS FROM MR. TOM FITZPATRICK, T.D., CEANN COMHAIRLE (SPEAKER), DAIL EIREANN AND CHAIRMAN OF THE IRISH-UNITED STATES PARLIAMENTARY GROUP

On the occasion of Saint Patrick's Day 1983, I send you from Ireland the greetings and good wishes of all the Members of the Irish-United States Parliamentary Group which we have recently established in the Houses of the Oireachtas as a counterpart to the Friends of Ireland in the United States Congress. We welcome the constructive interest you have taken in Irish affairs over the years and share with you a deep commitment to the goals of peace, reconciliation and unity in Ireland. It is our certain conviction, as it is yours, that unity can be achieved only by peaceful democratic means, through persuasion, negotiation and agreement and not by violence or intimidation.

We look forward to meeting with you, the Friends of Ireland, in Washington in the near future.

EMERGENCY JOBS APPROPRIATIONS, 1983

INCREASED AID FOR THE HOMELESS

Mr. BRADLEY. Mr. President, yesterday, the Senator from Arkansas was going to offer an amendment to the jobs bill to provide $50 million in additional funds for emergency food and shelter for the homeless. My understanding is that the Senator withdrew the amendment for fear that this and other increases in funding would further risk a Presidential veto. The amendment would have doubled the amount of aid appropriated to the Federal Emergency Management Agency to fund various efforts to aid the homeless. Although we were unable to include $100 million in funding, I am pleased that we were able to include $50 million in funding for this valuable initiative.

Mr. President, the most recent estimates are that there are between 250,000 to 1 million homeless in the United States today. We tend to stereotype the homeless as middle-aged alcoholics, drug addicts, and derelicts, but this is simply not the case. People now needing assistance include the indigent elderly, battered women, runaways, the mentally ill who have been hurt by the deinstitutionalization movement, and the "new poor"—recession victims who have lost their jobs, their unemployment benefits, their money, their homes, and finally their hope.

The homeless can be found beneath highway bridges, on subway grates, in cars, tents, doorways, and parks in every city and State in the Nation. Their misery is visible not only in the big cities like New York and Philadelphia but also in Jersey City, Newark, Paterson, Trenton, and Camden. Volunteer efforts simply cannot handle the problem alone. New York City only has about 4,000 beds for its 36,000 odd homeless. And representatives from churches and human service organizations in New Jersey tell me that lines at soup kitchens and emergency shelters are growing longer and longer. We need to provide Federal funds to help support these efforts.

Last December, we successfully added $50 million in funding to the Senate version of the continuing resolution to aid the homeless. Unfortunately, these funds were dropped in conference with the House. I understand that those were hectic days in the Congress and I appreciate the pressures and demands the conferees worked under, but the net result of all of our efforts was that the Congress went home for Christmas while those who had no home were literally left out in the cold all winter long. Well, Mr. President, spring is coming, and with it—perhaps—comes hope for the homeless. The Senate and House bills both include $50 million in aid for the homeless and I am hopeful that this time we will be successful in our efforts. While $50 million is not enough to solve the problems of the homeless, it is clearly better than nothing.

Mr. President, this Nation was built by immigrants searching for a new home in a land of opportunity; I am afraid that some Americans are still searching. I urge my colleagues to help these people find, if not the American Dream, at least a safe place to sleep.

INCREASED HEALTH BENEFITS AND JOBS FOR THE UNEMPLOYED

Mr. President, on Monday, I cosponsored Senator EAGLETON's amendment to increase funding for two critical programs—the maternal and child health block grant and community and home health services. I am pleased that the Senate adopted our amendment. With this additional money, a total of $115 million, there is no question that we can provide important help for the unemployed. Not only will we be able to offer urgently neded health care, but we also will be creating jobs for those who will provide these expanded services.

As the economic recession has dragged on, I have become greatly concerned about health department reports and news media accounts describing the problems of unemployed Americans left with little health care coverage, or none at all. The cry of distress is particularly loud and clear in our major cities, where the poor and unemployed are concentrated.

As the safety nets have been removed, those least able to care for themselves have been the most affected. There are countless examples: Women delivering babies at the hospital doorstep without any prenatal care. Newborn children with birth weight so low that they run a great risk of illness. And, yes, even death due to grossly inadequate maternal nutrition and prenatal care.

But such problems can be addressed effectively through the maternal and child health program. That is why I have supported the program for years, in the Finance Committee and in the Senate. And that is why I have resisted the benefit cuts implemented by this administration. And that is why I cosponsored the Eagleton amendment, which will provide an additional $75 million for the program.

In addition, it is clear that community health centers are vital to many unemployed workers who lose their benefits and the ability to seek private medical care. These facilities have experienced a dramatic rise in outpatient visits as the recession has deepened. Yet, funding for these centers have been slashed and a third of them closed. Located predominantly in cities and the areas of high unemployment and poverty, these centers deserve more funds and they will get $40 million more now that the amendment has been approved.

I am pleased that my colleagues adopted this two-pronged amendment which will provide better health care for the poor and unemployed and more jobs in the health care field.

GENERAL REVENUE SHARING

Mr. President, on Monday, I cosponsored an amendment offered by the Senator from Pennsylvania to speed up general revenue-sharing payments by one fiscal quarter. This amendment, which was adopted by the Senate, will provide local governments in April with an additional $1.15 billion of general revenue-sharing funds.

Mr. President, this technical change to the revenue-sharing program will not necessitate an increase in Federal appropriations. Since the general revenue-sharing program was created in 1971, Federal payments to local governments have been made 5 days after the end of each fiscal quarter. Our amendment simply eliminates the lag by making quarterly payments at the beginning of each quarter starting in April 1983, which will not affect fiscal year 1983 appropriations but will increase 1983 outlays by $1.15 billion.

In 1983, the general revenue-sharing program was scheduled to provide $4.6 billion to about 40,000 counties and local governments; all 21 counties and 333 municipalities in New Jersey would have received about $145 million; the amendment that was adopted Monday means that New Jersey counties and municipalities will receive an additional $37 million next month—money that will help our local governments better cope with the recession.

Mr. President, it is essential that we provide additional revenue-sharing aid. Many counties and local governments in my home State are facing serious financial crises as a result of the recession and the cutbacks in Federal aid and are therefore unable to provide essential services. State governments have been unable to provide relief because State treasuries are in no better shape than local treasuries. It is altogether an appropriate Federal role to help these jurisdictions provide services to people hard hit by the recession, and therefore I urge the conferees on the jobs bill to support the Senate position on revenue sharing.

● Mr. LAUTENBERG. Mr. President, today the Senate continues consideration of H.R. 1718, a bill making appropriations to provide emergency funds to meet the urgent needs of many of our citizens. Although I, like many Senators, may have reservations about certain parts of this legislation, the basic core of this bill is not only supportable; it is of critical importance to the many victims of the Reagan recession. It is my intention to support the jobs portion of this bill, title I, and the emergency unemployment insurance provisions in title II.

Mr. President, creating work for our citizens and assisting the victims of the recession in coping with the devastating effects of unemployment are long past due. There are in this bill essential provisions to insure adequate unemployment benefits, to create useful jobs for the unemployed and to provide for urgent and basic human needs for health care and nutrition. Funds are provided for the dislocated worker program, summer youth employment, weatherization programs, and community development block grants, among other existing programs. H.R. 1718 also reverses shortsighted decisions by the administration to reduce assistance to mass transit capital improvements and urban development through the UDAG program. All of the provisions are important to my State of New Jersey, which suffers high unemployment, particularly in our urban centers, and is heavily dependent on mass transit.

Mr. President, during consideration of this bill, I have supported amendments to this legislation to expand its significance to those most in need.

Perhaps the most appalling and tragic evidence of the toll unemployment takes on families is the increase in suicides, heart disease, and other stress-related disorders. The Senator from Missouri (Mr. EAGLETON), offered an amendment to increase maternal and child health care funding, preventive health services, and community health center programs to combat these tragic side effects of unemployment. I supported him.

I was particularly pleased to join my colleague, Senator BRADLEY, in an effort to address the mass transit needs of New Jersey. The $20 million contained in the Bradley amendment will produce 500 badly needed jobs while providing for the design and construction of bus maintenance facilities.

I also supported Senator BRADLEY in offering a $50 million appropriation for urban parks—a program the administration wants to end. The urban parks program has been a fine one in my State and in other northeastern communities. Not only does it improve the physical appearance, utility, and durability of these facilities, but it also provides young people with productive labor.

Further, Mr. President, the Senator from Pennsylvania (Mr. HEINZ), has moved to accelerate revenue sharing payments to local governments by allocating funds at the beginning of each quarter. During this, as other recessions, local governments, hard pressed for revenues, find themselves raising taxes and laying off employees, exactly the opposite of a stimulative policy. The Heinz amendment would assist local governments in stabilizing their local situations and enable them to move in concert with the Federal jobs creation effort.

Senators MOYNIHAN and CHAFEE offered an amendment to continue Bureau of Reclamation and Corps of Engineer projects at a restrained level, as compared to the funding approved by the Appropriations Committee. They proposed shifting these funds to the EPA sewage treatment construction grants program—critical to my State of New Jersey. I support this amendment.

Mr. President, I have followed with great interest the debate in this Chamber regarding targeting of funds according to aggregate unemployment levels. While I do not suggest that the needs of the States with high aggregate unemployment levels are not great—my State, like New York and Texas, does not score well in the aggregate but has heavy concentrations of joblessness and poverty in areas scattered throughout New Jersey. In fact, Mr. President, the Washington Post reported last week that New Jersey contains two of the top five poorest cities in this Nation. I am pleased to note that the compromise targeting provisions worked out between Senators ABDNOR and HATFIELD moved in the direction of addressing the needs of my State, as compared to the disadvantages in the original committee bill.

Mr. President, H.R. 1718 is a small step to meet immediate needs. Once this is achieved, the Senate must turn to address serious long-term economic problems, such as productivity, interest rates, U.S. competitiveness in international trade, and reconstruction of our physical infrastructure. I look forward to participating in forging solutions to these problems.

But today, Mr. President, we are attempting to provide a ray of hope to the jobless. Many of us would have gone further than what this bill provides, but were constrained by what the President will ultimately accept.

Nonetheless, we must remain mindful of what is at the heart of this matter. In assisting the unemployed, we seek to replace exclusion and fear by involvement and confidence.

In the report which accompanies this legislation there are some cold statistics. In December, unemployment was at 10.8 percent of the civil-

ian work force. For 1984, the administration projects an unemployment rate of 9.9 percent. For blacks, the fourth quarter of 1982 found unemployment at 20.4 percent and for minority teenagers, the rate was a devastating 44.6 percent.

Mr. President, statistics, by their nature, are cold. While they usefully describe the size of the problem, they fail to convey the human suffering which accompanies unemployment.

Mr. President, the opportunity to make a contribution to our Nation and provide for our families is central to our way of life. That fact is a measure of the pain involved when men and women in this Nation have nothing to engage them but a search for work that is not there or a dispiriting trip to the unemployment office.

The measure before us provides a small and necessary step toward economic recovery and alleviation of the anguish caused by this recession. To those who have been excluded from the mainstream of economic life, it seeks to include them. And, to those who exist on the edges of our economy and fear for their jobs, it seeks to provide a small measure of confidence.

Mr. President, on a small strip of land visible to the citizens of my State of New Jersey there is a symbol—a promise. It is known as the Statue of Liberty. It has said to so many people, "Come to America, work, and prosper." We know what the hope it symbolizes means, because we have seen it work, often in our own families.

When we seek to provide work for our people, we keep alive this hope and that promise.●

UNPRINTED AMENDMENT NO. 45 TO H.R. 1718: INAPPROPRIATE AND UNWARRANTED PREFERENTIAL TREATMENT

Mr. CRANSTON. Mr. President, with respect to the emergency jobs appropriations bill, H.R. 1718, I want to discuss briefly an amendment offered to that bill by the distinguished Senator from Washington (Mr. GORTON) and adopted yesterday by the Senate. This amendment—unprinted amendment numbered 45—would, according to its purpose clause, protect veterans' educational benefits for student veterans at Evergreen State College in Washington.

When this amendment first became known to me, during the discussion late Monday evening regarding time agreements on amendments, it was in no way portrayed as an amendment that dealt with issues relating to the VA or veterans' educational benefits. As a matter of fact, the sole discussion at that time—and I was on the floor then—pertained to a speech the distinguished majority leader had once made at Evergreen State College.

When this amendment came before the Senate yesterday afternoon under the 5-minute time agreement entered into the previous evening, it was represented that this amendment had been cleared by the distinguished chairman of the Subcommittee on HUD-Independent Agencies Appropriations, Mr. GARN, and by the distinguished chairman of the Veterans' Affairs Committee, Mr. SIMPSON.

Regrettably, Mr. President, the amendment was not cleared by this side of the aisle. As ranking minority member of the Committee on Veterans' Affairs, I believe that the amendment should have been discussed with me.

Additionally, I have learned that my good friend and colleague from Wyoming, Mr. SIMPSON, did not clear the amendment as was asserted.

Mr. President, I feel very strongly that when we are legislating under these kinds of rapid fire time agreements, it is incumbent on the floor managers of legislation to assure that matters are fully cleared on both sides of the aisle and are cleared by both the authorizing and appropriating committees when matters within their jurisdictions are involved.

In this case, there was no clearance solicited from me and none received from either the majority or minority on the Veterans' Affairs Committee despite the fact that the special-interest amendment specifically and expressly would, in the case of Evergreen State College, contravene the provisions of title 38 of the United States Code, and do so retroactively, and therefore is clearly legislative in nature and out of order on an appropriations measure.

This lack of appropriate clearance is particularly unfortunate, Mr. President, since I would not have cleared this amendment. I would have most certainly opposed it. It relates to a matter that I and the Veterans' Affairs Committees in each House believed had been resolved in 1980 by virtue of the passage of Public Law 96-466, the Veterans' Rehabilitation and Education Amendments of 1980. That issue, Mr. President, is one that has been come to be known as seat time—how many classroom hours are required for purposes of obtaining full-time educational assistance allowances under the GI bill. This is one of the most complicated, most controversial aspects of GI bill-related legislation that I dealt with during my 4-year tenure as chairman of the Veterans' Affairs Committee.

The "seat-time" issue has been at the heart of at least three lawsuits in recent years, including the lawsuit referred to by the Senator from Washington. The VA has prevailed in each of these cases. It is an issue the intricacies of which may best be understood by reference to an excerpt from our committee report on the legislation which eventually became Public Law 96-466—Senate report No. 96-314 to accompany S. 870. This excerpt from pages 50 to 54 of the report describes the background on this issue and the two new measurement criteria that the Senate Committee on Veterans' Affairs designed, over strong VA opposition, to deal with these problems. I ask unanimous consent, Mr. President, that this excerpt be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

[Excerpt from Senate Report No. 96-314 on the GI Bill Amendments Act of 1979 (S. 870)]

"SEAT TIME"

One of the most controversial aspects relating to the administration of VA educational assistance programs relates to the issue of "seat time" or "contact hours" in connection with the measurement of full-time courses for the purposes of GI Bill benefits. This controversy involves interpretation of the institutional undergraduate measurement criteria in current section 1788(a)(4). Basically, that section provides that, in order to be considered full time, a course must require a minimum of 12 semester hours.

VA policy, as provided in DVB Circular 20-77-16 and 38 CFR 21.4200(g) and 21.4272, interprets the measurement criterion in section 1788(a)(4) to mean pursuit of a program at the site of a college or university requiring regularly scheduled weekly classroom instruction at the rate of one standard class session per week throughout the quarter or semester for each quarter- or semester-hour of credit; and defines a standard class session as 1 hour (or a 50-minute period) of academic instruction, 2 hours of laboratory instruction, or 3 hours of workship training. This means that in order for a course to be considered full time for payment of VA educational assistance it must offer, on campus, a minimum of 12 hours (or twelve 50-minute sessions) of traditional classroom instruction (or the equivalent in laboratory or workshop training) each week of the semester.

The VA asserts that this interpretation is consistent with the meaning of the terms "quarter- or semester-hour basis" and "semester hours or the equivalent" used in the statute. The VA points out that, historically, American colleges and universities have defined a semester credit hour as one scheduled hour (or 50-minute session) of classroom lecture per week for the length of the semester and have traditionally assumed that 2 hours of outside preparation are necessary for each hour of class. Consequently, a student enrolled for 12 semester hours is considered to be required to devote 36 hours per week (12 class sessions plus 24 hours of class preparation) toward his or her educational pursuit in order to be a full-time student for the purposes of payment of GI Bill benefits.

Those within the education community who oppose the Veterans' Administration's adoption of these course measurement criteria for purposes of GI Bill payment argue that the VA has no statutory authority under section 1788(a)(4) or otherwise to dictate what constitutes a standard class session or to what extent institutions may offer classes on other than a weekly basis. The education community contends that the schools, not the VA, have the authority under title 38 to define what constitutes a

full-time program of education, and that the law requires that the VA pay full-time educational benefits when the school, not the VA, determines that the veteran is pursuing a full-time course.

The Committee is aware of and sympathetic to the need for controls in this area. There is evidence that, in the absence of any "seat time" requirements, abuses of the GI Bill could occur more frequently and that, in some cases, courses have been structured specifically for veterans that offer full-time credit for considerably less than full-time pursuit. However, the Committee is also aware of increasing nontraditional approaches to education and the trend to structure courses in innovative ways in order to accommodate and serve a broad and diverse universe of student needs for quality education.

Serious problems relating to the VA's implementation of this provision have arisen in such instances of nontraditional programs. Increasingly, schools are resorting to litigation to seek to sustain their position that it is the basic responsibility of the school to determine the full-time or part-time status of a student and, thus, the appropriate rate of payment through its certification of training to the VA.

The "seat time" controversy between certain degree-granting institutions and the VA has resulted in suits against the agency in three jurisdictions: Michigan (*Wayne State University* v. *Cleland*, 440 F. Supp. 811 (E.D. Mich. 1977), *rev'd and remanded*, 590 F.2d 627 (6 Cir. 1978)); Iowa (*Merged Area X (Education)* v. *Cleland*, No. C 78-46 (N.D. Iowa 1979), *rev'd and remanded*, No. 78-1757 (8th Cir. Aug. 1, 1979))—involving Kirkwood Community College; and Washington (*Evergreen State College* v. *Cleland*, 467 F. Supp. 408 (W.D. Wash. 1979), appeal pending). In each case, the school bringing the action mounted a successful challenge at the Federal district court level against the VA's authority to promulgate and enforce its "seat time" regulations. However, in two of these cases—*Wayne State* and *Merged Area X*—the VA prevailed on appeal; a VA appeal is still pending in the *Evergreen* case, although the district court has ordered the VA to pay benefits based on the institution's certification of full-time pursuit.

In the *Wayne State* case, the United States Court of Appeals for the Sixth Circuit overturned the lower court's decision that the Administrator lacked authority to impose a weekly class session requirement in order for a program of education to qualify for full-time benefits. Further, it found that such regulations not only were a rational and reasonable interpretation of the statutory term "semester hour", but also were a reasonable means to prevent abuses in the GI Bill educational benefits program. The Eighth Circuit agreed with this analysis in its recent reversal of the district court decision involving Kirkwood Community College.

In 1977, in connection with the GI Bill Improvement Act of 1977 (Public Law 95-202), the Congress directed the Administrator to conduct a study of the "seat time" issue and report to the Congress the need for legislative and administrative actions regarding the class session requirements of the VA. That study, entitled "Progress or Abuse—A Choice", was submitted to the Congress on December 6, 1978. In that study, the VA found that the vast majority of undergraduate courses were carried out on a basis that meets the VA "seat time" and standard class session criteria. The VA, in its recommendations, proposed Congressional reaffirmation of the VA's policies under current law and the VA's implementation of the statutory distinctions in benefit levels based upon the type of program and periods of course pursuit. It also recommended Congressional clarification of those areas in dispute and the measurement and amount of benefits intended to be payable for nontraditional programs.

The VA's report is based, in part, on data gathered by William G. Shannon and Associates under contract with the VA, and a portion of the report prepared by Shannon and Associates set forth recommendations compiled during the course of their data collection study. However, this portion was deleted by the VA from the material submitted to the Congress. That portion of Dr. Shannon's study concludes that, while Congressional clarification of the "seat time" issue is necessary, "[o]nly Congress can set the proper tone and legal framework by formulating the basic pertinent legislation". This material also stated that "Congress can go a long way to removing some of the psychological and other obstacles presently in the way of those veterans who are striving to get education and training." It further stated:

"With positive and affirmative support from Congress, the VA's difficulty in administering laws and regulations which incur the wrath of the educational community and the veteran can be lessened. . . . Further, a lessening of the "policy" role which the VA has been required to maintain should be able to result in an improved relationship with the veteran . . . ."

Specifically, the report set forth the following recommendation from the field: "Eliminate the VA 'seat time' regulation and rely on each accredited institution's definition of 'full-time' and 'part-time' student."

Sections 301 and 305 of the Committee bill would clarify the Administrator's authority to promulgate regulations relating to pursuit and measurement of programs of education and make Congressional intent clear with respect to the measurement of full-time courses in nontraditional programs by providing a new measurement criteria. The Committee stresses that these amendments proposed to be made relating to the Administrator's authority must be viewed in conjunction with the proposed alternative measures of full-time pursuit of programs of education, discussed below.

The Committee recognizes that many of the most reputable and reliable experts, both in the education community and in the VA, have attempted to resolve this "seat time" issue. It is also aware that a Subcommittee of the Administrators' Advisory Committee on Education and Rehabilitation is currently involved in an effort to develop a solution upon which all can agree. However, the Committee believes that, without express Congressional clarification, resolution may never be achieved. Thus, the Committee recommends the provisions in sections 301 and 305 of the Committee bill in the hope that they will put an end to the expensive and, at times, acrimonious controversy between the education community and the VA, and stop the drain of resources devoted to enforcement and litigation that has resulted therefrom. The Committee has sought to strike a balance between the competing contentions and viewpoints of the VA and the education community and to end the uncertainty of the student in receipt of VA educational assistance who is caught in the middle of this wasteful bickering and may, as a result, be held liable for excess payments made pursuant to court orders.

CLARIFICATION OF ADMINISTRATOR'S AUTHORITY

The Committee bill would clarify that the Administrator has the authority in section 1780(a) to promulgate and enforce regulations to implement the provisions of chapters 34, 35, and 36, relating to enrollment, attendance, and pursuit of a program of education. The Committee bill would also provide that payment may be made for an actual period of pursuit that is shorter than the period of enrollment. Current law is not specific with respect to the authority of the Administrator to pay benefits only for an actual period of pursuit. The Committee bill would have the effect of making clear that the Administrator has the authority to promulgate regulations for the payment of benefits and to determine the period of pursuit in accordance with the provisions of chapters 34, 35, and 36. Thus, for example, a veteran pursuing a full-time course of only 6 weeks duration while enrolled for the length of a semester (15 weeks) would properly be paid full-time benefits only for the 6-week period of pursuit rather than for the 15-week period of enrollment—except as provided in the new, alternative measurement criteria proposed in the Committee bill and discussed below.

The Committee bill would further provide that the course measurement criteria set forth in section 1788(a)(4) are applicable only to undergraduate courses offered in residence at institutions of higher learning on a standard quarter- or semester-hour basis by a college or university. Current law does not expressly limit the applicability of these criteria to courses offered in residence or define a standard quarter or semester hour. However, VA policy, in DVB Circular 20-77-16 and 28 CFR 21.4200(g) and 21.4272, interprets this measurement criterion to mean pursuit of a program at the site of a college or university requiring regularly scheduled weekly classroom instruction at the rate of one standard class session per week throughout the quarter or semester for each quarter or semester hour of credit. A standard class session is interpreted as 1 hour (or normally a 50-minute period) of academic instruction, 2 hours of laboratory instruction, or 3 hours of workshop training. The Committee bill would codify this definition. This means that in order for a course to be considered full time for VA benefit purposes under the provisions of section 1788(a)(4) it would have to offer, on campus, a minimum of 12 hours (or twelve 50-minute sessions) of traditional classroom instruction for each week of the semester. Thus, the effect of the Committee bill would be to codify current VA practice and provide statutory clarification in section 1788(a)(4) as to the measurement of a full-time program education—again except as provided in respect to the new, alternative measurement criteria proposed in the Committee bill and discussed below.

NEW ALTERNATIVE MEASUREMENT CRITERIA

The Committee bill would establish an alternative measurement of a full-time program of education and provide for appropriate rates of benefit payments for courses determined to be full-time thereunder. This measurement is intended to permit greater flexibility for the student to pursue nontraditional programs, but is designed so as to minimize abuses of VA educational assistance that might otherwise occur.

The Committee bill would provide that, notwithstanding any other provision of title 38 (including the Administrator's authority to make determinations regarding collegiate course measurement as clarified and codified by the Committee bill provisions discussed immediately above), an undergraduate course offered by a college or university would be considered full time if the institution considers it to be a full-time course, if less than 50 percent of the enrolled students enrolled in the course are receiving GI Bill benefits, if it is offered a residence, and if it is equal in all respects (except the number of regularly scheduled weekly class sessions) to other full-time courses offered at the institution that do or would meet the regular VA "seat time" criteria as proposed to be codified by the Committee bill in section 1788(a)(4). Under the Committee bill, veterans and eligible persons enrolled in such courses would be paid at the rate for a cooperative program. This rate is currently $251 a month for a single veteran—or about four-fifths of the full-time rate. The Committee believes that these criteria will serve to prevent courses from being designed solely for the enrollment of GI Bill trainees. Under current law, such a course that fails to meet the VA's measurement criteria promulgated pursuant to section 1788(a)(4) is subject to the provisions of section 1788(b), relating to the Administrator's authority to define part-time training in the case of courses not meeting the requirements of section 1788(a) and full- and part-time training in the case of all other types of courses. Thus, based on the facts related to the course, the Administrator would determine, administratively, the appropriate rate of educational assistance allowance to be paid—which could range from payment for a course of independent study or less than half-time pursuit (the lesser of tuition and fees or $156 a month) to payment for full-time pursuit ($311 a month).

The Committee bill would further provide that a course would be considered full time for GI Bill benefit purposes if it meets the criteria described above and, during the term, quarter, or semester for which the course is offered, requires a cumulative total number of standard class sessions equal to the number required by the VA to meet the weekly "seat time" definition of full-time pursuit multiplied by the total number of weeks in the term, quarter, or semester. Under the Committee bill, veterans and eligible persons enrolled in these courses would be paid at the rate for a full-time institutional program. This rate is currently $311 a month for a single veteran. Under current VA regulations, this course would also be subject to the provisions of section 1788(b) and the payment of the educational assistance allowance would be determined administratively as discussed above.

Thus, the effect of the Committee bill in this regard would be to provide a means by which certain courses offered at an institution of higher learning not meeting the criteria proposed to be incorporated in section 1788(a)(4) by the Committee bill may be considered full time and paid at the full-time, or slightly less than full-time, rates.

Mr. CRANSTON. Mr. President, during negotiations with the House on the GI bill legislation in 1980, we were not entirely successful with the Senate-passed provisions described in this excerpt. We were able, however, after extensive negotiations during which the Senate persisted in its position in order to provide some relief to schools with innovative, nontraditional curricula to reach some agreement on an alternative measurement criterion. At this time, I ask unanimous consent that an excerpt from the explanation of the compromise agreement regarding this issue be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

[Excerpt from the CONGRESSIONAL RECORD, Friday, Sept. 26, 1980, vol. 126, No. 151]

EXPLANATORY STATEMENT

For the purposes of this explanatory statement, the "House bill" refers to H.R. 7394 as passed by the House of Representatives on July 21, 1980, the "Senate amendment" refers to H.R. 5288 as passed by the Senate on January 24, 1980, and the "Senate bill" refers to S. 1188 as passed by the Senate on September 4, 1980.

* * * * *

Seat-time: measurement of courses

Both the House bill and the Senate amendment would amend chapter 36 to codify current VA policy and practice with respect to the measurement of institutional undergraduate courses for the purposes of payment of GI Bill benefits. VA policy as provided in DVB Circular 20-77-16 and 38 CFR 21.4200(g) and 21.4272, interprets the measurement criterion in present section 1788(a)(4) to mean pursuit of a program at the site of a college or university requiring regularly scheduled weekly classroom instruction at the rate of one standard class session per week through the quarter or semester for each quarter- or semester-hour of credit; and defines a standard class session as 1 hour (or a 50-minute period) of academic instruction, 3 hours of laboratory instruction, or 2 hours of workshop training.

The compromise agreement contains this provision.

The Senate amendment, but not the House bill, would provide two alternative measurement criteria for full-time courses.

Under the first alternative criterion, an undergraduate course would be considered full time and paid at not less than the cooperative rate if (a) the institution considers it to be a full time course; (b) less than 50 percent of the students enrolled in the course are receiving VA education benefits; (c) the course is offered in residence; and (d) it is equal in all respects (including tuition) except the number of regularly scheduled weekly class sessions, to other full-time courses offered at the institution that do or would meet the regular "seat time" criterion as it is proposed to be codified. Under the second alternative criterion, a course would be considered full time and paid at the full-time rate if it meets the first alternative criterion and, during the term, quarter, or semester for which the course is offered, it required a cumulative total number of standard class sessions equal to the number required by the VA to meet the "seat time" definition of full-time pursuit multiplied by the total number of weeks in the term, quarter, or semester.

The compromise agreement contains an alternative measurement criteria which provides that an institutional undergraduate course that is offered in residence will be considered a full-time course for the purposes of GI Bill benefits if under chapter 34 or 35—

(1) the educational institution offering such course considers it a full-time course and treats it as such for all purposes, including payment of tuition and fees, and awarding of credit (both for meeting graduation requirements and for transferring to other programs of the institution, including its own regular education program);

(2) less than 50 percent of the persons enrolled in such course are receiving educational assistance under title 38;

(3) such course would qualify as a full-time course under section 1788(a)(4) (relating to the measurement of institutional undergraduate courses), except that it does not meet the requirements for weekly class sessions; and

(4) the course requires pursuit of standard class sessions for each credit at a rate no less frequent than bi-weekly, and monthly pursuit of a total cumulative number of standard class sessions equal to the number of standard class sessions which, during the same period of time, is required for a course qualifying as full time under section 1788(a)(4).

The Committees recognize the development by certain educational institutions of nontraditional programs designed to draw into the higher education process those who, for various reasons, are not able to pursue or interested in pursuing an education through traditionally structured undergraduate programs. The Committees believe that this development can be beneficial and is consistent with the purposes of the GI Bill educational assistance program. Consequently, the compromise proposal permits full-time benefit payments for pursuit of such programs under specified circumstances designed to minimize abuse and assure that the course can compete effectively for other than GI Bill-assisted students.

The provisions of the compromise agreement, however, do not attempt to address all existing nontraditional programs, nor all programs which might possibly be established.

Although recognizing the potential advantages of a flexible approach to course structure and scheduling, the Committees also recognize that such flexibility may lend itself to program abuse. Thus, the Committees have sought to strike a reasonable balance between liberalizing measurement criteria for certain nontraditional programs and the continuing need to assure that full-time benefits are paid only for serious full-time pursuit of instruction of a reasonable quality. The Committees intend to monitor very carefully the VA's implementation of the provisions contained in the compromise agreement so as to determine what, if any, abuses may occur in this area, and do not plan to consider further liberalization of the "seat-time" criterion until substantial experience has been gained with its implementation. The Committees direct the Administrator also to monitor these programs closely with respect to abuse. Should the Administrator determine that a significant abuse of VA educational benefits is occurring in a particular course, it is the intention of the Committees that prompt action be taken to correct such abuse or terminate approval of such courses for VA benefit purposes when the provisions of title 38 are violated.

The Committees do not intend that the GI Bill program be utilized as an income supplement. The compromise agreement attempts to provide some area within which the needs of certain veterans can be met while maintaining the integrity of the GI

Bill program. If significant abuses are found to occur, the Committees intend to act promptly to make appropriate tightening amendments to the law, and, in this regard, direct the Administrator to keep them apprised annually, and more often if necessary, of the magnitude of any such abuses. As implementation of this new criterion proceeds, the Committees expect the Administrator and the VA's Advisory Committee on Veterans' Educational Assistance Programs to continue to work together in this area to develop any further appropriate administrative or legislative responses to the "seat-time" issue that experience with such implementation suggests.

* * * * *

Mr. CRANSTON. Mr. President, as my colleagues will readily see from this history, I could not have cleared any amendment dealing with this issue so readily. It is an extremely complicated matter and one which should be addressed—if it needs to be—by the authorizing committee and be dealt with in generic remedial legislation, not slap-dash provisions providing preferential treatment.

Moreover, Mr. President, the discussion relating to this amendment as it appears in the CONGRESSIONAL RECORD at page 5272 is misleading in two respects. First, it was suggested that this amendment sought to address a situation that was unique solely to Evergreen State College. This is not the case. As I have already noted, two other schools were involved in litigation with the VA over this issue. In addition, the VA advises that other schools offer innovative and nontraditional programs of education which the schools consider full time but the VA does not. Providing special GI bill treatment only for students at one school—only to Evergreen State College—would not, therefore, be equitable. And applying these course-measurement criteria—really lack of criteria—to all schools would raise very fundamental questions of opening up serious opportunities for fraud and abuse under the GI bill.

Second, it was suggested that this amendment would involve adding no new costs to the veterans' education program. This also is not the case since to the extent that the amendment would apply prospectively it would mean that veteran-students at Evergreen who would have otherwise been paid less than the full-time GI bill rate for their studies would receive the full-time rate even though they were not pursuing programs on a full-time basis according to the title 38 criterion. This would be entitlement spending from the readjustment benefits account. To the extent that the amendment, because of its retroactive nature, would prohibit the VA from establishing and collecting overpayments, it would mean a loss of revenue to the U.S. Treasury. Since the school has not supplied the necessary documentation required by the VA to assess the actual rate of pursuit by veterans at Evergreen, it is not possible at this time to fix any dollar amounts for these overpayments. Although the direct payment and overpayment collection amounts involved are certainly not expected to be major, Mr. President, there certainly are costs.

Finally, Mr. President, I have requested and received today from the Veterans' Administration a letter setting forth the VA's official position in opposition to this legislation and ask unanimous consent that a copy of this letter be printed in the RECORD at the conclusion of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

VETERANS' ADMINISTRATION, OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., March 16, 1983.

Hon. ALAN CRANSTON,
Ranking Minority Member, Committee on Veterans' Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR CRANSTON: It has come to my attention that an amendment has been added to H.R. 1718, the Emergency Jobs Appropriations Act, 1983, which would cede to one school, Evergreen State College, the authority to dictate the rate of Veterans Administration educational allowances payable to its veteran students pursuing courses approved by the designated State approving agency (SAA). I have great concern about the adverse effects should this amendment be enacted.

This legislation is not advisable for several reasons. First, it would disrupt the integrity of this Agency's administration of the GI Bill educational benefits program. Second, it would create a condition ripe for potential abuse of this program by those whose interest is not serious educational pursuit but, rather, obtaining Federal benefits. Third, it would be in the nature of a private bill, and would prompt other institutions to seek equal treatment to avoid the responsibility of compliance with statutory and regulatory requirements regarding benefits payments. Fourth, it would be a wholly unwarranted measure, and not responsive to our current findings regarding the educational allowances paid to Evergreen students.

Let me emphasize that the Veterans Administration has never challenged the character and quality of education afforded by the Evergreen State College. Ths is not our function. Rather, we are concerned only with the proper administration of the GI Bill, in accordance with the letter and spirit of the law. It was the latter activity which led to our course measurement controversy with the College more than 5 years ago.

Some background may be helpful. In July 1977, we received an anonymous letter concerning veteran students at Evergreen State College who were "ripping off" the Government. Our initial investigation showed that the College operated somewhat as a university without walls; that no grades were given; that the courses to be offered were determined at the beginning of each term based on contracts between the student and the faculty, depending on available resources; that there were no published course schedules; and that the students were engaged in various outside activities for which they received degree credit.

Following a compliance survey of the College, we determined that full-time residence training rates were being paid essentially for independent study pursuit. The College was advised of this determination, and that its proposal that it determine and certify the nature of training in which its veteran students were enrolled was not acceptable since this was a function properly resting in the SAA and the Veterans Administration.

Thereafter, Evergreen brought suit to prevent the Veterans Administration from reducing benefits for students at the College to the independent study rate. It also challenged the Agency regulation that 12 credit hours be supported by a comparable number of standard class sessions each week to be considered full-time training.

This so-called "seat time" controversy was resolved in 1980. The Ninth Circuit Court of Appeals reversed a district court ruling that the Administrator lacked authority to promulgate standard class session requirements for institutions of higher learning. Moreover, the 96th Congress, subsequent to this decision, as well as two other like court decisions on the same issue in different jurisdictions, codified the Veterans Administration's long-standing course measurement policy and practices in order to assure nationwide uniformity and understanding of course measurement application. [Section 345, Public Law 96-466 (October 17, 1980)].

The effect of the proposed amendment here would be to give preferential treatment to one school, and overturn congressional, judicial, and administrative precedent which has brought to this complex course measurement area the essential understanding and uniformity which the Congress has long sought to provide. Moreover, you should be informed that the issues which we currently are discussing with Evergreen State College officials do not involve measurement, per se, and clearly give no warrant to the transfer of vital program administration authority to the school and SAA.

Our current disagreement with the College concerns proper documentation to support authorization of benefits for various types of training pursued by veterans. It stems from audit findings that the school lacked documentation, for example, on activities of many students certified as enrolled in combined resident/independent study programs and in individual learning contract courses. The audit implicates approximately 257 veterans as having discrepancies potentially affecting entitlement to the benefits paid.

I strongly believe that enactment of this proposed amendment would be the wrong action at the wrong time. It would send the wrong signal to educational institutions whose compliance with our requirements is essential to preserve the integrity of the program as well as our authority to ensure that educational benefits are paid as intended.

Therefore, I urge that this proposal, which would exempt this one particular school from the long-established minimal course measurement standards for veterans benefits purposes, be removed from the bill by the House-Senate conferees when it comes before them for consideration.

Sincerely,

EVERETT ALVAREZ, Jr. for:
(For Harry N. Walters,
Administrator).

Mr. CRANSTON. In light of these concerns, Mr. President, I urge the Senate conferees on this measure to

reconsider this ill-timed, ill-advised, and unwise amendment in conference and recede from it. I have contacted the chairman and the ranking minority member of the House Veterans' Affairs Committee about this amendment, and they are communicating their opposition to it to the House conferees on H.R. 1718.

QUORUM CALL

Mr. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. D'AMATO). The Senator has 5 minutes remaining.

Mr. BYRD. With the time that was yielded to me?

The PRESIDING OFFICER. Twelve minutes.

Mr. BYRD. I thank the Chair.

Mr. President, I suggest the absence of a quorum, and I ask that it come out of my time.

The PRESIDING OFFICER. The clerk will call the roll.

The Assistant Secretary of the Senate proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield time remaining to me to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. Mr. President, I thank the distinguished minority leader for his graciousness in yielding me the floor.

TREND IN NUCLEAR ARMS OF U.S. AND U.S.S.R.

Mr. PROXMIRE. Mr. President, in the current issue of Physics Today there is an article that is very helpful to us because, as we all know, the administration has one notion on the balance of nuclear strategic power as between this country and the Soviet Union, and critics of the administration have another. Physics Today provides a highly competent analysis which I think gives us a more objective notion of the comparison between the strategic capability of the two countries.

Barbara Levi of the technical staff of the Bell Laboratories makes a timely and comprehensive statement of the nuclear arsenals of the United States and the Soviet Union. This analysis is useful because it effectively debunks the notion that we can assess the relative strategic strength of each side by simply counting the number of warheads and their invulnerability, which would put the United States ahead, of the number of missiles and their megatonnage, which would put the U.S.S.R. ahead. Miss Levi finds the most significant aspect of the change in nuclear arsenals is that not only have the numbers and types of nuclear weapons grown and continue to race ahead at a rapid rate. But the multiple reentry vehicles have increased greatly. They have longer ranges, greater accuracies, and increasingly sophisticated guidance systems. Miss Levi finds that we would have to assess the relative strength of the two powers on a "multiparameter" scale. And even then the comparison would ignore important qualitative features of the arsenals where much of the recent development has occurred.

Mr. President, I ask unanimous consent that a part of the article entitled "Summary of Trends" and a chart detailing the strategic nuclear arsenals of both sides be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF TRENDS

In both the American and Soviet arsenals, the numbers of launchers have remained relatively constant while the numbers of warheads per launcher have increased and the yield per warhead has decreased. The graph on page 44 depicts a few such trends by comparing the current numbers of warheads and the total destructive power of the two arsenals to those of ten years ago. The US retains its advantage in total warheads while the Soviet Union has moved ahead in total destructive power. The breakdown of these figures into the three components—land, sea and air—illustrates the US triad, the Soviet reliance on and increased strength in its land-based forces, as well as the growth in the sea-based forces of both powers.

To put these comparisons into perspective, the lower graph indicates the size of the retaliatory force—400 EMT—that was defined in the 1960s as that necessary to achieve "mutual assured destruction." The Defense Department under then-Secretary Robert McNamara calculated that the equivalent of 400 one-megaton bombs would destroy 25% of the Soviet population and 50 to 60% of its industry.[8] Although this estimate may be somewhat arbitrary, it provides an order-of-magnitude measure of the extent of overkill now contained in both superpower arsenals.

Another very important trend is the dramatic increase in trageting accuracy of the ballistic missiles, as illustrated in the graph on page 45.[9] The CEPs of the newest ICBMs are now so small that they threaten destruction of hardened targets such as missile silos, as well as population centers and "soft" military installations such as naval bases or airfields. The ability of a missile to damage a hardened target is related to its yield and its CEP. For a given yield, the missile must land close enough to its intended target so that the blast produced at the target exceeds the peak overpresssure the silos was designed to withstand. (Most US silos are hardened to 2000 psi.) A Soviet SS-18 or SS-19 with a yield of about 0.5 Mt and a CEP of 300 m has greater than a 50 percent probability of destroying a Minuteman in its silo,[10] while a Minuteman III could threaten a Soviet land-based launcher.

This "countersilo" capability of the Soviet Union has prompted concern about a "window of vulnerability" for the US during which the USSR could initiate a first strike that could incapacitate nearly all the American ICBMs. Some advocates of the MX contend that it is needed to close this gap. Those who dismiss the concern about a "window of vulnerability" point out that the Russians would not be likely to attempt such an attack, which requires a high degree of simultaneity and reliability that is hardly attainable. Furthermore the US would be left with substantial retaliatory ability in its aircraft and submarines.

The "countersilo" capabilities of both superpowers are alarming to some analysts who view this aspect of the arms race as inherently destabilizing: The more threatening the weapons of one side become towards those of the other side, the greater will be the motivation for each to undertake a preemptive first strike.

Another trend in the arms race is the growing sophistication of electronics used in surveillance and in the command, communications and control (C^3) structures. For example, as part of its antisubmarine warfare, the US has laid an extensive array of passive sonar detectors along its own coast and that of its allies in the North Atlantic and North Pacific; this system is the Sound Surveillance System (SOSUS). For patrolling smaller areas for tactical purposes, the Navy relies on aircraft equipped with magnetic anomaly detectors and with sonobuoys that can be dropped into the ocean, and on the nuclear attack submarines that can both seek and destroy. The US is working to coordinate these various efforts and is implementing higher-speed data processing for more effective signal processing.

Both the US and USSR are considering some form of ballistic missile defense (BMD) system. The Anti-Ballistic Missile Treaty of 1972 allowed each of the two parties to have one ABM system with no more than 100 launchers. The Soviet Union has its Galosh ABM system of some 64 launchers stationed around Moscow. They are reportedly developing a rapidly deployable BMD system that would consist of a phased-array radar, a missile-tracking radar and an interceptor with a high-altitude interception capability.[11] The US has largely dismantled its earlier Safeguard system and is now discussing for the future a possible BMD system for its MX ICBMs. One scheme that might be considered is a layered one, with exo- and endo-atmospheric detectors and interceptors. The first layer would consist of an infrared telescope and non-nuclear interceptor launched to destroy a target above the atmosphere. The second layer would be the Low Altitude Defense System (LOADS) composed of a small phased-array radar and 100 hypersonic missiles armed with nuclear warheads. Depending on their specific implementation, these systems would almost certainly violate the ABM Treaty.

On a more exotic note, both nations are conducting research on high-energy particle beams and laser weapons, despite considerable controversy surrounding their potential. Work is also proceeding on antisatellite technology, and the USSR has already deployed a "killer" satellite for low-orbit attacks.

STRATEGIC NUCLEAR ARSENALS

Delivery vehicle	Number of vehicles	Warheads per vehicle	Yield per warhead (Mt)	Total warheads *N*	Equivalent megatons $NY^{2/3}$	Range (km)	CEP (m)
UNITED STATES							
ICBM's:							
Titan II	52	1	9	52	225	15,000	1,300
Minuteman II	450	1	1.2	450	508	11,300	370
Minuteman III	250	3	.17	750	230	13,000	280
Minuteman III (Improved)	300	3	.335	900	440	NA	220
SLBM's:							
Poseidon C–3	304	10	.05	3,040	413	4,600	450
Trident D–4	216	8	.1	1,728	372	7,400	450
Aircraft:							Maximum speed (Mach)
B–52D	75			300		9,900	0.95
gravity bombs		4	~1				
B–52G	151			1,208		12,000	0.95
gravity bombs		4	~1				
SRAMs [1]		4	.2				
B–52H	90			720		16,000	0.95
gravity bombs		4	~1				
SRAMs [1]		4	.2				
Total gravity					1,114		
Total SRAMs					330		
FB–111A	60	2	~1	120	120	4,700	2.5
RUSSIA							
ICBM's:							CEP (m)
SS–11 Mod 1	570 [2]	1	1	570	570	10,500	1,400
SS–11 Mod 2	Some	3	.1–.3			8,800	1,100
SS–13 Mod 1	60	1	.75	60	50	10,000	2,000
SS–17 Mod 1	150 [2]	4	.75	[3] ~600	[3] ~495	10,000	450
SS–17 Mod 2	Few	1	6			11,000	450
SS–18 Mod 1		1	20	[4] ~2,500	[4] ~2,300	12,000	450
SS–18 Mod 2	250 [4]	8	.90			11,000	450
SS–18 Mod 3	58 [4]	1	20			10,500	350
SS–18 Mod 4		10	.50			9,000	300
SS–18 Mod 5		10	.75			9,000	250
SS–19 Mod 2	few	1	5			10,000	300
SS–19 Mod 3	310 [1]	6	.55	[5] ~1,500	[5] ~1,200	10,000	300
SLBM's:							
SS–N–5	57	1	1	57	57	1,400	2,800
SS–N–6 Mod 1		1	1			2,400	900
SS–N–6 Mod 2	400	1	1	~400	~400	3,000	900
SS–N–6 Mod 3		2	.2			3,000	1,400
SS–N–8 Mod 1		1	1			7,800	1,300
SS–N–8 Mod 2	292	1	.8	[6] ~300	[6] ~250	9,100	900
SS–N–8 Mod 3		3	.2			NA	450
SS–NX–17	12	1	1	12	12	3,900	1,500
SS–N–18 Mod 1		3	.45			7,400	1,400
SS–N–18 Mod 2	208	1	.45	[7] ~1,040	[7] ~430	8,300	600
SS–N–18 Mod 3		7	.2			6,500	600
Aircraft:							Maximum speed (Mach)
TU–95 (Bear)	105	[8] 2	1	210	210	12,800	0.78
Mya–4 (Bison)	45	[8] 2	1	90	90	11,200	0.87

[1] Short range air missile.
[2] An undetermined number of this model have been converted to another model.
[3] Assuming all SS–17's are Mod 1.
[4] Assuming 250 SS–18's are Mod 2 and 58 are Mod 3.
[5] Assuming 250 SS–19's are Mod 3 and 60 are Mod 2.
[6] Assuming all SS–N–8 ICBM's are Mod 2.
[7] Assuming half the SS–N–18 ICBM's are Mod 2 and half are Mod 3.
[8] Either gravity bombs or air-to-surface missiles.

Source: The Military Balance 1981–82, the International Institute for Strategic Studies, London (1982).

HUMAN RIGHTS VIOLATIONS LEND NEW URGENCY FOR A GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the newspapers have been filled with accounts of human rights violations. From points across the globe come reports of senseless torture, killings, and atrocities. These are not isolated incidents but are evidence of a widespread disregard for the fundamental rights belonging to every human inhabitant of this Earth.

We in America are increasingly aware of the needless violence which permeates the modern world. Recently, we have read of mass killings in India's Assam region. We have read of a U.N. report which showed the occurrence of over 2 million unlawful executions in the past 15 years. And just last week, we read of the terrible plight of Indian peasants in Guatemala who have been the victims of indiscriminate slaughter for over a year.

Americans understand that we must maintain our commitment to international human rights.

And that is why, Mr. President, I earnestly hope the Senate will consider the Genocide Convention and at long last ratify that convention.

As the American Bar Association has said, it is a near national disgrace that we have failed to ratify the first Human Rights Convention in all the 34 years since it has been passed and the 33 years since it has been before the Senate. Only this body has to act. The House of Representatives does not have to act. The President does not have to act. This body alone has to act, and we have not done it.

As a leader of the movement which seeks to preserve the sanctity and quality of human life, our country has historically upheld the need for individuals to be protected from oppression.

Yet, the increasing use of violence to solve disputes has brought a greater urgency to the worldwide human rights crisis. No longer can we be content with protecting the rights of only the single individual; we must extend our concerns so that the rights of entire racial, religious, national, and ethnic groups are protected as well.

Mr. President, today's growing number of human rights abuses signals a warning to us all that an incident of genocide may be imminent. The United States must respond to the threat of genocide with concrete action. Our active position in the crusade to protect the fundamental

human rights of each member of the world community necessitates that we participate in making genocide a punishable, international crime. I urge my colleagues to take swift action by giving their advice and consent to the Genocide Convention. By doing this, we will express our willingness to defend the rights of entire peoples around the world.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Assistant Secretary of the Senate proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THERE IS NO MILITARY SOLUTION

Mr. INOUYE. Mr. President, 2 days ago, I came to the floor of the Senate reluctant to speak of the very personal considerations which led me to the conviction that the provisions of additional military assistance to El Salvador was wrong and that I could not support it. I spoke of the need to find a negotiated solution to the conflict in El Salvador. With particular emphasis, I repeated my very firm belief: "There is no military solution."

I am heartened and encouraged by the fact that so many of my colleagues share that conviction. Many have told me that they also believe there must be a fundamental change in U.S. policies toward Central America. Republicans and Democrats alike have said they have no wish to undermine the foreign policy of the United States. There is no desire among them to gain political advantage; there is only the belief that this Nation must change its policies and pursue an alternative course to the goal of peace and democracy in El Salvador.

When I spoke, I said I would oppose and vote against the President's request to reprogram increased military assistance to El Salvador. I also expressed my view that leaders in the Government and the military should agree to engage in negotiations with all parties to the conflict before any additional military assistance is provided to El Salvador. My colleagues, while expressing their approval and support for this view, quite rightly asked for a more specific statement of what alternative proposals I might advance.

Mr. President, the Appropriations Subcommittee on Foreign Operations will meet on Tuesday, March 22, to consider the President's request to reprogram economic and military assistance to El Salvador. At an appropriate time, I shall ask the subcommittee to refuse to approve the proposed reprogramings until it has received assurances from the Secretary of State that the President will immediately take three specific actions:

First, agree to reduce the foreign military sales reprograming from the $60 million requested to $30 million.

Second, agree to limit U.S. military trainers and advisers in El Salvador to no more than 55 persons.

Third, undertake to enlist the Governments of Venezuela and Mexico in a common effort, in which those countries, along with the United States, would form a tripartite commission, to meet in Panama City, Panama, for the purposes of seeking the peaceful resolution of the conflict in El Salvador and to offer the good offices of their respective Governments to all parties of that conflict.

Mr. President, this three-point proposal is not complicated. In my considered judgment, it offers a reasonable and prudent alternative to current policies.

First, I believe the reprograming of $30 million in military assistance is more than adequate to meet the quote-unquote emergency requirement of the Government of El Salvador. Additional sums may be provided at a subsequent time in proportion to demonstrated need and to a demonstration of bona fide participation in the search for a negotiated settlement.

Second, the current informal ceiling on U.S. military trainers and advisers in El Salvador is 55 persons. The President's agreement to this proposal will remove any doubt about that ceiling and give it concrete expression.

Third, while a negotiated settlement is most desirable, we must recognize that the United States cannot, by itself, provide sufficient assurances to remove the reservations and concerns of all parties to the conflict in El Salvador. We can, however, enlist the help of friendly powers.

Venezuela is a large, stable, and respected member of the Latin American community of nations. Certainly, it has at times taken positions at odds with those of the United States. But, I submit this is not unfavorable to the moment at hand. The Government of Venezuela is a responsible Government and no one could accuse Venezuela of being a puppet of the United States.

Mexico, the largest country in Central America, has a keen interest in the strengthening of democracy and stability within her neighbors to the south. Mexico has demonstrated a settled appreciation of the elements of diplomacy and has indicated a willingness to assume a greater leadership role in the resolution of conflict in Central America.

I do not doubt that each of these countries would willingly join with the United States in a common effort to achieve peace. If we ask Venezuela and Mexico to join with us to provide the good offices of our three countries, we can avoid the semblance of paternalism President Reagan spoke of in his address on the Caribbean Basin Initiative. Moreover, Venezuela and Mexico can make the kind of assurances to the rebels in El Salvador, which we, because of our direct involvement, cannot. A tripartite commission composed of Mexico, Venezuela, and the United States can be an effective partnership which will facilitate a negotiated settlement.

I think it would be good for this commission to meet in Panama City, in part to give recognition to the important role Panama plays in Central American affairs, but also because Panama is capable for providing a secure environment in which the security of all participants in the proposed negotiations could be assured. If asked, I believe Panama would gladly be a host and a sponsor of the commission.

Mr. President, I am not a diplomat, but I can tell when a policy is not working. I am no statesman, but I am hopeful that diplomacy can triumph over force and violence. What I propose may not meet all objections, but I believe it is worth a try.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EMERGENCY JOBS APPROPRIATIONS, 1983

The PRESIDING OFFICER. The clerk will state the pending business.

The assistant legislative clerk read as follows:

A bill (H.R. 1718) making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Wisconsin.

The majority leader is recognized.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, under the rules, the vote on the first cloture motion will follow on after the establishment of a quorum pursuant to the provisions of the rules; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BAKER. And the quorum call will begin at 11 a.m.; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Kansas.

Mr. DOLE. Mr. President, before the Senate votes today on the leadership cloture motion on this emergency jobs bill, I believe it is important to step back and review briefly three questions:

First, what are the merits of the interest and dividend withholding? Second, what happens if we do not invoke cloture? Third, what will be the effect of invoking cloture for my colleagues who support the repeal of interest and dividend withholding?

Mr. President, the case for interest and dividend withholding is as overwhelming as it is complex. At issue is $11 billion over the next 3 years, $20 billion over the next 5 years—additional revenue that results not from new taxes, as has been stated almost daily by the opponents of withholding, but from collecting the taxes owed.

Revenue considerations are not the only, or even the most important justification for withholding, however. Simple fairness dictates that we assure wage earners that the tax owed on unearned income is fully collected. To allow 10 percent of the tax owed on interest and dividends to go uncollected is to provide a 10-percent tax cut that neither this Senator nor the President nor the Congress has ever endorsed. And it is a tax cut we cannot justify on grounds of fairness or fiscal policy.

I would like to introduce into the RECORD a memorandum presenting some of the best arguments for withholding made by the distinguished senior Senator from Louisiana in a debate in 1976, when the Senator from Louisiana was advocating withholding.

I thought it was an excellent statement at that time. The Senator from Louisiana said:

> Here is a situation where literally millions, perhaps 5 million and maybe even more, of taxpayers are successfully avoiding paying their taxes on interest and dividend income to the Government. As the Senator said, it is not a matter of closing a loophole, but this is just a matter of catching tax cheaters. When we let as many as 5 million taxpayers chisel and cheat on the Government, it is bad for taxpayers' morale. People feel they can cheat on their taxes and get away with it.

Mr. LONG. Will the Senator yield at that point?

Mr. DOLE. Yes, Mr. President.

Mr. LONG. May I apologize for that statement? Everybody makes a mistake once in a while. I made one. I offer my sincere apology.

Mr. DOLE. I appreciate that, Mr. President. The Senator from Kansas has been on both sides of an issue, too. This is an issue that kind of floats around. It depends on the issue, I guess.

The Senator from Louisiana made a good point when he said:

> I have had friends who are in the banking business tell me that with these new computers, and they say it confidentially—they are part of a fraternity and want to work together—it is really not much of an administrative problem at all. It would be very easy for the banks to comply with withholding.

That is the point the Senator from Kansas is trying to make: If they can compute interest on a daily basis, if they can tell you when you walk into the bank how much interest you owe, why can they not withhold tax on that interest one time in the year? I think that is the point I want to make.

I think we have had all kinds of statements about what this information is going to cost. We have had a lot of business representation of this provision in the winter's campaign. I point out, this bill was passed last July. I do not recall getting tons of mail in August, September, October, November, or December. It was only when the American Bankers Association and others, on behalf of all bankers, I assume—though I think many bankers are not sure what is happening. They are not party to the misstatements and false statements made by the American Bankers Association.

In any event, we are literally flooded with mail and we are told about the cost of this withholding and other information. It seems to me we should address those. I have done that in my statement. I have taken five misstatements that have been advertised and tried to respond accordingly.

It is important that we understand how the American Bankers Association has misrepresented this provision—the five basic misstatements that have been the foundation of this winter's campaign. First, interest and dividend withholding is not a new tax; it is the same means we use to collect income tax on wages, extended to interest and dividends. Second, it is not a burden on the elderly. A simple exemption certificate will exempt 85 percent of the elderly—those couples with incomes of less than about $22,000. Third, it is not a burden on the poor. Generous exemptions are provided for them, too. Fourth, it is not a burden on savers. Year-end withholding insures that taxpayers' returns on savings will not be affected. Fifth, this will not impose substantial costs on the banks or their customers—the statute already provides for reimbursement of the costs of banks. I ask unanimous consent that a letter from the Treasury discussing the cost of compliance for the financial industry be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, D.C., March 15, 1983.

Hon. ROBERT DOLE,
Chairman, Senate Finance Committee,
Washington, D.C.

DEAR MR. CHAIRMAN: I am concerned about certain exaggerated estimates of the costs financial institutions may incur to institute withholding on interest and dividends. While precise estimates of the costs that will be incurred are not available, some of the figures that have been discussed can be clearly shown to be exaggerations.

Estimates of the total startup costs of $3 billion are greatly overstated. Such estimates are accounting cost allocations rather than estimates of genuine incremental costs that a bank will incur. That is, such estimates include costs that would be incurred even without the new withholding law. True incremental costs will be significantly below cost estimates that include all allocated costs.

A few banks, ranging from small to very large institutions, have informally and confidentially supplied the Treasury Department with their estimates of the administrative startup costs of withholding. We have far too little data to constitute a useful sample, but for those banks on which we have figures, true incremental startup costs appear to average less than $2.00 per account. If this small number of banks is representative of all payors of interest and dividends (including banks, savings and loan institutions, mutual savings banks, and credit unions), then total startup costs would be approximately $600–$700 million. These costs can be offset by the extended float allowed on withheld amounts and by the income tax deductions available for such costs. Since we have so little data, we cannot be certain that total startup costs are within this range. Nonetheless, it does appear certain that startup costs are only a fraction of the claimed $3 billion.

If enough resources were allocated to the Internal Revenue Service to provide the same improvement in compliance and to collect the same additional revenues as will be collected under withholding, the costs to the Government would be well above the estimated $600–$700 million in costs to financial institutions to institute withholding. Small increases in IRS enforcement efforts may recoup relatively high revenues per extra dollar of IRS costs. The enormous increase in IRS audit activity that would be needed to raise $3 billion (an increase in audits by well more than 200 percent) would, however, inevitably result in much lower additional revenues per dollar of IRS costs. Indeed, the incremental IRS costs required to raise the almost $3 billion a year in revenues gained from withholding would be well above $1 billion, perhaps as much as $2 billion. Further, this additional effort would involve such a dramatic increase in IRS staffing that it would take several years for the IRS to add and train the needed agents.

It must be remembered that attempts to reduce noncompliance through greater IRS efforts involve significant costs to individual taxpayers in addition to the financial cost to

the IRS. These arise from the burden more than two million additional audits will impose on taxpayers' time and resources. Inevitably these audits will inconvenience many taxpayers who have correctly paid their taxes.

In contrast, withholding on interest and dividends only requires those taxpayers who correctly pay their taxes on interest and dividend income to pay some of those taxes during the year rather than at the time that they file their returns. Requiring those who receive interest and dividends to pay a portion of their taxes as promptly as wage earners pay is not, in my view, unfair.

I recognize that banks must incur some costs to institute a system of withholding on interest and dividends. As I stated above, those costs have been frequently exaggerated. Nonetheless, there is legitimate concern that we not impose an undue burden on the banking system. If, at some later time, it is reliably demonstrated that the true incremental costs that most banks must incur exceeds the value to the banks from the extended float on the withheld amounts that has been allowed, then I would support allowing the extended float for a longer period.

Sincerely,

DONALD T. REGAN.

Mr. DOLE. What we have here, Mr. President, is an expensive, professional public relations campaign characterized by misleading omissions of material facts, distortions, and in some cases outright misstatements of fact. That campaign should not allow the American Bankers Association to delay the jobs bill.

THE JOBS BILL

The failure to invoke cloture today will jeopardize the jobs bill, a bipartison piece of must-pass legislation. The cost—in human terms—will be enormous. If cloture is not invoked, then it becomes certain that debate on this measure will drag on for some time. And if the Kasten amendment is added, not only will the debate be extended, but the bill that passes will be vetoed by the President. At the earliest, the jobs bill could be enacted late next week—long after many of our fellow citizens were due checks that will never have arrived.

In sum, a failure to invoke cloture will demonstrate to the American people that th U.S. Senate has, in TIP O'NEILL's phrase, been taken hostage by the banks. While reasonable men may differ on the merits of extending to interest and dividends the same tax rules applicable to wages, I submit that we cannot differ over the message our failure to pass the jobs bill today will send to the unemployed and the impoverished citizens of this Nation.

EFFECT OF CLOTURE

Mr. President some may urge that only those who agree with me on the merits of withholding should vote with the leadership of the Senate from both sides of the aisle—on the cloture petition. Nothing could be further from the truth. I have pledged last night to my colleagues and I renew the pledge today to report out a bill from the Finance Committee on or about April 15 on which the Senate may work its will on this question. I am confident that the Finance Committee will, with the support of the leadership and this Senator, report such a bill. Every Senator in this Chamber will then have an opportunity to debate this issue independently and on its own merits. Each Senator will be given an opportunity to cast the votes that the Senator from Wisconsin, among others seeks. And that measure will, the majority leader assures us, be called up shortly after it is reported by the Finance Committee. A vote today to invoke cloture, therefore, does more to insure that the Senate will work its will on withholding than a vote to derail the jobs bill.

We have all talked about the jobs bill. There is no need to go into that. There is no doubt about it. If we can invoke cloture, we can pass the jobs bill and move on to social security today. We are prepared to move on social security, perhaps finish that by Thursday evening—tomorrow—or Friday, go to conference early next week on that provision, and finish that up as we indicated we hope to do before the Easter recess.

I have a statement on the costs which I received today from Treasury. It is not the $1.5 billion or $2 billion pointed out by the American Banking Association. They have estimated the startup cost of $3 billion. I think they are greatly overstating it and I have made a part of the record a letter from Donald Regan, Secretary of the Treasury, dated March 15, 1983. It is well to point out, I think the cost may be less than $2 per account. We are going to pay for that, the Treasury is, through a float. So we are not trying to punish the banks, we are not trying to punish S&L's and credit unions.

It seems to me S&L would have to raise about $3 billion and increase the audits by 200 percent, according to Don Regan. I think that is information that should be made available and should be part of the record.

Mr. President, I want to make it clear again while the Senator from Wisconsin is on the floor, I do not think the Senator from Kansas has ever made a misstatement knowingly to a colleague or has ever gone back on his word once he has given his word to anybody on either side of the aisle. The Senator from Kansas has no intention of doing that. This Senator indicated last night that we would be glad to report out some bill from the Finance Committee if I get enough votes to report it out—that is one thing I have to be certain of—and have it on the floor on April 15. I have discovered there is a bill on the calendar right now. I am not sure of the number, but it is a reciprocity bill, a rather important and significant piece of trade legislation. As far as this Senator is concerned, that is available. We can take that up shortly after we come back from recess and we can add whatever the Senator from Wisconsin wishes to add to that bill. We can have a full and complete debate and we can proceed on that basis. But I would hope that we would release the jobs bill and release the social security bill from whatever other constraints they may have and let us move on those. As chairman of the Senate Committee on Finance, I certainly would have the cooperation of the ranking member on the committee to report out a vehicle that could be properly used to fully debate this issue.

Beyond that, the Senator from Kansas is at a loss to know precisely what the Senator from Wisconsin may have in mind. I must say that I am not certain what is going to happen in the cloture votes. Maybe neither side will have sufficient votes to invoke cloture; maybe one side will. But I am willing to suggest again to all those who are undecided that I hope we can invoke the leadership motion on cloture and the Senator from Kansas will, as indicated last night and again just this moment, bring a bill to the Senate floor if necessary, or take it off the Calendar—the majority leader can respond to that—at an early date, when we come back after the recess and have a full and complete debate. The reciprocity legislation is substantial legislation.

I heard the Senator from Wisconsin last night say I might report out repeal of indexing. I assure the Senator from Wisconsin that I am a strong proponent of indexing. I am a strong proponent of keeping the third year of the tax cut. So I am not going to blindside the Senator from Wisconsin, even if I had the votes to bring out something that he would otherwise support.

Mr. President, there is still time to work this out and I hope the Senator from Wisconsin, in the time remaining, would permit us to move ahead on the jobs bill, bring up social security, and have a full and complete debate on this issue when we return. I think the majority leader is willing to do it on the reciprocity bill if that is satisfactory to the Senator from Wisconsin.

Mr. BAKER. Mr. President, will the Senator yield to me?

Mr. DOLE. I am happy to yield.

Mr. BAKER. Mr. President, of course, I would be happy to do that. I do not see any sign of acknowledgement from the Senator from Wisconsin. I shall yield to him if I have the floor for that purpose.

I repeat briefly what I offered last night. I will offer to join with the Senator from Kansas in seeing that there is a bill, first on the calendar and then on the floor, that he can offer this to.

I will offer to see that it is scheduled on or about April 15. I will offer to try to expedite the Senator's opportunity to proceed with the debate, even to offer a cloture motion.

The Senator from Wisconsin knows I shall not vote for that, because I oppose his amendment, but I will do those things. I want to pass this bill and get on with social security and I cannot do either of those things now.

Mr. KASTEN. Will the Senator yield?

Mr. DOLE. Yes; I yield.

Mr. KASTEN. Mr. President, I, as does the Senator from Kansas, want to proceed with the jobs bill. As he knows and the majority leader knows, we have been trying to do this now since Thursday last. I am hopeful that we shall be able to invoke cloture today, not on the bill, because that would preclude the consideration of the Kasten amendment. It would also preclude the consideration or it would knock out a number of other amendments that have been added to this bill. But I think right now, the best course of action would be to take a vote and if the Dole motion fails, as I hope it will, take another vote. We are talking about a half-hour of time. At that point, we shall be in a position to find out what the disposition of the Senate is.

I believe there are a majority of people in the U.S. Senate, as there are perhaps three-quarters of the people in the U.S. House of Representatives, who not only want to move forward on this bill but want to see the issue resolved.

I believe they deserve a vote. Whether we have a majority or have 60 votes is yet to be determined. I am hopeful we have more than 60, because I believe the people of the United States do want to see this issue resolved. I sense that Members of the Senate as well want to see this issue resolved. If we have an opportunity to resolve it today, it means that the mail and the other kinds of problems we are faced with will go away and that we shall be able to serve the needs of the people that we represent.

I am hopeful that we can move forward, that we can invoke cloture on the Kasten amendment, that we can then proceed in a short time with a vote up or down on the question, and then we shall be able to go on with the jobs bill and, hopefully, finish the jobs bill by the middle of the afternoon.

Mr. DOLE. I say, in response to the Senator from Wisconsin, I am certainly willing that we have a full hearing, but I do think it has to be on a level playing field. Until now we have been all covered up with mail. We have never heard the other side of the issue in detail, and we hope to explore that. That is why we have proposed this. If it does not satisfy the Senator from Wisconsin, I would hope others would vote to support the leadership on cloture so that we might move on, and I am still willing to make an agreement after that, so it is not going to be shut off.

Mr. PERCY. Mr. President, I am a cosponsor of Senator KASTEN's bill—S. 222—that would repeal withholding on interest and dividend income.

I know my constituents in Illinois support efforts to make our tax system fairer and they certainly want to see us collect all the legitimate taxes that are due the Government. In that sense, I know Illinoisans support better compliance with our Tax Code.

But there is another important theme in my talks with these same Illinois constituents, and that is simplification. Again and again they tell me how overly complicated the tax system has grown and how they wish we would develop a simpler one. That is one reason for the increasing support for a simple, flat tax. It is just the opposite of what we have now. So in addition to insuring better compliance, the constituents I have spoken with also want to do it in the simplest way possible.

The law that was enacted last summer, requiring withholding on interest and dividends, moves us toward compliance, but in such a cumbersome and costly way that Illinoisans have taken pen in hand to let me know of their strong opposition to this method of tax collection.

There is a better way to get this compliance and that is the method put forward in our bill, S. 222. Our legislation would repeal withholding that would start July 1. But it would not ignore the compliance problem. Rather, it requires that the already-issued 1099 forms be attached by each taxpayer to their tax return. That would assist IRS in cross checking interest and dividend income declared on returns. This method would not penalize the 90 percent of taxpayers who pay their taxes now and at the same time would increase compliance without the high cost, complexity, confusion, and paperwork of withholding.

Just since the first of this year, I have had over 275,000 letters and postcards on withholding from my constituents. A great part of this write-in is in the form of postcards printed by banks, savings and loan associations, and credit unions. But well over 30 percent of these are handwritten letters from taxpayers who are up in arms over withholding. That means that over 90,000 constituents have felt strong enough about withholding to write me in their own words. That is a powerful sentiment by itself.

I do not want to diminish the importance of the voices who write on the postcards, however. Nearly all of them also have paid for the postage on these cards. They are not being sent in by banks and S&L's but by the taxpayers themselves. Theirs is a genuine concern, too, about the paperwork the new law will generate for them and the impact the law will have on their long-term savings.

Some allege that the banks have generated all this mail by themselves. The evidence I have seen pour into my office suggests a different story. Certainly financial institutions are telling customers about the new law and how much they do not like it. They are providing cards to encourage taxpayers to register their views. But the banks could not single-handedly produce such a write-in unless the underlying concern was present.

Some of my constituents are learning about the details of withholding directly from the IRS. Just this week I received a letter from an Illinoisan who writes, "I just received my refund from the IRS and was all smiles until I read the enclosed." Referring to withholding, he continues, "I have been aware of this new policy and was happy to do my part to help our sputtering economy. However, upon reading the first paragraph, it seems that my family and I are being punished because someones taxes were unpaid."

What is the offending paragraph that has made my constituent change his mind from support of withholding to opposition? IRS writes in its flyer that withholding "was created to help the Government recover billions of dollars lost annually in unpaid taxes."

Mr. President, so that my colleagues may have the benefit of reading IRS' own words on this, I ask unanimous consent that their brochure be included in the RECORD at this point.

Mr. President, I would like to refer for just a moment to another source of public information on the new withholding law: the press.

Illinois papers have recognized the burden the new law on withholding will place on savers and small institutions. Many of the taxpayers who write me have learned about the new law directly through their local newspaper.

Mr. President, I ask unanimous consent that several Illinois newspaper editorials on withholding be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. Let me just read from a few of these editorials. The Champaign News-Gazette, for example, began its editorial by saying: "If you want to stop the move to withhold 10 percent of your earnings from interest and dividends beginning July 1, now is the time to let your voice be heard." The Auburn Citizen stated in its comments that:

The burden of recordkeeping and remitting to the Government withheld funds lies

with the financial institutions on interest and dividends and you can see what the newest craze would add to the expense of being a tax collector for the Federal Government. The added expense will create less profits thus nibbling into the interest and dividend payments.

Then the paper points out the fundamental principle of our Government: "it is up to you if you want the law repealed."

The Quincy Herald-Whig editorialized that:

We have long opposed withholding on interest and dividends for a simple reason: It discourages savings, especially interest-bearing savings, because it lowers the return on savings and is a needless burden on both the saver and the savings industry.

Mr. President, each of these papers has called for repeal of the new law. Newspapers are an important force in the public outcry over the law. I respect my constituents voices and they have every right to petition me and other members of the Illinois delegation about this matter or any other concern.

There is no question that the new law will have an impact on savings and interest. Banks are going to have to enforce U.S. law with regard to savings and they are going to have to purchase new equipment to handle this responsibility. That amounts to a cost for the banks—especially small banks, of which we have many in Illinois—and the cost will have to be reflected in the interest rates the institution can offer.

Mr. President, the March 14 Wall Street Journal carried an article with an interesting perspective on withholding. It was not about this U.S. withholding law but about the withholding tax in China, in the People's Republic of China. The Journal's headline reads, "China is easing its tax withholding law for interest, dividends paid foreigners." Why? China has reduced its withholding from 20 percent to 10 percent in an effort to attract foreign lenders to their capital-starved economy. An analyst at Price, Waterhouse & Co. said that the new regulations are designed to "facilitate access to international funds" by the Chinese. She also said that "if the tax burden is too high, foreign banks will be reluctant to lend."

Now there are great differences between United States and Chinese withholding laws. I do not suggest they are the same. But there is, I think, a lesson here for us. Restrictive withholding regulations have an impact on investment and savings. Even China has recognized the correlation and they have acted to change a 1981 law that imposed these regulations.

We should take a note from the Chinese and rewrite our own withholding regulations to make sure that savings and investment are not discouraged here at home.

EXHIBIT 1

ATTENTION RECIPIENTS OF INTEREST AND DIVIDENDS

NEW WITHHOLDING PROGRAM BEGINS JULY 1

Since 1943, employers have been required to withhold taxes on wages and salaries. Effective July 1, 1983, banks and other financial institutions will begin withholding 10 percent on payments of interest and dividends. This change will not increase taxes. Like withholding on salary checks, it merely changes the way in which taxes are collected. It was created to help the government recover billions of dollars lost annually in unpaid taxes.

You may be exempt from this Federal tax withholding program. To be eligible for an exemption, you must meet any one of the following qualifications:

You paid $600 or less in taxes for the previous year; or $1,000 or less on a joint return;

You are 65 or older and your previous year's taxes were $1,500 or less; or you or your spouse or both are 65 or older and your previous year's taxes were $2,500 or less on your joint tax return;

You were not required to file an income tax return last year.

To receive an exemption, file a simple exemption form (Form W-6) with the financial institution from which you receive interest or dividends. You can get the form from your financial institution or the Internal Revenue Service office in your area.

[From the Champaign News Gazette, Jan. 20, 1983]

ACT NOW TO STOP MORE WITHHOLDING

If you want to stop the move to withhold 10 percent of your earnings from interest and dividends beginning July 1, now is the time to let your voice be heard. Repeal of this section of the Tax Equity and Fiscal Responsibility Act of 1982 will happen only if public opinion is strong enough to break through the Washington sound barrier.

Everyone seems to view this provision of the act as a bad law and there's bipartisan support, at least among Illinois representatives and senators, to repeal it. But, it did pass the 97th Congress and was signed by President Reagan, although decidedly contrary to the President's call for Americans to save.

In a Letter to the Editor of this newspaper, Sen. Alan Dixon, D-Ill., stated his opposition to the withholding provision and indicated he will support efforts to repeal it. In a recent Update from Sen. Charles Percy, R-Ill., is the statement "I want you to know that I strongly opposed the provision, voted against it on the Senate floor, and was deeply disappointed that it was enacted."

In the House, Rep. Dan Crane, R-Danville, has introduced a bill to repeal the provision and is a co-sponsor of other bills which are now supported by some 86 members of the Hosue. Rep. Melvin Price D-Belleville, also is a co-sponsor of repeal bills.

Rep. Tom Corcoran, R-Ottawa, is quoted in the Congressional Record. The provision dealing with withholding of taxes on interest and dividends are unfair and counterproductive to increased consumer savings and investment." In a letter to Mrs. Marajen Stevick Chinigo, News-Gazette publisher, Corcoran said "The Citibank of New York analysis . . . shows that savers will lose more—$2 billion—than the federal government will receive in added revenues next year due to withholding. Not only will savers lose, but those whose hopes hinge on increased economic vitality will have those dreams postponed by it since there will be fewer dollars available for investment or private spending, both of which create private jobs."

Rep. Paul Simon, D-Carbondale, writes that he is opposed to withholding on interest but has some reservations on withholding taxes applicable to dividends. To him, we say Internal Revenue Service has all the tools necessary to prohibit and to punish tax cheating. This new provision punishes honest taxpayers.

Thus far, Rep. Edward Madigan, R-Lincoln, has taken no position on the provision. The News-Gazette has had no answer to a letter of inquiry regarding his position on the matter. As we have said before, Congress will react to strong public opinion, but that requires participation by voters to let its members know where you stand. At best, it will be an uphill struggle to erase this law, even though it was considered in haste and did not receive the public scrutiny essential to a democratic process before it was passed.

[From the Auburn Citizen, Jan. 27, 1983]

IT'S UP TO YOU!

Last week, this newspaper carried a full page ad concerning a new law which requires savings and loans and banks to withhold 10 per cent of payments of dividends and interest to the investor.

The fund will be withheld by the financial institutions and paid to the IRS and credited to the investor's account. That is if the law isn't repealed by July 1 when it is to go into effect.

Dick Durbin, local Congressman from the 20th district, has introduced a bill to repeal the law. But, the lobbyists for the financial institutions were unable to stop the bill from being passed in the last session of Congress, so it will take an outpouring of mail from the constituents to get something done.

This bill just doesn't create more work for the financial institutions, it also can become catchy, meaning that soon the Illinois Dept. of Revenue will do the same thing.

And, in addition, the problems for the individual investor are manyfold. For instance, if you have no tax liability, you'll have to file for a refund and this could take months. And, that refund situation will allow the burgeoning bureaucracy to get even bigger as more people will have to be employed to pay back these refunds.

The burden of record keeping and remitting to the government of withheld funds lies with the financial institutions on interest and dividends and you can see what the newest craze would add to the expense of being a tax collector for the federal government. The added expense will create less profits thus nibbling into the interest and dividend payments.

Guess who the loser will be?

It's your money the government is grabbing before you see it is the way the Hillsboro and Montgomery County News sees it and you the investor will too if the law is allowed to stay in place.

It's up to you if you want the law repealed. So, write today to your Congressman, whether he be Dick Durbin or Bob Michel and also write to both your Senators, Charles Percy and Alan Dixon. Durbin can be reached at 417 Cannon Office Building, 20515; Michel at 2112 Rayburn Office Bldg., 20515; Percy at 4321 Dirksen Senate Building, 20510 and Dixon at 4203 Dirksen Bldg., 20510, all in Washington, D.C.

[From the Quincy Herald-Whig, Feb. 1, 1983]

REPEAL INTEREST WITHHOLDING

Before Congress gets too involved in arguing over President Reagan's budget, it could take one action that would make financial institutions and their many small savers happy. It could repeal the withholding of federal income tax from interest and dividends that is to begin July 1.

Banks, savings and loans and credit union have been lobbying Congress intensively to do just that. The result is repeal legislation in the House that now has more than 220 co-sponsors and similar legislation in the Senate that has 30 co-sponsors. If all the cosponsors in both chambers stay the course, repeal should pass easily.

We have long opposed withholding on interest and dividends for a simple reason: It discourages savings, especially interest-bearing savings, because it lowers the return on savings and is a needless burden on both the saver and the savings industry. But, unless repealed, the law now is that, starting July 1, 10 percent will be withheld from dividends and interest payments.

The law is most burdensome to the small saver, especially the elderly saver on a limited or fixed income, rather than the wealthy bond "coupon-clippers" the Internal Revenue Service has implied are the "tax cheats" the law is intended to snare.

The law provides for exemption of small and elderly savers according to age and income—but the burden of claiming that exemption is the saver's. For example, savers can start claiming exemptions as of today. (February 1). There are onerous penalties. If the saver is exempt, and fails to so notify his sources of interest income, he apparently can be liable for a fine of up to $500, a year in prison, or both.

Proponents of the law claim it isn't a "new" tax, merely speedier collection of what will eventually be owed anyway. If that is so, how can it be claimed $20 billion in additional federal revenue will be generated over the next five years? The IRS says that between 10 percent and 12 percent of interest and dividend income goes unreported. If that is so, why does the small saver have to be penalized to collect it?

The savings industry—the banks, savings and loans and credit unions—faces a monumental task in gearing up to play tax collector for the IRS. The U.S. League of Savings Institutions has estimated the start-up cost at $435 million for members of that association, plus $300 million a year to administer the law.

For the savings institutions to cite such figures may appear self-serving, but the paperwork and time involved in withholding from dividends and interest-bearing accounts, handling the filing of exemptions for customers and then getting the money to the IRS obviously will cost someone. It is doubtful that savings institutions will by themselves absorb all of this cost. Their customers, through higher fees or reduced service, will pay some of it.

The savings industry points out the law really isn't necessary. The vast majority of taxpayers do report their interest and dividend income. Savings institutions already have to file year-end statements, those Forms 1099, with the taxpayer and the IRS on interest accounts. The compliance rate cited by the industry on interest and dividends subject to such reporting is about 97 percent. The IRS has an extensive computer system to keep track of interest and dividend reporting. All the IRS would have to do, the savings industry suggest, is require reporting on investments not now subject to it, such as the $250 billion in U.S. Treasury and U.S. agency obligations.

So in a real sense, the Congress last year did impose a "new" tax on millions of honest and trusting savers who by no stretch of logic should be burdened with it. Congress at last count had about 50 bills in the hopper to repeal interest withholding. It should promptly pass one of them.

[From the St. Louis Globe Democrat, Feb. 28, 1983]

WITHHOLDING FIGHT GAINS STRENGTH

Tremendous pressure from constituents to repeal a law requiring a 10 percent withholding tax on interest and dividends is having its impact on Congress.

Cosponsors of legislation calling for repeal of the law scheduled to take effect July 1 have been increasing dramatically. In the House, the number has swelled close to 300. The tempo in the Senate also has picked up considerably. Sen. Robert W. Kasten Jr., R-Wis., has 38 cosponsors for his bill. There are about 10 cosponsors for other measures calling for repeal in the upper chamber. A number of other senators have said they would support repeal if the issue gets to the floor.

Now that the House has a comfortable majority and the movement is gaining in the Senate, the most important question is whether the leadership in both chambers will allow the repealer to get to the floor. The extremely heavy mail on the issue is causing concern that the outpouring is likely to be reflected at the polls next election day. As a result, those who haven't hopped on the repeal bandwagon are giving further thought to the matter.

Thus far this year, Sen. Charles H. Percy has received 200,500 letters and cards on this single issue. That represents 80 percent of the mail that normally comes to Percy's office in an entire year. All 30-plus members of his Washington staff carry plactic bags filled with mail to sort out the avalanche of letters at home. Despite the volume, fewer than a dozen of the letters were from people who oppose the repeal, one staffer said.

Effectiveness of the heavy mail should encourage more people to keep flooding senators and representatives who haven't joined the repeal campaign. Savers and investors will be losers if the withholding goes into effect. Their savings and investments would continue to earn interest if the government is prohibited from extracting the 10 percent withholding tax prematurely to use it as an interest-free loan for the Treasury.

Among senators from the two-state area, John C. Danforth, R-Mo., stands alone in opposition to repeal as Thomas F. Eagleton, D-Mo., Alan J. Dixon, D-Ill., and Percy, R-Ill., favor killing the law before it goes into effect. Of the nine U.S. representatives from Missouri, only William L. Clay, D-1st District, and Richard A. Gephardt, D-3rd District, are on the wrong side of the issue. Four of the five U.S. representatives in Southern Illinois favor repeal while Republican Robert H. Michel stands alone in favoring the withholding law, which will add a costly paperwork burden on banks and other financial institutions.

Heavy pressure is being placed upon members of Congress in both parties who have a leadership role to toe the line, which could explain the stand taken by Gephardt and Michel.

Danforth argues that only 85 percent of the interest and dividend income is reported. He notes that the compliance rate on withheld wages is estimated at 99 percent. However, the interest withholding problem stems from the fact that the federal tax collection system isn't doing its job properly. Financial institutions already provide all of the needed information to the government with Form 1099.

"In effect, we are penalizing more than 90 percent of the taxpayers who have honestly paid their taxes all along," Percy points out. "At a time when we are trying to encourage savings and investment, Congress has passed a law that will undermine both." Percy is right.

The pressure on Congress should continue. Sending a 20-cent letter or a 13-cent postcard of protest can turn out to be a wise investment for savers.

[From the Pittsfield Pike Press, Feb. 23, 1983]

WHY SHOULDN'T BANKS LOBBY, LIKE EVERYBODY ELSE?

Why is it all right for everybody else to lobby the government for something they want or don't want—but not the banks?

Senate Finance Chairman Robert Dole and Treasury Secretary Donald Regan are warning the nation's banks to stop lobbying for repeal of the new withholding tax on dividends and interest or face more tough new laws.

For one thing, it's the bank customers that are doing the lobbying. True, many of them are sending pre-addressed post cards the banks are making available in their lobbies to send to Congress. Since a lot of people visit banks every day and many of them are affected by the new tax it's no wonder the mail is flooding Washington.

To their credit, both Illinois U.S. Senators, Alan J. Dixon and Charles H. Percy, voted against the withholding provision last summer when it passed Congress by a narrow margin and continue to oppose it.

Dixon says his office has received more than 120,000 pieces of mail on the withholding question and Percy's offices in Washington and Illinois received more than 100,000 pieces of mail against the idea in one month.

So the mail is going to the wrong people. It should be sent to House Speaker Tip O'Neill and Dan Rostenkowski, chairman of the House Ways and Means Committee, both of whom have the notion there's no chance of repealing the law.

If the measure is not repealed, all banks, savings institutions, corporations, mutual funds and other payers of taxable interest and dividends would be compelled to withhold federal income tax beginning July 1.

The law was passed because the government estimates that billions of dollars in revenue are being lost because interest income is not being reported.

It's more accurate to say that the government apparently lacks the means of crosschecking the declarations of the taxpayer against the interest and dividend reports that are already made to the government. That, plus the fact that Uncle Sam wants his mitts on the money sooner so it can be spent quicker.

Has it occurred to anybody that if the system isn't working now without the withholding provision, it might be a good idea to simply abolish taxes on dividend and interest payments altogether? Do something for the saver and investor. Dividends from corporations are already taxed double anyway—once as income of the corporation

and again as dividends paid to the stockholders.

Withholding taxes from workers' paychecks got its ignoble start 39 years ago as a means of collecting taxes sooner than they were properly due. Some 14 million businesses are now required to collect taxes for the government, both federal and state, without being compensated one dime for their services.

Withholding of interest and dividend payments is only more of the same.

One of the points of criticism leveled by certain politicians and government officials against the banks for opposing the withholding proposal is that banks buy municipal bonds and get tax-free interest. Well, who passed the laws to permit that?

There is finally the added paperwork burden that is going to be imposed on those businesses and institutions doing the withholding of interest and dividends. It is certain to be monumental and the costs sooner or later will be passed on to the public.

Mr. HOLLINGS. Mr. President, I rise today in support of an amendment, cosponsored by myself and many of my colleagues, to repeal the onerous withholding tax on interest and dividend income. Last July 1, along with others, fought to strike this provision from the Tax Equity and Fiscal Responsibility Act (TEFRA). We lost by one vote. The arguments we made at that time are even more cogent today, particularly in light of the vast outpouring of letters, calls, telegrams, and visits that have inundated Congress demanding that we repeal this very unwise provision. If this provision of the tax law takes effect, the Federal Government will be in the position of penalizing the vast majority of Americans who lawfully pay their taxes just to get at a small number who cheat. No one countenances tax cheats, certainly not this Senator. But a better way to gain substantial compliance exists, without the massive bureaucratic intrusion into the lives of millions of lawful taxpayers. That method is the one advanced by the amendment now before you.

In my opinion there are several major defects with the withholding provision. First, it is very costly to consumers and financial institutions to implement and maintain. It lacks a practical methodology of insuring compliance, and, instead, causes all taxpayers to participate rather than targeting on those who would underreport or cheat. It is a disincentive to savings and investment, therefore limiting capital formation so important to and necessary for economic recovery. It imposes a system of exemptions that is confusing and will cause much extra paperwork. And, perhaps most important, it will not reach the revenue expectations that we are led to believe and will actually wind up costing us revenues.

COST

The issue of cost is a significant reason to support our amendment to repeal the withholding provision. The cost to the taxpayers of this Nation will be astronomical.

A study by the economics department of New York's Citibank, dated, July 1982, found that in the first full year of implementation, savers and investors will lose about $1.5 billion in investment opportunities and in interest because funds are not available for compounding. This is money that could go to assist in putting our economy back to work, Mr. President.

Another Citibank study found that it will cost banks about $1.5 billion one-time startup costs—computer reprograming, added personnel, and so forth. It should be noted, however, that the Citibank study is based on expanding the estimate for Citibank alone to the entire industry. Because of the greater efficiency of the larger banks in the area of records processing that is not shared by the smaller and medium-sized bank, this estimate might be very low in stating systemwide compliance.

Peat, Marwick, Mitchell & Co. conducted a survey which the American Bankers Association used in estimating the cost of compliance to the commercial banking industry alone will be on the magnitude of $2.9 to $5.8 billion. The cost for annual maintenance of the system is put at $1.1 billion annually.

The U.S. League of Savings Institutions studied the issue and determined that it will cost S&L's alone $900 million to put the system of compliance in place and $325 million annually to maintain it. There are other substantial costs. The credit unions of the Nation will pay high costs. There will be added cost to businesses who pay dividends. Clearly we are talking about significant costs to consumers and taxpayers. That is why we are receiving the flood of letters from constituents. They understand that the banks, savings and loans, and credit unions, and all the rest will not be reaching into their pocket to pay this expense. They know it will come out of the pocket of the consumers of this Nation. The people pay the bills, not the banks. The banks might be the target for the scorn of the proponents of the withholding tax, but the letters I have received had come from individuals that are concerned and upset with the withholding provision.

COMPLIANCE

Much has been said, Mr. President, about compliance with the tax laws. Because we have a voluntary income reporting and payment system its success depends upon our ability to assure compliance by the taxpayers. It is in everyone's best interest to assure that tax cheating is discouraged whenever possible. And, it is equally in everyone's best interest that lawful taxpayers not be required to pay more than what is fair. I contend that the best way to maintain the substantial compliance we all desire is not through withholding, but through more effective enforcement and collection procedures. The techniques are currently available. The amendment before the Senate will do just that, it will repeal the burdensome and overbearing withholding provision and provide for compliance consistent with the principles of our voluntary income reporting and payment system.

The Joint Committee on Taxation tells us that there has been 89 percent compliance on interest and dividend taxes. This means that every year about $28 billion in unreported interest and dividend income is not reported. The Treasury loses just over $8.2 billion in revenues as a result.

If an individual is cheating on reporting interest or dividends, there is nothing about the withhlding provision that is going to correct that; nothing, because in filing their 1040 forms those who would cheat can disregard the 1099 forms they are receiving, and just underreport. Here we have the case of a relatively few number of taxpayers—who compromise the 11 percent of noncompliance of tax dollars—who are forcing the overwhelming majority of the complying taxpayers to suffer the burdensome and costly compliance mechanism called for by the withholding provision. There is a much better way. It is the amendment that we have before us.

In our amendment, we provide that all taxpayers attach a copy of their 1099's to their 1040 form. Financial institutions have been filing this report of miscellaneous income on interest payments since 1962. And we expanded the coverage of 1099's under TEFRA just last year, effective January 1, 1983. Attaching the 1099 form to the tax return will serve as a reminder to the taxpayer that the income is taxable and subject to reporting and will encourage a significantly higher degree of taxpayer compliance. Using Department of the Treasury analysis based on the 1975 and 1976 tax returns, it was found that taxpayer compliance for individuals receiving form 1099 and similar information returns showed a compliance rate of 97 percent. Heretofore, because of the paperwork involved, it was difficult for the IRS to match all the 1099's with individual returns. But in recent years, new requirements have led payers to encode 1099 information on magnetic tape for computer use. Last year, more than 90 percent of all 1099's were encoded on computer tape. Therefore, by requiring taxpayers to file the 1099 with their 1040 return and with the increased capacity on the part of the IRS to match 1099's with individual returns we can put into place a compliance procedure that will bypass the onerous requirements of the withholding tax procedures.

This is strong evidence that we can obtain the substantial compliance we all desire without the costly imposition of the withholding provision. We owe it to the citizens of this Nation to look at this compliance matter critically and devise the most cost-effective manner to insure that tax cheats are not rewarded, but at the same time lawful taxpayers are treated fairly. We must maintain the backbone of our voluntary system of tax collection, and, in my opinion Mr. President, the best way to do that is to repeal the withholding provision and put in its place stronger and more effective collection procedures that I have outlined. By adopting the amendment pending before the Senate we can accomplish just that.

DISINCENTIVE TO SAVINGS

Withholding will needlessly extract money from the pool of savings upon which our Nation depends for capital formation. This means less money available to put America back to work. Americans save less than any other nation in the world. In recent years we have passed legislation designed to create incentives for savings. The withholding provision flies in the face of that by accelerating payments and taking large sums of money from the savings pool. This will undermine the spirit of savings that we need to encourage. Instead of creating incentives, withholding removes the benefits of interest compounding and automatic dividend reinvestment.

EXEMPTIONS

Exemptions are provided from the withholding provisions of TEFRA. For a single person to qualify, he or she must have had taxable income in the previous year of $7,000 or less, tax liability for the same year of $600 or less, or be at least 65 and liable for $1,500 or less in taxes in the previous year.

For married couples, you must have had a taxable income in the previous year of $12,000 or less tax, tax liability for the previous year of $1,000 or less, or be at least 65 and liable for $2,500 or less in taxes in the previous year.

Accounts that earn less than an annualized rate of $150 in a withholding period are exempt from withholding. However, if your savings account earns $50 in the first quarter and $37.50 in the second quarter, withholding is required in the first quarter but not the second.

It is the responsibility of each person claiming the exemption to ascertain if he or she qualifies, obtaining the forms and filing them for each interest and dividend account.

It is my understanding that we currently have around 400 million accounts in America, of which half—or around 200 million—qualify for an exemption. Think about the figures. This would add, alone, about 200 million pieces of paper to the Government's paper flow. Aside from the avalanche of paper that will descend upon the Department of the Treasury we will greatly complicate the existence of many older citizens that will now be caught up in the bureaucratic shuffle. Lawful taxpayers that are in full compliance with the law, and have been over the years, now must participate in a new procedure designed to catch the 10 percent who cheat on interest and dividend earnings. It should not happen. We can get the substantial compliance we desire by passing the amendment that is before the Senate.

Keep these exemption rules in mind. Because qualification for exemption is based on the individual's previous year's tax liability, many elderly and unemployed people will fall into the overwithholding situation. If they retire, for example, or are unemployed this year, they will not be exempt from withholding. Without the exemption they must wait a year before they can file for a refund.

The result from this overwithholding is that money that is needed for necessities and everyday expenses—food, housing, medical care—will be paid to the Government and it will not be available until the following year when the individuals file their tax return.

By placing the burden on the individual to exempt himself from withholding, the tax brings many elderly people into the taxpaying system who have been out of it for years. It is for just this reason the American Association of Retired Persons (AARP) worked to try to defeat this provision last summer. Withholding will regrettably cause much confusion among older Americans. Confusion, I might add, Mr. President, that could be easily avoided with the passage of our amendment.

REVENUE

It is no secret that the loss of revenue due to noncompliance in the payment of owed taxes on interest and dividend income received by individuals is a serious problem. The potential revenue loss in 1981, according to an estimate by the Internal Revenue Service, was set at $8.2 billion. This tax gap, therefore, not only impacts greatly on the revenues of Government, it strikes at the success of our system of voluntary income reporting. We must do something to correct it and insure that everyone meets their lawful tax responsibility.

The Department of the Treasury estimates that the withholding tax provision of TEFRA will generate $22.7 billion over the 5 years 1983 through 1987. It is estimated that during this period $4.6 billion is the expected gain from the requirement of reporting on interest and dividend sources not previously subject to information returns; $5.1 billion is the expected gain from the speedup benefits of collecting some of the taxes owed on interest and dividend receipts in an earlier rather than subsequent fiscal year, accelerating payments, if you will; and, $13.1 billion is the expected gain from compliance improvement. From this the contention follows, therefore, that to repeal the withholding provision would deprive the Treasury of $22.7 billion in legally due revenues.

Mr. President, the goal we seek is greater taxpayer compliance on interest and dividend income. It is my contention that the use of a withholding provision to insure that the just amount is collected is not only contradictory to the traditions of our system of voluntary income reporting, it is, and more importantly, ineffective and will not result in the compliance and revenue gain expected.

Mr. President, I shall ask unanimous consent that a portion of the report titled, "Improving Taxpayer Compliance on Interest and Dividend Income," by Prof. Donald J. Puglisi, a professor of economics, be printed in the RECORD at the conclusion of my remarks. The study was prepared for the U.S. League of Savings Institutions.

Professor Puglisi concludes that:

> Treasury's estimate of the revenue that may be attributed solely to the withholding provision of TEFRA may be overstated by more than $20 billion for the 1983-87 fiscal year period.

He further states that this:

> * * * overstatement is due to: (1) classification of revenue sources in the due-to-withholding category when those revenues are actually attributable to expanded information reporting; (2) an unsupported assumption that taxpayers will not exercise their legal right to offset the impact of withholding on interest and dividends through reduced withholding on wages and salaries and estimated taxes; (3) overlooking the lost Treasury revenues due to individuals having lowered dividend and interest income resulting from the absorption of private sector costs of complying with the withholding provisions; and (4) incorrectly assuming that revenue from withholding on interest and dividends would not have otherwise been generated through cost-effective IRS enforcement activities.

He went on to add,

> An improved IRS enforcement program, based in large part on a system of high-quality universal information reporting to the IRS, will produce over $1.3 billion more in revenues over the 1983-87 fiscal year period than will a system based on withholding on interest and dividend income. To the extent that this estimate is in error, it probably errs in the direction of understating the true value of information reporting and enforcement versus withholding.

Professor Puglisi, in my opinion Mr. President, makes a very compelling case for repealing the withholding provision, and, in its place, instituting a system of effective enforcement at IRS to close the tax gap that faces us in the interest and dividend area. In my way of thinking this is the best way to insure that tax cheats pay

their share and lawful taxpayers are treated fairly. It is cost effective and will generate more in revenues. Mr. President, in short, it is the superior manner in which we should go about in gaining substantial compliance on taxes owed on interest and dividend income.

What we are after here is compliance with the tax laws. I believe that a strong case has been made to repeal the withholding provision and take advantage of enforcement changes and matching procedures to insure that we collect the revenue owed with as little burden to the taxpayer and the Government as possible. I urge my colleagues to join me in supporting our repeal amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

IMPROVING TAXPAYER COMPLIANCE ON INTEREST AND DIVIDEND INCOME

AN ECONOMIC ANALYSIS OF THE 10 PERCENT WITHHOLDING ON DIVIDENDS AND INTEREST PLAN

(By Prof. Donald J. Puglisi)

The staff of the Joint Committee on Taxation has made available to us estimated revenues anticipated from the ten percent withholding on dividend and interest income provisions of TEFRA. It is our understanding that these estimates were developed by the Treasury Department. Examination of documents prepared by the Treasury and included in the public record assures us that our understanding is correct.

We have not been able to verify the extent to which these revenue estimates correctly correspond to the economic implications of TEFRA, since we have not been able to obtain a sufficiently detailed explanation of the methodology used to develop the estimates. Thus, we present our analysis based on our understanding, developed in large part with discussions with IRS and Joint Tax Committee staff, of the definitions of the receipt categories and taking the magnitudes of the revenue estimates as being reasonably accurate. Most of the detailed analysis that follows, including our alternate statement of the impact of withholding on Treasury net receipts, is based on thorough examination of numerous IRS and Treasury studies and documents.

The Treasury's estimated receipts, expressed in millions of dollars, from the 10 percent withholding on dividends and interest are as follows:

	Fiscal year—					
	1983	1984	1985	1986	1987	1983–87
Information reporting	91	467	740	1,073	1,399	3,770
Acceleration	471	2,701	360	409	363	4,304
Compliance	268	2,628	2,874	3,124	3,418	12,312
Total	830	5,796	3,975	4,605	5,181	20,387

The column and row totals are subject to rounding differences. These numbers, as will be discussed below, are gross misstatements of the net effect of the dividend and interest income withholding provisions on Treasury revenues.

REVENUE FROM INFORMATION REPORTING

The contribution to revenue from the labeled "information reporting" represents the Treasury's estimate of revenues that can be expected from having required information reporting on interest and dividend income sources that were previously not subject to information reporting. This revenue gain is actually attributable to the TEFRA provisions on information reporting, provisions that may be viewed as being independent of those on withholding. This revenue source represents approximately 18.5 percent of the Treasury's reported revenue from "withholding" over the 1983–87 fiscal year period. It has been incorrectly categorized and should be subtracted from the reported total to approach a clearer measure of the net revenue benefit from the TEFRA withholding provisions.

REVENUE FROM ACCELERATION

The second revenue source from withholding on interest and dividend income, labeled "acceleration," is simply a bookkeeping adjustment designed to reflect the fact that withholding allows the Treasury to claim as revenue in an earlier fiscal year—largely fiscal year 1984—amounts that, absent withholding, would have been reported as revenue in a later fiscal year. As is shown in the Treasury's estimates, this adjustment for acceleration is largely a one-time event. But the magnitude of this one-time event is subject to considerable reduction by tax compliers through effective and legal means.

The Senate Finance Committee report dealing with TEFRA clearly indicates that the flexibility in the wage withholding and estimated tax systems will prevent taxpayers from having involuntary over-withholding or overpayment of estimated taxes as a result of the 10 percent withholding on interest and dividend income. That is, tax compliers can adjust the withholding on their wages and salaries or on their estimated tax payments to compensate for the anticipated impact of withholding on interest and dividend income. To the extent that taxpayers do not adjust for over-withholding, they are effectively making interest-free loans to the Treasury. Estimates provided by the Treasury Office of Tax Analysis in connection with President Carter's proposal to have withholding on interest and dividend income indicate that tax compliers would be able to offset through legitimate adjustments approximately 95 percent of the acceleration effect of withholding on dividend and interest income. For compliers and noncompliers combined, approximately 85 percent of the withholding acceleration effect could be offset.

Thus, much of the Treasury's estimated acceleration effect must be attributable to the belief that taxpayers, most of whom already are subject to over-withholding, will generally ignore their right to offset even further withholding. The growing economic sophistication of taxpayers, especially those whose investment and savings income will be most susceptible to withholding, suggests that the Treasury's belief may be quite unwarranted. Thus, it is reasonable to suggest that the acceleration impact of the withholding provisions may be only 20 percent, perhaps even less, of the amount of the Treasury's estimate.

REVENUE FROM COMPLIANCE

The Treasury's compliance component of the estimated revenue from the 10 percent withholding on interest and dividend income constitutes the largest recurring aspect of the revenue gain. The compliance estimate reflects the Treasury's anticipated revenue that may be attributed to the 10 percent withholding on interest and dividend income that would otherwise go unreported by noncompliers for taxpaying purposes. But the compliance estimate exaggerates the impact of the withholding provisions on net revenue to the Treasury as it ignores: (1) the ability of the IRS to identify and enforce the tax laws against noncompliers; (2) the costs incurred in the private sector to meet the withholding provisions; and (3) the costs incurred in the Government sector to meet the withholding provisions. In addition to these quantifiable costs, the Treasury estimate ignores the very real costs associated with compliers having to take the considerable time and effort required to understand the withholding provisions and, where applicable, to file for exemption.

Enforcement versus withholding: As was discussed in an earlier section of this analysis, a high-quality information reporting system will enable the IRS to detect virtually all instances of noncompliance with the interest and dividend income tax statutes and regulations. Indeed, in the past, the IRS has been able to detect and collect against noncompliers. We have not, however, been able to ascertain the extent to which the IRS has been able to collect the portion of the interest and dividend tax gap that is has been able to identify. In any event, TEFRA provides the basis for requiring taxpayers and dividend and interest payers to supply the IRS with high-quality information. It does this by mandating universal reporting for all TEFRA-defined interest and dividend payments and by exacting penalties for cases where the information is either unreported or misreported. Further, it the Treasury Secretary would utilize the power granted to him under TEFRA to require information that is supplied to the IRS to be on magnetic tape, where the extent of the requirement is cost/benefit justified, the IRS would be able to produce an information return/tax return matching program at near 100 percent of potential.

Taxpayer awareness that the IRS has the capability to run a 100 percent document matching program will, by itself, increase voluntary taxpayer compliance. In addition, the IRS will have the necessary information to identify noncompliers to be subjected to IRS enforcement activities.

Treasury Secretary Regan has suggested that enforcement is not a cost-effective substitute for withholding. His premise is based on the belief that amounts to be recouped by the IRS from noncompliers will often be less than the cost to the IRS for enforcement.

The IRS Information Returns Program (IRP) matches only those documents and tax returns where the prospect for tax recovery is expected to exceed the cost of enforcement. The aforementioned "1981 Study of the Information Returns Program" shows that approximately half of both the unreported income and the tax consequences of the unreported income on tax returns filed in the 1975 tax year was not subjected to the matching process. The major reason for non-selection for matching was that the expected tax deficiency would be too small to justify the expense of sending underreporter notices to those noncompliers. As noted in the IRP study (page 14), "The application of operational tolerances to eliminate small amount discrepancy cases result in a further diminution of the gap re-

coverable through IRS actions." Of course, it would be desirable to have the IRS develop cost-effective methods to seek compliance from those cases that are presently below the tolerance levels for the matching program. In any event, it is reasonable to assume that the majority of the noncompliers who are escaping IRS enforcement activities will be eligible for exemptions from the 10 percent withholding on interest and dividend income. Thus, while Secretary Regan correctly suggests that there are many evaders who will escape IRS detection and enforcement, he is incorrect to imply that that 10 percent withholding will close this gap. The only way that withholding could even begin to close this gap is if no exemptions were allowed from the withholding provisions. Indeed, withholding may have no significant impact at all on this portion of the gap. We assume, but cannot substantiate, that the Treasury correctly adjusted its compliance estimate for those noncompliers who are exempt from withholding. Assuming the correct adjustment, the compliance component of the expected revenues from the 10 percent withholding on interest and dividend income can be generated in its entirety from existing plus expanded IRS enforcement activities on a cost-effective basis.

We note the following additional points with respect to IRS detection and enforcement activities as opposed to withholding on interest and dividend income. First, taxpayer belief that the IRS will detect noncompliance and enforce the tax laws is critical to the success of our voluntary tax compliance system. Second, a system of detection and enforcement, rather than withholding, targets Government efforts at noncompliers and does not impose any burden on compliers, a burden that is increased with withholding. Third, initial steps at enforcement can be quite successful and cost-effective. A letter sent by either first-class or certified mail to a suspected noncomplier should have a very high likelihood of quickly resolving the discrepancy. A relatively low-cost approach would be to lower the tolerance levels for the matching program and have the first letter sent to noncompliers be mailed first-class. Fourth, withholding as proposed an enacted in TEFRA does not eliminate, nor necessarily reduce significantly, the need for and extent of IRS enforcement activities. Tax noncompliers may still evade taxes due that would be in excess of the 10 percent withheld. Further, one may infer from a study prepared for the IRS that many persons who underreport interest and dividend income also are noncompliant in other areas of their returns. (Source: "Self-Reported Tax Compliance: A Pilot Survey Report," Prepared for the IRS by Westat under contract number TIR-78-50, March 21, 1980). Effective enforcement can recoup the tax that would have been withheld from the interest and dividend income of the noncompliers at the same time that it recovers the remaining underpayments. Thus, withholding creates an unnecessary increase in bureaucratic document creation and redundancy with enforcement activities of the IRS. Lastly, we previously noted that President Reagan has proposed major budget increases for IRS programs for examinations, returns processing, and collection efforts. We trust that the basis for these requests is the anticipation of a higher level of efficient and effective IRS noncompliance and detection and enforcement activities.

To summarize the above, the net revenue gain to the Treasury that can be attributed to withholding and not to effective enforcement is negligible, at best. Enforcement, based on expanded high quality information reporting, is the fairer and more cost-effective approach to exacting compliance against tax noncompliers.

Private sector costs: The cost to the private sector to comply with the withholding provisions is not insignificant. Detailed estimates of system-wide costs are not available. However, a few sources have made estimates of the cost to financial institutions to comply with the TEFRA withholding provisions.

Based on a survey conducted by Peat, Marwick, Mitchell & Co., the American Bankers Association estimates that the cost of compliance to the commercial banking industry alone will be on the order of $2.9 billion to $5.8 billion.

A Citibank estimate puts the compliance cost at $1.5 billion. But the Citibank estimate is based on expanding the estimate for Citibank alone to the entire banking community. As the Peat, Marwick study indicates, the greater efficiency of the larger banks in the area of records processing is not shared by the medium-sized banks. Thus, the Citibank estimate may severely understate the true cost of system-wide compliance.

A United States League of Savings Institutions study estimates the compliance cost to savings and loan associations as $790 million in the first year and $355 million in continuing annual costs into future years. Only a small portion of the recurring costs may be recovered from the float allowed by TEFRA for cost recovery.

Government sector costs: The last compliance cost factor relates to the Government sector, the IRS in particular. We do not have cost estimates in this area and have not attempted to make any. To the extent that the IRS will incur marginal costs to effect system compliance for the 10 percent withholding, the Treasury's revenue from withholding on interest and dividend income will be reduced.

REESTIMATION OF REVENUE IMPACT FROM THE 10 PERCENT WITHHOLDING PROVISION

Taking the above factors into account, we have recalculated the net revenue gain, in millions of dollars, to the Treasury from the 10 percent withholding on interest and dividend income as follows:

	Fiscal year—					
	1983	1984	1985	1986	1987	1983–87
Revenue as reported by Treasury	830	5,796	3,975	4,605	5,181	20,387
Less adjustments for:						
Information reporting misclassification	91	467	740	1,073	1,399	3,770
Acceleration overstatement	377	2,161	288	327	290	3,443
IRS enforcement redundancy	268	2,628	2,874	3,124	3,418	12,312
Lost taxes from lower dividend and interest	450	450	450	450	450	2,250
Total adjustments	1,186	5,706	4,352	4,974	5,557	21,775
Net revenue gain (loss) to the Treasury	(356)	90	(377)	(369)	(376)	(1,388)

The $90 million net revenue in 1984 is due primarily to the acceleration impact of the withholding plan. Thus, on a net of cost and other item basis, the impact of withholding on interest and dividend income over the 1983-87 fiscal year period is to reduce Treasury revenue by $1.388 billion.

Expanding the U.S. League estimate for S&Ls to include commercial banks, savings banks, and credit unions, as well as the S&Ls, we can estimate system-wide compliance costs at $3.146 billion, with continuing annual costs of $1.413 billion. These estimates, of course, exclude many organizations that will incur costs of compliance with the withholding provisions, organizations such as mutual funds, brokerage houses, and insurance companies. Further, the expansion method used to estimate these costs was based on the relationship of S&L industry assets to the assets of all the included financial institutions. An alternative expansion method would be to compute costs per institution and expand the number based on the number of institutions in the system. With most of the compliance costs fixed, expansion based on the number-of-institutions approach may be preferred. This would result in our cost estimate being more in line with that used by the American Bankers Association. Our estimates are, then, at the lower end of those that would follow for system-wide costs based on studies done by other sources. Thus, our estimate should be viewed as an extremely conservative estimate of the true system-wide cost of compliance.

For simplicity, we will assume that the first year cost of system development that is in excess of the recurring amount is spread over a five year recovery period. This results in expected compliance costs per year of $1.5 billion. We make no allowance for the impact of inflation on compliance costs. If we assume that this cost is passed along to taxpayers in the form of lower interest and dividend payments, this will result in taxpayers reporting $1.5 billion less per year in income subject to taxes. Assuming a 30 percent tax rate, again a conservative figure, the result to the Treasury is a $450 million per year reduction in tax revenues.

AN ALTERNATE INTERPRETATION OF THE REVENUE REESTIMATION

Our analysis of the Treasury's estimate of the revenue gain from withholding on dividend and interest income uses as its benchmark for comparative purposes a system based on effective IRS enforcement activities. This system is based on the expanded and higher-quality information reporting generation that should be expected from the other TEFRA provisions. These provisions exist independent of the withholding aspects of TEFRA. Thus, the statement that withholding will reduce Treasury revenues by $1.388 billion over the 1983-87 fiscal year period may be restated in terms of the benefit of the expanded enforcement approach as follows: an improved IRS enforcement program, based in large part on a system of higher-quality information reporting to the IRS, will produce $1.388 billion more in revenues over the 1983-87 fiscal year period than will a system based on withholding on interest and dividend income

It is important to note that the $1.388 billion estimate does not represent the total incremental revenue gain to the Treasury from all the improved information reporting requirement of TEFRA or from our suggestions to further improve those requirements. Much of the overall gain to the Treasury is common to both the withholding and improved enforcement proposals, as is made clear in Joint Committee on Taxation's "General Explanation of the Revenue Provisions of the Tax Equity and Fiscal Responsibility Act of 1982." In fact, it is this

commonality that makes withholding redundant and unnecessary. Our $1.388 billion estimate represents net revenue to the Treasury over and above that which would be expected if the withholding program were not repealed. Thus, if the Treasury continues to erroneously estimate the revenues from the withholding on interest and divident income provisions of TEFRA as $20.387 over the fiscal years 1983-87, we would argue that a system of expanded and improved information reporting and enforcement would generate $21.775 billion in added Treasury revenue over that same time period.

Our $1.388 billion estimate is based on a number of assumptions, the realism of which some might question. We assume that withholding on interest and dividend income by itself will not significantly reduce the number of noncompliers subject to IRS enforcement activities. Our previously cited reference to an IRS study that indicates that most noncompliers in the dividend and interest income area are low-income persons lends support to the realism of our assumption. In fact, one could argue that improved document matching and enforcement will result in a higher level of voluntary compliance than would be expected from the withholding program.

Our assumption on the acceleration effect may also be questioned. However, acceleration is clearly a one-time event, regardless of the proportion of tax compliers who exercise their right to adjust their other withholdings and estimated tax payments to offset the additional withholding on the interest and dividend income. If the Treasury simply wants to accelerate revenues, it could do so on a more effective basis by increasing the amount of withholding on wages and salaries already subject to withholding and by increasing the amounts that tax estimators must pay on their estimated tax payment schedules. The amount of the increase could be based on an analysis of the relationship between interest and dividend income and the taxpayer's overall income. This approach may not be politically popular, but at least it eliminates the need to instill yet another withholding system on the economy.

Lastly, we note that our assumption on the amount of private sector compliance costs and the extent to which they are passed through to interest and dividend recipients may be questioned. As we noted in our analysis of compliance costs, we, if anything, may have significantly understated the amount of compliance costs for the overall financial system. Further, it is reasonable to expect that most, if not all, of these costs will be passed along to interest and dividend recipients. Thus, to the extent we err, it is probably on the side of underestimating these costs and, therefore, understating the value to the Treasury of expanded enforcement based on better information processing rather than through withholding on interest and dividend income.

CONCLUSIONS

This analysis shows that there is a cost-effective approach to closing the interest and dividend revenue gap. This approach is not based on withholding on interest and divident income. The recommended approach involves the processing of higher-quality information documentation by the IRS combined with expanded enforcement activities. The recommended approach targets the closing of the revenue gap toward those tax noncompliers who have created the gap. It does not introduce unnecessary and costly withholding on the vast majority of Americans who already comply with the tax statues. Further, it has the potential to generate more revenue to the Treasury than will the withholding on interest and dividend income system.

Appearing before the House Ways and Means Committee on May 18, 1982, the Treasury's Assistant Secretary for Tax Planning, John E. Chapoton, stated, "But there are a lot of problems in adopting a withholding system, both political problems and cost problems. We are not supporting . . . expanded information reporting in lieu of withholding." Since the time of Mr. Chapoton's statement, little has changed in terms of the political and cost problems associated with withholding. Withholding is more than bad politics. As this analysis has shown, withholding on dividends and interest income is also bad economics. An effective enforcement system will make withholding on dividend and interest income unnecessary. A system based on effective enforcement is both good politics and good economics.

CLOTURE MOTION ON H.R. 1718

The PRESIDING OFFICER. Under rule XXII, 1 hour having passed since the Senate convened, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on H.R. 1718, An act making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not makework but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes.

Howard H. Baker, Jr., Robert Dole, Slade Gorton, Richard G. Lugar, David Durenberger, Carl Levin, Chic Hecht, John Heinz, Mark O. Hatfield, Mark Andrews, Arlen Specter, Christopher J. Dodd, Pete V. Domenici, Bob Packwood, John C. Danforth, Ted Stevens, John H. Chafee, Chuck Grassley, Malcolm Wallop, Warren G. Rudman, Paul Laxalt, and Alan K. Simpson.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The bill clerk called the roll and the following Senators answered to their names:

[Quorum No. 3 Leg.]

Baker	Goldwater	Nunn
Byrd	Hatfield	Pressler
D'Amato	Inouye	Pryor
Dole	Kasten	Thurmond
Garn	Long	

The PRESIDING OFFICER (Mr. PRESSLER). A quorum is not present. The clerk will call the names of the absent Senators.

The bill clerk resumed the call of the roll and the following Senators entered the Chamber and answered to their names:

Kennedy	Sarbanes	Wilson
Mattingly	Stevens	

The PRESIDING OFFICER. A quorum is not present.

Mr. BAKER. Mr. President, I move that the Sergeant at Arms be instructed to compel the attendance of absent Senators, and I ask for the yeas and nays on the motion.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 94, nays 5, as follows:

[Rollcall Vote No. 25 Leg.]

YEAS—94

Abdnor	Garn	Mitchell
Andrews	Goldwater	Moynihan
Armstrong	Gorton	Murkowski
Baker	Grassley	Nickles
Baucus	Hart	Nunn
Bentsen	Hatch	Packwood
Biden	Hatfield	Pell
Bingaman	Hawkins	Percy
Boren	Hecht	Pressler
Boschwitz	Heflin	Pryor
Bradley	Heinz	Randolph
Bumpers	Helms	Riegle
Burdick	Hollings	Roth
Byrd	Huddleston	Rudman
Chafee	Humphrey	Sarbanes
Chiles	Inouye	Sasser
Cochran	Jackson	Simpson
Cohen	Jepsen	Specter
Cranston	Kassebaum	Stafford
D'Amato	Kasten	Stennis
Danforth	Kennedy	Stevens
DeConcini	Lautenberg	Symms
Denton	Laxalt	Thurmond
Dixon	Leahy	Tower
Dodd	Levin	Trible
Dole	Lugar	Tsongas
Domenici	Mathias	Wallop
Durenberger	Matsunaga	Warner
Eagleton	Mattingly	Wilson
East	McClure	Zorinsky
Exon	Melcher	
Ford	Metzenbaum	

NAYS—5

Johnston	Proxmire	Weicker
Long	Quayle	

NOT VOTING—1

Glenn

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on H.R. 1718, an act making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting

in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes, shall be brought to a close?

The yeas and nays are automatic under the rule. The clerk will call the roll.

The bill clerk called the roll.

Mr. DECONCINI (when his name was called). Present.

Mr. CRANSTON. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The PRESIDING OFFICER. Are there any Senators wishing to vote who have not voted?

The yeas and nays resulted—yeas 50, nays 48, as follows:

[Rollcall Vote No. 26 Leg.]

YEAS—50

Andrews	Gorton	Randolph
Baker	Grassley	Riegle
Bentsen	Hart	Roth
Biden	Hatfield	Rudman
Bingaman	Hecht	Sarbanes
Boschwitz	Heinz	Sasser
Byrd	Kennedy	Simpson
Chafee	Lautenberg	Specter
Chiles	Laxalt	Stafford
Cohen	Leahy	Stennis
Cranston	Levin	Stevens
D'Amato	Lugar	Tower
Danforth	Mathias	Wallop
Dodd	Metzenbaum	Warner
Dole	Moynihan	Weicker
Domenici	Packwood	Wilson
Durenberger	Pell	

NAYS—48

Abdnor	Hatch	McClure
Armstrong	Hawkins	Melcher
Baucus	Heflin	Mitchell
Boren	Helms	Murkowski
Bradley	Hollings	Nickles
Bumpers	Huddleston	Nunn
Burdick	Humphrey	Percy
Cochran	Inouye	Pressler
Denton	Jackson	Proxmire
Dixon	Jepsen	Pryor
Eagleton	Johnston	Quayle
East	Kassebaum	Symms
Exon	Kasten	Thurmond
Ford	Long	Trible
Garn	Matsunaga	Tsongas
Goldwater	Mattingly	Zorinsky

ANSWERED "PRESENT"—1

DeConcini

NOT VOTING—1

Glenn

The PRESIDING OFFICER. On this vote there are 50 yeas and 48 nays, one Senator voting present. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the cloture motion is rejected

CLOTURE MOTION ON KASTEN AMENDMENT NO. 504

The PRESIDING OFFICER. The clerk will report the next motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the pending amendment offered by the Senator from Wisconsin (Mr. KASTEN).

Bob Kasten, Russell Long, William L. Armstrong, Paula Hawkins, Mack Mattingly, Strom Thurmond, William Proxmire, Nancy Landon Kassebaum, Larry Pressler, Wendell H. Ford, Ernest F. Hollings, Don Nickles, David Boren, Barry Goldwater, Max Baucus, Dan Quayle, Mark Andrews, Dennis DeConcini, George Mitchell, Howell Heflin, J. Bennett Johnston, Jim Sasser, John Melcher, Jesse Helms, and Gordon Humphrey.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the pending amendment No. 504 offered by the Senator from Wisconsin (Mr. KASTEN) shall be brought to a close? The yeas and nays are automatic under the rules.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Delaware (Mr. ROTH) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The yeas and nays resulted—yeas 59, nays 39, as follows:

[Rollcall Vote No. 27 Leg.]

YEAS—59

Andrews	Garn	Mitchell
Armstrong	Goldwater	Murkowski
Baucus	Hatch	Nickles
Bentsen	Hawkins	Nunn
Biden	Heflin	Pell
Bingaman	Helms	Percy
Boren	Hollings	Proxmire
Boschwitz	Huddleston	Pryor
Bradley	Humphrey	Quayle
Bumpers	Inouye	Randolph
Burdick	Jackson	Riegle
Byrd	Jepsen	Sarbanes
Cochran	Johnston	Sasser
D'Amato	Kassebaum	Stennis
DeConcini	Kasten	Symms
Denton	Leahy	Thurmond
Dixon	Long	Trible
East	Matsunaga	Tsongas
Exon	Mattingly	Zorinsky
Ford	Melcher	

NAYS—39

Abdnor	Grassley	Moynihan
Baker	Hart	Packwood
Chafee	Hatfield	Pressler
Chiles	Hecht	Rudman
Cohen	Heinz	Simpson
Cranston	Kennedy	Specter
Danforth	Lautenberg	Stafford
Dodd	Laxalt	Stevens
Dole	Levin	Tower
Domenici	Lugar	Wallop
Durenberger	Mathias	Warner
Eagleton	McClure	Weicker
Gorton	Metzenbaum	Wilson

NOT VOTING—2

Glenn Roth

The PRESIDING OFFICER. On this vote, the yeas are 59, the nays 39. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. DECONCINI. I cast a vote of "present" on the motion to invoke cloture on the jobs bill pending before us.

During my 6 years in the Senate, I have never cast a vote against cloture. I have been guided in this by a deep and abiding belief that in a democracy issues should be voted upon. The very idea of a filibuster is, in my judgment, inimical to representative government. There is no justification for a small minority being allowed to deny a majority of elected representatives the opportunity to vote on a critical national issue.

I agree that issues should be debated fully and at length. Indeed, the very purpose of the Senate is to provide such a forum for intense and thorough argument. However, at some reasonable point, we have a right to expect that the democratic process will be allowed to come to fruition—that is, issues should be allowed to come to a vote.

Based upon that philosophy, I have voted to invoke cloture—the only tool we have to ultimately end debate—whenever a filibuster has been instituted. Today, however, the situation is different in some compelling aspects. The effort to invoke cloture is, to a degree, being used not to bring an issue to a vote, but to prevent an issue from coming to a vote.

Because the Senate rules provide that once cloture has been invoked no nongermane amendment shall be in order, this cloture vote is designed to eliminate from the Senate's agenda the so-called Kasten amendment repealing the withholding tax on interest. I support Senator KASTEN's amendment, and I would support his right to have that amendment come before the Senate for a vote even if I were against it.

Because my belief that filibusters are fundamentally wrong is so strong, I cannot bring myself to cast a vote against cloture. Were it in my power, I would eliminate the filibuster altogether. However, in this instance, the cloture rule is being used to thwart Senator KASTEN's efforts to bring a major issue of national importance to a legitimate vote. Therefore, Mr. President, I am voting "present" in recognition of the fact that to invoke cloture a minimum of 60 positive votes are required.

Let me add in closing that I believe it is time for the Senate to amend its rules governing debate so that we do not continually find ourselves in parliamentary quagmires of our own making.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

CLOTURE MOTION

Mr. BAKER. I send a cloture motion to the desk and ask that it be stated by the clerk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on H.R. 1718, an act making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not makework but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes.

Howard H. Baker, Jr., Ted Stevens, Robert Dole, Mark O. Hatfield, John H. Chafee, Chic Hecht, John C. Danforth, Arlen Specter, Bob Packwood, Mark Andrews, Pete V. Domenici, Malcolm Wallop, Slade Gorton, Paul Laxalt, Alan K. Simpson, Daniel Patrick Moynihan, Warren B. Rudman, Carl Levin, David Durenberger, and Christopher J. Dodd.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. May I have the attention of the Senate. May we have order in the Senate.

The PRESIDING OFFICER. There will be order in the Senate. Conversations should move to the cloak room.

The majority leader.

EMERGENCY JOBS APPROPRIATIONS, 1983

Mr. BAKER. Once again, we have to pass the bill. Once again, the best way to pass this bill is to work out an arrangement so that there is an opportunity for the Senator from Wisconsin to have his vote, for us to free up this bill and social security so that we do not have to go through this drill time and time again. I do not know what the Senate will finally do, but I want to repeat, Mr. President, that I am willing to try to work that out. I have tried for the last 2 days. I had thought that we were close, perhaps even there, a time or two.

But now, Mr. President, I think it is urgent that we sit down and try to work this thing out. I say to my friend from Wisconsin and my friend from Kansas that if they are agreeable, I want to sit down now and try to do that. If any Senator wishes to speak at this time, I, of course, will yield so they may do that. But if no other Senators want to do that, I want to conduct those negotiations someplace else except on this floor because I am not sure the rules of the Senate will let me say what I want to say. [Laughter.]

So, Mr. President, if any Senator is now seeking recognition, I will yield; otherwise, I am going to ask the Senate to recess until 1 p.m.

Mr. HUMPHREY addressed the Chair.

Mr. BAKER. I yield.

Mr. HUMPHREY. Very briefly, Mr. President, this Senator is a little bit disturbed at the seeming unfairness of the way the issue has been framed. The Senator from Wisconsin has been blamed in the press for holding up the so-called jobs bill and the social security bill. The fact of the matter is that the leadership must share that responsibility. This matter could be disposed of in 20 minutes if the leadership would allow it to come to a vote. There are 54 Senators who wish a vote on this issue and are being frustrated.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. I ask unanimous consent——

Mr. BYRD. Mr. President, will the majority leader yield?

Mr. BAKER. I yield.

Mr. BYRD. Does the majority leader think 45 minutes is sufficient time to say what he would not say on this floor?

Mr. BAKER. Mr. President, it is enough time for me to say all I can stand.

RECESS UNTIL 1 P.M.

Mr. BAKER. Mr. President, I now ask unanimous consent that the Senate stand in recess until 1 p.m.

There being no objection, the Senate, at 12:14 p.m., recessed until 1 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HUMPHREY).

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

Mr. President, I would like to be able to report that I have an agreement with the warring parties, but I cannot report that. I can report they are cogitating. That was the term they chose, not I.

One of them is on the floor. He must be cogitating by himself.

Mr. President, there seems to be some merit in not proceeding further at this moment. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NICKLES). Without objection, it is so ordered.

Mr. BAKER. Mr. President, in a moment I intend to do something I very much had not wanted to do, and this is try to take us off this bill and put us on social security. That does not mean that I have given up hope that we are going to deal with the jobs bill. Indeed, we are going to deal with the jobs bill. But there is a cloture motion filed now and it will not mature for a vote until Friday at noon. There is no point in us sitting around here growling at each other between now and then. At least we can get on the social security bill.

Mr. President, I propound a parliamentary inquiry. Mr. President, if the Senate turns to the consideration of H.R. 1900, which is the House-passed social security bill, what will be the status of that bill as of the time we arrive at 1 hour after the Senate convenes on Friday next?

The PRESIDING OFFICER. At that hour on Friday, 1 hour after the hour the Senate convenes, a live quorum will be established and a vote will occur on the cloture motion that was filed today. If that vote is successful, the jobs bill will once again become the pending business. If the motion is unsuccessful, H.R. 1900 will continue to be the pending business.

Mr. BAKER. I thank the Chair.

Mr. President, I ask further, is there a budget waiver to accompany this measure at the desk?

The PRESIDING OFFICER. Such waiver is at the desk and has been reported.

Mr. BAKER. That budget waiver is privileged.

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. Mr. President, so everyone will understand what we are about, it is my intention shortly to ask us to turn first to the consideration of the budget waiver. Assuming the Senate adopts the budget waiver, to turn next to the consideration of the social security package, and to continue on the social security package today, and tomorrow, and Friday, if necessary, until we reach the time when the vote will occur on the cloture motion which is filed against further debate on the jobs bill.

The Chair has already stated that at that time, if we are still on the social security bill, we will resume consideration of the jobs bill for the purpose of conducting the live quorum and the cloture vote. If the vote succeeds, we will continue on the jobs bill, notwithstanding that social security has not yet been completed.

Mr. President, I will not put those motions at this time. So Members will be advised of what I would like to do, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KASTEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. BAKER. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The clerk will resume the call of the roll.

The assistant legislative clerk resumed the call of the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUDGET ACT WAIVER

Mr. BAKER. I ask that the Chair lay before the Senate S. Res. 91, a budget waiver with respect to consideration of S. 1.

The PRESIDING OFFICER. The clerk will state it.

The assistant legislative clerk read as follows:

A Senate resolution (S. Res. 91) waiving section 303(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the budget resolution waiver.

The resolution (S. Res. 91) was agreed to as follows:

S. RES. 91

Resolved, That pursuant to section 303(c) of the Congressional Budget Act of 1974, the provisions of section 303(a) of such Act are waived with respect to the consideration of S. 1, an Act to implement the consensus recommendations of the National Commission on Social Security Reform and with respect to the consideration of H.R. 1900, dealing with the same subject matter. Such waiver is necessary because the recommendations of the National Commission on Social Security Reform require prompt action in order to ensure the stability of the social security system.

SOCIAL SECURITY ACT AMENDMENTS OF 1983

Mr. BAKER. Mr. President, I move that the Senate proceed to the consideration of H.R. 1900, the social security measure.

The PRESIDING OFFICER. The bill will be stated.

The assistant legislative clerk read as follows:

A bill (H.R. 1900) to assure the solvency of the Social Security Trust Funds, to reform the medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The Senate proceeded to consider the bill.

Mr. BAKER. Mr. President, as I understand the situation, the situation is this: It appears to me we are not going to be able to negotiate a compromise settlement of the jobs bill dilemma today. I regret that. I must say that all of the parties to this matter have given their best efforts and have done so conscientiously. I commend them all for it. Senator KASTEN and Senator DOLE have tried and tried repeatedly to reconcile the differences in their point of view on this matter without success. Finally, we have arrived at the place where we have to move on.

This in no way signals that we are not going to pass a jobs bill. We are going to pass a jobs bill if it is humanly possible for that to be done. But there is a cloture motion filed against further debate on the jobs bill that will not mature until Friday. In my judgment, there was simply no reason for us to sit here in quorum calls and what appeared to be endless efforts to negotiate a settlement on this matter until Friday. I think we can make good use of the time between now and Friday, 1 hour after we convene, by considering aspects of the social security bill and perhaps even passing it. I hope we can pass it.

On Friday, the cloture motion on the jobs bill will occur as the pending business. If cloture is invoked, we shall be back on the jobs bill, whether we finish social security or not. I hope we have finished social security and we can continue then with the jobs bill in an orderly way.

The Senate should be on notice, Mr. President, of the strong possibility of a Saturday session.

Mr. President, I yield the floor.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. On behalf of Mr. MOYNIHAN, I make the following unanimous-consent request: I ask unanimous consent that floor privileges be granted during the disposition of the pending social security measure to Dr. John Hambor, Director of the Division of Economic Research in Office of Research & Statistics, Social Security, Administration. He is serving as a legislative fellow in the office of Senator MOYNIHAN at this time. It is a bit of an unusual request, but I hope the Senate will grant it.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

Mr. BYRD. I thank the Senator from Kanasas.

Mr. MOYNIHAN. Mr. President, may I express my appreciation to the minority leader for his courtesy in this matter and to the Senate. Dr. Hambor is a respected authority on the issues of fact that will come before the Senate.

Mr. BYRD. I thank the Senator.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE JOBS BILL

Mr. LEVIN. Mr. President, I am wondering if the majority leader would comment on the following problem: On the jobs bill was about $5 billion to replenish the trust fund from which about 29 States must draw by the end of this week in order that unemployment checks can go out without interruption next Monday. I was on my way over to ask the majority leader about that problem when he did move to set aside the jobs bill. I am wondering if he can give us assurance that there will be an effort, separate from the jobs bill and the social security bill, to make sure that there is no interruption in those funds given our present parliamentary situation.

Mr. BAKER. Mr. President, let me say, to begin with, no one in this Chamber is more dedicated than I, with the possible exception of the Senator from Michigan, to seeing that unemployment benefits funds are provided. He has been most diligent in that respect, and I can assure him that, one way or the other, we are going to get that money; we are going to get it through the Senate.

Now, the jobs bill is not gone. The jobs bill is going to recur as the pending business on Friday. If we succeed with our vote for cloture at that time, we are going to proceed, I think, to pass that bill on Friday and the issue will be moot.

That is what I think will happen. But if we fail to get cloture on Friday, then we will be back on the social security bill. I can assure the Senator from Michigan that I will do whatever is necessary and possible within the rules of the Senate and as the Senate will permit me to do so to see that those checks are funded to go out on Monday, I am confident that we can do that.

Mr. LEVIN. I thank the majority leader.

Mr. DOLE. Mr. President, I think we are ready to begin on social security,

and I want to underscore what the majority leader, Senator BAKER, just said.

It is my hope that we can still reach some agreement on the jobs bill and temporarily lay aside the social security bill and pass the jobs bill. The Senator from Kansas is still willing, as before the vote, to bring some measure to the floor—in fact, there is one on the calendar, the reciprocity measure—on or about the 15th of April, and have a freestanding debate, at which time we could argue the merits and demerits of withholding, and have a chance to vote and debate and modify and whatever. That is still in the process of being worked out. If that agreement comes together, we will set aside the social security measure long enough to take care of the jobs bill, to assure the Senator from Michigan and others that the benefits will be there when needed.

Mr. LEVIN. Mr. President, the assurance of the majority leader that, one way or another, whether or not such agreement is reached, it is his determination and prediction that we will provide that funding this week, so that those funds do not run out this weekend, is indeed important.

A great test of wills is going on here. That is not unusual in the Senate. But what we cannot allow to happen is for 12 million unemployed Americans to be caught in the vise; and the assurance of the Senator from Kansas and of the majority leader that, whether that test of wills is resolved by Friday or not, those funds will be provided by the end of the week, by a separate bill or a separate motion, is important.

I thank my friend from Kansas and the majority leader for those assurances.

SOCIAL SECURITY ACT AMENDMENTS OF 1983

The Senate continued with the consideration of H.R. 1900.

UP AMENDMENT NO. 67

(Subsequently numbered amendment No. 516.)

Mr. DOLE. Mr. President, I send to the desk a Finance Committee amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an unprinted amendment numbered 67.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof:

SHORT TITLE

SECTION 1. This Act, with the following table of contents, may be cited as the "Social Security Amendments of 1983".

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Sec. 1. Short title.

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Sec. 148. Payment schedule by State and local governments.
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TITLE I—SOCIAL SECURITY

PART A—CHANGES IN COVERAGE

COVERAGE OF NEWLY HIRED FEDERAL EMPLOYEES

SEC. 101. (a)(1) Section 210(a) of the Social Security Act is amended by striking out paragraphs (5) and (6) and inserting in lieu thereof the following:

"(5) Service performed in the employ of the United States or any instrumentality of the United States, if such service—

"(A) would not be included in the term 'employment' for purposes of this subsection by reason of the provisions of paragraph (5) or (6) of this subsection as in effect on January 1, 1983, and

"(B) is performed by an individual who has been continuously in the employ of the United States or an instrumentality thereof (including, solely for purposes of this paragraph, the receipt of benefits under the Civil

Service Retirement and Disability Fund, or any other benefits (based upon service as an employee) under another retirement system established by a law of the United States for employees of the Federal Government or members of the Uniformed Services as being 'in the employ' of the United States) since December 31, 1983 (and for this purpose an individual who returns to the performance of such service after a separation from such service shall nevertheless be considered upon such return as having been continuously in the employ of the United States or an instrumentality thereof, regardless of whether the period of such separation began before, on, or after December 31, 1983, if the period of such separation does not exceed 365 days); except that this paragraph shall not apply with respect to—

"(i) service performed as the President or Vice President of the United States,

"(ii) service performed as a Member, Delegate, or Resident Commissioner of or to the Congress,

"(iii) service performed as the Commissioner of Social Security, or

"(iv) any other service in the legislative branch of the Federal Government if such service is performed by an individual who, on December 31, 1983, is not subject to subchapter III of chapter 83 of title 5, United States Code.

"(6) Service performed in the employ of the United States or any instrumentality of the United States if such service is performed—

"(A) in a penal institution of the United States by an inmate thereof;

"(B) by any individual as an employee included under section 5351(2) of title 5, United States Code (relating to certain interns, student nurses, and other student employees of hospitals of the Federal Government), other than as a medical or dental intern or a medical or dental resident in training; or

"(C) by any individual as an employee serving on a temporary basis in case of fire, storm, earthquake, flood, or other similar emergency;".

(2) Section 210(p) of such Act is amended by striking out "provisions of—" and all that follows and inserting in lieu thereof "provisions of subsection (a)(5).".

(b)(1) Section 3121(b) of the Internal Revenue Code of 1954 is amended by striking out paragraphs (5) and (6) and inserting in lieu thereof the following:

"(5) service performed in the employ of the United States or any instrumentality of the United States, if such service—

"(A) would not be included in the term 'employment' for purposes of this subsection by reason of the provisions of paragraph (5) or (6) of this subsection as in effect on January 1, 1983, and

"(B) is performed by an individual who has been continuously in the employ of the United States or an instrumentality thereof (including, solely for purposes of this paragraph, the receipt of benefits under the Civil Service Retirement and Disability Fund, or any other benefits (based upon service as an employee) under another retirement system established by a law of the United States for employees of the Federal Government or members of the Uniformed Services as being 'in the employ' of the United States) since December 31, 1983 (and for this purpose an individual who returns to the performance of such service after a separation from such service shall nevertheless be considered upon such return as having been continuously in the employ of the United States or an instrumentality thereof, regardless of whether the period of such separation began before, on, or after December 31, 1983, if the period of such separation does not exceed 365 days); except that this paragraph shall not apply with respect to—

"(i) service performed as the President or Vice President of the United States,

"(ii) service performed as a Member, Delegate, or Resident Commissioner of or to the Congress,

"(iii) service performed as the Commissioner of Social Security, or

"(iv) any other service in the legislative branch of the Federal Government if such service is performed by an individual who, on December 31, 1983, is not subject to subchapter III of chapter 83 of title 5, United States Code;

"(6) service performed in the employ of the United States or any instrumentality of the United States if such service is performed—

"(A) in a penal institution of the United States by an inmate thereof;

"(B) by any individual as an employee included under section 5351(2) of title 5, United States Code (relating to certain interns, student nurses, and other student employees of hospitals of the Federal Government), other than as a medical or dental intern or a medical or dental resident in training; or

"(C) by any individual as an employee serving on a temporary basis in case of fire, storm, earthquake, flood, or other similar emergency;".

(2) Section 3121(u)(1) of such Code is amended to read as follows:

"(1) IN GENERAL.—For purposes of the taxes imposed by sections 3101(b) and 3111(b), subsection (b) shall be applied without regard to paragraph (5) thereof.".

(c) The amendments made by this section shall be effective with respect to remuneration paid after December 31, 1983.

(d) Nothing in this Act shall reduce the accrued entitlements to future benefits under the Federal Retirement System of current and retired Federal employees and their families.

COVERAGE OF EMPLOYEES OF NONPROFIT ORGANIZATIONS

SEC. 102. (a) Section 210(a)(8) of the Social Security Act is amended by striking out subparagraph (B) thereof and by striking out "(A)" after "(8)".

(b)(1) Section 3121(b)(8) of the Internal Revenue Code of 1954 is amended by striking out subparagraph (B) thereof and by striking out "(A)" after "(8)".

(2) Subsection (k) of section 3121 of such Code is repealed.

(c) The amendments made by this section shall be effective with respect to remuneration paid after December 31, 1983.

(d) Notwithstanding any provision of section 3121(k) of the Internal Revenue Code of 1954 (or any other provision of law) the period for which a certificate is in effect under such section may not be terminated on or after the date of the enactment of this Act.

DURATION OF AGREEMENT FOR COVERAGE OF STATE AND LOCAL EMPLOYEES

SEC. 103. (a) Subsection (g) of section 218 of the Social Security Act is amended to read as follows:

"Duration of Agreement

"(g) No agreement under this section may be terminated, in its entirety or with respect to any coverage group, on or after the date of the enactment of the Social Security Amendments of 1983.".

(b) The amendment made by subsection (a) shall apply to any agreement in effect under section 218 of the Social Security Act on the date of the enactment of this Act, without regard to whether a notice of termination was in effect on such date, and to any agreement or modification thereof which may become effective under such section 218 after that date.

EXCLUSION OF SERVICES PERFORMED BY MEMBERS OF CERTAIN RELIGIOUS SECTS

SEC. 104. (a) Section 3121 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection:

"(v) MEMBERS OF CERTAIN RELIGIOUS FAITHS.—

"(1) EXEMPTION.—Any individual may file an application (in such form and manner, and with such official, as may be prescribed by regulations under this chapter) for an exemption from the tax imposed by this chapter with respect to wages paid to such individual by an employer who is exempt from the tax imposed under section 1401 by reason of an exemption granted under section 1402(g), if such individual is a member of a recognized religious sect or division thereof and is an adherent of established tenets or teachings of such sect or division by reason of which he is conscientiously opposed to acceptance of the benefits of any private or public insurance which makes payments in the event of death, disability, old-age, or retirement or makes payments toward the cost of, or provides services for, medical care (including the benefits of any insurance system established by the Social Security Act). Such exemption may be granted only if the application contains or is accompanied by—

"(A) such evidence of such individual's membership in, and adherence to the tenets or teachings of the sect or division thereof as the Secretary may require for purposes of determining such individual's compliance with the preceding sentence, and

"(B) his waiver of all benefits and other payments under titles II and XVIII of the Social Security Act on the basis of his wages and self-employment income as well as all such benefits and other payments to him on the basis of the wages and self-employment income of any other person,

and only if the Secretary of Health and Human Services finds that—

"(i) such sect or division thereof has the established tenets or teachings referred to in the preceding sentence,

"(ii) it is the practice, and has been for a period of time which he deems to be substantial, for members of such sect or division thereof to make provision for their dependent members which in his judgment is reasonable in view of their general level of living, and

"(iii) such sect or division thereof has been in existence at all times since December 31, 1950.

An exemption may not be granted to any individual if any benefit or other payment referred to in subparagraph (B) became payable (or, but for section 203 or 222(b) of the Social Security Act, would have become payable) at or before the time of the filing of such waiver.

"(2) PERIOD FOR WHICH EXEMPTION EFFECTIVE.—An exemption granted to any individual pursuant to this subsection shall apply with respect to all taxable years beginning after December 31, 1983, except that such exemption shall not apply for any calendar year—

"(A) beginning (i) before the calendar year in which such individual first met the requirements of the first sentence of paragraph (1), or (ii) before the time as of which the Secretary of Health and Human Services finds that the sect or division thereof of which such individual is a member met the requirements of clauses (i) and (ii) of paragraph (1), or

"(B) ending (i) after the time such individual ceases to meet the requirements of the first sentence of paragraph (1), or (ii) after the time as of which the Secretary of Health and Human Services finds that the sect or division thereof of which he is a member ceases to meet the requirements of clauses (i) and (ii) of paragraph (1).".

(b) Section 210(a) of the Social Security Act is amended—

(1) by striking out "or" at the end of paragraph (19);

(2) by striking out the period at the end of paragraph (20) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new paragraph:

"(21) Service performed, in the employ of an employer who is exempt from the tax imposed under section 1401 of the Internal Revenue Code of 1954 by reason of an exemption granted under section 1402(g) of such Code, by an individual with respect to whom an exemption has been granted (and is applicable) under section 3121(v) of such Code.".

(c) Section 3121(b) of the Internal Revenue Code of 1954 is amended—

(1) by striking out "or" at the end of paragraph (19);

(2) by striking out the period at the end of paragraph (20) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new paragraph:

"(21) service performed, in the employ of an employer who is exempt from the tax imposed under section 1401 by reason of an exemption granted under section 1402(g), by an individual with respect to whom an exemption has been granted (and is applicable) under subsection (v) of this section.".

(d) Section 202(v) of the Social Security Act is amended by inserting "or 3121(v)" after "1402(g)" each place it appears.

(e) The amendments made by this section shall apply with respect to remuneration paid after December 31, 1983.

Part B—Changes in Benefits

SHIFT OF COST-OF-LIVING ADJUSTMENTS TO CALENDAR YEAR BASIS

Sec. 111. (a)(1) Section 215(i)(2)(A)(ii) of the Social Security Act is amended by striking out "June" and inserting in lieu thereof "December".

(2) Section 215(i)(2)(A)(iii) of such Act is amended by striking out "May" and inserting in lieu thereof "November".

(3) Section 215(i)(2)(B) of such Act is amended by striking out "May" each place it appears and inserting in lieu thereof in each instance "November".

(4) Section 203(f)(8)(A) of such Act is amended by striking out "June" and inserting in lieu thereof "December".

(5) Section 230(a) of such Act is amended by striking out "June" and inserting in lieu thereof "December".

(6) Section 215(i)(2) of such Act as in effect in December 1978, and as applied in certain cases under the provisions of such Act as in effect after December 1978, is amended by striking out "June" in subparagraph (A)(ii) and inserting in lieu thereof "December", and by striking out "May" each place it appears in subparagraph (B) and inserting in lieu thereof in each instance "November".

(7) Section 202(m) of such Act (as it applies in certain cases by reason of section 2 of Public Law 97-123) is amended by striking out "May" and inserting in lieu thereof "November".

(8) The amendments made by this subsection shall apply with respect to cost-of-living increases determined under section 215(i) of the Social Security Act for years after 1982.

(b)(1) Section 215(i)(1)(A) of the Social Security Act is amended by striking out "March 31" and inserting in lieu thereof "September 30", and by striking out "1974" and inserting in lieu thereof "1982".

(2) Section 215(i)(1)(A) of such Act as in effect in December 1978, and as applied in certain cases under the provisions of such Act as in effect after December 1978, is amended by striking out "March 31" and inserting in lieu thereof "September 30".

(3) The amendments made by this subsection shall apply with respect to cost-of-living increases determined under section 215(i) of the Social Security Act for years after 1983.

(c) Section 215(i)(4) of such Act is amended by inserting ", and as amended by section 201 (a)(6) and (b)(2) of the Social Security Amendments of 1983," after "as in effect in December 1978".

(d) Notwithstanding any provision to the contrary in section 215(i) of the Social Security Act, the "base quarter" (as defined in paragraph (1)(A)(i) of such section) in the calendar year 1983 shall be a "cost-of-living computation quarter" within the meaning of paragraph (1)(B) of such section (and shall be deemed to have been determined by the Secretary of Health and Human Services to be a "cost-of-living computation quarter" under paragraph (2)(A) of such section) for all of the purposes of such Act as amended by this section and by other provisions of this Act, without regard to the extent by which the Consumer Price Index has increased since the last prior cost-of-living computation quarter which was established under such paragraph (1)(B).

ELIMINATION OF WINDFALL BENEFITS FOR INDIVIDUALS RECEIVING PENSIONS FROM NONCOVERED EMPLOYMENT

Sec. 112. (a) Section 215(a) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(7)(A) In the case of an individual who was not eligible for an old-age or disability insurance benefit for December 1983 and whose primary insurance amount would be computed under paragraph (1) of this subsection, and who first becomes eligible after 1983 to a monthly periodic payment (or a payment determined under subparagraph (D)) based (in whole or in part) upon his earnings for service which did not constitute 'employment' as defined in section 210 for purposes of this title (hereafter in this paragraph and in subsection (d)(5) referred to as 'noncovered service') of at least one year's duration, the primary insurance amount of that individual during his entitlement to old-age or disability insurance benefits shall be computed or recomputed under subparagraph (B) with respect to the initial month in which the individual becomes eligible for such benefits, and shall be periodically recomputed thereafter at such times as the Secretary determines there has been a significant change in the amount of such periodic payment.

"(B)(i) If paragraph (1) of this subsection would apply to that individual (except for subparagraph (A) of this paragraph), there shall first be computed an amount equal to the individual's primary insurance amount under this subsection (other than this paragraph), except that for purposes of such computation the percentage of the individual's average indexed monthly earnings established by subparagraph (A)(i) of paragraph (1) shall be the percent specified in clause (ii). There shall then be computed (without regard to this paragraph) a second amount, which shall be equal to the individual's primary insurance amount under this subsection (other than this paragraph), except that such second amount shall be reduced by an amount equal to the applicable fraction (as determined under subparagraph (E)) of the portion of the monthly periodic payment attributable to noncovered service to which the individual is entitled (or deemed to be entitled) for the month for which such old-age or disability insurance benefits are payable. For purposes of the preceding sentence, the portion of the monthly periodic payment attributable to noncovered service shall be that portion of such payment which bears the same ratio to the amount of such payment as the number of months of service in noncovered service to which such benefit is attributable (but only counting any such months occurring after 1956) bears to the total number of months of service to which such benefit is attributable. The individual's primary insurance amount shall be the larger of the two amounts computed under this subparagraph (before the application of subsection (i)) and shall be deemed to be computed under paragraph (1) of this subsection for the purpose of applying other provisions of this title.

"(ii) For purposes of clause (i), the percent specified in this clause is—

"(I) 78.4 percent, with respect to individuals who initially become eligible for old age or disability insurance benefits, or who die (before becoming eligible for such benefits) in 1984;

"(II) 66.8 percent with respect to individuals who so become eligible or die in 1985;

"(III) 55.2 percent with respect to individuals who so become eligible or die in 1986;

"(IV) 43.6 percent with respect to individuals who so become eligible or die in 1987; and

"(V) 32.0 percent with respect to individuals who so become eligible or die in 1988 or thereafter.

"(C) No primary insurance amount may be reduced by reason of this paragraph below the amount of the primary insurance amount as determined under paragraph (1)(C)(i).

"(D)(i) Any periodic payment that otherwise meets the requirements of subparagraph (A), but which is paid on other than a monthly basis, shall be allocated on a basis equivalent to a monthly payment (as determined by the Secretary), and such equivalent monthly payment shall constitute a monthly periodic payment for purposes of this paragraph.

"(ii) In the case of an individual who has elected to receive a periodic payment that has been reduced so as to provide a survivors benefit to any other individual, the payment is deemed to be increased (for the purpose of any computation under this paragraph) by such reduction.

"(iii) If an individual to whom subparagraph (A) applies is eligible for a periodic payment beginning with a month that is subsequent to the month in which he becomes eligible for old-age or disability insurance benefits, the amount of that payment

for purposes of subparagraph (B) shall be deemed to be the amount to which he is, or is deemed, to become entitled (subject to clauses (i), (ii), and (iv) of this subparagraph) in such subsequent month.

"(iv) For purposes of this subparagraph, the term 'periodic payment' includes a payment payable in a lump sum if it is a commutation of, or a substitute for, periodic payments.

"(E) For purposes of subparagraph (B), the applicable fraction is—

"(i) in the case of an individual who first becomes eligible during 1984 to a monthly periodic payment described in subparagraph (A), one-fifteenth,

"(ii) in the case of an individual who first becomes eligible during 1985 to a monthly periodic payment described in subparagraph (A), two-fifteenths,

"(iii) in the case of an individual who first becomes eligible during 1986 to a monthly periodic payment described in subparagraph (A), one-fifth,

"(iv) in the case of an individual who first becomes eligible during 1987 to a monthly periodic payment described in subparagraph (A), four-fifteenths, and

"(v) in the case of an individual who first becomes eligible during 1988 or thereafter to a monthly periodic payment described in subparagraph (A), one-third.

"(F) This paragraph shall not apply in the case of an individual who has more than 30 years of coverage (as defined in paragraph (1)(C)(ii). In the case of an individual who has more than 24 years of coverage (as so defined), the figure '32 percent' in subparagraph (B) shall, if larger, be deemed to be—

"(i) 90 percent, in the case of an individual who has 30 or more of such years of coverage;

"(ii) 80 percent, in the case of an individual who has 29 of such years;

"(iii) 70 percent, in the case of an individual who has 28 of such years;

"(iv) 60 percent, in the case of an individual who has 27 of such years;

"(v) 50 percent, in the case of an individual who has 26 of such years; and

"(vi) 40 percent, in the case of an individual who has 25 of such years.".

(b) Section 215(d) of such Act is amended by adding at the end thereof the following new paragraph:

"(5)(A) In the case of an individual who was not eligible for an old-age or disability insurance benefit for December 1983 and whose primary insurance amount is not computed under paragraph (1) of subsection (a) by reason of paragraph (4)(B)(ii) of that subsection, and who first becomes eligible after 1983 to a monthly periodic payment (or a payment determined under subsection (a)(7)(D)) based (in whole or in part) upon his earnings in noncovered service of at least one year's duration, his primary insurance amount for purposes of his entitlement to old-age or disability insurance benefits shall be the primary insurance amount computed or recomputed under this subsection (without regard to this paragraph and before the application of subsection (i)) reduced by an amount equal to the smaller of—

"(i) one-half of the primary insurance amount (computed without regard to this paragraph and before the application of subsection (i)), or

"(ii) the applicable fraction (as determined under subparagraph (B)) of the portion of the monthly periodic payment (or payment determined under subsection (a)(7)(D)) attributable to noncovered service to which that individual is entitled (or deemed to be entitled) for the initial month of his eligibility for old-age or disability insurance benefits.

For purposes of the preceding sentence, the portion of the monthly periodic payment attributable to noncovered service shall be that portion of such payment which bears the same ratio to the amount of such payment as the number of months of service in noncovered service to which such benefit is attributable bears to the total number of months of service to which such benefit is attributable. The amount of such periodic payment for purposes of clause (ii) shall be periodically recomputed at such times as the Secretary determines there has been a significant change in the amount of such periodic payment.

"(B) For purposes of subparagraph (A), the applicable fraction is—

"(i) in the case of an individual who first becomes eligible during 1984 to a monthly periodic payment described in subparagraph (A), one-fifteenth,

"(ii) in the case of an individual who first becomes eligible during 1985 to a monthly periodic payment described in subparagraph (A), two-fifteenths,

"(iii) in the case of an individual who first becomes eligible during 1986 to a monthly periodic payment described in subparagraph (A), one-fifth,

"(iv) in the case of an individual who first becomes eligible during 1987 to a monthly periodic payment described in subparagraph (A), four-fifteenths, and

"(v) in the case of an individual who first becomes eligible during 1988 or thereafter to a monthly periodic payment described in subparagraph (A), one-third.

"(C) No primary insurance amount may be reduced by reason of this paragraph below the amount of the primary insurance amount as determined under subsection (a)(1)(C)(i).".

(c) Section 215(f) of such Act is amended by adding at the end the following new paragraph:

"(9)(A) In the case of an individual who first becomes eligible for a periodic payment determined under subsection (a)(7)(A) or (a)(7)(D) in a month subsequent to the first month in which he becomes eligible for an old-age or disability insurance benefit, and whose primary insurance amount has been computed without regard to either such subsection or subsection (d)(5), such individual's primary insurance amount shall be recomputed, in accordance with either such subsection or subsection (d)(5), as may be applicable, effective with the first month of his concurrent eligibility for either such benefit and such periodic payment.

"(B) If an individual's primary insurance amount has been computed under subsection (a)(7) or (d)(5), and it becomes necessary to recompute that primary insurance amount under this subsection—

"(i) so as to increase the monthly benefit amount payable with respect to such primary insurance amount (other than in the case of the individual's death), such increase shall be determined as though such primary insurance amount had initially been computed without regard to subsection (a)(7) or (d)(5), or

"(ii) by reason of the individual's death, such primary insurance amount shall be recomputed without regard to (and as though it had never been computed with regard to) subsection (a)(7) or (d)(5).

"(C) In the case of any individual whose primary insurance amount is subject to the requirements of subsection (a)(7) or (d)(5), the amount of such primary insurance amount shall be recomputed as may be required under such subsections by reason of a significant change in the amount of the relevant periodic payment.".

(d) Sections 202(e)(2)(B)(i) and 202(f)(3)(B)(i) of such Act are each amended by striking out "section 215(f)(5) or (6)" and inserting in lieu thereof "section 215(f)(5), 215(f)(6), or 215(f)(9)(B)".

BENEFITS FOR SURVIVING DIVORCED SPOUSES AND DISABLED WIDOWS AND WIDOWERS WHO REMARRY

SEC. 113. (a)(1) Section 202(e)(3) of the Social Security Act is repealed.

(2) Section 202(e)(4) of such Act is amended to read as follows:

"(4) For purposes of paragraph (1), if—

"(A) a widow or a surviving divorced wife marries after attaining age 60, or

"(B) a disabled widow or disabled surviving divorced wife described in paragraph (1)(B)(ii) marries after attaining age 50,

such marriage shall be deemed not to have occurred.".

(b)(1) Section 202(f)(4) of such Act is repealed.

(2) Section 202(f)(5) of such Act is amended to read as follows:

"(5) For purposes of paragraph (1), if—

"(A) a widower marries after attaining age 60, or

"(B) a disabled widower described in paragraph (1)(B)(ii) marries after attaining age 50,

such marriage shall be deemed not to have occurred.".

(c)(1) The amendments made by subsection (a) shall be effective with respect to monthly benefits payable under title II of the Social Security Act for months after December 1983.

(2) In the case of an individual who was not entitled to a monthly benefit under title II of such Act for December 1983, no benefit shall be paid under such title by reason of such amendments unless proper application for such benefit is made.

DETERMINATION OF PRIMARY INSURANCE AMOUNT FOR DEFERRED SURVIVOR BENEFITS

SEC. 114. (a) Section 215(a) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(8)(A) If a person is entitled to benefits under subsection (e) or (f) of section 202 on the basis of the wages and self-employment income of a deceased individual whose primary insurance amount would otherwise be determined under paragraph (1), the primary insurance amount of such deceased individual shall be determined, for purposes of determining the amount of the benefit under such subsection, as if such deceased individual died in the year in which the person entitled to benefits under such subsection first became eligible for such benefits or, if earlier, the year in which such deceased individual would have attained age 62 if he had not died (except that the actual year of death of such deceased individual shall be used for purposes of section 215(b)(2)(B)(ii)(II)).

"(B) Notwithstanding subparagraph (A), if a person—

"(i) is entitled to benefits under subsection (e) or (f) of section 202 on the basis of the wages and self-employment income of a deceased individual, and

"(ii) was entitled to benefits under this title on the basis of the wages and self-employment income of such deceased individual in the month before the month in which

such person became eligible for the benefits described in clause (i),

the primary insurance amount of such deceased individual shall be the primary insurance amount determined under the rules which would apply (but for subparagraph (A)) or the primary insurance amount determined under subparagraph (A), whichever is larger.".

(b) The amendments made by subsection (a) shall apply to the benefits of individuals who become eligible for benefits under section 202 (e) and (f) of the Social Security Act after December 1984.

BENEFITS FOR DIVORCED SPOUSE REGARDLESS OF WHETHER FORMER SPOUSE HAS RETIRED

SEC. 115. (a) Section 202(b) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(5) For purposes of determining the entitlement of a divorced wife to a benefit under this subsection and the amount of such benefit, in the case of a wife who has been divorced from her former husband for a period of not less than 24 months—

"(A) such former husband shall be deemed to be entitled to an old-age insurance benefit if he would be entitled to such a benefit if he applied therefor; and

"(B) the amount of such benefit for such divorced wife shall be determined without regard to reductions which are or would be made under section 203 on account of work performed by such former husband.".

(b)(1) The amendment made by subsection (a) shall be effective with respect to monthly benefits payable under title II of the Social Security Act for months after December 1984.

(2) In the case of an individual who was not entitled to a monthly benefit under title II of such Act for December 1984, no benefit shall be paid under such title by reason of such amendment unless proper application for such benefit is made.

INCREASE IN BENEFIT AMOUNT FOR DISABLED WIDOWS AND WIDOWERS

SEC. 116. (a)(1) Section 202(q)(1) of the Social Security Act is amended by striking out the semicolon at the end of subparagraph (B)(ii) and all that follows and inserting in lieu thereof a period.

(2) Section 202(q)(6) of such Act is amended to read as follows:

"(6) For purposes of this subsection, the 'reduction period' for an old-age, wife's, husband's, widow's, or widower's insurance benefit is the period beginning—

"(A) in the case of an old-age or husband's insurance benefit, with the first day of the first month for which such individual is entitled to such benefit,

"(B) in the case of a wife's insurance benefit, with the first day of the first month for which a certificate described in paragraph (5)(A)(i) is effective, or

"(C) in the case of a widow's or widower's insurance benefit, with the first day of the first month for which such individual is entitled to such benefit or the first day of the month in which such individual attains age 60, whichever is later,

and ending with the last day of the month before the month in which such individual attains retirement age.".

(3) Section 202(q)(7) of such Act is amended by striking out the matter preceding subparagraph (A) and inserting in lieu thereof the following:

"(7) For purposes of this subsection, the 'adjusted reduction period' for an old-age, wife's, husband's, widow's, or widower's insurance benefit is the reduction period prescribed in paragraph (6) for such benefit, excluding—".

(4) Paragraphs (1)(B)(i), (3)(E)(ii), and (3)(F)(ii) of section 202(q) of such Act are each amended by striking out "(6)(A)" and inserting in lieu thereof in each instance "(6)".

(5) Section 202(q)(3)(G) of such Act is amended by striking out "paragraph (6)(A) (or, if such paragraph does not apply, the period specified in paragraph (6)(B))" and inserting in lieu thereof "paragraph (6)".

(6) Section 202(q)(10) of such Act is amended—

(A) by striking out "or an additional adjusted reduction period";

(B) in subparagraphs (B)(i), (C)(i), and (C)(ii), by striking out ", plus the number of months in the adjusted additional reduction period multiplied by $^{43}/_{240}$ of 1 percent"; and

(C) in subparagraph (B)(ii), by striking out ", plus the number of months in the additional reduction period multiplied by $^{43}/_{240}$ of 1 percent".

(b)(1) The amendments made by this section shall be effective with respect to monthly benefits under title II of the Social Security Act for months after December 1983.

(2) In the case of an individual who was not entitled to a monthly benefit under title II of such Act for December 1983, no benefit shall be paid under such title by reason of such amendments unless proper application for such benefit is made.

ADJUSTMENT TO COST-OF-LIVING INCREASE WHEN TRUST FUND RATIO FALLS BELOW 20 PERCENT

SEC. 117. (a) Section 215(i)(2)(A)(ii) of the Social Security Act is amended, in the matter following clause (III), by striking out "The increase shall be derived" and inserting in lieu thereof "Except as otherwise provided in paragraph (5), the increase shall be derived".

(b) Section 215(i) of such Act is amended by adding at the end thereof the following new paragraph:

"(5)(A) The amount of the increase under paragraph (2) to become effective for monthly benefits payable for December 1988 or any December thereafter shall, if the Secretary makes a finding under this paragraph that the combined trust funds ratio (as defined in subparagraph (D)) as of the start of business on January 1 of the calendar year in which such December falls is less than 20.0 percent, be determined under paragraph (2) by substituting—

"(i) the percentage (rounded to the nearest one-tenth of 1 percent) by which the average of the total wages for the preceding calendar year (as determined for purposes of subsection (b)(3)(A)(ii)) exceeds such average for the second preceding calendar year (and if no increase in such wages took place, the percentage shall be deemed to be zero), for

"(ii) the percentage otherwise applicable under paragraph (2),

but only if the percentage determined under clause (i) is less than the percentage determined under clause (ii).

"(B) In any case in which a cost-of-living adjustment would not be made under this subsection on account of the relevant increase in the Consumer Price Index being less than 3 percent, no such cost-of-living increase shall be made by reason of this paragraph. For purposes of any subsequent determination of a cost-of-living increase based upon a period of more than 12 months, the percentage of the cost-of-living increase (if any) to be applied under paragraph (2) shall be the sum of the percentage increases for each relevant 12-month period in such longer period which would have been effective under this subsection (including this paragraph) but for the provision of paragraph (1) which limits such increases only to cases in which the relevant increase in the Consumer Price Index is equal to or greater than 3 percent.

"(C) The Secretary shall make the finding with respect to the combined trust funds ratio (as of the start of business on January 1 of each calendar year) on October 1 of each calendar year, based upon the most recent data available as of that time.

"(D) For purposes of this paragraph, the term 'combined trust funds ratio' means the ratio of—

"(i) the combined balance in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, reduced by the amount of any outstanding loan (including interest thereon) from the Federal Hospital Insurance Trust Fund, as of the start of business on January 1 of any calendar year, to

"(ii) the amount estimated by the Secretary to be the total amount to be paid from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund during such calendar year for all purposes authorized by section 201, but excluding any transfer payments between such trust funds and reducing the amount of any transfer to the Railroad Retirement Account by the amount of any transfers into either such trust fund from the Railroad Retirement Account.

"(E) If any increase under paragraph (2) has been determined on the basis of the substitute formula in subparagraph (A)(i) of this paragraph, and, for any succeeding calendar year, the Secretary determines that the combined trust funds ratio is greater than 32.0 percent, the Secretary shall pay additional benefits with respect to the 12-month period beginning with the following December in amounts not to exceed—

"(i) in the aggregate, a total amount which, according to actuarial estimate, equals the amount by which the balance in such trust funds on the date of such determination exceeds the amount necessary to effect a combined trust funds ratio of 32.0 percent for the following year; and

"(ii) with respect to any individual, for benefits for each month in such 12-month period, an amount equal to one-twelfth of the total amount by which all benefits paid to him during all previous years were less than the amounts which would have been paid to him but for the provisions of this paragraph.

Such additional benefits shall be paid as a percentage increase in the monthly benefits otherwise payable for months during such 12-month period. If there are not sufficient funds available to pay additional benefits in the full amount to all individuals (taking into account the limitation in clause (i)), amounts paid under this subparagraph shall be paid on a pro rata basis to all individuals who are entitled to any such amount and are entitled to a benefit under this title for the months in which such additional amounts are being paid.

"(F) In any case in which additional payments are made by reason of the provisions of subparagraph (E), for purposes of determining benefit amounts for months after the 12-month period for which such additional benefits were made, the percentage increase under this subsection applicable to benefits payable for such 12-month period shall be deemed to be the actual percentage achieved by reason of such additional payments (as

measured with respect to payments which are not subject to reduction under any other provision of this Act).".

(c) Only with respect to the determination made for January 1, 1988, the combined trust fund ratio for such year (for purposes of determining the increase under section 215(i) of the Social Security Act for benefits payable for December of such year) shall be determined by using the actuarial estimate of the Secretary of Health and Human services of the ratio of—

(1) the combined balance which will be available in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, reduced by the amount of any outstanding loan (including interest thereon) from the Federal Hospital Insurance Trust Fund, at the close of business on December 31 of such calendar year, to

(2) the amount estimated by the Secretary to be the total amount to be paid from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for calendar year 1988 for all purposes authorized by section 201 of such Act, but excluding any transfer payments between such trust funds, and reducing the amount of any transfer to the Railroad Retirement Account by the amount of any transfers into either such trust fund from the Railroad Retirement Account.

(d) Section 1617(a)(2) of the Social Security Act is amended by inserting ", or, if greater, the percentage by which benefit amounts under title II would be increased for such month but for the provisions of section 215(i)(5)," after "are increased for such month".

INCREASE IN OLD-AGE INSURANCE BENEFIT AMOUNTS ON ACCOUNT OF DELAYED RETIREMENT

SEC. 118. (a) Section 202(w)(1)(A) of the Social Security Act is amended to read as follows:

"(A) the applicable percentage (as determined under paragraph (6)) of such amount, multiplied by".

(b) Section 202(w) of such Act is amended by adding at the end thereof the following new paragraph:

"(6) For purposes of paragraph (1)(A), the applicable percentage is—

"(A) 1/12 of 1 percent in the case of an individual who first becomes eligible for an old-age insurance benefit before 1979; and

"(B) 1/4 of 1 percent in the case of an individual who first becomes so eligible after 1978, and before 1990;

"(C) in the case of an individual who first becomes so eligible after 1989 and before 2009, a percentage equal to the percentage in effect under this subparagraph for individuals who first became eligible in the preceding calendar year (as increased pursuant to this clause), plus 1/48 of 1 percent, and

"(D) in the case of an individual who first becomes so eligible after 2008, 2/3 of 1 percent.".

(c)(1) Paragraphs (2)(A) and (3) of section 202(w) of such Act are each amended by striking out "age 72" and inserting in lieu thereof "age 70".

(2) The amendments made by paragraph (1) shall apply with respect to increment months in calendar years after 1983.

INCREASE IN RETIREMENT AGE

SEC. 119. (a) Section 216 of the Social Security Act is amended by inserting before subsection (b) the following new subsection:

"Retirement Age

"(a)(1) The term 'retirement age' means—

"(A) with respect to an individual who attains the early retirement age (as defined in paragraph (2)) before January 1, 2000, 65 years of age;

"(B) with respect to an individual who attains early retirement age after December 31, 1999, and before January 1, 2012, 65 years of age plus the number of months in the age increase factor (as determined under paragraph (3)) for the year in which such individual attains early retirement age; and

"(C) with respect to an individual who attains early retirement age after December 31, 2014, 66 years of age.

"(2) The term 'early retirement age' means age 62 in the case of an old-age, wife's, or husband's benefit, and age 60 in the case of a widow's or widower's benefit.

"(3) The age increase factor for individuals who attain early retirement age in the period described in subparagraph (B) shall be equal to one-twelfth of the number of months in the period beginning with January 2000 and ending with December of the year in which the individual attains early retirement age.

(b)(1) Section 202(q)(9) of such Act is amended to read as follows:

"(9) The amount of the reduction for early retirement specified in paragraph (1) shall be periodically revised by the Secretary such that—

"(A) for old-age insurance benefits, wife's insurance benefits, and husband's insurance benefits, the reduction applicable to an individual entitled to such a benefit at an age not more than 3 years lower than the retirement age applicable to such individual, shall be the same as under such paragraph (1), and such reduction shall be increased by five-twelfths of 1 percent for each month below that age which is 3 years lower than the applicable retirement age; and

"(B) for widow's insurance benefits and widower's insurance benefits, the reduction for those entitled to such benefits at the earliest possible early retirement age shall be the same as specified in paragraph (1), and those for later ages shall be established by linear interpolation between the applicable reduction for such earliest possible early retirement age and a factor of unity at the applicable retirement age.".

(2) Section 202(q)(1) of such Act is amended by striking out "If" and inserting in lieu thereof "Subject to paragraph (9), if".

(c) The Social Security Act is amended—

(1) by striking out "age 65" or "age of 65", as the case may be, each place it appears in the following sections and inserting in lieu thereof in each instance "retirement age (as defined in section 216(a))":

(A) subsections (a), (b), (c), (d), (e), (f), (q), (r), and (w) of section 202,

(B) subsections (c) and (f) of section 203,

(C) section 211(b)(3),

(D) subsection (f) of section 215,

(E) subsections (h) and (i) of section 216,

(F) section 223(a),

(G) subsections (a), (b), (c), and (e) of section 226,

(H) section 1811,

(I) section 1818(a)(1),

(J) section 1836(2),

(K) section 1837,

(L) subsections (c) and (f) of section 1839,

(M) section 1838,

(N) section 1844(a), and

(O) section 1876(a)(5);

(2) by striking out "age sixty-five" in section 203(c) and inserting in lieu thereof "retirement age (as defined in section 216(a))"; and

(3) by striking out "age of sixty-five" in section 223(a) and inserting in lieu thereof "retirement age (as defined in section 216(a))".

ADJUSTMENTS IN OASDI BENEFIT FORMULA

SEC. 120. (a) Section 215(a)(1)(A) of the Social Security Act is amended by striking out "90 percent" in clause (i), "32 percent" in clause (ii), and "15 percent" in clause (iii) and inserting in lieu thereof in each instance "the applicable percentage (determined under paragraph (8))".

(b) The first sentence of section 215(a)(7)(B) of such Act (as added by section 113(a) of this Act) is amended by striking out "61 percent" and inserting in lieu thereof "the applicable percentage as determined under paragraph (8)".

(c) Section 215(a) of such Act is further amended by adding at the end thereof (after the new paragraph added by section 113 of this Act) the following new paragraph:

"(8) The 'applicable percentages' for purposes of clauses (i), (ii), and (iii) of paragraph (1)(A), and the 'applicable percentage' for purposes of the first sentence of paragraph (7)(B), shall be determined as follows:

"For individuals who initially become eligible for old-age or disability insurance benefits, or who die (before becoming eligible for such benefits) in—	The 'applicable percentage'— for purposes of clause (i) of paragraph (1)(A) is—	for purposes of clause (ii) of paragraph (1)(A) and the first sentence of paragraph (7)(B) is—	for purposes of clause (iii) of paragraph (1)(A) is—
any year from 1979 through 1999	90.0	32.0	15.0
2000	89.4	31.8	14.9
2001	88.8	31.6	14.8
2002	88.2	31.4	14.7
2003	87.6	31.1	14.6
2004	87.0	30.9	14.5
2005	86.4	30.7	14.4
2006	85.8	30.5	14.3
2007 or thereafter	85.2	30.3	14.2

PHASEOUT OF EARNINGS LIMITATION FOR BENEFICIARIES WHO HAVE ATTAINED RETIREMENT AGE

SEC. 121. (a) Section 203(f)(8)(D) of the Social Security Act is amended by inserting "(i)" after "(D)" and adding at the end thereof the following new clause:

"(ii) Notwithstanding any other provision of this subsection, the exempt amount applicable to any individual who has attained retirement age, as otherwise determined under this subsection, shall be increased by—

"(I) $250 for each month in any taxable year ending after 1989 and before 1991;

"(II) $500 for each month in any taxable year ending after 1990 and before 1992;

"(III) $750 for each month in any taxable year ending after 1991 and before 1993;

"(IV) $1,000 for each month in any taxable year ending after 1992 and before 1994; and

"(V) $1,250 for each month in any taxable year ending after 1993 and before 1995.".

(b) Section 203(c)(1) of the Social Security Act is amended by striking out "the age of seventy" and inserting in lieu thereof "retirement age".

(c) The last sentence of section 203(c) of such Act is amended by striking out "nor shall any deduction" and all that follows and inserting in lieu thereof "nor shall any deduction be made under this subsection from any widow's or widower's insurance benefits if the widow, surviving divorced

wife, widower, or surviving divorced husband involved became entitled to such benefit prior to attaining age 60.".

(d) Section 203(d)(1) of such Act is amended by striking out "the age of seventy" and inserting in lieu thereof "retirement age".

(e) Section 203(f)(1) of such Act is amended—

(1) in clause (B), by striking out "the age of seventy" and inserting in lieu thereof "retirement age";

(2) by amending clause (D) to read as follows: "(D) for which such individual is entitled to widow's or widower's insurance benefits if such individual became so entitled prior to attaining age 60,"; and

(3) by striking out "the applicable exempt amount" each place it appears and inserting in lieu thereof in each instance "the exempt amount".

(f) Section 203(f)(3) of such Act is amended—

(1) by striking out "applicable exempt amount" and inserting in lieu thereof "exempt amount"; and

(2) by striking out "age 70" and inserting in lieu thereof "retirement age".

(g) Section 203(f)(4)(B) of such Act is amended by striking out "applicable exempt amount" and inserting in lieu thereof "exempt amount".

(h) Section 203(f)(8)(A) of such Act is amended by striking out "exempt amounts (separately stated for individuals described in subparagraph (D) and for other individuals) which are to be applicable" and inserting in lieu thereof "exempt amount which is to be applicable".

(i) Section 203(f)(8)(B) of such Act is amended—

(1) by striking out "Except as otherwise provided in subparagraph (D), the exempt amount which is applicable to individuals described in such subparagraph and the exempt amount which is applicable to other individuals, for each month of a particular taxable year, shall each be" and inserting in lieu thereof "The exempt amount for each month of a particular taxable year shall be";

(2) in clause (i), by striking out "corresponding"; and

(3) in the matter following clause (ii), by striking out "an exempt amount" and inserting in lieu thereof "the exempt amount".

(j) Section 203(f)(8) of such Act is amended by striking out subparagraph (D) thereof.

(k) Section 203(h)(1)(A) of such Act is amended—

(1) by striking out "applicable exempt amount" and inserting in lieu thereof "exempt amount"; and

(2) by striking out "age 70" each place it appears and inserting in lieu thereof in each instance "retirement age".

(l) Section 203(j) of such Act is amended—

(1) by striking out "Age Seventy" in the heading thereof and inserting in lieu thereof "Retirement Age"; and

(2) by striking out "seventy years of age" and inserting in lieu thereof "retirement age".

(m) Section 202(w)(2) of such Act (as amended by section 118 of this Act) is further amended by inserting "for months prior to 1984" before "and prior".

(n) The amendments made by this section, other than subsection (a) and subsection (m), shall be effective with respect to taxable years ending after 1994.

INCREASE IN DROPOUT YEARS FOR TIME SPENT IN CHILD CARE

SEC. 122. (a) Section 215(b)(2)(A) of the Social Security Act is amended, in the third sentence thereof—

(1) by striking out "clause (ii)" each place it appears and inserting in lieu thereof in each instance "clause (i) or (ii)"; and

(2) by striking out "a combined total not exceeding 3" and inserting "a combined total not exceeding 7".

(b) The amendments made by this section shall apply only with respect to individuals who first become eligible for benefits under title II of the Social Security Act for months after December 1983.

LIMITATION ON PAYMENTS TO PRISONERS

SEC. 123. (a) Section 202 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Suspension of Benefits for Inmates of Penal Institutions

"(x)(1) Notwithstanding any other provision of this title, no monthly benefits shall be paid under this section or under section 223 to any individual for any month during which such individual is confined in a jail, prison, or other penal institution or correctional facility, pursuant to his conviction of an offense which constituted a felony under applicable law.

"(2) Benefits which would be payable to any individual (other than a confined individual to whom benefits are not payable by reason of paragraph (1)) under this title on the basis of the wages and self-employment income of such a confined individual but for the provisions of paragraph (1), shall be payable as though such confined individual were receiving such benefits.

"(3) Notwithstanding the provisions of section 552a of title 5, United States Code, or any other provision of Federal or State law, any agency of the United States Government or of any State (or political subdivision thereof) shall make available to the Secretary, upon written request, the name and social security account number of any individual who is confined in a jail, prison, or other penal institution or correctional facility under the jurisdiction of such agency, pursuant to his conviction of an offense which constituted a felony under applicable law, which the Secretary may require to carry out the provisions of this subsection.".

(b) Section 223 of such Act is amended by striking out subsection (f).

(c) The amendments made by subsections (a) and (b) shall apply with respect to monthly benefits payable for months beginning on or after the date of the enactment of this Act.

LIMITATIONS ON PAYMENTS TO NONRESIDENT ALIENS

SEC. 124. (a) Section 202(t)(1) of the Social Security Act is amended to read as follows:

"(1)(A) Notwithstanding any other provision of this title (but subject to subparagraphs (B) through (D) of this paragraph), no monthly benefit shall be paid under this section or section 223 for any month to any individual who is not a citizen or national of the United States if such individual is outside the United States.

"(B) For purposes of this paragraph, an individual shall be considered to be outside the United States in any month only if such month occurs—

"(i) after the sixth consecutive calendar month during all of which (as determined by the Secretary on the basis of information furnished to him by the Attorney General or information which otherwise comes to his attention) such individual is outside the United States, and

"(ii) prior to the first month thereafter during all of which such individual has been in the United States;

but in applying the preceding provisions of this subparagraph an individual who has been outside the United States for any period of 30 consecutive days shall be treated as remaining outside the United States until he has been in the United States for a period of 30 consecutive days.

"(C)(i) An individual who is otherwise prevented by subparagraph (A) from receiving benefits under this title shall nevertheless be paid such benefits, as though such subparagraph were inapplicable, until the total amount of such benefits (excluding amounts withheld from such benefits under section 1441 of the Internal Revenue Code of 1954) equals the total amount of the taxes payable under sections 3101 and 1401 of the Internal Revenue Code of 1954 (or the corresponding provisions of prior law) with respect to the wages and self-employment income on which such benefits are based (as determined by the Secretary on the basis of such wages and self-employment income) plus interest (as determined under clause (iii)).

"(ii) In determining the total amount of benefits payable to an individual under clause (i) with respect to the wages and self-employment income of any individual, the Secretary shall take into account all benefits paid before such determination is made on the basis of such wages and self-employment income (wherever paid).

"(iii) For purposes of this subparagraph, interest on taxes payable under sections 3101 and 1401 of the Internal Revenue Code of 1954 (or corresponding provisions of prior law) shall be compounded annually from July 1 of the year in which such taxes were payable only until the last day of the year preceding the year in which the individual on the basis of whose wages and self-employment income benefits are to be paid attains age 62, becomes disabled, or dies, whichever occurs first, at a rate of 3.0 percent for the period after 1936 and before 1951, and, for each year after 1950, at a rate equal to the average of the twelve monthly interest rates determined under section 201 for such year.

"(D) For purposes of this paragraph, the term 'United States' (when used in either a geographical or political sense) means the States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.".

(b) Section 202(t)(2) of such Act is repealed.

(c) Section 202(t)(3) of such Act is amended to read as follows:

"(3) Paragraph (1) shall not apply—

"(A) in any case where its application would be contrary to any treaty obligation of the United States in effect on the date of the enactment of the Social Security Amendments of 1983, or

"(B) to individuals who are citizens or residents of a country with which the United States has concluded an international social security agreement pursuant to section 233, unless otherwise provided by such agreement.".

(d) Section 202(t)(4) of such Act is amended—

(1) by striking out subparagraphs (A) and (B);

(2) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (A), (B), and (C); and

(3) by striking out the semicolon at the end of subparagraph (C) (as so redesignat-

ed) and all that follows and inserting in lieu thereof a period.

(e) The heading of section 202(t) of such Act is amended by adding at the end thereof the following: "; Prohibition Against Payment of Benefits to Aliens Not Permanent Residents".

(f)(1) The amendments made by the preceding subsections shall apply with respect to any individual who initially becomes eligible for benefits under section 202 or 223 of the Social Security Act after December 31, 1984.

(2) Section 202(t) of the Social Security Act (as in effect on the day before the date of enactment of this Act) shall apply with respect to individuals who are eligible for benefits under section 202 or 223 of such Act before January 1, 1985.

REDUCTION OF COST-OF-LIVING INCREASE IF TRUST FUNDS RATIO IS BELOW 20 PERCENT AND DECLINING

SEC. 125. (a) Section 215(i) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(5)(A) On or before July 1 of each calendar year after 1983, the Secretary shall determine whether the estimated OASDI trust fund ratio for the second calendar year following such calendar year will be—

"(i) less than 20.0 percent; and

"(ii) less than the estimated OASDI trust fund ratio for the first calendar year following the year in which such determination is made.

"(B) If the Secretary finds that the OASDI trust fund ratio for the second calendar year following such calendar year will be less than each of the ratios described in clauses (i) and (ii) of subparagraph (A), the Secretary shall—

"(i) notify the Congress on or before July 1 of such calendar year that, absent a change of circumstances, it will be necessary to reduce the amount of the percentage cost-of-living increase otherwise payable under this subsection with respect to benefits for months after November of such calendar year; and

"(ii) absent a change of circumstances before such cost-of-living increase is determined that will allow the full amount of benefits otherwise payable to be paid in a timely fashion, reduce the amount of such percentage increase (but not below zero) in accordance with subparagraph (C) to the extent necessary to ensure that the OASDI trust fund ratio for the second calendar year following the calendar year in which the determination is made will not fall below the lower of—

"(I) 20.0 percent, or

"(II) the OASDI trust fund ratio for the calendar year following the calendar year in which the determination is made.

"(C) In reducing a cost-of-living percentage increase under subparagraph (B), the Secretary shall first apply such reduction to the percentage increase otherwise payable with respect to monthly benefits payable under this section that are based on a primary insurance amount of $250 or more for the month preceding such cost-of-living increase; the percentage increase applied to the primary insurance amount used to determine all other monthly benefits shall not be such as to increase such primary insurance amounts above $250. If further reduction in outgo is required, a reduction in the percentage increase applicable with respect to monthly benefits based on a primary insurance amount of less than $250 for such preceding month shall be made.

"(D) For purposes of this paragraph, the term 'OASDI trust fund ratio' shall mean, with respect to any calendar year, the ratio of—

"(i) the amount estimated by the Secretary to be equal to the combined balance in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund as of the start of business on January 1 of such calendar year, taking into account any cost-of-living increase that otherwise would be made with respect to benefits paid during such year, and any actions possible to be taken under sections 201(l) and 1817(j) (relating to interfund borrowing) and 201 (a) and (m) (relating to normalized crediting of social security taxes), to

"(ii) the amount estimated by the Secretary to be the total amount to be paid from such Trust Funds during such calendar year (other than payments of interest on, and repayments of loans from), such Trust Funds, and reducing the amount of any transfer to the Railroad Retirement Account by the amount of any transfer to such account from any such Trust Fund.

"(E) With respect to any calendar year beginning before January 1988 for which a determination is required to be made under subparagraph (A), the estimated OASDI trust fund ratio for the second calendar year following such calendar year shall be treated as exceeding the estimated OASDI trust fund ratio for the first calendar year following such calendar year if ratio of the estimated combined balances in the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and the Federal Hospital Insurance Trust Fund for such second following calendar year to the amounts estimated to be paid from all such Trust Funds during such second following calendar year exceeds the ratio of the estimated balances in all such Trust Funds to estimated payments from all such Trust Funds for such first following calendar year.".

PART C—REVENUE PROVISIONS

SEC. 131. TAXATION OF SOCIAL SECURITY AND TIER 1 RAILROAD RETIREMENT BENEFITS.

(a) GENERAL RULE.—Part II of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to amounts specifically included in gross income) is amended by redesignating section 86 as section 87 and by inserting after section 85 the following new section:

"SEC. 86. SOCIAL SECURITY AND TIER 1 RAILROAD RETIREMENT BENEFITS.

"(a) IN GENERAL.—Gross income for the taxable year of any taxpayer described in subsection (b) includes social security benefits in an amount equal to the lesser of—

"(1) one-half of the social security benefits received during the taxable year, or

"(2) one-half of the excess described in subsection (b).

"(b) TAXPAYERS TO WHOM SUBSECTION (a) APPLIES.—

"(1) IN GENERAL.—A taxpayer is described in this subsection if—

"(A) the sum of—

"(i) the adjusted gross income of the taxpayer for the taxable year, plus

"(ii) one-half of the social security benefits received during the taxable year, exceeds

"(B) the base amount.

"(2) ADJUSTED GROSS INCOME.—For purposes of this subsection, the adjusted gross income of the taxpayer for the taxable year shall be—

"(A) determined without regard to this section and sections 221, 911, and 931, and

"(B) increased by the amount of interest of the taxpayer which is exempt from tax for the taxable year.

"(c) BASE AMOUNT.—For purposes of this section, the term 'base amount' means—

"(1) except as otherwise provided in this subsection, $25,000,

"(2) $32,000, in the case of a joint return, and

"(3) zero, in the case of a taxpayer who—

"(A) is married at the close of the taxable year (within the meaning of section 143) but does not file a joint return for such year, and

"(B) does not live apart from his spouse at all times during the taxable year.

"(d) SOCIAL SECURITY BENEFIT.—

"(1) IN GENERAL.—For purposes of this section, the term 'social security benefit' means any amount received by the taxpayer by reason of entitlement to—

"(A) a monthly benefit under title II of the Social Security Act (determined without regard to section 203(i) of the Social Security Act), or

"(B) a tier 1 railroad retirement benefit.

"(2) ADJUSTMENT FOR REPAYMENTS DURING YEAR.—

"(A) IN GENERAL.—For purposes of this section, the amount of social security benefits received during any taxable year shall be reduced by any repayment made by the taxpayer during the taxable year of a social security benefit previously received by the taxpayer (whether or not such benefit was received during the taxable year).

"(B) DENIAL OF DEDUCTION.—If (but for this subparagraph) any portion of the repayments referred to in subparagraph (A) would have been allowable as a deduction for the taxable year under section 165, such portion shall be allowable as a deduction only to the extent it exceeds the social security benefits received by the taxpayer during the taxable year (and not repaid during such taxable year).

"(3) TIER 1 RAILROAD RETIREMENT BENEFIT.—For purposes of paragraph (1), the term 'tier 1 railroad retirement benefit' means a monthly benefit under section 3(a), 4(a), or 4(f) of the Railroad Retirement Act of 1974.

"(e) LIMITATION ON AMOUNT INCLUDED WHERE TAXPAYER RECEIVES LUMP-SUM PAYMENT.—

"(1) LIMITATION.—If—

"(A) any portion of a lump-sum payment of social security benefits received during the taxable year is attributable to prior taxable years, and

"(B) the taxpayer makes an election under this subsection for the taxable year,

then the amount included in gross income under this section for the taxable year by reason of the receipt of such portion shall not exceed the sum of the increases in gross income under this chapter for prior taxable years which would result solely from taking into account such portion in the taxable years to which it is attributable.

"(2) SPECIAL RULES.—

"(A) YEAR TO WHICH BENEFIT ATTRIBUTABLE.—For purposes of this subsection, a social security benefit is attributable to a taxable year if the generally applicable payment date for such benefit occurred during such taxable year.

"(B) ELECTION.—An election under this subsection shall be made at such time and in such manner as the Secretary shall by regulations prescribe. Such election, once made, may be revoked only with the consent of the Secretary.

"(f) TREATMENT AS PENSION OR ANNUITY FOR CERTAIN PURPOSES.—For purposes of—

"(1) section 43(c)(2) (defining earned income),

"(2) section 219(f)(1) (defining compensation),

"(3) section 221(b)(2) (defining earned income), and

"(4) section 911(b)(1) (defining foreign earned income),

any social security benefit shall be treated as an amount received as a pension or annuity.".

(b) INFORMATION REPORTING.—Subpart B of part III of subchapter A of chapter 61 of such Code (relating to information concerning transactions with other persons) is amended by adding at the end thereof the following new section:

"SEC. 6050F. RETURNS RELATING TO SOCIAL SECURITY BENEFITS.

"(a) REQUIREMENT OF REPORTING.—The appropriate Federal official shall make a return, according to the forms and regulations prescribed by the Secretary, setting forth—

"(1) the—

"(A) aggregate amount of social security benefits paid with respect to any individual during any calendar year, and

"(B) aggregate amount of social security benefits repaid by such individual during such calendar year, and

"(2) the name and address of such individual.

"(b) STATEMENTS TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS FURNISHED.—Every person making a return under subsection (a) shall furnish to each individual whose name is set forth in such return a written statement showing—

"(1) the name of the agency making the payments, and

"(2) the aggregate amount of payments, of repayments, and of reductions, with respect to the individual as shown on such return.

The written statement required under the preceding sentence shall be furnished to the individual on or before January 31 of the year following the calendar year for which the return under subsection (a) was made.

"(c) DEFINITIONS.—For purposes of this section—

"(1) APPROPRIATE FEDERAL OFFICIAL.—The term 'appropriate Federal official' means—

"(A) the Secretary of Health and Human Services in the case of social security benefits described in section 86(d)(1)(A), and

"(B) the Railroad Retirement Board in the case of social security benefits described in section 86(d)(1)(B).

"(2) SOCIAL SECURITY BENEFIT.—The term 'social security benefit' has the meaning given to such term by section 86(d)(1).".

(c) TREATMENT OF NONRESIDENT ALIENS.—

(1) AMENDMENT OF SECTION 871(a).—Subsection (a) of section 871 of such Code (relating to tax on income not connected with United States business) is amended by adding at the end thereof the following new paragraph:

"(3) TAXATION OF SOCIAL SECURITY BENEFITS.—For purposes of this section and section 1441—

"(A) one-half of any social security benefit (as defined in section 86(d)) shall be included in gross income, and

"(B) section 86 shall not apply.".

(2) DISCLOSURE OF INFORMATION TO SOCIAL SECURITY ADMINISTRATION OR RAILROAD RETIREMENT BOARD.—

(A) IN GENERAL.—Subsection (h) of section 6103 of such Code (relating to disclosure to certain Federal officers and employees for purposes of tax administration, etc.) is amended by adding at the end thereof the following new paragraph:

"(6) SOCIAL SECURITY BENEFITS.—Upon written request, the Secretary may disclose available return information from the master files of the Internal Revenue Service with respect to the address and status of an individual as a nonresident alien or as a citizen or resident of the United States to the Social Security Administration or the Railroad Retirement Board for purposes of carrying out its responsibilities under section 1441 with respect to social security benefits (as defined in section 86(d)).".

(B) CONFORMING AMENDMENT.—Paragraph (4) of section 6103(p) of such Code (relating to safeguards) is amended by inserting "(h)(6)," after "(h)(2)," in the material preceding subparagraph (A) and in subparagraph (F)(ii) thereof.

(d) SOCIAL SECURITY BENEFITS TREATED AS UNITED STATES SOURCED.—Subsection (a) of section 861 of such Code (relating to income from sources within the United States) is amended by adding at the end thereof the following new paragraph:

"(8) SOCIAL SECURITY BENEFITS.—Any social security benefit (as defined in section 86(d)).".

(e) TRANSFERS TO TRUST FUNDS.—

(1) IN GENERAL.—There are hereby appropriated to each payor fund amounts equivalent to the aggregate increase in tax liabilities under chapter 1 of the Internal Revenue Code of 1954 which is attributable to the application of sections 86 and 871(a)(3) of such Code (as added by this section) to payments from such payor fund.

(2) TRANSFERS.—The amounts appropriated by paragraph (1) to any payor fund shall be transferred from time to time (but not less frequently than quarterly) from the general fund of the Treasury on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in such paragraph. Any such quarterly payment shall be made on the first day of such quarter and shall take into account social security benefits estimated to be received during such quarter. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(3) DEFINITIONS.—For purposes of this subsection—

(A) PAYOR FUND.—The term "payor fund" means any trust fund or account from which payments of social security benefits are made.

(B) SOCIAL SECURITY BENEFITS.—The term "social security benefits" has the meaning given such term by section 86(d)(1) of the Internal Revenue Code of 1954.

(4) REPORTS.—The Secretary of the Treasury shall submit annual reports to the Congress and to the Secretary of Health and Human Services and the Railroad Retirement Board on—

(A) the transfers made under this subsection during the year, and the methodology used in determining the amount of such transfers and the funds or account to which made, and

(B) the anticipated operation of this subsection during the next 5 years.

(f) TECHNICAL AMENDMENTS.—

(1) Subsection (a) of section 85 of such Code is amended by striking out "this section," and inserting in lieu thereof "this section, section 86,".

(2) Subparagraph (B) of section 128(c)(3) of such Code (as in effect for taxable years beginning after December 31, 1984) is amended by striking out "85," and inserting in lieu thereof "85, 86,".

(3) The table of sections for part II of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 86 and inserting in lieu thereof the following:

"Sec. 86. Social security and tier 1 railroad retirement benefits.

"Sec. 87. Alcohol fuel credit.".

(4) The table of sections for subpart B of part III of subchapter A of chapter 61 of such Code is amended by adding at the end thereof the following new item:

"Sec. 6050F. Returns relating to social security benefits.".

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to benefits received after December 31, 1983, in taxable years ending after such date.

(2) TREATMENT OF CERTAIN LUMP-SUM PAYMENTS RECEIVED AFTER DECEMBER 31, 1983.—The amendments made by this section shall not apply to any portion of a lump-sum payment of social security benefits (as defined in section 86(d) of the Internal Revenue Code of 1954) received after December 31, 1983, if the generally applicable payment date for such portion was before January 1, 1984.

SEC. 132. ACCELERATION OF INCREASES IN FICA TAXES; 1984 EMPLOYEE TAX CREDIT.

(a) ACCELERATION OF INCREASES IN FICA TAXES.—

(1) TAX ON EMPLOYEES.—Subsection (a) of section 3101 of the Internal Revenue Code of 1954 (relating to rate of tax on employees for old-age, survivors, and disability insurance) is amended by striking out paragraphs (1) through (7) and inserting in lieu thereof the following:

"In cases of wages received during:	The rate shall be:
1984, 1985, 1986 or 1987	5.7 percent
1988 or 1989	6.06 percent
1990 or thereafter	6.2 percent.".

(2) EMPLOYER TAX.—Subsection (a) of section 3111 of such Code is amended by striking out paragraphs (1) through (7) and inserting in lieu thereof the following:

"In cases of wages paid during:	The rate shall be:
1984, 1985, 1986 or 1987	5.7 percent
1988 or 1989	6.06 percent
1990 or thereafter	6.2 percent.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to remuneration paid after December 31, 1983.

(b) 1984 EMPLOYEE TAX CREDIT.—

(1) IN GENERAL.—Chapter 25 of such Code is amended by adding at the end thereof the following new section:

"SEC. 3510. CREDIT FOR INCREASED SOCIAL SECURITY EMPLOYEE TAXES AND RAILROAD RETIREMENT TIER 1 EMPLOYEE TAXES IMPOSED DURING 1984.

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by section 3101(a) on wages received during 1984 an amount equal to 3/10 of 1 percent of the wages so received.

"(b) TIME CREDIT ALLOWED.—The credit under subsection (a) shall be taken into account in determining the amount of the tax deducted under section 3102(a).

"(c) WAGES.—For purposes of this section, the term 'wages' has the meaning given to such term by section 3121(a).

"(d) APPLICATION TO AGREEMENTS UNDER SECTION 218 OF THE SOCIAL SECURITY ACT.—

For purposes of determining amounts equivalent to the tax imposed by section 3101(a) with respect to remuneration which—
which—

"(1) is covered by an agreement under section 218 of the Social Security Act, and

"(2) is paid during 1984,

the credit allowed by subsection (a) shall be taken into account. A similar rule shall also apply in the case of an agreement under section 3121(l).

"(e) CREDIT AGAINST RAILROAD RETIREMENT EMPLOYEE AND EMPLOYEE REPRESENTATIVE TAXES.—

"(1) IN GENERAL.—There shall be allowed as a credit against the taxes imposed by sections 3201(a) and 3211(a) on compensation paid during 1984 and subject to such taxes an amount equal to 3/10 of 1 percent of such compensation.

"(2) TIME CREDIT ALLOWED.—The credit under paragraph (1) shall be taken into account in determining the amount of the tax deducted under section 3202(a) (or the amount of the tax under section 3211(a)).

"(3) COMPENSATION.—For purposes of this subsection, the term 'compensation' has the meaning given to such term by section 3231(e).

"(f) COORDINATION WITH SECTION 6413(c).—For purposes of subsection (c) of section 6413, in determining the amount of the tax imposed by section 3101 or 3201, any credit allowed by this section shall be taken into account.".

(2) CLERICAL AMENDMENT.—The table of sections for chapter 25 of such Code is amended by adding at the end thereof the following new item:

"Sec. 3510. Credit for increased social security employee taxes and railroad retirement tier 1 employee taxes imposed during 1984.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to remuneration paid during 1984.

(4) DEPOSITS IN SOCIAL SECURITY TRUST FUNDS.—For purposes of subsection (h) of section 218 of the Social Security Act (relating to deposits in social security trust funds of amounts received under section 218 agreements), amounts allowed as a credit pursuant to subsection (d) of section 3510 of the Internal Revenue Code of 1954 (relating to credit for remuneration paid during 1984 which is covered under an agreement under section 218 of the Social Security Act) shall be treated as amounts received under such an agreement.

(5) DEPOSITS IN RAILROAD RETIREMENT ACCOUNT.—For purposes of subsection (a) of section 15 of the Railroad Retirement Act of 1974, amounts allowed as a credit under subsection (e) of section 3510 of the Internal Revenue Code of 1954 shall be treated as amounts covered into the Treasury under subsection (a) of section 3201 of such Code.

(6) STATEMENTS FURNISHED TO EMPLOYEES.—Any written statement which is required to be furnished to an employee under section 6051(a) with respect to remuneration paid during 1984 shall include—

(A) the total amount which would have been deducted and withheld as a tax under section 3101 if the credit allowable under section 3510 had not been taken into account, and

(B) the amount of the credit allowable under section 3510.

SEC. 133. TAXES ON SELF-EMPLOYMENT INCOME; CREDIT AGAINST SUCH TAXES.

(a) INCREASE IN RATES.—Subsections (a) and (b) of section 1401 of the Internal Revenue Code of 1954 (relating to rates of tax on self-employment income) are amended to read as follows:

"(a) OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE.—In addition to other taxes, there shall be imposed for each taxable year, on the self-employment income of every individual, a tax equal to the following percent of the amount of the self-employment income for such taxable year:

"In the case of a taxable year

Beginning after:	And before:	Percent:
December 31, 1983	January 1, 1988	11.40
December 31, 1987	January 1, 1990	12.12
December 31, 1989		12.40

"(b) HOSPITAL INSURANCE.—In addition to the tax imposed by the preceding subsection, there shall be imposed for each taxable year, on the self-employment income of every individual, a tax equal to the following percent of the amount of the self-employment income for such taxable year:

"In the case of a taxable year

Beginning after:	And before:	Percent:
December 31, 1983	January 1, 1985	2.60
December 31, 1984	January 1, 1986	2.70
December 31, 1985		2.90.".

(b) CREDIT AGAINST SELF-EMPLOYMENT TAXES.—Section 1401 of such Code is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) CREDIT AGAINST TAXES IMPOSED BY THIS SECTION.—

"(1) IN GENERAL.—There shall be allowed as a credit against the taxes imposed by this section for any taxable year an amount equal to the applicable percentage of the self-employment income of the individual for such taxable year.

"(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage shall be determined in accordance with the following table:

"In the case of taxable years beginning in:	The applicable percentage is:
1984	2.9
1985	2.5
1986	2.2
1987, 1988, or 1989	2.1
1990 or thereafter	2.3.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1983.

PART D—MISCELLANEOUS FINANCING PROVISIONS

ALLOCATIONS TO DISABILITY INSURANCE TRUST FUND

SEC. 141. (a) Section 201(b)(1) of the Social Security Act is amended by striking out clauses (K) through (M) and inserting in lieu thereof the following: "(K) 1.65 per centum of the wages (as so defined) paid after December 31, 1981, and before January 1, 1984, and so reported, (L) 1 per centum of the wages (as so defined) paid after December 31, 1983, and before January 1, 1988, and so reported, (M) 1.06 per centum of the wages (as so defined) paid after December 31, 1987, and before January 1, 1990, and so reported, (N) 1.20 per centum of the wages (as so defined) paid after December 31, 1989, and before January 1, 2000, and (M) 1.30 per centum of the wages (as so defined) paid after December 31, 1999, and so reported,".

(b) Section 201(b)(2) of such Act is amended by striking out clauses (K) through (M) and inserting in lieu thereof the following: "(K) 1.2375 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1981, and before January 1, 1984, (L) 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1983, and before January 1, 1988, (M) 1.06 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1987, and before January 1, 1990, (N) 1.20 per centum of the self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1989, and before January 1, 2000, and (M) 1.30 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1999,".

INTERFUND BORROWING EXTENSION

SEC. 142. (a)(1) Section 201(l)(1) of the Social Security Act is amended—

(A) by striking out "January 1983" and inserting in lieu thereof "January 1988"; and

(B) by inserting after "or" the second place it appears ", subject to paragraph (5),".

(2)(A) Section 201(l)(2) of such Act is amended—

(i) by striking out "from time to time" and inserting in lieu thereof "on the last day of each month after such loan is made";

(ii) by striking out "interest" and inserting in lieu thereof "the total interest accrued to such day"; and

(iii) by striking out "the loan were an investment under subsection (d)" and inserting in lieu thereof "such amount had remained in the Depositary Account established with respect to such lending Trust Fund under subsection (d) or section 1817(c)".

(B) The amendment made by this paragraph shall apply with respect to months beginning more than thirty days after the date of enactment of this Act.

(3) Section 201(l)(3) of such Act is amended—

(A) by inserting "(A)" after the paragraph designation; and

(B) by adding at the end thereof the following new subparagraphs:

"(B)(i) If on the last day of any year after a loan has been made under paragraph (1) by the Federal Hospital Insurance Trust Fund to the Federal Old Age and Survivors Trust Fund or the Federal Disability Insurance Trust Fund, the Managing Trustee determines that the OASDI trust fund ratio exceeds 15 percent, he shall transfer from the borrowing Trust Fund to the Federal Hospital Insurance Trust Fund an amount that—

"(I) together with any amounts transferred from another borrowing Trust Fund under this paragraph for such year, will reduce the OASDI trust fund ratio to 15 percent; and

"(II) does not exceed the outstanding balance of such loan.

"(ii) Amounts required to be transferred under clause (i) shall be transferred on the last day of the first month of the year succeeding the year in which the determination described in clause (i) is made.

"(iii) For purposes of this subparagraph, the term 'OASDI trust fund ratio' means, with respect to any calendar year, the ratio of—

"(I) the combined balance in the Federal Old Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, reduced by the outstanding amount of any loan (including interest thereon) theretofore made to either such Fund from the Federal Hospital Insurance Trust Fund, as of the last day of such calendar year, to

"(II) the amount estimated by the Secretary to be the total amount to be paid from the Federal Old Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund during the calendar year following such calendar year for all purposes authorized by section 201 (other than payments of interest on, and repayments of, loans from the Federal Hospital Insurance Trust Fund under paragraph (1)), but excluding any transfer payments between such trust funds and reducing the amount of any transfer to the Railroad Retirement Account by the amount of any transfers into either such trust fund from that Account.

"(C)(i) The full amount of all loans made under paragraph (1) (whether made before or after January 1, 1983) shall be repaid at the earliest feasible date and in any event no later than December 31, 1989.

"(ii) For the period after December 31, 1987, and before January 1, 1990, the Managing Trustee shall transfer each month to the Federal Hospital Insurance Trust Fund from any Trust Fund with any amount outstanding on a loan made from the Federal Hospital Insurance Trust Fund under paragraph (1) an amount equal to one twenty-fourth of the amount owed to the Federal Hospital Insurance Trust Fund by such Trust Fund at the beginning of such period (plus the interest accrued on the outstanding balance of such loan during such month).".

(4) Section 201(l) of such Act is further amended by adding at the end thereof the following new paragraph:

"(5)(A) No amounts may be borrowed from the Federal Hospital Insurance Trust Fund under paragraph (1) during any month if the Hospital Insurance Trust Fund ratio for such month is less than 10 percent.

"(B) For purposes of this paragraph, the term 'Hospital Insurance trust fund ratio' means, with respect to any month, the ratio of—

"(i) the balance in the Federal Hospital Insurance Trust Fund, reduced by the outstanding amount of any loan (including interest thereon) theretofore made to such Trust Fund under this subsection, as of the last day of the second month preceding such month, to

"(ii) the amount obtained by multiplying by twelve the total amount which (as estimated by the Secretary) will be paid from the Federal Hospital Insurance Trust Fund during the month for which such ratio is to be determined (other than payments of interest on, or repayments of loans from another Trust Fund under this subsection), and reducing the amount of any transfers to the Railroad Retirement Account by the amount of any transfer into the Hospital Insurance Trust Fund from that Account.".

(b)(1) Section 1817(j)(1) of such Act is amended—

(A) by striking out "January 1983" and inserting in lieu thereof "January 1988"; and

(B) by inserting ", subject to paragraph (5)," after "may".

(2)(A) Section 1817(j)(2) of such Act is amended—

(i) by striking out "from time to time" and inserting in lieu thereof "on the last day of each month after such loan is made";

(ii) by striking out "interest" and inserting in lieu thereof "the total interest accrued to such day"; and

(iii) by striking out "the loan were an investment under subsection (c)" and inserting in lieu thereof "such amount had remained in the Depositary Account established with respect to such lending Trust Fund under section 201(d)".

(B) The amendment made by this paragraph shall apply with respect to months beginning more than 30 days after the date of enactment of this Act.

(3) Section 1817(j)(3) of such Act is amended—

(A) by inserting "(A)" after the paragraph designation; and

(B) by adding at the end thereof the following new subparagraphs:

"(B)(i) If on the last day of any year after a loan has been made under paragraph (1) by the Federal Old Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund to the Federal Hospital Insurance Trust Fund, the Managing Trustee determines that the Hospital Insurance Trust Fund ratio exceeds 15 percent, he shall transfer from such Trust Fund to the lending trust fund an amount that—

"(I) together with any amounts transferred to another lending trust fund under this paragraph for such year, will reduce Hospital Insurance Trust Fund ratio to 15 percent; and

"(II) does not exceed the outstanding balance of such loan.

"(ii) Amounts required to be transferred under clause (i) shall be transferred on the last day of the first month of the year succeeding the year in which the determination described in clause (i) is made.

"(iii) For purposes of this subparagraph, the term 'Hospital Insurance Trust Fund ratio' means, with respect to any calendar year, the ratio of—

"(I) the balance in the Federal Hospital Insurance Trust Fund, reduced by the amount of any outstanding loan (including interest thereon) from the Federal Old Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, as of the last day of such calendar year; to

"(II) the amount estimated by the Secretary to be the total amount to be paid from the Federal Hospital Insurance Trust Fund during the calendar year following such calendar year (other than payments of interest on, and repayments of, loans from the Federal Old Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund under paragraph (1)), and reducing the amount of any transfer to the Railroad Retirement Account by the amount of any transfers into such Trust Fund from the Railroad Retirement Account.

"(C)(i) The full amount of all loans made under paragraph (1) (whether made before or after January 1, 1983) shall be repaid at the earliest feasible date and in any event no later than December 31, 1989.".

"(ii) For the period after December 31, 1987 and before January 1, 1990, the Managing Trustee shall transfer each month from the Federal Hospital Insurance Trust Fund to any Trust Fund that is owed any amount by the Federal Hospital Insurance Trust Fund on a loan made under paragraph (1), an amount equal to 1/24 of the amount owed to such Trust Fund by the Federal Hospital Insurance Trust Fund at the beginning of such period (plus the interest accrued on the outstanding balance of such loan during such month).".

(4) Section 1817(j) of such Act is further amended by adding at the end thereof the following new paragraph:

"(5)(A) No amounts may be loaned by the Federal Old Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund under paragraph (1) during any month if the OASDI trust fund ratio for such month is less than 10 percent.

"(B) For purposes of this paragraph, the term 'OASDI trust fund ratio' means, with respect to any month, the ratio of—

"(i) the combined balance in the Federal Old Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, reduced by the outstanding amount of any loan (including interest thereon) theretofore made to either such Trust Fund from the Federal Hospital Insurance Trust Fund under section 201(l), as of the last day of the second month preceding such month, to

"(ii) the amount obtained by multiplying by twelve the total amount which (as estimated by the Secretary) will be paid from the Federal Old Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund during the month for which such ratio is to be determined for all purposes authorized by section 201 (other than payments of interest on, or repayments of, loans from the Federal Hospital Insurance Trust Fund under section 201(l)), but excluding any transfer payments between such trust funds and reducing the amount of any transfers to the Railroad Retirement Account by the amount of any transfers into either such trust fund from that Account.".

CREDITING AMOUNTS OF UNNEGOTIATED CHECKS TO TRUST FUNDS

SEC. 143. (a) The Secretary of the Treasury shall take such actions as may be necessary to ensure that amounts of checks for benefits under title II of the Social Security Act which have not been presented for payment within a reasonable length of time (not to exceed twelve months) after issuance are credited to the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, whichever may be the fund from which the check was issued. Amounts of any such check shall be recharged to the fund from which they were issued if payment is subsequently made on such check.

(b)(1) The Secretary of the Treasury shall transfer from the general fund of the Treasury to the Federal Old-Age and Survivors Insurance Trust Fund and to the Federal Disability Insurance Trust Fund, as appropriate, such sums as may be necessary to reimburse such Trust Funds in the total amounts of all currently unnegotiated benefit checks. After the amounts appropriated by this subsection have been transferred to the Trust Funds, the provisions of subsection (a) shall be applicable. There are hereby appropriated into such Trust Funds such sums as may be necessary to reimburse such Trust Funds for the amount of currently unnegotiated benefit checks. The first such transfer shall be made within thirty days after the date of the enactment of this Act with respect to all such unnegotiated checks as of such date of enactment.

(2) As used in paragraph (1), the term "currently unnegotiated benefit checks" means the checks issued under title II of the

Social Security Act prior to the date of the enactment of this Act, which remain unnegotiated after the twelfth month following the date on which they were issued.

TRANSFER TO TRUST FUNDS FOR BENEFITS ATTRIBUTABLE TO MILITARY SERVICE BEFORE 1957

SEC. 144. (a) Section 217(g) of the Social Security Act is amended to read as follows:

"APPROPRIATION TO TRUST FUNDS

"(g)(1) Within thirty days after the date of the enactment of the Social Security Amendments of 1983, the Secretary shall determine the amount equal to the excess of—

"(A) the actuarial present value as of such date of enactment of the past and future benefit payments from the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and the Federal Hospital Insurance Trust Fund under this title and title XVIII, together with associated administrative costs, resulting from the operation of this section (other than this subsection) and section 210 of this Act as in effect before the enactment of the Social Security Act Amendments of 1950, over

"(B) any amounts previously transferred from the general fund of the Treasury to such Trust Funds pursuant to the provisions of this subsection as in effect immediately before the date of the enactment of the Social Security Amendments of 1983.

Such actuarial present value shall be based on the relevant actuarial assumptions set forth in the report of the Board of Trustees of each such Trust Fund for 1983 under sections 201(c) and 1817(b). Within thirty days after the date of the enactment of the Social Security Amendments of 1983, the Secretary of the Treasury shall transfer the amount determined under this paragraph with respect to each such Trust Fund to such Trust Fund from amounts in the general fund of the Treasury not otherwise appropriated.

"(2) The Secretary shall revise the amount determined under paragraph (1) with respect to each such Trust Fund in 1985 and each fifth year thereafter, as determined appropriate by the Secretary from data which becomes available to him after the date of the determination under paragraph (1) on the basis of the amount of benefits and administrative expenses actually paid from such Trust Fund under this title or title XVIII and the relevant actuarial assumptions set forth in the report of the Board of Trustees of such Trust Fund for such year under section 201(c) or 1817(b). Within 30 days after any such revision, the Secretary of the Treasury, to the extent provided in advance in appropriation Acts, shall transfer to such Trust Fund, from amounts in the general fund of the Treasury not otherwise appropriated, or from such Trust Fund to the general fund of the Treasury, such amounts as the Secretary of the Treasury determines necessary to compensate for such revision.".

PAYMENTS TO TRUST FUNDS OF AMOUNTS EQUIVALENT TO TAXES ON SERVICE IN THE UNIFORMED SERVICES PERFORMED AFTER 1956

SEC. 145. (a) Section 229(b) of the Social Security Act is amended to read as follows:

"(b) There are authorized to be appropriated to each of the Trust Funds, consisting of the Federal Old-Age and Survivors Insurance Trust, the Federal Disability Insurance Trust Fund, and the Federal Hospital Insurance Trust Fund, for transfer on July 1 of each calendar year to such Trust Fund from amounts in the general fund in the Treasury not otherwise appropriated, an amount equal to the total of the additional amounts which would be appropriated to such Trust Fund for the fiscal year ending September 30 of such calendar year under section 201 or 1817 of this Act if the amounts of the additional wages deemed to have been paid for such calendar year by reason of subsection (a) constituted remuneration for employment (as defined in section 3121(b) of the Internal Revenue Code of 1954) for purposes of the taxes imposed by sections 3101 and 3111 of the Internal Revenue Code of 1954. Amounts authorized to be appropriated under this subsection for transfer on July 1 of each calendar year shall be determined on the basis of estimates of the Secretary of the wages deemed to be paid for such calendar year under subsection (a); and proper adjustments shall be made in amounts authorized to be appropriated for subsequent transfer to the extent prior estimates were in excess of or were less than such wages so deemed to be paid.".

(b) The amendment made by subsection (a) shall be effective with respect to wages deemed to have been paid for calendar years after 1983.

(c)(1) Within thirty days after the date of the enactment of this Act, the Secretary of Health and Human Services shall determine the additional amounts which would have been appropriated into the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and the Federal Hospital Insurance Trust Fund under sections 201 and 1817 of the Social Security Act, if the additional wages deemed to have been paid under section 229(a) of the Social Security Act prior to 1984 had constituted remuneration for employment (as defined in section 3121(b) of the Internal Revenue Code of 1954) for purposes of the taxes imposed by sections 3101 and 3111 of the Internal Revenue Code of 1954, and the amount of interest which would have been earned on such amounts if they had been so appropriated.

(2)(A) The Secretary of the Treasury shall, within thirty days after the date of the enactment of this Act, transfer into each such Trust Fund, from the general fund in the Treasury, an amount equal to the amount determined with respect to such Trust Fund under paragraph (1), less any amount appropriated into such Trust Fund under the provisions of section 229(b) of the Social Security Act prior to the date of the determination made under paragraph (1) with respect to wages deemed to have been paid for calendar years prior to 1984. There are hereby appropriated into such Trust Funds sums equal to the amounts to be transferred in accordance with this subparagraph into such Trust Funds.

(B) The Secretary shall revise the amount determined under subparagraph (A) within one year after the date of the transfer made under paragraph (1), as warranted by data which may become available to him after the date of the transfer under subparagraph (A) based upon actual benefits paid under this title and title XVIII. Any amounts determined to be needed for transfer shall be transferred by the Secretary of the Treasury into the appropriate Trust Fund from the general fund in the Treasury, or out of the appropriate Trust Fund into the general fund in the Treasury, as may be appropriate. There are authorized to be appropriated to such Trust Funds sums equal to the amounts to be transferred in accordance with this subparagraph into such Trust Funds.

TRUST FUND INVESTMENT PROCEDURE

SEC. 146. (a) Section 201 of the Social Security Act is amended by striking out subsections (d), (e), and (f) and inserting in lieu thereof the following new subsections:

"(d) There are hereby created on the books of the Treasury of the United States an account to be known as the Old-Age and Survivors Insurance Depositary Account and an account to be known as the Disability Insurance Depositary Account.

"(e) The Managing Trustee shall deposit that portion of the Federal Old-Age and Survivors Insurance Trust Fund not required to meet current withdrawals from such Trust Fund in the Old-Age and Survivors Insurance Depositary Account and that portion of the Federal Disability Insurance Trust Fund not required to meet current withdrawals from such Trust Fund in the Disability Insurance Depositary Account.

"(f)(1) The Secretary of the Treasury may apply moneys deposited in an account pursuant to subsection (e) in any way in which he is authorized by law to apply moneys in the general fund of the Treasury.

"(2)(A) Moneys deposited in an account pursuant to subsection (e) shall be treated as indebtedness of the United States for purposes of section 1305(2) of title 31, United States Code, and shall earn interest, payable monthly, in an amount equal to the product obtained by multiplying the average balance of moneys in the account for such month by the average market yield (computed by the Managing Trustee on the basis of market quotations as of the end of each business day of such month) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of four years from the end of such month, except that 'flower bonds' shall not be included in such computation.

"(B) For purposes of this paragraph, the term 'flower bond' means a United States Treasury bond which was issued before March 4, 1971 and which may, at the option of the duly constituted representatives of the estate of a deceased individual, be redeemed at par (face) value, plus accrued interest to the date of payment, if—

"(i) it was owned by such deceased individual at the time of his death,

"(ii) it is part of the estate of such deceased individual, and

"(iii) such representatives authorize the Secretary of the Treasury to apply the entire proceeds of the redemption of such bond to the payment of Federal estate taxes.

"(3) The Managing Trustee may withdraw moneys deposited in an account pursuant to subsection (e) whenever he determines that such moneys are necessary to meet current withdrawals from the Trust Fund which deposited such moneys, and the Secretary of the Treasury may sell obligations of the United States in the market in an amount not to exceed the amount of such withdrawal if he determines that such withdrawal necessitates an increase in the general fund of the Treasury by an amount not exceeding such amount.".

(b) Section 1817 of such Act is amended by striking out subsections (c), (d), and (e) and inserting in lieu thereof the following new subsections:

"(c) There is hereby created on the books of the Treasury of the United States an account to be known as the Hospital Insurance Depositary Account.

"(d) The Managing Trustee shall deposit that portion of the Federal Hospital Insur-

ance Trust Fund not required to meet current withdrawals from such Trust Fund in the Hospital Insurance Depositary Account.

"(e)(1) The Secretary of the Treasury may apply moneys deposited in the account pursuant to subsection (d) in any way in which he is authorized by law to apply moneys in the general fund of the Treasury.

"(2)(A) Moneys deposited in the account pursuant to subsection (d) shall be treated as indebtedness of the United States for purposes of section 1305(2) of title 31, United States Code, and shall earn interest, payable monthly, in an amount equal to the product obtained by multiplying the average balance of moneys in the account for such month by the average market yield (computed by the Managing Trustee on the basis of market quotations as of the end of each business day of such month) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of four years from the end of such month, except that 'flower bonds' shall not be included in such computation.

"(B) For purposes of this paragraph, the term 'flower bond' means a United States Treasury bond which was issued before March 4, 1971, and which may, at the option of the duly constituted representatives of the estate of a deceased individual, be redeemed at par (face) value, plus accrued interest to the date of payment, if—

"(i) it was owned by such deceased individual at the time of his death,

"(ii) it is part of the estate of such deceased individual, and

"(iii) such representatives authorize the Secretary of the Treasury to apply the entire proceeds of the redemption of such bond to the payment of Federal estate taxes.

"(3) The Managing Trustee may withdraw moneys deposited in the account pursuant to subsection (d) whenever he determines that such moneys are necessary to meet current withdrawals from the Trust Fund, and the Secretary of the Treasury may sell obligations of the United States in the market in an amount not to exceed the amount of such withdrawal if he determines that such withdrawal necessitates an increase in the general fund of the Treasury by an amount not exceeding such amount.".

(c) Section 1841 of such Act is amended by striking out subsections (c), (d), and (e) and inserting in lieu thereof the following new subsections:

"(c) There is hereby established on the books of the Treasury an account to be known as the Supplementary Medical Insurance Depositary Account.

"(d) The Managing Trustee shall deposit that portion of the Federal Supplementary Medical Insurance Trust Fund not required to meet current withdrawals from such Trust Fund in the Supplementary Medical Insurance Depositary Account.

"(e)(1) The Secretary of the Treasury may apply moneys deposited in the account pursuant to subsection (d) in any way in which he is authorized by law to apply moneys in the general fund of the Treasury.

"(2)(A) Moneys deposited in the account pursuant to subsection (d) shall be treated as indebtedness of the United States for purposes of section 1305(2) of title 31, United States Code, and shall earn interest, payable monthly, in an amount equal to the product obtained by multiplying the average balance of moneys in the account for such month by the average market yield (computed by the Managing Trustee on the basis of market quotations as of the end of each business day of such month) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of four years from the end of such month, except that 'flower bonds' shall not be included in such computation.

"(B) For purposes of this paragraph, the term 'flower bond' means a United States Treasury bond which was issued before March 4, 1971, and which may, at the option of the duly constituted representatives of the estate of a deceased individual, be redeemed at par (face) value, plus accrued interest to the date of payment, if—

"(i) it was owned by such deceased individual at the time of his death,

"(ii) it is part of the estate of such deceased individual, and

"(iii) such representatives authorize the Secretary of the Treasury to apply the entire proceeds of the redemption of such bond to the payment of Federal estate taxes.

"(3) The Managing Trustee may withdraw moneys deposited in the account pursuant to subsection (d) whenever he determines that such moneys are necessary to meet current withdrawals from the Trust Fund, and the Secretary of the Treasury may sell obligations of the United States in the market in an amount not to exceed the amount of such withdrawal if he determines that such withdrawal necessitates an increase in the general fund of the Treasury by an amount not exceeding such amount.".

(d)(1) No later than the date on which this section takes effect, the Secretary of the Treasury shall redeem at par all outstanding obligations of the United States issued under the Second Liberty Bond Act exclusively for purchase by the Federal Old-Age Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund (hereinafter in this subsection referred to as the "Trust Funds").

(2)(A) The Managing Trustee may sell any marketable obligation of the United States held by the Trust Funds at market price at any time and shall sell (or redeem) all "flower bonds" held by the Trust Funds on the date of enactment of this section at market price no later than the date on which this section takes effect.

(B) For purposes of this paragraph, the term "flower bond" means a United States Treasury bond which was issued before March 4, 1971, and which may, at the option of the duly constituted representatives of the estate of a deceased individual, be redeemed at par (face) value, plus accrued interest to the date of payment, if—

(i) it was owned by such deceased individual at the time of his death,

(ii) it is part of the estate of such deceased individual, and

(iii) such representatives authorize the Secretary of the Treasury to apply the entire proceeds of the redemption of such bond to the payment of Federal estate taxes.

(3) The proceeds from the redemption and sale of obligations of the United States pursuant to paragraphs (1) and (2) shall be paid to the Trust Fund selling or redeeming such obligations and that portion of such proceeds which is not required to meet current withdrawals from such Trust Fund shall be deposited in the account established with respect to such Trust Fund by subsection (a), (b), or (c) of this Act.

(e) The amendments made by this section shall take effect on the first day of the first month beginning more than 30 days after the date of enactment of this Act.

ADDITION OF PUBLIC MEMBERS TO TRUST FUND BOARDS OF TRUSTEES

SEC. 147. (a) Sections 201(c), 1817(b), and 1841(b) of the Social Security Act are each amended—

(1) by striking out the period at the end of the first sentence and inserting in lieu thereof a comma and "and of two members of the public (both of whom may not be from the same political party), who shall be nominated by the President for a term of four years and subject to confirmation by the Senate; and

(2) by adding at the end thereof the following new sentence: "A member of the public serving on the Board of Trustees shall not be considered to be a fiduciary and shall not be personally liable for actions taken in such capacity with respect to the Trust Funds.".

(b) The amendments made by subsection (a) shall become effective on the date of enactment of this Act.

PAYMENT SCHEDULE BY STATE AND LOCAL GOVERNMENTS

SEC. 148. (a) Section 218(e)(1)(A) of the Social Security Act is amended by striking out "within the thirty-day period immediately following the last day of each calendar month" and inserting in lieu thereof "in accordance with the same payment schedule as applies to payment by employers of the taxes imposed under sections 3101 and 3111 of the Internal Revenue Code of 1954".

(b) The amendment made by subsection (a) shall be effective with respect to payments due on or after January 1, 1984.

NORMALIZED CREDITING OF SOCIAL SECURITY TAXES TO TRUST FUNDS

SEC. 149. (a) Section 201(a) of the Social Security Act is amended by striking out "The amounts appropriated" in the last sentence and inserting in lieu thereof "Except as provided in subsection (m), the amounts appropriated".

(b) Section 201 of such Act is further amended by adding at the end thereof the following new subsection:

"(m)(1) The procedures in effect on January 1, 1983, with respect to the transfer of the amounts appropriated by clauses (3) and (4) of subsection (a) and the amounts appropriated by clauses (1) and (2) of subsection (b) shall apply to a calendar month unless the Secretary makes a finding under this paragraph that the OASDI trust fund ratio as of the first day of such calendar month is less than 12 percent.

"(2) If the Secretary makes the finding described in paragraph (1) with respect to a calendar month, the amounts appropriated by clauses (3) and (4) shall be transferred on the first day of such calendar month from the general fund of the Treasury to the Federal Old-Age and Survivors Insurance Trust Fund, and the amounts appropriated by clauses (1) and (2) of subsection (b) shall be transferred on the first day of such calendar month from the general fund of the Treasury to the Federal Disability Insurance Trust Fund, such amounts to be determined on the basis of estimates by the Secretary of the Treasury of the taxes, specified in clauses (3) and (4) of subsection (a), to be paid to or deposited into the Treasury during such calendar month.

"(3) Proper adjustments shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or were less than the taxes specified in clauses (3) and (4) of subsection (a).

"(4) All amounts transferred to either Trust Fund under paragraph (2) shall be

treated by the Managing Trustee in the same manner and to the same extent as the other assets of such Trust Fund; and such Trust Fund shall pay interest to the general fund on the amount so transferred at a rate (calculated on a daily basis, and applied against the difference between the amount so transferred on such first day and the amount which would have been transferred to the Trust Fund up to that day under the procedures in effect on January 1, 1983) equal to the average 91-day Treasury bill rate during such month (payable on the last day of such month).

"(5) For purposes of this subsection, the term 'OASDI trust fund ratio' means, with respect to any month, the ratio of—

"(A) the combined balance in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, reduced by the outstanding amount of any loan (including interest thereon) theretofore made to either such Trust Fund from the Federal Hospital Insurance Trust Fund under subsection (l), and determined without regard to amounts transferred theretofore under this subsection, as of the last day of the second month preceding such month, to

"(B) the amount obtained by multiplying by twelve the total amount which (as estimated by the Secretary) will be paid from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund during the month for which such ratio is to be determined for all purposes authorized by section 201 (other than payments of interest on, or repayments of, loans from the Federal Hospital Insurance Trust Fund under subsection (l)), but excluding any transfer payments between such trust funds and reducing the amount of any transfers to the Railroad Retirement Account by the amount of any transfers into either such trust fund from that Account.".

(c) The amendments made by this section shall apply to calendar months beginning after the date of enactment of this section and before January 1, 1988.

AMOUNTS RECEIVED UNDER CERTAIN DEFERRED COMPENSATION AND SALARY REDUCTION ARRANGEMENTS TREATED AS WAGES FOR FICA TAXES

SEC. 150. (a)(1) Section 3121 of the Internal Revenue Code of 1954 (relating to definitions) is amended by adding at the end thereof the following new subsection:

"(v) TREATMENT OF CERTAIN DEFERRED COMPENSATION AND SALARY REDUCTION ARRANGEMENTS.—

"(1) CERTAIN EMPLOYER CONTRIBUTIONS TREATED AS WAGES.—Nothing in any paragraph of subsection (a) (other than paragraph (1)) shall exclude from the term 'wages' any employer contribution—

"(A) under a qualified cash or deferred arrangement (as defined in section 401(k)) to the extent not included in gross income by reason of section 402(a)(8), or

"(B) under a cafeteria plan (as defined in section 125(d)) which includes an arrangement described in subparagraph (A) to the extent the employee had the right to choose cash, property, or other benefits which would be wages for purposes of this chapter.

"(2) GOVERNMENTAL PLANS.—For purposes of subsection (a)—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'wages' shall not include any payment to or from a governmental plan (within the meaning of section 414(d)).

"(B) EXCEPTIONS.—The term 'wages' shall include any amount—

"(i) deferred under a plan described in section 457(a) (at the time the services which relate to such payment were performed),

"(ii) deferred under a plan described in subsection (e)(1), (e)(2)(D), or (e)(2)(E) of section 457, or

"(iii) which is treated as wages under subsection (a)(5)(E) by reason of a salary reduction agreement.".

(2) Paragraph (5) of section 3121(a) of such Code (defining wages) is amended—

(A) by striking out "or" at the end of subparagraph (C),

(B) by striking out the semicolon at the end of subparagraph (D) and inserting in lieu thereof a comma and "or", and

(C) by adding at the end thereof the following new subparagraph:

"(E) under an annuity contract described in section 403(b), other than a payment for the purchase of such contract which is made by reason of a salary reduction agreement;".

(3) Subsection (a) of section 3121 of such Code (defining wages) is amended—

(A) in paragraph (2), by striking out subparagraph (A) and redesignating subparagraphs (B), (C), and (D) as subparagraphs (A), (B), and (C), respectively,

(B) by striking out paragraphs (3) and (9), (C) in paragraph (13)(A)—

(i) by inserting "or" after "death,", and

(ii) by striking out "or (iii) retirement after attaining an age specified in the plan referred to in subparagraph (B) or in a pension plan of the employer,", and

(D) by striking out "subparagraph (B)" in the last sentence thereof and inserting in lieu thereof "subparagraph (A)".

(b)(1) Section 3306 of the Internal Revenue Code of 1954 (relating to definitions) is amended by adding at the end thereof the following new subsection:

"(r) TREATMENT OF CERTAIN DEFERRED COMPENSATION AND SALARY REDUCTION ARRANGEMENTS.—

"(1) CERTAIN EMPLOYER CONTRIBUTIONS TREATED AS WAGES.—Nothing in any paragraph of subsection (b) (other than paragraph (1)) shall exclude from the term 'wages' any employer contribution—

"(A) under a qualified cash or deferred arrangement (as defined in section 401(k)) to the extent not included in gross income by reason of section 402(a)(8), or

"(B) under a cafeteria plan (as defined in section 125(d)) which includes an arrangement described in subparagraph (A) to the extent the employee had the right to choose cash, property, or other benefits which would be wages for purposes of this chapter.

"(2) GOVERNMENTAL PLANS.—For purposes of subsection (b)—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'wages' shall not include any payment to or from a governmental plan (within the meaning of section 414(d)).

"(B) EXCEPTIONS.—The term 'wages' shall include any amount—

"(i) deferred under a plan described in section 457(a) (at the time the services which relate to such payment were performed),

"(ii) deferred under a plan described in subsection (e)(1), (e)(2)(D), or (e)(2)(E) of section 457, or

"(iii) which is treated as wages under subsection (b)(5)(E) by reason of a salary reduction agreement.".

(2) Paragraph (5) of section 3306(b) of such Code (defining wages) is amended—

(A) by striking out "or" at the end of subparagraph (C),

(B) by striking out the semicolon at the end of subparagraph (D) and inserting in lieu thereof a comma and "or", and

(C) by adding at the end thereof the following new subparagraph:

"(E) under an annuity contract described in section 403(b), other than a payment for the purchase of such contract which is made by reason of a salary reduction agreement;".

(3) Subsection (b) of section 3306 of such Code (defining wages) is amended—

(A) in paragraph (2), by striking out subparagraph (A) and redesignating subparagraphs (B), (C), and (D) as subparagraphs (A), (B), and (C), respectively,

(B) by striking out paragraphs (3) and (8), and

(C) in paragraph (10)(A)—

(i) by inserting "or" after "death,", and

(ii) by striking out "or (iii) retirement after attaining an age specified in the plan referred to in subparagraph (B) or in a pension plan of the employer,".

(4)(A) Subparagraph (A) of section 3306(b)(2) of such Code, as redesignated by paragraph (3)(A), is amended to read as follows:

"(A) sickness or accident disability (but, in the case of payments made to an employee or any of his dependents, this subparagraph shall exclude from the term 'wages' only payments which are received under a workman's compensation law), or".

(B) Subsection (b) of section 3306 of such Code (defining wages) is amended by adding at the end thereof the following new flush sentence:

"Except as otherwise provided in regulations prescribed by the Secretary, any third party which makes a payment included in wages solely by reason of the parenthetical matter contained in subparagraph (A) of paragraph (2) shall be treated for purposes of this chapter and chapter 22 as the employer with respect to such wages.".

(C) Rules similar to the rules of subsections (d) and (e) of section 3 of the Act entitled "An Act to amend the Omnibus Reconciliation Act of 1981 to restore minimum benefits under the Social Security Act" (Public Law 97-123), approved December 29, 1981, shall apply in the administration of section 3306(b)(2)(A) of such Code (as amended by subparagraph (A)).

(c)(1) Section 209 of the Social Security Act is amended by adding at the end thereof (as amended by this Act) the following new paragraphs:

"Nothing in any of the foregoing provisions of this section (other than subsection (a)) shall exclude from the term 'wages' any employer contribution—

"(1) under a qualified cash or deferred arrangement (as defined in section 401(k)) to the extent not included in gross income by reason of section 402(a)(8), or

"(2) under a cafeteria plan (as defined in section 125(d)) which includes an arrangement described in paragraph (1) to the extent the employee had the right to choose cash, property, or other benefits which would be wages for purposes of this chapter.

"For purposes of this section—

"(1) the term 'wages' shall not include any payment to or from a governmental plan (within the meaning of section 414(d) of the Internal Revenue Code of 1954); except that

"(2) the term 'wages' shall include any amount—

"(A) deferred under a plan described in section 457(a) of such Code (at the time the services which relate to such payment were performed),

"(B) deferred under a plan described in subsection (e)(1), (e)(2)(D), or (e)(2)(E) of section 457 of such Code, or

"(C) which is treated as wages under subsection (e)(5) by reason of a salary reduction agreement.".

(2) Subsection (e) of section 209 of such Act is amended by adding before the semicolon at the end thereof the following: ", or (5) under an annuity contract described in section 403(b) of the Internal Revenue Code of 1954, other than a payment for the purchase of such contract which is made by reason of a salary reduction agreement;".

(3) Section 209 of such Act is amended—

(A) in subsection (b), by striking out paragraph (1) and redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively,

(B) by striking out subsections (c) and (i), and

(C) in subsection (m)(1)—

(i) by inserting "or" after "death,", and

(ii) by striking out "or (C) retirement after attaining an age specified in the plan referred to in paragraph (2) or in a pension plan of the employer,".

(d)(1) Except as provided in paragraph (2), the amendments made by this section shall apply to remuneration paid after December 31, 1983.

(2) The amendments made by subsection (b) shall apply to remuneration paid after December 31, 1984.

CODIFICATION OF ROWAN DECISION WITH RESPECT TO MEALS AND LODGING

SEC. 151. (a)(1) Subsection (a) of section 3121 of the Internal Revenue Code of 1954 (defining wages) is amended by striking out "or" at the end of paragraph (17), by striking out the period at the end of paragraph (18) and inserting in lieu thereof "; or", and by inserting after paragraph (18) the following new paragraph:

"(19) the value of any meals or lodging furnished by or on behalf of the employer if at the time of such furnishing it is reasonable to believe that the employee will be able to exclude such items from income under section 119.".

(2) Section 209 of the Social Security Act is amended by striking out "or" at the end of subsection (p), by striking out the period at the end of subsection (q) and inserting in lieu thereof "; or", and by inserting after subsection (q) the following new subsection:

"(r) The value of any meals or lodging furnished by or on behalf of the employer if at the time of such furnishing it is reasonable to believe that the employee will be able to exclude such items from income under section 119 of the Internal Revenue Code of 1954.".

(b)(1) Subsection (a) of section 3121 of such Code is amended by inserting after paragraph (19) (as added by subsection (a) of this section) the following new sentence: "Nothing in the regulations prescribed for purposes of chapter 24 (relating to income tax withholding) which provides an exclusion from 'wages' as used in such chapter shall be construed to require a similar exclusion from 'wages' in the regulations prescribed for purposes of this chapter.".

(2) Section 209 of the Social Security Act is amended by inserting immediately after subsection (r) (as added by subsection (a) of this section) the following new sentence: "Nothing in the regulations prescribed for purposes of chapter 24 of the Internal Revenue Code of 1954 (relating to income tax withholding) which provides an exclusion from 'wages' as used in such chapter shall be construed to require a similar exclusion from 'wages' in the regulations prescribed for purposes of this title.".

(c) Subsection (b) of section 3306 of the Internal Revenue Code of 1954 (defining wages) is amended—

(1) by striking out "or" at the end of paragraph (12),

(2) by striking out the period at the end of paragraph (13) and inserting in lieu thereof "; or",

(3) by adding immediately after paragraph (13) the following new paragraph:

"(14) the value of any meals or lodging furnished by or on behalf of the employer if at the time of such furnishing it is reasonable to believe that the employee will be able to exclude such items from income under section 119.", and

(4) by adding at the end thereof the following new flush sentence:

"Nothing in the regulations prescribed for purposes of chapter 24 (relating to income tax withholding) which provides an exclusion from 'wages' as used in such chapter shall be construed to require a similar exclusion from 'wages' in the regulations prescribed for purposes of this chapter.".

(d)(1) Except as provided in paragraph (2), the amendments made by subsections (a) and (b) shall apply to remuneration paid after December 31, 1983.

(2) The amendments made by subsection (c) shall apply to remuneration paid after December 31, 1984.

TREATMENT OF CONTRIBUTIONS UNDER SIMPLIFIED EMPLOYEE PENSIONS

SEC. 152. (a) Subparagraph (D) of section 3121(a)(5) of the Internal Revenue Code of 1954 (defining wages) is amended by striking out "section 219" and inserting in lieu thereof "section 219(b)(2)".

(b) Subsection (e) of section 209 of the Social Security Act, as amended by this Act, is amended by striking out the semicolon at the end thereof and inserting in lieu thereof the following: ", or (6) under a simplified employee pension (as defined in section 408(k) of the Internal Revenue Code of 1954) if, at the time of the payment, it is reasonable to believe that the employee will be entitled to a deduction under section 219(b)(2) of such Code for such payment;".

(c) Subparagraph (D) of section 3306(b)(5) of the Internal Revenue Code of 1954 is amended by striking out "section 219" and inserting in lieu thereof "section 219(b)(2)".

(d)(1) Except as provided in paragraph (2), the amendments made by this section shall apply to remuneration paid after December 31, 1983.

(2) The amendments made by subsection (c) shall apply to remuneration paid after December 31, 1984.

TITLE II—SUPPLEMENTAL SECURITY INCOME

INCREASE IN BENEFIT STANDARD

SEC. 201. (a) Section 1617 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(c) Effective July 1, 1983—

"(1) each of the dollar amounts in effect under subsections (a)(1)(A) and (b)(1) of section 1611, as previously increased under this section, shall be increased by $240 (and the dollar amount in effect under subsection (a)(1)(A) of Public Law 93-66, as previously so increased, shall be increased by $120); and

"(2) each of the dollar amounts in effect under subsections (a)(2)(A) and (b)(2) of section 1611, as previously increased under this section, shall be increased by $360.".

(b) Section 1617(b) of such Act is amended by striking out "this section" and inserting in lieu thereof "subsection (a) of this section".

ADJUSTMENT IN FEDERAL SSI PASS-THROUGH PROVISIONS

SEC. 202. Section 1618 of the Social Security Act is amended by adding at the end thereof the following new subsection:

(d)(1) For any particular month after March 1983, a State shall be deemed to have met the requirements of paragraph (4) of subsection (a) if—

"(A) the combined level of its supplementary payments (to recipients of the type involved) and the amounts payable under section 1611(b) (to such recipients), for that particular month,

is not less than—

"(B) the combined level of its supplementary payments (to recipients of the type involved) and the amounts payable under section 1611(b) (to such recipients), for March 1983, increased by the amount of all cost-of-living adjustments under section 1617 (and any other benefit increases under this title) which have occurred after March 1983 and before that particular month.

"(2) In determining the amount of any increase in the combined level involved under paragraph (1)(B) of this subsection, any portion of such amount which would otherwise be attributable to the increase under section 1617(c) shall be deemed instead to be equal to the amount of the cost-of-living adjustment which would have occurred in July 1983 (without regard to the 3-percent limitation contained in section 215(i)(1)(B)) if section 111 of the Social Security Act Amendments of 1983 had not been enacted.".

NOTIFICATION REGARDING SSI

SEC. 203. Prior to July 1, 1984, the Secretary of Health and Human Services shall notify all elderly recipients of benefits under title II of the Social Security Act, who may be eligible for supplemental security income benefits under title XVI of such Act, of the availability of the supplemental security income program, and shall encourage such recipients to contact the Social Security district office. Such notification shall also be made to all recipients prior to attainment of age 65, with the notification made with respect to eligibility for supplemental medical insurance.

TITLE III—MEDICARE

MEDICARE PAYMENTS FOR INPATIENT HOSPITAL SERVICES ON THE BASIS OF PROSPECTIVE RATES

SEC. 301. (a)(1) Section 1886(a)(4) of the Social Security Act is amended by adding at the end the following new sentence: "Such term does not include costs of approved educational activities, or, with respect to costs incurred in cost reporting periods beginning prior to October 1, 1986, capital-related costs, as defined by the Secretary.".

(2) Subsection (a)(1) of section 1886 of such Act is amended by adding at the end thereof the following new subparagraph:

"(D) Subparagraph (A) shall not apply to cost reporting periods beginning on or after October 1, 1985.".

(3) It is the intent of Congress that, in considering the implementation of a system for including capital-related costs under a prospectively determined payment rate for inpatient hospital services, costs related to capital projects initiated on or after the effective date of the implementation of such a system, may or may not be distinguished and treated differently from costs of projects initiated before such date.

(b) Section 1886(b) of such Act is amended—

(1) by striking out "Notwithstanding sections 1814(b), but subject to the provisions

of sections" in paragraph (1) and inserting in lieu thereof "Notwithstanding section 1814(b) but subject to the provisions of section";

(2) by inserting "(other than a subsection (d) hospital, as defined in subsection (d)(1)(B))" in the matter before subparagraph (A) of paragraph (1) after "of a hospital";

(3) by inserting, in the matter in paragraph (1) following subparagraph (B), "(other than on the basis of a DRG prospective payment rate determined under subsection (d))" after "payable under this title";

(4) by repealing paragraph (2);

(5) by inserting "and subsection (d) and except as provided in subsection (e)" in paragraph (3)(B) after "subparagraph (A)";

(6) by inserting "or fiscal year" after "cost reporting period" each place it appears in paragraph (3)(B);

(7) by inserting "before the beginning of the period or year" in paragraph (3)(B) after "estimated by the Secretary";

(8) by striking out "exceeds" in paragraph (3)(B) and inserting in lieu thereof "will exceed"; and

(9) by amending paragraph (6), effective with respect to cost reporting periods beginning on or after October 1, 1982, to read as follows:

"(6) In the case of any hospital which becomes subject to the taxes under section 3111 of the Internal Revenue Code for 1954 for part or all of a cost reporting period, and was not subject to such taxes for the 12-month cost-reporting period referred to in subsection (b)(3)(A)(i), the Secretary shall provide for an adjustment by increasing the base year amount referred to in subsection (b)(3)(A)(i) for such hospital applicable to such cost reporting period by the amount of such taxes paid or accrued by such hospital for such cost reporting period.".

(c)(1) Subsection (c)(1) of such section is amended—

(A) by striking out "and" at the end of subparagraph (B),

(B) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; and", and

(C) by adding at the end the following:

"(D) the Secretary determines that the system will not preclude an eligible organization (as defined in section 1876(b)) from negotiating directly with hospitals with respect to the organization's rate of payment for inpatient hospital services.

The Secretary cannot deny the application of a State under this subsection on the ground that the State's hospital reimbursement control system is based on a payment methodology other than on the basis of a diagnosis-related group or on the ground that the amount of payments made under this title under such system must be less than the amount of payments which would otherwise have been made under this title not using such system. If the Secretary determines that the conditions described in subparagraph (C) are based on maintaining payment amounts at no more than a specified percentage increase above the payment amounts in a base period, the State has the option of applying such test (for inpatient hospital services under part A) on an aggregate payment basis or on the basis of the amount of payment per inpatient discharge or admission. If the Secretary determines that the conditions described in subparagraph (C) are based on maintaining aggregate payment amounts below a national average percentage increase in total payments under part A for inpatient hospital services, the Secretary cannot deny the application of a State under this subsection on the ground that the State's rate of increase in such payments for such services must be less than such national average rate of increase.";

(2) Subsection (c)(3) of such section is amended—

(A) by striking out "requirement of paragraph (1)(A)" and inserting in lieu thereof "requirements of subparagraphs (A) and (D) of paragraph (1) and, if applicable, the requirements of paragraph (5),", and

(B) by inserting "(or, if applicable, in paragraph (5))" in subparagraph (B) after "paragraph (1)".

(3) Subsection (c) of such section is further amended by adding at the end the following new paragraphs:

"(4) The Secretary shall approve the request of a State under paragraph (1) with respect to a hospital reimbursement control system if—

"(A) the requirements of subparagraphs (A), (B), (C), and (D) of paragraph (1) have been met with respect to the system, and

"(B) with respect to that system a waiver of certain requirements of title XVIII of the Social Security Act has been approved on or before (and which is in effect as of) the date of the enactment of the Social Security Act Amendments of 1983, pursuant to section 402(a) of the Social Security Amendments of 1967 or section 222(a) of the Social Security Amendments of 1972.

With respect to a State system described in this paragraph, the Secretary shall judge the effectiveness of such system on the basis of its rate of increase or inflation in inpatient hospital payments for individuals under this title, as compared to the national rate of increase or inflation for such payments, with the State retaining the option to have the test applied on the basis of the aggregate payment or payments per inpatient admission or discharge during the three cost reporting periods beginning on or after October 1, 1983, after which such test shall no longer apply, and such hospitals shall be treated in the same manner as under other waivers.

"(5) The Secretary shall approve the request of a State under paragraph (1) with respect to a hospital reimbursement control system if—

"(A) the requirements of subparagraphs (A), (B), (C), and (D) of paragraph (1) have been met with respect to the system;

"(B) the Secretary determines that the system—

"(i) is operated directly by the State or by an entity designated pursuant to State law,

"(ii) provides for payment of hospitals covered under the system under a methodology (which sets forth exceptions and adjustments, as well as any method for changes in the methodology) by which rates or amounts to be paid for hospital services during a specified period are established under the system prior to the defined rate period, and

"(iii) hospitals covered under the system will make such reports (in lieu of cost and other reports, identified by the Secretary, otherwise required under this title) as the Secretary may require in order to properly monitor assurances provided under this subsection;

"(C) the State has provided the Secretary with satisfactory assurances that operation of the system will not result in any change in hospital admission practices which result in—

"(i) a significant reduction in the proportion of patients (receiving hospital services covered under the system) who have no third-party coverage and who are unable to pay for hospital services,

"(ii) a significant reduction in the proportion of individuals admitted to hospitals for inpatient hospital services for which payment is (or is likely to be) less than the anticipated charges for or costs of such services,

"(iii) the refusal to admit patients who would be expected to require unusually costly or prolonged treatment for reasons other than those related to the appropriateness of the care available at the hospital, or

"(iv) the refusal to provide emergency services to any person who is in need of emergency services if the hospital provides such services;

"(D) any change by the State in the system which has the effect of materially reducing payments to hospitals can only take effect upon 60 days notice to the Secretary and to the hospitals the payment to which is likely to be materially affected by the change; and

"(E) the State has provided the Secretary with satisfactory assurances that in the development of the system the State has consulted with local governmental officials concerning the impact of the system on public hospitals.

The Secretary shall respond to requests of States under this paragraph within 60 days of the date the request is submitted to the Secretary.

"(6) If the Secretary determines that the assurances described in paragraph (1)(C) have not been met with respect to any 36-month period, the Secretary may reduce payments under this title to hospitals under the system in an amount equal to the amount by which the payments under this title under such system for such period exceeded the amount of payments which would otherwise have been made under this title not using such system.".

(d) Subsection (d) of such section, as added by section 110 of the Tax Equity and Fiscal Responsibility Act of 1982, is amended—

(1) by striking out "section 1814(b)" in paragraph (2)(A) and inserting in lieu thereof "subsection (b)", and

(2) by redesignating the subsection as subsection (j) and transferring and inserting such subsection at the end of section 1814 of the Social Security Act under the following heading:

"Elimination of Lesser-of-Cost-or-Charges Provision".

(e) Such section 1886 is further amended by adding at the end the following new subsections:

"(d)(1)(A) Notwithstanding section 1814(b) but subject to the provisions of section 1813, the amount of the payment with respect to the operating costs of inpatient hospital services (as defined in subsection (a)(4)) of a subsection (d) hospital (as defined in subparagraph (B)) for inpatient hospital discharges in a cost reporting period or in a fiscal year—

"(i) beginning on or after October 1, 1983, and before October 1, 1986, is equal to the sum of—

"(I) the target percentage (as defined in subparagraph (C)) of the hospital's target amount for the cost reporting period (as defined in subsection (b)(3)(A)) for the period, and

"(II) the DRG percentage (as defined in subparagraph (C)) of the applicable combined adjusted DRG prospective payment rate determined under subparagraph (D) for such discharges; or

"(ii) beginning on or after October 1, 1986, is equal to the national adjusted DRG prospective payment rate determined under paragraph (3) for such discharges.

"(B) As used in this section, the term 'subsection (d) hospital' means a hospital located in one of the fifty States or the District of Columbia other than—

"(i) a psychiatric hospital (as defined in section 1861(f)),

"(ii) a rehabilitation hospital (as defined by the Secretary),

"(iii) a hospital whose inpatients are predominantly individuals under 18 years of age, or

"(iv) a hospital which has an average inpatient length of stay (as determined by the Secretary) of greater than 25 days;

and, in accordance with regulations of the Secretary, does not include a psychiatric or rehabilitation unit of the hospital which is a distinct part of the hospital (as defined by the Secretary). The exclusion of any category of hospitals or units under this subparagraph shall become inapplicable at such time as the Secretary determines that adequate data of clinical and statistical significance is available such that the Secretary may include such category in the payment system established under this subsection.

"(C) For purposes of this subsection, for cost reporting periods beginning, or discharges occurring—

"(i) on or after October 1, 1983, and before October 1, 1984, the 'target percentage' is 75 percent and the 'DRG percentage' is 25 percent;

"(ii) on or after October 1, 1984, and before October 1, 1985, the 'target percentage' is 50 percent and the 'DRG percentage' is 50 percent; and

"(iii) on or after October 1, 1985, and before October 1, 1986, the 'target percentage' is 25 percent and the 'DRG percentage' is 75 percent.

"(D) For purposes of subparagraph (A)(i)(II), the 'applicable combined adjusted DRG prospective payment rate' for cost reporting periods beginning, or discharges occurring—

"(i) on or after October 1, 1983, and before October 1, 1984, is a combined rate consisting of 25 percent of the national DRG prospective payment rate, and 75 percent of the regional DRG prospective payment rate, determined under paragraph (2) for such discharges;

"(ii) on or after October 1, 1984, and before October 1, 1985, is a combined rate consisting of 50 percent of the national DRG prospective payment rate, and 50 percent of the regional DRG prospective payment rate, determined under paragraph (3) for such discharges;

"(iii) on or after October 1, 1985, and before October 1, 1986, is a combined rate consisting of 75 percent of the national DRG prospective payment rate, and 25 percent of the regional DRG prospective payment rate, determined under paragraph (3); and

"(iv) on or after October 1, 1986, is a rate equal to the national DRG prospective payment rate determined under paragraph (3).

"(2) The Secretary shall determine a national adjusted DRG prospective payment rate, for each inpatient hospital discharge in fiscal year 1984 involving inpatient hospital services of a subsection (d) hospital in the United States, and shall determine a regional adjusted DRG prospective payment rate for such discharges in each such region, for which payment may be made under part A of this title. Each such rate shall also be determined for hospitals located in urban or rural areas within the United States and within each such region. Such determinations shall be made as follows:

"(A) DETERMINING ALLOWABLE INDIVIDUAL HOSPITAL COSTS FOR BASE PERIOD.—The Secretary shall determine the allowable operating costs per discharge of inpatient hospital services for the hospital for the most recent cost reporting period for which data are available.

"(B) UPDATING FOR FISCAL YEAR 1984.—The Secretary shall update each amount determined under subparagraph (A) for fiscal year 1984 by—

"(i) updating for fiscal year 1983 by the estimated average rate of change of hospital costs industry-wide between the cost reporting period used under such subparagraph and fiscal year 1983, and

"(ii) projecting for fiscal year 1984 by the applicable percentage increase (as defined in subsection (b)(3)(B)) for fiscal year 1984.

"(C) STANDARDIZING AMOUNTS.—The Secretary shall standardize the amount updated under subparagraph (B) for each hospital by—

"(i) excluding an estimate of indirect medical education costs,

"(ii) adjusting for variations among hospitals by area and region in the average hospital wage level, and

"(iii) adjusting for variations in case mix among hospitals.

"(D) COMPUTING URBAN AND RURAL AVERAGES.—The Secretary shall compute an average of the standardized amounts determined under subparagraph (C) for the United States and for each region—

"(i) for all subsection (d) hospitals located in an urban area, and

"(ii) for all subsection (d) hospitals located in a rural area.

For purposes of this subsection, the term 'region' means one of the four census regions established by the Bureau of the Census, established by the Secretary; the term 'urban area' means an area within a Standard Metropolitan Statistical Area (as defined by the Office of Management and Budget) or within such similar area as the Secretary has recognized under subsection (a) by regulation; and the term 'rural area' means any area outside such an area or similar area.

"(E) REDUCING FOR VALUE OF OUTLIER PAYMENTS.—The Secretary shall reduce each of the average standardized amounts determined under subparagraph (D) by a proportion equal to the proportion (estimated by the Secretary) of the amount of payments under this subsection based on DRG prospective payment rates which are additional payments described in paragraph (5)(A) (relating to outlier payments).

"(F) MAINTAINING BUDGET NEUTRALITY.—The Secretary shall adjust each of such average standardized amounts as may be required under subsection (e)(1)(B) for that fiscal year.

"(G) COMPUTING DRG-SPECIFIC RATES FOR URBAN AND RURAL HOSPITALS IN THE UNITED STATES AND IN EACH REGION.—For each discharge classified within a diagnosis-related group, the Secretary shall establish a DRG prospective payment rate which is equal—

"(i) for hospitals located in an urban area in the United States, and for hospitals located in an urban area in each region, to the product of—

"(I) the average standardized amount (computed under subparagraph (D), reduced under subparagraph (E), and adjusted under subparagraph (F)) for hospitals located in an urban area in the United States or in that region, and

"(II) the weighting factor (determined under paragraph (4)(B)) for that diagnosis-related group; and

"(ii) for hospitals located in a rural area in the United States, and for hospitals located in a rural area in each region, to the product of—

"(I) the average standardized amount (computed under subparagraph (D), reduced under subparagraph (E), and adjusted under subparagraph (F)) for hospitals located in a rural area in the United States or in that region, and

"(II) the weighting factor (determined under paragraph (4)(B)) for that diagnosis-related group.

"(H) ADJUSTING FOR DIFFERENT AREA WAGE LEVELS.—The Secretary shall adjust the proportion (as estimated by the Secretary from time to time) of hospitals' costs which are attributable to wages and wage-related costs, of the DRG prospective payment rates computed under subparagraph (G) for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national or regional average hospital wage level as appropriate.

"(3) The Secretary shall determine an adjusted DRG prospective payment rate, for each inpatient hospital discharge in a fiscal year after fiscal year 1984 involving inpatient hospital services of a subsection (d) hospital for which payment may be made under part A of this title, as follows:

"(A) UPDATING PREVIOUS STANDARDIZED AMOUNTS.—The Secretary shall compute an average standardized amount for hospitals located in an urban area within the United States and, for fiscal year 1985, for hospitals located in an urban area within each region, and for hospitals located in a rural area within the United States, and for fiscal year 1985, for hospitals located in a rural area within each region, and equal to the respective average standardized amount computed for the previous fiscal year under paragraph (2)(D) or under this subparagraph, increased by the applicable percentage increase under subsection (b)(3)(B) for that particular fiscal year.

"(B) REDUCING FOR VALUE OF OUTLIER PAYMENTS.—The Secretary shall reduce each of the average standardized amounts determined under subparagraph (A) by a proportion equal to the proportion (estimated by the Secretary) of the amount of payments under this subsection based on DRG prospective payment amounts which are additional payments described in paragraph (5)(A) (relating to outlier payments).

"(C) MAINTAINING BUDGET NEUTRALITY.—The Secretary shall adjust each of such average standardized amounts as may be required under subsection (e)(1)(B) for that fiscal year.

"(D) COMPUTING DRG-SPECIFIC RATES FOR URBAN AND RURAL HOSPITALS.—For each discharge classified within a diagnosis-related group, the Secretary shall establish a DRG prospective payment rate for the fiscal year which is equal—

"(i) for hospitals located in an urban area in the United States and (if applicable) for hospitals located in an urban area in each region, to the product of—

"(I) the average standardized amount (computed under subparagraph (A), reduced under subparagraph (B), and adjusted under subparagraph (C)) for the fiscal year for hospitals located in an urban area in the United States or in that region, and

"(II) the weighting factor (determined under paragraph (4)(B)) for that diagnosis-related group; and

"(ii) for hospitals located in a rural area in the United States and (if applicable) for hospitals located in a rural area in each region (and, if applicable, in a census division), to the product of—

"(I) the average standardized amount (computed under subparagraph (A), reduced under subparagraph (B), and adjusted under subparagraph (C)) for the fiscal year for hospitals located in a rural area in the United States or in that region, and

"(II) the weighting factor (determined under paragraph (4)(B)) for that diagnosis-related group.

"(E) ADJUSTING FOR DIFFERENT AREA WAGE LEVELS.—The Secretary shall adjust the proportion, (as estimated by the Secretary from time to time) of hospitals' costs which are attributable to wages and wage-related costs, of the DRG prospective payment rates computed under subparagraph (D) for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national or regional average hospital wage level as appropriate.

"(4)(A) The Secretary shall establish a classification of inpatient hospital discharges by diagnosis-related groups and a methodology for classifying specific hospital discharges within these groups.

"(B) For each such diagnosis-related group the Secretary shall assign an appropriate weighting factor which reflects the relative hospital resources used with respect to discharges classified within that group compared to discharges classified within other groups.

"(C) The Secretary shall adjust the classifications and weighting factors established under subparagraphs (A) and (B), at least every five years, to reflect changes in treatment patterns, technology, and other factors which may change the relative use of hospital resources.

"(D) The Commission (established under subsection (e)(2)) shall consult with and make recommendations to the Secretary with respect to adjustments to be made under subparagraph (C), based upon its evaluation of scientific evidence with respect to new practices, including the use of new technologies and treatment modalities. The Commission shall report to the Congress with respect to its evaluation of any adjustments made by the Secretary under subparagraph (C).

"(5)(A)(i) The Secretary shall provide for an additional payment for a subsection (d) hospital for any discharge in a diagnosis-related group, the length of stay of which exceeds the mean length of stay for discharges within that group by a fixed number of days, or exceeds such mean length of stay by some fixed number of standard deviations, whichever is the lesser.

"(ii) For cases which are not included in clause (i), a hospital may request additional payments in any case where changes, adjusted to cost, exceed a fixed multiple of the DRG rate, or exceed such other fixed dollar amount, whichever is greater.

"(iii) The amount of such additional payment under clauses (i) and (ii) shall be determined by the Secretary and shall approximate the marginal cost of care beyond the cutoff point applicable under clause (i) or (ii).

"(iv) The total amount of the additional payments made under this subparagraph for discharges in a fiscal year may not be less than 5 percent nor more than 6 percent of the total payments made based on DRG prospective payment rates for discharges in that year, and the DRG rates shall be reduced to compensate for any payments under this subparagraph in excess of such 6 percent.

"(B) The Secretary shall provide for an additional payment amount for subsection (d) hospitals with indirect costs of medical education, in an amount computed in the same manner as the adjustment for such costs under regulations (in effect as of January 1, 1983) under subsection (a)(2), except that in the computation under this subparagraph the Secretary shall use an educational adjustment factor equal to twice the factor provided under such regulations.

"(C)(i) The Secretary shall provide for such exceptions and adjustments to the payment amounts established under this subsection as the Secretary deems appropriate to take into account the special needs of public or other hospitals that serve a significantly disproportionate number of patients who have low income or are entitled to benefits under part A of this title.

"(ii) With respect to a hospital which is a 'sole community hospital', payment under paragraph (1)(A)(i) for any cost reporting period or fiscal year beginning on or after October 1, 1983, shall be determined using the target percentage and DRG percentage applicable for the fiscal year beginning on October 1, 1983, and in no case shall total payments to such a hospital under this title for any cost reporting period beginning on or after October 1, 1983, and before October 1, 1986, be less than such payments to such hospital for the preceding cost reporting period. For purposes of this subparagraph, the term 'sole community hospital' means a hospital that, by reason of factors such as isolated location, weather conditions, travel conditions, or absence of other hospitals (as determined by the Secretary), is the sole source of inpatient hospital services reasonably available to individuals in a geographical area who are entitled to benefits under part A.

"(iii) The Secretary may provide for such adjustments to the payment amounts as the Secretary deems appropriate to take into account the unique circumstances of hospitals located in Alaska and Hawaii.

"(D)(i) The Secretary shall estimate the amount of reimbursement made for services described in section 1862(a)(14) with respect to which payment was made under part B in the base reporting periods referred to in paragraph (2)(A) and with respect to which payment is no longer being made.

"(ii) The Secretary shall provide for an adjustment to the payment for subsection (d) hospitals in each fiscal year so as appropriately to reflect the net amount described in clause (i).

"(E) This paragraph shall apply only to subsection (d) hospitals that receive payments in amounts computed under this subsection.

"(6) The Secretary shall provide for publication in the Federal Register, on or before the September 1 before each fiscal year (beginning with fiscal year 1984), of a description of the methodology and data used in computing the adjusted DRG prospective payment rates under this subsection, including any adjustments required under subsection (e)(1)(B).

"(7) There shall be no administrative or judicial review under section 1878 or otherwise of—

"(A) the determination of the requirement, or the proportional amount, of any adjustment effected pursuant to subsection (e)(1), and

"(B) the establishment of diagnosis-related groups, of the methodology for the classification of discharges within such groups, and of the appropriate weighting factors thereof under paragraph (4).

"(e)(1)(A) For cost reporting periods of hospitals beginning in fiscal year 1984 or fiscal year 1985, the Secretary shall provide for such proportional adjustment in the applicable percentage increase (otherwise applicable to the periods under subsection (b)(3)(B)) as may be necessary to assure that—

"(i) the aggregate payment amounts otherwise provided under subsection (d)(1)(A)(i)(I) and (d)(5) for that fiscal year for operating costs of inpatient hospital services of hospitals,

are not greater or less than—

"(ii) the target percentage (as defined in subsection (d)(1)(C)) of the payment amounts which would have been payable for such services for those same hospitals for that fiscal year under this section under the law as in effect before the date of the enactment of the Social Security Act Amendments of 1983;

except that the adjustment made under this subparagraph shall apply only to subsection (d) hospitals and shall not apply for purposes of making computations under subsection (d)(2)(B)(ii) or subsection (d)(3)(A).

"(B) For discharges occurring in fiscal year 1984 or fiscal year 1985, the Secretary shall provide under subsections (d)(2)(F) and (d)(3)(C) for such equal proportional adjustment in each of the average standardized amounts otherwise computed for that fiscal year as may be necessary to assure that—

"(i) the aggregate payment amounts otherwise provided under subsection (d)(1)(A)(i)(II) and (d)(5) for that fiscal year for operating costs of inpatient hospital services of hospitals,

are not greater or less than—

"(ii) the DRG percentage (as defined in subsection (d)(1)(C)) of the payment amounts which would have been payable for such services for those same hospitals for that fiscal year under this section under the law as in effect before the date of the enactment of the Social Security Act Amendments of 1983.

"(2) The Secretary shall provide for appointment of a Commission of independent experts, selected by the Office of Technology Assessment (hereinafter in this subsection referred to as the 'Commission') to review the applicable percentage increase factor described in subsection (b)(3)(B) and make recommendations to the Secretary on the appropriate percentage increase which should be effected for hospital inpatient discharges under subsections (b) and (d) for fiscal years beginning with fiscal year 1985. In making its recommendations, the Commission shall take into account changes in the hospital market-basket described in subsection (b)(3)(B), hospital productivity, technological and scientific advances, the quality of health care provided in hospitals (including the quality and skill level of professional nursing required to maintain quality care), and long-term cost-effectiveness in the provision of inpatient hospital services.

"(3) The Commission, not later than the April 1 before the beginning of each fiscal year (beginning with fiscal year 1985), shall

report its recommendations to the Secretary on an appropriate increase factor which should be used (instead of the applicable percentage increase described in subsection (b)(3)(B)) for inpatient hospital services for discharges in that fiscal year.

"(4) Taking into consideration the recommendations of the Commission, the Secretary shall determine for each fiscal year (beginning with fiscal year 1986) the percentage increase which will apply for purposes of this section as the applicable percentage increase (otherwise described in subsection (b)(3)(B)) for discharges in that fiscal year, and which will assure adequate compensation for the efficient and effective delivery of medically appropriate and necessary care of high quality.

"(5) The Secretary shall cause to have published in the Federal Register, not later than—

"(A) the June 1 before each fiscal year (beginning with fiscal year 1985), the Secretary's proposed determination under paragraph (4) for that fiscal year, and

"(B) the September 1 before such fiscal year, the Secretary's final determination under such paragraph for that year.

The Secretary shall include in the publication referred to in subparagraph (A) for a fiscal year the report of the Commission's recommendations submitted under paragraph (3) for that fiscal year.

"(6)(A) The Commission shall consist of fifteen individuals selected and appointed by the Director of the Congressional Office of Technology Assessment (hereafter in this part referred to as the 'Director' and the 'Office', respectively). Such appointments shall be without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. Members of the Commission shall be appointed no later than April 1, 1984, for a term of three years, except that the Director may provide initially for such shorter terms as will insure that (on a continuing basis) the terms of no more than seven members shall expire in any one year. Members of the Commission shall be eligible for reappointment for no more than two consecutive terms.

"(B) The membership of the Commission shall provide expertise and experience in the provision and financing of health care, including but not limited to physicians and registered professional nurses, employers, third party payors, and individuals skilled in the conduct and interpretation of biomedical, health services, and health economics research. The Director shall seek nominations from a wide range of groups, including but not limited to—

"(i) national organizations representing physicians, including medical specialty organizations and registered professional nurses and other skilled health professionals;

"(ii) national organizations representing hospitals, including teaching hospitals; and

"(iii) national organizations representing the business community, health benefit programs, labor, and the elderly.

"(C) The Commission may employ such personnel (not to exceed 50) as may be necessary to carry out its duties. Subject to approval by the Director, the Commission shall appoint one of the members of its staff as Executive Director. The Commission is authorized to seek such assistance and support as may be required in the performance of its duties from appropriate Federal departments and agencies. Such assistance may include the provision of detailees, office space, and related services, with or without reimbursement, as agreed upon by the Commission and the head of the appropriate department or agency.

"(D) While serving on the business of the Commission (including traveltime), a member of the Commission shall be entitled to compensation at the per diem equivalent of the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code; and while so serving away from home and his regular place of business, a member may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by the Chairman of the Commission.

"(E) The Executive Director shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(F) The Executive Director shall, in accordance with such policies as the Commission may prescribe, appoint and fix the rates of compensation of such personnel as may be necessary to carry out the provisions of this part. Such rates of compensation may not exceed the level specified in subparagraph (E).

"(G) The Commission shall have the authority to—

"(i) enter into contracts or make other arrangements, as may be necessary for the conduct of the work of the Commission, with any competent personnel or organization, with or without reimbursement, without performance or other bonds, and without regard to section 3709 of the Revised Statutes (41 U.S.C. 5);

"(ii) make advance, progress, and other payments which relate to the work of the Commission without regard to the provisions of section 3324 of title 31, United States Code;

"(iii) accept services of voluntary and uncompensated personnel that are necessary for the conduct of the work of the Commission and provide transportation and subsistence as authorized by section 5703 of title 5, United States Code, for persons serving without compensation;

"(iv) acquire by purchase, lease, loan, or gift, and hold and dispose of by sale, lease, or loan, real and personal property of all kinds that is necessary for, or results from, the exercise of authority granted by this part (without regard to the first section of the Act of March 3, 1877 (19 Stat. 370, chapter 106; 40 U.S.C. 34)); and

"(v) prescribe such rules and regulations as it deems necessary with respect to the internal organization and operation of the Commission.

"(H) In order to identify medically appropriate patterns of health resources use in accordance with paragraph (2)(A), the Commission shall collect and assess information on medical and surgical procedures and services, including information on regional variations of medical practice and lengths of hospitalization and on other patient-care data, giving special attention to treatment patterns for conditions which appear to involve excessively costly or inappropriate services not adding to the quality of care provided. In order to assess the safety, efficiency, and cost-effectiveness of new and existing medical and surgical procedures, the Commission shall, in coordination to the extent possible with the Secretary, collect and assess factual information, giving special attention to the needs of updating existing DRG's, establishing new DRG's, and making recommendations on relative DRG weights to reflect appropriate differences in resource consumption in delivering safe, efficacious, and cost-effective care. In collecting and assessing information, the Commission shall—

"(i) utilize existing information, both published and unpublished, where possible, collected and assessed either by its own staff or under other arrangements made in accordance with this part; and

"(ii) carry out, or award grants or contracts for, original research where existing information is inadequate for the development of useful and valid guidelines by the Commission.

"(I) The Commission shall have access to such relevant information and data as may be available from appropriate Federal agencies. The Commission shall maintain the confidentiality of all confidential information it receives.

"(J) There shall be established a Federal Liaison Committee to the Commission (hereafter in this part referred to as the 'Committee'). The Committee shall—

"(1) arrange for the acquisition of information in accordance with subparagraph (I) and assure that its activities, especially the conduct of original research and medical studies, are coordinated with the activities of Federal agencies; and

"(2) advise the Commission with respect to the activities of Federal agencies that relate to the duties of the Commission or to particular medical procedures and services under study, or being considered for study, by the Commission.

The Federal Liaison Committee shall consist of delegates of those Federal agencies which can, in the judgment of the Commission, play a significant role in assisting the Commission. The Administrator of the Health Care Financing Administration shall serve as the Chairman of the Committee. Members of the Committee shall serve without additional compensation. The Committee shall meet at the call of the Chairman of the Committee, or at the call of the Chairman of the Commission, but not less than six times a year.

"(K)(i) The Office shall report to the Congress, from time to time, on the functioning and progress of the Commission and on the status of the assessment of medical procedures and services by the Commission. Such reports shall be annual for the first three years of the Commission's operation and biannual thereafter, and shall be delivered to the Congress by March 15 of each reporting year.

"(ii) The Office shall have unrestricted access to all deliberations, records, and data of the Commission, immediately upon its request.

"(iii) In order to carry out its duties under this part, the Office is authorized to expend reasonable and necessary funds as mutually agreed upon by the Office and the Commission. The Office shall be reimbursed for such funds by the Commission from the appropriations made with respect to the Commission. The Office shall carry out such duties subject to approval of the Technology Assessment Board, as prescribed by sections 3(d)(2) and (3) of the Technology Assessment Act of 1972 (2 U.S.C. 472(d)(2) and (3)).

"(L)(i) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this paragraph.

"(ii) Eighty-five percent of such appropriation shall be payable from the Federal Hospital Insurance Trust Fund, and 15 percent of such appropriation shall be payable from the Federal Supplementary Medical Insurance Trust Fund.".

(f) Section 1862(a)(1) of the Social Security Act is amended—

(1) by striking out "(B) or (C)" and inserting in lieu thereof "(B), (C), or (D)";

(2) by striking out "and" at the end of subparagraph (B);

(3) by striking out the semicolon at the end of subparagraph (C) and inserting in lieu thereof a comma and "and"; and

(4) by adding at the end thereof the following new subparagraph:

"(D) in the case of clinical care items and services provided with the concurrence of the Secretary and with respect to research and experimentation conducted by, or under contract with, the Prospective Payment Assessment Commission or the Secretary, which are not reasonable and necessary to carry out the purposes of section 1886(d)(6);".

CONFORMING AMENDMENTS

SEC. 302. (a) Sections 1814(g) and 1835(e) of the Social Security Act are each amended by inserting "(or would be if section 1886 did not apply)" after "section 1861(v)(1)(D)".

(b) Section 1814(h)(2) of such Act is amended by striking out "the reasonable costs for such services" and inserting in lieu thereof "the amount that would be payable for such services under subsection (b) and section 1886".

(c)(1) The matter in section 1861(v)(1)(G)(i) of such Act following subclause (III) is amended by striking out "on the basis of the reasonable cost of" and inserting in lieu thereof "the amount otherwise payable under part A with respect to".

(2) Section 1861(v)(2)(A) of such Act is amended by striking out "an amount equal to the reasonable cost of" and inserting in lieu thereof "the amount that would be taken into account with respect to".

(3) Section 1861(v)(2)(B) of such Act is amended by striking out "the equivalent of the reasonable cost of".

(4) Section 1861(v)(3) of such Act is amended by striking out "the reasonable cost of such bed and board furnished in semiprivate accommodations (determined pursuant to paragraph (1))" and inserting in lieu thereof "the amount otherwise payable under this title for such bed and board furnished in semiprivate accommodations".

(d) Section 1862(a) of such Act is amended—

(1) by striking out "or" at the end of paragraph (12),

(2) by striking out the period at the end of paragraph (13) and inserting in lieu thereof "; or", and

(3) by adding at the end the following new paragraph:

"(14) which are other than physicians' services (as defined in regulations) and which are furnished to an individual who is an inpatient of a hospital by an entity other than the hospital, unless the services are furnished under arrangements (as defined in section 1861(w)(1)) with the entity made by the hospital.".

(e)(1) Section 1866(a)(1) of such Act is amended—

(A) by striking out "and" at the end of subparagraph (D),

(B) by striking out the period at the end of subparagraph (E), and

(C) by adding at the end the following new subparagraphs:

"(F) in the case of hospitals which provide inpatient hospital services for which payment may be made under subsection (c) or (d) of section 1886, to maintain an agreement with a utilization and quality control peer review organization (if there is such an organization which has a contract with the Secretary under part B of title XI for the area in which the hospital is located) under which the organization will perform functions under that part with respect to the review of the accuracy of diagnostic information on such hospital's bills, the completeness and adequacy of care provided, the appropriateness of admissions, and the appropriateness of care provided for which additional payments are sought under section 1886(d)(5), with respect to inpatient hospital services for which payment may be made under part A of this title (and for purposes of payment under this title, the cost of such agreement to the hospital shall be considered a cost incurred by such hospital in providing inpatient services under part A, but shall be paid directly by the Secretary to such organization on behalf of such hospital in accordance with a budget approved by the Secretary),

"(G) in the case of hospitals which provide inpatient hospital services for which payment may be made under subsection (b) or (d) of section 1886, not to charge any individual or any other person for inpatient hospital services for which such individual would be entitled to have payment made under part A but for a denial or reduction of payments under section 1886(f), and

"(H) in the case of hospitals which provide inpatient hospital services for which payment may be made under section 1886(d), to have all items and services (other than physicians' services as defined in regulations) (i) that are furnished to an individual who is an inpatient of the hospital, and (ii) for which the individual is entitled to have payment made under this title, furnished by the hospital or otherwise under arrangements (as defined in section 1861(w)(1)) made by the hospital.".

(2) The matter in section 1866(a)(2)(B)(ii) of such Act preceding subclause (I) is amended by inserting "and except with respect to inpatient hospital costs with respect to which amounts are payable under section 1886(d)" after "(except with respect to emergency services)".

(f) Section 1876(g) of such Act is amended by adding at the end the following:

"(4) A risk-sharing contract under this subsection may, at the option of an eligible organization, provide that the Secretary—

"(A) will reimburse hospitals for payment amounts determined in accordance with section 1886, as applicable, of inpatient hospital services furnished to individuals enrolled with such organization pursuant to subsection (d), and

"(B) will deduct the amount of such reimbursement for payment which would otherwise be made to such organization.".

(g)(1) Section 1878(a) of such Act is amended—

(A) by inserting "and (except as provided in subsection (g)(2)) any hospital which receives payments in amounts computed under section 1886(d) and which has submitted such reports within such time as the Secretary may require in order to make payment under such section may obtain a hearing with respect to such payment by the Board" after "subsection (h)" in the matter before paragraph (1),

(B) by inserting "(i)" after "(A)" in paragraph (1)(A),

(C) by inserting "or" at the end of paragraph (1)(A) and by adding after such paragraph the following new clause:

"(ii) is dissatisfied with a final determination of the Secretary as to the amount of the payment under section 1886(d),", and

(D) by striking out "(1)(A)" in paragraph (3) and inserting in lieu thereof "(1)(A)(i), or with respect to appeals under paragraph (1)(A)(ii), 180 days after notice of the Secretary's final determination,".

(2)(A) The last sentence of section 1878(f)(1) of the Social Security Act is amended by inserting "(or, in an action brought jointly by several providers, the judicial district in which the greatest number of such providers are located) after "the judicial district in which the provider is located".

(B) Section 1878(f)(1) of such Act is further amended by adding at the end thereof the following new sentence: "Any appeal to the Board or action for judicial review by providers which are under common ownership or control must be brought by such providers as a group with respect to any matter involving an issue common to such providers.".

(3) Section 1878(g) of such Act is amended by inserting "(1)" after "(g)" and by adding at the end the following new paragraph:

"(2) The determinations and other decisions described in section 1886(d)(7) shall not be reviewed by the Board or by any court pursuant to an action brought under subsection (f) or otherwise.".

(4) The third sentence of section 1878(h) of such Act is amended striking out "cost reimbursement" and inserting in lieu thereof "payment of providers of services".

(h) The first sentence of section 1881(b)(2)(A) of such Act is amended by inserting "or section 1886 (if applicable)" after "section 1861(v)".

(i) Section 1887(a)(1)(B) of such Act is amended by inserting "or on the bases described in section 1886" after "on a reasonable cost basis".

(j) The Secretary may, for any cost reporting period beginning prior to October 1, 1986, waive the requirements of sections 1862(a)(14) and 1866(a)(1)(H) of the Social Security Act in the case of a hospital which has followed a practice of allowing direct billing under part B of title XVIII of such Act for services (other than physician services) so extensively, that immediate compliance with those requirements would threaten the stability of patient care. Any such waiver shall provide that such billing may continue to be made under part B but that the payments to such hospital under part A of such title shall be reduced by the amount of the billings for such services under part B. If such a waiver is granted, at the end of the waiver period the Secretary may provide for such methods of payments under part A as is appropriate, given the organizational structure of the institution.

REPORTS, EXPERIMENTS, AND DEMONSTRATION PROJECTS

SEC. 303. (a)(1) The Secretary of Health and Human Services (hereinafter in this title referred to as the "Secretary") shall study and report to the Congress within 18 months after the date of the enactment of this Act on the method by which capital-related costs, such as return on net equity, associated with inpatient hospital services can be included within the prospective payment amounts computed under section 1886(d) of the Social Security Act.

(2)(A) The Secretary shall study and report annually to the Congress at the end of each year (beginning with 1984 and ending with 1987) on the impact, of the payment methodology under section 1886(d) of the Social Security Act during the previous year, classes of hospitals, beneficiaries, and other payors

for inpatient hospital services, and other providers.

(B) During fiscal year 1984, the Secretary shall begin the collection of data necessary to compute the amount of physician charges attributable, by diagnosis-related groups, to physicians' services furnished to inpatients of hospitals whose discharges are classified within those groups. The Secretary shall include, in a report to Congress in 1985, legislative recommendations on the advisability and feasibility of providing for determining the amount of the payments for physicians' services furnished to hospital inpatients based on the DRG classification of the discharges of those inpatients.

(C) In the annual report to Congress under subparagraph (A) for 1985, the Secretary shall include the results of studies on—

(i) the feasibility and impact of eliminating or phasing out separate urban and rural DRG prospective payment rates under paragraph (3) of section 1886(d) of the Social Security Act;

(ii) whether and the method under which hospitals, not paid based on amounts determined under such section, can be paid for inpatient hospital services on a prospective basis as under such section;

(iii) the application of severity of illness, intensity of care, or other modifications to the diagnosis-related groups, and the advisability and feasibility of providing for such modifications; and

(iv) the feasibility and desirability of applying the payment methodology under such section to payment by all payors for inpatient hospital services.

(3) Prior to April 1, 1985, the Secretary shall complete a study and make legislative recommendations to the Congress with respect to an equitable method of reimbursing sole community hospitals which takes into account their unique vulnerability to substantial variations in occupancy. In addition, the Secretary shall examine ways to coordinate an information transfer between parts A and B, particularly with respect to those cases where a denial of coverage is made under part A, and no adjustment is made in the reimbursement to the admitting physician, or physicians. The Secretary also reports on the appropriate treatment of uncompensated care costs, and adjustments that might be appropriate for large teaching hospitals located in rural areas. The Secretary shall also on the advisability of having hospitals make available information on the cost of care to patients financed by both public programs and private payors.

(4) The Secretary shall complete a study and make recommendations to the Congress, before April 1, 1984, with respect to whether hospitals located outside of the fifty States and the District of Columbia should be included under a prospective payment system.

(b)(1) Except as provided in paragraph (2), the amendments made by this title shall not affect the authority of the Secretary to develop, carry out, or continue experiments and demonstration projects.

(2) The Secretary shall provide that, upon the request of a State which has a demonstration project, for payment of hospitals under title XVIII of the Social Security Act approved under section 402(a) of the Social Security Amendments of 1967 or section 222(a) of the Social Security Amendments of 1972, which (A) is in effect as of March 1, 1983, and (B) was entered into after August 1982, the terms of the demonstration agreement shall be modified so that the percentage by which such demonstration project is required to maintain the rate of increase in medicare hospital costs in that State below the national rate of increase in medicare hospital costs shall be decreased by one-half of one percentage point per contract year, beginning with the contract year beginning in 1983.

(c) The Secretary shall approve, with appropriate terms and conditions as defined by the Secretary, within 30 days after the date of enactment of this Act—

(1) the risk-sharing application of On Lok Senior Health Services (according to terms and conditions as specified by the Secretary), dated July 2, 1982, for waivers, pursuant to section 222 of the Social Security Amendments of 1972 and section 402(a) of the Social Security Amendments of 1967, of certain requirements of title XVIII of the Social Security Act over a period of 36 months in order to carry out a long-term care demonstration project, and

(2) the application of the Department of Health Services, State of California, dated November 1, 1982, pursuant to section 1115 of the Social Security Act, for the waiver of certain requirements of title XIX of such Act over a period of 36 months in order to carry out a demonstration project for capitated reimbursement for comprehensive long-term care services involving On Lok Senior Health Services.

(d) The Secretary shall continue demonstrations with hospitals in areas with critical shortages of skilled nursing facilities to study the feasibility of providing alternative systems of care or methods of payment.

EFFECTIVE DATES

SEC. 304. (a)(1) Except as provided in paragraph (2), the amendments made by the preceding provisions of this title apply to items and services furnished by or under arrangements with a hospital beginning with its first cost reporting period that begins on or after October 1, 1983. A change in a hospital's cost reporting period that has been made after November 1982 shall be recognized for purposes of this section only if the Secretary finds good cause for that change.

(2) Section 1866(a)(1)(F) of the Social Security Act (as added by section 302(f)(1)(C) of this title), section 1862(a)(14) (as added by section 302(e)(3) of this title) and sections 1886(a)(1) (G) and (H) of such Act (as added by section 302(f)(1)(C) of this title) take effect on October 1, 1983.

(b) The Secretary shall make an appropriate reduction in the payment amount under section 1886(d) of the Social Security Act (as amended by this title) for any discharge, if the admission has occurred before a hospital's first cost reporting period that begins after September 1983, to take into account amounts payable under title XVIII of that Act (as in effect before the date of the enactment of this Act) for items and services furnished before that period.

(c)(1) The Secretary shall cause to be published in the Federal Register a notice of the interim final DRG prospective payment rates established under subsection (d) of section 1886 of the Social Security Act (as amended by this title) no later than September 1, 1983, and allow for a period of public comment thereon. The DRG prospective payment rates shall become effective on October 1, 1983, without the necessity for consideration of comments received, but the Secretary shall, by notice published in the Federal Register, affirm or modify the amounts by December 31, 1983, after considering those comments.

(2) A modification under paragraph (1) that reduces a DRG prospective payment rate shall apply only to discharges occurring after 30 days after the date the notice of the modification is published in the Federal Register.

(3) Rules to implement subsection (d) of section 1886 of the Social Security Act (as so amended) shall, and exceptions, adjustments, or additional payment amounts under paragraph (5) of such subsection may, be established in accordance with the procedure described in this subsection.

DELAY IN PROVISION RELATING TO HOSPITAL-BASED SKILLED NURSING FACILITIES

SEC. 305. (a) Section 102 of the Tax Equity and Fiscal Responsibility Act of 1982 is amended by striking out "October 1, 1982" and inserting in lieu thereof "October 1, 1983".

(b) The Secretary of Health and Human Services shall, prior to December 31, 1983, complete a study and report to the Congress, with respect to the effect which the implementation of section 102 of the Tax Equity and Fiscal Responsibility Act of 1982 would have on hospital-based skilled nursing facilities, given the differences (if any) in the patient populations served by such facilities and by community-based skilled nursing facilities.

SHIFT IN PART B PREMIUM TO COINCIDE WITH COST-OF-LIVING INCREASE

SEC. 306. (a) Section 1839 of the Social Security Act is amended by striking out subsections (a), (b), and (c) and inserting in lieu thereof the following:

"(a)(1) The Secretary shall, during October of 1983 and of each year thereafter, determine the monthly actuarial rate for enrollees who have attained retirement age (as defined in section 216(a)) which shall be applicable for the succeeding calendar year. Such actuarial rate shall be the amount the Secretary estimates to be necessary so that the aggregate amount for such calendar year with respect to those enrollees who have attained retirement age will equal one-half of the total of the benefits and administrative costs which he estimates will be payable from the Federal Supplementary Medical Insurance Trust Fund for services performed and related administrative costs incurred in such calendar year with respect to such enrollees. In calculating the monthly actuarial rate, the Secretary shall include an appropriate amount for a contingency margin.

"(2) The monthly premium of each individual enrolled under this part for each month after December 1983 shall, except as provided in subsections (b) and (e), be the amount determined under paragraph (3).

"(3) The Secretary shall, during October of 1983 and of each year thereafter, determine and promulgate the monthly premium applicable for individuals enrolled under this part for the succeeding calendar year. The monthly premium shall (except as otherwise provided in subsection (e)) be equal to the smaller of—

"(A) the monthly actuarial rate for enrollees who have attained retirement age, determined according to paragraph (1) of this subsection, for that calendar year, or

"(B) the monthly premium rate most recently promulgated by the Secretary under this paragraph, increased by a percentage determined as follows: The Secretary shall ascertain the primary insurance amount computed under section 215(a)(1), based upon average indexed monthly earnings of $900, that applied to individuals who became eligible for and entitled to old-age insurance benefits for December of the year preceding the promulgation. He shall increase the monthly premium rate by the

same percentage by which that primary insurance amount is increased when, by reason of the law in effect at the time the promulgation is made, it is so computed to apply to those individuals for the following December.

Whenever the Secretary promulgates the dollar amount which shall be applicable as the monthly premium for any period, he shall, at the time such promulgation is announced, issue a public statement setting forth the actuarial assumptions and bases employed by him in arriving at the amount of an adequate actuarial rate for enrollees who have attained retirement age as provided in paragraph (1) and the derivation of the dollar amounts specified in this paragraph.

"(4) The Secretary shall also, during October of 1983 and of each year thereafter, determine the monthly actuarial rate for disabled enrollees who have not attained retirement age which shall be applicable for the succeeding calendar year. Such actuarial rate shall be the amount the Secretary estimates to be necessary so that the aggregate amount for such calendar year with respect to disabled enrollees who have not attained retirement age will equal one-half of the total of the benefits and administrative costs which he estimates will be payable from the Federal Supplementary Medical Insurance Trust Fund for services performed and related administrative costs incurred in such calendar year with respect to such enrollees. In calculating the monthly actuarial rate under this paragraph, the Secretary shall include an appropriate amount for a contingency margin.".

(2) Subsections (d), (e), (f), and (g) of section 1839 of such Act are redesignated as subsections (b), (c), (d), and (e), respectively.

(3) (A) Section 1839(b) of such Act (as so redesignated) is amended by striking out "subsection (b), (c), or (g)" and inserting in lieu thereof "subsection (a) or (e)".

(B) Section 1839(d) of such Act (as so redesignated) is amended by striking out "purposes of subsection (c)" and inserting in lieu thereof "purposes of subsection (b)".

(C) Section 1839(e) of such Act (as so redesignated) is amended by striking out "subsection (c)" and "subsection (c)(1)" and by inserting in lieu thereof "subsection (a)" and "subsection (a)(1)", respectively.

(D) Section 1818(c) of such Act is amended by striking out "subsection (c) of section 1839" and inserting in lieu thereof "subsection (a) of section 1839".

(E) Section 1843(d)(1) of such Act is amended by striking out "without any increase under subsection (c) thereof" and inserting in lieu thereof "without any increase under subsection (b) thereof".

(F) Section 1844(a)(1)(A)(i) of such Act is amended—

(i) by striking out "1839(c)(1)" and inserting in lieu thereof "1839(a)(1)"; and

(ii) by striking out "1839(c)(3) or 1839(g)" and inserting in lieu thereof "1839(a)(3) or 1839(e)".

(G) Section 1844(a)(1)(B)(i) of such Act is amended—

(i) by striking out "1839(c)(4)" and inserting in lieu thereof "1839(a)(4)"; and

(ii) by striking out "1839(c)(3) or 1839(g)" and inserting in lieu thereof "1839(a)(3) or 1839(e)".

(H) Section 1876(a)(5) of such Act is amended—

(i) in subparagraph (A)(ii), by striking out "1839(c)(1)" and inserting in lieu thereof "1839(a)(1)"; and

(ii) in subparagraph (B)(ii), by striking out "1839(c)(4)" and inserting in lieu thereof "1839(a)(4)".

(4) The amendments made by this subsection shall apply with respect to premiums payable for January 1984 and each month thereafter.

(5) The monthly premium amount under section 1839 of the Social Security Act for the months of July through December of 1983 shall be equal to the monthly premium amount as determined under such section (as in effect prior to the amendments made by this section) for June 1983.

SHIFT IN VOLUNTARY PART A PREMIUM TO COINCIDE WITH COST-OF-LIVING INCREASES

SEC. 307. (a) Section 1818(d)(2) of the Social Security Act is amended—

(1) by striking out "during the last calendar quarter of each year, beginning in 1973," in the first sentence and inserting in lieu thereof "during the next to last calendar quarter of each year";

(2) by striking out "the 12-month period commencing July 1 of the next year" in the first sentence and inserting in lieu thereof "the following calendar year"; and

(3) by striking out "for such next year" in the second sentence and inserting in lieu thereof "for that following calendar year".

(b) The amendments made by this section shall apply to premiums for months beginning with January 1984, and for months after June 1983 and before January 1984, the monthly premium under part A of title XVIII of the Social Security Act for individuals enrolled under each respective part shall be the monthly premium under that part for the month of June 1983.

TITLE IV—UNEMPLOYMENT COMPENSATION PROVISIONS

PART A—FEDERAL SUPPLEMENTAL COMPENSATION

EXTENSION OF PROGRAM

SEC. 401. (a) Paragraph (2) of section 602(f) of the Federal Supplemental Compensation Act of 1982 is amended by striking out "March 31, 1983" and inserting in lieu thereof "September 30, 1983".

(b) Section 605(2) of such Act is amended by striking out "April 1, 1983" and inserting in lieu thereof "October 1, 1983".

NUMBER OF WEEKS FOR WHICH COMPENSATION PAYABLE

SEC. 402. (a) Subsection (e) of section 602 of the Federal Supplemental Compensation Act of 1982 is amended by redesignating paragraph (3) as paragraph (4) and by striking out paragraph (2) and inserting in lieu thereof the following new paragraphs:

"(2)(A) In the case of any account from which Federal supplemental compensation was first payable to an individual for a week beginning after March 31, 1983, the amount established in such account shall be equal to the lesser of—

"(i) 65 per centum of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which he most recently received regular compensation, or

"(ii) the applicable limit determined under the following table times his average weekly benefit amount for his benefit year,

"In the case of weeks during a:	The applicable limit is:
6-percent period	14
5-percent period	12
4-percent period	10
Low-unemployment period	8

"(B) Notwithstanding the provisions of clause (ii) of subparagraph (A), the applicable limit under such clause shall not be lower than 4 less than the number of weeks applicable to such State under this paragraph as in effect for the week beginning March 27, 1983, to the amendments made by the Social Security Amendments of 1983.

"(C) In the case of any account from which Federal supplemental compensation was payable to an individual for a week beginning before April 1, 1983, the amount established in such account shall be equal to the lesser of the subparagraph (A) entitlement or the sum of—

"(i) the subparagraph (A) entitlement reduced (but not below zero) by the aggregate amount of Federal supplemental compensation paid to such individual for weeks beginning before April 1, 1983, plus

"(ii) such individual's additional entitlement.

"(D) For purposes of subparagraph (C) and this subparagraph—

"(i) The term 'subparagraph (A) entitlement' means the amount which would have been established in the account if subparagraph (A) had applied to such account.

"(ii) The term 'additional entitlement' means the applicable limit determined under the following table times the individual's average weekly benefit amount for his benefit year.

"In the case of weeks during a:	The applicable limit is:
6-percent period	8
5-percent period	6
4-percent period	4
Low-employment period	4

"(D) Except as provided in subparagraph (C)(i), for purposes of determining the amount of Federal supplemental compensation payable for weeks beginning after March 31, 1983, from an account described in subparagraph (C), no reduction in such account shall be made by reason of any Federal supplemental compensation paid to the individual for weeks beginning before April 1, 1983.

"(3)(A) For purposes of this subsection, the terms '6-percent period', '5-percent period', '4-percent period', and 'low-unemployment period' mean, with respect to any State, the period which—

"(i) begins with the 3d week after the 1st week in which the rate of insured unemployment in the State for the period consisting of such week and the immediately preceding 12 weeks falls in the applicable range, and

"(ii) ends with the 3d week after the 1st week in which the rate of insured unemployment for the period consisting of such week and the immediately preceding 12 weeks does not fall within the applicable range.

"(B) For purposes of subparagraph (A), the applicable range is as follows:

"In the case of a:	The applicable range is:
6-percent period	A rate equal to or exceeding 6 percent.
5-percent period	A rate equal to or exceeding 5 percent but less than 6 percent.
4-percent period	A rate equal to or exceeding 4 percent but less than 5 percent.
Low-employment period	A rate less than 4 percent.

"(C) No 6-percent period, 5-percent period, or 4-percent period, as the case may be, shall last for a period of less than 4 weeks unless the State enters a period with a higher percentage designation.

"(D) For purposes of this subsection—

"(i) The rate of insured unemployment for any period shall be determined in the same manner as determined for purposes of section 203 of the Federal-State Extended Unemployment Compensation Act of 1970.

"(ii) The amount of an individual's average weekly benefit amount shall be determined in the same manner as determined for purposes of section 202(b)(1)(C) of such Act.".

(b)(1) Section 602(f)(2) of such Act is amended by inserting before the period at the end thereof the following: "; except that in the case of any individual who received such compensation for the week preceding the last week beginning after such date, such compensation shall be payable to such individual for weeks beginning after such date, but the total amount of such compensation payable for such weeks shall be limited to 50 percent of the total amount which would otherwise be payable for such weeks".

(2) Section 605(2) of such Act is amended by inserting before the semicolon the following: "(except as otherwise provided in section 602(f)(2))".

(c)(1) Section 602(b)(1) of such Act is amended by striking out "and" at the end of subparagraph (B), adding "and" at the end of subparagraph (C), and inserting after subparagraph (C) the following:

"(D) had at least 26 weeks of full-time insured employment, during his base period or the equivalent in insured wages during his base period (as determined using a methodology equivalent to that used under section 202(a)(5) of the Federal-State Extended Unemployment Compensation Act of 1970);".

(2) The amendment made by paragraph (1) shall apply only to individuals who first became eligible for Federal supplemental compensation for weeks beginning on or after April 1, 1983.

(d) Paragraph (3) of section 602(d) of the Federal Supplemental Compensation Act of 1982 (as amended by section 544(d) of the Highway Revenue Act of 1982) is amended by striking out "subsection (e)(2)(A)(ii)" and inserting in lieu thereof "subparagraph (A)(ii) or (C)(ii)(II) of subsection (e)(2)".

EFFECTIVE DATE

SEC. 403. (a) The amendments made by this part shall apply to weeks beginning after March 31, 1983.

(b) In the case of any eligible individual—

(1) to whom any Federal supplemental compensation was payable for any week beginning before April 1, 1983, and

(2) who exhausted his rights to such compensation (by reason of the payment of all the amount in his Federal supplemental compensation account) before the first week beginning after March 31, 1983,

such individual's eligibility for additional weeks of compensation by reason of the amendments made by this part shall not be limited or terminated by reason of any event, or failure to meet any requirement of law relating to eligibility for unemployment compensation, occurring after the date of such exhaustion of rights and before April 1, 1983 (and the period after such exhaustion and before April 1, 1983, shall not be counted for purposes of determining the expiration of the two years following the end of his benefit year for purposes of section 602(b) of the Federal Supplemental Compensation Act of 1982).

(c) The Secretary of Labor shall, at the earliest practicable date after the date of the enactment of this Act, propose to each State with which he has in effect an agreement under section 602 of the Federal Supplemental Compensation Act of 1982 a modification of such agreement designed to provide for the payment of Federal supplemental compensation under such Act in accordance with the amendments made by this part. Notwithstanding any other provision of law, if any State fails or refuses, within the 3-week period beginning on the date the Secretary of Labor proposed such a modification to such State, to enter into such a modification of such agreement, the Secretary of Labor shall terminate such agreement effective with the end of the last week which ends on or before such 3-week period.

PART B—PROVISIONS RELATING TO INTEREST AND CREDIT REDUCTIONS

DEFERRAL OF INTEREST

SEC. 411. (a) Section 1202(b) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(8)(A) With respect to interest due under this section for any year after December 31, 1982, and before January 1, 1986, a State may pay 80 percent of such interest in four annual installments of at least 20 percent beginning with the year after the year in which it is otherwise due, if such State meets the criteria of subparagraph (B). Interest shall accrue on such deferred interest in the same manner as under paragraph (3)(C).

"(B) To meet the criteria of this subparagraph a State must—

"(i) have taken no action since October 1, 1982, which would reduce its net unemployment tax effort or the net solvency of its unemployment system (as determined for purposes of section 3302(f) of the Internal Revenue Code of 1954); and

"(ii) have taken an action (as certified by the Secretary of Labor) after October 1, 1982, which will increase revenues and decrease benefits under the State's unemployment compensation system (hereinafter referred to as a 'solvency effort') by a combined total of the applicable percentage (as compared to such revenues and benefits as they would have been in effect without such State action).

In the case of the first year for which there is a deferral (over a 4-year period) of the interest otherwise payable for such year, the applicable percentage shall be 30 percent. In the case of the second such year, the applicable percentage shall be 40 percent. In the case of the third such year, the applicable percentage shall be 50 percent.

"(C)(i) The base year is the first year for which deferral under this provision is granted. The Secretary of Labor shall estimate the unemployment rate for the base year. To determine whether a State meets the requirements of subparagraph (B)(ii), the Secretary of Labor shall determine the percentage by which the benefits and taxes in the base year with the application of the action referred to in subparagraph (B)(ii) are lower or greater, as the case may be, than such benefits and taxes would have been without the application of such action. In making this determination, the Secretary shall deem the application of the action referred to in subparagraph (B)(ii) to have been effective for the base year to the same extent as such action is effective for the year following the base year. Once a deferral is approved a State must continue to maintain its solvency effort. Failure to do so shall result in the State being required to make immediate payment of all deferred interest.

"(ii) Increases in the taxable wage base from $6,000 to $7,000 or increases after 1984 in the maximum tax rate to 5.4 percent shall not be counted for purposes of meeting the requirement of subparagraph (B).

"(D) In the case of a State which produces a solvency effort of 50 percent, 80 percent, and 90 percent rather than the 30 percent, 40 percent, 50 percent required under subparagraph (B), the deferred interest shall be computed at an interest rate which is 1 percentage point less than the otherwise applicable interest rate.".

(b) Section 1202(b)(7) of such Act is amended by striking out ", and before January 1, 1988".

CAP ON CREDIT REDUCTION

SEC. 412. (a)(1) Section 3302(f) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new paragraph:

"(8) PARTIAL LIMITATION.—

"(A) In the case of a State which would meet the requirements of this subsection for a taxable year prior to 1987 but for its failure to meet one of the requirements contained in subparagraph (C) or (D) of paragraph (2), the reduction under subsection (c)(2) in credits otherwise applicable to taxpayers in such State for such taxable year and each subsequent year (in a period of consecutive years for each of which a credit reduction is in effect for taxpayers in such State) shall be reduced by 0.1 percentage point.

"(B) In the case of a State described in subparagraph (A) which also meets the requirements of section 1202(b)(8)(B) with respect to such taxable year, the reduction under subsection (c)(2) in credits otherwise applicable to taxpayers in such State for such taxable year and each subsequent year (in a period of consecutive years for each of which a credit reduction is in effect for taxpayers in such State) shall be further reduced by an additional 0.1 percentage point.".

(2) The amendment made by paragraph (1) shall apply with respect to taxable year 1983 and taxable years thereafter.

(b) Section 3302(f)(1) of such Code is amended by striking out "beginning before January 1, 1988,".

AVERAGE EMPLOYER CONTRIBUTION RATE

SEC. 413. (a) Section 3302(d)(4)(B) of the Internal Revenue Code of 1954 is amended by striking out "the total of the remuneration subject to contributions under the State unemployment compensation law" and inserting in lieu thereof "the total of the wages attributable to such State subject to taxation under this chapter".

(b) Sections 3302(c)(2)(B)(i) and 3302(c)(4) of such Code are each amended by striking out "2.7" and inserting in lieu thereof "2.7 multiplied by the ratio of the wage base under this chapter divided by the estimated average annual wage in covered employment for the calendar year in which the determination is to be made".

(c) The amendments made by this section shall be effective for taxable year 1984 and taxable years thereafter.

DATE FOR PAYMENT OF INTEREST

SEC. 414. Section 1202(b)(3)(A) of the Social Security Act is amended by striking out "not later than" and inserting in lieu thereof "prior to".

RECOUPMENT OF INTEREST

SEC. 415. Section 3302 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection:

"(h) RECOUPMENT OF OVERDUE INTEREST.—

"(1) In addition to any other reduction required under this section, if any accrued interest under section 1202(b) of the Social Security Act has not been paid by a State within one year after the date such payment is otherwise required to be paid, then the total credits (after applying any other provisions of this section) otherwise allowable under this section for the following taxable year, in the case of a taxpayer subject to the unemployment compensation law of such State, shall be reduced by an amount equal to 0.1 percent of the amount of the wages paid by such taxpayer during such taxable year which are attributable to such State.

"(2) Any increase in the amount of tax paid by reason of paragraph (1) shall be first applied as a payment of such overdue interest, and any remainder shall be applied as a repayment of principal under section 1202(b) of the Social Security Act.".

PART C—MISCELLANEOUS PROVISIONS

TREATMENT OF EMPLOYEES PROVIDING SERVICES TO EDUCATIONAL INSTITUTIONS

SEC. 421. (a)(1) Section 3306(a)(6)(A) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new clause:

"(v) with respect to services to which section 3309(a)(1) applies, if such services are provided to or on behalf of an educational institution, compensation shall be denied in the same manner as if such services were performed directly for an educational institution, and".

(2) Clauses (ii)(I), (iii), and (iv) of such section are each amended by striking out "may be denied" and inserting in lieu thereof "shall be denied".

(b)(1) Except as provided in paragraph (2), the amendments made by this section shall apply in the case of compensation paid for weeks beginning on or after April 1, 1984.

(2) In the case of a State with respect to which the Secretary of Labor has determined that State legislation is required in order to comply with the amendment made by this section, the amendment made by this section shall apply in the case of compensation paid for weeks which begin on or after April 1, 1984, and after the end of the first session of the State legislature which begins after the date of the enactment of this Act, or which began prior to the date of the enactment of this Act and remained in session for at least twenty-five calendar days after such date of enactment. For purposes of the preceding sentence, the term "session" means a regular, special, budget, or other session of a State legislature.

EXTENDED BENEFITS FOR INDIVIDUALS WHO ARE HOSPITALIZED OR ON JURY DUTY

SEC. 422. (a) Clause (ii) of paragraph (3)(A) of section 202(a) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended to read as follows:

"(ii) during which he fails to actively engage in seeking work, unless such individual is not actively engaged in seeking work because such individual is, as determined in accordance with State law—

"(I) before any court of the United States or any State pursuant to a lawfully issued summons to appear for jury duty (as such term may be defined by the Secretary of Labor), or

"(II) hospitalized for treatment of an emergency or a life-threatening condition (as such term may be defined by such Secretary),

if such exemptions in clauses (I) and (II) apply to recipients of regular benefits, and the State chooses to apply such exemptions for recipients of extended benefits; or".

(b) The amendment made by this section shall become effective on the date of the enactment of this Act.

Mr. DOLE. Mr. President, today, we begin consideration of H.R. 1900, "The Social Security Act Amendments of 1983," as proposed to be amended by the Finance Committee. S. 1 was favorably reported by the Finance Committee on Thursday evening, March 10, by a vote of 19 to 1. The committee bill implements the consensus recommendations of the National Commission on Social Security Reform, and also includes provisions dealing with prospective payments under the medicare program, supplemental unemployment benefits, and unemployment compensation loan reform. Representing the culmination of many months of negotiation, this may be the single most important piece of legislation we consider in the 98th Congress. I urge my colleagues to support the bill.

SOCIAL SECURITY

Titles I and II of the committee amendment would implement the consensus recommendations of the National Commission on Social Security Reform. Each of the recommendations of the National Commission were approved by the committee and, I might add, only those areas that required refinement—such as the taxing of benefits—were modified in any significant way. Also, the committee had to deal with two areas in which the Commission was unable to reach consensus: the long-range, financing deficit and a "fail-safe" mechanism. In total, the social security financing package reduces the short-range deficit in the Old-Age, Survivors and Disability Insurance programs (OASDI) by $165 billion. For the long-range, the committee bill eliminates the entire long-range deficit in OASDI, and actually generates a small surplus.

MAJOR PROVISIONS

The recommendations of the National Commission, as embodied in the committee amendment, will require concessions from all of the parties who have a stake in social security—current and future beneficiaries, taxpayers, and Government employees who do not now contribute to the system. While no one Member is happy with every specific recommendation, the important fact is that consensus was reached on how to save the system.

COVERAGE

First, the bill would expand coverage. Newly hired Federal employees, the President, Vice President, Members of Congress, the Social Security Commissioner, and employees of nonprofit organizations would, beginning in 1984, be covered by social security on a mandatory basis. State and local governments would no longer be granted the privilege of opting out of the system. To deal with the problem that will exist as long as coverage is not universal, windfalls will be eliminated for people who earn disproportionately large benefits because of long periods in noncovered employment. To moderate the impact of this provision, the committee bill would phase in the windfall provision and provide additional guarantees for people with long periods of covered employment.

I might note that that is the one minor change in the House-passed bill—to phase in that particular provision.

COLA

Second, on the benefit side, the annual cost-of-living adjustment of social security benefits and SSI payments would be delayed by 6 months, from July to January. To protect the needy elderly during the transition to the new payment schedule, the maximum payment under the SSI program would be increased by $20 per month ($30 for couples). This would allow the income of all SSI recipients to rise by $20 a month beginning in July even though his or her COLA is delayed.

REVENUE PROVISIONS

Also, for beneficiaries with high incomes, half of social security benefits would be included in taxable income. The "notch" resulting under the Commission recommendation was eliminated by specifying that half of social security benefits be added to the individual's adjusted gross income and his income from tax-exempt obligations to determine whether any of his benefits will be subject to taxation. Counting adjusted gross income, tax-exempt interest, and half of social security benefits in this manner, the thresholds in the committee bill are then $25,000 for an individual and $32,000 for a couple. The lesser of one-half of social security benefits or one-half of income above the thresholds would be subject to income taxes. In no case would an individual's benefits be taxed if his income was below $20,000 (or if a couple's adjusted gross income was below $25,000).

In addition, part of the payroll tax increases now scheduled by law would be accelerated, as recommended by the National Commission. The 1985 increase in the OASDI rate would take place in 1984, and part of the 1990 increase would take place in 1988. A direct credit against FICA tax would exactly offset the increase in the employee's tax in 1984 so that the acceleration in the rate increase originally set for 1985 will increase trust fund receipts without increasing an employee's tax liability.

For the self-employed, the OASDHI tax rates on self-employed income

would be increased so as to equalize his or her contribution to the social security trust funds with the combined contribution paid by workers and their employers. The tax on the self-employed—now about 1.5 times the employee's OASDI tax and the same as the employee's HI tax—would be made equal to the combined employee-employer rates. To offset partially the increased tax burden this provision imposes on the self employed, the committee bill would provide a credit against self-employment taxes equal to 2.9 percent of self-employment income subject to self-employment tax in 1984, 2.5 percent in 1985, 2.2 percent in 1986, 2.1 percent in 1987 through 1989, and 2.3 percent in 1990 and thereafter.

STABILIZER

To help stabilize the financial condition of social security, this bill includes the recommendation of the National Commission to trigger a new method of indexing benefits if reserves are critically low. Beginning in 1988, if reserves fall below 20 percent of annual outgo, the annual COLA would be based on the lower of the increase in wages or prices. As reserves begin to accumulate again, a "catch-up" provision would repay beneficiaries for any prior reduction in their benefit increases. This would help prevent insolvency when prices grow more rapidly than wages, as they have in the last 5 years.

EQUITY PROVISIONS

Also included in the bill are provisions which would increase outlays somewhat, but they improve the equity of the system considerably for women and for the elderly who continue to work. As recommended by the National Commission, benefit adequacy is improved for widows and widowers and for disabled widows and widowers. Eligibility requirements are eased for divorced widows and widowers, and for divorced disabled widows and widowers. For the elderly who continue to work and who do not now receive an actuarially fair increase in benefits when they delay retirement, the delayed retirement credit would be increased from 3 percent to 8 percent a year.

Along these same lines, two additional provisions were added by the Finance Committee. First, people who leave the work force to care for a child under 3 will be allowed to drop up to 2 extra years of earnings in the computation of their earnings history. This change would help acknowledge the economic contribution of spouses in the home by eliminating part of the financial penalty they now suffer when they are out of the work force. Second, the bill would gradually phase out the retirement earnings test for people 65 and older. This is a broadly supported change that would remove a strong disincentive for the elderly who wish to continue working beyond 65.

ACCOUNTING CHANGES

Two accounting changes recommended by the Commission are included in the bill that would improve the treatment of the social security trust funds. First, the trust funds would be reimbursed for all forgone taxes and interest on account of gratuitous wage credits provided to people with military service. Presently, the trust funds are not reimbursed until the additional benefits are paid. Second, the trust funds would be credited with the value of all checks which have remained unnegotiated for 1 year or longer. Presently, such checks remain a drain on the trust funds even if they are never cashed.

ADDITIONAL PROVISIONS RECOMMENDED BY THE NATIONAL COMMISSION

In addition to these provisions, which constitute the bipartisan consensus, this bill contains three other recommendations made by the National Commission. These were approved unanimously in November. First, trust fund investment procedures would be revised so as to improve the level of public understanding.

I might say I see the distinguished Senator from Mississippi in the Chamber. It was through his efforts and the efforts of the distinguished Senator from Wisconsin that this provision was added and agreed to by the National Commission. We will be discussing that more in length later and will notify the distinguished Senator from Mississippi.

Mr. STENNIS. I thank the Senator.

Mr. DOLE. We appreciate the Senator calling that to our attention last year.

In the future, any excess reserves would be invested on a month-to-month basis at a rate equal to the average interest rate paid on long-term Government bonds. Second, two public members would be added to the Social Security Board of Trustees. Presently, the Board is composed of the Secretaries of Treasury, Labor, and Health and Human Services.

I guess that was a recommendation that the Commission felt should have been adopted, and we have adopted it.

Third, salary reductions made under salary-reduction plans qualifying under section 401(k) of the Internal Revenue Code would, as recommended by the National Commission, be included in taxable wages for purposes of OASDHI, as would certain other forms of noncash compensation at the time the employee elects to forego current cash for a noncash benefit.

In particular, under the committee bill, amounts deferred under a qualified "cash or deferred" plan or a tax-sheltered annuity by reason of a salary reduction agreement would be includible in the FICA wage base. Similarly, amounts used to fund fringe benefits under a cafeteria plan would be included in the wage base if the employee had an option under the plan to defer income pursuant to a cash or deferred plan. Amounts deferred under an eligible State deferred compensation plan would be included in the FICA wage base in the year the related services were performed. Other nonqualified deferred compensation would be included in the FICA wage base when it becomes available to the employee. These changes should prevent future decreases in OASDHI tax income and benefit credits that might otherwise occur from increased use of deferred compensation arrangements.

I must say we think that is a rather significant provision for the future.

FAIL-SAFE PROVISIONS

The National Commission unanimously recommended that the social security financing package include a "fail-safe" provision—some mechanism for insuring that benefits continue to be paid even under adverse economic conditions. No specific formula was recommended, however. The options were: Some form of triggered COLA reductions, tax increases, general revenue borrowing, or some combination of these.

The committee bill incorporates the first option, that of triggered COLA reductions.

And the record should indicate this was a provision offered in the committee by the distinguished Senator from Louisiana (Mr. LONG).

Under this provision, offered in committee by Senator LONG, the Secretary of Health and Human Services would be required—for any year after 1984 that reserves are projected to be less than 20 percent of outgo and falling—to announce by the preceding July 1 the amount of the COLA that could be provided without further depleting trust fund reserves. Should Congress then fail to respond by providing the additional financing necessary to keep reserves from falling, the lower COLA would then go into effect in January.

That is a real fail-safe provision, but it does give Congress 6 months within which to act so we would have time if we wanted to find some other way to do it without any COLA reduction. That could be done.

People with benefits above $250 monthly would be affected first. In order for this fail-safe to go into effect, trusts funds would have to be both critically low—20 percent of annual outgo or less—and reserves would have to be falling. In other words, it would have to be falling from the 20 percent downward.

To further bolster the trust funds in the event of adverse economic circumstances, the bill includes interfund borrowing between the three social security trust funds. So as not to allow deficits in any one of the trust funds

to bankrupt another, the committee included strict requirements for interest payments and repayment of principal and interest—beginning no later than 1988.

This was a particular concern of the committee and particular concern of Senators DURENBERGER and BAUCUS as I recall as well as others who were concerned about the OSI funds.

Also, when trust funds are unable to pay at least 1½ months of benefits, the Secretary of Treasury would be required to transfer to the OASDI trust funds on the first day of the month the full amount of payroll tax revenues expected to be collected during the month. This is a little provision called normalization.

Normalizing tax transfers would provide income to the trust funds at the start of the month—when benefit expenditures are heavily concentrated. Once again, interest would be charged on the excess sums so transferred.

Together, these three provisions—the COLA fail-safe, interfund borrowing, and normalized tax transfers—should provide the safety valve necessary to insure the continued solvency of social security (OASDI) during the 1980's.

I really believe that with those additions and with the change made in the Finance Committee, the changes in those three areas—I guess if we did not change the normalization, we changed the other two areas somewhat—that we have provided a real fail-safe and it should protect all those who participate in short term.

We move from the short term to the long term.

LONG RANGE

To close the long-range deficit in OASDI, the committee bill would lower the long-term cost of the program through a combination approach. First, the bill would raise the age at which full retirement benefits are payable from 65 to 66, by 1 month a year, between 2000-2012. Early retirement benefits would continue to be payable at 62. This provision would reduce the OASDI deficit by 0.4 percent of taxable payroll. Second, the bill would gradually reduce the level of present law benefits payable to people who retire after the turn of the century by about 5 percent. In other words, people would come on to the rolls at a benefit level about 5 percent lower than now projected. This, of course, would still be at a level much higher than today. This change would reduce the deficit by another 0.43 percent of taxable payroll. In conjunction with the rest of the bill, these two changes would completely eliminate the OASDI deficit projected by the Social Security Board of Trustees.

PROMPT ACTION ESSENTIAL

In my view, this is a good bill in the sense that it represents a fair compromise between all of the parties that have a stake in social security. While some of us may have wished to go further, particularly with regard to short-range financing, we did the best we could recognizing that bipartisan consensus was essential. Opening social security up again to the partisan political bickering of 1981 would have served no one's interests.

Before us we have a bill that incorporates a set of recommendations offered by the National Commission that is supported by a broad group including Representative CLAUDE PEPPER; Lane Kirkland, president of the AFL-CIO; and Save Our Security, on the one hand; and Robert Beck, president of Prudential; and the Business Roundtable, on the other hand; as well as by President Reagan and House Speaker O'NEILL. A bill very similar to the one passed by the committee was approved last week in the House of Representatives by a vote of 282 to 148.

The American people—the 36 million people receiving benefits as well as the 116 million working people who support the system—deserve the speedy consideration of this bipartisan package of recommendations. Confidence in the long-term viability of social security can be restored only by enacting measures that help put the system on a sound financial footing and do so without imposing an unrealistic tax burden on present and furture workers.

MEDICARE

Title III of the committee amendment provides for a major change in the way medicare pays for hospital services, a change which the Senator from Kansas wishes to point out, was initiated by this body last year.

As you will recall, the Tax Equity and Fiscal Responsibility Act of 1982 contained a provision directing the Secretary of Health and Human Services to develop, in consultation with the Finance Committee and the Committee on Ways and Means, proposals for the reimbursement of hospitals under medicare on a prospective basis. The Department's report was submitted in late 1982. Hearings were held by the Finance Committee's health subcommittee on February 2 and 17, 1983. Witnesses present at the hearings represented the hospital industry, provider groups, the insurance industry, consumers, and representatives of the business community.

Mr. President, a great many issues were raised during these hearings, many of which we tried to address in the drafting of this legislation. Clearly, there are those problems we were unable to solve, but I am hopeful that over time, once the system is in place, we will continue to make changes as necessary.

The provisions contained in this bill are by no means perfect. Any time you attempt to devise a new system, problems occur which you were either unaware of, or unable to resolve at the outset. This system is no different. However, this Senator believes ample flexibility has been provided, giving the Secretary the opportunity to adjust the system, and in some cases directing the Secretary to make certain changes when possible. For example, on the issue of severity of illness, we know that certain institutions, many of which are teaching hospitals, care for patients that are far sicker than the average patient and consume a greater number of resources. A DRG payment may not be sufficient in these cases. To help adjust for this concern, the provision agreed to by the Finance Committee contains two adjustments for teaching institutions. The first recognizes the direct costs of teaching—salaries, blackboards—and passes these costs through. The second adjustment recognizes the indirect costs of teaching and doubles the current adjustment for these costs. This will certainly help to recognize some of the unusual costs faced by these institutions.

In addition to these two adjustments, we have also provided an institution the opportunity to apply to the Secretary for additional payments where the length of stay for a particular case is unusually long, or the cost unusually high as compared to the DRG rate. The House bill only provides for special treatment for long lengths of stay.

Our bill also contains a provision requiring that the Secretary make adjustments or exceptions as he deems appropriate to take into account the special circumstances of hospitals caring for a large number of low-income patients. Sole community providers are given special treatment, as are psychiatric hospitals, childrens hospitals, and rehabilitation hospitals.

I understand the distinguished Senator from Texas will offer an amendment to assist those institutions that serve as regional or national referral centers, an amendment we are certainly willing to accept.

By summarizing these exceptions and adjustments the Senator from Kansas wants to make it clear that every attempt has been made to identify and resolve those legitimate concerns raised by institutions across the country.

As I said at the outset, this is a new program, and we are not sure of all the answers. These provisions give us a chance to test out some answers to some specific problems, while getting the system into place.

INDUSTRY SUPPORT

The hospital industry has made it clear that they want to move ahead with this system. They do not like the current system of controls any more than we do. They want a system that

finally puts some incentives for efficiency into place. They are, of course, concerned that we treat hospitals equitably, but also believe that our recommendations go a long way toward resolving some of these concerns.

MAJOR PROVISIONS OF THE PROSPECTIVE PROPOSAL

DIAGNOSTIC-RELATED GROUPS AND RATES

Under the committee amendment, the Secretary is required to determine prospectively a payment amount for each medicare hospital discharge. DRG rates would be established for urban and rural areas both nationally and in each of four census regions.

These rates would be increased for fiscal year 1984 and fiscal year 1985 by the marketbasket plus 1 percentage point. Adjustments for future years would be decided upon by the Secretary, based in part upon recommendations made by an independent commission.

Changes in the relative weights of the DRG's would be made at least every 5 years to reflect changes in treatment patterns, technology, and other factors which may change the relative use of hospital resources. The independent commission mentioned earlier will also assist the Secretary in making these changes.

OUTLIERS

Another major provision is the one that deals with outliers, the unusually costly cases or those with particularly long lengths of stay. As noted earlier, our proposal is more generous in dealing with these costs.

EXCLUSION OF CAPITAL-RELATED EXPENSES AND MEDICAL EDUCATION EXPENSES

In the case of capital costs and direct education costs, we will continue to reimburse hospitals as we do under current law until October 1, 1986, after which time capital costs will no longer be "passed through."

In the case of indirect medical expenses the proposal doubles the current teaching adjustment.

EFFECTIVE DATE/TRANSITION

The proposal would be in effect for individual hospital accounting years beginning on or after October 1, 1983. The bill also provides for a 3-year transition from the current system to a full national DRG system. During the transition the hospitals would be paid a mixed rate based on their historical costs, a national DRG rate and a regional DRG rate. This transition provides ample opportunity to the hospitals to adjust to the new system.

EXEMPTIONS, EXCEPTIONS, AND ADJUSTMENTS

As noted earlier in my comments, certain hospitals are excluded from the prospective system and adjustments and exceptions are provided for others to accommodate certain concerns, such as unusual patient caseloads or geographic location.

PEER REVIEW

The proposal includes a requirement that hospitals contract with a professional review organization selected by the Secretary under title XI of the Social Security Act. It will be particularly important that a monitoring system be in place in conjunction with a payment program that pays an established rate per diagnosis. We will want to continue to insure that appropriate and necessary services are provided.

STATE COST CONTROL PROGRAMS

The States will continue to be able to design and implement State payment systems. In fact, the language contained in the proposal strengthens the case of States applying for medicare waivers as long as they meet the requirements established by the statute.

We continue to be interested in examining the State systems, believing that there are a great many ways one might go about addressing the problem of rising hospital costs, and that the Federal Government might still have a great deal to learn.

ADMINISTRATIVE AND JUDICIAL REVIEW

The committee amendment continues to provide the opportunity for institutions to seek administrative and judicial review in all cases except those that relate to the establishment of diagnosis-related groups, of the methodology for the classification of discharges within such groups, and of the appropriate weighting factors.

STUDIES AND REPORTS

Mr. President, the last major provision of title III deals with studies and reports. The committee has asked that the Secretary complete a number of studies on issues of concern to us in establishing this new prospective system.

Of particular note are the studies and reports dealing with the severity of illness, intensity of care, or other such modifications to the diagnosis related groups. These issues are critical to our efforts to insure that institutions receive a DRG payment that is reasonably sensitive to the care being provided to patients.

COMMISSION

There is one other aspect of title III that bears noting. This is the creation of a Commission of experts to assist the Secretary in making adjustments to the DRG's and in examining those changes in the health care industry that have a bearing on health care delivery and the cost of care.

The Commission will help us look at such important issues as variations in treatment practices, resource usage, and medically appropriate patterns of care. Because this Commission would be made up of a mix of experts, for example, nurses, physicians, employers, and hospital administrators, they will be able to explore a number of diverse issues, such as the role of nutrition in the treatment of a patient and its impact on the overall use of services.

Changes in technology will be particularly important for us to track. We certainly do not want to discourage the kind of innovation we have come to expect from the health care industry. The introduction of a new treatment modality or a new piece of equipment can have enormous implications for a particular DRG and its so-called weight. We want to make sure that changes in the DRG's really follow changes in the industry.

NEED FOR ACTION

Like the other aspects of S. 1, this title should be given every consideration by my colleagues. It is clearly time to move away from the old inefficient cost based reimbursement system, to one that puts some incentives in place. These provisions do exactly that.

UNEMPLOYMENT COMPENSATION PROVISIONS

The Finance Committee included four provisions in S. 1 dealing with the unemployment insurance system. The first provision would provide a 6-month extension of the Federal supplemental compensation (FSC) program currently scheduled to expire on March 31, 1983. Two provisions deal with coverage and eligibility issues, and the final provision provides some relief from the interest and loan requirements of current law. The House-passed bill, H.R. 1900, includes only the extension of FSC.

The Finance Committee provision extends the Federal supplemental compensation (FSC) program for 6 months, from April 1, 1983, through September 30, 1983. The basic tier of benefits has been redesigned to reflect more accurately current unemployment conditions. The proposal has three new and important features:

First, extra weeks of FSC benefits are provided to claimants who have exhausted the initial FSC entitlement prior to April 1, 1983. These benefits are again geared to the level of distress in each State.

Second, claimants who have not used their full initial entitlement are permitted to continue to receive FSC benefits after April 1, 1983.

Third, those individuals who may have FSC entitlement remaining on September 30, 1983, when this program will expire, will not have their benefits immediately cease. Instead, the proposal allows a "phase out" of benefits whereby the claimant would receive half of the remaining weeks of his entitlement. To me, this is attractive because it allows the individual who becomes eligible for FSC late in the program's life to receive some benefit from it.

In order to afford this "phase out" feature, it is necessary to scale back somewhat the level of benefits avail-

able. The current FSC program provides 16 weeks of benefits in States with the highest insured unemployment rates (IUR). This proposal would allow 14, the same level provided in the House-passed bill. In my opinion, this is justified not only on cost grounds, but also because there does appear to be a downward trend in unemployment which is projected to continue, although slowly, through the spring and summer. Should this not be the case, I certainly expect that the Congress will be in session this summer and alterations can be made, if necessary.

Additionally, we have included an increase in the number of weeks of work required to qualify for FSC benefits—from 20 to 26 weeks. This requirement would be applied on a prospective basis only, that is, for people who first begin receiving FSC after April 1. It seems reasonable to me that a work force attachment beyond 20 weeks should be required for the receipt of benefits of as many as 53 weeks in some States.

CBO estimates the fiscal year 1983 cost of this proposal at $2.1 billion. There would also be a cost in fiscal year 1984 of $120 million. This is in addition to the $2.5 billion fiscal year 1982 and fiscal year 1983 cost of the current FSC program. It is a substantial expenditure of Federal dollars and demonstrates a real commitment to aiding our Nation's unemployed. We may not be able to go further.

The second provision approved by the Finance Committee would correct a serious situation which was brought to the attention of the committee by one of our Members, Senator BRADLEY, and by a number of our House colleagues. This provision would permit a State to treat FSC claimants serving on jury duty and those who are hospitalized in the same manner as such claimants are treated under the regular State programs. A number of cases were documented in which FSC claimants were terminated from benefits for failing to meet the "able to work" and "available for work" requirements under Federal law. These claimants were serving on jury duty or, in some cases, had been suddenly hospitalized. The committee recognized that such occurrences are generally beyond the control of the individual. Therefore, the Bradley amendment was adopted to allow States the flexibility to deal with such cases as they do in their own State programs.

The third provision would require States to deny unemployment benefits to school employees and certain employees who perform services for educational institutions. This denial of benefits would apply during periods between academic years or terms. The denial would take place only if there was reasonable assurance of returning to work in the next academic year or term. This amendment equalizes the treatment of these employees with the treatment now accorded to professional employees working in instructional, research, and principal administrative capacities.

Finally, the Finance Committee adopted a measure which provides limited relief for States which are borrowing from the Federal Treasury to meet benefits payments. This is a responsible provision which is deserving of the support of the full Senate. The committee developed a plan which will allow a State to spread the interest it owes over a 5-year period. The State can also qualify for a reduction of 1 percentage point in the interest rate charged on borrowing. Additionally, a State which does not qualify for the full cap on the loss of the Federal unemployment tax (FUTA) credit may, under the committee provision, qualify for a partial cap.

Some action on the State's part for this relief is, of course, necessary. The Finance Committee proposal requires States to make progress toward solvency of 30 percent the first year, 40 percent the second year, and 50 percent the third year. If the State makes an effort to reach solvency which increases those percentages to 50, 80, and 90, the interest rate will be reduced by 1 percent.

Even this limited relief will have a Federal budget impact. The loss of interest paid to the Federal Government could total $319 million in fiscal year 1983 from the deferral alone. The reduced interest rate would only increase the revenue impact. The availability of the partial cap on the offset credit loss would also have a negative impact on the Federal deficit of some $250 million. However, the Finance Committee recognized the fact that the current recession has been deeper and more prolonged than we expected in the summer of 1981 when the interest and cap provisions were enacted as part of the Omnibus Budget Reconciliation Act. Therefore, the committee was willing to make some temporary changes in the current law in order to allow States extra time to enact the necessary State law changes to bring their programs closer to solvency.

I urge my colleagues to support these modifications in the interest and loan provisions. I believe that the Finance Committee proposal treats in a fair manner those States which must continue to borrow. I believe that the Finance Committee provision also protects the interests of those States who have operated solvent programs over the years, borrowing when necessary but repaying on time and making the required State law changes to insure solvency. The interests of those States and their taxpayers deserve our attention.

CONCLUDING REMARKS

The social security financing package, as well as the medicare and unemployment compensation provisions, represents the end-result of intensive negotiations between a bipartisan group of interested parties.

I urge my colleagues to support this important and comprehensive bill.

I ask unanimous consent to have printed in the RECORD a detailed description of each of the social security provisions along with cost estimates provided by the Office of the Actuary, SSA, and the Congressional Budget Office, and also a detailed description of the Finance Committee amendments dealing with the unemployed insurance program.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ACTUARIAL COST ANALYSIS OF S. 1, AS AMENDED BY THE FINANCE COMMITTEE, PREPARED BY THE OFFICE OF THE ACTUARY OF THE SOCIAL SECURITY ADMINISTRATION, AND ACTUARIAL COST ANALYSIS OF THE BILL PREPARED BY THE CONGRESSIONAL BUDGET OFFICE

DEPARTMENT OF HEALTH AND HUMAN SERVICES, SOCIAL SECURITY ADMINISTRATION,

March 11, 1983.

Preliminary estimate of the impact of S. 1 as reported by the Senate Finance Committee on the long-range financial status of the OASDI system

Mr. HARRY C. BALLANTYNE,
Chief Actuary

The attached table includes preliminary long-range estimates for S. 1 as reported by the Senate Finance Committee based on the 1983 trustees Report Alternative II-B assumptions. Enactment of this bill will result in a long-range actuarial surplus of 0.08 percent of taxable payroll for OASDI combined. Estimates for individual provisions are shown in the table generally only for those provisions with significant long-range impact on OASDI. However, the impact on OASDI of all provisions of S. 1 as reported is included in the totals.

The estimates assume that the allocation to the DI trust fund will be similar to the allocation in H.R. 1900 as reported by the Ways and Means Committee, except that after 1999 the rate would increase from 0.60 to 0.65 each.

FRANCISCO R. BAYO,
Deputy Chief Actuary.

Attachment.

TABLE 1.—ESTIMATED CHANGES IN OASDI TAX INCOME OR BENEFIT OUTGO UNDER S. 1 AS REPORTED BY THE SENATE FINANCE COMMITTEE, BASED ON 1983 ALTERNATIVE II–B ASSUMPTIONS

[In billions]

Provision	Calendar year							
	1983	1984	1985	1986	1987	1988	1989	Total, 1983–89
Increase tax rate on covered wages and salaries		$8.6	$0.3			$14.5	$16.0	$39.4
Increase tax rate on covered self-employment earnings		1.1	3.1	$3.0	$3.2	3.7	4.4	18.5
Cover President, Vice President, and Members of Congress		(1)	(1)	(1)	(1)	(1)	(1)	(1)
Cover new Federal employees		.2	.7	1.2	1.8	2.4	3.1	9.3
Cover all nonprofit employees		1.3	1.5	1.8	2.1	2.6	3.1	12.5
Total for new coverage		1.5	2.2	3.0	3.9	5.0	6.1	21.8
Prohibit State and local government terminations		.1	.2	.4	.6	.8	1.1	3.2
Accelerate collection of State and local taxes		1.4	.1	.1	.1	.3	.2	2.2
Provide general fund transfers for military service credits and unnegotiated checks	$19.2	−.4	−.4	−.3	−.3	−.3	−.3	17.2
Delay benefit increases 6 mo	3.2	5.2	5.4	5.5	6.2	6.7	7.3	39.4
Tax ½ of benefits for high income beneficiaries		2.6	3.2	3.9	4.7	5.6	6.7	26.6
Continue benefits on remarriage		(2)	(2)	(2)	(2)	(2)	(2)	−.1
Modify indexing of deferred survivors' benefits		(2)	(2)	(2)	(2)	(2)	(2)	(2)
Raise disabled widow(er)'s benefits to 71.5 percent of PIA		−.2	−.2	−.2	−.2	−.3	−.3	−1.4
Pay divorced spouses whether or not worker has retired		(2)	(2)	(2)	(2)	(2)	(2)	−.1
Replace 90-percent factor in benefit formula with variable percentage, for individuals receiving pensions from covered employment		(3)	(3)	(3)	(3)	.1	.1	.3
Raise delayed retirement credit, beginning in 1990								
Provide up to 2 child-care drop out years		(2)	−.1	−.1	−.2	−.4	−.5	−1.3
All other miscellaneous and technical changes		(2)	(2)	(2)	(2)	(2)	(2)	−.1
Total for all changes	22.3	19.9	13.8	15.1	17.9	35.6	40.8	165.5

[1] Net additional taxes of less than $50,000,000.
[2] Additional benefits of less than $50,000,000.
[3] Reduction in benefits of less than $50,000,000.

Note.—Estimates shown for each provision include the effects of interaction with all preceding provisions. Totals do not always equal the sum of components due to rounding. Positive figures represent additional income or reductions in benefits. Negative figures represent reductions in income or increases in benefits.

PRELIMINARY ESTIMATED LONG-RANGE OASDI COST EFFECT OF S. 1 AS REPORTED BY THE SENATE FINANCE COMMITTEE

Provision	Effect as percent of payroll		
	OASI	DI	OASDI
Present law:			
Average cost rate	13.04	1.34	14.38
Average tax rate	10.13	2.17	12.29
Actuarial balance	−2.92	+.83	−2.09
Changes relating to both long-range and short-range financing: [1]			
Cover new Federal employees	+.26	+.02	+.28
Cover all nonprofit employees	+.09	+.01	+.10
Prohibit State and local termiantion	+.06	+.00	+.06
Delay benefit increases 6 mo	+.28	+.03	+.30
Stabilize trust fund ratio			
Eliminate "windfall" benefits	+.05	+.00	+.05
Raise delayed retirement credits	−.10		−.10
Tax ½ of benefits	+.57	+.05	+.62
Accelerate tax rate increase	+.03		+.03
Increase tax rate on self-employment	+.17	+.02	+.19
Change DI rate allocation	+.90	−.90	
Continue benefits on remarriage	−.00	−.00	−.00
Pay divorced spouse of nonretired	−.01	−.00	−.01
Modify indexing of survivor's benefits	−.05		−.05
Raise disabled widow's benefits	−.01		−.01
Modify military credits financing	+.01	+.00	+.01
Credit unnegotiated checks	+.00	+.00	+.00
Tax certain salary reduction plans	+.03	+.00	+.03
Limit benefits to nonresident aliens	+.01	+.00	+.01
Eliminate benefits to incarcerated felons	+.00	+.00	+.00
Subtotal for the effect of the above provisions [2]	+2.22	−.78	+1.44
Remaining deficit after the above provisions	−.70	+.05	−.65
Additional changes relating primarily to long-range financing: [3]			
Modify benefit formula after this century	+.39	+.04	+.43
Raise normal retirement age to 66	+.48	−.08	+.40
Eliminate earnings test at age 65	−.05		−.05
Add up to 2 child care dropout years	−.03	−.00	−.04
Total effect of all of the provisions [4]	+2.99	−.82	+2.17

PRELIMINARY ESTIMATED LONG-RANGE OASDI COST EFFECT OF S. 1 AS REPORTED BY THE SENATE FINANCE COMMITTEE—Continued

Provision	Effect as percent of payroll		
	OASI	DI	OASDI
After committee bill:			
Actuarial balance	+.07	+.01	+.08
Average income	11.61	1.31	12.92
Average cost rate	11.54	1.30	12.84

[1] The values for each of these individual provisions represent the effect over present law and do not take into account interaction with other provisions.
[2] The values in the subtotal take into account the estimated interactions among the provisions.
[3] The values for each of these provisions take into account interaction with the provisions included in the subtotal.
[4] The values for the total effect of S. 1 take into account interactions among all of the provisions of the bill.

Note.—The above estimates are based on the 1983 Trustees Report Alternative II–B assumptions. Individual estimates may not add to totals due to rounding and/or interaction among proposals.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., March 11, 1983.

Hon. ROBERT J. DOLE,
Chairman, Committee on Finance, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for S. 1, the Social Security Act Amendments of 1983, as ordered reported by the Senate Committee on Finance on March 10, 1983.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

JAMES BLUM
(For Alice M. Rivlin, Director).

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

One. Bill No.: S. 1.

Two. Bill title: Social Security Act Amendments of 1983

Three. Bill status: As ordered reported by the Senate Committee on Finance on March 10, 1983.

Four. Bill purpose: To amend the Social Security Act to assure the solvency of the Social Security trust funds; to accelerate presently scheduled payroll tax increases; to tax 50 percent of certain individuals' benefits; to increase the self-employed tax; to delay the payment of cost-of-living adjustments; to reform the Medicare reimbursement of hospitals; to extend the federal supplemental compensation program; and for other purposes.

Five. Estimated cost to the Federal Government: The following table shows the estimated costs of this bill to the Federal Government.

Because no draft language has been received, CBO cannot estimate certain provisions in this bill at this time. These provisions relate to the Unemployment Insurance and SSI programs. The cost estimate for the remaining provisions present the best estimates based on current information.

TABLE 1.—ESTIMATED BUDGET AUTHORITY, OUTLAY, AND REVENUE IMPACTS OF S. 1, THE SOCIAL SECURITY ACT AMENDMENTS OF 1983

[By fiscal year, in millions of dollars]

	1983	1984	1985	1986	1987	1988
Spending:						
Function 550:						
Budget authority	3,439	1,001	1,985	2,283	2,665	2,987
Outlays	105	93	−33	−131	−135	−140

TABLE 1.—ESTIMATED BUDGET AUTHORITY, OUTLAY, AND REVENUE IMPACTS OF S. 1, THE SOCIAL SECURITY ACT AMENDMENTS OF 1983—Continued

[By fiscal year, in millions of dollars]

	1983	1984	1985	1986	1987	1988
Function 600:						
Budget authority	22,235	14,084	14,713	14,503	16,673	30,457
Outlays	341	−3,067	−3,447	−3,626	−3,764	−4,140
Function 700:						
Budget authority	0	−89	−58	−58	−60	−63
Outlays	−25	−54	−58	−58	−60	−63
Total spending:						
Budget authority	25,675	14,996	16,640	16,728	19,278	33,381
Outlays	421	−3,028	−3,538	−3,815	−3,959	−4,343
Revenues	0	6,466	7,579	7,453	8,889	19,825
Change in unified budget deficit	421	−9,494	−11,117	−11,268	−12,848	−24,168

The spending effects of this bill fall within budget functions 550, 600 and 700. The budget authority is the net result of higher interest income on higher trust fund balances for the Old Age Survivors Insurance (OASI), the Disability Insurance (DI) and Hospital Insurance (HI) programs, transfers to the trust funds from the general fund of the U.S. Treasury, and required additional budget authority for the Supplemental Security Income (SSI), Supplementary Medical Insurance (SMI), Food Stamps, Veteran's Pensions and Medicaid programs.

Basis of estimate

This bill generally incorporates the January, 1983 recommendations of the National Commission on Social Security Reform. It also incorporates provisions affecting the Medicare, Supplemental Security Income and Unemployment Insurance Programs. Table 2, shows the costs, savings and revenue impacts of this bill to the federal government.

One major purpose of this bill is to ensure the continued payment of all Social Security benefits. The impact of some of the provisions in the bill on the financial status of the Social Security trust funds differs from their impact on the federal budget. Many provisions transfer funds within the government, which has no impact on budget outlays or receipts. In addition, the savings to and income into the trust funds generate additional interest income or budget authority. This income also does not affect the unified budget deficit. The impact of the bill on the trust funds therefore is shown separately in Table 3.

TABLE 2.—ESTIMATED OUTLAY AND REVENUE CHANGES TO THE UNIFIED FEDERAL BUDGET RESULTING FROM S. 1, THE SOCIAL SECURITY ACT AMENDMENTS OF 1983

[By fiscal year, in millions of dollars]

	1983	1984	1985	1986	1987	1988
Outlay changes:						
Delay COLA 6 mo:						
OASDI	−1,704	−3,793	−4,228	−4,473	−4,706	−5,181
SSI	−100	−130	−170	−170	−175	−210
Veterans' pensions	−25	−54	−58	−58	−60	−63
Offset: Food stamps	0	37	46	51	53	53
Medicare premium delay:						
SMI	114	63	−90	−201	−206	−211
HI	1	(1)	(1)	(1)	(1)	(1)
Offset: Medicaid	−9	−5	7	15	16	16
Increase SSI benefits:						
SSI	250	750	845	840	875	935
Offsets:						
Food stamps	−40	−165	−170	−170	−175	−175
Medicaid	0	35	50	55	55	55
Extend FSC program for 6 mo: [2]						
Unemployment compensation	2,070	120	0	0	0	0
Offsets to food stamps and AFDC	−135	−8	0	0	0	0
Prospective payment system	0	0	0	(3)	(3)	(3)
State waiver change	0	(4)	(4)	(4)	(4)	(4)
Miscellaneous outlay impacts:						
OASDI	0	122	230	296	364	438
SSI and AFDC	(5)	(5)	(5)	(5)	(5)	(5)
Total outlays changes	421	−3,028	−3,538	−3,815	−3,959	−4,343
Revenue changes:						
FICA increase:						
OASDI	0	6,361	2,349	0	0	10,272
Railroad retirement	0	45	0	0	0	61
1984 FICA tax credit	0	−3,240	−985	0	0	0
Other FICA tax offsets	0	−795	−147	0	0	−1,284
SECA tax increase	0	1,408	4,304	4,382	4,747	5,199
SECA tax credit	0	−893	−2,645	−2,481	−2,397	−2,447
Cover nonprofit employees	0	1,118	1,697	1,955	2,297	2,853
Nonprofit worker's income tax offsets	0	−141	−212	−244	−287	−357
Cover new Federal workers	0	61	185	315	455	636
State speedup	0	1,600	200	136	104	200
Tax 50 percent of benefits:						
OASDI	0	780	2,769	3,316	3,885	4,594
Railroad retirement	0	20	64	74	85	98
Increased tax revenues from FSC extension [2]	0	142	0	0	0	0
Total revenue changes	0	6,466	7,579	7,453	8,889	19,825
Total impact on unified budget deficit	421	−9,494	−11,117	−11,268	−12,848	−24,168

[1] Less than $500,000.

[2] This bill contains no estimates relating to unemployment trust fund loan reform.

[3] The budgetary impact cannot be estimated because the bill would allow the Secretary of Health and Human Services, as advised by a panel of experts, nearly unlimited discretion in setting payment rates for inpatient hospital services. Those rates could be set such that medicare outlays in the aggregate would increase or decrease.

[4] The cost of this provision cannot be estimated because it depends on the actions of State hospital rate-setting commissions in Massachusetts and New York.

[5] SSI costs do not include costs of the provision requiring notices to be sent to social security beneficiaries informing them about SSI. See the text for details.

Source: CBO estimates based on February 1983 economic assumptions.

TABLE 3.—ESTIMATED CHANGES IN OASI, DI AND HI TRUST FUND OUTLAYS AND INCOME RESULTING FROM S. 1, THE SOCIAL SECURITY ACT AMENDMENTS OF 1983 [1]

[By fiscal years, in millions of dollars]

	1983	1984	1985	1986	1987	1988
Trust fund outlay changes:						
6-mo. COLA delay:						
OASI	−1,519	−3,394	−3,805	−4,049	−4,272	−4,712
DI	−185	−399	−423	−424	−434	−469
Miscellaneous provisions: OASI	0	122	230	296	364	438
Total outlay changes:						
OASI	−1,519	−3,272	−3,575	−3,753	−3,908	−4,274
DI	−185	−399	−423	−424	−434	−469
Total	−1,704	−3,671	−3,998	−4,177	−4,342	−4,743
Trust fund income changes:						
Tax 50 percent of benefits: OASI [2]	0	780	2,769	3,316	3,885	4,594
FICA tax speedup:						
OASI	0	5,476	1,974	0	0	8,631
DI	0	966	403	0	0	1,764
SECA tax increase:						
OASI	0	856	2,525	2,447	2,608	2,912
DI	0	175	517	501	534	597
HI	.	377	1,262	1,434	1,605	1,670
Cover newly hired Federal workers:						
OASI	0	104	314	536	774	1,081
DI	0	18	56	94	136	191
Cover nonprofit organizations:						
OASH	0	712	1,083	1,226	1,427	1,763
DI	0	189	288	332	390	485
HI	0	216	326	397	480	605
Military transfer credits:						
OASI	16,800	−380	−385	−210	−220	−210
DI	2,300	−60	−60	−35	−35	−35
HI	3,290	−70	−70	−60	−60	−60
Uncashed checks:						
OASI	680	43	43	43	43	43
DI	120	7	7	7	7	7
State speedup: OASDHI	0	1,600	200	136	104	200
Total income changes:						
OASDI	19,900	10,487	9,734	8,393	9,653	22,023
HI	3,290	523	1,518	1,771	2,025	2,215
Total	23,190	11,010	11,252	10,164	11,678	24,238
Total outlay and income infusions to trust funds:						
OASDI	21,604	14,158	13,732	12,570	13,995	26,761
OASDHI	14,894	14,681	15,250	14,341	16,020	28,981
Estimated interest income:						
OASDI	290	2,948	4,428	5,559	6,442	7,770
OASDHI	335	3,333	4,928	6,202	7,217	8,682
Total annual increase in trust funds:						
OASDI	21,894	17,106	18,160	18,129	20,437	34,531
OASDHI	25,229	18,014	20,178	20,543	23,237	37,663

[1] Assumes no reallocation between OASI and DI trust funds.
[2] Assumes all revenues allocated to OASI trust fund.
Source: CBO estimates based on February 1983 economic assumptions.

A section by section description for the basis of the estimates for the provisions in this bill having major cost impact is given below. These estimates were prepared from a draft of the bill before Committee amendments were added and from mark-up documents. No bill as amended has been received.

PROVISIONS AFFECTING THE FINANCING OF THE SOCIAL SECURITY SYSTEM

Cover new Federal employees

This provision extends Social Security coverage to all new permanent federal civilian employees as of January 1, 1984. The proposal is expected to cover about 150,000 new permanent federal entrants per year through 1988. The proposal raises $61 million in unified budget revenues in fiscal year year 1984 and $1.7 billion in revenues from fiscal year 1984 through 1988.

This provision assumes no change in the current Civil Service Retirement system for those federal workers newly covered by Social Security. No impact of any Civil Service change is given in this estimate.

The estimate is based on CBO's current economic and federal employment assumptions.

Cover workers in nonprofit organizations

The provision requires mandatory coverage of all employees of nonprofit institutions and organizations. Approximately 20 percent of employees of nonprofit organizations and institutions are not currently covered by Social Security. Covering the last 20 percent of nonprofit employees raises $1 billion in fiscal year 1984 and $8.7 billion in fiscal years 1984 through 1988.

The extension of mandatory coverage to all non-profit employees result in an income tax offset against the incresae in OASDHI revenues. The offset equals 25 percent of the employer contribution and reduces income tax revenues. Income tax revenues are estimated to fall because it is assumed that non-profit employers pass the entire payroll tax increase onto their employees in the form of lower wages and salaries.

The estimate was based on CBO's economic assumptions using the Social Security Administration's short-term revenue forecasting model.

Termination of State and local coverage

Currently, state and local governments can terminate Social Security coverage upon giving two years notice of their intention to withdraw, and then doing so. This provision would prohibit any such withdrawals, effective with the bill's enactment.

CBO's current law revenue estimates do not assume reductions in trust fund income that could result from withdrawals of certain state and local governments. Thus, there would be no revenue gain to the CBO baseline estimates from prohibiting such withdrawals.

Delay payment of annual cost-of-living adjustment from July to January of each year

This section delays the payment of future cost-of-living adjustments (COLA's) for Social Security for six months, from July to January of each year. In addition, the provision changes the base period from which the COLA is calculated.

The COLA is measured by the growth in the Consumer Price Index (CPI) from the first calendar quarter of the previous year to the first quarter of the current year. Whenever the increase is greater than three percent, an adjustment to the benefits paid each July is made. The July, 1983 COLA will be paid in January, 1984 under this provision, and will be based on the current law indexing period. Subsequent adjustments will be based on the CPI growth from the third quarter of one year to the next. The table below shows the CBO COLA assumptions under current law and under this provision.

ASSUMED PERCENTAGE INCREASE IN SOCIAL SECURITY BENEFITS UNDER CURRENT LAWS AND UNDER S. 1

	1983	1984	1985	1986	1987	1988
Current law—July	4.1	4.6	4.5	4.2	4.0	3.8
Proposed—January	0.0	4.1	4.6	4.4	4.1	3.8

This bill also guarantees that a January, 1984 COLA will be given, even if the rate of inflation is so low that the adjustment is less than three percent. Since CBO's current economic assumptions have this COLA adjustment at 4.1 percent in 1984, this clause has no cost effect.

The change in the COLA base of payment is expected to save $24 billion in Social Security benefits over the period, and an additional $1.3 billion in SSI and other benefits directly linked to this COLA. These COLA changes would increase food costs by $240 million over the period as incomes of food stamp recipients decline.

Taxation of 50 percent of social security and railroad retirement benefits for individuals with incomes above $25,000 and married couples above $32,000

This provision includes in taxpayers' adjusted gross income (AGI) half of Old Age, Survivors and Disability Insurance (OASDI) benefits when those benefits plus AGI exceeds a threshold amount. For the purpose of taxing half of OASDI benefits, the interest from tax free bonds is added to AGI. The threshold is $25,000 for single returns, $32,000 for joint returns, and zero for married couples filling separately. This limit would be calculated including an individual's or couple's tax exempt income, although this income would not count towards determining one's marginal tax rates. The amount of benefits included in AGI would be the lesser of either 50 percent of benefits or the one-half of the balance of the taxpayers' summed income over the threshold.

The provision raises $800 million in fiscal year 1984 and $15.3 billion from fiscal year 1984 through 1988. The revenue effects are derived from the Joint Committee on Taxation estimates based on the Social Security Trustees' II-B assumptions, with benefit amounts lowered to take account of the CBO's lower inflation (and therefore cost-of-living adjustment) projections.

Increase social security payroll tax (FICA) and 1984 tax credit

The provision accelerates the OASDI payroll tax (FICA) increases for employees and employers. The payroll tax increase to 5.7 percent from 5.4 percent on January 1, 1984 instead of January 1, 1985. Another tax rate speedup increases the rate to 6.06 percent from 5.7 percent on January 1, 1988 and January 1, 1989. This increase was scheduled to take effect in 1990. The proposal also includes a payroll tax credit of 0.3 percent of employee FICA contribution for 1984.

The FICA tax acceleration results in an income tax offset equal to 25 percent of the employer payroll tax contribution. The offset lowers income tax receipts because employers are assumed to pass back onto employees the full payroll tax increase in the form of lower wages and salaries.

The provision is estimated to raise OASDI unified budget revenues $6.4 billion in fiscal year 1984 and $19.0 billion from fiscal year 1984 through fiscal year 1988. The income tax offset equals $2.2 billion from fiscal years 1984 through 1988. The revenue loss due to the payroll tax credit results in a $4.2 billion loss by fiscal year 1985.

The estimates are based upon CBO's latest economic assumption using the Social Security Administration's short-term revenue forecasting model.

Increase self-employed tax rate

The provision raises the self-employed payroll tax rate (SECA) to a level equal to the combined employer-employee contribution rate (including the FICA tax acceleration). In 1984 the SECA OASDI rate increases 3.35 percent and the HI rate increases 1.3 percent for a SECA rate of 14 percent. Further, the provision includes a payroll tax credit equal to 2.9 percent of total SECA contributions in 1984 and 2.5 percent in 1985, 2.2 percent in 1986, and 2.1 percent in 1987 and 1988.

The proposal raises, $1,408 million in SECA revenues in fiscal year 1984 and $20 billion from fiscal year 1984 through 1988. The income tax loss due to the self-employed payroll tax credit equals $893 million in fiscal year 1984 and $10.9 billion from fiscal year 1984 through fiscal year 1988.

Reallocation of OASI and DI tax rates

This provision has no net cost to the federal government. It realigns the payroll tax portions allocated to the OASI and DI trust funds so as to keep the two funds' balances at approximately the same percentage of outlays at the start of each year.

Benefits to certain widows, divorced and disabled women

These provisions would (1) allow the continuation of benefits to surviving, divorced or disabled spouses who remarry; (2) change the indexing procedure for benefits for those receiving deferred survivor benefits; (3) allow divorced spouses to draw benefits regardless of whether the former spouse is receiving benefits; and (4) increase benefits for disabled widows and widowers.

Together, these provisions would cost less than $200 million per year once fully effective in fiscal year 1985. The largest cost in this group of provisions would allow disabled widows or widowers ages 50 to 59 to receive benefits at an amount equal to which non-disabled widows or widowers over age 59 currently receive. This provision is estimated to cost $90 million in fiscal year 1984, $125 million in 1985 and an estimated $600 million over the five year period. Based on Social Security Administration data, approximately 200,000 recipients would receive $50 or 20 percent in added benefits per month under this provision.

In addition, a provision in this bill to allow women with children additional years of zero earnings in the calculation of their benefits.

Reimbursement to OASDHI trust funds for military wage credits and unearned OASDI checks

These provisions will credit the three Social Security trust funds with $23.8 billion as part of a transfer in 1983 from the general fund of the Treasury. A total of $22.4 billion of this transfer represents the present value of estimated benefits arising from Social Security credits granted to military personnel for service prior to 1957, and the amount of taxes on these credits between 1956 and 1983. The remaining transfer is for the estimated amounts of uncashed Social Security checks for past years. Checks uncashed for longer than six months will also be credited back to the trust funds in future years.

These estimates were provided by the Social Security Administration. Although they add large amounts to the trust funds, the provisions do not have any cost impact to the federal government as a whole. There are offsetting interfund transfers within the federal unified budget.

State payment speedup

This provision will require state and local governments to transfer their payroll tax collections to the Treasury under the same rules as private sector employers. Currently, state payments are made on the 30th day of each month. The provision requires that states transmit payroll tax collections to the federal government soon after their employees are paid. Therefore, the Treasury would receive state FICA collections more frequently. Thus, the transfer to the Treasury would be hastened, adding to trust fund revenues by $1.6 billion in fiscal year 1984 and $2.2 billion over the period.

This estimate was prepared by the Social Security Administration.

LONG-TERM FINANCING

This section of the bill reduces initial benefit levels beginning in the year 2000. There are no effects resulting from these provisions in the 1983 to 1988 period. In addition, the retirement age will be gradually raised from 65 to 66 beginning in the year 2000.

MISCELLANEOUS PROVISIONS

These provisions are aimed mostly at work incentives for the elderly, and at insuring the financial soundness of the trust funds. The provisions would eliminate the retirement test for workers over the age of 65 beginning in 1990. This test reduces retirement benefits by $1 for each $2 in earnings over a given amount ($6,600 in 1983). A delayed retirement credit of 8 percent would also be phased in. This credit would increase from 3 percent the added benefit amount paid to a retiree for each year a worker decides to retire after age 65.

Another section of the bill would require Congress to act if the balances in the trust funds fall below 20 percent of a year's outlays. If Congress does not, and interfund borrowing (also provided for in the bill) does not achieve this result in each fund, then the cost-of-living adjustments would be altered until the funds recover. The cost-of-living adjustment would be reduced first for those with higher benefits, but those with lower benefits would also ultimately be reduced, if necessary. This cost estimate does not assume any further cost-of-living adjustment reduction beyond the six month delay discussed above.

SUPPLEMENTAL SECURITY INCOME PROVISIONS

This title of the bill raises SSI benefits and makes other minor changes in SSI and AFDC. Together these changes are estimated to add $728 million to federal outlays in fiscal year 1985.

Beginning July 1, 1983, SSI benefits would be increased by $20 a month for individuals living in their own household and by $30 a month for couples. These increased benefits would more than offset the effect on SSI recipients of the COLA delay. The largest part of the added cost comes from the benefit increase for current SSI beneficiaries. In addition, CBO estimates that about 125,000 persons would become new beneficiaries of SSI. Most would be newly eligible for SSI as a result of the increased income limits. For these persons, CBO has assumed a participation rate of 25 percent (that is, of all the newly eligible, 25 percent would actually participate in SSI). Some of the other new beneficiaries would be persons previously eligible who would now choose to participate

as a result of the increased benefit levels. There are also an estimated 65,000 persons who were receiving SSI state supplements only who would now become eligible for a small federal SSI payment.

Partially offsetting the costs in SSI from these benefit increases is a savings in the food stamp program as incomes of SSI beneficiaries rise. There are also added costs in Medicaid for those new SSI beneficiaries who also become newly eligible for Medicaid.

This title would also enable temporary residents of emergency public shelters to receive SSI for three months in any twelve-month period. This provision is estimated to cost $1 million in fiscal year 1983 and $3 million a year thereafter. In addition, Title IV would disregard in the determination of benefits any in-kind assistance based on need received by SSI and AFDC beneficiaries. This provision, which is effective only through September 30, 1984, is estimated to cost less than $500,000 a year in SSI and $1 million in 1983 and $2 million in 1984 in AFDC.

The bill also apparently includes a provision that would require the Social Security Administration to send notices to Social Security beneficiaries informing them of their potential eligibility for SSI and urging them to contact a local office if they think they would be eligible. No language is available for this provision and the extent of the notices could vary considerably. Hence, there is no cost estimate for the provision. However, costs under even a fairly limited provision could be significant, perhaps around $50 million. Not only would there be added administrative costs but it would be reasonable to assume that around 5 percent of those receiving a notice who are eligible for SSI would apply for SSI benefits.

UNEMPLOYMENT COMPENSATION PROVISIONS

Federal supplemental compensation

This section of the bill would extend for six months the federal supplemental compensation program (FSC) now scheduled to terminate March 31, 1983. It would provide up to 14 weeks of additional unemployment compensation benefits for individuals exhausting regular or extended unemployment compensation benefits for individuals exhausting regular or extended unemployment benefits after March 31, the maximum number of weeks provided varying with a state's insured unemployment rate (IUR). In addition, it would provide those persons who have exhausted their FSC entitlement before March 31 with up to 8 additional weeks of benefits, the maximum number of weeks again varying with a state's IUR. Also, it would allow those persons who have benefit entitlements remaining on September 30, 1983 to receive up to one-half the balance of those entitlements.

The estimate of the fiscal impact of this section of the bill is based upon estimates of the states' IURs and weeks compensated, and the determination of whether a state will be paying extended benefits which underlies the CBO baseline. It is assumed that the national seasonally adjusted IUR will be 4.4 percent for both quarters of the extension. Furthermore, it is assumed that 45 percent of those claimants in the current law FSC program would exhaust and collect added weeks of benefits during the extension. This point estimate is based upon the experience of exhaustees of the federal supplemental benefits program of 1975 to 1978.

CBO estimates that any FSC extension results in a reduction in AFDC and Food Stamp outlays as individuals who exhaust unemployment benefits and would otherwise draw benefits from these means-tested programs continue to draw jobless payments. It is estimated that the extension through September 1983 will cause AFDC and food stamp expenditures to drop by $142 million. In addition, CBO estimated that the six-month FSC extension will cause income tax revenues to increase in fiscal year 1984 by $142 million.

Loan reform

This bill contains a provision relating to limiting the federal tax credit reduction and to paying interest on federal unemployment compensation loans to states. CBO has provided no estimates of the fiscal impact of these provisions.

MEDICARE HOSPITAL INSURANCE PROVISIONS

Conforming changes in medicare premiums

The bill would postpone from July 1 to January 1 of the following year increases in Medicare premiums. Current premium amounts would apply during the interim. Future premiums (and the general revenue contribution to SMI) would be calculated on the basis of estimated incurred costs for the calendar year during which the premium would apply. Consonant with the changes made by TEFRA a year ago, SMI premiums would be set at 25 percent of cost per aged enrollee in calendar years 1984 and 1985, but would be limited in subsequent years by the cost-of-living increase in social security benefits in the previous January.

The estimated costs of this provision are the difference between projections of income from premiums under current law and under the amendment. Premium income under the amendment is the product of monthly enrollment projections and monthly premium amounts computed on the basis of projected incurred costs by calendar year.

General. The bill would provide for reimbursing most hospitals for inpatient services provided to Medicare enrollees on the basis of payment amounts, varying by diagnosis, fixed in advance of the period in which they would apply. The provision would be effective with hospital cost-reporting periods beginning on or after October 1, 1983. With the exceptions discussed below, for the first two cost-reporting periods affected, the payment rates would be set to assure that total Medicare payments for inpatient hospital services in affected hospitals would be neither greater nor less than under current law. If implemented faithfully, the provision would have no budgetary impact in fiscal years 1984 and 1985. In subsequent fiscal years, however, the Secretary of Health and Human Services, advised by a panel of experts, would have nearly unlimited discretion in setting payment rates. Given that discretion, CBO is unable to determine whether the prospective payment provision would result in federal costs or savings after fiscal year 1985.

The proposed mandatory Social Security coverage of employees of non-profit organizations could raise labor costs for some hospitals. Under the bill, Medicare's share of any such costs would be additional costs to the Medicare program. CBO is unable to estimate those costs at this time.

Change in State Waiver Requirement. The bill would phase out the requirement that the rate of increase in Medicare hospital costs in states currently reimbursing hospitals under demonstration agreements entered into after August 1982 be less than the national rate of increase in those costs. The provision would affect only Massachusetts and New York, both of which operate hospital rate-setting programs that have for several years held their hospital cost increases well below the national average. If those states were to continue to be as successful as they have been, the provision would have no budgetary impact. On the other hand, the provision would allow larger cost increases than current law. If Medicare hospital costs were to rise one percentage point faster under the provision, federal spending would increase by about $50 million in 1984.

ESTIMATED COST TO STATE AND LOCAL GOVERNMENTS

A number of the provisions of this bill would affect budgets of state and local governments. Their estimated net impact on categories of state and local expenditures is shown in the table below.

TABLE 4.—ESTIMATED COST TO STATE AND LOCAL GOVERNMENTS

[In millions of dollars]

	1983	1984	1985	1986	1987	1988
Payroll costs		291	159			446
Speedup of FICA deposits		800	105	73	57	105
SSI State supplements	35	120	130	125	125	130
Medicaid	−8	26	49	60	60	60
AFDC	−29	1				
General assistance	−13					
Total	−15	1 238	443	258	242	741

Note.—Basis of estimate: The acceleration of FICA rate increases would add to State and local government payroll costs. Currently, about 70 percent of total State and local government employment is covered by social security. State and local governments would have added payroll tax contributions of $291 million in fiscal year 1984 and $896 million over the entire 1984–88 period. The CBO estimate does not include a future cost to States who would no longer be able to withdraw from the social security system under this legislation.

The provision speeding up FICA deposits would require state and local governments to forward their FICA deposits about one month earlier. In the first fiscal year following enactment, states would show higher budgetary outlays for their (the employers') share of the FICA deposits which is one-half of the total savings shown for the federal government. In addition, state and local governments would lose small amounts of interest they would otherwise have earned on the balances over a one month period.

The changes in SSI would increase state and local government costs. Virtually all states supplement federal SSI benefits. The $20 benefit increase would raise state costs unless states were to lower their state supplement benefit levels. Typically, lowering of benefit levels requires action by state legislatures. The CBO cost estimate assumes that current state supplement levels remain in effect. Consequently, it represents a maximum cost to state and local governments.

The CBO cost estimate for the $20 benefit increase incorporates added costs to states and localities for current state supplement only beneficiaries, for new state supplement beneficiaries as a result of the new federal beneficiaries (about one-third of federal SSI beneficiaries receive state supplements), and for new state supplement only beneficiaries who are newly eligible. Costs of this provision are estimated to total $124 million in fiscal year 1985.

In addition to the effect of the $20 benefit increase, SSI state supplement costs would be increased by the COLA delays in SSI and OASDI. When COLAs are made, state supplement costs decline slightly because for state supplement only beneficiaries OASDI increases are larger than SSI increases. The

costs of the COLA delays are estimated to total about $6 million a year.

The CBO cost estimate does not include any cost effect of the altered "pass-through" requirements of section 402. Current law requires states to pass through to SSI beneficiaries federal benefit increases unless state payment levels are above their December 1976 levels or unless aggregate state SSI supplement expenditures in the 12 months following a federal payment level increase exceed aggregate state expenditures in the 12 months prior to the federal change. This provision would require states to pass through the dollar amount of the COLA that would have occurred in July 1983 under current law and also all future federal benefit increases, even if state payment levels are above the December 1976 levels. Hence, in future years the provision would limit the flexibility of states to reduce supplement levels when federal SSI benefits increase, raising costs for some states. However, for other states—those with payment levels equal to their December 1976 levels—this provision would result in potential savings because they could pass through the July 1983 cost-of-living adjustment amount (roughly $11) rather than the full $20 benefit increase.

Expenditures of state and local governments would also rise because of higher Medicaid costs occasioned by the SSI benefit increase and the Medicare premium delay discussed earlier. The state and local government financing share of Medicaid averages about 46 percent.

The increased federal supplemental compensation benefits for the unemployed would lower state and local government expenditures in two ways. First, AFDC outlays would decline in fiscal year 1983. The state share of such outlays averages 46 percent. Second, outlays for state and local general assistance (GA) programs would also decline. GA programs are fully funded by state and local governments and are means-tested, typically serving those ineligible for AFDC and SSI. There are no reliable statistics on which to base an estimate of savings in GA. However, a rough estimate of the estimated effect in Michigan provided by Michigan analysts was used to estimate national effects. Michigan accounts for about 15 percent of GA expenditures nationwide.

Estimate comparison: None.

Previous CBO estimate: None.

Estimate prepared by Stephen Chaikind, Malcolm Curtis, Richard Hendrix, John Navratil, Janice Peskin, Roger Hitchner, Kathleen Shepherd, James Nason.

Estimate approved by C. G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

[Side-by-side comparison of present law and proposed changes in S. 1, as amended by the Finance Committee]

TITLE I OF THE BILL

A. PROVISIONS RELATED TO OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE

Coverage of newly hired federal employees

(Section 101 of the Bill)

Present law

Approximately 91 percent of the Nation's workers are covered by social security. Federal civilian employees are the only major group excluded from coverage under the social security (OASDI) system. Those excluded (93 percent, or about 2.6 million out of 2.8 million employees) are generally covered by a Federal staff retirement system, engaged in temporary employment, or are members of Congress. (Beginning in 1983, nearly all Federal employees are covered under Medicare.)

Committee amendment

The Committee amendment would, effective January 1, 1984, extend social security coverage to all Federal civilian employees hired after 1983 (unless their break in Federal service has been one year or less), and to all current members of Congress, the President, Vice President, the Social Security Commissioner, and to current Congressional staff not already covered under a Federal staff retirement system.

This amendment is similar to the recommendation of the National Commission on Social Security Reform to extend coverage to all Federal employees hired after 1983.

The Committee amendment also states that "Nothing in this Act shall reduce the accrued entitlement to future benefits under the Federal retirement system of current and retired Federal employees and their families."

Effective date.—January 1, 1984.

REVENUE GAIN

[in billions, calendar years]

	1984	1985	1986	1987	1988	1989	1983–89
Short range	$0.2	$0.7	$1.2	$1.8	$2.4	$3.1	$9.3
Long range: 0.28 percent of taxable payroll.							

Coverage of nonprofit employees

(Section 102 of the Bill)

Present law

Work performed for a nonprofit tax-exempt organization (specified in section 501(c)(3) of the Internal Revenue Code of 1954) is excluded for social security coverage unless the organization files a certificate with the Internal Revenue Service waiving its exemption from social security taxes. Nonprofit organizations may terminate coverage upon giving 2 years advance notice, providing coverage has been in effect for 8 years or more. Once coverage has been terminated, the organization cannot again cover its employees. About 4.3 million employees of nonprofit organizations (about 80 percent) are covered.

Committee amendment

The Committee amendment would extend social security coverage on a mandatory basis to all employees of nonprofit organizations.

This amendment is the same as the recommendation of the National Commission on Social Security Reform.

Effective date.—January 1, 1984.

OASDI REVENUE GAIN

[In billions, calendar years]

	1984	1985	1986	1987	1988	1989	1983–89
Short range	$1.3	$1.5	$1.8	$2.1	$2.6	$3.1	$12.5
Long range: .10 percent of taxable payroll.							

Prohibit withdrawal of State and local employees

(Section 103 of the Bill)

Present law

Employees of State and local governments may be covered under social security at the option of the State and in agreement with the Secretary of Health and Human Services. Coverage may be terminated if the State gives 2 years written notice of such intent, provided that the State or local group has been covered for at least 5 years. Once coverage is terminated, the group can never again be covered under social security.

Committee Amendment

The Committee amendment would prohibit State and local governments from terminating coverage for their employees. Pending terminations would be invalid, effective on enactment. In addition, the amendment would provide an opportunity for State and local governments which have withdrawn from the social security system to voluntarily rejoin. Once having rejoined, the governmental entity would be precluded from terminating coverage.

This amendment is similar to the recommendations of National Commission on Social Security Reform.

Effective date.—On enactment.

OASDI REVENUE GAIN

[In billions, calendar years]

	1984	1985	1986	1987	1988	1989	1983–89
Short range	$0.1	$0.2	$0.4	$0.6	$0.8	$1.1	$3.2
Long range: .06 percent of taxable payroll.							

Exclusion from social coverage for services performed by members of certain religious sects (sec. 104 of the bill and sec. 3121 of the Code).

Present law

In general, social security (FICA) tax is imposed on every individual who receives wages with respect to employment. In addition, social security tax is imposed on employers who pay wages with respect to employment. There is no exemption, under present law, for employers or employees who are members of religious sects that oppose the social security system. However, present law does provide an exemption from self-employment tax (SECA) for members of religious sects that are conscientiously opposed to the acceptance of private or public insurance and which make provision for the care of their dependent members.

Reason for change

The committee believes that employers and employees who are members of the Amish sect, or other religious sects that oppose participation in the social security system, should be treated the same as self-employed members of those sects. That is neither Amish employers nor Amish employees should be required to pay social security taxes. This provision is necessary because, due to economic conditions, many Amish members cannot afford their own farms, but, rather, must work for other Amish farmers.

Explanation of provision

The provision will exempt from social security tax wages paid by individuals who are exempt from self-employment taxes because of their religious beliefs to individuals who are members of religious sects that conscientiously oppose the acceptance of private or public insurance and which make provisions for the care of their dependent members. This exemption applies both to the employer and employee portion of social security tax.

The exemption applies only in the case of religious sects that have been in existence at all times since December 31, 1950.

Effective date

The provision applies to remuneration paid after December 31, 1983.

Delay cost-of-living adjustment to a calendar year basis

(Section 111 of the Bill)

Present law

The automatic cost-of-living adjustment (COLA) of social security benefits is applicable to June benefits (payable early in July). The amount of the increase is equal to percentage by which the Consumer Price Index (for Urban Wage Earners and Clerical Workers, CPI-W) for the first quarter of the calendar year has increased over the CPI for the first quarter of the previous calendar year. No COLA is paid unless the increase in the CPI is at least 3 percent. By law, cost-of-living adjustments in the SSI program are made at the same time, and in the same amount as the social security cost-of-living adjustment.

Committee amendment

The Committee amendment would shift the automatic cost-of-living adjustment of social security benefits to a calendar year basis. Beginning in 1983, the COLA for OASDI benefits would be applied to the December benefit, which is payable at the beginning of January. For 1983, the COLA would be calculated as under current law (i.e., the change in the CPI for the first quarter of 1983 over the CPI for the first quarter of 1982). Beginning with the COLA for 1984, the adjustment would be computed by comparing the increase in the CPI for the third quarter of a year over the CPI for the third quarter of the previous year. This would ensure that the lag between the end of the period over which the COLA is measured and the time the COLA is actually applied to benefits remains 3 months. This is the same proposal recommended by the National Commission on Social Security Reform.

In addition, the Committee amendment would, for 1983 only, provide the COLA even if it is less than 3 percent. The SMI (Supplemental Medical Insurance) premium increase would also be shifted to a calendar year basis.

Under the Committee amendment, the SSI COLA would also be shifted to a calendar year basis and would be measured in the same way as for OASDI purposes.

Effective date. For cost-of-living adjustment otherwise payable in July 1983 checks.

OASDI SAVINGS

[In billions, calendar years]

	1983	1984	1985	1986	1987	1988	1989	1983–89
Short range	$3.2	$5.2	$5.4	$5.5	$6.2	$6.7	$7.3	$39.4
Long range: 30 percent of taxable payroll.								

SST COSTS (CBO ESTIMATES)

[In millions, fiscal years]

	1983	1984	1985	1986	1987	1988
Costs	−$100	−$130	−$170	−$170	−$175	−$210

Eliminate "windfall" benefits

(Section 112 of the Bill)

Present law

Social security benefits for workers with low average earnings are a relatively high proportion (up to 90 percent) of their average earnings under social security. No distinction is currently made between persons who have a lifetime of low earnings and those who have low average earnings only because they worked few years in covered employment (possibly at high wages) and many years in employment not covered by social security. Both groups receive the heavily weighted social security benefit intended for the first group. The heavily weighted benefit paid to the second group is often referred to as a "windfall".

The present law benefit formula for persons who reach age 62 or who become disabled before age 62 in 1983 is: 90 percent of the first $254 of average indexed monthly earnings in covered employment (AIME), plus 32 percent of AIME over $254 and up to $1,528, plus 15 percent of AIME in excess of $1,528.

Committee amendment

The Committee amendment would reduce (but not eliminate) social security benefits for retired and disabled workers who first become eligible for a pension based on non-covered employment after 1983. For such workers who do not have a long record of substantial work under social security, the heavily weighted 90 percent factor in the benefit formula would be replaced by a factor of 32 percent, phased in over a five year period as follows:

Benefit factor

Year of first eligibility under OASDI:	*Percent*
1984	78.4
1985	66.8
1986	55.2
1987	43.6
1988 and after	32.0

To moderate the impact of this provision on people with small pensions from non-covered employment, social security benefits could in no case be reduced by more than one-third of the portion of the worker's pension based on service which was non-covered employment. The offset would not apply to persons with pensions based on one year or less of non-covered employment.

In addition, the Committee amendment exempts from any reduction under this provision those individuals who have a long history of substantial work under the social security program. People who have thirty or more years of covered employment in which they paid social security taxes on at least 25 percent of the maximum taxable earnings would have their benefits computed under the regular provisions without any reduction under the windfall provision. People with less than 30 but more than 24 years of substantial social security employment would have the windfall reduction applied on a phased in basis under which the first factor in the benefit formula would be reduced by 10 percentage points for each year below thirty years of covered employment. This would not reduce benefits by more than the regular windfall provision however. (A year of substantial employment is a year in which covered earnings were at least 25 percent of the wage base. For years after 1977, the base used would be the 1977 base with adjustments for increased earnings after that date.)

Survivor benefits would not be affected by this provision.

The National Commission on Social Security Reform recommended modifying the social security benefit formula so as to eliminate windfall benefits received by workers who in the future receive social security as well as pensions from non-covered employment. (No specific formula was recommended.)

Effective date.—January 1, 1984, for retired or disabled workers who first become eligible for a non-covered pension after 1983.

OASDI SAVINGS

[In billions, calendar years]

	1984	1985	1986	1987	1988	1989	1984–89
Short range	[1]	[1]	[1]	[1]	$0.1	$0.1	$0.3
Long range: .05 percent of taxable payroll.							

[1] Less than $50 million.

Benefits for divorced or disabled widowers or widows who remarry

(Section 113 of the Bill)

Present law

Current law permits the continuation of benefits for widows and widowers who remarry after 60, the age of first eligibility for benefits. If the widow(er) marries after age 60, he or she receives the benefits to which he or she is entitled as a wage earner, widow(er) or spouse, whichever is larger. However, benefits for disabled widow(er)s and disabled surviving divorced spouses (payable from age 50 to 60) and for surviving divorced spouses (payable at age 60) are terminated if the individual remarries.

Committee amendment

The Committee amendment would provide that benefits continue to be paid to certain beneficiaries upon remarriage if that marriage takes place after the age of first eligibility. Benefits would be payable to: disabled widow(er)s and disabled surviving divorced spouses who remarry after age 50, and surviving divorced spouses who remarry after 60. No change would be made in the current dual entitlement provision of the law which allows only the highest benefit to which an individual is eligible to be drawn. This is comparable to the present law treatment of widows and widowers.

This amendment is the same as the recommendation of the National Commission on Social Security Reform.

Effective date.—For benefits payable for months after December 1983.

OASDI COST

[In billions, calendar years]

	1984	1985	1986	1987	1988	1989	1984–89
Short range	[1]	[1]	[1]	[1]	[1]	[1]	−$0.1
Long range: negligible.							

[1] Less than $50 million.

Changes in indexing for deferred survivor benefits

(Section 114 of the Bill)

Present law

Survivor benefits (for widows, widowers, and surviving children) are based on the deceased worker's earnings in covered employment. Such earnings are indexed to reflect economy-wide wage increases through the second year before the death of the worker. Beginning with the year of death, benefit levels are indexed to price changes.

Should the worker die long before the spouse is eligible for benefits, the benefit to which the widowed spouse ultimately becomes eligible (in old-age or at disability) is

based on outdated wages. Thus, women who become widowed at a relatively young age, but do not become eligible for benefits for many years, are deprived of their husband's unrealized earnings as well as the economy-wide wage increases that may have occurred since the death of their husbands.

Committee amendment

The Committee amendment would provide that deferred widow and widower benefits would continue to be based on earnings indexed to wages as under present law, however, this wage indexing would continue after the death of the worker. This is the same as the recommendation of the National Commission on Social Security Reform. In addition, the Committee amendment would specify that such wage indexing would apply through the year the worker would have reached age 60, or two years before the survivor becomes eligible for aged or disabled widow's benefits, whichever is earlier. In no case would benefits be lower than under present law.

Effective date.—For persons becoming eligible for survivors benefits after December 31, 1984.

OASDI COST

[In billions, calendar years]

	1984	1985	1986	1987	1988	1989	1984–89
Short range	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Long range: —.05 percent of taxable payroll.							

[1] Less than $50 million.

Independent eligibility for divorced spouses

(Section 115 of the Bill)

Present law

A divorced spouse, eligible for benefits at age 62, may not begin to draw social security benefits until the worker begins to draw benefits. For some divorced women, this means that they may have to wait several years beyond their own retirement age (either because their ex-spouse delays retirement or otherwise fails to apply for benefits) before they can begin to draw benefits.

Committee amendment

The Committee amendment would allow divorced spouses (who have been divorced for a significant period) to draw benefits at age 62 if the former spouse has claimed these benefits or has had them suspended because of substantial employment. This is the same as the recommendation of the National Commission on Social Security Reform. In addition, the Committee amendment would specify that the proposal would only apply to spouses who have been divorced for at least two years.

Effective date.—For benefits payable for months after December 1983.

OASDI COST

[In billions, calendar years]

	1984	1985	1986	1987	1988	1989	1983–89
Short range	(1)	(1)	(1)	(1)	(1)	(1)	—$0.1
Long range: —.01 percent of taxable payroll.							

[1] Less than $50 million.

Increase benefits for disabled widows and widowers

(Section 116 of the Bill)

Present law

Social Security benefits for widows and widowers are first payable at age 60. Benefits are payable in full (i.e., 100 percent of the worker's primary insurance amount) at age 65, and at reduced rates at ages 60–64 (i.e., phasing up from 71.5 percent of the primary insurance amount at age 60). Benefits also payable at reduced rates to disabled widows and widowers aged 50–59 (i.e., phasing up from 50 percent of the primary insurance amount at age 50).

Committee amendment

The Committee amendment would increase benefits for disabled widow(er)s age 50–59 to 71.5 percent of the primary insurance amount, the amount to which widow(er)s are entitled at age 60. The proposal would be applicable to new beneficiaries and to those on the rolls on the effective date of the provision. This is the same as the recommendation of the National Commission on Social Security Reform.

Effective date.—For benefits payable for months after December 1983.

OASDI COST

[In billions, calendar year]

	1984	1985	1986	1987	1988	1989	1984–89
Short range	—$0.2	—$0.2	—$0.2	—$0.2	—$0.3	—$0.3	—$1.4
Long range: —.01 percent of taxable payroll.							

Adjustment of cost-of-living increase when trust fund ratio falls below 20 percent

(Section 117 of the Bill)

Present law

The automatic cost-of-living adjustment (COLA) in social security benefits is applicable to the June benefit, which is payable at the beginning of July, and is based on the increase in the Consumer Price Index. When increases in prices outrun increases in wages, income to the trust funds falls behind outgo, and cash flow problems may result. There is no mechanism under current law to adjust trust fund outlays and revenues to take account of such adverse economic fluctuations.

Committee amendment

The Committee amendment would modify the cost-of-living adjustment formula during periods when trust fund reserves are low in order to help stabilize reserves. Specifically, if the OASDI trust fund ratio (reserves as a percentage of outgo) as of the beginning of a year is less than 20 percent, the adjustment of OASDI benefits would be based on the lower of the increase in the CPI or average wages. Subsequently, when the balance in the trust funds has risen to at least 32 percent of estimated annual outlays, "catch-up" benefit payments would be made during the following year, but only to the extent that sufficient funds are available over those needed to maintain a fund ratio of 32 percent. Catch-up payments would supplement monthly benefits otherwise payable to make up for any COLA losses that result from basing the adjustment on wages rather than prices. This would not apply to the COLA for the Supplemental Security Income (SSI) program. This is the same as the recommendation of the National Commission on Social Security Reform.

Effective date.—This provision would first be applicable in 1988.

Cost/savings.—This proposal is estimated to have no impact on the trust funds under 1983 Trustees II-B assumptions.

Increase delayed retirement credit

(Section 118 of the Bill)

Present law

A worker who delays retirement beyond age 65 (i.e., does not actually receive social security benefits) is eligible for a delayed retirement credit (DRC). The worker's benefit is increased for each month after age 65 and prior to age 72 for which benefits are not paid, either because of earnings or because the worker does not claim benefits, for workers eligible for benefits after 1978, the DRC is equal to 3 percent per year (one-quarter of 1 percent per month).

Committee amendment

The Committee amendment would gradually increase, between 1990 and 2010, the delayed retirement credit to 8 percent per year, as recommended by the National Commission on Social Security Reform. (The amount of credit would relate to year of attainment of age 65.) Beginning in 1990 the DRC would be increased by 1/4 percent each subsequent year until reaching 8 percent in 2010.

OASDI cost: —0.10 percent of taxable payroll.

Increase in retirement age

(Section 119 of the Bill)

Present law

Unreduced retirement benefits are available to workers, spouses, and widows and widowers at age 65. Actuarially reduced benefits are available at age 62 for workers and spouses and at age 60 for widows and widowers.

Committee amendment

The Committee amendment would gradually raise the age at which full social security benefits are payable from 65 to 66, beginning with those who attain age 62 in 2000. Under this provision, the normal retirement age would be increased one month per year, reaching 66 for those attaining 62 in the year 2012 or later. Early-retirement benefits would continue to be available beginning at age 62 for workers and spouses and at age 60 for widows and widowers, but the actuarial reduction factors would be larger. The minimum age for eligibility for medicare benefits would continue to be tied to the age at which unreduced retirement benefits are first available.

The majority of the members of the National Commission on Social Security Reform made this recommendation. In addition, they recommended indexing the retirement age to changes in longevity, beginning in 2012.

Effective date.—For people attaining 62 in 2000.

OASDI savings: 0.40 percent of taxable payroll.

Long-range benefit change

(Section 120 of the Bill)

Present law

In computing social security benefits, a worker's earnings under social security are averaged and a benefit formula is applied to those average indexed monthly earnings (AIME) to arrive at the initial basic benefit amount called the primary insurance amount (PIA). The PIA is the amount a worker is eligible to receive at 65. Depend-

ents' and survivors' benefits are based on the worker's PIA.

The formula for a worker who becomes eligible for benefits in 1983 is: 90 percent of the first $254 of AIME, plus 32 percent of the AIME from $254 through $1,528, plus 15 percent of the AIME over $1,528.

The two dollar figures in the formula, $254 and $1,528, are raised (indexed) each year to reflect increases in average wages in the economy. Thus, a new formula is created each year for the new group of workers becoming eligible for benefits in that year.

This system was adopted by the 1977 Social Security Amendments. The annual adjustment of the dollar amounts in the benefit formula, the bend points, by the full amount of the increase in average wages leads to higher initial benefits over time and to replacement rates—the percentage of a worker's prior earnings that are replaced by his social security benefit—that remain at approximately the same level.

Committee amendment

For people first becoming eligible for benefits in 2000, the Committee amendment would reduce initial benefit levels by 5.3 percent by decreasing the percentage factors in the benefit formula by two-thirds of one percent each year for 8 years. This would have the effect of reducing the ultimate replacement rate by 5 percent.

Effective date.—For people first becoming eligible for retirement or disability in 2000.

OASDI savings: 0.43 percent of taxable payroll.

Elimination of retirement earnings test

(Section 121 of the Bill)

Present law

Social security beneficiaries under age 70 who work and have earnings are subject to a one dollar reduction in benefits for every two dollars of earnings, when their earnings exceed certain exempt amounts. For 1983, the annual exempt amount is $6,600 for people age 65 and older.

Committee amendment

The Committee amendment would gradually phase out, between 1990 and 1994, the retirement earnings test for people 65 and older. The exempt amount of earnings would be increased by $3,000 in 1900 and in each of the next four years, with the earnings test (for people 65 and older) completely eliminated in 1995.

Effective date.—The provision would be phased in between 1990 and 1994.

OASDI cost.—This amendment is estimated to cost 0.05 percent of taxable payroll in the long-range.

Child-care drop out years

(Section 122 of the Bill)

Present law

In computing a worker's covered earnings history under social security (upon which his and his family's benefits are based), up to five years in which earnings are lowest are dropped.

Committee amendment

The Committee amendment would allow up to two additional years to be dropped for persons who leave the workforce to care for a child under 3 in the home. To qualify for a child-care drop year, the worker can have no earnings at all during the year.

Effective date.—For persons first eligible for benefits after 1983.

OASDI COST

[In billions, calendar years]

	1984	1985	1986	1987	1988	1989
Short range.....	(1)	−$0.1	−$0.1	−$0.2	−$0.4	−$0.5	−$1.3
Long range: .04 percent of taxable payroll.							

[1] Less than $50 million.

Prisoners benefits

(Section 123 of the Bill)

Present law

Persons imprisoned for the conviction of a felony may not receive student benefits (which are being phased out anyway), and are not eligibility for disability benefits unless they are participating in a court-approved rehabilitation program. (Dependents benefits are not affected.) Also, impairments resulting from the commission of a crime cannot be the basis for disability benefits and impairments occurring during imprisonment cannot be the basis for disability benefits during the period of imprisonment.

Presently, benefits may continue to be paid to incarcerated felons who are either retired workers, widow or widower beneficiaries, spouses of retired or disabled workers, and to those DI beneficiaries in a court-approved rehabilitation program.

Committee amendment

The Committee amendment would expand present law to eliminate all benefits to felons during their period of incarceration. Benefits of dependents and survivors of incarcerated felons would not be affected.

Effective date.—Applicable to benefits paid for the month after enactment.

OASDI Cost: Negligible.

Eliminate benefits to aliens

(Section 124 of the Bill)

Present law

There are no citizenship or residence requirements for receiving social security cash benefits (OASDI). Any alien in the U.S.—whether legally or illegally, or as a permanent or temporary resident—is eligible for benefits provided he has engaged in covered employment and otherwise meets the eligibility requirements. Dependents and survivors are also eligible for benefits regardless of their immigration status or that of the insured worker.

About $1 billion is being paid annually to the 314,000 beneficiaries who reside abroad. About 70% of these beneficiaries are aliens.

Committee amendment

The Committee amendment provides that, in the future, benefits would be eliminated to alien workers, their dependents and survivors who reside abroad. No benefits would be paid to alien dependents of alien workers who were acquired (through marriage, birth or adoption) while outside the United States. However, benefits would be paid under the following conditions:

(1) the worker is the citizen of a country with which the United States has a treaty or totalization agreement which provides for reciprocity of social security coverage; and

(2) benefits would continue until total benefits paid to the wage earner and dependents equal taxes paid by the wage earner.

Effective date.—This amendment would apply to new eligibles on or after January 1, 1985.

OASDI SAVINGS

[Dollars in billions, calendar years]

	1983	1984	1985	1986	1987	1988	1989	1983–89
Short range.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Long range: .01 percent of taxable payroll.								

[1] Savings of less than $50 million.

Fail-safe provision

(Section 125 of the Bill)

Present law

Presently, there are no "fail-safe" provisions in the social security system that ensure benefit payments can be met on an ongoing basis in the face of adverse economic conditions. (The Board of Trustees is required to report immediately to the Congress if any of the trust funds is "unduly small".)

Committee amendment

Under the Committee amendment, the Secretary of Health and Human Services would be required to make an annual evaluation of the projected balances in the cash benefits trust funds, taking into account future cost-of-living increases. If the cash benefits (OASDI) fund reserves are projected to decline from the start of the next year to the start of the following year and to then be less than 20 percent of a year's benefits, the Secretary would be required to notify the Congress and if no action is taken, to scale back the COLA to the extent necessary to prevent a decline which would leave the reserves below that level.

Insofar as possible, the limitation on the COLA would be applied to people whose benefits are based on a primary benefit level of more than $250 per month. The determination as to whether a limitation on the cost-of-living increase was necessary would be made only after taking into account all other statutory provisions for assuring adequate funds. The Secretary would have to notify Congress by July 1 of each year in which he finds that action to limit the next cost-of-living increase would be required under this provision. Since cost-of-living increases will be reflected in the January checks, this would give Congress several months in which to provide additional funding or to address the problem in any other manner the Congress might find to be appropriate.

The Committee views this provision as a last resort which would come into play only after all other authorities for maintaining trust fund solvency had been exercised. Thus, for example, other provisions in this legislation for such procedures as interfund borrowing and normalization of tax transfers would be invoked before this provision would be operative to the extent that such procedures are authorized by law. Under current projections such measures should be sufficient to keep fund balances from declining to dangerous levels. If however, unexpected adverse situations should develop, this provision would assure that sufficient reserves were maintained so that regular, timely payment of monthly benefit checks would not be placed in jeopardy.

This provision would implement the recommendation of the National Commission on Social Security Reform that this social security financing legislation include provision for a "fail-safe" mechanism.

Effective date.—Determinations beginning July 1, 1984.

OASDI Cost Impact: This provision is not expected to be utilized under the 1983 Trustees intermediate (II-B) assumptions.

PART C—REVENUE PROVISIONS

A. Taxation of social security and railroad retirement benefits (sec. 181 of the bill, new Code secs. 86 and 6050, and Code secs. 861, 871, 1441, and 6103).

Present law

Under present law, social security benefits are excluded from the gross income of the recipient. Their exclusion is based upon a series of administrative rulings issued by the Internal Revenue Service in 1938 and 1941 (see I.T. 3194, 1938-1 C.B. 114, 3229, 1938-2 C.B. 136, and I.T. 3447, 1941-1 C.B. 191). Railroad retirement benefits are excluded from gross income under the Railroad Retirement Act.

In general, the gross amount of fixed or determinable annual or periodic income (which is not effectively connected with a U.S. trade or business) received by a nonresident alien from U.S. sources is subject to a 30-percent tax (Code sec. 871); this tax is collected by withholding (sec. 1441). A pension for services performed in the United States would be U.S.-source income and the gross amount of a U.S.-source pension is subject to the 30-percent withholding or a lower rate if so provided by treaty. The U.S. Model Income Tax Treaty, as well as a number of actual tax treaties to which the United States is a party, provides reciprocally that pensions received by a resident of one country from sources in the other country are taxable only by the country of residence. However, the United States has reserved the right to tax social security benefits in the U.S. Model Income Tax Treaty and a number of actual tax treaties.

Reasons for change

The Committee believes that the present policy of excluding all social security benefits from a recipient's gross income is inappropriate. The committee believes, further, that social security benefits are in the nature of benefits received under other retirement systems, which are subject to taxation to the extent they exceed a worker's after-tax contributions and that taxing a portion of social security benefits will improve tax equity by treating more nearly equally all forms of retirement and other income that are designed to replace lost wages (for example, unemployment compensation and sick pay). Furthermore, by taxing social security benefits and appropriating these revenues to the appropriate trust funds, the financial solvency of the social security trust funds will be strengthened.

Because Tier 1 benefits provided under the Railroad Retirement Act are largely equivalent to social security benefits, the committee believes that corresponding changes also should be made in the tax treatment of these benefits. That is, a portion of railroad retirement benefits also should be subject to income taxation.

By taxing only a portion of social security and railroad retirement benefits (that is, up to one-half of benefits in excess of a certain base amount), the Committee's bill assures that lower-income individuals, many of whom rely upon their benefits to afford basic necessities, will not be taxed on their benefits. The maximum proportion of benefits taxed is one-half in recognition of the fact that social security benefits are partially financed by after-tax employee contributions. The bill's method for taxing benefits assures that only those taxpayers who have substantial taxable income from other sources will be taxed on a portion of the benefits they receive.

Taxation of social security and railroad retirement benefits

Under the committee's bill, a portion of social security benefits will be included in the gross income of recipients whose adjusted gross income exceeds certain levels. (This provision is not intended to change the tax treatment of social security benefits paid by foreign governments; these benefits have been held by Treasury to be fully includible in gross income (Rev. Rul. 62-1979, 1962-2, C.B. 20)). The bill defines a "social security benefit" as any amount received by the taxpayer by reason of entitlement to either (1) a monthly benefit under title II of the Social Security Act (Federal Old-Age, Survivors, and Disability Insurance Benefits (OASDI)), or (2) Tier 1 benefit under the Railroad Retirement Act of 1974. A Tier 1 benefit generally is a monthly benefit equal to what an individual would receive if the formula for computing social security benefits were appled to the individual's history of covered wages under both the social security and railroad retirement systems.

Social Security benefits, to the extent they are taxable, will be included in the taxable income of the person who has the legal right to receive the benefits. For example, benefits paid to a child (or on behalf of a child under section 203(i) of the Social Security Act) will be considered to be the child's and will be added to the child's other income to determine whether they are taxable. The amount of benefits received refers to benefit payments after reductions under such provisions as actuarial reductions, family maximum, and the earnings test, but includes certain amounts that may be withheld from benefits, such as payments of supplementary medical insurance premiums, where the amounts withheld are for the purpose of meeting a financial obligation incurred by the individual entitled to receive such benefit payments. In addition, the amount of any social security benefits received will include the total amount of the benefits without any reduction for attorney's fees, if any, paid in order to enable an individual to receive those benefits. The committee expects the Secretary of the Treasury to provide guidance on the extent to which expenses (such as attorneys' fees) incurred in perfecting claims to social security benefits may be deducted, now that some of the social security benefits may be taxed.

Social security benefits that will be included in the gross income of a taxpayer for a taxable year will be limited to the lesser of (1) one-half of the social security benefits received, or (2) one-half of the excess of the sum of the taxpayer's adjusted gross income, interest on obligations exempt from tax, and one-half of the social security benefits received, over the appropriate base amount. Thus, the maximum proportion of social security benefits that will be included in the gross income of any taxpayer will be one-half of benefits. This provision does not affect the exclusion for interest on tax-exempt obligations. Rather, it merely includes that interest in the base for the purpose of determining the amount of an individual's social security benefits that will be taxed.

The base amount is $32,000 in the case of a married individual filing a joint return; zero in the case of a married individual filing a separate return, unless he or she lived apart from his or her spouse for the entire taxable year; and $25,000 in the case of all other individuals.

The base amount is zero for married individuals filing separate returns because the committee believes that the family should be treated as an integral unit in determining the amount of social security benefit that is includible in gross income under this provision. If the base amount for these individuals were higher, couples who are otherwise subject to tax on their benefits and whose incomes are relatively equally divided would be able to reduce substantially the amount of benefits subject to tax by filing separate returns.

For the purpose of determining how much of a taxpayer's social security benefit will be included in gross income, a taxpayer will be permitted to reduce benefits received during the taxable year by the amount of benefits, previously received during the current or any preceding taxable year, that he repays during the taxable year. This provision is necessary to prevent a taxpayer from being subject to taxation on his benefits in those situations in which a taxpayer must repay a portion of those benefits because he has been overpaid previously. A taxpayer will be permitted an itemized deduction, to the extent allowed under section 165, for repayments of social security benefits which had been included in gross income in a previous year, to the extent that the repayments exceed social security benefits received by the taxpayer, and not repaid, during the taxable year. Alternatively, if such amount repaid exceeds $3,000, the taxpayer has the option under section 1341 to compute tax for the taxable year without the deduction and to subtract from that amount the reduction on tax that would have resulted from excluding the amount repaid from income for the year of the overpayment.

The committee's bill provides an elective, special rule for taxpayers who receive lump-sum payments. This rule was determined to be necessary because in some situations involving lump-sum payments of benefits attributable to prior years, the general income averaging rules may not provide adequate relief.

If this special rule is elected, the taxpayer will determine the tax for the taxable year of receipt of the lump-sum payment by including in gross income for the current year the sum of the increases in gross income that result solely from taking into account the appropriate portions of the lump-sum payment in the taxable year to which they are attributable. The committee intends that when lump-sum payments are made, the Social Security Administration or Railroad Retirement Board will notify the recipients thereof of the taxable years to which the payments are attributable.

Social security benefits are to be treated as a pension or annuity and, therefore, not treated as earned income, for purposes of the earned income credit, the deduction for contributions to individual retirement arrangements, the deduction for two-earner couples, and the foreign earned income exclusion.

Returns relating to social security benefits

Information reporting will be required with respect to benefit payments. Specifically, the appropriate Federal official (*i.e.*, the Secretary of Health and Human Services, in the case of social security benefits, and the Railroad Retirement Board, in the case of railroad retirement benefits) will be required to report to the Treasury (1) the aggregate amount of benefits paid with re-

spect to any individual during any calendar year; (2) the aggregate amount of benefits repaid by the individual during the calendar year; and (3) the name and address of the individual with respect to whom benefits are paid. In addition, each individual receiving social security or railroad retirement benefits will be furnished with a written statement showing (1) the name of the agency making the payments, and (2) the aggregate amount of payments and repayments. This statement will be due by January 31 of the year following the year in which social security benefits are paid.

Treatment of nonresident aliens

The committee's bill provides that social security benefits paid by the United States are U.S.-source income for purposes of the Code, including the foreign tax credit. In addition, one-half of social security benefits paid to nonresident aliens will be subject to the general 30-percent tax which will be collected by withholding. The committee's bill is not intended to override the treatment of social security benefits provided in existing income tax treaties to which the United States is a party.

The committee's bill permits the Secretary of the Treasury to disclose to the Social Security Administration or the Railroad Retirement Board available return information from the master files of the Internal Revenue Service with respect to the address and status of an individual as a nonresident alien or as a resident or citizen of the United States. This information, which may be disclosed upon written request, may be disclosed to the Social Security Administration and the Railroad Retirement Board only for purposes of carrying out their responsibilities for withholding taxes from social security benefits of nonresident aliens. Any return information disclosed under this provision will be subject to the present law requirements regarding recordkeeping and safeguarding of return information.

Transfers to trust funds

The committee's bill appropriates to each payor fund the increase in Federal income tax liabilities attributable to taxing social security benefits. This amount is the difference between total income tax liabilities for the year and what income tax liabilities would have been without the application of the Code sections which provide for the taxation of benefits. A "payor fund" is any trust fund or account from which payments of social security benefits are made.

The appropriated amounts are to be transferred from time to time (but no less frequently than quarterly) from the general fund of the Treasury on the basis of estimates made by the Secretary of the Treasury. Transfers to the payor funds may be based on the proportion of each type of benefit as a share of the total benefits potentially includible in gross income under these provisions. For example, suppose that after adding OASI benefits, DI benefits and Tier I railroad retirement benefits the shares of these in the total are 80 percent, 16 percent, and 4 percent, respectively. These percentages of the increase in tax liabilities described above may then be transferred to the respective funds.

Any quarterly payment to a payor trust fund must be made on the first day of the quarter and must take into account social security benefits estimated to be received during the quarter. Proper adjustments are to be made in the amounts subsequently transferred to the extent that prior estimates were in excess of, or less than, the amounts required to be transferred. A final detemination of the amount required to be transferred for a year may be based on an estimate derived from the appropriately weighted sample of individual income tax returns for that year which is used as the basis for the Internal Revenue Service's publication of statistics of income for that year under Code section 6108. In making these estimates, the Secretary of the Treasury need not take account of certain provisions of the tax law that might affect an individual's tax liability (e.g., income averaging, loss carrybacks, etc.) if these provisions are judged to have an inconsequential effect on the estimates.

The Secretary of the Treasury will be required to submit annual reports to the Congress and to the Secretary of Health and Human Services and the Railroad Retirement Board concerning (1) the transfers made during the year, and the methodology used in determining the amount of the transfers and the funds or account to which made, and (2) the anticipated operation of the transfer mechanism during the next five years.

Taxation of Tier One railroad retirement benefits

The Committee's bill provides that railroad retirement "Tier 1" benefits are subject to taxation to the same extent and in the same manner as monthly benefits payable under title II of the Social Security Act. As a result of this change, certain amounts will be transferred regularly to the Railroad Retirement Account.

Under the financial interchange between railroad retirement and social security, however, the social security trust funds are placed in the same position they would have been in if railroad employment were covered under social security. Therefore, the committee understands that existing law requires that the proceeds of income taxes on those railroad retirement benefits which are strictly equivalent to social security benefits are to be credited to the social security trust funds through adjustments in the financial interchange. This will produce exactly the same result as if the social security system had paid that portion of the tier I benefits which are strictly equivalent to social security benefits and had received the proceeds of the income tax on these benefits.

Effective date

In general, the provisions will apply to benefits received after December 31, 1983, in taxable years ending that date. However, the provisions will not apply to benefits received after December 31, 1983, if the generally applicable payment date of these benefits was before January 1, 1984.

B. Acceleration of increases in FICA taxes; 1984 employee tax credit (sec. 132 of the bill; secs. 3101, 3111, and new sec. 3510 of the code).

Present law

Under present law, several increases in social security payroll tax (FICA) rates are already scheduled to take effect between 1985 and 1990, as shown in the following table:

EMPLOYER-EMPLOYEE RATE (EACH)

Year	OASDI	HI	OASDI-HI
1984	5.4	1.30	6.70
1985	5.7	1.35	7.05
1986	5.7	1.45	7.15
1987	5.7	1.45	7.15

EMPLOYER-EMPLOYEE RATE (EACH)—Continued

Year	OASDI	HI	OASDI-HI
1988	5.7	1.45	7.15
1989	5.7	1.45	7.15
1990	6.2	1.45	7.65

Reasons for change

In conjunction with other changes in the law which are designed to help insure the solvency of the OASDI Trust Funds, the committee has found it necessary to advance the OASDI increase scheduled for 1985 to 1984 and part of the increase scheduled for 1990 to 1988. In order to cushion the impact on workers of the first change, a one-time tax credit is provided to employees equal to the 1984 increase in the employees FICA tax.

Explanation of provision

The bill provides a new schedule of OASDI rates leaves HI rates unchanged. The new OASDI rates and combined OASDHI rates are as follows:

EMPLOYER-EMPLOYEE RATE (EACH)

Year	OASDI	HI	OASDI-HI
1984	5.70	1.30	7.00
1985	5.70	1.35	7.05
1986	5.70	1.45	7.15
1987	5.70	1.45	7.15
1988	6.06	1.45	7.51
1989	6.06	1.45	7.51
1990	6.20	1.45	7.65

Because railroad retirement (RR) payroll taxes are linked to the rates for social security, the committee's bill also provides similar increases in the corresponding railroad retirement taxes.

The bill provides employees a credit equal to 0.3 percent of compensation subject to the FICA and RR taxes and to payments of amounts equivalent to FICA taxes under section 218 of the Social Security Act. Because the credit is to be taken into account at the time the tax is collected (by deduction from the employees' wages or otherwise), the net OASDI employee tax rate for 1984 will be 5.40 percent. However, employees' annual wage statements are to show the gross FICA tax (7.00 percent of wages) and the credit amount (0.3 percent of wages) separately. As under present law, the appropriation of funds into, for example, the OASDI trust funds will be based on the gross OASDI employee tax rate, which will be 5.70 percent and, thus, will not be affected by the credit.

Effective date.—These provisions will apply to remuneration paid after December 31, 1983.

C. Self-employment income tax and credit (secs. 133 of the bill and secs. 43, 164, 275, 401, 1401, and 1402 of the Code).

Present Law

The Self-Employment Contributions Act (SECA) imposes two taxes (OASDI and HI) on self-employed individuals. Self-employed persons pay an OASDI tax rate that is equal to approximately 75 percent of the combined employer-employee rate and an HI tax rate that is equal to 50 percent of the combined employer-employee rate.

The presently scheduled OASDI rates for self-employment income are as follows:

IN THE CASE OF A TAXABLE YEAR

Beginning after:	and before:	percent:
December 31, 1981	January 1, 1985	8.05
December 31, 1984	January 1, 1990	8.55
December 31, 1989		9.30

The HI rates for self-employment income are as follows:

IN THE CASE OF A TAXABLE YEAR

Beginning after:	and before:	percent:
December 31, 1980	January 1, 1985	1.30
December 31, 1984	January 1, 1986	1.35
December 31, 1985		1.45

Under present law, the expenses of compensation or purchased services, including wages, the employer FICA tax, and payments to self-employed individuals are deductible, for income tax purposes, as business expenses. However, neither the employee FICA tax nor the SECA tax is deductible.

Reasons for change

The committee is concerned that, under the current system, self-employed individuals pay into the social security system less than employers and employees, taken together, contribute for equal benefits. Thus, even though an employer may take an income tax deduction for his share of the payroll tax paid on behalf of an employee and Federal revenues would be reduced thereby, the social security trust funds received less than is necesary to provide benefits to self-employed individuals. This disparity in receipts contributes to the financial difficulties of the social secuirty system.

Explanation of provisions

Under the bill, the OASDI rate on self-employment income will be equal to the combined employer-employee OASDI rate, and the HI tax rate on self-employment income will be equal to the combined employer-employee HI rate. In order to cushion the impact of the increase, the bill provides a permanent credit against SECA taxes.

The OASDI tax rate on self-employment income will be:

IN THE CASE OF A TAXABLE YEAR

Beginning after:	and before:	percent
December 31, 1983	January 1, 1988	11.40
December 31, 1987	January 1, 1990	12.12
December 31, 1989		12.40

The HI rate for self-employed persons will be:

IN THE CASE OF A TAXABLE YEAR

Beginning after:	and before:	percent
December 31, 1983	January 1, 1985	2.60
December 31, 1984	January 1, 1986	2.70
December 31, 1985		2.90

Beginning in 1984, self-employed persons will be entitled to a permanent credit against SECA tax. For 1984, the credit will be 2.9 percent of self-employment income. For 1985, the credit will be 2.5 percent. For 1986, the credit will be 2.2 percent. For 1987-89, the credit will be 2.1 percent. For 1990 and subsequent years, the rate of the credit will be 2.3 percent. The SECA tax credits may be taken directly into account in computing SECA liability for a taxable year and estimated tax payments for that year.

The SECA tax credits will not reduce the revenues of the social security trust funds, since under the Social Security Act, appropriations into the trust funds will be based on the SECA tax rates specified above without regard to the credits allowed against such taxes.

Effective date.—The provisions will be effective for taxable years beginning after December 31, 1983.

Reallocation of OASDI tax rate

(Section 141 of the Bill)

Present law

The tax rate allocation between OASI and DI is fixed in the law. The following table displays the allocation for employers, employees and the self-employed:

OASDI TAX RATES

[In percent]

	Employers and employees, each			Self-employed		
	OASI	DI	OASDI	OASI	DI	OASDI
1982 to 1984	4.575	0.825	5.4	6.8125	1.2375	8.05
1985 to 1989	4.750	.950	5.7	7.1250	1.4250	8.55
1990 and later	5.100	1.100	6.2	7.6500	1.6500	9.30

Committee amendment

The Committee amendment would reallocate the OASDI tax so that both trust funds will have about the same reserve ratios (i.e., reserves at the beginning of a year as a percentage of outgo during the year). This is the same as the recommendation of the National Commission on Social Security Reform.

The following table displays the new allocation for the OASDI tax rate:

[In percent]

	Employers and employees, each			Self-employed		
	OASI	DI	OASDI	OASI	DI	OASDI
1983	5.075	0.625	5.7	10.4625	0.9375	11.40
1984 to 1987	5.20	.50	5.7	10.4	1.0	11.40
1988 to 1989	5.53	.53	6.06	11.06	1.06	12.12
1990 to 1999	5.60	.60	6.20	11.2	1.20	12.40
2000 and later	5.55	.65	6.20	11.1	1.30	12.40

Effective.—The first reallocation would apply for 1983.

Interfund borrowing extension

(Section 142 of the Bill)

Present law

Public Law 97-123 authorized, through December 31, 1982, borrowing between the OASI, DI, and HI trust funds whenever it was determined by the Managing Trustee (the Secretary of the Treasury) that additional funds were needed to pay benefits. The Conference Report specified that amounts borrowed could not exceed what was required to ensure benefit payments through June 1983. Under this authority, and to fulfill this purpose, $17.5 billion was transferred to the OASI trust fund from the DI and HI trust funds in 1982 (of which $12.4 billion was from HI).

Under the law, the borrowing fund is required to make periodic interest payments on outstanding balances. Also the loan must be repaid when the Managing Trustee determines that the assets of the borrowing fund are sufficient to begin repayment.

Committee amendment

Through 1987, the committee amendment would authorize interfund borrowing between the OASI, DI, and HI trust funds. The following protections would be provided for the HI trust fund: (1) interest would be paid monthly to HI on any outstanding loans to OASDI; (2) OASDI could not borrow from HI in any month the HI trust fund ratio is under 10 percent (with no more to be borrowed than would reduce such ratio to 10 percent); (3) in 1983-87, OASDI would repay loans from HI whenever the OASDI fund ratio at the end of the year exceeds 15 percent; and (4) in 1988-89, OASDI would repay HI, in 24 equal monthly payments, the loan balance outstanding at the end of 1987 (plus interest on any outstanding loan balance).

Similar protections would be provided for the OASI and DI trust funds in the event that HI were to borrow from OASDI.

The amendment is similar to the recommendation of the National Commission on Social Security Reform to authorize, through 1987, interfund borrowing between the OASI and DI trust funds and to the OASI and DI trust funds from the HI trust fund.

Under the Committee amendment, using intermediate cost estimates the amounts available from the HI trust fund for loans (in excess of the 10 percent requirement) to the OASDI trust funds would be about $7 billion in 1984, $5 billion in 1985, $4 billion in 1986, and $3 billion in 1987; however, under this estimate the OASDI trust funds would not need any further loans in 1983-87. Under the pessimistic cost estimate, such amounts available from the HI trust fund would be about $6 billion in 1984, $4 billion in 1985, and zero in 1986-87; however, under this estimate the OASDI trust funds would not need any further loans in 1983-87 (although slightly worse experience during that period would make loans necessary).

Effective.—On enactment.

Credit amounts of unnegotiated checks to the trust funds

(Section 143 of the Bill)

Present law

The social security trust funds are not credited for OASDI benefit checks which remain uncashed. Instead, the value of benefit checks which are not cashed remains in the General Fund of the Treasury.

Committee amendment

The Committee amendment would provide for a lump-sum payment to the OASDI trust funds from the General Fund representing the amount of uncashed benefit checks which have been issued in the past. In addition, it would require the implementation of a procedure under which: (1) the Treasury Department would make it possible to distinguish OASDI checks from other government checks; and (2) the trust funds would be credited on a regular basis with an amount equal to the value of all OASDI benefit checks which have not been negotiated for a period of twelve months. This is similar to the recommendation of the National Commission on Social Security Reform which required only the initial lump sum transfer, assuming that future transfers were already provided for.

Effective date.—The lump sum transfer would be made in the month following the month of enactment of this provision.

OASDI REVENUE GAIN

[In billions, calendar years]

	1983	1984	1985	1986	1987	1988	1989	1983–89
Short range	$0.8	(1)	(1)	(1)	(1)	(1)	(1)	$1.1
Long range: Negligible.								

[1] Less than $50 million.

Military wage credits

(Sections 144 and 145 of the Bill)

Present law

Since 1946, the OASDI system has provided gratuitous wage credits to persons who serve in the military forces. Such military personnel have been credited with earnings (upon which benefits are based) for which no payroll taxes have been paid. Two types of credits have been given: (1) for World War II veterans, noncontributory wage credits of up to $1,920 per year for active military service from 1940 to 1957; and (2) noncontributory wage credits of $1,200 per year for military service performed after 1956 to recognize the value of non-cash compensation, such as food, shelter and medical services. (In 1957, members of the military were compulsorily covered under social security.)

To finance the costs incurred in paying the benefits based on periods of military service for which no contributions were made, the social security trust funds receive reimbursements from the General Fund of the Treasury. The annual reimbursement to the trust funds has been about $700 million in recent years.

Committee amendment

The Committee amendment would credit the OASDHI trust funds, in a lump sum, with an amount equal to the estimated additional cost of providing future benefits based on pre-1957 military wage credits. In addition, the OASDHI trust funds would be credited with a lump sum payment equaling the taxes that would have been collected and the interest that would have been earned if the credits for service after 1956 and before 1983 had been taxed as they were earned, less the reimbursements already received. Beginning in 1983, a general fund appropriation would reimburse the trust funds on a current basis for the employer-employee taxes on additional military wage credits given for non-cash compensation.

This is the same as the recommendation of the National Commission on Social Security Reform except that the Committee has extended the provision to include HI.

Effective date.—Lump sum is payable in the month following the month of enactment. Lump sums would be payable within 30 days after the enactment of this provision.

OASDI REVENUE GAIN

[In billions of dollars, calendar years]

	1983	1984	1985	1986	1987	1988	1989	1983–89
Short range	18.4	−0.4	−0.4	−0.3	−0.4	−0.4	0.4	16.0
Long range: Plus .01 of taxable payroll.								

Trust fund investment procedure

(Section 146 of the Bill)

Present law

Payroll tax revenues which are in excess of the amount necessary to pay current benefits must be invested, generally in "special issue" obligations available for purchase only by the trust funds. Such obligations have maturities fixed with "due regard" for the needs of the trust funds and bear an interest rate equal to the average market yield on all marketable, interest bearings obligations of the U.S. government which are not due or callable for at least 4 years.

The maturity dates on new special issues and the redemption schedule for trust fund investments are not set by law, but by Treasury procedure. The Treasury attempts to set the maturity dates for special issues from 1 to 15 years—so that about 1/15 of the total portfolio comes due in each of the next 15 years. When securities must be sold to meet benefit obligations, special issues with the shortest duration until maturity are sold first. In the event that there are several securities with the same duration until maturity, those with the lowest interest rate are sold first.

Committee amendment

The Committee amendment provides for reinvesting all trust fund assets each month at a rate of interest based on the average market rate on all public-debt obligations currently held by Treasury with a duration of four or more years until maturity.

The amendment would require the Managing Trustee to: (1) redeem all present special issues at their face amount; (2) redeem all flower bonds (marketable government bonds which, for inheritance tax purposes, are redeemable at par) at their current market values; and (3) invest, on a monthly basis, the redeemed investments and all future funds only in separate depository accounts for each of the trust funds.

This is similar to the recommendation of the National Commission on Social Security Reform, except that the Commission recommended investing in special issues.

Effective.—The first day of the first month beginning more than 30 days after the date of enactment.

Revenue Gain.—No significant gain or loss anticipated.

Public members on board of trustees

(Section 147 of the Bill)

Present law

The Board of Trustees of the four social security trust funds (Old-Age and Survivors Insurance, Disability Insurance, Hospital Insurance, and Supplemental Medical Insurance) consists of, ex officio, the Secretaries of the Treasury, Health and Human Services, and Labor, with the Secretary of the Treasury serving as the managing trustee. Among other responsibilities, the Board of Trustees is required to report to Congress each year on the operation and status of the trust funds, review the general policies followed in managing the trust funds, and recommend changes in such policies.

Committee amendment

The Committee amendment would add two public members to the Board of Trustees of the OASDI, HI, and SMI trust funds. The public members would be nominated by the President and confirmed by the Senate. The two public members could not be from the same political party. Public members would not be considered fiduciaries and would not be personally liable for actions taken in such capacity with respect to the trust funds.

The National Commission on Social Security Reform also proposed that the Board of Trustees of the OASDI trust funds be expanded to include two public members.

Effective.—On enactment.

Cost.—None.

Accelerate State and local deposits

(Section 148 of the Bill)

Present law

Requires the deposit of withheld social security taxes for State and local employees within thirty days after the end of the month in which the applicable wages were paid.

By contrast, the frequency with which deposits of social security taxes and income taxes are made by private employers is determined under regulations issued by Treasury and vary in accordance with the tax liability of the employer. Deposits are required as frequently as every week for employers with large liabilities and as infrequently as every three months for employers with smaller liabilities.

Although State and local governments are now governed by the same rules as private employers with regard to depositing withheld income taxes, deposits of social security taxes continue to be treated differently.

Committee amendment

The Committee amendment would apply the same social security tax deposit requirements to State and local governments that now apply to private employers.

Effective date.—Effective for deposits required to be made after December 1983.

OASDI REVENUES

[In billions, calendar years]

	1984	1985	1986	1987	1988	1989	1983–89
Short range	$1.4	$0.1	$0.1	$0.1	$0.3	$0.2	$2.2
Long-range: Negligible.							

Triggered normalization of tax transfers

(Section 149 of the Bill)

Present law

Under current procedures, social security taxes are transferred to the trust funds on a daily basis on Treasury estimates of amounts collected. OASDI benefit payments, however, are concentrated at the start of the month creating the need for high balances in the OASDI trust funds during the first week of the month.

Committee amendment

The Committee amendment provides that, when at the start of any month, the Secretary of Treasury determines that the reserves of the OASDI trust funds are inadequate to meet 1½ months of benefits (reserves less than 12% of outgo), the Secretary would be required to credit the trust funds on the first day of the next month with the full payroll tax revenues estimated for the month. Interest would be paid to the General Treasury on the excess sums so transferred at a rate equal to the average 91-day Treasury bill rate during the month, with such interest being payable at the end of each month.

Effective.—On enactment through 1987 (when the authority for interfund borrowing expires).

Cost.—Negligible.

Treatment of certain deferred compensation and salary reduction arrangements (sec. 150 of the bill and sec. 3121(a) of the Code).

Present law

Cash or deferred arrangements.—Under a qualified cash or deferred arrangement (sec. 401(k)) forming a part of a tax-qualified profit-sharing or stock bonus plan, a cov-

ered employee may elect to have the employer contribute an amount to the plan on the employee's behalf or to receive such amount directly from the employer in cash. Amounts contributed to the plan pursuant to the employee's election are treated as employer contributions to the plan and are excluded from the employee's taxable income and social security wage base.

Amounts distributed with respect to an employee under a qualified plan generally are includible in the recipient's income, but are excluded from the social security wage base.

Tax-sheltered annuities

Under present law, tax-sheltered annuities (sec. 403(b)) may be purchased on an individual basis for employees of public schools or tax-exempt religious, charitable, and other organizations described in section 501(c)(3). Subject to certain limitations, amounts paid by the employer to purchase the annuity are excluded from the employee's income. A tax-sheltered annuity may be purchased for an employee pursuant to a salary reduction agreement between the employer and the employee.

The Internal Revenue Service has ruled that amounts paid for a tax-sheltered annuity pursuant to a salary reduction agreement are includible in the employee's social security wage base, even though such amounts may not be subject to income tax withholding. The validity of the ruling position is in doubt in light of the Supreme Court decision in *Rowan Companies, Inc.* v. *United States* (see following section of this report).

Amounts distributed under a tax-sheltered annuity generally are includible in the recipient's income, but are excluded from the social security wage base.

Cafeteria plans

Under an employer's cafeteria plan (sec. 125), a covered employee may choose among various benefits, which may include cash, taxable benefits, or nontaxable benefits. If certain requirements are met, amounts applied under a cafeteria plan toward nontaxable benefits (*e.g.*, accident and health benefits or plan contributions under a qualified cash or deferred arrangement) are excluded from the employee's income and generally from the social security wage base. Taxable benefits chosen by the employee (*e.g.*, cash) are includible in income and generally includible in the wage base.

Eligible State deferred compensation plans

Under an eligible State deferred compensation plan (sec. 457(a)), an employee of a State or local government or a rural electric cooperative may elect to defer compensation, subject to certain limits. Amounts deferred under an eligible plan are excluded from income until paid to the employee under the plan. Eligible State deferred compensation plans generally are not retirement plans for purposes of the rules defining "wages" includible in the social security wage base. (For example, the income tax rules for eligible plans permit distributions to an employee after age 59½ without regard to whether the employee is retired.) Thus, amounts deferred are includible in the social security wage base at the time of the deferral if the plan is not a retirement plan.

Non-qualified deferred compensation plans

Under present law (sec. 312(a)), standby pay or payments made to an employee on account of retirement, either on an individual basis or under a plan or system of the employer providing for employees generally, may be excluded from the social security wage base without regard to whether the payments are under a tax-qualified retirement plan (sec. 401(a) or 403(a)) or other tax-favored retirement savings program (e.g., a tax-sheltered annuity (sec. 403(b)).

Reasons for change

Generally, if an employee receives cash and then chooses to use these funds for personal savings or benefits, the amount of cash received is subject to FICA. This is true, for example, for contributions to an individual retirement account (IRA) even if the employer transmits the funds directly to the IRA account.

Under cash or deferred arrangements, certain tax-sheltered annuities, certain cafeteria plans, and eligible State deferred compensation plans, the employer contributes funds which are set aside by individual employees for individual savings arrangements, and thus, the committee believes that such employer contributions should be included in the FICA base, as is the case for IRA contributions. Otherwise, individuals could, in effect, control which portion of their compensation was to be included in the social security wage base. This would make the system partially elective and would undermine the FICA tax base.

The committee also believes that it is appropriate to exclude payments from the social security wage base where the payments are made from a tax-qualified or other tax-favored retirement plan. However, the committee does not believe that such tax-favored treatment under the FICA tax rules generally should be extended to deferred compensation plans which do not qualify for tax-favored treatment under the income tax rules.

Explanation of provision

Under the bill, an employer's plan contributions on behalf of an employee under a qualified cash or deferred arrangement will be includible in the social security wage base for tax and coverage purposes to the extent that the employee could have elected to receive cash in lieu of the contribution. The provision is intended to apply to elective amounts under the cash or deferred arrangement and not to nonelective amounts contributed by employers to a qualified profit-sharing or stock bonus plan of which the arrangement may be a part.

The bill also provides that any amounts paid by an employer to a tax-sheltered annuity by reason of a salary reduction agreement between the employer and the employee would be includible in the employee's social security wage base. The committee intended that the provision would merely codify the holding of Revenue Ruling 65-208, 1965-2 Cum. Bul. 383, without any implication with respect to the issue of whether a particular amount paid by an employer to a tax shelter annuity is, in fact made by reason of a "salary reduction agreement".

In addition, amounts subject to an employee's designation under a cafeteria plan that includes a qualified cash or deferred arrangement will be includible in the social security wage base to the extent that such amounts may be paid to the employee in cash or property or applied to provide a benefit for the employee that is not otherwise excluded from the definition of wages under section 3121 of the Code.

The bill would also include in the social security wage base amounts deferred under an eligible State deferred compensation plan (sec. 457(a)). The payment to such a plan would be treated as wages received in the year in which the services relating to the payment were performed. However, no change is made to the present-law self-employment tax (SECA) rules regarding amounts paid under an eligible State deferred compensaton plan on behalf of an independent contractor.

Under the bill, nonqualified deferred compensation generally is includible in the social security wage base when it becomes available to the employee. For this purpose, nonqualified deferred compensation generally includes payments under a deferred compensation arrangement which is not (1) a tax-qualifed plan, (2) an individual retirement arrangement (IRA), (3) a simplified employee pension (SEP), (4) a tax-sheltered annuity, or (5) a governmental plan. A governmental plan is one established and maintained for its employees by the Government of the United States, by any State or political subdivision thereof, or by any agency or instumentality of any of the foregoing. However, elective deferrals under an eligible State deferred compensation plan (sec. 457(a)) are includible in the wage base as described in the preceding paragraph, and amounts payable under a deferred compensation plan of a State or local government which is not an eligible plan (sec. 457(e)(1) and (e)(2) (D) and (E)) are includible in the wage base when there is no substantial risk of forfeiture by the employee.

The bill also includes conforming changes to the provisions (sec. 3306) defining "wages" for purposes of the Federal Unemployment Tax Act (FUTA). Deferred compensation includible in the social security wage base under the bill would also be treated as wages for FUTA purposes. In addition, the bill provides that certain sick pay which is includible in the social security wage base under provisions enacted in 1978 would also be treated as wages for FUTA purposes.

Effective date.—These changes apply to remuneration paid after December 31, 1983.

Codification of Rowan decision with respect to meals and lodging (sec. 151 of the bill and sec. 3121(a) of the Code).

Present law

Under present law, amounts which constitute wages for income tax withholding purposes (Code sec. 3401) and amounts which constitute wages for social security tax purposes (Code sec. 3121) are separately defined. However, in *Rowan Companies, Inc.* v. *United States*, 452 U.S. 247 (1981), the Supreme Court held that the definition of wages for social security tax purposes and the definition of wages for income tax withholding purposes must be interpreted in regulations in the same manner in the absence of statutory provisions to the contrary.

At issue in *Rowan* was whether the value of meals and lodging provided employees at the convenience of the employer were wages for social security tax purposes (i.e., were includable in the social security wage base). The value of such employer-provided meals and lodging may be excluded from the income of an employee (sec. 119). Treasury regulations required that the value of the meals and lodging be included in the social security wage base, but excluded such value from the definition of wages subject to income tax withholding. The Supreme Court decision invalidated those Treasury regulations which required that the value of the meals and lodging be included in the social security wage base.

Reasons for change

The social security program aims to replace the income of beneficiaries when that income is reduced on account of retirement and disability. Thus, the amount of "wages" is the measure used both to define income which should be replaced and to compute FICA tax liability. Since the security system has objectives which are significantly different from the objective underlying the income tax withholding rules, the committee believes that amounts exempt from income tax withholding should not be exempt from FICA unless Congress provides an explicit FICA tax exclusion.

Explanation of provision

The bill provides that, with the exception of the value of meals and lodging provided for the convenience of the employer, the determination whether or not amounts are includible in the social security wage base is to be made without regard to whether such amounts are treated as wages for income tax withholding purposes. Accordingly, an employee's "wages" for social security tax purposes may be different from the employee's "wages" for income tax withholding purposes. In addition, the bill provides that the definition of wages for social security tax and benefit purposes is revised to exclude the value of employer-provided meals and lodging to the extent such value is also excluded from the employee's gross income.

Effective date.—The provision applies to remuneration paid after December 31, 1983.

Treatment of contributions under simplified employee pensions (SEPs) (sec. 152 of the bill and sec. 3121(a)(5) of the Code)

Present law

Under present law, the Internal Revenue Code excludes from the social security wage base employer payments to or on behalf of an employee under a simplified employee pension (SEP). However, such employer contributions are treated as covered wages for social security benefit purposes.

Reasons for change

The committee believes that it is inappropriate to treat employer payments to a SEP as covered wages for benefit purposes where such amounts are excluded from the social security wage base for tax purposes.

Explanation of provision

The bill amends the Social Security Act to exclude from the definition of covered wages for social security coverage purposes employer contributions to a SEP that are deductible as such by the employer. The bill makes clear that the exclusion applies, for both tax and coverage purposes, only with respect to the employers's contribution to a SEP, not with respect to the amount equivalent to the employee's contribution to an individual retirement arrangement (IRA).

Effective date.—This provision applies to remuneration paid after December 31, 1983.

ESTIMATED REVENUE EFFECTS OF CERTAIN COMMITTEE PROVISIONS [1]

[In millions of dollars]

Provision and receipts or liabilities	Calendar or fiscal year—						Total
	1984	1985	1986	1987	1988	1989	
Taxation of OASDI benefits: [2]							
Calendar year [3]	2,637	3,181	3,847	4,603	5,500	6,544	26,312
Fiscal year	848	2,805	3,387	4,079	4,878	5,818	21,815
Taxation of tier I railroad retirement benefits:							
Calendar year [4]	61	71	81	94	108	124	538
Fiscal year	20	64	74	85	98	113	453
Tax credit for 1984 FICA taxes: [2]							
Calendar year [4]	4,434						4,434
Fiscal year	3,234	1,200					4,434
SECA provisions: [2]							
Increase in OASDI and HI rates for SECA:							
Calendar year [4]	4,490	4,361	4,744	4,973	6,133	6,476	31,177
Fiscal year	1,497	4,447	4,489	4,820	5,360	6,247	26,860
SECA credit:							
Calendar year [4]	−2,800	−2,596	−2,427	−2,428	−2,565	−2,709	−15,525
Fiscal year	−933	−2,732	−2,540	−2,427	−2,474	−2,613	−13,719
Net effect:							
Calendar year	1,690	1,765	2,317	2,545	3,568	3,767	15,652
Fiscal year	564	1,715	1,949	2,393	2,886	3,634	13,141

[1] In addition to the provisions shown the committee estimates that the provisions regarding the inclusion in the FICA wage base of amounts received under certain deferred compensation and salary reduction agreements will increase receipts of the social trust funds by $2.0 billion during calendar years 1984 to 1989, inclusive.

[2] These estimates are consistent with the II–B assumptions used by the Social Security Administration in preparing the Trust Fund estimates shown elsewhere in this report.

[3] These amounts are estimated to be transferred to the Social Security Trust Funds during the calendar year shown.

[4] These amounts are estimated to be transferred to the Railroad Retirement Account during the calendar year shown.

TITLE II OF THE BILL

INCREASE THE SSI PAYMENT STANDARD AND MODIFY PASS-THROUGH REQUIREMENTS

(Sections 201 and 202 of the Bill)

Present law

The first $20 of income received by an individual in a month is disregarded in determining SSI eligiblity and benefit amount. The income may be earned or unearned (except for some income based on need, such as veterans' pensions, which is fully counted). The disregard was provided in the original statute in 1972 to ensure that persons who had contributed toward an entitlement, such as OASDI, were better off than those who had not. The amount of the disregard has not been increased since 1972.

Committee amendment

The Committee amendments would:

A. Increase the SSI payment standard applicable to all individuals by $20 ($30.00 for a couple) per month, effective July 1983; and

B. To help protect the States from increased costs resulting from this provision, expand current law to allow States to meet the "pass through" requirement for 1983 if they pass through the equivalent of the COLA that would have occurred under current law rather than the proposed monthly payment increase. Presently, State which provide payments to supplement the Federal SSI payment are required to pass through to recipients any Federal SSI cost-of-living increases. States have two basic options for meeting the pass through requirements: 1) they may maintain the supplementary payment levels that were in effect for categories of individual recipients in December 1976, or 2) they may make State supplementary payments in any current 12-month period that are no less, in the aggregate, than were made in the previous 12-month period.

The National Commission on Social Security Reform recommended that, effective July 1983, the SSI disregard be increased by $30 per month for OASDI income (not other income) in determining an individual's SSI eligibility and benefit amount. The effect would have been to increase by $30 the monthly income of those individuals who are entitled to both OASDI and SSI.

Presently, the maximum Federal SSI payment is $284 monthly for an individual and $426 monthly for a couple. After certain disregards, the amount of SSI actually received by an individual is reduced on account of other income.

SSI COST (BASED ON CBO ESTIMATES)

[In millions, fiscal years]

	1983	1984	1985	1986	1987	1988
$20 payment standard increase	$250	$750	$845	$840	$875	$935

SSI ALERT

(Section 203 of the Bill)

Present law

Currently, there is no statutory requirement that OASDI beneficiaries be contacted and informed of potential eligibility for Supplemental Security Income (SSI) payments. However, since the beginning of the SSI program, the Social Security Administration has undertaken a number of outreach efforts to identify those potentially eligible. SSA routinely provides information about 581 eligibility and takes applications for SSI payments at the time of application for OASDI benefits if the applicant is potentially eligible for SSI payments. In addition, many State agencies and other private relief groups routinely refer clients to SSA. Presently, about 6.9 percent of elderly social security recipients also receive SSI.

Committee amendment

The Committee amendment would require the Secretary of Health and Human Services to notify, on a one-time basis, all elderly OASDI beneficiaries who are potentially eligible of the availability of SSI and encourage them to contact their district offices. In addition, the provision would require that the same information be included with the notification to OASDI beneficiaries of upcoming eligibility for Supplemental Medical Insurance.

Despite the current and past activities of the Social Security Administration to make persons potentially eligible for SSI aware of the existence of the program, the Committee believes that there may be currently needy OASDI beneficiaries who have been on the social security rolls for a period of time who may have applied for social security prior to the availability of SSI or who may not have been eligible at the time they applied but whose circumstances have since changed.

The Committee provision would alert those OASDI beneficiaries to the availability of the SSI program and would, in the future, also provide notification to those approaching the age of eligibility (age 65) through information contained with a notice of future eligibility for Supplemental Medical Insurance which is mailed approximately three months before a beneficiary attains age 65.

Effective date.—Notification to those on the rolls must be made before July 1, 1984.

Cost.—Unable to estimate.

TITLE IV OF THE BILL

UNEMPLOYMENT COMPENSATION PROVISIONS

Extension of Federal supplemental compensation (FSC) program

(Section 401 of the Bill)

Present law

The Tax Equity and Fiscal Responsibility Act of 1982 (Public Law 97-248) established the FSC program. This program provides additional weeks of unemployment compensation at the same weekly benefit amount to individuals who have exhausted their State benefits and any extended benefits to which they were entitled. The FSC program, which became effective on September 12, 1982, expires March 31, 1983.

As originally enacted, the FSC program provided 10, 8, or 6 additional weeks of benefits. The Surface Transportation Assistance Act of 1982 (Public Law 97-424) increased the maximum number of weeks of FSC benefits to 16, 14, 12, or 8, depending on the State where the individual filed for or received the additional benefits.

Beginning with the week of January 9, 1983, the FSC program began providing the following maximum weeks of benefits:

(1) 16 weeks in States with an insured unemployment rate (IUR) of at least 6.0 percent (measured as the average over a moving 13 week period);

(2) 14 weeks in States that were triggered on the extended benefits program between June 1, 1982 and January 6, 1983;

(3) 12 weeks in remaining States with a 13 week average IUR of at least 4.5 percent;

(4) 10 weeks in remaining States with a 13 week average IUR of at least 3.5 through 4.4 percent; and

(5) 8 weeks in all other States.

In order to qualify for FSC, a worker must have worked at least 20 weeks or earned its equivalent in wages in his base year, usually defined as the first four of the last five completed calendar quarters before he filed his claim for regular State benefits. He must also have exhausted the regular and extended benefits to which he is entitled. In addition, his benefit year must have ended on or after June 1, 1982 or he must have been eligible for extended benefits for any week beginning on or after June 1, 1982.

If an individual is eligible for FSC benefits, the number of weeks of FSC he may recieve is determined in relation to the number of weeks of regular State benefits to which he was entitled. An eligible individual may receive FSC for the lesser of (a) 65 percent of the number of weeks of regular State benefits to which he was entitled or (b) the maximum number of weeks of FSC benefits provided in the State. In the case of an interstate claim for FSC, the individual is eligible for the lesser of (a) the maximum number of weeks of FSC payable to him in the State in which he receives the benefits or (b) the maximum number of weeks payable to him in his former State.

Committee amendment

The committee amendment would extend FSC for 6 months from April 1, 1983 through September 30, 1983. To qualify for FSC, an individual would need at least 26 weeks of work or its equivalent in wages in his base year. This restriction would apply only to claimants who initially become eligible for FSC on or April 1, 1983.

The number of weeks available in each State would be:

(1) *Basic FSC Benefits.*—Individuals who begin receiving FSC on or after April 1, 1983 could receive up to a maximum of:

(1) 14 weeks in States with IUR at 6 percent and above;

(2) 12 weeks in States with IUR at 5 percent to 5.9 percent;

(3) 10 weeks in States with IUR at 4 percent to 4.9 percent;

(4) 8 weeks in all other States.

No State would, however, lose more than 4 weeks when compared to present law.

(2) *Additional FSC Benefits.*—Individuals who exhausted FSC before April 1, 1983 could receive additional weeks of FSC benefits up to a maximum of:

(1) 8 weeks in States with IUR at 6 percent and above;

(2) 6 weeks in States with IUR at 5 percent to 5.9 percent;

(3) 4 weeks in States with IUR at 4 percent to 4.9 percent;

(4) 4 weeks in all other States.

(3) *Transitional FSC Benefits.*—Individuals who begin receiving FSC before April 1, 1983 and have some FSC entitlement remaining after that date, could also receive additional weeks under (b) above. However, the combination of their remaining basic FSC entitlement received after April 1, 1983, and the additional weeks provided in (b) cannot exceed the maximum number of weeks of basic FSC benefits payable in the State, shown in (a) above.

(4) *Phaseout FSC Benefits.*—Individuals who have not exhausted FSC entitlement on September 30, 1983 when the program expires, would be eligible to receive up to 50 percent of their remaining FSC entitlement. No new claimants would be added to the FSC program on or after September 30, 1983.

Effective date.—For weeks beginning after April 1, 1983.

Optional exclusion from disqualification for not actively seeking work under extended benefits and Federal supplemental compensation for claimants who are hospitalized or serving on jury duty

(Section 422 of the Bill)

Present law

Present law disqualifies claimants from receiving extended Benefits or Federal Supplemental Compensation if they are not actively seeking work. Moreover, the disqualified claimant must go back to work for at least 4 weeks and earn at least 4 times his weekly benefit amount before he can qualify again for Extended Benefits or Federal Supplemental Compensation.

Committee amendment

The committee amendment would permit States to determine on a weekly basis the eligibility availability of claimants of Extended Benefits and Federal Supplemental Compensation who are serving on jury duty or are hospitalized for treatment of an emergency or life-threatening condition. A State must treat these individuals in accordance with their own State unemployment compensation law.

Effective date.—Date of enactment.

Denial of benefits to nonprofessional employees of educational institutions between academic years or terms

Present law

The Federal Unemployment Tax Act (FUTA) covers employees of educational institutions. FUTA requires States to deny benefits between academic years or terms to certain professional employees working in instructional, research, and principal administrative capacities if they have a reasonable assurance of returning to work in the next academic year or term. FUTA gives the States the option of the same denial of benefits, however, for nonprofessional employees of educational institutions.

Committee amendment

The committee amendment would make the denial of benefits between academic years or terms to nonprofessional employees mandatory if the employees have a reasonable assurance of returning to work in the next academic year or term. In addition, States would be required to deny benefits between terms to individuals performing services on behalf of an educational institution or an educational service agency even though not employed by either the institution or agency.

Effective date

The provision would be effective on or after October 1, 1984. States in which there is no legislative session before that date would, however, be given additional time to comply with this provision.

Modification of credit reduction cap provisions

Present law

Employers in all States currently pay the tax levied under the Federal Unemployment Tax Act (FUTA) at a rate of 3.5 percent on a taxable wage base of $7,000. However, employers in States generally received a FUTA tax credit of 2.7 percent, resulting in a net Federal tax rate of 0.8 percent. Prior to reforms enacted in the Omnibus Budget Reconciliation Act of 1981, State UC programs could borrow on an interest-free basis from the Federal Unemployment Account. However, once a State defaulted on its loans from the Federal account, employees in the

State began to lose the FUTA tax credit at the rate of at least .3 percent a year.

Specifically, if an advance is not entirely repaid by the State by the second January 1 after the State receives the loan and remains unpaid on the following November 10 of that year, the FUTA tax credit applicable for that year for the State's employers is reduced by .3 percent. For each succeeding year in which the loan remains outstanding, the reduction is at least an additional .3 percent (i.e., .6, .9, 1.2 percent, etc.). Additional offset credit reductions may apply to a State beginning in the second year of repayment if certain criteria are not met. Under legislation enacted in the 1970's, credit reductions were not imposed from 1975-1980 for States satisfying specific requirements. Sixteen states are experiencing a credit reduction for 1983.

The 1981 Budget Reconciliation Act made two major changes in loan repayment conditions: interest of up to 10 percent is charged on loans made after April 1, 1982 (except those made for "cash flow" purposes and repaid by the end of the fiscal year in which they occur); and States are allowed to "cap" the automatic FUTA credit reductions if certain solvency requirements are met.

For a State qualifying for the cap, the annual tax credit reduction is limited to 0.6 percent, or the rate that was in effect for the State for the preceding calendar year, whichever is higher. These loan reform provisions are in effect from January 1, 1981 to December 31, 1987.

The cap provisions are designed to give States additonal time to make legislative and administrative changes necessary to restore the State trust funds to solvency. These provisions lengthen the repayment period, but do not reduce a State's total liability.

In order to qualify for the cap on the FUTA penalty tax a State must demonstrate that:

(1) the net solvency of its UI system has not diminished (effective for taxable years 1981-1987);

(2) there have been no decreases in its unemployment tax effort (effective for taxable year 1981-1987);

(3) its average tax rate for the calendar year equals or exceeds its average benefit cost rate for the prior five years (effective for taxable years 1983-1987; and

(4) the outstanding loan balance as of September 30 of the tax year in question is not greater than on the third preceding taxable year (effective for taxable years 1983-1987). The comparable year for taxable year 1983, however, is 1981.

Committee amendment

The committee amendment would make the credit reduction cap: provisions in present law permanent. A State would still be required to meet all four conditions in present law. The committee amendment would, however, provide two possible lower credit reductions, if a State does not qualify for the total cap: (1) If a State meets the first two present law credit reduction cap conditions and either of the remaining two conditions, the credit reduction would be 0.2 instead of at least 0.3 percentage points; and (2) If a State meets the first two credit reduction cap conditions and qualifies for the interest deferral authorized as a result of substantial changes in its unemployment compensation law, the credit reduction would be 0.1 instead of at least 0.3 percentage points. The lower credit reductions would be authorized only for taxable years 1983, 1984, and 1985 liabilities.

The January 1st of each year for which a State qualifies for a partial limitation on the offset credit reduction will be taken into account for purposes of determining future offset credit reductions. The credit reduction applicable in each subsequent year after the partial limitation is in effect would continue to be reduced by the amount by which the offset credit was reduced.

Effective date.—Date of enactment.

Modification of interest provisions

Present law

Present law imposes interest of up to 10 percent per year on loans obtained by the States after April 1, 1982, except for "cash flow" loans that States repay by the end of the fiscal year in which the loans were obtained. A State can defer payment of its interest due for the fiscal year by paying 25 percent in each of four years beginning with the year in which the interest is due. Interest accrues, however, on the deferred interest.

Committee amendment

The committee amendment would make the provisions imposing interest on the States permanent. It would also provide for another deferral and a discounted interest rate for which States could apply if they meet certain conditions as certified by the Secretary of Labor.

The new deferral would be 80 percent of the amount due for the fiscal year. It would be authorized for interest accrued only for fiscal years 1983, 1984, and 1985. The deferred amount would be payable in 4 installments in the succeeding years equal to at least 20 percent of the original amount of interest due. A State would be required to meet two conditions to qualify for the deferral:

(1) no action has been taken to reduce its tax effort or trust fund solvency; and

(2) action (certified by the Secretary of Labor) after October 1, 1982, has been taken which would increase revenues and decrease benefits by a total of 30 percent in the calendar year immediately following the fiscal year for which the first deferral is requested. Deferral in the years immediately following the year in which the first year change is effective may be received if changes of 40 and 50 percent are made.

The discounted interest rate would be one percentage point below the interest rate that would otherwise apply. If would be authorized for interest accrued only for fiscal years 1983, 1984, and 1985. It would be available under the same conditions as the new deferral above, except the required percentage changes in (2) would be higher at 50, 80, and 90 percent, respectively.

For purposes of determining whether a State meets the conditions in (2) above, the Secretary of Labor will provide an estimate of the unemployment rate for the base year, the calendar year in which the deferral is requested. The level of benefits and revenue liabilities will be determined using the State law in effect before passage of the legislation. The estimate of changes as a result of new legislation will be made from the base year in each year for which a deferral is requested. Once a deferral is approved, a State must continue to maintain its solvency effort. Failure to do so would result in immediate payment of all deferred interest.

Increases in the taxable wage base from $6,000 to $7,000 after calendar year 1982 and increases in the maximum tax rate to 5.4 percent after calendar year 1984 will not be counted for purposes of meeting condition (2).

States will not be penalized or rewarded if economic events change from those used in the base year for computing eligibility under condition (2).

Effective date.—Date of enactment.

Change in second year additional credit reduction

Present law

Present law provides that a State, in the second year in which the offset credit reduction is imposed to repay outstanding loans, may be subject to an additional credit reduction equal to the amount by which the State's average tax rate is lower than 2.7 percent. The average tax rate and the 2.7 percent are computed from the ratio of taxes collected to State and Federal taxable wages, respectively. Taxable wages are determined by the taxable wage base. Any wages above the taxable wage base are therefore not included.

In States where the taxable wage base exceeds the Federal taxable wage base of $7,000, the tax rate base on the State's taxable wages will be lower than it would be if their taxable wage bases were $7,000. This could activate the additional credit reduction in the second year even though these States have relatively higher tax efforts.

Committee amendment

The committee amendment would change the computation of the average tax rate to reflect the ratio of the federal unemployment tax base to the national average wage in covered employment.

Effective date.—Taxable year 1983.

Change in the date interest is due

Present law

Present law requires that interest is due no later than the first day of the next fiscal year. If the first day of the next fiscal year falls on a weekend, interest is due in the prior fiscal year. Otherwise, it is due on the first day of the next fiscal year.

Committee amendment

The committee amendment requires that interest be paid before the first day of the next fiscal year.

Effective date.—Date of enactment.

Collection interest

Present law

Present law provides no mechanism through which the Federal Government can collect interest from the States if the States do not pay interest when it is due.

Committee amendment

The committee amendment would require the collection of delinquent interest charges one year after they are due by a reduction in the FUTA credit of 0.1 percentage point. Any amount collected during the imposition of this provision [exceeding the overdue interest] would be applied to the outstanding loan as an involuntary repayment. This provision would provide a specific collection mechanism to assure the payment of interest pending completion of any conformity proceeding which is implicitly but clearly required for nonpayment of interest by a State.

Effective date.—Date of enactment.

Mr. DOLE. Mr. President, there is a lot of other material, but I would just say this, the Senator from Kansas believes this is an outstanding piece of legislation, not because it is perfect in every sense of the word, not because the Commission did not have its shortcomings, not because there probably

are others who might have better ideas, but let the Senator suggest, because the distinguished Senator from New York is in the Chamber, had the Senator from New York not visited with the Senator from Kansas on January 3, this year we might not be here this afternoon.

As I recall, that was about 12:20 p.m., that day when everyone was being sworn in, and the Senator from New York came back to the desk of the Senator from Kansas and said:

Well, are we going to let social security go down the drain.

Or something to that effect.

We talked about it for a while, and we said not if we can help it. So we decided to discuss it ourselves, along with Robert Ball, a former Commissioner, probably the most knowledgeable if not one of the most knowledgeable men about social security in this country

The next day we brought in Alan Greenspan, the chairman of the Commission. The next day or the following day we brought in a representative of the White House.

Mr. MOYNIHAN. Mr. CONABLE.

Mr. DOLE. Mr. CONABLE. That is correct.

That started what we thought was a very successful process because we came up with a compromise, and for that we owe a debt of gratitude to the distinguished Senator from New York and the others who were willing for about a 2-week period to try to hammer out some of these differences.

So what I believe we have is a fair and a reasonable proposal, not a perfect proposal, not the proposal that probably any one of us in this Chamber or anyone within the hearing of my voice would put together themselves. Let us face it. There is some resistance to bringing in new hires, new Federal employees. These is some resistance to COLA delay. There is some resistance to the fail-safe mechanism. There is some resistance to taxing benefits. That is only about 7 percent of the beneficiaries. There is some resistance of accelerating payroll taxes.

I would guess the strength of this package may be the weakness of its parts because it is a very fragile package we have.

If during the course of debate one of these should fall by the wayside, it is the opinion of this Senator that we probably end up without a compromise and without a social security package this year.

Along with all the others who deserve great credit and certainly that would be every Member, with the exception of the Member speaking, on the Social Security Commission and perhaps more importantly the willingness of the President and the Speaker of the House of Representatives to endorse the package and in a bipartisan way, to remove politics, partisan politics from consideration of social security in my view has been the highlight of anything that has happened around here for the last several years.

It is a very, very politically sensitive program. There are between 36 million and 37 million beneficiaries. There are between 115 million and 116 million people who pay into the system, and it seems to many of us on the Commission that we could have gone to the Commission meetings and argued about politics, whether it is the Democrats fault, the Republicans fault, and we could have spent months doing that. But we determined at a very early stage to try to work out a compromise, and let the politics be played out in some other fashion.

So I certainly believe that we owe a debt of thanks to the President of the United States, to the Speaker of the House, to all the members of the National Commission, to members of the staff who worked with the Commission and members of our own personal staff in an effort to sort of put all this together. And then finally, we cannot fail to recognize the very good work done on the House side, the way it was handled by the chairman of the Ways and Means Committee, the very speedy action by Chairman ROSTENKOWSKI and Congressman CONABLE, the ranking Republican member on Ways and Means, and all the members on that committee, and the quick and responsible action on the House floor and, I must say, I hope the equally responsible and quick action in the Senate Finance Committee and on the Senate floor.

This is one piece of legislation that should pass the Congress and be signed by the President before the so-called Easter break, and I have every reason to believe that it will be passed, I hope, by a substantial vote.

I again suggest that no one on the Commission that I know of has ever indicated this would be their package. If they could write out their own package they would probably have different provisions. But I suggest the members of that Commission, knowing the limitations, knowing the severity of the crisis, in my view acted very responsibly, and I am very proud to have been a member of that group.

Mr. President, I yield the floor.

Mr. MOYNIHAN. Mr. President, before I say a single word with respect to the specifics of the measure before us, let me say that the Senator from Kansas has spoken of the role of the President, which was indispensable, of the Speaker which was equally so, of the White House staff, of the Commission members, and of the members of the Finance Committee in bringing this measure to the floor which, as he said, is almost surely the most important single piece of legislation we will deal with in this Congress. But it would not be here in what we firmly believe to be the final stage of enactment save for the Senator from Kansas. It is his willingness to give up personal concerns, to set aside other matters pressing on him in the Congress, to set aside the legitimate interest of party and legitimate political interests in all these matters that have brought us here today, and I stand in tribute to him and I suppose this tribute can best be expressed by my stating that every member of our side, the Democratic side, of the Finance Committee, voted to report this bill, and a larger statement of confidence we could not have, and none would be more deserved.

Mr. President, it is a very exceptional piece of legislation. I have a statement which deals with a number of aspects of the bill.

Mr. President, today the Senate begins its deliberations on one of the most significant issues to face the 98th Congress. I refer, of course, to S. 1, the Social Security Amendments of 1983. The House has already concluded its consideration of the social security issue, and its approval of H.R. 1900 is a clear and unequivocal endorsement of the package of recommendations proposed by the National Commission on Social Security Reform. I am proud to have been a member of that Commission, and I am pleased the House was able with such speed and fairness to pass intact the basic elements of the Commission package, along with a few technical improvements. It is my sincere hope that we in the Senate will be able to act in a similarly expeditious and fair manner. The Senate and House versions contain only relatively small differences, and the Washington Post generously describes each as "a basically fair and responsible approach to dealing with an issue that can, without qualification, be rated as the most politically sensitive one on the American Scene."

I think we would do well to review the history of the so called social security crisis, for it underscores the pressing nature of the problem, as well as the successes that are within our reach.

On May 12, 1981, the administration proposed a package consisting primarily of benefit cuts designed to raise $110 billion in 5 years. The Senate, however, passed unanimously, on May 20, 1981, a resolution stating "that Congress shall not precipitously and unfairly reduce early retirees' benefits." The prospect of governmental gridlock loomed.

But the shrinkage of the trust funds that resulted from further deterioration in the national economy, coupled with mounting public concern that the system was becoming insolvent, made clear the need for action. On December 16, 1981, by Executive order of the President, the National Commission

was created and charged with providing appropriate recommendations to the administration and the Congress "on long-term reforms to put social security back on a sound financial footing."

The Commission met nine times during 1982 and reviewed material produced by various public bodies including Congress, the 1979 Advisory Council, and the 1981 National Commission on Social Security Reform. It sought the advice of experts and examined a wide variety of alternative approaches. These deliberations led to a consensus about the size and nature of the problem. The Commission agreed that there is a short-term problem—a $150 to $200 billion shortfall between now and 1989; that from 1990 through the early 2000's the system will be in surplus; and that due to the retirement of the "baby boom" generation, there is a long-term problem beginning after 2010. Equally important, the Commission agreed that "Congress * * * should not alter the fundamental structure of the social security program or undermine its fundamental principles."

There was, however, no agreement on solutions to the social security crisis. Commission members were deeply divided on recommendations to cover both the short-term and long-term revenue shortfalls. This impasse persisted until the middle of January, at which point the combined efforts of Commission members, the congressional leadership and the White House produced the difficult compromise necessary to achieve an acceptable package of proposals.

Twelve of the fifteen Commission members, the President, the Speaker, and other congressional leaders agreed that the National Commission's recommendations strike an acceptable balance between tax increases and reductions of benefit increases. Since the report was issued, it has also been endorsed by a broad range of organizations, including the Save our Security Coalition, the National Association of Manufacturers, the United Auto Workers, the American Council of Life Insurance, and the Business Round Table.

No Commission member is satisfied with every recommendation. No Member of the House or Senate will be satisfied with every recommendation. But as a January 18 Washington Post editorial argued, the package comes "as close to absolute fairness as any social security revision can ever be." The balance, nonetheless, is fragile. The House has succeeded in avoiding significant alterations in the package. It is our responsibility in the Senate to do the same.

I have been of the opinion that throughout these long and difficult negotiations, more than just social security has been at stake. An alarming number of people, social security contributors and beneficiaries alike—became convinced of the inability of the Congress to govern fairly and effectively. When S. 1 passes, we will have demonstrated not merely that the social security system is fundamentally sound, we will have demonstrated that there is a center in American politics, and it can govern. While the effort and patience needed have been great, it is without question a point worth making.

I conclude by saying that if we are on the verge of a historically important achievement, it could not have come without the chairman of the Finance Committee's initiative, commitment, and patience. Our hearings were open to the widest range of opinion on this issue and the Committees deliberations were thoughtful and exhaustive. The chairman's willingness to cooperate made S. 1 possible, and I want to express my personal thanks to him. It is my hope that within a short time the Nation too will recognize the valuable role he has played in the development of a truly praiseworthy piece of legislation.

I would call the attention of Senators to an editorial which, by a happy bit of serendipity, appeared in the Washington Post this morning entitled "Social Security Speeds Along." It begins with the paragraph which I will take the liberty of reading. It says:

If you get discouraged from time to time about government's inability to deal with the hard problems, reflect upon the surprising agility with which the Social Security rescue legislation is moving through Congress. Not only has the progress been swift, but, marvelous to tell, each step along the way has actually brought additional improvements to the package.

I ask unanimous consent that the editorial and its full text be placed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY SPEEDS ALONG

If you get discouraged from time to time about government's inability to deal with the hard problems, reflect upon the surprising agility with which the Social Security rescue legislation is moving through Congress. Not only has the progress been swift, but, marvelous to tell, each step along the way has actually brought additional improvements to the package.

The measure approved by the House last week made better the version proposed by the National Commission on Social Security Reform: it solved, in addition to the short-term Social Security deficit, the long-term shortfall. The House would achieve this by a further increase in the payroll tax in the next century and by gradually postponing the age at which full retirement benefits can be received from 65 to 67.

The Senate Finance Committee bill, which will come to the Senate floor this week, provides additional protection for the fund in the event of severe recessions and a better long-term plan for shoring up the program. The retirement age would be postponed by only one year and the needed savings would come from a slight reduction in benefits for all new retirees. This is a much fairer approach than that taken by the House, which would put a heavy burden on those people who are forced into early retirement by disability or job loss.

The Senate version also allows people who go on working after age 65 to draw full Social Security benefits starting in the next decade. This is a sweetener for high-income beneficiaries who would now have to pay taxes on their benefits, but it would also help people with relatively modest earnings.

If, as seems likely, the Senate approves the measure this week, the conferees will be in a happy position. They will need only to reconcile relatively small differences between two measures, each of which is a basically fair and responsible approach to dealing with an issue that can, without qualification, be rated as the most politically sensitive one on the American scene.

Note also that this has been accomplished without round-the-clock floor battles and encampments of the elderly staked out in the halls of Congress—and with admirable disregard for the million-dollar campaign of misleading argument launched by federal and postal workers' lobbies. It's enough to make you feel optimistic about the future of the republic.

Mr. MOYNIHAN. It comments upon the success of the Finance Committee, in the view of the Post, in fact improving upon a measure which the House passed which, in turn, improved on the proposals of the Commission.

With respect to a repeated theme of my friend's colleague's remarks that none of us would necessarily approve any of the details and many would disapprove of all, and yet together the weakness of each provision is the strength of the whole, a wonderful phrase, may I point out that in the House of Representatives Senator PEPPER, as he is referred to in that body, moved in the final House floor consideration an arrangement which would deal with the long-term problem without increasing the age of retirement. This had been a matter of the deepest concern and conviction on the part of Senator PEPPER for a very long while, and yet his measure lost and a measure did pass which would raise that age to 67, a measure never contemplated by the Commission, and which he and I and others opposed in the Commission, and yet even so CLAUDE PEPPER voted for this measure on final passage. That is what is at stake.

What is at stake is the stability and confidence in the singlemost important social program of the United States today, and the stability of the system as well, and in that context confidence in our ability to make hard choices, to say no even to our best friends when we judge the public intrest to be otherwise because the public interest is everyone's interest, even when narrowly perceived, particular interests differ.

I would like to make one statement then about the bill before us. In the

Committee on Finance I moved a proposal to deal with the long-term problem, as it has been designated, by a proposal to raise the tax rates in the year 2010. This proposal did not receive the approval of the committee. It received the approval of a bipartisan minority of two, and with that in mind I thereupon proposed to both members who had voted for that to vote for the final proposal, and I do not mean to propose the matter on the floor.

I think the judgment of the Senate, as reflected in the Finance Committee, should be settled. Similarly in the House Committee on Ways and Means there was a proposal to deal with the long-term problem of shortfall by a combination of a reduction in benefits and an increase in taxes, and again while that was overwhelmingly approved in the Ways and Means Committee, it was not voted on on the floor, and I think it is well to proceed from where we are and not to raise that alternative either, and I will not do that. I will vote for the proposal as it emerged from the Finance Committee and hope it will not in any significant way be changed.

I would like to make several points that may not be as widely recognized or in some cases simply only recently have been established that are important in this matter.

First of all, with respect to the constituents, the beneficiaries from social security. It is commonly stated that there are some 36 million to 37 million beneficiaries of social security and there are some 110 million or 115 million persons paying into the system for the support of the beneficiaries.

Not so, Mr. President. Every person in the system, whether still actively employed and paying into it or retired and receiving from it, is a beneficiary of it, because social security provides the protections of insurance, life insurance, disability insurance, care of the widowed and the orphaned, for everybody involved. No person would deny that an insurance of that quality is a real benefit. In consequence of which I think it would be more widely understood that we are all beneficiaries of the system, those of us who are fortunate enough to be members of it, a condition which we hope that by the end of this legislation will be made universal.

The original 1935 legislation left out a number of groups. One by one they have been included. Now, with inclusion of Federal employees and, indeed, employees of the Social Security Administration, coverage will be as near to a reasonable possibility, universal.

A second point I would like to make is about the stabilizer, as we have come to call it, and the Senator from Kansas described it. I would like to note that during the course of the informal negotiations in January, we were able to replicate the experience of the period 1977 to 1982, given the hypothetical existence of the COLA adjustment part of this stabilizer.

It is remarkable and important to note that had we had such a stabilizer in effect in 1977 we would not be on the floor today. There would be no shortage in the fund. On the other hand, we might not be on the floor today making changes that are in themselves wholly desirable—desirable because there are improvements in the system in this legislation. The Senator from Kansas mentioned but two—the 2 years of credit that are the dropout credit so called for women who are in the work force but leave to care for children and the gradual elimination of the earnings test for persons over 65 who continue to work.

Mr. President, I depart just a moment from any rigorous statement to an anecdotal one, but it is important. One of the great public men of the middle years of this century was Paul Appleby, confidant of President Roosevelt, Deputy Director of the Budget under President Roosevelt and President Truman, a great writer and teacher in public administration, a great American in every sense of that word. After a long life of public service and later dean of the Maxwell School at Syracuse, he retired. As most such men who had given their life to public service, he had no savings. He had only social security and the fact that he was still in demand for consulting and other duties, lecturing that he could carry out.

I remember, in my early years in Washington in the 1960's, how that great man had to make every decision about what he could do, where he could speak, in terms of would he lose his social security benefits if somehow he went over that $6,000 limit. It was lower than that then. That will be behind us and ought to be.

I would note that there are a number of provisions that we are specifically correcting, such as inequities in the present system with regard to older women, and they too are additions to the system.

Finally, Mr. President, in order that we may have some sense of the magnitude of the measures we put in force today or tomorrow or the next day—and we must put them in force in this period in the Congress, else we cannot make the technical adjustments at the Social Security Administration to send out the June checks as they will be required—I would like to offer for the RECORD, Mr. President, estimates of the cumulative OASDI surpluses which this measure will bring about. We asked the Office of Actuary at the Social Security Administration to estimate the period during which the funds will increase from year to year until the first moment, the first year, at which it could be estimated they will decline. And the Office of Actuary reports to us that from the year 1982 to the year 2021, these funds, the OASDI funds, increase each year.

Now, we are cautioned that things can surprise us. But this is the Office of Actuary. They make the best judgment they can. And, Mr. President, at the end of that period, in the year 2021, the cumulative surpluses are $12.1 trillion. That suggests a considerable achievement and the importance of this measure which we bring to the floor at this point.

I see that my distinguished friend, the minority whip, the Senator from California, is on the floor. We would be happy to hear his views on these matters.

Mr. CRANSTON. I thank my friend from New York. I appreciate his eloquent statement with regard to the importance of social security.

UP AMENDMENT NO. 68

(Purpose: To require the Secretary of Health and Human Services to prepare an implementation report on earnings sharing for social security purposes)

Mr. CRANSTON. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. (Mr. PRESSLER). The clerk will report.

The legislative clerk read as follows:

The Senator from California (Mr. CRANSTON) proposes an unprinted amendment numbered 68.

Mr. CRANSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 172, between lines 5 and 6, insert the following new part:

PART E—EARNINGS SHARING IMPLEMENTATION REPORT

SEC. 161. (a) The Secretary of Health and Human Services (hereinafter in this Part referred to as the "Secretary") shall develop, in consultation with the Senate Committee on Finance and the Committee on Ways and Means of the House of Representatives, proposals for earnings sharing legislation as described in subsection.

(b) The Secretary shall report such proposals to such committees not later than January 1, 1984. The report and proposals provided to such committees shall—

(1) take into account, discuss, and analyze the impact of earnings sharing on various categories of social security beneficiaries and include recommendations for the implementation of earnings sharing which may be necessary to provide adequate protection for particular classes of beneficiaries;

(2) include specific recommendations with respect to an appropriate and feasible time period or time periods for implementation of such proposals along with recommendations for any transition provisions which may be necessary or appropriate; and

(3) provide cost-impact analyses on each proposal presented.

(b) For the purposes of subsection (a), the term "earnings sharing" refers to proposals

that the combined earnings of a husband and wife during the period of their marriage shall be divided equally and shared between them for social security benefit purposes.

(c) In preparing the report and proposals required in subsection (a), the Secretary shall include consideration and analysis of the earnings sharing proposals contained in (1) S. 3, 98th Congress, 1st Session, (2) H.R. 1513, 97th Congress, 1st Session, and (3) the earnings sharing option described in the report entitled "Social Security and the Changing Roles of Men and Women", submitted to the Congress pursuant to Public Law 95-216, the Social Security Amendments of 1977.

(d) In carrying out subsections (a), (b), and (c), the Secretary shall consult with the Director of the Congressional Budget Office. Not later than 30 days after the Secretary submits the report required in subsection (a), the Director of the Congressional Budget Office shall submit a report to the committees identified in such subsection on the methodologies, recommendations, and analyses used in the Secretary's report.

Mr. CRANSTON. Mr. President, this amendment would direct the Secretary of Health and Human Services, in consultation with the Committee on Finance, the Committee on Ways and Means of the House, and the Director of the Congressional Budget Office, to develop proposals for implementation of earnings-sharing legislation for the purposes of social security benefits and report those proposals to the appropriate committees of Congress no later than January 1, 1984.

I have discussed this with the distinguished chairman of the committee. I modified the amendment to meet one concern of his and I am delighted he now looks upon it with favor, and I trust that is also true with the distinguished Senator from New York.

BACKGROUND

Mr. President, last year I introduced legislation, S. 3034, and again this year as S. 3, which would provide for the establishment of a system of earnings sharing within the social security system.

Earnings sharing basically means that the combined earnings of a husband and wife during the period of their marriage would be divided equally and shared between them for social security purposes. Marriage, for the purposes of social security, would be regarded as an economic partnership and each spouse would receive equal social security credits for earnings accrued during the course of the marriage. The earnings-sharing concept is very similar to the community property model, which is increasingly the basis for division of all property or property rights—including private pension rights—acquired during marriage.

Mr. President, I was very pleased that 6 of the 15 members of the Social Security Reform Commission in January specifically referred in their supplemental statements to the earnings-sharing concept as the most promising and direct approach to dealing with the fundamental inequities faced by women under the social security system. They urged that steps be taken now to work out the details for implementation of earnings sharing. The amendment I am offering would set in motion the process toward developing a concrete and viable plan of action to achieve this goal.

IMPLEMENTATION REPORT: NOT A STUDY

Mr. President, I want to stress that this amendment does not call for another study. We did that in 1977. The 1977 social security amendments in section 341 called for HHS to study the problems facing women under the social security system. The report developed as a result of the 1977 amendments presented the earnings-sharing model as one of two possible options for dealing in a comprehensive fashion with the problems facing women under social security. Other commissions and task forces—both public and private—which have looked at the problem have also identified earnings sharing as the most promising alternative for providing equity for women under the social security system. What needs to be done now is to work out and test the details on how a specific earnings-sharing model can be implemented, and determine what type of transition provisions are needed and what modifications in the basic earnings-sharing concept are necessary in order to provide adequate protection for various categories of beneficiaries.

Mr. President, at the time I introduced an earnings-sharing proposal in the Senate, I noted that there were a number of complex technical issues that would need to be resolved during the course of consideration of earnings-sharing legislation. However, as one of the Social Security Reform Commission members noted in urging action on earnings sharing:

> The fact that transition to such a program will be complex to design and implement should not prevent this much-needed change. Work on the program should begin now so that the details can be worked out and communicated well in advance.

The amendment which I am offering today is designed to do that. It is patterned after the amendment adopted in the 1982 Tax Equity and Fiscal Responsibility Act which directed HHS to develop specific proposals for implementation of prospective reimbursement for medicare. The expertise of HHS along with CBO would be focused upon providing Congress with concrete proposals and a data base upon which legislative action can be taken in the very near future. I am convinced that this type of implementing analysis should precede enactment of earnings sharing and that we need to take action now so that the technical and programmatic issues can be resolved in a responsible, yet timely fashion.

SOCIAL SECURITY AND THE NEEDS OF WOMEN

The principal problem with the current social security system as it relates to the needs of women is that the program has not adapted to the profound changes in the role of women in our society since the social security system was founded.

In the 1930's when the social security program was created, the typical American family consisted of a man who was a full-time worker and his wife who was a full-time lifelong homemaker. The labor force participation was less than 17 percent and fewer than 1 in 12 marriages ended in divorce. The social security benefit structure was thus established on the concept of a lifelong couple with one wage earner and a dependent spouse.

The situation has dramatically changed over the past 50 years and the typical family of the thirties and forties is not the typical family of today. Women have become a major part of America's work force, enriching the world of work with their contributions and productivity, despite continuing wage discrimination and employment barriers. The percentage of married women in the work force exceeds 50 percent and it has been estimated that 90 percent of all women spend some portion of their lives in the work force, many of them moving in and out of the roles of wage earners and homemakers as the needs of their families change. It is no longer true that women are likely to be either lifelong homemakers or lifelong wage earners; these roles are combined and interchanged throughout a lifetime.

Similarly, we must recognize, like it or not, that the status of marriage has changed dramatically over the past 50 years. Today, one in three marriages ends in divorce.

Mr. President, depsite these massive changes in our society, the social security system has continued to operate on the basis of a philosophy designed for an era when most women did not work and when most women were part of a lifelong marriage. Consequently, the current system works well only for those women whose family and work patterns have not changed from the thirties and forties. For the vast majority of women and families that no longer fit into that pattern, the system fails to provide either adequately or equitably for their needs.

Both homemakers and women in the labor force are inadequately protected under the current system.

Women who work outside of the home often find that their social security benefits are no higher than they would be if they had never paid into the system. Members of two-earner families often find that they receive lower social security benefits than one-earner families with precisely the same lifetime earnings records.

The inequities of the current system can be even more acute for those women who have been full-time homemakers and are displaced from that role, either by divorce or the death of a spouse. After years of work as a homemaker, a divorced women may find herself without any work record of her own and eligible for social security benefits only as a dependent spouse—at 50 percent of what her former spouse receives. A homemaker also receives no protection against disability under the current system.

A woman who drops out of the labor force for child rearing is also penalized since the current system rewards continuous work patterns. Each year she remains out of the work force to care for her children can reduce her ultimate social security benefits.

Mr. President, under the earnings-sharing concept, the combined earnings of a couple would be divided equally. Each spouse would have a separate social security account and would accrue credits equally during the period of their marriage. Homemakers would receive disability and retirement benefit protection in their own right. The current bias against two-earner families would be eliminated. Women who enter and leave the work force to fill necesary child-rearing roles would no longer be penalized by gaps in their social security coverage.

Mr. President, the earnings-sharing concept represents a fair and equitable approach to revising the social security system to reflect the changing role and needs of women and their families.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, I thank the distinguished Senator from California. The only question the Senator from Kansas had was the date. That has been changed to January 1, 1984.

Mr. CRANSTON. That is correct.

Mr. DOLE. As the Senator knows, the consensus package of the National Commission included some of the recommendations to improve the equity of the social security system for women. In addition, it includes a provision offered by Senator ARMSTRONG that has already been referred to, which will allow people who are out of the work force caring for children under 3 to drop up to 2 years of earnings in the computation of their earnings history.

I think this is a good amendment which I support. It does take it beyond the study stage. It indicates we shall develop in consultation with the Senate Committee on Finance and the House Committee on Ways and Means proposals for earnings sharing legislation described in section (b). That has been made part of the record.

I am prepared to accept the amendment. I thank the distinguished Senator from California not just for the amendment, but for his past interest in this problem. This is an area of discrimination or inequity, whatever we may call it. The Senator from California has been in the forefront in trying to correct it.

Mr. CRANSTON. I thank the Senator from Kansas very much.

Mr. MOYNIHAN. Mr. President, may I simply associate myself with the views of the chairman of the Finance Committee. This is a matter that the Commission did very much concern itself with. The amendment of the Senator from California will put that concern into statutory language and set about a process by which we will be able to do this in the context of time and when we will more than likely have the funds. That is a necessary combination.

Mr. CRANSTON. I thank my friend from New York.

Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (UP No. 68) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 69

(Purpose: To conform certain Veterans' Administration pension law to accommodate the proposed six-month delay in cost-of-living adjustments)

Mr. DOLE. Mr. President, I send a technical amendment to the desk on behalf of the distinguished Senator from Wyoming (Mr. SIMPSON) and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE), for himself and Mr. SIMPSON, proposes unprinted amendment numbered 69.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 75, between lines 7 and 8, insert the following: (e) Section 403(b) of the Omnibus Reconciliation Act of 1982 (Public Law 97-253) is amended to read as follows:

"(b)(1) Except as provided in paragraph (2), the amendment made by subsection (a)(1) shall apply with respect to amounts payable for periods beginning after May 31, 1983.

"(2) In the cases of individuals to whom pension is payable under sections 521, 541, and 542 of title 38, United States Code, the amendment made by subsection (a)(1) shall take effect on the first day after May 31, 1983, that an increase is made in maximum annual rates of pension pursuant to section 3112 of title 38, United States Code.".

Mr. DOLE. Mr. President, this amendment will not in any way alter the substance of the package of social security reform we are considering today. It will simply conform VA pension law to those reforms. It will affect only the payment of certain veterans' benefits, not the payment of any social security benefits. Its sole purpose is to protect VA pensioners from any reduction in their monthly benefits.

I think the Senator from California should be added as a cosponsor to the amendment.

Mr. CRANSTON. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

● Mr. SIMPSON. Mr. President, this amendment concerns the effect of the 6-month cost-of-living adjustment (or COLA) delay for social security on the Veterans' Administration improved pension program.

Pursuant to the reconciliation requirements imposed by last year's first concurrent budget resolution, Senate Concurrent Resolution 92, the Senate Veterans' Affairs Committee reported out legislative language which provided that, in computing amounts of monthly non-service-connected VA pension payments, amounts of 99 cents or less shall be rounded down to the next lower dollar. This provision, which was enacted as section 403 of the Omnibus Reconciliation Act of 1982, Public Law 97-253, was made effective "with respect to amounts payable for periods beginning after May 31, 1983," so as to coincide with the effective date, under section 3112 of title 38, United States Code, of this year's COLA for the improved pension program enacted in the Veterans' and Survivors' Pension Improvement Act of 1978 (Public Law 95-588). Under that section, monthly amounts of such pension are increased at the same time and by the same percentage as title II social security benefits are increased pursuant to section 215(i) of the Social Security Act, which currently provides that benefits shall be increased effective on June 1 of each year.

The congressional intent underlying last year's rounding-down enactment was stated as follows in the joint explanatory statement accompanying the conference report on the Reconciliation Act—House Report No. 97-759, at 83:

The conferees stress that this provision will become effective at the same time as the cost-of-living adjustment in the rates for the "improved" pension program (enacted in Public Law 95-588), pursuant to section 3112 of title 38, scheduled for June 1, 1983, with the result that no such pensioner's monthly rate will be, by virtue of this provision, reduced below the amount paid for the previous month.

We feel that, in order to preserve and give full force and effect to this congressional intent, it is necessary that any social security COLA delay that is enacted in S. 1 be accompanied by a corresponding and simultaneous delay in the effective date of the rounding-down provision contained in section 403 of the 1982 Reconciliation Act. Toward this end, the present amendment would delay the effective date of the rounding provision only with respect to improved pension while retaining that provision's current effective date—June 1, 1983—for old, nonindexed pension payable under section 305(a) of Public Law 95-588.

In short, Mr. President, this amendment is entirely consistent with the bipartisan program of reforms contained in S. 1, and is not intended to alter, amend, or undercut any of those reforms. I would strongly urge its adoption.●

Mr. DOLE. Mr. President, I know of no objection. This has been cleared on both sides.

Mr. MOYNIHAN. Mr. President, it is emphatically approved by this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 69) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, I rise in support of H.R. 1900, the bill reported by the Senate Finance Committee, to implement the recommendations of the National Commission on Social Security Reform.

Mr. President, at the outset, I would like to pay tribute to the chairman of the committee, Senator DOLE, whom Senator MOYNIHAN and I had the privilege of serving with as members of the National Commission on Social Security Reform.

I believe the Senator from New York referred to the first paragraph in today's Washington Post editorial which comments that at each step along the way the work of the Commission has been improved upon and that in the Senate and in the Senate Finance Committee it has been improved still further.

Certainly, we all are very privileged to have had the leadership of the chairman of the Finance Committee. He has been tireless in his efforts to find ways to do a better job within the understanding arrived at among the members of the Commission and with Senator BAKER, Speaker O'NEILL, and the President. I believe with his guidance and help we have indeed been able to do that.

I secondly want to pay my tributes to the senior Senator from New York, Senator MOYNIHAN, who, it is literally safe to say, rescued the Commission in its moment of deepest and darkest despair, namely on the very day that we were all coming back to the Senate floor on January 3 to business as usual. But since the Senator from New York does not go about business as usual and never has in his distinguished public career, he was able to restore the process that had somehow begun to drift away from us over the Christmas recess, and it is thanks to his initiative, and I mean this sincerely, that we are here at all. Any of the accomplishments of the President, the Speaker, or any of the rest of us would not have been possible without that initiative. I think we all owe him a deep debt of gratitude.

Indeed, Mr. President, I think that even the critics of this package—Senator ARMSTRONG, as a member of the Finance Committee and as a member of the commission—have had a very positive, salutory impact upon it.

Several of the amendments in this legislation come about because of the interest of Senator ARMSTRONG in trying to make sure that this package really did the job. I do believe that this package does do the job and, in that respect, rises above even the most optimistic expectations that any of us might have had for this effort.

When I say it does the job, I do not mean that it just addresses the short-term deficit; I do not mean that it just addresses, for the first time that I am familiar with, the long-term deficit. It does so with a variety of safeguards and policy choices that are both responsible and necessary. Uneasy choices admittedly, but responsible and necessary assuredly.

I shall have more to say about that in just a moment, but the reason I stress that point is that, at this very moment, roughly three out of four Americans under age 45 say to people like Lou Harris or George Gallup that they do not believe there is going to be a social security system when they retire. This bill, which does the job in meeting the solvency tests not just of the next 6 years but the next 75, should help restore public confidence in substantial measure. If there is anything we politicians are capable of doing, we should meet the test of reassuring those millions of Americans upon whom the very continuation of the social security system truly depends.

I have often said that this legislation is important not just to 38 million people—the retirees, their survivors, those who are disabled—by securing them against some kind of catastrophe, but I think it secures the interests of the 100-million-plus payees into social security. When we pass this bill, we cannot be accused any more of giving only some kind of idle chatter or meaningless talk when we give a commitment to a strong social security system.

This bill insures the future financial integrity of the old age, survivors, and disability insurance trust funds. It provides a rescue plan which should hearten all beneficiaries and workers who have feared for the future of the social security system.

Contained in this bill are measures which can restore the solvency of social security for the foreseeable future with no reductions in current social security benefit levels and no increases in payroll tax rates above those already scheduled in the law. The bill reaffirms the soundness of the basic structure of social security by making balanced and minimal adjustments to provide immediate relief from the short-term financing problems and to restore the long-term solvency of the program.

MEETING SHORT-TERM FINANCING NEEDS

The financing package reported from the committee improves the financing of OASDI by $165.5 billion over the next 7 years under intermediate assumptions. With only a modest improvement in the economy, this amount will be sufficient to pay benefit checks on time throughout the rest of the decade without resorting to any of the various fail-safe provisions in the bill.

However, in the past the Congress has been overly optimistic in its financing assumptions. The 1977 amendments were based upon intermediate assumptions which projected surpluses in OASDI beginning in 1980, with reserves accumulating to 7 months of outgo by 1987. Instead, because of several years of unanticipated double-digit inflation, declining real wages, and high unemployment, deficits continued in OASDI, drawing reserves down to 1 month's payout by the end of 1982.

The significant departure from previous social security financing efforts in this financing package is that it is, in fact, going to do more than merely enable social security to squeak through the decade under some kind of middling or, if you will, intermediate assumptions. The bill contains, through the direct financing measures that have been well recorded, a number of fail-safe provisions designed to go into effect whenever reserve levels become dangerously low. The first failsafe is the automatic crediting of the trust funds with a full month's revenue whenever reserves fall below 12 percent of annual outgo.

This tax transfer enables the trust funds to continue making timely benefit payments as long as monthly revenues will cover the checks. The second fail-safe is authorization to continue borrowing among the three trust

funds until 1987. If these two provisions are insufficient to finance benefit payments, the third fail-safe, a graduated COLA reduction, would be triggered into effect, with appropriate notice.

The short-run financing safeguards in this package are important because they should enable social security to continue making timely benefit payments even if economic conditions, contrary to expectation, deteriorate through the rest of the decade. Even under the social security's trustees most pessimistic economic assumptions, only the use of normalized tax transfers would be necessary to enable social security to continue making benefit payments without interruption throughout the decade.

So, Mr. President, in sum, what we have achieved is a new effort to plan for the worst, and it is significant because, in the past, we have always planned while hoping for the best.

Mr. President, that has not, as we know, been good enough. This effort today before us reverses a good deal of wishful thinking, that I wish we had not done.

The bill before us provides adequate short-term financing for social security without placing an undue burden on any single group of beneficiaries or taxpayers. Ultimately, there is no painless solution to social security's financing problems, but this package spreads the pain that there is as evenly as possible. About a third of the $165.5 billion in new financing would affect employers and workers, a third would affect other accounts in the budget, and a third would affect beneficiaries. Because the financial burdens are broadly shared, they are minimal for any particular group of individuals.

In addition, the timing and sequence for implementing the various proposals in the package is designed to cushion their impact. The substantial immediate financing need in social security would be met primarily through transfers from other accounts in the budget—$19.2 billion would be transferred from the general fund in the first year alone. Significant payroll tax increases would be postponed until the last 2 years of the decade to avoid any adverse consequences for economic recovery. The sequencing of this financing package makes it possible to provide sufficient revenues in the early years without drastic or immediate changes in the structure of the system.

I would like to say a few words about long-term financing.

More impressive than the success of this legislation in resolving the short-term financing problem in social security is the fact that it would totally eliminate the long-term deficit currently forecast under intermediate assumptions, for the first time in a decade. The Congress has faced a projected 75-year deficit in OASDI continuously since 1972. Enacting the Senate bill would actually leave the trust funds with an unheard of long-run surplus of 0.08 percent of taxable payroll. Enactment of this bill would thus do more to restore public confidence in social security than any other single action the Congress could take.

Two-thirds of the financing improvements in the long run come from proposals which are included primarily to meet the immediate financing needs of the program. The other third comes from a combination of proposals designed specifically to resolve the long-term financing problem. This long-term solvency package incorporates four changes which in combination improve the financing of the program by an estimated 0.74 percent of taxable payroll over the next 75 years. These changes are: One, to gradually raise the age of normal retirement from 65 to 66 between 2003 and 2015, leaving the early retirement age at 62; two, to gradually reduce relative benefit levels in OASDI by 5.3 percent between 2000 and 2008 so that by 2008 workers on average would receive 40 percent of their preretirement earnings from social security, instead of the 42 percent anticipated under current law; three, to gradually phase out the earnings limit for persons 65 and older beginning in 1990, by raising the limit by $3,000 a year over the indexed amount until the earnings limit is completely eliminated in 1995; and four, to allow persons who leave the labor force to care for a child under 3 to include 2 additional dropout years in computing their social security benefits.

Splitting the long-run solution between raising the retirement age and reducing replacement rates spreads the added costs of financing the projected growth in the beneficiary population equitably among those who will be beneficiaries in the 21st century, and provides adequate advance notice to all who will be affected in those years. There are sound arguments in favor of each of these adjustments. By combining them, it is possible to make only minor adjustments to assure that adequate social security benefits are available for all those who will rely upon them 30 or 40 years from now.

One element of the long-run solution is to raise the normal retirement age by only 1 year. This increase in retirement age is only a partial response to increases in life expectancy which have occurred over the past 40 years and are expected to continue over the next 60. For men aged 65, life expectancy has increased by 2 years since 1940 and is expected, under intermediate assumptions, to increase by another 3 years before 2040. For women aged 65, life expectancy has increased by 5 years since 1940 and is expected to increase by another 4 years before 2040. An increase of 1 year in the normal retirement age is a modest response to this change.

I was very pleased with the third paragraph in today's Washington Post editorial, which I am going to quote. It says:

> The Senate Finance Committee bill, which will come to the Senate floor this week, provides additional protection for the fund in the event of severe recessions and a better long-term plan for shoring up the program. The retirement age would be postponed by only one year and the needed savings would come from a slight reduction in benefits for all new retirees. This is a much fairer approach than that taken by the House, which would put a heavy burden on those people who are forced into early retirement by disability or job loss.

Mr. President, that is exactly right. We have a far better bill than the House, which mandates that the retirement age eventually change from age 65, not to age 66 but to age 67. What we have done to pick up the additional money is, in effect, lower the so-called replacement rate by about 5 percent. What that means in English is that, in comparison to the roughly 42 percent of earnings replacement—preretirement earnings replacement that people now get from social security—that percentage, instead of being 42 percent, will be about 40 percent replacement, a very small change, indeed. That change would be gradually phased in from the year 2000 to 2008. It is a change of such a small magnitude that we can say with virtual assurance that the standard of living of people retiring just on social security will be, notwithstanding that change, substantially better than it is today.

The reason we can say that, Mr. President, with some assurance as we look 25 years into the future, is that it has been historically true over long periods of time that wages grow substantially faster—history says 1.5 percent faster—than prices. If you take the conservative estimate and say wages are going to grow 1 percent faster than prices, what that means is that preretirement earnings 25 years from now should be reflecting, even with those conservative assumptions, a 25 percent improvement in the real standard of living for all Americans, including those just about to retire.

What that means, Mr. President, is that, even with this change in the replacement rate, there will be a very substantial improvement in the standard of living, not just for Americans before they retire but for those after they retire. And we have met our commitment to insure that all Americans, retired or not, do participate in the real growth of this country. I am very pleased to have been able not only to make that commitment, but to keep it.

Mr. President, one of the things that is unfair about raising the retirement age to age 67 is that it affects different people very unequally. It is not that it is illogical policy. It is not illogical policy because we are living longer. We are expected to live longer with the additional advances in medical science. Indeed, life expectancy, as I have said, has increased for men of age 65 by 2 years since 1940. It is expected under intermediate assumptions to increase by another 3 years before the year 2040. For women aged 65, life expectancy has increased by 5 years since 1940, and it is expected to increase by another 4 years before the year 2040.

In addition, an increase in the retirement age 20 years from now should coincide with changes in preferences for work after the turn of the century. Today, quite naturally, workers who have spent 40 years on the production line or in manual labor look forward to retirement at age 62 as a right they have earned. In addition, employers facing labor surpluses have been willing to offer older workers added pension benefits to take early retirement. With few other job opportunities, older workers encouraged to terminate with one employer stand little chance of finding employment with another. Early retirement benefits under social security have provided the unemployed and the unhealthy older worker a chance to retire early with some dignity.

However, there is an increasing probability that preferences and opportunities for work will be quite different after the turn of the century. Demographers project the development of labor supply shortages toward the end of this century, leading to an increasing demand for older workers. In addition, today's younger generation, which entered the labor force later, has developed a higher level of education and skills, and has worked in less physically demanding occupations than their elders, may prefer to work longer than the current generation of retirees.

While the average worker may choose to delay retirement, there will still be categories of workers—primarily those in stressful or hazardous jobs—who will need to maintain the option to retire early. There will continue to be workers with poor health, low skill levels, and inconsistent work histories who will be unable to work or will be unable to find employment when they are older.

For those who can work longer, raising the retirement age will conform to their choices and their opportunities. Combined with the incentives in this package to delay retirement—the increase in the delayed retirement credit and phase out of the earnings limit—raising the retirement age should help to dilute the strong association which has existed in the past between age 65 and retirement.

So, while people may be living longer, there is very inconclusive evidence that those living longer are going to be able to work proportionately longer.

In technical terms, our improvements in morbidity do not necessarily keep up with our improvements in mortality.

For those who can not continue working past age 62, improvements should be made in disability insurance (DI), supplemental security income (SSI), and unemployment compensation to assure that those unable to work longer are not unfairly or unnecessarily punished for events which are fully beyond their control. Raising the retirement age only 1 year assures that benefit changes from this proposal will be modest.

It is for that reason that I am going to offer an amendment that is going to urge that there should not be action taken in the future to make improvements in our disability insurance program, to make improvements in our supplemental security income program and in unemployment compensation, to assure that those people who are unable to work longer are not unfairly or unnecessarily punished for events which are beyond their control. When I say they would be punished, imagine, if you will, the difference in circumstances between someone who might have to retire at age 64 under current law versus age 64 under the House proposal. The difference in today's terms would be that if the House bill were enacted, the individual would be forced to take roughly a 14-percent cut in retirement benefits—while others who could work longer would take no cut in benefits at all. That is what I mean by an unequal burden.

In addition to raising the retirement age 1 year, the long-term solution embodied in this bill would reduce relative benefit levels for future retirees by 5.3 percent from those anticipated under current law. This adjustment would be accomplished by gradually reducing the percentage factors in the benefit computation formula beginning in 2000 until a 5.3-percent reduction is achieved for those becoming entitled to benefits after 2007.

Interest in slowing the growth in real benefit levels in the long run has resulted from concern about the effects of the tremendous ad hoc across-the-board benefit increases granted to social security beneficiaries in the late 1960's and early 1970's. Across-the-board increases of 43 percent between 1968 and 1971 and 20 percent in 1972 raised nominal benefit levels by more than twice the rate of inflation. These substantial real increases in benefits helped in the early 1970's to cut the rate of poverty among the elderly in half. However, coupled with unintentional increases in real benefit levels resulting from the "double-indexing" of initial benefits in the mid-1970's, these increases also contributed to the decline in essential trust fund reserves. The 1977 amendments reduced the projected long-run replacement rate for future beneficiaries from 55 percent to 42 percent in an effort to stabilize the financing of the program. Some believe this still left longrun replacement rates nearly 10 percent higher than intended in the legislation of the early 1970's.

An across-the-board 5-percent reduction in benefits would still provide for real increases in benefits in the future. However, social security benefits would be slightly lower in relation to preretirement earnings than they would be under current law. Because this adjustment in benefit levels is accomplished through the benefit formula, it will affect all social security beneficiaries—retired, survivor, and disabled—equally, unlike the adjustment in retirement age which would affect only retired beneficiaries. For this reason, it spreads a relatively small adjustment across a much larger group than the group affected by the retirement age. And the adjustment is fairer, because it makes the same proportionate reduction for everyone, rather than have its effects on benefits vary depending on the responses of individuals.

The combination of these two proposals in the long run, accompanied by benefit increases to encourage delayed retirement and special programs to aid those who cannot delay retirement, should result in relatively minor benefit adjustments for any particular group of individuals. As with the changes made in the short term to meet the emergency financing needs of the program, the long-term changes represent a blend of proposals to achieve a fair and balanced package of reforms to insure the continued viability of the social security program.

In conclusion, the most serious problem in social security has not been the financing shortfall, but the crisis in public confidence. In the last few years, the proportion of the population between 18 and 49 with little or no confidence in the future of social security has grown from just under half to over three-quarters. This massive loss in public confidence should be genuine cause for alarm because the whole social insurance system rests upon a compact across generations. Younger workers pay taxes to finance benefits to today's retired and disabled beneficiaries with the expectation that younger generations of the future will do the same for them when it is their turn to retire. Growing doubts about the future of social security threaten to undermine the willingness of work-

ers to support the payroll tax upon which the entire system rests.

The bill before us represents a dramatic step toward restoring public confidence in social security. For the first time in more than a decade, with the enactment of this legislation, there will be no long- or short-run financing shortfall in social security. In addition, despite the years of public debate and political stalemate leading up to this legislation, the Congress has demonstrated this year that it can work quickly and in a bipartisan fashion when necessary to maintain this important social institution. The commitment to preserving the social security system which we demonstrate by our actions this week will be an important indicator to today's younger workers that social security is as permanent as the Government which operates it.

I think, Mr. President, that our bill achieves a good balance. I hope we do not retreat from the position in this bill in conference, and that we fight very hard to retain the ability of people who, having retired, will not see their earnings taken away and offset their social security.

We, as you know, do eliminate in this legislation, starting in 1990, the so-called earnings test, to which I say good riddance, because it has achieved a good deal of confusion, discomfort, and even heartbreak for many rather fearful senior citizens who have worried that if they earned, somehow, $1 dollar more than the $5,500 or $6,000 the law permits without an offset, they somehow were doing something wrong. I also think that the provision added by the Senator from Colorado in the additional dropout years for women is a very important step forward.

So, Mr. President, in sum, I hope my colleagues will support this measure. It represents an enormous amount of work. It is something that all members of the Finance Committee made major contributions to. I do not think any of us would labor under the illusion that it is totally perfect. We do not know how to write perfect legislation yet and probably never will, but this is as good a product as has been my privilege to work on behalf of, and I do urge my friends and colleagues to support it.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, before the senior Senator from Pennsylvania may have to leave the floor, I should like to have him hear from me in person just this one statement. He called attention to the editorial comment in this morning's Washington Post which, very accurately in my view, states that the provisions that the Senate Finance Committee made to resolve the long-term gap in the deficit, that period which appears in the outer third of the 75-year period, are superior to those that emerged from the House.

What the Senator from Pennsylvania did not say is that it is he who fashioned that provision, and it was his efforts, his ability, to see the parts of compromise, bring a coalition together, that not only passed the measure in the Finance Committee but earlier I observed, that although alternative arrangements had been contemplated by the Democratic members of the Commission, we would not offer them. We would support the measure as was reported. And whilst I thank him for his extraordinarily generous remarks about the Senator from New York, I would like to put the record clear about who did this job. It was the Senator from Pennsylvania.

I should like to add one other note. We have been doing some quick calculations on the subject of what Keynes called the miracle of compound interest, and I would report to the Senator and to the Chamber that if real wages rise 1.5 percent in the next 30 years, which is a very modest rise, certainly historically attained, real wages will be 5¼H percent higher than they are now. If as a result of the changes in this program, the wage replacement rate of benefits is 40 percent rather than 42, we will still be working from about a 50-percent higher base, so that real benefits will be very considerably higher. I again thank him for his generosity.

Mr. HEINZ. If the Senator will yield, the Senator is absolutely correct; I had meant to say this, but I do thank the Senator for his kind words. He is quite right about the miracle of compound interest. I had left that out of my explanation not because I am totally unaware of compound interest.

Mr. MOYNIHAN. Oh, no; the Senator stated it. We just did the calculation.

Mr. HEINZ. It is very true that what we have before us is a very happy prospect for future generations of Americans, one that they did not necessarily face a year ago when we faced as a Congress the issue of social security in some disarray and confusion.

I thank my friend from New York for all his very kind words.

Mr. DOLE. Will the Senator from Pennsylvania yield?

Mr. HEINZ. I would be happy to yield.

Mr. DOLE. I also extend my thanks to the distinguished Senator from Pennsylvania, and I think the record should reflect that when we were trying to figure out what to do in Alexandria, Va., last November after a 3-day session in the Ramada Inn there, as I recall, it was the Senator from Pennsylvania who first broached the idea of sort of splitting it down the middle, at least getting us to think about how we are going to bring all the factions together. And that became sort of the starting point of the negotiations that started again in January.

For that effort we will be eternally grateful to the distinguished Senator from Pennsylvania, and we appreciate this constructive action not only at every Commission meeting but particularly that particular day when we seemed to be bogged down and not really going anywhere. Even though we did not adopt that specific recommendation, it became the basis for the compromise which was ultimately adopted by the Commission. I thank the distinguished Senator from Pennsylvania.

Mr. HEINZ. I thank the Senator from Kansas.

Mr. ARMSTRONG. Mr. President, I want to join others who have spoken in complimenting the members of the Senate Finance Committee, especially its distinguished chairman, for producing this legislation, a feat which many thought would be impossible, even quite recently.

I must say that the scholarship and resourcefulness of the chairman of the committee, Mr. DOLE, is well known to this body; but in this particular instance he has performed a near miracle by the leadership he has given to the Senate, not only in his stewardship of the Finance Committee but also in the way he helped shepherd this matter through the National Commission on Social Security Reform.

I also join the Senator from New York in congratulating the Senator from Pennsylvania. I agree with what he has said and Senator DOLE has said about the pivotal role JOHN HEINZ has played not only during the past few weeks but also from the start, and especially through the crucial—and at one point quite dark—days of the National Commission on Social Security Reform, when many were wringing their hands and, privately at least, confiding that this would not work out.

The Senator from Pennsylvania did not lose faith. He made many proposals which formed the basis for further action and really set the stage for bringing this matter to fruition, for which we are all indebted to him.

I compliment particularly my colleague from New York, Mr. MOYNIHAN. He and I have discussed this matter on many occasions, in many forums—on the floor of the Senate, in the Finance Committee, the National Commission, on television. On practically every street corner in America, PAT MOYNIHAN and I have discussed these issues. We have agreed sometimes, and a lot of times we have not.

I must say that his mastery of the subject and his obvious understanding of the broad historical perspective in

which social security must be viewed, his feeling for the technical ins and outs of the legislation, his scholarship and, like the others of whom I have already spoken, his faith that ultimately we would pull a rabbit out of the hat, have been an inspiration to me.

I compliment and congratulate him, and I announce that I have enjoyed working with him in this matter and others, but especially this most difficult of issues.

Mr. President, I wish also to say a word of congratulation to Alan Greenspan, who was the Chairman of the National Commission on Social Security Reform. We all know that Alan Greenspan is a brilliant man, but he is also a man of extraordinary patience. In fact, often, as the Commission deliberations droned on, I saw Alan, seated at the head of the table, patiently listening to all the points of view and then synthesizing the increments on which we could agree and, in a gentle and courteous way, proposing that we lay aside those matters about which we could not agree, and taking one tiny victory after another and building on it and finally leading us, by painful steps, to a compromise which was agreed to by a large majority of the Commission.

I say that as one who was not a part of the 12-member majority. I was part of the minority who did not think that, in the form recommended by the Commission, this was a satisfactory answer; but it does not lessen my admiration for the skill and dedication with which the Chairman of the Commission, Alan Greenspan, approached this task.

I will not mention them one by one, but I also want to say, for the benefit of my colleagues who did not have the privilege of serving on the Commission, that the public members who served did so with great distinction and did so with an understanding and expertise that I think is unusual in a citizen commission.

It is very difficult even for a Senator or for a Member of the House of Representatives, who has staff resources, who has experience dealing with legislation, to really come to grips with it. But for someone who is a businessman or a lawyer or who is not engaged in framing legislation every day, I think it is remarkable that they were able to participate in such a productive way.

I must say that it enriched my life to know these people on the Commission and to work closely with them.

I doubt if there has been a single issue during my years in the Senate which has been as politically charged as the question of social security reform. I suppose that is only natural because social security is inherently such an important issue. It is the financial lifeline for 36 million Americans, and for some of them it is literally that—a lifeline. The arrival, in a timely manner, of the expected social security check is an issue which is not of passing importance or peripheral interest to some of these recipients. It is literally what they depend upon to have something to put on the table for the next meal and to pay their utility bills, rent, and so forth.

Over the years, social security has gradually become an extraordinarily important feature, not only in the economic life but also in the personal life of many Americans. We all know that, and I suppose it is for that reason that it has become an issue of such great political sensitivity.

I recall vividly that when I first convened a hearing about 2 years ago in the Senate Finance Committee Subcommittee on Social Security and Income Maintenance to explore the condition of the trust fund and to raise the question of whether or not the trust fund was on solid ground, it provoked a lot of comment. Some of it, I must admit, surprised me, because I thought it was obvious at that moment that social security was in deep trouble. Reserves had been drawing down for a decade. In those days, the fund was losing money at the rate of $12,000 or $13,000 a minute. It was clear that Congress had committed itself to benefits in excess of resources on hand.

Over the long term, the actuaries were saying at that time that there was a deficit in the trust fund, in 1981 dollars—because we were then talking about 1981—in excess of $1.6 trillion.

I had no doubt that there was a problem, but it was interesting to me that many people, including some in Congress and a lot throughout the country, did not share my feeling that something needed to be done. I think perhaps the most important single achievement, among several achievements, of the National Commission on Social Security Reform was to help crystalize opinion in the country and in Congress that something must be done.

As one newspaper editorialized at the time, the first step to solving any problem is to admit it exists. In a way that was not confrontational, in a way that was not embarrassing to anybody, it permitted all of us to get under the same tent and agree that a large problem exists in the short term and the long term and that something should be done about it.

When the Commission issued this report, it said that we could expect a trust fund deficit during the remainder of this decade of between $150 and $200 billion and a potential deficit in excess of 1.8 percent of payroll—I guess 1.1 percent of payroll in the longer term. Since that time, the actuaries have adjusted the target a little and now say that the potential long-term deficit is a bit over 2 percent of payroll, a change which comes at a somewhat awkward moment, but something I think not to be too concerned about because, after all, we are talking about future projections. We are talking about things that, in the end, are unknowable until they occur. But I am pleased to note that the Commission's report, in the process of being considered by Congress, has been amended to include the full long-term deficit.

With that as a background, let me put the bill before us in the perspective of the Commission's report.

I objected, along with two other members of the National Commission on Social Security Reform—Mr. Waggonner of Louisiana, a former Member of the House of Representatives, and BILL ARCHER, a present Member of the House of Representatives and a member—perhaps others would agree, a very knowledgeable member—of the House Ways and Means Committee and a recognized authority on social security. The three of us—Mr. ARCHER, Mr. Waggonner, and Mr. ARMSTRONG—disagreed with the Commission's recommendations for several reasons, and our concerns basically were these:

First, we were determined that any final resolution of the social security issue ought to be on the basis of assuredly solving the problem.

Recognizing that there are no guarantees in this world, and recognizing that there is no 100-percent certainty of anything in the future, we wanted to fashion a package which would close the gap as surely as we could do so. We felt that the long-term solution as it came out of the Commission fell short of that, in that it left a sort of either-or process.

The Commission's recommendations provided nearly 1.22 percent of payroll rather than the full amount of long-term deficit and settled the short-term problem, which the Commission identified as between $150 and $200 billion at the low end of that range.

Moreover, I was fearful that the actuarial assumptions used in at least certain portions of the report might prove to be optimistic. My first concern that we close the gap and do so without any question.

I am pleased to come before the Senate today and say that, in my opinion, the bill which is recommended by the Senate Finance Committee, because of the amendments which have been adopted or recommended by the Finance Committee for adoption by the Senate, will in fact close the gap.

Now that does not say that there still could not be an unforeseen event intervene, but within the reasonable range of economic projections I think we can be confident that the benefit restraint which has been enacted, together with the increase in the age and the fail-safe mechanism which has been described earlier, can assure with

a very high degree of certainty that social security will not be running short of money any time in the near future, perhaps for the remainder of our lives.

In my opinion, that is critical for reasons that have already been stated.

The Senator from Pennsylvania pointed out that many people, particularly younger workers, have expressed great criticism about whether or not social security was on a sound basis, whether it would be there when they retire. It is really crucial, in my opinion, that we secure public faith and confidence in the social security system because younger workers are not going to willingly pay taxes month after month, particularly rising taxes, into a system if they do not have the confidence at least when they get to the retirement age there will be something there for them to retire to.

Second, it is crucial for us to shore up public confidence because of the experience we had in 1977. At that time it was believed, and I am sure in good faith, that the action taken by Congress would put social security on a sound basis for a half century or more, and we were assured that that was the case. Five years later we were right back in the same dilemma that we had been in, in 1977. I just do not think we can afford to have a repetition of that and come back in 1985, 1986, 1987, 1988, or 1989 or any time I hope within the service of the Senator from Colorado in this body, ever come back to this issue again.

The second concern that I felt about the long-term outlook for social security was the need to do something to raise the normal retirement age.

The idea of gradually increasing in some way or another the normal age of retirement had been previously recommended prior to the consideration of the National Commission on Social Security Reform by the Advisory Council on Social Security, the President's Commission on Pension Policy, the Council of Economic Development, the U.S. Chamber of Commerce, the American Association of Pension Actuaries, the National Association of Homebuilders, the National Association of Wholesalers and Distributors, the American Council of Life Insurance, the National Association of Life Underwriters, and for that matter by committees of Congress.

And each of these committees and groups had recommended that in one way or another we should increase the normal retirement age. The need to do so is obvious, it seems to me, and in fact I am convinced that the centerpiece of any kind of permanent sound social security reform must be gradually increasing the retirement age. The need to do so is emphasized by the fact that the life expectancies of persons in this country have been rising and rising very rapidly so much so, Mr. President, that a person who is 71 years old today has the same life expectancy that someone who was 65 had at the time social security was enacted.

If we do nothing about increasing the age in some way, not drastically, not abruptly, but surely over time, if we do nothing, it will be impossible, in my opinion, for us to have a sound retirement system because the combination of taxes and/or benefit restraints that are implied if we keep funding longer and longer years of retirement when people are working fewer and fewer years is simply untenable, and we are right at the outer limits of that at the present time.

There are several proposals for increasing the age which have been suggested. Frankly, just about any of them are acceptable to me, provided that they are not abrupt, that they do not disrupt the retirement planning of people who are at or close to retirement and, second, that they get the job done over a gradual phase-in period of time.

I see in the Chamber the Senator from Idaho who I think may even offer an amendment on this subject, and I will support him. His amendment he can explain to the Senate, but it has to do with gradually increasing the retirement age over a 36-year period, I believe, doing it at the rate of 1 year each month.

Mr. SYMMS. One month each year.

Mr. ARMSTRONG. I beg the Senator's pardon. The Senator is correct, raising the retirement age by 1 month in each of the next 36 years so that 36 years from now people would retire at age 68 normally rather than age 65.

The House of Representatives adopted a slightly different approach which raises normal retirement age to 67, phased in after the turn of the century.

My own favorite proposal, as many Senators have heard me discuss before, was item F-12, option F-12 in the Commission book which simply said that after the turn of the century we would increase the normal retirement age from 65 to 66 and thereafter index future changes in the retirement age changes in longevity.

The actual proposal which is recommended to us by the Finance Committee is a combination of raising the retirement age from 65 to 66 gradually after the turn of the century and making the kind of changes in the replacement ratio which have been described earlier by the Senator from Pennsylvania.

In fact, it was he who engineered the compromise which worked out the various conflicting points of view which has led the Finance Committee to recommend this formula.

It is not my favorite approach. In my opinion option F-12 remains the best of these several ideas. But I think that the compromise which the Senator from Pennsylvania put together in the committee and is now the Finance Committee amendment on this subject is a good one and I intend to support it.

I say to my friend from Idaho that if he offers his amendment I intend to support that also, but it underscores the point that the issue is in some way gradually raising the retirement age and I am fairly flexible about exactly how to do it.

The third area of broad concern to me is the need for benefit restraint. We have not done as much in that area as I would like, although I have pointed out one aspect of the compromise put together by the Senator from Pennsylvania is a very modest degree of benefit restraint after the turn of the century to lower the replacement ratios.

In addition, the Commission has recommended a brief delay in the cost-of-living adjustment during this decade. That is not a very great degree of benefit restraint. It is a little something. In fact, it is priced out to be $39 billion over the decade. That is the amount of savings from a 6-month cost-of-living adjustment delay.

This has to be measured, I think, against the fact that we are projecting cost-of-living adjustment benefit payments between now and the end of the decade of $259 billion. In other words, we are going to pay out about $2 trillion in benefits between now and 1990 and a part of that will be $259 billion arising from COLA adjustments.

To save only $39 billion on COLA adjustments in this decade does not seem to me to be very burdensome. In fact, it does not seem to me to be, frankly, enough either from an economic standpoint or from the standpoint of justice. And here is why I think it would really be just to save a bit more than $39 billion.

During the last decade the cost-of-living adjustments in social security have risen about twice as fast as have the wages and salaries on which these benefits are based and significantly have gone up about 50 percent faster than the consumer price index which is the presently accepted measure of the cost of living for retirees.

So I think both economic issues and fairness issues could have called for a greater degree of restraint in the cost-of-living adjustment. However, I do note with satisfaction the proposal which was adopted and recommended by the Finance Committee for a graduated cost-of-living adjustment benefit restraint when the trust fund is in a less than 20 percent reserve ratio condition and when reserves are dropping.

That proposal which has been described earlier I think by the Senator from Kansas simply says that when the trust fund gets into trouble, when

it is below 20 percent, when the reserve ratio is dropping, then we will implement a degree of restraint but holding harmless those benefits of recipients at the lowest end of the spectrum, and that addresses itself I think very neatly to one of the problems in the COLA system at the present time and it is just this: When you try to save money out of the COLA's, you quickly run into the question of how can you say that a 3-percent adjustment or a 4-percent adjustment for someone who is only getting $300 a month is too much. How can you say $9 a month is too much of an increase? It just does not seem fair on the face of it to suggest that such an increase is excessive.

But under the present system, without the graduated COLA amendment contained in the Finance Committee bill, under the present system, in order to get $9 to a $300-a-month recipient, you have to give $50 to someone who is at a higher level of benefits, and so the solution to this that I support and which I think really is an admirable approach is that in the event that automatic COLA restraint is required by the condition of the trust fund, we are going to hold harmless those who are at the lowest end of the spectrum and make the savings among those who are at the higher benefit levels and are, therefore, presumably better able to care for themselves without as much help from social security.

Mr. President, these are the changes that have been made which I heartily endorse. I think the bill is in many ways a good bill. It is vastly better, in my opinion, than the initial recommendation of the National Commission on Social Security Reform. It is a better bill in its present form than that which was passed by the House of Representatives, although I must say I was pleasantly surprised, I was pleased, I was gratified by the action of the House of Representatives and the statesmanship that was shown by the House of Representatives, but this is even a better bill.

(Mr. SPECTER assumed the chair.)

Mr. ARMSTRONG. There remains, however, one glaring area of problem in this bill. A number of Senators have referred today to an article in the Washington Post, an editorial comment, and I noted it was quoted repeatedly. So I also want to quote an editorial, not from the Washington Post but from the Wall Street Journal, which more accurately expresses my point of view. It comes to us under the headline of "An Imperfect Compromise" and I shall only read you a single sentence of this brilliant editorial which, by the way, I will send to the desk and ask unanimous consent it be printed in its entirety at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ARMSTRONG. But here is what the Wall Street Journal says about this compromise:

> Congress idea of a compromise as usual relies heavily on tax increases.

Mr. President and my colleagues, that is the one real shortcoming that remains in this bill, which is it is too heavily dependent upon massive increases in taxes upon those who have already been heavily taxed.

In 1977 when we last faced this problem and when we designed a system of shoring up social security, which we believed would last for half a century, Congress was persuaded to concoct the largest tax increase that the world has ever seen, and now like déjà vu we are being asked once again to enact a massive tax increase.

As one reflects upon the proposed increases in taxes contained in this bill, it is good to remember that during the decade of the 1970's the social security tax maximum quadrupled and these taxes will triple again in the 1980's before we even start looking at the recommended tax increases in this bill.

Yes; I did say there will be a twelvefold increase in social security tax maximums during the 1970's and 1980's before we consider the enactment of the tax increases contained in this legislation.

Today, Mr. President, the average working man and woman pays more in social security taxes than they pay in Federal income taxes. It is a burden of importance and keenly felt significance in the lives of working men and women in this country.

Nor is this burden inconsequential to the companies involved. Recently I was up in Detroit, Mich., where unemployment is a problem of truly poignant concern and not just an economic problem, it is a human tragedy of great proportions, and I learned to my surprise that the Big Three automakers paid twice as much in payroll taxes in the last 5 years as their combined net profits. Now that is a big bite into the resources of these great companies, and it is not just automobile companies. It is every manufacturing and service industry in this country. As a matter of fact, the CBO warned in 1977, when we last increased these taxes on a large scale, that the result would be rising unemployment. They estimated it would cost 500,000 jobs, and I personally do not think it is any coincidence that the unemployment, which has plagued America in the late 1970's and early 1980's, comes at the same time that we have seen large increases in payroll taxes and other taxes in this country.

I just do not think it makes sense at the very time when workers are already heavily burdened, the very moment when the economy is trying to lift itself up, when we are beginning to see the signs of recovery, when housing starts are up, when automobile sales are rising, when interest rates at long last are getting down to viable levels, when the stock market is performing well, when there is a growing sense of optimism about the economy, I do not think it makes sense to further burden this Nation's economy with tax increases above those which are already scheduled to go into effect, and remember payroll taxes are going up whether or not we enact any of the recommendations of the National Commission on Social Security Reform.

Maybe this is a simple-minded approach, I do not think so, but whoever said if you tax something you get less of it I believe summed up an important economic reality. If you want to get less of something, whatever it is, put a tax on it. It does not matter whether it is oil or walnuts or whatever it is, if you tax something you are going to get a little less of it, and the higher the tax is and more of it, the greater the effect will be observed. That means if we go through with the proposed tax increases in this bill we are going to get a little less employment in this Nation's economy. I do not think that makes sense at this time. Therefore, Mr. President, at the right moment it is my intention to offer an amendment which will roll back the payroll tax which is suggested by this legislation.

I am not going to go after the other pieces of tax increases in this bill, not because I think they are justified, I do not, but simply because I recognize a compromise is a compromise and you cannot do everything. It does seem to me the most egregious single portion of the tax increase in this bill is the payroll tax, the part that bears the most heavily and most regressively on working men and women at a time when they can simply ill-afford it.

I do want to mention, in passing, I tried to get the Finance Committee to try to do away with the taxation of benefits. I think we are making a mistake in this bill to tax benefits. It is something we have not previously done. It falls unjustly, I think, on people who in some cases are 75, 80 years old or even older and who are in no position to rearrange their lifestyle, who cannot in many instances at least go out and get new employment to offset the effect of this new tax. Also I think in a sense it goes on pledges we have made to them for 50 years. It has been an article of faith that we would not tax the benefits under social security.

I stress, Mr. President, that I think a good case can be made intellectually for taxing social security benefits, and if the proposal before us were to do so in a phased-in manner, starting a few years from now and phasing it in so it

would not be a drastic or abrupt change, then I would be a lot more sympathetic to it. I would particularly be more sympathetic to a phased-in approach if Congress had not over the years repeatedly gone on record as saying "Not only are we not taxing benefits now, we have no intention of doing so." You will remember we considered this matter on a number of occasions here in the Senate and have resoundingly affirmed our desire not to tax benefits, so I think in doing so we are making a mistake, and really it is unfortunate that the Finance Committee has so recommended.

Mr. President, I also want to clarify one aspect of the benefit tax issue because I am not going to offer an amendment on that specific subject, but I want to make it absolutely clear if somebody has the notion this is only going to be a tax on the rich. It is only 7 percent of the beneficiaries who are going to be taxed as a result of the amendment which is proposed by the Senate Finance Committee, and that is perfectly true the first year. But I want to point out to you that the threshold of taxation is not indexed, and if we have the same kind of inflation in the next few years that we have had in the last few years, it will not be very long until everybody's benefits, or at least the largest majority of benefits, will be subject to taxation. Maybe that is a good thing. Some people think so. It is in fact the agenda of some people to get all of those benefits taxed, and if that is their desire, then I do not quarrel with it, but I do not like the notion that is abroad that somehow this is only going to be a tax on a handful of upper income, wealthy, affluent social security recipients, because in a very few years, unless our economic performance with respect to inflation is better than I think it is going to be, everybody's benefits are going to be subject to taxation.

Mr. President, I also regret the tax increase in this legislation as it falls on the self-employed many of whom frankly are in no position to take any tax increase, least of all the huge jolt that is contemplated by this legislation. I wish we could phase that in differently. I wish we could put it off altogether, particularly for farmers and others whose income is either very low or in some cases nonexistent. In many cases I think we are talking about people who will really have a great problem in coming up with additional tax revenues and we are talking about several hundreds of dollars a year in some cases.

Mr. BOSCHWITZ. Will you yield for a question?

Mr. ARMSTRONG. Yes.

Mr. BOSCHWITZ. In the event a tax credit is given to a farmer who, let us say, has no income and as a result has no tax paid, can that tax credit be carried forward or backward?

Mr. ARMSTRONG. I would say to the Senator from Minnesota that it is my impression that it was not a carry-forward, carry-back kind of credit. But, frankly, we discussed that issue so many different times and in so many different formats that I would want to be positive before I give him that assurance. Can staff clarify that for me?

Mr. HEINZ. If the Senator will yield, my recollection is that the tax credit is not against income taxes. It is against social security taxes.

Mr. ARMSTRONG. The Senator is correct.

Mr. HEINZ. And, therefore, if you are paying any social security taxes, you get the credits right then and there. Therefore, it is not necessary in this instance to carry it forward and back.

Mr. ARMSTRONG. The Senator's point is well taken. I thank him for refreshing our recollections.

Mr. President, I wish to conclude my remarks very quickly. I appreciate the attention of my colleagues and the opportunity to share with them my general-concerns about the legislation.

Let me mention quickly three amendments which I will propound at a later time and invite the attention of Members to those.

First is an amendment to delete the payroll-tax increase contained in this bill as recommended by the Senate Finance Committee. I anticipate that that may be subject to some controversy, but I have heard expressions of interest in this amendment by Senators from both sides of the aisle. It is my hope that we can see fit to do that, to grant at least that modest alleviation of the heavy tax burden suggested by this legislation.

The second amendment which I expect to offer I believe will not be controversial and I hope will be acceptable to all Senators. It will simply give some deposit date relief to small businesses. As the Senate knows, at present how often you are required to make deposits into the trust funds to the Government depends on the amount of withholdings and there are several thresholds. If you have $3,000 a month in withholding taxes, you deposit on one schedule.

If you have $5,000, you have another schedule.

Very large business concerns can be required to deposit as often as eight times per month. Now, for a small business, for a little company, that is almost an impossibility just administratively. So Congress wisely put a threshold in there that if you fall below a certain point you do not get into the multiple times per month reporting requirement. You can deposit the 15th of the month following the calendar month in which the earnings are withheld.

So the purpose of my amendment is to simply continue that system but to raise slightly the threshold at which you fall into the once-a-month reporting rather than the four, five, six, seven, eight times a month reporting. I trust that it will not be controversial.

The final amendment which I will submit has to do with nonprofit corporations. This legislation brings every nonprofit corporation under social security for the first time. As you know, at the present time, it is optional. Some 90 percent of the nonprofit corporations have agreed that they want to be covered by social security, but among the 10 percent who have not are some who will be seriously injured if we do not modify, at least in some degree, the provision as it now appears in the Senate Finance Committee recommendation. That just says on January 1, 1984, you are in, without any chance to adjust, without any phase-in, without any consideration of what kind of problems it is going to cause for the programs involved, and without any consideration of how hard it is going to be to unscramble any existing pension plans they may have. We just, without notice, without warning, change the ground rules.

That is going to be a serious problem for some of these organizations. Many of them, by the way, are quite small—a number of them are not—but some of them are literally organizations that have four or five employees doing meals-on-wheels or various kinds of missionary work, youth activities, community services, and that kind of thing. So if we suddenly impose a 15-percent payroll burden—and that is what we are talking about here—it is going to mean, if they have five employees, some of these community organizations are going to have to lay somebody off and their program will be reduced accordingly.

Well, I do not object at all to the notion that they ought to be covered, but I do think that that is moving too abruptly. So the proposal in my amendment will be to treat nonprofit in the same way we are treating the Government. You know that we are covering the Federal workers for the first time in this proposal but we are not saying on January 1 that they are all covered. We are saying they will be phased in, that as new employees come onto the Federal employment rolls then they have to be covered by social security and that is exactly what I am suggesting for the new hires of nonprofits, that they be given exactly the same treatment as Federal employees.

So those are the three amendments that I will offer. I must admit that I could offer many other amendments, but we have come a long way and I am

restrained in the proposals I am going to bring to the floor partly by the fact that my colleagues on the Finance Committee have been kind enough to accommodate me in adopting a number of other amendments I have offered. For that, I am grateful.

I just close as I began by saluting the chairman and the other members of the committee and those who have worked so hard on this bill. I think we are making good progress and I, for one, hope this really does prove to be a once-in-a-lifetime proposition. I hope that within 2 weeks we will have a bill on the President's desk and that he will sign it and that there will be no extraneous amendments attached to it and that we never have to revisit this issue again anytime.

Mr. MOYNIHAN. Mr. President, may I share the prayerful wish and expectation of my friend and colleague in this matter—never again.

May I thank him for his great courtesy and his characteristic generosity. He observes, just by indirection, that the committee adopted a number of his proposals. As he knows, the one that I think will most impact upon the lives of present and future retirees is the abolition of the earnings test, which is a tax on benefits. It is not as horrendous as it once was. In the long history of this program there was a period near 1940 where, if you earned $1, you lost every penny of your social security benefits.

Finally, Mr. President, I say to the Senator from Colorado that in the change in the actuarial estimates between 1982 and 1983 of plus 0.29 percent of payroll over that 75 years, it is interesting to note that 0.16, more than half, is a change in the demographic assumptions. I do not think we can know what families 50 years from now, new families, will be like.

The other was the opting-out assumptions of which I think we have effectively taken care.

Mr. ARMSTRONG. Will the Senator yield?

Mr. MOYNIHAN. Yes.

Mr. ARMSTRONG. Mr. President, I think the Senator's point is well taken. I share his feelings that these demographic projections are, in a sense, unknowable. But I believe it is significant that the bill we bring to the floor fulfills everything that could be asked of prudent trustees.

Now, I suppose we could imagine creating a system that was double-funded or triple-funded, but that would not be prudent. The prudent thing is to get our best estimates of what the need is, then fulfill that; not 90 percent of it or 80 percent of it or half of it, but the whole need, recognizing that future generations will have to keep an eye on this thing. I am reasonably confident, if enacted in the form that we have before us or close to that, that we have done our job and we will not have to come back again. I think that is the landmark that is set here.

Mr. MOYNIHAN. That is what is necessary. I thank the Senator.

EXHIBIT 1

AN IMPERFECT COMPROMISE

Social Security's rescue legislation comes before the Senate today, well on its way toward passage. The Senate bill and one passed by the House last week both contain important concessions to economic reality, something Congress has resisted for two years. But the historic compromise both sides are so pleased with still tilts against workers and savers. And there remains some danger that the tilt will become a waterlogged list by the time it reaches the president's desk.

Congress' idea of a compromise, as usual, relies heavily on tax increases. The Social security payroll tax boost scheduled for 1985 will come a year early and there'll be another early bump in 1988, not to mention a brand new tax on middle-income benefits. Where the two bills disagree is on how benefit costs will be controlled, if they are to be controlled at all. Both houses finally accepted the principle of raising the retirement age and lowering benefits for early retirees after the year 2000. But while that's a step toward actuarial sanity, the immediate future interests us more.

A small cut in Social Security's burgeoning cost will come from postponing this year's cost-of-living increase six months. Where the two houses don't agree is on what happens the next time Social Security starts running low on money. The House proposes to meet that contingency by indexing cost-of-living adjustments to either prices or wages, whichever is lower (something that should have been done long ago as a matter of course). Senate Finance, in its wisdom, would meet this contingency by having Social Security administrators notify Congress six months in advance that the till is running dangerously low. If Congress didn't act in that six months, let's say by taking another bite out of the workers' paychecks, then the shortage would be made up by stretching out cost-of-living adjustments in benefits. Our trust in future Congresses is such that we would prefer the House version, and now, not in 1988 as the bill proposes.

How likely is the fund to run short again? Very likely, we're afraid. The tax boost scheduled for next year will raise labor costs, killing jobs and cutting revenues. And we are not convinced that attempts to limit Medicare reimbursements will succeed in containing burgeoning Medicare costs to the extent its backers advertise. So don't be too surprised if Social Security has to activate, sooner, rather than later, the "fall-safe" provision, assuming there is one in the final bill.

Yet another innovation in the legislation of both the houses is a provision to tax Social Security benefits. In other words, a system that currently transfers income from workers to nonworkers will become, additionally, a system that transfers income from retirees who saved for their old age to retirees who did not. As Paul Craig Roberts wrote on this page last Friday, a retired couple with an income of $36,000 will find themselves paying the same marginal tax rate as a working couple with an income of $175,000. Young workers are getting hit with rising payroll taxes. Middle-class retirees are getting hit with a tax on their savings.

We wonder if the politicians who have been playing Social Security for cheap votes these many years understand where they are heading. At this rate, Social Security soon will become little more than a welfare program. When that happens, it will suddenly be politically vulnerable. There will be no trouble at all summoning up the votes to cut benefits then because neither middleclass workers nor middleclass retirees will have any stake in preserving the system. That could happen even before some of the senior members of both houses decide to lay down the burdens of office.

We respectfully suggest that the full Senate give the bill careful thought today. The public, we suspect, is getting very boring with being told every six years that Social Security is finally on sound footing, only to be informed a few years later that it's going to cost more money. Today's marvelous compromise will only be marvelous if the bill that finally lands on the president's desk has controls on benefit growth that match its bite out of payrolls and savings. We'll see.

Mr. LONG. Mr. President, first let me begin by thanking the distinguished chairman of the committee (Mr. DOLE), the Senator from New York (Mr. MOYNIHAN), the Senator from Colorado (Mr. ARMSTRONG), and the Senator from Pennsylvania (Mr. HEINZ) for the long hours and laborious, dedicated effort they have put into serving on the Commission and making it possible to bring this bill before the Senate.

This bill represents a combination of the views of all those on the Commission. Some parts of it I very much agree with it, and some parts of it I do not agree with.

Mr. President, I voted in committee to order the social security financing bill favorably reported. I did so with reservations.

I voted to order the bill favorably reported because the Senate and the Congress need to act now to assure the continued financing of the social security system. The bill reported by the committee generally follows the recommendations of the Social Security Commission. But the committee bill does two important things the Commission recommended be done even though they failed to reach a consensus on how these two things should be done.

First, the Finance Committee bill includes provisions to eliminate the long-range deficit in the social security cash benefit programs. It does this through a combination of gradually raising the retirement age to 66 and gradually modifying the social security benefit formula, both beginning with the year 2000.

Second, the Finance Committee bill includes a contingency plan to deal with situations which might arise when cash benefit trust fund reserves are less than 20 percent of annual outgo and are projected to decline. This provision is designed to avoid the kind of crisis situation we now face

where a decline in the trust fund reserves jeopardizes the continued prompt payment of benefit checks.

Now let me express my reservations about the Finance Committee bill.

GENERAL FUND FINANCING

I am concerned that the Finance Committee bill relies so heavily on the use of general fund financing for the rest of this decade. Depending on what one categorizes as general fund financing, perhaps almost one-third of the short-range financing package represents an infusion of general revenues to shore up social security financing.

For the future, this action provides a dangerous precedent. There would be a strong temptation to simple increase this general fund portion when the need arises. For example, in the Finance Committee it was decided that the increased payroll tax burden on the self-employed was too severe. The committee solution was to scale back the payroll tax increase on the self-employed and make up the difference with general funds.

This, in effect, is a matter of saying that whenever the cost goes up, just add it to the Federal deficit and be done with it. Of course, Mr. President, if we continue to do that type of thing, it will eventually lead to where the Federal Government itself cannot assure the value of its currency and where eventually our money would have no value. After all, if we cannot find the revenues or cannot find the courage to vote for a tax to pay the benefits under this program that is the essential income of some 36 million people, then I doubt that the Congress can find the revenues to finance anything in the Federal Government.

EXTENDING COVERAGE

In extending mandatory social security coverage to new Federal employees and employees of all nonprofit organizations, the committee bill simply assumes that by the end of the year, the Congress and the nonprofit organizations will be able to modify their existing survivorship, retirement and disability benefits to take into account social security coverage.

Federal employee organizations do not share that confidence. For all they know, much of the income security they count on through their existing plans may disappear. Nothing in the Finance Committee bill provides them any assurance that the impact on existing protections will not be severe.

In another area relating to coverage, the Congress has always taken a position that under the Constitution, Federal law cannot mandate social security coverage of State and local government employees. For this reason, those State and local governments that wish to voluntarily join the social security system pay contributions rather than taxes, and they can withdraw from social security coverage after giving 2 years' notice.

The committee bill would prohibit those State and local governments which have opted for social security coverage from terminating coverage for their employees. Aside from the constitutional question, which will ultimately be resolved in the courts, I believe it is unfair for the Federal Government to unilaterally change the agreements which State and local governments entered into on a voluntary basis, especially when they reached that agreement with the Federal Government itself.

I believe this is particularly unfair to those units of government which have already given notice of their intent to terminate. Many of these entities, relying on the word of the Federal Government, have already expanded great effort and expense in setting up alternative retirement programs.

TAXING SOCIAL SECURITY BENEFITS

Under the committee bill, half the social security benefits would be taxed if an individual's income exceeds $25,000 or a couple's income exceeds $32,000. However, the committee bill, unlike the House bill, would include tax-exempt income for purposes of measuring whether total income exceeds the threshold above which social security benefits would be taxed. The effect of this is that for the first time tax-exempt income would be taxed. While the impact of this provision might be small in terms of the number of people affected, the principle is a big one. It suggests that Congress, which has not been willing to tax State and local bond interests directly, is willing to do so if the tax is disguised as a tax on something else. This point will not be lost on those in the Treasury Department who have long sought ways to tax State and local bond interest.

PROSPECTIVE REIMBURSEMENT UNDER MEDICARE

Up to this point, I have discussed my reservations that related to social security provisions of the bill. But I am equally concerned about two provisions whose descriptions were not even available to committee members until the day of our markup session.

The first provision would completely change our method of reimbursing hospitals under the medicare program. Many hospitals would do better under the new system, but many would do worse, perhaps even to the point of having to close. When the committee acted, it did not have the information it would need to determine which hospitals were winners and which were losers, and whether winning or losing had any relationship to the hospital's efficiency. An administration spokesman at the committee hearing could not even answer my question what the level of reimbursement would be for the diagnosis-related groups which serve as the new basis for reimbursement.

This new provision will not achieve budget savings in the next 2 years. It will not solve the hospital insurance trust fund financing problem. In my view, we should not be considering this fundamental change in medicare until we are in a better position to know the impact it will have on hospitals in our States. I fear that if we enact this provision now, we will soon find that it results in situations that we do not intend and that we will need to change.

Mr. President, I have been told that this provision would cause the hospitals in the State of Louisiana to gain as much as 15 percent in medicare reimbursement. That, of course, would be partly at the expense of hospitals in other States. On the surface you would think the Senator from Louisiana would be in here advocating that kind of change. But I also note that while gaining 15 percent, and while a majority of the Louisiana hospitals would get an increase, about one-third of them would get a cut, and that cut would be about 20 percent.

The information provided to me, Mr. President, is not adequate to tell me on what basis those hospitals would face a cut, or to give those people a chance to make their case and defend themselves against the consequences.

Other States are going to find that their hospitals are not receiving an increase in net income like Louisiana would receive, and that more than one-third of their hospitals take a cut, and they will not know what the impact will be until the bill goes into effect and their hospital people come to Washington to complain about matters that could have been more carefully considered and matters which could have been corrected before they were enacted into law.

It has been my experience as a Senator for more than 30 years in this body that it is a lot better to find out about the problems and to try to take care of them in advance, than it is to pass a major bill without knowing what you are doing or how it is going to impact upon great numbers of people, and then try to take care of the many problems that will arise after the measure has become law and all the growing pains become obvious.

I think we would have done much better to have had a great deal more information before acting. This could have been available if we had taken even a few more months to develop this proposal and see how it would work throughout the 50 States in the Union.

UNEMPLOYMENT COMPENSATION STATE LOANS

Mr. President, a second area concerns loans to States under the unemployment compensation program. The committee approved major provisions affecting loans to States under the unemployment compensation program.

Like hospital reimbursement, this provision bears no relationship to social security. Unlike prospective reimbursement, there is no equivalent provision in the House bill.

When we enacted legislation imposing interest on State loans, we intended that this interest would serve as an incentive for a State legislature to undertake reform to insure its unemployment program's fiscal soundness. I am particularly concerned that under the committee bill, if a State fails to repay the interest it owes the Federal Government, the Federal employer tax in that State would be raised by one-tenth of 1 percent. I fear that States will see this automatic increase in employer taxes as a signal that Congress intends the tax increase as an alternative to program reform.

I believe that if the committee had spent the time it should have spent considering this provision, it would have wanted to make clear that payment of interest is a compliance issue. This means that a State would need to take legislative action to assure the financial solvency of its unemployment compensation funds and not simply fail to act so that a Federal employment tax increase would go into effect.

IMPROVING THE BILL

When the National Commission on Social Security Reform issued its report, I commended them on their efforts and said:

I would expect that some changes will occur as the proposal finds its way through the legislative process. As with any legislative proposal, I am sure there will be ways of improving it.

The Finance Committee has already made a series of modifications in the commission's recommendations. As I have suggested, more improvements can and should be made and I hope will be made as the bill finds its way through the Senate.

Mr. President, I ask unanimous consent that the following Senators be added as cosponsors on Senate Amendment No. 512, social security reform, dealing with Federal employees: Senators BAUCUS, BINGAMAN, DIXON, MATSUNAGA, SASSER, TRIBLE, and TSONGAS.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Idaho.

Mr. SYMMS. I thank the Chair.

Mr. President, several months ago the Social Security Administration was forced to do something it never had done before. The social security OASDI trust fund had to start borrowing money so they could send out the monthly checks. When we reached that point, I think finally, the financial crisis of the social security program was realized. Up until that time, the warnings had been ignored.

I want to join with those who have passed out the bouquets to the chairman of the committee Senator DOLE and Senators MOYNIHAN, HEINZ, ARMSTRONG, and the others who worked on the Commission for the work they did in finding a compromise solution addressing the problems facing the social security system.

There are some amendments that the Senate Finance Committee added to the Commission's package which made substantial improvements. Senator LONG offered a fail-safe amendment which will insure the continued viability of the OASDI program.

I cannot say enough for the leadership the committee constantly has from our very able chairman and for the efforts that he made to try to bring this emergency situation to the floor to guarantee the rescue of the social security system.

I think, after having said that, Mr. President, that I must point out that I was the one lone dissenting vote in the Senate Committee on Finance; the one who did not vote for the bill in its present form. I would like to address that, but before I can do that, we should first recognize why it is that social security is in so much trouble. I think we have examined why there is a problem, what the solution to that problem is.

Mr. President, if you have a big gap between the income and the outflow of any program—and we have heard figures cast around here from $13,000 to $18,000 a minute that the Social Security Administration has been spending faster than they are taking in revenues—how are we going to solve the problem? We are going to solve it one of three ways: raise taxes; change the costs by reducing future increases in benefits; or borrow more money. I think we have to recognize that the biggest part of this solution, or a big part of it, is to raise payroll taxes on the working people. Although I would say there have been some improvements in the rescheduling of benefits in the Senate version of the bill—and some in the House, I must say—I think there is more work that needs to be done.

However, in finding these solutions, Americans and the Congress must recognize and address common fallacies with regard to the social security system.

The first misunderstanding that needs to be addressed is the fallacy that recipients are only getting back in benefits what they and their employer paid into the program.

If an individual started paying into the system back in 1937 and paid in a maximum amount, paid your social security taxes all the way through, and retired in 1981 at age 65, that person would have paid in $14,206. The first year of retirement that individual would have received in benefits $14,767. So, in other words, in 1 year, they will almost take out the amount of money they put in over a 37-year period.

In the second year, of course, they take out what their employers put in. I think, for far too long, the American people believed that, somehow, this system was vested and they were getting back what they had invested in it, instead of the fact that it was operating more or less on the lines of a chain letter, with some people paying in while others were taking out. It started at $30 a year and you had 16 or 17 paying in for every 1 taking out.

It worked pretty well, but as time went on, it continued to go down, so there are fewer and fewer people paying in and more and more taking out. By the year 2010 or 2020, I think it will be down to 2.2 workers paying in to 1 worker taking out.

If you just go back a short time ago to 1950, there were 15 taxpayers supporting each retired beneficiary. In 1980, the ratio was 3.2 to 1 and it will be down to 2 to 1 in the next 50 years.

So that is how we got into this problem, and I have to compliment my colleagues for finally addressing the problem. I think that we should consider amendments to this bill to solve the problem for the long and the short term and also to offer people the opportunity to trade in future social security benefits in order to have their own personalized private retirement pension program. I think that can be done. I am only disappointed that the commission did not recommend some things in the early part of the 1980's that were a little bolder and a little more aggressive. As it is, I hope we will be back. I do not share the view of my good friend from Colorado who says he hopes we do not address this again.

I would just like to say, very briefly, that there are three major problems in my opinion with this program. No. 1 is the short-term problem, that is, the problem between now and out to about 1990. The commission agreed that the problem lies somewhere between $150 billion to $200 billion. It depends on the assumptions you look at. But I would like to see us solve that problem without raising the payroll taxes, because the working Americans are already burdened by payroll tax increases. Senator ARMSTRONG pointed out here earlier that many, many Americans are spending more of their taxable income on social security taxes than they are Federal income taxes. So how are you going to solve that problem if you do not raise the payroll taxes? We have already said we cannot afford to borrow any more money. We are borrowing it at such a rapid rate now that it is causing a lack of confidence with respect to the long-term capital markets in the country, so then I think you have to look at the benefit side of the equation. And without taking any benefits away from present recipients, Mr. President, I think what we could do is simply delay

the cost-of-living adjustment until December 1985. It would save somewhere in the neighborhood of $125 billion.

But I know what people are saying: "If you do that, what about Aunt Sarah who is living on $300 a month?"

I will offer an amendment later on in the deliberation of this measure to hold harmless those people who are getting the SSI benefits and the low-income people but to delay the COLA's for the rest of the social security recipients until December 1985 and then at that point I think we should have a COLA adjustment and go on the basis of the wage index instead of the price index or whichever happens to turn out to be the lowest.

The reason I say that, Mr. President, is because from 1970 to 1981, the wages of America's workers rose 122 percent. The cost of living increased 136 percent, but the social security benefits increased 205 percent. Now, I am certainly one that is in favor of giving a full cost-of-living adjustment to that single person who is living on a fixed income in the low end of the social security spectrum, and I am talking about the person who is getting $350 a month or in that range. They need the cost-of-living adjustment. But there are many, many millions of Americans out there who are receiving more benefits than many people will recognize. I say to all my colleagues, go back to your State and find out how many young people in your States work, pay taxes, try to raise a family and have a family income of $15,000, $14,000, $12,000, in that range. I think you would be surprised to find that there are quite a few people out there struggling to do that and paying taxes on it. Yet, with respect to social security, I have seen figures that say that there are up to 275,000 to 300,000 millionaires who are drawing the maximum social security benefits and yet have been continually realizing the benefits of the cost-of-living adjustments that have outpaced the scale of the wage index of the people who are paying in on the other end of the chain letter.

So I think the committee, the Commission, all deserve some credit that they did look to that problem. The solution that they came up with was to tax the benefits. I would have preferred to limit the future increases in those benefits rather than taxing them, but at least I would have to say that we should compliment the committee for recognizing that problem.

Now, with respect to the long-term solution where the large unfunded liability in the program lies, those figures, when we heard testimony before the committee, ranged anywhere from $1 trillion to $2 trillion. It depends on whose econometric models you want to look at. But we all recognize that there is a huge unfunded liability out there in the year 2020, 2010, past the turn of the century, that has to be reckoned with. Most people agree, because of the statistics and the evidence that people are living longer, that we should do something in a gradual way to raise the retirement age.

I have to say that I am pleased that the committee recognized this and did do something to that effect. I think that we should be a little more aggressive. We should recognize the problem is here now. People are living longer. All evidence statistically supports that. Therefore, at the proper time I intend to offer an amendment which will raise the retirement age starting in 1984 1 month every year for 36 years. That will put the retirement age for maximum benefits at age 68 and for early retirement at age 65. I think that would take care of the long-term problem.

But then, Mr. President, I believe there is still one area where we are sadly lacking, and that is the opportunity to encourage Americans to save. I think we could do something with respect to this that would be very simple and we should be doing it now.

One of the biggest problems that the social security system has brought upon the American economy is it has been a failure for the American people to save money with which to rebuild the tools and equipment that are necessary to drive a growing, strengthening, noninflationary economy. The way the system works is that those workers' savings get taxed in a regressive tax off the front of their income. It is paid out to the beneficiaries. The money never ends up in savings accounts, never ends up in the banks where it can be lent to increase the tools and equipment that provide the jobs and backbone of America's great productive might.

So what I suggest we do, and I will offer an amendment to this effect, is provide a social security option account (SSOA) for those people who can afford to do it. Individuals would be able to contribute up to 20 percent of their social security wage base into their own personalized SSOA over and above what the IRA laws now allow. For every $1,000 contributed, individuals would forfeit one-half percent of their social security benefits in the future.

Now, you ask the question, "Would they still have to pay social security taxes?" Yes, they would, because the way the chain letter works we cannot allow people out. But how does that worker afford to do that? That decision would rest with each individual's ability to save, but I think we would find that many Americans would choose a tax deduction on the front end even if it would actually reduce their social security benefits in the future. Future Congresses, 40 or 50 years from now, will not be faced with the same political dilemma that this Congress is faced with, Mr. President.

The problem we have here, let us face it, is that there are 36 million Americans out there receiving benefits. Congress has to be conscious of that, and we are in fact sensitive to the fact that those 36 million people are our constituents; and we have to be sensitive to their wishes because, after all, those of us in this body do work for the people. I am not faulting that, but I think it would be an imaginative and ingenious way for us to actually develop savings in the private sector today.

In addition to savings in the private sector today, we could end up developing a constituency of people who own their own retirement accounts. They would be exchanging the privilege of owning their own accounts for future social security benefits. So that 40 or 50 years from now, we could remove some of this political pressure we have felt these many years.

That is why this problem has not been faced. We have to allow it to go to crisis proportions before we face it.

There are other things I would like to see in this system, but we want to address the short-term problem in order to get away from raising payroll taxes.

There is no doubt in my mind and in the minds of many economists in this country that this speeding up of the payroll taxes and the drain this is going to have on the private sector is going to exacerbate the unemployment problems in the United States; because when you look at where those payroll taxes are going in the near future, it is a tremendous burden on small business and on the working people just to pay the social security taxes. The result of this will be less jobs offered in the private sector because of the excessive, regressive tax that comes with this solution.

As to the long-term problem, I urge this body to carefully look at my amendment which will be offered to raise the retirement age in 1984 1 month every year for 36 years. That will cause no dislocation to an individual. It will allow people to plan their futures. It will be a very gradual change.

People are living longer. All the statistical evidence and other evidence point to the fact that people are healthier, are living longer. That is a compliment to our society. It is a good thing. But we need to start now and not put it off to the year 2000, and we should address the retirement age.

Third, Mr. President, I wish to offer an amendment which will address the problem of the lack of opportunities that most working Americans have in order to have their private retirement account. We could offer this as an alternative. It would take years and

years, and I do not expect it to change in my lifetime, but at some point in the future we could remove the political pressure of those Americans totally dependent on the social security system, the ever-increasing pressure to raise benefits, raise benefits—and the benefits, frankly, have been raised much faster than the ability of the people to pay those benefits.

I say to my colleagues, "Look around in your States. How many people do you see receiving social security whose grandchildren are not as well off as the recipients of the social security?" Yet, the entire pressure in Congress and the entire pressure that has been focused on is that, somehow, all we have to do is to raise the payroll tax and we will not have to touch any future benefits.

I am saying that we do not have to take benefits away from anybody. We have to get the wage index and the benefit levels back into balance, and they are presently out of balance. The only way I can see to do that is to delay the COLA until December of 1985 and then put it on the sound footing of the wage index and the price index. Then we will have a system with solvency for the future, and then we will in fact see a restoration of the long-term capital markets in this country. Once the long-term capital markets are restored in this country, we will see activity in the steel mills in Pennsylvania, activity in the chemical plants in New Jersey, we will see building taking place, and the farms, the fields, and the forests will be rejuvenated. We will restore the true noninflationary growth in the United States.

However, I do not believe that will happen if we always walk into this Chamber and have our compromise solution of raising taxes to solve the problem because we do not have the political will to really bite the bullet on the problem, and that is that the benefits have outstripped our ability to pay those benefits.

ORDER FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW AND FOR CONSIDERATION OF H.R. 1900

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders tomorrow under the standing order, there be a period for the transaction of routine morning business, to extend from the expiration or yielding back of that time until not later than 9:30 a.m., in which Senators may speak for not more than 2 minutes each.

Also, I ask unanimous consent that at 9:30 a.m., the Senate resume consideration of the pending matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY ACT AMENDMENTS OF 1983

UP AMENDMENT NO. 70

(Purpose: To require notice on social security checks that it is a violation of law to cash a check issued to a deceased individual)

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Hampshire (Mr. HUMPHREY) proposes an unprinted amendment numbered 70:

At the end of title I add the following new section:

NOTICE ON SOCIAL SECURITY CHECKS

SEC. 153. The Secretary of the Treasury and the Secretary of Health and Human Services shall take such steps as may be necessary to provide that all checks issued for payment of benefits under Title II of the Social Security Act, and the envelopes in which such checks are mailed, contain the following printed notice:

"The cashing or attempted cashing of a check which was erroneously issued for payment of benefits to a deceased person, and upon which the bearer has no legal claim, constitutes a felony punishable under the provisions of section 208 of the Social Security Act by a maximum penalty of $5000 fine and 5 (five) years imprisonment."

This provision shall be effective with respect to checks issued for months after December, 1983.

Mr. HUMPHREY. Mr. President, there are many controversies swirling about the social security issue, but I think there is one point on which all parties agree, and that is that the continued fraudulent cashing of social security checks issued to deceased persons cannot be permitted to continue.

The amendment I have offered will address the need to bring this practice to an end. It will not completely eliminate it; I will admit that. But I think it is a substantial contribution to the solution of the problem.

Mr. President, very simply, this amendment requires that the envelopes in which the social security checks are mailed bear a legend making it clear to any potential casher of that check that the fraudulent cashing of a check issued to a deceased beneficiary is a felony under section 208 of the Social Security Act, carrying a maximum penalty of a $5,000 fine and 5 years in prison. I think that will cause a great many people, those who have been involved in fraudulently cashing checks, to stop and consider the gravity of the act they are about to commit.

Mr. SYMMS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield to my colleague from Idaho.

Mr. SYMMS. Mr. President, I compliment the Senator for his amendment. The majority has reviewed the amendment. The Treasury believes that this amendment would be helpful for a more fair and equitable application of the act. I compliment the Senator for offering it. On this side of the aisle, we are prepared to accept the amendment.

It is my understanding that the minority also has accepted the amendment.

Mr. HUMPHREY. That is also the understanding of the Senator from New Hampshire.

Mr. President, if we may have a word from the manager of the minority side, I think we can dispose of this amendment.

Mr. BRADLEY. Mr. President, we have no objection on this side to the amendment offered by the Senator from New Hampshire. No one has expressed opposition.

Mr. HUMPHREY. Then, I believe, Mr. President, if I may have the floor for that purpose, we are ready to dispose of the issue and I have nothing further to say on the matter.

The PRESIDING OFFICER (Mr. WARNER). The question is on agreeing to the amendment of the Senator from New Hampshire.

(Putting the question.)

The amendment (UP No. 70) was agreed to.

UP AMENDMENT NO. 71

(Subsequently numbered amendment No. 520.)

Mr. BRADLEY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Jersey (Mr. BRADLEY) proposes an unprinted amendment numbered 71.

Mr. BRADLEY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 100, between lines 12 and 13, insert the following:

DISABILITY RETIREMENT BENEFITS

SEC. . (a) Title II of the Social Security Act is amended by adding at the end thereof the following new section:

DISABILITY RETIREMENT BENEFITS

"SEC. 234. (a) Every individual who—

"(1) meets the criteria for entitlement to old-age insurance benefits which are specified in paragraphs (1) and (2) of section 202(a) (but only if he first meets the crite-

rion specified in paragraph (2) of such section in or after the calendar year 2000),

"(2) is under an occupational disability (as defined in subsection (c) of this section); and

"(3) has filed application for disability retirement benefits,

shall be entitled to a disability retirement benefit for each month beginning with the first month for which he would be so entitled under clause (A) or (B) of section 202(a) if such benefit were an old-age insurance benefit, and ending with the month preceding whichever of the following months is the earlier: the month in which he dies, or the month in which he attains retirement age (as defined in section 216(1)).

"(b) Except as provided in section 202(q)(12), an individual's disability retirement benefit for any month shall be equal to his primary insurance amount (as defined in section 215(a)) for such month.

"(c) For purposes of this title, the term 'occupational disability' (with respect to any individual) means the inability of such individual, by reason of any medically determinable physical or mental impairment (as defined in section 223(d)(3)), to engage in substantial gainful activity of the type primarily performed by such individual during the 10-year period immediately preceding the onset of such inability (or, if such individual has not engaged in any one type of such activity for 2 years or more during such 10-year period, the inability to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time).

"(d) The Secretary shall by regulations prescribe the criteria for determining whether or not an individual is under an occupational disability; and an individual shall not be considered to be under an occupational disability unless he furnishes such medical and other evidence of the existence thereof as the Secretary may require.

"(e) Except as otherwise specified in this section or in other sections of this Act, the provisions of this title shall apply with respect to disability retirement benefits in the same way they apply with respect to old-age insurance benefits.".

(b)(1) Section 201(h) of such Act is amended by inserting ", including payments of disability retirement benefits," after "226)".

(2) Section 202(a)(3) of such Act (as amended by section 201(c)(1)(A) of this Act) is further amended by inserting "or disability retirement benefits" after "disability insurance benefits".

(3) Section 202(q) of such Act is amended by adding at the end thereof the following new paragraph:

"(12) Paragraph (1) of this subsection shall apply with respect to disability retirement benefits payable under section 234 in the same way it applies with respect to old-age insurance benefits; except that paragraph (9) shall not apply and, with respect to an individual applying for or receiving disability retirement benefits, the reduction period and adjusted reduction period for any such benefit shall be determined under paragraph (7) as though retirement age (as otherwise defined in section 216(1)) were age 65.".

(4) Section 226(b)(2)(A) of such Act is amended—

(A) by inserting "or 234" after "benefits under section 202" in subsection (a)(2)(A); and

(B) by adding after "or" at the end of subsection (b)(2)(A) the following new clause: "(iv) disability retirement benefits under section 234, or".

(c) The amendments made by this section shall apply only with respect to benefits for months after December 1999.

Mr. BRADLEY. Mr. President, I ask unanimous consent that a factsheet explaining the amendment be printed in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BRADLEY. Mr. President, the amendment I am offering today, which was developed by Congressman RON WYDEN and myself, establishes a new social security program to aid older workers with major health problems. Under our proposal, beginning in the year 2000, a limited number of workers between the ages of 62 and 66 would receive a new "disability-retirement" benefit if they are unable to work in their current occupation because of poor health.

It is imperative that we take this step in conjunction with any increase in the social security retirement age. If the retirement age is increased, as now seems likely, it will mean a hardship for many older workers who cannot stay in their jobs because of poor health and also cannot qualify for regular disability insurance benefits. These workers should not be shortchanged in any way, but that will happen in a lot of cases unless steps are taken to protect these workers.

My amendment would allow workers to qualify for these benefits if they can demonstrate inability to perform the major occupation they had held during the 10-year period before the onset of their disability. If workers had not worked at any one occupation for at least 2 years, then their work history would be examined to determine if their medical condition prevents them from using skills or abilities comparable to those required by work they had previously performed.

Mr. President, it should be pointed out that the definition of "work" or "occupation" does not necessarily mean the same job or the same employer, but rather the same general occupation or type of work requiring the same skills. It must also be pointed out that the program will not take effect until the year 2000; Congress has the next 17 years to formulate a more exact definition of eligibility.

This program would be considered a separate OASI program, with benefits payable from the OASI trust fund. Benefits for this program would be paid according to the OASI current law schedule for reduced benefits at ages under 65 and with full benefits paid at age 65. In effect, these workers would be "held harmless" to the proposed increase in the retirement age and reduction in early retirement benefits.

Mr. President, a majority of the members of the Social Security Commission, including Senators DOLE and HEINZ, recommended that the retirement age be raised. In addition, these same members recommended a liberalization of the disability program for those aged 62 and above.

I quote from the Commission report:

Disability benefits are now available under somewhat less stringent definitions for those aged 60-64. However because some workers, particularly those in physically demanding employment, may not benefit from improvements in mortality and be able to work longer, we assume that the disability benefits program will be improved prior to the implementation of this recommendation to take into account the special problems of those between age 62 and the normal retirement age who are unable to extend their working careers for health reasons.

Mr. President, the Finance Committee raised the retirement age but did not make improvements to the disability program. My amendment merely follows through on the recommendations made by a majority of the members of the Social Security Commission. The Social Security Commission's actuaries rough estimate is that only about 10 percent of future retirees would fit into this category. Therefore, the long-term cost of this change is minimal—0.04 percent of payroll—and this additional cost can clearly be accommodated in the bill before us now because the savings in the Finance Committee bill exceed by 0.08 percent the level necessary to achieve long-term solvency.

Mr. President, I believe that this proposal is a fair one. If we must raise the social security retirement age, we need to develop a safety net for older workers who, for health reasons, simply cannot keep working. I urge my colleagues to adopt the amendment.

EXHIBIT 1

BRADLEY DISABILITY-RETIREMENT AMENDMENT

WHAT IS THE PROGRAM?

The Amendment would establish a new program that will allow a limited group of workers aged 62 up to the "normal retirement" age (i.e. the age at which full OASI benefits are allowed) to qualify for "disability retirement benefits". This new program would not start to take effect until the year 2000—the year that the Social Security retirement age is scheduled to increase.

WHY DO WE NEED THIS PROGRAM?

There are many older workers whose health is too "good" to qualify for the regular disability insurance program, but too poor to allow them to keep working in the occupation for which they are trained. Raising the retirement age and reducing early retirement benefits for these older workers amounts to a significant cut in benefits because their poor health simply won't let them keep working.

WHO WOULD BE ELIGIBLE FOR THE PROGRAM?

Workers qualify for these benefits if they can demonstrate inability to perform the major occupation they had held during the 10 year period before the onset of their disability. If workers had not worked at any one occupation for at least 2 years, then their work history would be examined to determine if their medical condition prevents them from using skills or abilities comparable to those required by work they had previously performed with some regularity and over a substantial period of time.

"Work" or "occupation" does not necessarily mean the same job for the same employer, but rather the same general occupation or type of work requiring the same skills.

It must also be pointed out that the program will not take effect until the year 2000; Congress has the next 17 years to formulate a more exact definition of eligibility.

WHAT ARE THE LEVEL OF BENEFITS TO BE PAID?

This program would be considered a separate OASI program, with benefits payable from the OASI trust fund. Benefits for this program would be paid according to the OASI current law schedule for reduced benefits at ages under 65 and with full benefits paid at age 65.

Age	OASI current law, percent of benefit	OASI Finance Committee bill, percent of benefit
62	80	75
63	86.7	80
64	93.3	87
65	100	93
66	100	100

WHAT ARE THE LONG-TERM COSTS OF THE PROPOSAL?

The rough estimate by the Social Security Administration's actuaries is 0.04 percent of payroll. Adoption of the amendment will not lead to insolvency, since the savings in the Senate Finance Committee bill exceed the level necessary to achieve long term solvency by 0.08 percent.

Mr. DOLE. Mr. President, I thank the distinguished Senator from New Jersey.

I have indicated to the Senate that we have only had an opportunity to see the amendment for about 30 to 45 minutes. I know of no objection. It may depend on what other amendments might be adopted. Plus we wish the time to analyze it carefully on our side.

I am wondering if the Senator from New Jersey might be willing to let us set this amendment aside, give our staff and social security people a chance to review it carefully, and then we could either call it back up or in some way dispose of it. If we can agree on it, or with some modification, it could be accepted.

I have not checked either with the distinguished ranking minority member, Senator LONG. But we would certainly be willing to look at it carefully the next 24 hours.

Mr. BRADLEY. Mr. President, I would have no objection to temporarily laying the amendment aside until the next order of business is disposed of, and then this amendment would be pending again, and it would be my hope that by that time maybe by tomorrow we could resolve this. I know that the chairman as he stated in the Commission report expresses considerable interest to meet this problem, and I have every expectation we will be able to solve it.

Therefore, I ask unanimous consent that the amendment be temporarily laid aside until the next order of business is disposed of and then this amendment again be pending.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I appreciate the cooperation of the Senator from New Jersey.

It may be that other Members have amendments which we can agree upon. If so, we could dispose of those amendments. It is my understanding we may want to adjourn between 6 and 7, nearer 6.

But I would say to Members who may be in their offices or members of the staff if there are noncontroversial amendments, we would like very much to dispose of this yet this afternoon, and we hope to come in—there has not been an order yet—but early tomorrow morning and go until some time late tomorrow afternoon and hopefully during the remainder of the day and all day tomorrow we can, first of all, dispose of noncontroversial amendments. We believe there are a number that can be agreed upon. There are some we cannot agree upon. There may be rollcall votes sometime after 1 p.m. tomorrow afternoon.

Mr. BENTSEN. Mr. President, as an original cosponsor of S. 1, I want to join my colleagues in commending Senator DOLE, the distinguished chairman of the Finance Committee, Senator MOYNIHAN, and others who have helped fashion a reasonable, effective, and broadly accepted proposal to address the difficult problem of financing our social security system.

This compromise, Mr. President, is of obvious and urgent importance to 152 million American workers who have put their trust in the commitments undertaken by this Government. For millions of our people social security spells the difference between dignity and despair for the future, and I am convinced that the compromise being considered by the Senate comes down squarely on the side of dignity.

There is another, equally important dimension to this legislation. It provides the most striking evidence I have seen in sometime that the American political system, despite the strains of partisanship accentuated by an economic environment of prolonged recession, is still capable of acting—rapidly, effectively, and with unity—to serve the vital interests of our people.

The social security package is a classic in the art of bringing the diverse elements of America together in the search for honest answers to the difficult problems facing our Nation. No party, I am sure, is perfectly satisfied with this formulation. Everyone has been asked to sacrifice, to take up a part of the burden, to pay more, to defer increases, to suffer a little so that millions of older Americans will have to suffer much less.

I sincerely hope, Mr. President, that the obvious element of bipartisanship and good will so evident in our deliberations on the social security package can serve as the groundwork for broader sustained effort to respond to America's pressing economic problems and help us establish an agenda for the future.

With this compromise the Congress will be taking a giant step toward removing social security as a contentious, partisan, emotional issue in future elections. I sincerely believe this formulation reflects great credit on those who had the courage and foresight to bring it to the floor.

I commend my colleagues on both sides of the aisle for a job well done. I am pleased to be an original cosponsor of this legislation and I urge its prompt approval by the Senate.

Mr. DOLE. Mr. President, I do not see anyone rushing in with an amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, so far today we have heard a few hours' debate on this very important issue and I want to take this opportunity to give you my views on the entire package, and to relay what I consider to be its strengths and weaknesses.

As this body begins consideration of the Social Security Act Amendments of 1983, I would like to share my hopes and goals, which have guided me throughout my involvement in this issue. The first goal, one which we all share, is to adopt a comprehensive package that will insure a sound social security system for as long into the future as we can predict.

Second, we must adopt a well-balanced plan that is fair, one which calls on all who are touched by this system to share in the sacrifices required to restore it to solvency.

When I first heard the National Commission's recommendations I was less than pleased. In my view the plan relied far too heavily on tax increases and it was far too short on reform. My misgivings were based on my past experience as a Member of the House of

Representatives during deliberation of those very important 1977 social security amendments. At that time we heard promises from the House Democratic leadership and from the Democratic President that adoption of the 1977 bill would guarantee adequate financing for social security until the year 2030.

Here we are, only a little over 5 years later, still wrestling with the issue of social security. If Congress has learned anything about this issue over the years it should be evident that continual reliance on tax increases does little to address the real problems with our social security system. Tax increases do not correct the generosity of past Congresses which greatly expanded benefits, nor do tax increases address the demographic changes which have radically affected the program.

Furthermore, greater and more taxes merely exacerbate our economic situation of prices increasing more rapidly than wages and of continued high unemployment.

We are rapidly approaching the limit which taxpayers can afford to pay for social security. I would argue that in many instances that threshold has already been crossed. Demographic changes are such that in 1950 we had 16½ workers supporting each retiree but by the year 2000 each retiree will be supported by less than 3 workers. Obviously the answer to this situation is not further tax increases.

I fully recognize the difficulty in trying to predict into the future what economic conditions will exist, but we surely must do a better job this go-around than we did in 1977 when we passed those incredibly high taxes.

If we must err in our economic forecast it is far better to err on the side of conservatism.

The bill reported out of the Senate Finance Committee not only closes the long-term deficit but also has a slight surplus over the course of the 75-year estimates. This cushion, this surplus, is a prudent measure.

My only hope is that present or future Members of this body do not see those extra dollars and decide it is time to vote for a few more sweeteners in the social security benefits structure.

In order to close that long-term gap, my colleagues and I on the Finance Committee adopted what I believe to be a balanced and fair plan. First, the retirement age would be gradually increased to age 66 but would not be indexed. I know many individuals who felt the retirement age should be increased but were troubled by the thought of continual increases through the indexing process.

Second, the outside earnings limitation would be phased out in our Senate Finance Committee plan. I have long been an advocate of repeal of this current law which penalizes the effort of elderly individuals to continue to be productive members of society in their later years.

Finally, our committee adopted a measure which would slightly reduce the initial benefit workers would receive upon retirement.

These measures are a fair approach to reconciling the long term deficit. It recognizes the trend toward increased longevity, yet balances the needs of those individuals who must retire due to illness or disability.

The long-range benefit change is structured to minimize any impact on future retirees, and it should be stressed these provisions do not impact in any way on those individuals currently retired nor those for whom retirement is imminent. The adoption of these changes by the Senate Finance Committee greatly improves the overall balance and fairness of the original Commission report.

Additional changes approved by the Finance Committee also serve to make the plan more palatable to those of us who feel workers are burdened with enough taxes.

Senator LONG offered an excellent fail-safe plan which is exceedingly fair, and will indeed function as a true fail-safe mechanism should trust fund reserves be below 20 percent of annual outgo, and be projected to decline. The Secretary of Health and Human Services would be authorized to reduce the annual cost-of-living adjustment to the extent necessary to prevent a further decline in reserves. However, the Secretary must first inform Congress of the impending action, so Congress would have ample time to enact an alternative solution.

One other change the committee has recommended is to provide some relief to the self-employed of this Nation who will be hard hit with additional taxes in 1984. These individuals who serve as the backbone of our economy, and are pivotal in a recovery, would have been dramatically affected by the Commission's original proposal. While we did not eliminate the provision to equalize the self-employed tax rates with the combined employer-employee amount, we approved the use of SECA tax credits to help ameliorate the impact, particularly in the first year.

These changes, approved by the Finance Committee, greatly enhanced the overall package, so that a lot of people who might not otherwise vote for this bill on the floor of the Senate may now be able to do that. To give the Commission its due, their original report laid a strong foundation for Members of both Houses of Congress from which to make their final recommendations. Without the Commission's leadership and diligence, I fear the discussion on social security would be far more acrimonious.

I must register some concerns with portions of the package I find most troublesome. The authorization of continued interfund borrowing, no matter how carefully structured, spells nothing but trouble. It is our duty to develop a package that will actually solve the funding crisis. In my mind, this fall-back provision merely means we were not able to make some hard decisions and legislate all the needed changes to solve the problem of the social security system. It also has grave implications for the solvency of the medicare fund, and conversely, for the O.A.S.D.I. fund should medicare be forced to borrow from its larger sister prior to 1988.

The combination of the interfund borrowing authority and the use of certain accounting "gimmicks" are more than just a little disturbing. The so-called normalization of tax transfers is a thin disguise for general revenue borrowing, albeit for a month at a time. I would, however, like to state that the Senate's version of this scheme is far better than what the House adopted in their version of the Commission recommendations. At least the normalization mechanism is triggered in our bill with a time certain payment, including interest.

The integration of the civil service system with social security poses another problem. While we have heard from the distinguished Senator from Alaska (Mr. STEVENS) that the formulation of a supplemental plan for new Federal employees is not an insurmountable problem, such assurances do little to placate this Nation's civil servants. Congress must work in earnest, and as expeditiously as prudence allows, to develop an adequate and fair retirement program for Federal workers who are hired after the first of next year. We also have the solemn obligation to those currently in Federal employ that we are solidly and completely committed to their right to accrued entitlements to future benefits under the Federal retirement system.

One final point I would like to make on the completeness of this package is the adequacy of financing over the next decade because I have some doubts about how adequate that is. We have heard comments from a wide variety of sources that the package provides for a razor thin margin within the next few years. I am deeply troubled by reports that this package may not be sufficient to cover the short-term funding problem. I refer to my earlier remark that it would be far better to be overly conservative in our estimates to guarantee a solvent system. While I find such a possibility abhorrent, the plan reported out of the Finance Committee, does provide for a fail-safe plan which would be implemented should the system face a crisis in the next few years. Should we

receive further indications that the bill not be adequate to remedy the problem, prompt and honest action must be initiated to guarantee we do not fall into the same trap we did in 1977.

While many of the provisions contained in S. 1 are distasteful, I am well aware that no social security plan could have been embraced by so many different groups and elected officials had it not been broad based, and contained a mix of the sweet and the sour. The heavy reliance on tax increases, and back door general revenue financing are difficult for me to accept. Balanced against those provisions are the 6-month COLA delay, reduction of windfall benefits and the long-term changes which I feel are necessary if we are to ever get a handle on the phenomenal growth in this program.

I am particularly pleased the package includes several women's equity provisions. All of which are paid for, I might add. Finally, several provisions which the Finance Committee saw fit to include are the elimination of prisoners' benefits, and the limitation of benefits to nonresident aliens. These provisions accomplish the much needed goal of returning a sense of equity and fairness to the social security system.

The bill we are debating today is far more than a measure to provide adequate funding for social security. It is an opportunity for this Congress to restore some faith and confidence in the entire social security program, and perhaps restore some credibility in this Congress and its ability to take action.

Although far from perfect, this bill is the culmination of tremendous efforts of all those individuals who participated in one way or another to fashion a concensus plan. My colleagues on the Senate Finance Committee who served on the National Commission deserve the highest praise and appreciation from Members of this body as do their able staff members. The private sector individuals who so freely gave of their time to work for a reform measure also deserve our thanks. The President, and other elected officials demonstrated their ability to compromise and bend a little, to insure the economic security of today's and tomorrow's retirees. Finally, special thanks need to go to Robert Myers for his tireless efforts and seemingly endless patience.

After careful and thorough evaluation, I am supporting this compromise plan as presented here today. I realize many individuals and special interest groups find particular provisions included in the package to be sufficiently onerous that the plan cannot have their support. I can only say that we must evaluate the package in its entirety and with the ultimate goal of a safe and secure social security system. With those thoughts in mind, I lend my support to this plan.

Mr. DOLE. Mr. President, I appreciate the statement of the Senator from Iowa. I wish to thank the Senator from Iowa, a member of the committee, for his assistance in what he has described as maybe not a perfect solution but certainly one that I believe was improved in the Senate Finance Committee with the assistance of the Senator from Iowa.

We believe that we have a good compromise. We believe that it will pass the Senate hopefully without any significant change and that we can go to conference with the House early next week and have this on the President's desk sometime late next week.

But I do wish to thank the distinguished Senator from Iowa for his invaluable assistance.

Mr. GRASSLEY. I thank the Senator from Kansas very much. I appreciate his leadership. I know it has not been easy. He has had to listen to my complaints and the complaints of everybody else. Let me say this and I say it sincerely:

This bill has come out of the Finance Committee a much better bill, a much stronger bill. If the chairman will remember the comments I made in the committee as I asked question after question of the various people who were testifying in support and against this bill, it is very difficult for me to buy two-thirds of a loaf even though two-thirds of a loaf may be better than no loaf at all.

But what came out of the Finance Committee, quite unexpectedly what came out of the House of Representatives, is a complete package.

One of the things that I needed to be assured of the most if I was to vote for this plan was to be assured that I could go home and tell retirees that as best we can presently determine we have solved the social security problem well into the future.

We were assured of that in 1977 based on fantastic tax increases, and yet here we are almost 6 years later with the same situation we had then.

But because the chairman has made some reform in the system, we can tell the young workers who will pay into the system for the next 40 years, as well as the person who is retired or close to retirement, that we have given the people a complete and sound package.

The contribution of the chairman of the Finance Committee to something which has become an integral part of our society and of the social fabric of America, the social security system, should be received with all the compliments we can offer. I hope he gets such compliments for a long time because he does deserve them.

Mr. DOLE. I thank my friend.

Mr. SYMMS. Mr. President, I would like to join with my friend from Iowa in complimenting the Senator from Kansas. I share those comments.

Mr. President, I have not supported the package yet because I feel there are still a few amendments that need to be added to improve this package.

Having said that, I did vote against an amendment which I spoke about earlier this afternoon, but I do believe the chairman has made a lot of headway and made improvements over what I thought the committee would be able to do.

UP AMENDMENT NO. 72

(Subsequently numbered amendment No. 521.)

(Purpose: To increase the retirement age at which full benefits paid to age 68)

Mr. SYMMS. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho (Mr. SYMMS) proposes an unprinted amendment numbered 72.

On page 97, beginning with line 11, strike out all through line 9 on page 98, and insert in lieu thereof the following:

"RETIREMENT AGE

"(a)(1) The term 'retirement age' means—

"(A) with respect to an individual who attains the early retirement age (as defined in paragraph (2)) before January 1, 1984, 65 years of age;

"(B) with respect to an individual who attains early retirement age after December 31, 1983, and before January 1, 2020, 65 years of age plus the number of months in the age increase factor (as determined under paragraph (3)) for the year in which such individual attains early retirement age; and

"(C) with respect to an individual who attains early retirement age after December 31, 2019, 68 years of age.

"(2) The term 'early retirement age' means age 62 in the case of an old-age, wife's, or husband's benefit, and age 60 in the case of a widow's or widower's benefit.

"(3) The age increase factor for individuals who attain early retirement age in the period described in subparagraph (B) shall be equal to one-twelfth of the number of months in the period beginning with January 1984 and ending with December of the year in which the individual attains early retirement age.

Mr. SYMMS. Mr. President, this amendment would raise the retirement age 1-month per year beginning in calendar year 1984 for 36 years—which would bring the regular retirement age up to 68 and the early retirement age up to 65.

This amendment is needed as one of the measures to assure the long-term solvency of the social security trust fund. Increasing the retirement age gradually over a period of 36 years gives today's workers adequate time to adjust and plan for their own retirement.

Increasing the retirement age is well justified because of the increased longevity of Americans. When social security was initiated, the average life expectancy at the time of birth was about 50 years. Those setting up the social security trust fund set the social security retirement age at 65. Today, the average life expectancy at the time of birth is about 72 years, and yet the social security retirement age still remains at 65. It is time we brought this matter up to date to help insure the long-term solvency of the trust fund.

I know that there are many who are opposed to increasing the retirement age because of a variety of reasons, including bad health. But I would also like to mention that I have read considerable information indicating the benefits of working longer, remaining involved, and so forth, which keeps a person physically and mentally healthy.

I will not belabor this matter anymore because I believe this has been discussed in the hearing process and today.

Mr. President, I ask for the yeas and nays. I know the chairman of the committee wants to set the vote over until tomorrow, but I would like to ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, we do want to put the vote on that amendment over until tomorrow.

Mr. SYMMS. That will be fine.

Mr. STEVENS. Can we discuss the time later?

Mr. SYMMS. That will be fine with me.

Mr. DOLE. Mr. President, unless there are other noncontroversial amendments, we now have an amendment laid down. This is not a noncontroversial amendment, I might add. It might not be a controversial amendment to the Senator from Idaho, but it might be to others. With that amendment pending, this might be a good time to retire for the day.

Mr. HUMPHREY. Mr. President, I have an amendment which I believe would be acceptable inasmuch as it is in the House version. We might take care of it tonight.

Mr. DOLE. Perhaps we can have a brief quorum call while we look at it. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that the time for the vote on the Symms amendment be determined during the time allocated to the leadership on tomorrow when the Senate reconvenes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, I will not object. I agree to that. I would just like to say to the acting majority leader that I hope we might have, if necessary, 5 minutes for all Senators to restate what his or her amendment does and then vote. I think if we can work that out, there will be no problem.

Mr. STEVENS. To make sure there is no misunderstanding, I ask that that be the case, that there be 5 minutes on each side on the Symms amendment prior to the time of the vote being agreed upon tomorrow between the two leaders.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY BENEFITS TO THE DECEASED

● Mr. HUMPHREY. Mr. President, as the Senate turns attention to the long-awaited social security reform package, I plan to offer two amendments to address the problem of erroneous benefit payments to deceased individuals. Many of our constituents were justifiably angered by the disclosure late in 1981 that over $60 million in benefits had been routinely mailed, for as long as 15 years, to over 8,000 individuals listed as dead on medicare records. In one documented incident, a gulf coast widow forged her deceased husband's signature, cashed his benefit checks, and told investigators that he was at sea on a shrimp boat. In another, a wealthy middle-aged businessman cashed his father's social security checks for many months after his death, explaining to investigators that he needed to maintain cash flow for his business. I believe we need to take action to stem this hemmorhage of the trust funds.

The first amendment I plan to offer focuses attention on those individuals who criminally negotiate the errroneously issued checks. The Secretaries of Treasury and Health and Human Services would be required to provide that all title II benefit checks, and the envelopes in which they are mailed, bear a printed legend warning that the cashing or attempted cashing of a check which was erroneously issued for payment of benefits to a deceased individual constitutes a felony punishable under the provisions of section 208 of the Social Security Act by a maximum penalty of $5,000 fine and 5 years imprisonment. I believe it would be wise to plainly warn potential felons of the nature and consequences of such an act, in order to give them pause to reconsider an act of disrespect both for the dead and for the taxpayers who fill the trust fund coffers.

The second amendment I plan to offer would add a provision directing the Secretary of Health and Human Services to establish a program under which the States voluntarily contract with the Secretary to periodically furnish information concerning individuals with respect to whom death certificates—or equivalent documents—have been filed. The Secretary would be required to compare this information with SSA files, and to make necessary corrections.

Mr. President, my amendment is essentially the same as an existing provision of the House-passed reform bill—which reflects the efforts of Representative WILLIS GRADISON—and differs only in that it incorporates certain modifications recommended by GAO and SSA. The amendment stipulates that administrative funds are to be used for payments to the States, and that the Secretary may enter into information sharing agreements with Federal and State administrators of other benefit programs, provided that such agencies provide reimbursement for reasonable costs. Finally, the amendment provides that information provided under this section to the Secretary may not be used for any other purpose, and that the Secretary shall report to Congress next year on the status of the program.

Mr. President, I am hopeful that these proposals will receive the support of my colleagues. At a time when the trust funds are facing severe financial hardship, this unacceptable state of affairs cannot be tolerated any longer.●

SENATE TO CONVENE AT 9 A.M. THURSDAY

Mr. STEVENS. Mr. President, is there a time for convening tomorrow?

The PRESIDING OFFICER. The convening time is 9 a.m.

DIRECT SENATE LEGAL COUNSEL TO REPRESENT SENATOR CRANSTON

Mr. STEVENS. Mr. President, as in morning business, I send to the desk a resolution in behalf of Senators BAKER and BYRD and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

A resolution (S. Res. 92) to direct the Senate Legal Counsel to represent Senator Alan Cranston in *Glenridge, Ltd. aka Glenridge Apartments* v. *Mary Anne Kramer aka Mary Ann Kramer*, No. 834036.

Mr. STEVENS. Mr. President, this is a technical matter. I ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BAKER. Mr. President, this resolution would authorize and direct the Senate Legal Counsel to represent Senator ALAN CRANSTON and employees in his office in response to a subpena duces tecum which has been served upon the custodian of records for Senator CRANSTON by the plaintiff in the case of Glenridge, Ltd. against Mary Anne Kramer, now pending in Municipal Court for the City and County of San Francisco in California. The subpena directs Senator CRANSTON to produce communications from a citizen on topics of legislative and constituent concern. At Senator CRANSTON's request, the Senate Legal Counsel would be directed to assert all privileges to which Senator CRANSTON may be entitled in order to protect the confidentiality of citizen and constituent communications to members.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 92) was agreed to.

The preamble was agreed to.

The resolution with its preamble, is as follows:

S. RES. 92

Whereas, in the case of *Glenridge, Ltd.* v. *Mary Anne Kramer,* No. 834036, pending in the Municipal Court for the City and County of San Francisco in California, a subpoena duces tecum has been served upon the custodian of records for Senator Alan Cranston ordering him to produce documents;

Whereas, pursuant to sections 703(a) and 704(a) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a)(2) (Supp. V 1981), the Senate may direct its counsel to defend any member or employee of the Senate in any proceeding with respect to any subpoena or order directed to such member or employee in his official or representative capacity: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Senator Cranston and employees in his office regarding any subpoena or order in the case of *Glenridge, Ltd.* v. *Mary Anne Kramer.*

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BILL HELD AT DESK—H.R. 1936

Mr. STEVENS. Mr. President, I ask unanimous consent that once the Senate receives from the House of Representatives H.R. 1936, a bill dealing with bonuses, enlistment and reenlistment of the armed services, it be held at the desk pending further consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

(During today's proceedings statements were delivered or submitted and routine morning business was transacted, as follows:)

PRESIDENT RICHARD SHEARER OF ALDERSON-BROADDUS COLLEGE PROVIDES EDUCATIONAL LEADERSHIP

Mr. RANDOLPH. Mr. President, I call attention to a distinguished West Virginian, a resident of our State for the past 32 years. Dr. Richard Shearer.

Dr. Shearer will be retiring this summer after completing 32 years as President of Alderson-Broaddus College in Philippi, W. Va. He came to A-B in 1951 at the age of 30. He, at the time, was the youngest college president in the Nation.

Alderson-Broaddus is a 4-year liberal arts and science institution which is affiliated with the West Virginia Baptist Convention and the American Baptist Churches, USA. The college offers a strong career-oriented program with a dedicated emphasis on a Christian environment. Its programs focus on teacher education with emphasis on special education and allied health fields.

Dick Shearer is a leader. Under his tenure as president, the college has made significant advances in academic activities and in facility improvements. There has been a $12 million expansion program in facilities during this period. He provided leadership for the inauguration of the new dimensions program in 1963 which features a year-round calendar and off-campus experimental education. In 1968 the college initiated an innovative program for the development of a new member of the Nation's health team—the physician's assistant. This 4-year baccalaureate degree program is considered a "first" for the United States and has been given State and national attention. Dick Shearer is committed to the dual system of both private and public education. He advocates an educational philosophy which joins the productive world and the academic world, and to effective education of the whole student including motivation and values as well as knowledge and skills.

Richard E. Shearer's accomplishments at A-B are extensive and they are matters of record.

He was the person primarily responsible for building a $30 million campus at Alderson-Broaddus College over the last three decades.

Every financial campaign the college initiated under his leadership in the last 25 years has gone over its stated goal.

Under his administrative effort the college has balanced its budget each year for the past 26 years.

He cofounded the "West Virginians"—a popular performing musical group of A-B students.

He was one of the founders of the Council for the Advancement of Small Colleges in 1952.

He secured over $5 million in foundation grants for A-B College over his tenure.

He doubled endowment for the college.

The college quadrupled enrollment during his presidency.

In his role as college president, Dr. Shearer has had a valued and dynamic coworker, his wife, Dr. Ruth Mansberger Shearer. Dr. Shearer received her doctorate in education from Columbia University in 1963. She has done postdoctoral work at Oxford and the University of Denver. Ruth is a member of several educational honoraries, and she has published articles in educational and denominational journals. She was dean of women at A-B from 1951–55, and is currently a full professor of education. Together, they have worked toward the betterment of higher education in our State and Nation.

I congratulate Dick and Ruth Shearer for their years of dedication and service to Alderson-Broaddus, their community, State, and Nation. As they begin a new phase of life, and, careers, they have our best wishes for health, happiness, and success. I have cherished their friendship.

NORTH AMERICAN COAL TOPS THE LIST

Mr. BURDICK. Mr. President, the harsh and sometimes unrelenting realities of a faltering national economy severely challenge the managerial acumen of even the best of the country's business leaders.

Business Week magazine's recent survey of 1,200 of the Nation's largest companies in 39 key industries showed profits last year down 16 percent from 1981 and earnings off 24 percent in the final quarter of 1982.

But amidst the many companies which found 1982 a losing year, there were some that recorded significant improvements compared with 1981.

One of those bright spots in an otherwise dismal picture was the North American Coal Co., which is a very important contributor to the economy of North Dakota.

In the Business Week analysis, North American topped the list of firms showing marked improvements in earnings growth and margin of profit.

In a year when the coal industry's principal customers, electric utilities, experienced their first reduction in

demand for power since the post-World War II days, and when the steel industry—a major user of coal—lost a record $3 billion while utilization of its capacity dropped to below 50 percent, successfully guiding a coal producing company along a path to significant financial improvement is a real accomplishment.

I am quite proud to recognize the importance of such achievement by North American's president and chief executive officer, Otes Bennett, Jr., and Robert E. Murray, president of the company's western division and its subsidiaries operating in North Dakota—Falkirk Mining Co., Indiana Head Mine, and the Coteau Properties Co.

By conservative estimate, North American employs 530 people—90 percent of them natives of the State—and directly contributes some $15 million a year to the economy of North Dakota. Considering all indirect benefits, North American Coal Co. probably accounts for some three or four times that amount.

Falkirk Mining Co. last year produced more than 5.2 million tons of lignite from its operations near Underwood, N. Dak., to meet the needs of the 1,100-megawatt Coal Creek electric generating station.

Near Beulah, N. Dak., the Indian Head Mine provides 1 million tons of lignite annually for the United Power Association's Stanton, N. Dak., plant. Later this year that mine is expected to increase production to meet additional demand from the Stanton plant.

The Coteau Properties Co., a North American subsidiary, is currently constructing the new Freedom Mine which will eventually employ 300 and 400 people. It will soon begin producing 5.2 million tons of lignite a year for the Basin Electric Cooperative's Antelope Valley Station and 4.7 million tons for the Great Plains gasification project—the Nation's first commercial coal-to-synthetic gas plant.

Mr. President, coal is this country's most abundant energy resource. The coal industry is vitally important to our energy future, our energy security, and our economic viability.

Today over half the country's electric power is generated from coal, and coal's share of the market is growing because compared with oil and natural gas it is much more abundant and much less expensive to use.

Coal exports are earning $6 billion a year in foreign exchange, and that level could double or triple within the next 20 years.

North Dakota is proud to be a part of the coal energy picture, to be a partner in helping to assure low-cost readily available energy. And North Dakota is proud that the North American Coal Co. and its obviously talented and successful leaders are partners with us.

GEN. DAVID C. JONES

Mr. BURDICK. Mr. President, I want to share with this body excerpts of an article that recently appeared in North Dakota's Horizons magazine about Gen. David C. Jones, the former Chairman of the Joint Chiefs of Staff. I am proud to say that General Jones is a native of North Dakota and has kept our State as his home throughout his career.

Mr. President, this article by Irving "Speed" Wallace captures the pride North Dakotans feel for this distinguished citizen and gives a good insight into the man and his career.

General Jones recently retired as Chairman of the Joint Chiefs of Staff, having been nominated by two different Presidents, each of different political parties. I think that speaks for itself in terms of General Jones' performance. I have found him to be a man of integrity, with confidence in his convictions and the courage to stand by them. I think all who share my admiration of General Jones will find this article enlightening. I ask unanimouse consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ROUGHRIDER GENERAL

(By Irving Wallace)

Excitement spread quickly in Minot, North Dakota, one day back in the late thirties when a number of Army Air Corps airplanes on a training flight to Alaska made an unexpected emergency landing to wait out a snowstorm.

Although blustery weather, it afforded an opportunity for the local people to inspect the army planes. Among a group of students there was a boy scout who seemed to take an extra special interest, lingering behind; not wanting to miss anything. Like the others with him, he still had high school and college before him and had yet to consider a career. He was preoccupied with studies, delivering the local newspaper, shoveling snow and doing whatever odd jobs he could get for spending money.

After talking with the Army pilots in their trim uniforms, getting a glimpse of the instruments and controls, and after sitting in the pilots' seat, he was captivated. After that day's experience there was never any question in his mind about his goal in life. He would become a pilot.

David Jones finished high school, attended the University of North Dakota and Minot State College. He also took private flying lessons. When the Japanese struck Pearl Harbor, he was 20 years old. He enlisted as a cadet in the Army Air Corps. In less than a year he received his wings and was commissioned a second lieutenant. From that time on his career was meteoric.

By 1965, he had received six promotions which gave him the rank of brigadier general. Three more promotions came during the next six years making him a four-star general. His rise from a colonel to four stars in five and one-half years was extraordinary.

During 1974, he was appointed Chief of Staff of the Air Force, responsible for administrating, training, and equipping a worldwide organization of men and women employing the world's most advanced defense systems. This automatically made him a member of the Joint Chiefs of Staff which is the top echelon of military officers from each of the four branches of service—the Army, Navy, Air Force, Marine Corps and a chairman.

Four years later, on June 21, 1978, David C. Jones, the Minot boy who promised himself back on that cold winter day in the thirties that he would someday have a career with the Army Air Corps, was appointed Chairman of the Joint Chiefs of Staff, which made him the highest ranking military officer in the United States Military.

Among his impressive responsibilities, General David C. Jones served as the senior military adviser to President Reagan, the National Security Council, and to the Secretary of Defense, Casper Weinberger. Through the commanders of the unified and specified commands, he was also responsible for executing the decisions of the National Command Authorities regarding worldwide readiness and employment of the four combat forces of the United States.

To the chairmanship, David C. Jones brought a wealth of experience and knowledge of all phases of national security affairs, the diverse U.S. defense establishment, and defensive alliances with other nations. His assignments have included operational and command positions in strategic, tactical and training units, as well as service staff positions with major headquarters in the United States and overseas.

General Jones is a cool persuasive, and knowledgeable gentleman. He seldom referred to notes when appearing before congressional committees. As the top ranking officer among the nation's generals and admirals, he was the only military person who had direct access to the President's Oval Office.

Insiders at the Pentagon recognized General Jones to be a brilliant leader. An officer who knows him well remarked that General Jones' military policy has been that he would never ask a man to do anything he wouldn't do himself. He was a favorite with members of the media who covered the Pentagon. They credit him for being courteous, brief, and to the point when being interviewed.

It is doubtful that any other military man today will ever have a career as phenomenal, adverturous, successful and beneficial to the nation as has General David C. Jones since enlisting 40 years ago. During those years more than 50 decorations and awards have been presented to him.

David Jones is too modest to accept the fact he is a living legend. He feels there is much more for him to accomplish but even now it would take a hefty volume to cover his biography. Jones' legend is that he rose through the ranks from a background of varied commands rather than an academy background that most senior officers receive. He went all the way to highest rank in the military without having attended Annapolis or West Point.

When young David Jones received his wings and first commission he was anticipating some action. He was disheartened after learning he was assigned to be an advance flying instructor. During those instructing days in New Mexico, Arizona, and Texas, he gave much thought to his future. He promised himself he would study and work hard to become one of the best pilots in the Army Air Corps. This was not a figment of his imagination. It was deeper, for it was a part of his inherent desire to succeed. This was

exemplified by a prophecy accompanying his photo in his high school graduation book: "What man dares, I dare".

In 1945, then a lieutenant, Jones was to see the first of many overseas assignments, flying with the 3rd Emergency Rescue Squadron, 5th Air Force, Japan. This was the beginning of a series of assignments and promotions that was to take him to the top in the military. He started out as a unit pilot and in less than three years he rose to commander of the squadron.

The now Captain Jones was assigned to the 19th Bomb Squadron in 1950 as an operation officer but soon was given command. His unit was the first to be committed to the Korean War and was soon dubbed "Jones' Bridge Busters". He personally accumulated over 300 combat hours and 29 bombing missions over North Korea.

In 1953, Jones, now a Lieutenant Colonel, was transferred to the tanker side, assuming command of 22nd Air Refueling Squadron for one year then was assigned commander of the 33rd Bombardment Squadron. Later, due to his vast experience, he was assigned to Strategic Air Command.

It was here that the North Dakotan received his first important staff job, serving two years as an aide to SAC's legendary commander-in-chief General Curtis E. LeMay. When traveling worldwide with General LeMay, he gained a deep insight into high command and management which he later put to use. "Being General LeMay's aide," General Jones said, "was one of the highlights of my career. I learned a great deal from this outstanding leader and warm human being."

At the age of 43 Jones returned to a tactical unit, having decided to fly fighters. He attended F100 and F4 training schools and out performed many students half his age. He soon was made commander of the 33rd Tactical Fighter Wing.

In late 1965, now with the rank of brigadier general, Jones was sent to Europe on a four-year assignment with the responsibility of inspecting units at more than 90 installations in 10 countries. Following the European assignment, Jones, now a Major General, was assigned to Seventh Air Force in Vietnam serving as vice commander. After the Vietnam tour, Jones was promoted to lieutenant general and assigned command of Second Air Force Headquarters in Louisiana responsible for aircraft on 33 bases from California to Labrador to Puerto Rico, representing an investment in aircraft, and facilities of over ten billion dollars.

General Jones received his fourth star in 1971 while on a three-year tour as head of the Air Force in Europe. Upon his return in June of 1974, he was made Air Force Chief of Staff with his headquarters in the Pentagon along side of the Chiefs of the Army, Navy and Marine Corps.

In June of 1978 General Jones was promoted to the chairmanship of the Chiefs of Staff which made him the chief of the Chiefs of Staff—America's highest ranking military officer. This quick ascent made changes in his life and work habits. He now worked longer and harder. Indeed, leading a strike force second-to-none is a tiring and exhausting job, but David Jones maintained a routine that kept himself fit, in touch with his family and friends, and most importantly, in command of his military responsibilities.

Should one get the impression that the work schedule was light and office hours short, for a man at the top of the totem pole, like General Jones faced, just consider what was waiting for him each Monday Morning. He normally got to work at 7 o'clock and would try to get away by 7 p.m. usually with a brief case. On Saturdays he was in his office until two in the afternoon. Sundays he would try and stay at home after going to church, however, he usually had a brief case or two full of papers needing attention.

The general had taken a speed-reading course to help expedite his paper work. People who have come in contact with his type of operation point out that he typified a new trend of military management.

Due to the huge amount of paper work in his office and long hours he worked he had a special stand-desk built so he could change off and stand up. The general writes with ease and dexterity with both hands. He does it totally unconsciously. Seemingly which hand he uses depends upon what position he is in. He tells of one experience: "While attending the session in Vienna, Austria, with the Soviets on SALT, I alternated taking notes with my right hand then left. I noticed I was being observed with puzzled looks now and then. Why should it be me? I soon realized that it must be me with my using both hands when taking down notes. Afterward I could not help wondering what kind of a report they made on me in Moscow."

Similar to a Board of Directors meeting, the Chiefs of the four service branches of the military, along with their chairman meet every Tuesday, Wednesday and Friday in what they call "The Tank" room. Let not the nickname degrade the room for it is a beautiful gold carpeted room.

When asked about his daily exercise, he said, "I try to jog everyday—three miles usually. Also some racquet ball." He has been an advocate of jogging long before it became a national fad. He also plays golf and tennis, time permitting, and even likes scubba diving. The general says he is only an amateur golfer, but follow officers jokingly disagree and when he wins legitimately, they'll pay off and pun: "Ah! We had to let him win. He out ranks us".

General Jones did not spend all his time at his desk, for he chalked up more than 10,000 flying hours to his credit—at the "stick" himself. He can fly every kind of plane he can get into, including most sophisticated planes in the world.

It was not unusual for General Jones to personally take part in dangerous tests involving Air Force equipment.

Having had a wide experience as a bomber command pilot he was interested in flying the proposed B52 replacement aircraft on an experimental flight, one that would demonstrate and test its possibility to infiltrate enemy defenses.

Another test that did not receive publicity was one the general made with a B1 prototype plane over the Air Force Flight Test Center in California at Edwards Air Force Base. The test was to evaluate the performance of the new long range strategic aircraft. The test included: (1) Speed: The plane hit a top speed of 975 miles per hour. (2) Maneuverability: Completed manual terrain following maneuvers at 750 feet above the Edwards test range. (3) Weapon release: A simulated weapon release at 400 feet above ground. (4) Fuel: One aerial refueling.

"I have kept North Dakota as my home these many years, and paid taxes, because I have a warm spot in my heart for this great state and its people," David Jones said, "I have fond memories of my school days there. No other place has really felt like home. I am always proud to say I am from North Dakota. My family roots grow deep in the state and the values and attitudes that I live by were formed during my youth spent among the rugged hard working unpretentious people of that state. My boyhood was spent during the depression and dust storms and those memories stayed with me, for back then survival meant a lot of hard work and originality. I am convinced that much credit toward preparing me for my chosen career in the Air Force was due to having spent my boyhood and young manhood in North Dakota.

"I surely was lucky," the general tells, "I got to learn a lot about North Dakota during summers when I would ride along with my Father when he would visit grain dealers over the state. The huge elevators reaching skyward along the railroad branch lines servicing the small towns across the rolling prairie country used to fascinate me."

David Jones remembers how he used to earn some summer spending money: "We would go on the prairie and catch gophers. The township paid five cents a tail. I would snare mine to save buying 22 shells." The summer gave young David his first memorable transition in life. He graduated from the grades in the spring and enrolled in high school in the fall where he would be facing an entirely new situation. There would be new classes, new teachers and new friends to make. He could not help from feeling qualmish after hearing so many weird stories how upper classmen treated freshmen.

"David Jones was the type of young student a teacher would remember," Miss Shepard said. "He was a normal high school student but inwardly he had many distinctive characteristics. To him grades were incidental. Yet he always received high marks. He was studious, blessed with a photographic mind. He never complained, was very diplomatic, unassuming, and did contribute to the class."

As high school graduation grew near classmates realized there would be a separation of friends, and too, decisions must be made as to their future. Would it be college, seeking employment, or what. War clouds were rumbling overhead. In the back of David's mind he still carried the desire to fly for the Army Air Corps. He was not yet 18 years old. For him the change after high school graduation was like the last curtain coming down on a stage play. However, he had the determination to get a good education. Like so many young men of that period David was restless, uncertain and found it difficult to make decisions. War was going on in many parts of the world. Many of David's friends registered at Minot College. Due to ROTC he chose University of Grand Forks. "My year at UND," he explained, "was not very distinguished. It was my first time away from home and friends. I did not use my time wisely."

Pressure from former high school classmates and finding the subjects he wanted to take, plus being able to live at home and take flying lessons, found David enrolled at Minot State College for his second year. He carried a heavy load at Minot, several subjects were mathematically related.

"I have wonderful memories of my school days in North Dakota," General Jones tells, "Perhaps more so while at MSC due to my age and a time in life I discovered that I had better buckle down and start thinking more seriously of the future. Educational possibilities at the college were all around me

waiting to be used. War clouds were in the air."

When the Japanese struck Pearl Harbor, David was 20 years old. One of the first of his group to enlist in Army Air Corps. In the meantime, waiting to be called, he took private flying lessons and continued with his second year college work at MSC. Things moved fast for the North Dakota young man. He was called into service. In less than a year he received his wings and was commissioned a second lieutenant.

All during that time the Joneses have kept in close touch with their North Dakota friends, including their Alma Mater affairs. The general and his wife Lois have shown this time and time again by getting back for many occasions. David is on the MSC Board of Regents. Lois Tarbell of Rugby, North Dakota, and David Jones met while attending MSC. They were married following his enlistment. They have three children—two daughters and a son. The people of North Dakota think very highly of the Joneses.

Previous to General Jones' announcement he planned to retire at the end of 40 years in the service, the presentation of the Theodore Roosevelt Roughrider Hall of Fame Award was presented to him at a special ceremony held in Bismarck on May 21, 1982, by Governor Allen Olson on behalf of the people of North Dakota.

The "Roughrider Award" is the State's highest award. A large hand painted oil portrait of Four Star General Jones was also hung in the Hall of Fame Gallery in the State Capital.

This interest is an example of what North Dakota people think of David Jones.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

COMPREHENSIVE CRIME LEGISLATION—MESSAGE FROM THE PRESIDENT—PM 28

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on the Judiciary:

To the Congress of the United States:

I am transmitting to the Congress today a legislative proposal entitled, the "Comprehensive Crime Control Act of 1983."

As you know, my Administration has made major efforts to fight crime in America. Soon after taking office, I directed the Attorney General and other Federal law enforcement officials to improve the efficiency and coordination of Federal law enforcement, with special emphasis on violent and drug-related crime. This has been accomplished largely through the work of the Cabinet Council on Legal Policy, chaired by the Attorney General, as well as through leadership provided by the White House Office on Drug Abuse Policy. As a result of these efforts, Federal law enforcement is better coordinated than ever before.

Of even greater importance, this Administration is attacking crime at its source by providing increased resources to Federal law enforcement agencies for apprehension, conviction, and incarceration. Last October, for example, I announced a national strategy to cripple organized crime and put drug traffickers out of business. We established twelve interagency task forces in key areas of the country—modeled in part on the Task Force that has been operating very successfully in South Florida—to work with State and local law enforcement officials to shut down organized criminal enterprises. We established a National Center for State and Local Law Enforcement Training to assist and train State and local officials in combatting syndicated crime. We also have taken many other actions, including use of the FBI in drug cases, to bring the full resources of the United States Government to bear on the critical problem of crime.

Our efforts are beginning to bear fruit. During 1982, for example, Federal cocaine seizures totaled nearly 12,500 pounds—nearly three times the amount seized in 1981. Heroin seizures almost doubled, and seizures of marijuana increased by 50 percent. I have every reason to believe that these and other administrative actions will continue to increase arrests and convictions of persons who violate Federal law.

But administrative action, however successful, is not enough. If the forces of law are to regain the upper hand over the forces of crime, insuring that criminals are convicted and put and kept behind bars, basic legislative changes are needed.

During the 97th Congress, the Senate passed S. 2572, the Violent Crime and Drug Enforcement Improvements Act. Among its principal provisions, this legislation would have made major and urgently needed changes in our laws concerning bail, criminal forfeiture, and sentencing. It is unfortunate that S. 2572 was not enacted during the last Congress, but I look forward to working with the 98th Congress to secure, at long last, passage of critically needed substantive criminal law reform.

The legislative proposal that I am transmitting today provides a thorough and comprehensive reform of those aspects of Federal criminal law that have proven to be the largest obstacles in our fight against crime. Many of our proposals were considered by the 97th Congress. Others are new. Each is important in rolling back the tide of criminal activity that threatens our Nation, our families and our way of life.

Our proposal is summarized in some detail in the materials accompanying this message. I do, however, want to highlight six especially critical reforms:

Bail. Our bill would make it much more difficult for a defendant likely to be a threat to his community to be released on bail pending trial.

Sentencing. The bill would change the sentencing system to ensure that sentences would be determinate and consistent throughout the Federal system, with no parole possible.

Exclusionary rule. Under our proposal, evidence in a criminal case that may have been improperly seized, which is now excluded from evidence, would be admissible upon a showing that the officer making the seizure acted in reasonable good faith.

Criminal forfeitures. Our bill would strengthen the ability of Federal prosecutors to confiscate the assets and profits of criminal enterprises.

Insanity defense. The bill would replace the current Federal insanity defense with a narrower defense applicable only to a person who is unable to appreciate the nature of wrongfulness of his acts.

Narcotics enforcement. Our proposal would substantially increase the penalties for trafficking in drugs and would strengthen the regulatory authority of the Drug Enforcement Administration with respect to the diversion of legitimate drugs into illegal channels.

The bill contains many other important provisions, as well, concerning labor racketeering, capital punishment, consumer product tampering, and extradition, to name only a few. These proposals, taken together, will provide Federal law enforcement officials with important new tools with which to combat crime and will help once again to make our streets safe for all our citizens.

We must not allow further delay in protecting the rights, safety, and quality of life of all Americans. We must act now. Accordingly, I urge prompt consideration and passage of these legislative proposals.

RONALD REAGAN.

THE WHITE HOUSE, *March 16, 1983.*

MESSAGES FROM THE HOUSE

At 3:43 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed

the following bill, without amendment:

S. 271. An act to amend the National Trails System Act by designating additional national scenic and historic trails, and for other purposes.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1936. An act to amend title 37, United States Code, to extend certain expiring enlistment and reenlistment bonuses for the Armed Forces.

HOUSE BILL HELD AT THE DESK

The following bill was ordered held at the desk by unanimous consent:

H.R. 1936. An act to amend title 37, United States Code, to extend certain expiring enlistment and reenlistment bonuses for the Armed Forces.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-580. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Potential Joint Civil and Military Use of Military Airfields"; to the Committee on Armed Services.

EC-581. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, notice that the Department of Defense intends to exercise a provision of law for exclusion concerning the examination of records by the Comptroller General; to the Committee on Armed Services.

EC-582. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to vest in the Secretary of Commerce certain responsibilities under the Chrysler Corporation Loan Guarantee Act of 1979; to the Committee on Commerce, Science, and Transportation.

EC-583. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report of the Secretary of Commerce for fiscal year 1982; to the Committee on Commerce, Science, and Transportation.

EC-584. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend title III of the Marine Protection, Research, and Sanctuaries Act of 1972, as amended, to authorize appropriations for such title for fiscal years 1984 through 1986; to the Committee on Commerce, Science, and Transportation.

EC-585. A communication from the Vice President of the National Railroad Passenger Corporation for Government Affairs, transmitting, pursuant to law, a report on the total itemized revenues and expenses and revenues and expenses of each train operated by the Corporation for the month of December 1982; to the Committee on Commerce, Science, and Transportation.

EC-586. A communication from the Secretary of Energy, transmitting, pursuant to law, the sixth annual report on Federal energy education, extension, and information activities; to the Committee on Energy and Natural Resources.

EC-587. A communication from the Secretary of Energy, transmitting, pursuant to law, the annual report on activities under the Powerplant and Industrial Fuel Use Act for calendar year 1982; to the Committee on Energy and Natural Resources.

EC-588. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend the Reclamation Act of 1902 to provide for the disposition of moneys received from the sale and disposal of certain lands, and for other purposes; to the Committee on Energy and Natural Resources.

EC-589. A communication from the Assistant Secretary of the Army (Civil Works), transmitting a draft of proposed legislation to authorize the imposition of entrance, admission, or additional user fees at certain water resources development areas administered by the Department of the Army; to the Committee on Environment and Public Works.

EC-590. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting a draft of proposed legislation to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes; to the Committee on Environment and Public Works.

EC-591. A communication from the Deputy Administrator of the General Services Administration, transmitting, pursuant to law, a report of the Department of Housing and Urban Affairs on compliance with architectural barriers standards; to the Committee on Environment and Public Works.

EC-592. A communication from the Deputy Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report on cost estimates for control of combined sewer discharge to marine bays and estuaries; to the Committee on Environment and Public Works.

EC-593. A communication from the Deputy Secretary of the Treasury, transmitting a draft of proposed legislation to amend sections 5315 and 5316 of title 5, United States Code, to change the position of Chief Counsel for the Internal Revenue Service, Department of the Treasury, from level V to level IV of the executive schedule; to the Committee on Finance.

EC-594. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Changing Medicaid Formula Can Improve Distribution of Funds to States"; to the Committee on Finance.

EC-595. A communication from the Secretary of State, transmitting, pursuant to law, a report on payment of loans and loan guarantees to Poland; to the Committee on Foreign Relations.

EC-596. A communication from the President of the United States, transmitting, pursuant to law, a report on nuclear cooperation agreements with the European Community, and extending such agreements for another year; to the Committee on Foreign Relations.

EC-597. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the United States Postal Service to provide to the Secretary of Commerce addresses or lists of addresses of housing units and other locations; to the Committee on Governmental Affairs.

EC-598. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation entitled the "Miscellaneous Government Instrumentality Termination Act of 1983"; to the Committee on Governmental Affairs.

EC-599. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend section 204 of the Federal Property and Administrative Services Act of 1949, as amended, to authorize the deposits of cash proceeds from the disposal of surplus real property into the general fund of the Treasury to be used to retire the national debt of the United States; to the Committee on Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 91. Resolution waiving section 303(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1.

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry, without amendment:

S. 822. An original bill to expand markets for U.S. agricultural commodities, expand authority for the use abroad of Commmodity Credit Corporation stocks, require the export sale of Commodity Credit Corporation dairy products, improve program under Public Law 480, and for other purposes (Rept. No. 98-27).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PERCY, from the Committee on Foreign Relations:

John Melvin Yates, of Washington, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Cape Verde.

Nominee: John Melvin Yates.

Post: Ambassador to the Republic of Cape Verde.

Contributions, amount, date, donee:

1. Self, John M. Yates: None.

2. Spouse, Peggy S. Yates: $25, 1980, John Anderson.

3. Children and Spouses: Catherine (age 17): None; John and Maureen (age 15): None; Paul (age 12): None; and Leon Gregory (age 9): None.

4. Parents: Leon G. and Violet M. Yates: $25, 1979; $25, 1980, sustaining membership in Republican Party; $25, 1980, Republican Campaign Fund; $25, 1981, sustaining membership in Republican Party.

5. Grandparents (deceased): $25, 1982, sustaining membership in Republican Party.

6. Brothers and Spouses: Leon James Yates and Delphine Manieke Yates: None.

David Arther Yates and Dolly Glenn Yates: None.

Robert Loren Yates and Judith Ann Smith Yates: Estimated that he gave approximately $25 per year to local Democratic candidates during last 4 years.

Wilbur Allen Yates: Estimated that he gave approximately $50-75 per year for Idaho Democratic candidates running for Senate, Congress and Governor in 1978, 1980 and 1982, and for campaigns for Congressman Foley, Senator Jackson, and Governor Evans in Washington state.

Dale Morris Yates and Sandy Hinton Yates: None.

Larry Bruce Yates and Linda Hart Yates: None.

7. Sisters and Spouses: Pearl Yates Wiechmann and Paul H. Wiechmann: None; Ruth Yates Enos and Earl S. Enos: None; and Marilee Yates Martin and George W. Martin: None.

(Republic of Cape Verde, Island of Santiago, City of Praia, Embassy of the United States of America)

SUPPLEMENT TO CAMPAIGN CONTRIBUTIONS STATEMENT

According to information provided by my brother, Wilbur Allen Yates, in 1982, he contributed: $25 to the campaign of Congressman La Roca of Idaho; $10 to the campaign of Governor Evans of Washington; and $57 to the Brotherhood of Carpenters (Union) Legislative Improvement Committee.

I am unable to obtain more precise information about the amounts, dates and donees of his other campaign contributions.

James R. Bullington, of Tennessee, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Burundi.

Nominee: James R. Bullington.

Post: Ambassador to Burundi.

Contributions, amount, date, donee:

1. Self: $100, September 10, 1980, Reagan-Bush Campaign, $100, May 21, 1980, George Bush.

2. Spouse: Tuy-Cam: None.

3. Children and Spouses: Kim and Eva, $5, June 15, 1980, George Bush.

4. Parents: Mr. and Mrs. I. N. Bullington: None.

5. Grandparents (deceased): None.

6. Brothers and Spouses: Mike and Ann Bullington: None.

REPORT FOR THE COMMITTEE ON FOREIGN RELATIONS, U.S. SENATE

Subject: Ambassadorial Nomination: Certification of Demonstrated Competence (Foreign Service Act, Section 304(a)(4)).

Post: Burundi (Bujumbura).

Candidate: James R. Bullington.

James R. Bullington, Senior Foreign Service Officer-Counselor, age 41 is completing a two-year tour as Charge in Cotonou following a year as Charge (for 3 months) and Deputy Chief of Mission in N'Djamena. His earlier career was devoted largely to Southeast Asia. After a stint on the Vietnam Working Group in the Department, his first overseas assignment (65-68) was to Vietnam; Hue as a consular-political officer, followed by a posting to Saigon as Staff Aide to the Ambassador and then as Assistant Province Representative in CORDS. Following a year at Harvard University as a National Institute of Public Affairs scholar (devoted substantially to Southeast Asian affairs) and a brief assignment to the Bureau of Intelligence and Research, he entered Thai language training at FSI and was next posted to Chiang Mai as political/economic officer (Deputy Principal Officer) (71-73). He then returned to the Department for an assignment as a Vietnam Desk Officer (73-75) before assuming the positions of Principal Officer in Mandalay (75) and Chief of the Political/Economic section in Rangoon (76-78). The following year he attended the Army War College. Bullington has been described as an intelligent, personable and industrious officer who has performed with sustained excellence throughout his career. He is a first rate drafter and a skilled, penetrating analyst who has consistently demonstrated outstanding ability as a creative and productive manager with refined judgment and a good sense of priorities. In his difficult Benin assignment he is credited with active leadership, effective management and contributing importantly to policy formulation. In Chad he performed superbly during a period which saw the evacuation of all Americans and the closing of the Embassy. His file contains no significant criticism. He has French at a professional level.

AMBASSADOR TO THE REPUBLIC OF BURUNDI, PREVIOUS INCUMBENTS FOR THE LAST 10 YEARS

Frances D. Cook: June 1980-present.

Thomas J. Corcoran: March 1978-August 1980.

David E. Mark: June 1974-September 1977.

Robert L. Yost: June 1972-June 1974.

John Davis Lodge, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States to Switzerland.

Nominee; John Davis Lodge.

Post: U.S. Ambassador to Switzerland.

Contributions, amount, date, donee.

1. Self: $275, 1978, 1979, 1980, 1981, Republican National Committee.

Wesley William Egan, Jr., of North Carolina, a Foreign Service Officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Guinea-Bissau.

Nominee: Wesley William Egan Jr.

Post: Ambassador-Republic of Guinea-Bissau.

Contributions, amount, date, donee:

1. Self: None.

2. Spouse: None.

3. Children and Spouses: Wesley M. and Kimberly K: None.

4. Parents: Ruth S. and Wesley W. Egan Sr.: $100, 1979, Howard Baker; $300, 1980, Howard Baker; $100, 1980, Congressional Club; $100, 1980, Republican National Committee; $100, 1980, Ronald Reagan; $100, 1980, Representative L. H. Fountain; and $60, 1981, Congressional Club.

5. Grandparents (deceased): None.

6. Brothers and Spouses: Bruce David Egan, Chris M. Egan: None.

Edward J. Derwinski, of Illinois, to be Counselor of the Department of State.

(The above nominations were reported from the Committee on Foreign Relations with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BRADLEY (for himself, Mr. LAUTENBERG, Mr. MOYNIHAN, Mr. MITCHELL, Mr. SASSER, Mr. D'AMATO, Mr. EAGLETON, Mr. STAFFORD, Mr. RANDOLPH, and Mr. HOLLINGS):

S. 816. A bill to extend the Superfund legislation for five additional years, and for other purposes; to the Committee on Environment and Public Works and the Committee on Finance, jointly, by unanimous consent.

By Mr. METZENBAUM:

S. 817. A bill to amend section 205 of the Federal Power Act (16 U.S.C. 824D) relating to inclusion of construction work in progress in the wholesale rate base of public utilities; to the Committee on Energy and Natural Resources.

By Mr. LAXALT (for himself and Mr. HECHT):

S. 818. A bill to authorize the replacement of existing pump casings in Robert B. Griffith water project pumping plants 1A and 2A (formerly the Southern Nevada water project), and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BENTSEN (for himself, Mr. BOREN, Mr. CHILES, Mr. DECONCINI, Mr. EAST, Mr. GARN, Mrs. HAWKINS, Mr. HEFLIN, Mr. JOHNSTON, Mr. LONG, Mr. NUNN, Mr. PELL, Mr. SASSER, and Mr. ZORINSKY):

S. 819. A bill to amend the Federal Rules of Criminal Procedure to provide consecutive sentencing for felonies committed while on bail for another offense; to the Committee on the Judiciary.

By Mr. GORTON (for himself and Mr. PACKWOOD):

S. 820. A bill to amend section 7 of the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7706) to extend authorizations for appropriations, and for other purposes; to the Committee on Commerce, Science, and Transportation.

S. 821. A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1984, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HELMS:

S. 822. An original bill reported from the Committee on Agriculture, Nutrition, and Forestry to expand markets for United States agricultural commodities, expand authority for the use abroad of Commodity Credit Corporation stocks, require the export sale of Commodity Credit Corporation dairy products, improve programs under Public Law 480, and for other purposes; placed on the calendar.

By Mr. JEPSEN:

S. 823. A bill to amend the Natural Gas Policy Act of 1978 to clarify the definition of abuse, to restrain natural gas price increases by facilitating price responsiveness during periods when supplies exceed demand, to enhance competitive options for local distribution companies in purchasing the least expensive natural gas available, to repeal the incremental pricing of natural gas, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BENTSEN:

S. 824. A bill to amend the Internal Revenue Code of 1954 to treat as medical care the expenses of meals and lodging of a parent or guardian accompanying a child away from home for the purpose of receiving medical care, and the expenses of meals and lodging of a child away from home for the purpose of receiving medical care on an

outpatient basis; to the Committee on Finance.

S. 825. A bill to amend the Internal Revenue Code of 1954 with respect to the unrelated business taxable income of certain nonprofit charitable organizations; to the Committee on Finance.

By Mr. SIMPSON:

S. 826 A bill to amend title 10, United States Code, to establish the Prisoner of War Recognition Medal; to the Committee on Armed Services.

By Mr. EAST:

S. 827. A bill to amend subchapter II of chapter 5 of title 5, United States Code, to provide that a Federal agency may not require any person to maintain records for a period in excess of three years and may not commence an action for collection of a civil fine for any violation of a rule after three years from the date to which such violation relates, and for other purposes; to the Committee on Governmental Affairs.

S. 828. A bill to require all nationals of Communist countries to register with the Attorney General before engaging in certain activities involving Members of Congress and congressional employees, in order to protect the internal security of the United States and impede espionage; to the Committee on the Judiciary.

By Mr. THURMOND (for himself and Mr. LAXALT): (by request):

S. 829. A bill entitled the "Comprehensive Crime Control Act of 1983."; to the Committee on the Judiciary.

By Mr. BIDEN (for himself, Mr. BAUCUS, Mr. BENTSEN, Mr. BOREN, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. CHILES, Mr. CRANSTON, Mr. DECONCINI, Mr. EAGLETON, Mr. FORD, Mr. GLENN, Mr. HEFLIN, Mr. HOLLINGS, Mr. INOUYE, Mr. KENNEDY, Mr. LEAHY, Mr. METZENBAUM, Mr. MITCHELL, Mr. MOYNIHAN, Mr. NUNN, Mr. PELL, Mr. PRYOR, Mr. RANDOLPH, Mr. SASSER, Mr. TSONGAS, and Mr. ZORINSKY):

S. 830. A bill to fight violent crime and crime organizations and to improve the administration of the criminal justice system; to the Committee on the Judiciary.

By Mr. SPECTER:

S. 831. A bill to amend the Internal Revenue Code of 1954 to allow home equity conversions through sale-life tenancy arrangements; to the Committee on Finance.

By Mr. HEINZ (for himself, Mr. GLENN, Mr. HATCH, Mr. PERCY, Mr. COHEN, Mr. GRASSLEY, Mr. DIXON, Mr. PRYOR, Mr. MELCHER, Mr. PRESSLER, Mr. BURDICK, Mr. HUMPHREY, and Mr. DURENBERGER):

S. 832. A bill to amend the Age Discrimination in Employment Act of 1967 to remove the maximum age limitation applicable to employees who are protected under such act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. RIEGLE:

S. 833. A bill to amend the Bretton Woods Agreements Act; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. STEVENS (for Mr. BAKER (for himself and Mr. BYRD)):

S. Res. 92. Resolution to direct the Senate Legal Counsel to represent Senator ALAN CRANSTON in Glenridge, Ltd, aka Glenridge Apartments v. Mary Anne Kramer aka Mary Ann Kramer, No. 834036; considered and agreed to.

By Mr. HEINZ (for himself and Mr. RIEGLE):

S. Con. Res. 18. Concurrent resolution relating to placing the Small Business Administrator on the Cabinet Council of Economic Affairs; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BRADLEY (for himself, Mr. LAUTENBERG, Mr. MOYNIHAN, Mr. MITCHELL, Mr. SASSER, and Mr. D'AMATO):

S. 816. A bill to extend the Superfund legislation for 5 additional years, and for other purposes; by unanimous consent, referred jointly to the Committee on Finance and the Committee on Environment and Public Works.

(The remarks of Mr. BRADLEY and Mr. LAUTENBERG on this legislation appear earlier in today's RECORD.)

By Mr. BENTSEN (for himself, Mr. BOREN, Mr. CHILES, Mr. DECONCINI, Mr. EAST, Mr. GARN, Mrs. HAWKINS, Mr. HEFLIN, Mr. JOHNSTON, Mr. LONG, Mr. NUNN, Mr. PELL, Mr. SASSER, and Mr. ZORINSKY):

S. 819. A bill to amend the Federal Rules of Criminal Procedure to provide consecutive sentencing for felonies committed while on bail for another offense; to the Committee on the Judiciary.

CONSECUTIVE SENTENCING FOR FELONIES COMMITTED WHILE ON BAIL

● Mr. BENTSEN. Mr. President, I am today introducing a bill which will remove an existing incentive for criminal activity in our law. When someone is arrested there is a very good chance that that person will be released on his own recognizance or on bail until the trial date has been set. But, many do not sit around and patiently wait. Rather, they return to the streets where they commit a second offense. In 1979, for example, a selective sample of 13 of the 94 Federal jurisdictions showed that of the 5,867 people who were arrested and then released on bail, 8.2 percent, or 482, were rearrested for second offenses committed before their trials.

This represents an appalling situation which we must address. If a person is arrested and believes he is likely to be convicted, he may actually be encouraged to commit another crime because, if caught and convicted, he will still only serve one prison term.

My bill would help correct this by changing the Federal Rules of Criminal Procedure. If enacted, it would require Federal judges to impose consecutive sentences upon convicted felons who commit another crime while free on bail. This change will make it clear that the criminal justice system should not tolerate any longer the egregious situation wherein someone can commit two crimes but only pay the penalty of one.

Mr. President, similar language was included in S. 2572, the crime package which the Senate passed overwhelmingly at the end of the 2d session of the 97th Congress. My bill is supported by the members of the Judiciary Committee as well as the Department of Justice. I urge my colleagues to join me and 13 cosponsors in quickly passing this legislation.●

By Mr. GORTON (for himself and Mr. PACKWOOD):

S. 820. A bill to amend section 7 of the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7706) to extend authorizations for appropriations, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AUTHORIZATION OF APPROPRIATIONS FOR EARTHQUAKE HAZARDS REDUCTION ACT

● Mr. GORTON. Mr. President, I am introducing legislation today to reauthorize the Earthquake Hazards Reduction Act of 1977—hereinafter referred to as the act.

Each year more than 1,000 earthquakes are detected in the United States. Although most are quite small and cause little or no damage, the potential exists for catastrophic effects.

According to estimates from the U.S. Geological Survey, a large earthquake in the Puget Sound area—an area which has experienced severe earthquakes in the past—could cause property losses of up $200 to $300 million, inflict as many as 10,000 casualties, and leave 20,000 people homeless. A severe earthquake in the Los Angeles area could cause property losses of perhaps $50 billion and inflict 20,000 casualties.

In 1977, the Congress passed the Earthquake Hazards Reduction Act to establish a coordinated Federal program for research, earthquake engineering, prediction, mitigation efforts to minimize losses, and assistance to State and local governments for earthquake response planning.

Four Federal agencies currently conduct efforts under the act. These are: The Federal Emergency Management Agency (FEMA), which is the lead agency for planning and coordinating Federal earthquake mitigation efforts; the U.S. Geological Survey (USGS) which conducts research to help predict earthquakes and maintain an extensive set of monitoring networks to detect earthquakes: the National Science Foundation (NSF) which conducts research in seismology and earthquake engineering; and the National Bureau of Standards (NBS) which develops technical bases to

reduce losses from earthquakes by having improved building codes.

By reauthorizing these programs for 3 years, the importance of the contributions of each of the agencies is recognized and the continuity of their efforts is assured.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD following this statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 820

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7(a)(4) of the Earthquake Hazards Reduction Act of 1977 (hereinafter referred to as the "Act") (42 U.S.C. 7706) is amended by striking out the period at the end thereof and by inserting in lieu "; for the fiscal year ending September 30, 1984, $3,705,000; for the fiscal year ending September 30, 1985, $4,400,000; and for the fiscal year ending September 30, 1986, $5,200,000."

SEC. 2. Section 7(b) of the Act is amended by striking out "and" after "1982;" and by inserting "; $29,524,000 for the fiscal year ending September 30, 1984; $31,000,000 for the fiscal year ending September 30, 1985; and, $32,500,000 for the fiscal year ending September 30, 1986" before the period at the end thereof.

SEC. 3. Section 7(c) of the Act is amended by striking out "and" after "1982;" and by inserting "; $27,300,000 for the fiscal year ending September 30, 1984; $29,800,000 for the fiscal year ending September 30, 1985; and, $32,500,000 for the fiscal year ending September 30, 1986" before the period at the end thereof.

SEC. 4. Section 7(d) of the Act is amended by striking out "and" after "1982;" and by inserting "; $475,000 for the fiscal year ending September 30, 1984; $500,000 for the fiscal year ending September 30, 1985; and, $530,000 for the fiscal year ending September 30, 1986" before the period at the end thereof.●

By Mr. GORTON (for himself and Mr. PACKWOOD):

S. 821. A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1984, and for other purposes; to the Committee on Commerce, Science, and Transportation.

NATIONAL BUREAU OF STANDARDS AUTHORIZATION ACT FOR FISCAL YEAR 1984

● Mr. GORTON. Mr. President, I am introducing today legislation to authorize the National Bureau of Standards for fiscal year 1984.

The National Bureau of Standards is an agency with an extremely broad mission relevant to nearly every national problem area and economic sector. Many of us take for granted the measures, standards, and technologies developed at the National Bureau of Standards which affect us daily. For example, the neon tube was first demonstrated at NBS; NBS first made it possible for radios to operate on household current; the first large-scale computer in the United States was designed and built at NBS; and the performance standards for flammability of children's sleepwear and for residential smoke detectors were developed by NBS scientists.

In fact, of particular interest to my home State of Washington, the Center for Applied Mathematics at NBS recently developed several models for more efficient and economical fishery management for Washington State salmon fisheries along the Columbia River. These models continue to provide an intelligent basis for management of this precious and scarce natural resource.

Mr. President, we have examined closely the administration's proposed budget for fiscal year 1984 for NBS. There are substantial budget changes, notably in the building research program of the National Engineering Laboratory, the Center for Fire Research, and the Institute for Computer Sciences and Technology. We have scrutinized carefully those proposed changes, assessed their impact on the overall mission of the Bureau and made our own recommendations with respect to the budget for NBS for fiscal year 1984. These recommendations are reflected in the bill which I am introducing today.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 821

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Bureau of Standards Authorization Act for Fiscal Year 1984".

AUTHORIZATION FOR PROGRAM ACTIVITIES

SEC. 2. (a) There are authorized to be appropriated to the Secretary of Commerce to carry out activities performed by the National Bureau of Standards the sums set forth in the following line items:

(1) Measurement Research and Standards, $48,709,000 for fiscal year 1984.

(2) Engineering Measurements and Standards, $21,681,000 for fiscal year 1984.

(3) Computer Science and Technology, $10,000,000 for fiscal year 1984.

(4) Center for Fire Research, $5,886,000 for fiscal year 1984.

(5) Core Measurement Research for New Technologies, $12,407,000 for fiscal year 1984.

(6) Technical Competence Fund, $7,672,000 for fiscal year 1984.

(7) Central Technical Support, $8,405,000 for fiscal year 1984.

(b) Notwithstanding any other provision of this or any other Act, of the total amount authorized for fiscal year 1984, under subsection (a)(2), not less than $4,009,000 shall be available for "Building Research".

EXCESS FOREIGN CURRENCY

SEC. 3. In addition to the sums authorized to be appropriated by section 2 of this Act, there are authorized to be appropriated to the Secretary of Commerce $700,000 for fiscal year 1984 for expenses of the National Bureau of Standards incurred outside the United States, to be paid for in foreign currencies that the Secretary of the Treasury determines to be excess to the normal requirements of the United States.

OFFICE OF PRODUCTIVITY, TECHNOLOGY AND INNOVATION

SEC. 4. In addition to the sums authorized to be appropriated by sections 2 and 3 of this Act, there are authorized to be appropriated to the Secretary of Commerce $3,752,000 for fiscal year 1984 for the activities of the Office of Productivity, Technology and Innovation.

SALARY ADJUSTMENTS

SEC. 5. In addition to the sums authorized to be appropriated by sections 2, 3, and 4 of this Act, there are authorized to be appropriated to the Secretary of Commerce for fiscal year 1984 such additional sums as may be necessary to make any adjustments in salary, pay, retirement, and other employee benefits which may be provided for by law.

AVAILABILITY OF APPROPRIATIONS

SEC. 6. Appropriations made under the authority provided in this Act shall remain available for obligation, for expenditure, or for obligation and expenditure for such period of periods as may be specified in the Acts making such appropriations.

COST RECOVERY AUTHORITY

SEC. 7. Section 12(f) of the Act of March 3, 1901 (15 U.S.C. 278b(f)) is amended—

(1) by striking "first"; and

(2) by inserting immediately before the period at the end thereof the following: ", and to ensure the availability of working capital necessary to replace equipment and inventories".●

By Mr. JEPSEN:

S. 823. A bill to amend the Natural Gas Policy Act of 1978 to clarify the definition of abuse, to restrain natural gas price increases by facilitating price responsiveness during periods when supplies exceed demand, to enhance competitive options for local distribution companies in purchasing the least expensive natural gas available, to repeal the incremental pricing of natural gas, and for other purposes; to the Committee on Energy and Natural Resources.

NATURAL GAS FAIR MARKETING ACT OF 1983

● Mr. JEPSEN. Mr. President, today I am introducing new legislation concerning the natual gas pricing problem. This legislation encompasses and expands upon the legislation which I have previously introduced (S. 239).

The practical and philosophical reasons why the problem with natural gas must be dealt with now have been discussed and debated at length. The distinguished chairman of the Energy Committee recently held extensive hearings on the natural gas problem.

My own views on this disastrous situation are well known. I will simply state them again. This is a made-in-Washington problem which Washington needs to correct now—not tomorrow or the next day or next week or next year, but now. The people of this country expect and deserve no less.

People should not be forced to choose between food and fuel.

The legislation which I am introducing has endorsement of the National Association of Regulatory Utility Commissioners (NARUC). It encompasses and expands upon the legislation which I have previously introduced, working within the existing regulatory framework. This legislation addresses the problems which we are currently facing and offers a firm solution to them.

I urge my colleagues to look closely at this legislation and to support the Natural Gas Fair Marketing Act of 1983.

Briefly, the bill expands the definition of abuse in the natural gas policy act (NGPA), similar to that in S. 239. It prohibits indefinite price escalator clauses in present and future contracts for producer-pipeline sales, and mandates market out clauses to be included in all contracts, existing and future. Take-or-pay clauses are limited to 50 percent. Pipelines would be required to begin by reducing their takes of gas from affiliates which are priced at the same rate or higher. The contract parties would have the right to adjust the volume of gas based on market conditions. Failure to utilize this right would constitute abuse under the NGPA.

Pipelines which exercise this right would be required to transport the refused gas for the producer to a secondary purchaser for 5 cents per million Btu's plus costs.

The Federal Engery Regulatory Commission (FERC) would be required to report annually to the Congress its efforts—in cooperation with State regulatory commissions—to restructure the relationship between pipelines and distribution companies for the purpose of reducing distribution costs by increasing the possibilities of competition. also, pipeline-producer contracts would be required to be filed with FERC. Finally, this bill would repeal Title II of the Natural Gas Policy Act.

Again, I urge my colleagues to join me in this legislation and the call for immediate action to solve this important and devastating problem facing the American people.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 823

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Natural Gas Fair Marketing Act of 1983".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) problems of market imbalance threaten the natural gas industry;

(2) such problems are likely to result in natural gas users being burdened by excessively high prices;

(3) interstate commerce is significantly affected by market imbalance;

(4) an urgent need exists to provide immediate relief from natural gas contract provisions which cause market imbalance; and

(5) adequate information regarding the operation of the natural gas market is not available to the Congress and the public.

(b) The purpose of this Act is to correct imbalances in the natural gas market in order to restrain prices charged to natural gas users by—

(1) defining "abuse" in the Natural Gas Policy Act of 1978, and to protect natural gas users from the results thereof;

(2) eliminating indefinite price escalator provisions in natural gas contracts;

(3) providing a market-out provision to every natural gas pipeline company when the natural gas is not marketable at the contract price;

(4) providing every natural gas pipeline company with the legal ability to reduce the deliveries of high-priced natural gas down to 50 per centum of contract volume whenever the pipeline has more supply than demand;

(5) requiring that any pipeline wishing to exercise such contract right shall exercise it first against its highest price source of natural gas and any contracts it may have for supplies with producing companies affiliated with the pipeline company;

(6) providing a producer the ability to transport natural gas to another purchaser in any case in which the pipeline that had contracted for that natural gas does not accept delivery because its supply exceeds its demand;

(7) enhancing the competitive options for local distribution companies in purchasing the least expensive supplies of natural gas available;

(8) requiring the filing with the Federal Energy Regulatory Commission of all contracts for the first sale of natural gas for public disclosure; and

(9) repealing the incremental pricing provisions of the Natural Gas Policy Act of 1978.

DEFINITION OF ABUSE; EFFECT

SEC. 3. (a) Section 2 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301) is amended by adding at the end thereof the following:

"(38) ABUSE.—The term 'abuse' includes misrepresentation, imprudence on the part of the pipeline, failure by a pipeline to bargain at arms-length with any producer, and the entering into of or operating pursuant to any contract by any pipeline with any producer if such contract materially prevents the pipeline from responding to changes in customer demand or other market forces.".

(b) Section 601 of such Act (15 U.S.C. 3431) is amended by striking out the period at the end thereof and inserting in lieu thereof ", which determination shall void any contract provision based upon such grounds.".

AMENDMENTS TO TITLE III—FACILITATING NATURAL GAS PRICE RESPONSIVENESS

SEC. 4. Title III of such Act (15 U.S.C. 3361-3375) is amended by adding at the end thereof the following:

"SEC. 316. INDEFINITE PRICE ESCALATOR PROVISIONS DECLARED VOID IN NATURAL GAS CONTRACTS.

"Any price provision in any present or future contract for the first sale of natural gas to any pipeline, which does not establish a specific unit price predictable with certainly at any present and future time over the duration of the contract, shall be of no force or effect, unless otherwise determined by the Commission for good cause shown.

"SEC. 317. NATURAL GAS CONTRACTS DEEMED TO INCLUDE MARKETOUT PROVISION.

"Any present contract for the first sale of natural gas to any pipeline shall be deemed to allow the pipeline to escape the contract or to negotiate a new lower price if the natural gas is not marketable at the contract price, unless otherwise determined by the Commission for good cause shown.

"SEC. 318. NATURAL GAS CONTRACTS DEEMED TO INCLUDE ADJUSTMENT PROVISION TO REDUCE PURCHASE REQUIREMENTS.

"(a) INCLUSION.—Any present contract for the first sale of natural gas to any pipeline shall be deemed to include the contract provisions set forth in subsection (b), unless otherwise determined by the Commission for good cause shown.

"(b) PURCHASE REQUIREMENT ADJUSTMENT PROVISION.—The contract provisions deemed included in any contract described in subsection (a) are as follows:

"(1) GENERAL RULE.—The pipeline may, without obligation to pay, exercise a right not to accept delivery of any portion of volume of natural gas which the pipeline has contracted to accept, if the pipeline has determined that it cannot market the total volume of natural gas contracted for.

"(2) AMOUNT OF REDUCTION.—The pipeline may not reduce, pursuant to these contract provisions, the volume of natural gas the pipeline accepts delivery of below a level equal to 50 per centum of the volume the pipeline contracted to take delivery of under the contract (without regard to any previous reduction under these contract provision).

"(3) HIGHEST PRICED GAS REDUCED FIRST.—Except as provided in paragraph (4), the pipeline may not reduce under these contract provisions the volume of natural gas the pipeline accepts delivery of if the pipeline has not exercised its right under these provisions to reduce (to the maximum extent permitted under paragraph (2)) the volume of natural gas the pipeline has contracted to take delivery of at a higher price under any other contract.

"(4) AFFILIATED PRODUCERS.—The pipeline may not reduce under these contract provisions the volume the pipeline has contracted to take delivery of if the pipeline has not exercised its right under these provisions to reduce (to the maximum extent permitted under paragraph (2)) the volume of natural gas the pipeline has contracted to take delivery of at the same or a higher price under any other contract between the pipeline and any affiliate of the pipeline.

"(5) CONTRACTED TO TAKE DEFINED.—For purposes of these contract provisions, the term 'contracted to take' refers to the volume of natural gas of which the pipeline has contracted to take delivery under a contract (whether or not the pipeline is obligated under the contract to pay for any lesser volume in the event delivery is not taken).

"(6) EFFECT OF TAKE-OR-PAY AND MINIMUM-BILL PROVISIONS.—Any provision of any contract shall not apply to the extent it requires a pipeline to pay any fee or other charge with respect to any natural gas for

which delivery is not taken pursuant to these contract provisions.

"(7) CONTRACTS COVERING MORE THAN ONE CATEGORY OF NATURAL GAS.—Any contract establishing two or more categories of natural gas for purposes of pricing the natural gas delivered under the contract shall be treated as separate contracts for each such category.

"(c) EFFECT OF FAILURE TO EXERCISE CONTRACT PROVISION.—The failure to exercise the contract provisions in subsection (b) of this section by any pipeline under the jurisdiction of the Commission shall create a rebuttable presumption that such failure constitutes abuse, as defined in section 2(38) of this Act.

"(d) FIELD DRAINAGE, CASING HEAD OR OTHER SIMILAR REQUIREMENTS.—The contract provisions in subsection (b) of this section shall not apply to the purchase of natural gas when it is determined by the Commission to be justified because of field drainage, casing head or other similar requirements.

"SEC. 319. NATURAL GAS CONTRACTS DEEMED TO INCLUDE TRANSPORTATION OBLIGATION TO SECONDARY PURCHASERS.

"(a) INCLUSION.—Any present or future contract for the sale of natural gas to any pipeline shall be deemed to include the contract provisions set forth in subsection (b), unless otherwise determined by the Commission for good cause shown.

"(b) TRANSPORTATION OBLIGATION CLAUSE.—The contract provisions deemed included in any contract described in subsection (a) are as follows:

"(1) GENERAL RULE.—Whenever the pipeline has exercised its right under any contract provision (including the contract provisions provided under section 318 of the Natural Gas Policy Act) to reduce the volumes of natural gas the pipeline is obligated to take delivery of on the grounds that the pipeline cannot market the total volumes for which it is so obligated for, the pipeline shall provide, on behalf of the seller, transportation of any of the volume of natural gas—

"(A) which is involved in the reduction,

"(B) which is resold by the seller to another purchaser, and

"(C) which the pipeline would be required to pay for in the absence of the exercise of such contract provision.

"(2) TERMS AND CONDITIONS.—The terms and conditions of such transportation shall be in accordance with regulations prescribed by the Commission.

"(c) CONSIDERATION.—The consideration for any transportation provided under the contract provisions stated by this section shall be at $.05 per million Btu's plus the cost of such transportation, as established by the appropriate State or Federal regulatory body, unless such regulatory body has established, by rule, a different rate as just compensation for such transportation.

"SEC. 320. ENHANCING COMPETITIVE OPTIONS FOR LOCAL DISTRIBUTION COMPANIES IN THE PURCHASE OF NATURAL GAS.

"(a) The Commission, in cooperation with the affected State commissions and the national organization of the State commissions, shall endeavor to restructure relationships between pipelines and local distribution companies for the purpose of reducing gas distribution purchase costs through increased reliance on competitive market forces. Local distribution companies shall be encouraged to seek the least expensive supply of natural gas from among the pipelines, producers of natural gas and others. A pipeline shall not discriminate between its own gas and that of others in providing transmission, storage and brokerage services for local distribution companies.

"(b) The Commission shall report annually to the Congress on the accomplishments under this section and the need for additional legislation.".

FILING OF CONTRACTS

SEC. 5. Section 315(c) of such Act (15 U.S.C. 3375(c)) is amended to read as follows:

"(c) FILING OF CONTRACTS.—Within 180 days of the enactment of this subsection, the Commission shall issue final regulations to require any first sale purchaser of natural gas under a present or future contract to file with the Commission a copy of such contract. Such regulations shall assure reasonable public access to all terms of such contracts which may materially affect the retail rates for which natural gas under such contract is sold.".

REPEAL OF INCREMENTAL PRICING

SEC. 6. Title II of such Act (15 U.S.C. 3341-3348) is repealed.

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 7. The Natural Gas Policy Act of 1978 is amended—

(1) in section 121(b)—

(A) by striking out "Effective beginning on the effective date of the incremental pricing rule required under section 201, the" and inserting in lieu thereof "The"; and

(B) by striking out "shall cease to apply" and inserting in lieu thereof "shall not apply";

(2) in section 502 (15 U.S.C. 3412) by striking out subsection (d);

(3) in section 504(b) (15 U.S.C. 3414(b))—

(A) by striking out paragraph (3) and redesignating subsequent paragraphs accordingly;

(B) in paragraph (1), by striking out "paragraphs (2) and (3)" and inserting in lieu thereof "paragraph (2)"; and

(C) in paragraph (3) (as redesignated), by striking out "paragraph (1), (2), or (3)" and inserting in lieu thereof "paragraph (1) or (2)";

(4) in section 506 (15 U.S.C. 3416) by striking out subsection (d);

(5) by repealing section 507 (15 U.S.C. 3417);

(6) in section 601(c)(2) (15 U.S.C. 3431 (c)(2))—

(A) by striking out "—(A)" and inserting in lieu thereof a comma;

(B) by striking out "and" at the end of subparagraph (A); and

(C) by strking out "(B) such recovery is not inconsistent with any requirement of any rule under section 201 (including any amendment udner section 202),"; and

(7) in the table of contents by—

(A) striking out the items relating to title II and the item relating to section 507; and

(B) adding at the end of the items for title III the following:

"Sec. 316. Indefinite price escalator provisions declared void in natural gas contracts.

"Sec. 317. Natural gas contracts deemed to include market-out provision.

"Sec. 318. Natural gas contracts deemed to include adjustment provision to reduce purchase requirements.

"Sec. 319. Natural gas contracts deemed to include transportation obligation to secondary purchasers.

"Sec. 320. Enhancing competitive options for local distribution companies in the purchase of natural gas.".

REMEDIAL ACTION AND PROHIBITION OF INCREMENTAL PRICING

SEC. 8. (a) REMEDIAL ACTION.—Effective beginning on the date of the enactment of this section, each interstate pipeline and local distribution company which was formerly subject to the provisions of title II of the Natural Gas Policy Act of 1978 shall take the following actions:

(1) Each such interstate pipeline shall clear both its unrecovered incremental gas costs account and its unrecovered incremental surcharges account of all amounts accumulated therein by—

(A) transferring, as of such date of enactment, all such amounts to its unrecovered purchased gas costs account,

(B) proceeding to collect all such amounts in due course pursuant to regulations prescribed by the Federal Energy Regulatory Commission (hereinafter in this subsection referred to as the "Commission"), and

(C) doing all such other acts as the Commission may prescribe for the purpose of effecting the repeal of title II of such Act as of the date of the enactment of this section.

(2) Each such local distribution company shall clear both the unrecovered incremental gas costs account and the unrecovered incremental surcharges account of all amounts accumulated therein by—

(A) transferring, as of the date of enactment of this section, all such amounts to the account to which the company's purchased gas costs are ordinarily debited, and then

(B) proceeding to collect all such amounts in due course, whether pursuant to pertinent regulations prescribed therefor by the regulatory body having jurisdiction over such company's rates and charges, or otherwise.

(b) NO FURTHER INCREMENTAL PRICING PERMITTED.—Effective beginning on the date of the enactment of this section, no interstate pipeline or distribution company which was formerly subject to the provisions of title II of the Natural Gas Policy Act of 1978 shall—

(1) debit any amount to any unrecovered incremental gas costs account;

(2) debit any amount to any unrecovered incremental surcharges account;

(3) bill incremental pricing surcharges to any customer under the authority of such provisions; or

(4) otherwise comply with the provisions of part 282 of title 18 of the Code of Federal Regulations or other regulatory provisions which implement title II of such Act.

(c) DEFINITIONS.—For purposes of this section—

(1) the term "unrecovered incremental gas costs account" means the account designated as Account 192.1 of the Uniform System of Accounts Prescribed for Natural Gas Companies, parts 201 and 204 of title 18 of the Code of Federal Regulations;

(2) the term "unrecovered incremental surcharges account" means the account designated as Account 192.2 of the Uniform System of Accounts Prescribed for Natural Gas Companies, parts 201 and 204 of such title 18; and

(3) the term "unrecovered purchased gas costs account" means the account designated Account 191 of the Uniform System of Accounts Prescribed for Natural Gas Companies, of such parts 201 and 204.●

By Mr. BENTSEN:

S. 824. A bill to amend the Internal Revenue Code of 1954 to treat as medical care the expenses of meals and lodging of a parent or guardian accompanying a child away from home for the purpose of receiving medical care, and the expenses of meals and lodging of a child away from home for the purpose of receiving medical care on an outpatient basis; to the Committee on Finance.

TAX TREATMENT OF AWAY FROM HOME EXPENSES DURING MEDICAL TREATMENT

● Mr. BENTSEN. Mr. President, today I am introducing legislation which expands the medical expense deduction to include costs incurred by a parent or guardian who must accompany a child away from home for the purpose of receiving outpatient medical care.

Expenses for health care in the United States increased by almost 20 percent last year—that is more than double the rate of this country's inflation during the same period. I know how difficult it is for many families to obtain the necessary health care when confronted by these costs. Yet, America prides itself on having the best medical facilities and most skillful doctors in the world. In the past, Congress has recognized the need to encourage adequate and effective health care for Americans by providing them a tax deduction for many expenses incurred in receiving health care. Under current law certain expenses related to physician care, medicine, and transportation are deductible. For example, if a parent must take a child to an area that specializes in the particular care the child needs, the transportation expenses incurred in going to that doctor, hospital, or clinic are tax deductible. The law does not apply to the cost of meals and lodging that a parent also must confront when a child is receiving outpatient care away from home.

The purpose of this legislation, Mr. President, is to expand the medical deduction provision to include those living expenses such as meals and lodging that parents must pay so that their children can receive needed medical treatment that is not obtainable in their hometown. This expansion would lift an economic burden from many families who need to concentrate their energies on a child who suffers from a serious illness.

In Texas, we are blessed with some of the finest medical facilities in the world. Many parents take their children to medical facilities in Houston to receive cancer treatment, including chemotherapy and radiation. Since the treatment often is handled on an outpatient basis, parents and children frequently are away from home for extended periods of time. A recent University of Texas System Cancer Center survey indicated that 43 percent of its patients over a 1-month period required housing accommodations. Of these visits, which generally included one parent and child, 79 percent were return visits and each visit averaged 5 days. It does not take long to realize that in this situation the housing expenses, the absence from home and job, and the uninsured portion of expensive medical treatment can create an astronomical financial burden on families.

There is no doubt that these parents need to be with their children during these difficult times to comfort them and assist with their healing. My bill amends the Internal Revenue Code to provide families with realistic help during this critical time when they are under intense psychological stress because of a seriously ill child. Mr. President, this legislation addresses those lodging and meal expenses that are necessary solely because of a child's medical needs. These expenses certainly meet the criteria for which the medical deduction tax provision was designed to assist.

In closing, I urge my Senate colleagues to approve this measure so that a parent or guardian can deduct reasonable living expenses incurred when accompanying an ill child to out-of-town medical treatment. I ask unanimous consent that a copy of the bill be printed in the RECORD at the closing of these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 824

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TREATMENT OF CERTAIN MEALS AND CERTAIN LODGING EXPENSES OF A PARENT AND CHILD AS MEDICAL CARE IN THE CASE OF A CHILD AWAY FROM HOME FOR PURPOSE OF RECEIVING MEDICAL CARE.

(a) IN GENERAL.—Paragraph (1) of section 213(d) of the Internal Revenue Code of 1954 (defining medical care) is amended—

(1) by striking out "or" at the end of subparagraph (B),

(2) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", or", and

(3) by adding at the end thereof the following new subparagraph:

"(D) for the meals and lodging of—

"(i) one parent or guardian of a child when—

"(I) such child is away from home for the purpose of receiving medical care, and

"(II) such parent or guardian is away from home and accompanies such child, and

"(ii) a child when he is away from home for the purpose of receiving medical care as an outpatient.".

(b) CHILD DEFINED.—Subsection (d) of section 213 of such Code is amended by adding at the end thereof the following new paragraph:

"(7) The term 'child' means an individual who has not attained the age of 18 before the close of the taxable year.".

SEC. 2. EFFECTIVE DATE.

The amendments made by section 1 shall apply to amounts paid in taxable years beginning after December 31, 1982.●

By Mr. BENTSEN:

S. 825. A bill to amend the Internal Revenue Code of 1954 with respect to the unrelated business taxable income of certain nonprofit charitable organizations; to the Committee on Finance.

UNRELATED BUSINESS TAXABLE INCOME

● Mr. BENTSEN. Mr. President, today I am pleased to introduce legislation that will insure that many of America's military veterans can continue to receive the benefits and services provided them by veteran service organizations. My bill amends the Internal Revenue Code to exempt from taxation income received by nonprofit, charitable organizations through the exchange/rental or sale of names and addresses from donor or membership lists.

This revision in the Tax Code is essential to the continued operation of nonprofit organizations such as the Disabled American Veterans (DAV). Chartered by Congress in 1932, the DAV membership consists of veterans who incurred service-related wounds, injuries, or disease as a result of wartime military service. Over 700,000 veterans have joined the Disabled American Veterans, which provides many benefits and services to its membership and the veteran community at large. For example, the DAV represents veterans, their dependents and survivors before the Veterans' Administration in determining compensation, pension, hospitalization, and other benefits that they are entitled to. These helpful services are paid for with contributions and funds raised by the DAV.

Mr. President, my legislation insures that the DAV and other nonprofit organizations can continue to solicit tax-deductible contributions from their donor lists. The DAV maintains a list of approximately 6 million names. Donor list attrition, as a result of factors such as death or change of address, translates to a loss of approximately 700,000 names a year from the mailing list. In order to replace these names, the DAV rents and exchanges its list with other group organizations, including both public, commercial, and private exempt organizations. Under current law, income earned by an exempt organization from a trade or business that is carried on regularly and is not substantially related to the activities constituting the basis for the organization's tax exemption, is considered unrelated business income and is subject to Federal taxation. The Court of Claims and the Internal Revenue Service recently ruled that the DAV's income from donor list rental was unrelated business income and therefore, subject to taxation. Since

the DAV's sole revenue raising function is from the donor list, I believe that this activity is substantially related to the nonprofit charter and function of the DAV and should be tax-exempt. My bill amends section 513 of the Internal Revenue Code to state clearly that income derived from this activity will be tax exempt for nonprofit organizations.

Our war veterans have paid a high price for the freedoms and opportunities that we enjoy in America. Organizations like the Disabled American Veterans provide important services for those persons who have made personal sacrifices and suffered personal losses in the defense of our country. My amendment assures that the DAV and other organizations maintain their strong link with the millions of citizens they serve. In addition, this legislation reflects the type of contribution that the Congress can make to the private sector, which is accepting more and more of the responsibility for providing our national needs.

Mr. President, I urge the Senate to act on this legislation quickly and favorably. And, I ask unanimous consent that a copy of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 825

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 513 of the Internal Revenue Code of 1954 (relating to unrelated trade or business) is amended by adding at the end thereof the following new subsection:

"(h) CERTAIN EXCHANGES, RENTALS AND SALES OF NAMES FROM DONOR LISTS OR MEMBERSHIP LISTS.—In the case of an organization described in section 501 contributions to which are deductible under section 170, the term "trade or business" does not include any trade or business of such organization which consists of exchanging, renting, or selling names and addresses of donors to, or members of, such organization.".

(b) The amendment made by subsection (a) shall apply to taxable years ending after the date of the enactment of this Act.●

By Mr. SIMPSON:

S. 826. A bill to amend title 10, United States Code, to establish the Prisoner of War Recognition Medal; to the Committee on Armed Services.

PRISONER OF WAR RECOGNITION MEDAL

● Mr. SIMPSON. Mr. President, as chairman of the Committee on Veterans' Affairs, I am reintroducing today a bill which I originally sponsored in the 97th Congress in order to establish the Prisoner of War Recognition Medal. This bill would authorize the Secretary of Defense to award, on behalf of the Congress, a medal to any service member or veteran who served honorably in the active military, naval, or air service after April 5, 1917, and who was held by any force hostile to the United States as a prisoner, internee or hostage. The intent of the medal is to accord proper recognition to those brave Americans who rendered honorable and faithful service to their country, often under very dehumanizing conditions as prisoners of war.

In the Veterans' Disability Compensation and Survivors' Benefits Act of 1978, the Congress directed the Administrator of Veterans' Affairs, in consultation with the Secretary of Defense, to carry out a comprehensive study of the disability compensation awarded to, and the health care needs of, veterans who are former prisoners of war. Through the major findings of this study and through testimony received from individual POW's, the committee was provided with added insight into the traumatic POW experience. It became clear to the committee that the approximately 97,000 living POW's of World War I, World War II, Korea and Vietnam suffered great hardships, deprivations, torture, and disabling injuries—all far above and beyond the call of duty.

In an effort to respond to the needs of this extraordinary group of Americans, the Congress has enacted appropriate legislation to address certain disability compensation and health-care needs of these veterans. Recently, the committee received testimony on S. 578, a bill which I introduced to clarify the list of presumptive diseases for disability compensation in order to add depressive neurosis to the list which is contained in the Former Prisoner of War Benefits Act of 1981.

It also became clear to the committee that upon repatriation many of these men and women who are former prisoners of war received minimal recognition for their sacrifices. I believe that proper recognition should be accorded these individuals and therefore, am proposing this service medal to be awarded to all POW's who rendered honorable and faithful service under often very brutal and inhumane conditions.●

By Mr. EAST:

S. 827. A bill to amend subchapter II of chapter 5 of title 5, United States Code, to provide that a Federal agency may not require any person to maintain records for a period in excess of 3 years and may not commence an action for collection of a civil fine for any violation of a rule after 3 years from the date of the act to which such violation relates, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL RECORDKEEPING AND CIVIL ACTION LIMITATION ACT

● Mr. EAST. Mr. President, I am introducing a bill today called the "Federal Recordkeeping and Civil Action Limitation Act." It would reduce the burden of Federal recordkeeping on American business and lead to a regulatory process less arbitrary and open to abuse of discretion.

The bill would provide three direct changes in regulatory procedure. First, it would place a 3-year limit on recordkeeping requirements that Federal agencies can impose on private persons. Second, it would place a 3-year limit on the power of Federal agencies to bring civil actions for nonwillful violations of agency rules. Third, it would bar agencies from applying new interpretations of rules retroactively.

The limitation on Federal recordkeeping requirements is sorely needed, particularly by small businesses that cannot afford the extra clerical help and other resources necessary to keep and maintain detailed records for an indefinite period of time. And right now it is an indefinite period of time we are talking about; there is no statutory limit on the period for which regulatory agencies can compel private persons to keep records.

In the same way, there is presently no statute of limitations for nonwillful violations of Federal rules. This is a serious omission given the inability of most sole proprietors to keep track of, much less comprehend, the volume of complex regulations that emanate from Washington on a daily basis.

I believe that 3 years is an appropriate time limit, both for recordkeeping and for the commencement of civil actions. It is comparable to the period for which citizens must keep old tax records, and to statutes of limitations for nonregulatory civil wrongs.

Moreover, this limitation is not absolute. It will not apply in cases involving dangerous material, fraud, willful violations, or intentional omissions or misstatements of fact. Nor will it prohibit any agency charged with protecting health and safety from requiring that records be kept for a longer period, if doing so is essential to protect the public from serious harm.

Finally, the proposed bar against applying retroactive interpretations of rules against businesses should help make the regulatory process more orderly and predictable. Federal policy is such a significant factor in business decisionmaking today that the health of our economy requires that regulation be as precise as possible.

Mr. President, Woodrow Wilson made the following observation in 1908:

> Regulation by commission is not regulation by law, but control according to the discretion of government officials. Such methods of regulation, it may be safely predicted, will sooner or later be completely discredited by experience.

In this instance, at least, Wilson proved a true prophet. Federal regulation, whatever its successes, has been discredited by its excesses. The Ameri-

can people want these excesses curbed. The measure that I am proposing today is a careful, reasonable step toward that end. It will not deprive the public of a single regulatory benefit, but it should provide real relief from the costs and abuses that make these benefits such mixed blessings.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 827

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Record-keeping and Civil Action Limitation Act of 1981".

SEC. 2. (a) Subchapter II of chapter 5 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 560. Limitations on agency action

"(a) Except as provided in subsections (b) and (c) and as otherwise provided by the Internal Revenue Code of 1954 or any rule promulgated under such Code—

"(1) an agency may not require, or enforce any law or rule to the extent that such law or rule requires, that any person maintain, prepare or produce any record after three years after the date of the transaction or event to which such record relates;

"(2) an agency may not commence any action or proceeding against any person for collection of any civil fine, penalty, or forfeiture for any act for failure to act which violates any rule after three years after the date the act or failure to act occurred to which such action, proceeding, fine, penalty, or forfeiture relates acts; and

"(3) an agency may not impose a civil penalty against any person for any act or failure to act which violates any rule or any interpretation of a rule which was not in effect at the time of the occurrence of the action or omission.

"(b) Subsection (a) shall not apply in any case involving—

"(1) dangerous material;

"(2) fraud;

"(3) a willful or knowing violation of a rule; or

"(4) an untrue statement of material fact made to an agency, or the omission of any material fact necessary to make a statement to an agency not misleading.

"(c) Subsection (a) does not prohibit any agency responsible for the protection of health and safety from requiring that any person maintain records for a period in excess of three years where the maintaining of such records is essential to protect the public from serious harm.

"(d) For purposes of this section, the term 'dangerous material' means—

"(1) hazardous waste, as defined in section 1004(5) of the Solid Waste Disposal Act; and

"(2) byproduct material, material source, or special nuclear material, as such terms are defined in clauses (e), (z), and (aa) of section 11 of the Atomic Energy Act of 1954.".

"(b) The table of sections for chapter 5 of such title is amended by inserting after the item relating to section 559 the following new item:

"560. Limitations on agency action.".●

By Mr. EAST:

S. 828. A bill to require all nationals of Communist countries to register with the Attorney General before engaging in certain activities involving Members of Congress and congressional employees, in order to protect the internal security of the United States and impede espionage; to the Committee on the Judiciary.

REGISTRATION OF CERTAIN COMMUNIST NATIONALS

● Mr. EAST. Mr. President, in the 97th Congress, my distinguished colleagues from Alabama and South Carolina, Senator JEREMIAH DENTON and Senator STROM THURMOND, introduced S. 1959, which required the registration of nationals of Communist countries with the Attorney General before attending sessions of the U.S. Congress, meetings of committees or subcommittees, or making any contact with Members of Congress or employees of Members or committees. Hearings were held on S. 1959 in the Subcommittee on Security and Terrorism, which my colleague from Alabama chairs and of which I have the privilege to be a member. The Senate did not vote on S. 1959, and the bill did not reach the full Senate before the end of the Congress. I am today reintroducing this bill, in its original form.

The purpose of the bill is to provide some curb to one of the most alarming internal security problems our Nation now encounters. That problem is the intensive campaign of espionage and of what the Soviets call "active measures" by the KGB, the Soviet intelligence service, and by other, sister services of the KGB. Soviet spies, under the cover of diplomats, trade officials, journalists, or academics, may visit Members of Congress and their staffs, attend hearings of committees and subcommittees and obtain copies of testimony important to our national security, cultivate contacts and increase their influence with Congressmen and their staffs. These activities are all legal, Mr. President, and so they should be, but it is the strategy of our Communist enemies to take advantage of a free government to harm and weaken it. At the same time that these Communist nationals pretend a professional interest in congressional activities, many of them, under the control of the KGB, are actually seeking information that would harm the United States.

Last year, Mr. President, the FBI testified that Soviet agents visit the Hill "almost on a daily basis" and that the Bureau is constantly trying to track Soviet espionage activities in Congress. Several instances of this kind of activity were presented by FBI agents and officials before the subcommittee, and one Congressman testified to attempts to influence him.

The bill that I am introducing today, Mr. President, would require that all nationals of a Communist country register with the Attorney General before approaching Congress, its Members or staffs, or its activities. The bill would enable the Department of Justice and the foreign counterintelligence components of the FBI to know which Soviets, Cubans, East Germans, Czechoslovakians, and so forth, are engaged in activities that bring them into contact with the Hill and would considerably ease the complicated work of the FBI in this regard.

Mr. President, I believe that this bill would go far in protecting the security of the Congress and of our country from the espionage and covert action operations of our enemies. I commend it to our colleagues and to the administration for their close attention and support.●

By Mr. THURMOND (for himself and Mr. LAXALT) (by request):

S. 829. A bill entitled the Comprehensive Crime Control Act of 1983; to the Committee on the Judiciary.

COMPREHENSIVE CRIME CONTROL ACT OF 1983

Mr. THURMOND. Mr. President, on behalf of the administration, I am pleased to introduce, with the distinguished Senator from Nevada (Mr. LAXALT), the Comprehensive Crime Control Act of 1983. This is a legislative proposal to the Congress from the President of the United States designed to enhance the Federal response to crime in this country.

I have said in the past—and repeat now—the primary function of a government is to protect its citizens from predators bent on the violent invasion of their persons and property. Today, crime—particularly violent crime, drug trafficking, and organized crime—is one of the major concerns of the people of the United States. I firmly believe that crime and the fear it generates are equal in importance to the issues surrounding national defense and the economy.

This fear of crime is well founded. The crime rate in this country reached an unprecedented high in 1980 and has continued at that level, according to figures most recently released by the Federal Bureau of Investigation. The FBI's "crime clock" graphically illustrates our unfortunate plight. A violent crime occurs every 24 seconds and burglaries are committed at an astonishing rate of one every 8 seconds. Not only is the incidence of crime great, it generates on understandable fear among our citizens which virtually imprisons them in their homes. It is incumbent upon us as representatives of the people to address this intolerable situation without further delay.

Today, the administration has sent to the Congress a proposal with 16

major parts, appropriately entitled the Comprehensive Crime Control Act. Many of these issues have been before Congress in the past. Indeed, significant parts of the measure, such as sentencing reform, bail reform, insanity defense amendments, and criminal forfeiture improvements, have evolved in context of our decade-long effort to enact a modern Federal Criminal Code. In addition, some are already the subject of individual bills introduced by myself and others. This comprehensive package is designed to help the Federal Government meet its responsibility to provide for the domestic security of this Nation.

Mr. President, since I will insert a detailed explanation of the administration's proposal into the RECORD, I will only comment briefly on some of its major provisions.

First, I would note that this bill contains, with no major change, most of the provisions of the Violent Crime and Drug Enforcement Improvements Act of 1982 (S. 2572) that passed the Senate on September 30, 1982, by a vote of 95 to 1, as well as other measures. That bill was strongly supported by the administration and dealt with such major issues as creating a more rational Federal sentencing system, changing the Federal bail laws to afford greater protection to the public, and improving the criminal forfeiture provisions of current law applicable to organized crime and illegal drug trafficking.

However, the proposal being introduced today goes far beyond that crime package and also the subsequent crime package (H.R. 3963) passed by the Senate in the last Congress. The President strongly urges that we expand our goals to include, among other things, changes to limit the impact of the exclusionary rule, restrict the insanity defense, limit Federal judicial interference in State criminal proceedings (habeas corpus), modernize our international extradition procedures, and create a constitutional procedure for the imposition of the death penalty for the most serious Federal crimes. I am sure that I will find myself to be in complete accord with the President on the merits of these proposals. With the assistance of Senator LAXALT, who serves as chairman of the Subcommittee on Criminal Law, other interested Senate colleagues, the President, and the Attorney General, I will make every effort, as chairman of the Committee on the Judiciary, to obtain passage of this landmark Federal crime control legislation.

Mr. President, I ask unanimous consent to insert in the RECORD, at this point, the communication from the President, concerning the bill, the bill itself, and supporting documents on this measure.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 829

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "The Comprehensive Crime Control Act of 1983".

TITLE I—BAIL

SEC. 101. This title may be cited as the "Bail Reform Act of 1983".

SEC. 102. (a) Sections 3141 through 3151 of title 18, United States Code, are repealed and the following new sections are inserted in lieu thereof:

"§ 3141. Release and detention authority generally

"(a) PENDING TRIAL.—A judicial officer who is authorized to order the arrest of a person pursuant to section 3041 of this title shall order that an arrested person who is brought before him be released or detained, pending judicial proceedings, pursuant to the provisions of this chapter.

"(b) PENDING SENTENCE OR APPEAL.—A judicial officer of a court of original jurisdiction over an offense, or a judicial officer of a Federal appellate court, shall order that, pending imposition or execution of sentence, or pending appeal of conviction or sentence, a person be released or detained pursuant to the provisions of this chapter.

"§ 3142. Release or detention of a defendant pending trial

"(a) IN GENERAL.—Upon the appearance before a judicial officer of a person charged with an offense, the judicial officer shall issue an order that, pending trial, the person be—

"(1) released on his personal recognizance or upon execution of an unsecured appearance bond, pursuant to the provisions of subsection (b);

"(2) released on a condition or combination of conditions pursuant to the provisions of subsection (c);

"(3) temporarily detained to permit revocation of conditional release pursuant to the provisions of subsection (d); or

"(4) detained pursuant to the provisions of subsection (e).

"(b) RELEASE ON PERSONAL RECOGNIZANCE OR UNSECURED APPEARANCE BOND.—The judicial officer shall order the pretrial release of the person on his personal recognizance, or upon execution of an unsecured appearance bond in an amount specified by the court, subject to the condition that the person not commit a Federal, State, or local crime during the period of his release, unless the judicial officer determines that such release will not reasonably assure the appearance of the person as required or will endanger the safety of any other person or the community.

"(c) RELEASE ON CONDITIONS.—If the judicial officer determines that the release described in subsection (b) will not reasonably assure the appearance of the person as required or will endanger the safety of any other person or the community, he shall order the pretrial release of the person—

"(1) subject to the condition that the person not commit a Federal, State, or local crime during the period of release; and

"(2) subject to the least restrictive further condition, or combination of conditions, that he determines will reasonably assure the appearance of the person as required and the safety of any other person and the community, which may include the condition that the person—

"(A) remain in the custody of a designated person, who agrees to supervise him and to report any violation of a release condition to the court, if the designated person is able reasonably to assure the judicial officer that the person will appear as required and will not pose a danger to the safety of any other person or the community;

"(B) maintain employment, or, if unemployed, actively seek employment;

"(C) maintain or commence an educational program;

"(D) abide by specified restrictions on his personal associations, place of abode, or travel;

"(E) avoid all contact with an alleged victim of the crime and with a potential witness who may testify concerning the offense;

"(F) report on a regular basis to a designated law enforcement agency, pretrial services agency, or other agency;

"(G) comply with a specified curfew;

"(H) refrain from possessing a firearms, destructive device, or other dangerous weapon;

"(I) refrain from excessive use of alcohol, or any use of a narcotic drug or other controlled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802), without a prescription by a licensed medical practitioner;

"(J) undergo available medical or psychiatric treatment, including treatment for drug or alcohol dependency, and remain in a specified institution if required for that purpose;

"(K) execute an agreement to forfeit upon failing to appear as required, such designated property, including money, as is reasonably necessary to assure the appearance of the person as required, and post with the court such indicia of ownership of the property or such percentage of the money as the judicial officer may specify;

"(L) execute a bail bond with solvent sureties in such amount as is reasonably necessary to assure the appearance of the person as required;

"(M) return to custody for specified hours following release for employment, schooling, or other limited purposes; and

"(N) satisfy any other condition that is reasonably necessary to assure the appearance of the person as required and to assure the safety of any other person and the community.

The judicial officer may not impose a financial condition that results in the pretrail detention of the person. The judicial officer may at any time amend his order to impose additional or different conditions of release.

"(d) TEMPORARY DETENTION TO PERMIT REVOCATION OF CONDITIONAL RELEASE, DEPORTATION, OR EXCLUSION.—If the judicial officer determines that—

"(1) the person—

"(A) is, and was at the time of the offense committed, on—

"(i) release pending trial for a felony under Federal, State, or local law;

"(ii) release pending imposition or execution of sentence, appeal of sentence or conviction, or completion of sentence, for any offense under Federal, State, or local law; or

"(iii) probation or parole for any offense under Federal, State, or local law; or

"(B) is not a citizen of the United States or lawfully admitted for permanent residence, as defined in section 101(a)(20) of the

Immigration and Nationality Act (8 U.S.C. 1101(a)(20)); and

"(2) the person may flee or pose a danger to any other person or the community;

he shall order the detention of the person, for a period of not more than ten days, excluding Saturdays, Sundays, and holidays, and direct the attorney for the Government to notify the appropriate court, probation or parole official, or State or local law enforcement official, or the appropriate official of the Immigration and Naturalization Service. If the official fails or declines to take the person into custody during that period, the person shall be treated in accordance with the other provisions of this section, notwithstanding the applicability of other provisions of law governing release pending trial or deportation or exclusion proceedings. If temporary detention is sought under paragraph (1)(B), the person has the burden of proving to the court that he is a citizen of the United States or is lawfully admitted for permanent residence.

"(e) DETENTION.—If, after a hearing pursuant to the provisions of subsection (f), the judicial officer finds that no condition or combination of conditions will reasonably assure the appearance of the person as required and the safety of any other person and the community, he shall order the detention of the person prior to trial. In a case described in (f)(1), a rebuttable presumption arises that no condition or combination of conditions will reasonably assure the safety of any other person and the community if the judge finds that—

"(1) the person has been convicted of a Federal offense that is described in subsection (f)(1), or of a State or local offense that would have been an offense described in subsection (f)(1) if a circumstance giving rise to Federal jurisdiction had existed;

"(2) the offense described in paragraph (1) was committed while the person was on release pending trial for a Federal, State, or local offense; and

"(3) a period of not more than five years has elapsed since the date of conviction, or the release of the person from imprisonment, for the offense described in paragraph (1), whichever is later.

"(f) DETENTION HEARING.—The judicial officer, upon motion of the attorney for the Government or upon the judge's own motion, shall hold a hearing to determine whether any condition or combination of conditions set forth in subsection (c) will reasonably assure the appearance of the person as required and the safety of any other person and the community in a case that involves—

"(1) a crime of violence;

"(2) an offense for which the maximum sentence is life imprisonment or death;

"(3) an offense for which a maximum term of imprisonment of ten years or more is prescribed in the Controlled Substances Act (21 U.S.C. 801 et seq.), the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), or section 1 of the Act of September 15, 1980 (21 U.S.C. 955a);

"(4) a serious risk that the person will flee;

"(5) a serious risk that the person will obstruct or attempt to obstruct justice, or threaten, injure, or intimidate, or attempt to threaten, injure, or intimidate, a prospective witness or juror; or

"(6) any felony committed after the person had been convicted of two or more prior offenses described in paragraphs (1) through (3), or two or more State or local offenses that would have been offenses described in paragraphs (1) through (3) if a circumstance giving rise to Federal jurisdiction had existed.

The hearing shall be held immediately upon the person's first appearance before the judicial officer unless that person, or the attorney for the Government, seeks a continuance. Except for good cause, a continuance on motion of the person may not exceed five days, and a continuance on motion of the attorney for the Government may not exceed three days. During a continuance, the person shall be detained, and the judicial officer, on motion of the attorney for the Government or on his own motion, may order that, while in custody, a person who appears to be a narcotics addict receive a medical examination to determine whether he is an addict. At the hearing, the person has the right to be represented by counsel, and, if he is financially unable to obtain adequate representation, to have counsel appointed for him. The person shall be afforded an opportunity to testify, to present witnesses on his own behalf, to cross-examine witnesses who appear at the hearing, and to present information by proffer or otherwise. The rules concerning admissibility of evidence in criminal trials do not apply to the presentation and consideration of information at the hearing. The facts the judicial officer uses to support a finding pursuant to subsection (e) that no condition or combination of conditions will reasonably assure the safety of any other person and the community shall be supported by clear and convincing evidence. The person may be detained pending completion of the hearing.

"(g) FACTORS TO BE CONSIDERED.—The judicial officer shall, in determining whether there are conditions of release that will reasonably assure the appearance of the person as required and the safety of any other person and the community, take into account the available information concerning—

"(1) the nature and circumstances of the offense charged, including whether the offense is a crime of violence or involves a narcotic drug;

"(2) the weight of the evidence against the person;

"(3) the history and characteristics of the person, including—

"(A) his character, physical and mental condition, family ties, employment, financial resources, length of residence in the community, community ties, past conduct, history relating to drug or alcohol abuse, criminal history, and record concerning appearance at court proceedings; and

"(B) whether, at the time of the current offense or arrest, he was on probation, on parole, or on other release pending trial, sentencing, appeal, or completion of sentence for an offense under Federal, State, or local law; and

"(4) the nature and seriousness of the danger to any person or the community that would be posed by the person's release. In considering the conditions of release described in subsection (c)(2)(K) or (c)(2)(L), the judicial officer may upon his own motion, or shall upon the motion of the Government, conduct an inquiry into the source of the property to be designated for potential forfeiture or offered as collateral to secure a bond, and shall decline to accept the designation, or the use as collateral, of property that, because of its source, will not reasonably assure the appearance of the person as required.

"(h) CONTENTS OF RELEASE ORDER.—In a release order issued pursuant to the provisions of subsection (b) or (c), the judicial officer shall—

"(1) include a written statement that sets forth all the conditions to which the release is subject, in a manner sufficiently clear and specific to serve as a guide for the person's conduct; and

"(2) advise the person of—

"(A) the penalties for violating a condition of release, including the penalties for committing an offense while on pretrial release;

"(B) the consequences of violating a condition of release, including the immediate issuance of a warrant for the person's arrest; and

"(C) the provisions of sections 1503 of this title (relating to intimidation of witnesses, jurors, and officers of the court), 1510 (relating to obstruction of a criminal investigation), 1512 (tampering with a witness, victim, or an informant), and 1513 (retaliating against a witness or an informant).

"(i) CONTENTS OF DETENTION ORDER.—In a detention order issued pursuant to the provisions of subsection (e), the judicial officer shall—

"(1) include written findings of fact and a written statement of the reasons for the detention;

"(2) direct that the person be committed to the custody of the Attorney General for confinement in a corrections facility separate, to the extent practicable, from persons awaiting or serving sentences or being held in custody pending appeal;

"(3) direct that the person be afforded reasonable opportunity for private consultation with his counsel; and

"(4) direct that, on order of a court of the United States or on request of an attorney for the Government, the person in charge of the corrections facility in which the person is confined deliver the person to a United States marshal for the purpose of an appearance in connection with a court proceeding.

The judicial officer may, by subsequent order, permit the temporary release of the person, in the custody of a United States marshal or another appropriate person, to the extent that the judicial officer determines such release to be necessary for preparation of the person's defense or for another compelling reason.

"(j) Nothing in this section shall be construed as modifying or limiting the presumption of innocence.

"§ 3143. Release or detention of a defendant pending sentence or appeal

"(a) RELEASE OR DETENTION PENDING SENTENCE.—The judicial officer shall order that a person who has been found guilty of an offense and who is waiting imposition or execution of sentence, be detained, unless the judicial officer finds by clear and convincing evidence that the person is not likely to flee or pose a danger to the safety of any other person or the community if released pursuant to section 3142 (b) or (c). If the judicial officer makes such a finding, he shall order the release of the person in accordance with the provisions of section 3142 (b) or (c).

"(b) RELEASE OR DETENTION PENDING APPEAL BY THE DEFENDANT.—The judicial officer shall order that a person who has been found guilty of an offense and sentenced to a term of imprisonment, and who has filed an appeal or a petition for a writ of certiorari, be detained, unless the judicial officer finds—

"(1) by clear and convincing evidence that the person is not likely to flee or pose a

danger to the safety of any other person or the community if released pursuant to section 3142 (b) or (c); and

"(2) that the appeal is not for purpose of delay and raises a substantial question of law or fact likely to result in reversal or an order for a new trial.

If the judicial officer makes such findings, he shall order the release of the person in accordance with the provisions of section 3142 (b) or (c).

"(c) RELEASE OR DETENTION PENDING APPEAL BY THE GOVERNMENT.—The judicial officer shall treat a defendant in a case in which an appeal has been taken by the United States pursuant to the provisions of section 3731 of this title, in accordance with the provisions of section 3142, unless the defendant is otherwise subject to a release or detention order.

"§ 3144. Release or detention of a material witness

"If it appears from an affidavit filed by a party that the testimony of a person is material in a criminal proceeding, and if it is shown that it may become impracticable to secure the presence of the person by subpena, a judicial officer may order the arrest of the person and treat the person in accordance with the provisions of section 3142. No material witness may be detained because of inability to comply with any condition of release if the testimony of such witness can adequately be secured by deposition, and if further detention is not necessary to prevent a failure of justice. Release of a material witness may be delayed for a reasonable period of time until the deposition of the witness can be taken pursuant to the Federal Rules of Criminal Procedure.

"§ 3145. Review and appeal of a release or detention order

"(a) REVIEW OF A RELEASE ORDER.—If a person is ordered released by a magistrate, or by a person other than a judge of a court having original jurisdiction over the offense and other than a Federal appellate court—

"(1) the attorney for the Government may file, with the court having original jurisdiction over the offense, a motion for revocation of the order or amendment of the conditions of release; and

"(2) the person may file, with the court having original jurisdiction over the offense, a motion for amendment of the conditions of release.

The motion shall be determined promptly.

"(b) REVIEW OF A DETENTION ORDER.—If a person is ordered detained by a magistrate, or by a person other than a judge of a court having original jurisdiction over the offense and other than a Federal appellate court, the person may file, with the court having original jurisdiction over the offense, a motion for revocation or amendment of the order. The motion shall be determined promptly.

"(c) APPEAL FROM A RELEASE OR DETENTION ORDER.—An appeal from a release or detention order, or from a decision denying revocation or amendment of such an order, is governed by the provisions of section 1291 of title 28 and section 3731 of this title. The appeal shall be determined promptly.

"§ 3146. Penalty for failure to appear

"(a) OFFENSE.—A person commits an offense if, after having been released pursuant to this chapter—

"(1) he knowingly fails to appear before a court as required by the conditions of his release; or

"(2) he knowingly fails to surrender for service of sentence pursuant to a court order.

"(b) GRADING.—If the person was released—

"(1) in connection with a charge of, or while awaiting sentence, surrender for service of sentence, or appeal or certiorari after conviction, for—

"(A) an offense punishable by death, life imprisonment, or imprisonment for a term of fifteen years or more, he shall be fined not more than $25,000 or imprisoned for not more than ten years, or both;

"(B) an offense punishable by imprisonment for a term of five or more years, but less than fifteen years, he shall be fined not more than $10,000 or imprisoned for not more than five years, or both;

"(C) any other felony, he shall be fined not more than $5,000 or imprisoned for not more than two years, or both; or

"(D) a misdemeanor, he shall be fined not more than $2,000 or imprisoned for not more than one year, or both; or

"(2) for appearance as a material witness, he shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

A term of imprisonment imposed pursuant to this section shall be consecutive to the sentence of imprisonment for any other offense.

"(c) AFFIRMATIVE DEFENSE.—It is an affirmative defense to a prosecution under this section that uncontrollable circumstances prevented the person from appearing or surrendering, and that the person did not contribute to the creation of such circumstances in reckless disregard of the requirement that he appear or surrender, and that the defendant appeared or surrendered as soon as such circumstances ceased to exist.

"(d) DECLARATION OF FORFEITURE.—If a person fails to appear before a court as required, and the person executed an appearance bond pursuant to section 3142(b) or is subject to the release condition set forth in section 3142(c)(2)(K), or (c)(2)(L), the judicial officer may, regardless of whether the person has been charged with an offense under this section, declare any property designated pursuant to that section to be forfeited to the United States.

"§ 3147. Penalty for an offense committed while on release

"A person convicted of an offense committed while released pursuant to this chapter shall be sentenced, in addition to the sentence prescribed for the offense to—

"(1) a term of imprisonment of not less than two years and not more than ten years if the offense is a felony; or

"(2) a term of imprisonment of not less than ninety days and not more than one year if the offense is a misdemeanor.

A term of imprisonment imposed pursuant to this section shall be consecutive to any other sentence of imprisonment.

"§ 3148. Sanctions for violation of a release condition

"(a) AVAILABLE SANCTIONS.—A person who has been released pursuant to the provisions of section 3142, and who has violated a condition of his release, is subject to a revocation of release, an order of detention, and a prosecution for contempt of court.

"(b) REVOCATION OF RELEASE.—The attorney for the Government may initiate a proceeding for revocation of an order of release by filing a motion with the district court. A judicial officer may issue a warrant for the arrest of a person charged with violating a condition of release, and the person shall be brought before a judicial officer in the district in which his arrest was ordered for a proceeding in accordance with this section. The judicial officer shall enter an order of revocation and detention if, after a hearing, the judicial officer—

"(1) finds that there is—

"(A) probable cause to believe that the person has committed a Federal, State, or local crime while on release; or

"(B) clear and convincing evidence that the person has violated any other condition of his release; and

"(2) finds that—

"(A) based on the factors set forth in section 3142(g), there is no condition or combination of conditions of release that will assure that the person will not flee or pose a danger to the safety of any other person or the community; or

"(B) the person is unlikely to abide by any condition or combination of conditions of release.

If there is probable cause to believe that, while on release, the person committed a Federal, State, or local felony, a rebuttable presumption arises that no condition or combination of conditions will assure that the person will not pose a danger to the safety of any other person or the community. If the judicial officer finds that there are conditions of release that will assure the person will not flee or pose a danger to the safety of any other person or the community, and that the person will abide by such conditions, he shall treat the person in accordance with the provisions of section 3142 and may amend the conditions of release accordingly.

"(c) PROSECUTION FOR CONTEMPT.—The judge may commence a prosecution for contempt, pursuant to the provisions of section 401, if the person has violated a condition of his release.

"§ 3149. Surrender of an offender by a surety

"A person charged with an offense, who is released upon the execution of an appearance bond with a surety, may be arrested by the surety, and if so arrested, shall be delivered promptly to a United States marshal and brought before a judicial officer. The judicial officer shall determine in accordance with the provisions of section 3148(b) whether to revoke the release of the person, and may absolve the surety of responsibility to pay all or part of the bond in accordance with the provisions of Rule 46 of the Federal Rules of Criminal Procedure. The person so committed shall be held in official detention until released pursuant to this chapter or another provision of law.

"§ 3150. Applicability to a case removed from a State court

"The provisions of this chapter apply to a criminal case removed to a Federal court from a State court.".

(b) Section 3154 of title 18, United States Code, is amended—

(1) in subsection (1), by striking out "and recommend appropriate release conditions for such individual" and inserting in lieu thereof "and, where appropriate, include a recommendation as to whether such individual should be released or detained and, if release is recommended, recommend appropriate conditions of release"; and

(2) in subsection (2), by striking out "section 3146(e) or section 3147" and inserting in lieu thereof "section 3145";

(c) Section 3156(a) of title 18, United States Code, is amended—

(1) by striking out "3146" and inserting in lieu thereof "3141";

(2) in paragraph (1)—

(A) by striking out "bail or otherwise" and in lieu thereof "detain or"; and

(B) by deleting "and" at the end thereof;

(3) in paragraph (2), by striking out the period at the end and inserting in lieu thereof "; and";

(4) by adding after paragraph (2) the following new paragraphs:

"(3) the term 'felony' means an offense punishable by a maximum term of imprisonment of more than one year; and

"(4) The term 'crime of violence' means—

(A) an offense that has as an element of the offense the use, attempted use, or threatened use of physical force against the person or property of another; or

(B) any other offense that is a felony and that, by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense."; and

(5) in subsection (b)(1), by striking out "bail or otherwise" and inserting in lieu thereof "detain or".

(d) The item relating to chapter 207 in the analysis of part II of title 18, United States Code, is amended to read as follows:

"207. Release and detention pending judicial proceedings ..... 3141".

(e)(1) The caption of chapter 207 is amended to read as follows:

"CHAPTER 207.—RELEASE AND DETENTION PENDING JUDICIAL PROCEEDINGS".

(2) The section analysis for chapter 207 is amended by striking out the items relating to section 3141 through 3151 and inserting in lieu thereof the following:

"3141. Release and detention authority generally.
"3142. Release or detention of a defendant pending trial.
"3143. Release or detention of a defendant pending sentence or appeal.
"3144. Release or detention of a material witness.
"3145. Review and appeal of a release or detention order.
"3146. Penalty for failure to appear.
"3147. Penalty for an offense committed while on release.
"3148. Sanctions for violation of a release condition.
"3149. Surrender of an offender by a surety.
"3150. Applicability to a case removed from a State court."

SEC. 103. Chapter 203 of title 18, United States Code, is amended as follows:

(a) The last sentence of section 3041 is amended by striking out "determining to hold the prisoner for trial" and inserting in lieu thereof "determining, pursuant to the provisions of section 3142 of this title, whether to detain or conditionally release the prisoner prior to trial".

(b) The second paragraph of section 3042 is amended by striking out "imprisoned or admitted to bail" and inserting in lieu thereof "detained or conditionally released pursuant to section 3142 of this title".

(c) Section 3043 is repealed.

(d) The following new section is added after section 3061:

"§ 3062. General arrest authority for violation of release conditions

"A law enforcement officer, who is authorized to arrest for an offense committed in his presence, may arrest a person who is released pursuant to chapter 207 if the officer has reasonable grounds to believe that the person is violating, in his presence, a condition imposed on the person pursuant to section 3142(c)(2)(D), (c)(2)(E), (c)(2)(H), (c)(2)(I), or (c)(2)(M), or, if the violation involves a failure to remain in a specified institution as required, a condition imposed pursuant to section 3142(c)(2)(J).".

(e) The section analysis is amended—

(1) by amending the item relating to section 3043 to read as follows:

"3043. Repealed."; and

(2) by adding the following new item after the item relating to section 3061:

"3062. General arrest authority for violation of release conditions.".

SEC. 104. Section 3731 of title 18, United States Code, is amended by adding after the second paragraph the following new paragraph:

"An appeal by the United States shall lie to a court of appeals from a decision or order, entered by a district court of the United States, granting the release of a person charged with or convicted of an offense, or denying a motion for revocation of, or modification of the conditions of, a decision or order granting release.".

SEC. 105. The second paragraph of section 3772 of title 18, United States Code, is amended by striking out "bail" and inserting in lieu thereof "release pending appeal."

SEC. 106. Section 4282 of title 18, United States Code, is amended—

(a) by striking out "and not admitted to bail" and substituting "and detained pursuant to chapter 207"; and

(b) by striking out "and unable to make bail".

SEC. 107. Section 636 of title 28, United States Code, is amended by striking out "impose conditions of release under section 3146 of title 18" and inserting in lieu thereof "issue orders pursuant to section 3142 of title 18 concerning release or detention of persons pending trial".

SEC. 108. The Federal Rules of Criminal Procedure are amended as follows:

(a) Rule 5(c) is amended by striking out "shall admit the defendant to bail" and inserting in lieu thereof "shall detain or conditionally release the defendant".

(b) The second sentence of rule 15(a) is amended by striking out "committed for failure to give bail to appear to testify at a trial or hearing" and inserting in lieu thereof "detained pursuant to 18 U.S.C. § 3144".

(c) Rule 40(f) is amended to read as follows:

"(f) RELEASE OR DETENTION.—If a person was previously detained or conditionally released, pursuant to chapter 207 of title 18, United States Code, in another district where a warrant, information or indictment issued, the Federal magistrate shall take into account the decision previously made and the reasons set forth therefor, if any, but will not be bound by that decision. If the Federal magistrate amends the release or detention decision or alters the conditions of release, he shall set forth the reasons for his action in writing.".

(d) Rule 46 is amended—

(1) in subdivision (a), by striking out "3146, 3148, or 3149" and inserting in lieu thereof "3142 and 3144";

(2) in subdivision (c), by striking out "3148" and inserting in lieu thereof "3143";

(3) by amending subdivision (e)(2) to read as follows:

"(2) SETTING ASIDE.—The court may direct that a forfeiture be set aside in whole or in part, upon such conditions as the court may impose, if a person released upon execution of an appearance bond with a surety is subsequently surrendered by the surety into custody or if it otherwise appears that justice does not require the forfeiture."; and

(4) by adding the following new subdivision at the end thereof:

"(h) FORFEITURE OF PROPERTY.—Nothing in this rule or in chapter 207 of title 18, United States Code, shall prevent the court from disposing of any charge by entering an order directing forfeiture of property pursuant to 18 U.S.C. 3142(c)(2)(K) if the value of the property is an amount that would be an appropriate sentence after conviction of the offense charged and if such forfeiture is authorized by statute or regulation.".

(e) Rule 54(b)(3) is amended by striking out "18 U.S.C. § 3043, and".

SEC. 109. Rule 9(c) of the Federal Rules of Appellate Procedure is amended by striking out "3148" and inserting in lieu therof "3143", and following the word "community", inserting "and that the appeal is not for purpose of delay and raises a substantial question of law or fact likely to result in reversal or in an order for a new trial".

TITLE II—SENTENCING REFORM

SEC. 201. This title may be cited as the "Sentencing Reform Act of 1983".

SEC. 202. (a) Title 18 of the United States Code is amended by—

(1) redesignating sections 3577, 3578, 3611, 3612, 3615, 3617, 3618, 3619, 3620, and 3656 as sections 3661, 3662, 3663, 3664, 3665, 3666, 3667, 3668, 3669, and 3670 of a new chapter 232 of title 18 of the United States Code, respectively;

(2) repealing chapters 227, 229, and 231 and substituting the following new chapters:

"CHAPTER 227—SENTENCES

"Subchapter
"A. General Provisions 3551
"B. Probation 3561
"C. Fines 3571
"D. Imprisonment 3581

"SUBCHAPTER A—GENERAL PROVISIONS

"Sec.
"3551. Authorized sentences.
"3552. Presentence reports.
"3553. Imposition of a sentence.
"3554. Order of criminal forfeiture.
"3555. Order of notice to victims.
"3556. Order of restitution.
"3557. Review of a sentence.
"3558. Implementation of a sentence.
"3559. Sentencing classification of offenses.

"SUBCHAPTER A—GENERAL PROVISIONS

"§ 3551. Authorized sentences

"(a) IN GENERAL.—Except as otherwise specifically provided, a defendant who has been found guilty of an offense described in any Federal statute, other than an Act of Congress applicable exclusively in the District of Columbia or the Uniform Code of Military Justice, shall be sentenced in accordance with the provisions of this chapter so as to achieve the purposes set forth in subparagraphs (A) through (D) of section 3553(a)(2) to the extent that they are applicable in light of all the circumstances of the case.

"(b) INDIVIDUALS.—An individual found guilty of an offense shall be sentenced, in accordance with the provisions of section 3553, to—

"(1) a term of probation as authorized by subchapter B;

"(2) a fine as authorized by subchapter C; or

"(3) a term of imprisonment as authorized by subchapter D.

A sentence to pay a fine may be imposed in addition to any other sentence. A sanction authorized by section 3554, 3555, or 3556 may be imposed in addition to the sentence required by this subsection.

"(c) ORGANIZATIONS.—An organization found guilty of an offense shall be sentenced, in accordance with the provisions of section 3553, to—

"(1) a term of probation as authorized by subchapter B; or

"(2) a fine as authorized by subchapter C.

A sentence to pay a fine may be imposed in addition to a sentence to probation. A sanction authorized by section 3554, 3555, or 3556 may be imposed in addition to the sentence required by this subsection.

"§3552. Presentence reports

"(a) PRESENTENCE INVESTIGATION AND REPORT BY PROBATION OFFICER.—A United States probation officer shall, pursuant to the provisions of Rule 32(c) of the Federal Rules of Criminal Procedure, make a presentence investigation of a defendant, and shall, before the imposition of sentence, report the results of the investigation to the court.

"(b) PRESENTENCE STUDY AND REPORT BY BUREAU OF PRISONS.—If the court, before or after its receipt of a report specified in subsection (a) or (c), desires more information than is otherwise available to it as a basis for determining the sentence to be imposed on a defendant found guilty of a felony, it may order that the defendant, for the purpose of a study, be committed to the custody of the Bureau of Prisons for a period of not more than sixty days. The order shall specify the additional information that the court needs before determining the sentence to be imposed. Such an order shall be treated for administrative purposes as a provisional sentence of imprisonment for the maximum term authorized by section 3581(b) for the offense committed. The Bureau shall conduct a complete study of the defendant during such period, inquiring into such matters as are specified by the court and any other matters that it believes are pertinent to the factors set forth in section 3533(a). The period of commitment may, in the discretion of the court, be extended for an additional period of not more than sixty days. By the expiration of the period of commitment, or by the expiration of any extension granted by the court, the United States Marshal shall return the defendant to the court for final sentencing, and the Bureau shall provide the court with a written report of the pertinent results of the study and make to the court whatever recommendations it believes will be helpful to a proper resolution of the case. The report shall include recommendations of the Bureau concerning the guidelines and policy statements, promulgated by the Sentencing Commission pursuant to 28 U.S.C. 994(a), that it believes are applicable to the defendant's case. After receiving the report and the recommendations, the court shall proceed finally to sentence the defendant in accordance with the sentencing alternatives and procedures available under this chapter.

"(c) PRESENTENCE EXAMINATION AND REPORT BY PSYCHIATRIC OR PSYCHOLOGICAL EXAMINERS.—If the court, before or after its receipt of a report specified in subsection (a) or (b) desires more information than is otherwise available to it as a basis for determining the mental condition of the defendant, it may order that the defendant undergo a psychiatric or psychological examination and that the court be provided with a written report of the results of the examination pursuant to the provisions of section 4247.

"(d) DISCLOSURE OF PRESENTENCE REPORTS.—The court shall assure that a report filed pursuant to this section is disclosed to the defendant, the counsel for the defendant, and the attorney for the government in a timely manner, pursuant to the provisions of Rule 32(c) of the Federal Rules of Criminal Procedure.

"§ 3553. Imposition of a sentence

"(a) FACTORS TO BE CONSIDERED IN IMPOSING A SENTENCE.—The court, in determining the particular sentence to be imposed, shall consider—

"(1) the nature and circumstances of the offense and the history and characteristics of the defendant;

"(2) the need for the sentence imposed—

"(A) to reflect the seriousness of the offense, to promote respect for the law, and to provide just punishment for the offense;

"(B) to afford adequate deterrence to criminal conduct;

"(C) to protect the public from further crimes of the defendant; and

"(D) to provide the defendant with needed educational or vocational training, medical care, or other correctional treatment in the most effective manner;

"(3) the kinds of sentences available;

"(4) the kinds of sentence and the sentencing range established for the applicable category of offense committed by the applicable category of defendant as set forth in the guidelines that are issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1) and that are in effect on the date the defendant is sentenced;

"(5) any pertinent policy statement issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2) that is in effect on the date the defendant is sentenced; and

"(6) the need to avoid unwarranted sentence disparities among defendants with similar records who have been found guilty of similar conduct.

"(b) APPLICATION OF GUIDELINES IN IMPOSING A SENTENCE.—The court shall impose a sentence of the kind, and within the range, referred to in subsection (a)(4) unless the court finds that an aggravating or mitigating circumstance exists that was not adequately taken into consideration by the Sentencing Commission in formulating the guidelines and that should result in a sentence different from that described.

"(c) STATEMENT OF REASONS FOR IMPOSING A SENTENCE.—The court, at the time of sentencing, shall state in open court the reasons for its imposition of the particular sentence, and, if the sentence—

"(1) is of the kind, and within the range, described in subsection (a)(4), the reason for imposing a sentence at a particular point within the range; or

"(2) is not of the kind, or is outside the range, described in subsection (a)(4), the specific reason for the imposition of a sentence different from that described.

If the sentence does not include an order of restitution, the court shall include in the statement the reason therefor. The clerk of the court shall provide a transcription of the court's statement of reasons to the Probation System, and, if the sentence includes a term of imprisonment, to the Bureau of Prisons.

"(d) PRESENTENCE PROCEDURE FOR AN ORDER OF NOTICE OR RESTITUTION.—Prior to imposing an order of notice pursuant to section 3555, or an order of restitution pursuant to section 3556, the court shall give notice to the defendant and the government that it is considering imposing such an order. Upon motion of the defendant or the government, or on its own motion, the court shall—

"(1) permit the defendant and the government to submit affidavits and written memoranda addressing matters relevant to the imposition of such an order;

"(2) afford counsel an opportunity in open court to address orally the appropriateness of the imposition of such an order; and

"(3) include in its statement of reasons pursuant to subsection (c) specific reasons underlying its determinations regarding the nature of such an order.

Upon motion of the defendant or the government, or on its own motion, the court may in its discretion employ any additional procedures that it concludes will not unduly complicate or prolong the sentencing process.

"§ 3554. Order of criminal forfeiture

The court, in imposing a sentence on a defendant who has been found guilty of an offense described in section 1962 of this title or in title II or III of the Comprehensive Drug Abuse Prevention and Control Act of 1970 shall order, in addition to the sentence that is imposed pursuant to the provisions of section 3551, that the defendant forfeit property to the United States in accordance with the provisions of section 1963 of this title or section 413 of the Comprehensive Drug Abuse and Control Act of 1970.

"§ 3555. Order of notice to victims

"The court, in imposing a sentence on a defendant who has been found guilty of an offense involving fraud or other intentionally deceptive practices, may order, in addition to the sentence that is imposed pursuant to the provisions of section 3551, that the defendant give reasonable notice and explanation of the conviction, in such form as the court may approve, to the victims of the offense. The notice may be ordered to be given by mail, by advertising in designated areas or through designated media, or by other appropriate means. In determining whether to require the defendant to give such notice, the court shall consider the factors set forth in section 3553(a) to the extent that they are applicable and shall consider the cost involved in giving the notice as it relates to the loss caused by the offense, and shall not require the defendant to bear the costs of notice in excess of $20,000.

"§ 3556. Order of restitution

"(a) ORDER.—The court, in imposing a sentence on a defendant for any offense under this title, except an offense described in section 3671, may order the defendant to make appropriate restitution. The order of restitution shall require that the defendant—

"(1) in the case of an offense causing injury or death, make restitution to the victim of the offense or estate of the victim in an amount that does not exceed income lost because of the victim's incapacitation or death, necessary medical expenses including ones associated with physical, psychological, or vocational rehabilitation, and, if applicable, the expenses for the funeral and burial of the victim; and

"(2) in the case of an offense resulting in loss, damage, or destruction of property—

"(A) restore the property to the victim of the offense; or

"(B) make restitution to the victim of the offense in an amount that does not exceed the value of the property.

The court may order that restitution be made in the form of money or, if the victim agrees, in services to the victim or to a person or organization designated by the victim. If the court does not order restitution, the court must state for the record the reasons. The court shall make the order of restitution as fair as possible to the victim without unduly complicating or prolonging the sentencing process. The provisions of sections 3572 and 3573 apply to an order of restitution.

"(b) RELATIONSHIP TO CIVIL PROCEEDINGS.—

"(1) The court shall not order restitution as to any victim who is bound by an earlier judgment in, or a settlement of, a civil proceeding involving the underlying offense.

"(2) Any amount paid to a person pursuant to an order of restitution shall be set off against an amount later recovered as compensatory damages by such person in any civil proceeding.

"(3) A conviction of a defendant by a Federal court of an offense involving the act giving rise to restitution under this section shall estop the defendant from denying the essential allegations of the criminal offense in any subsequent civil proceeding brought by the victim.

"(4) If appropriate the court may consider ordering restitution to any party who has compensated the victim for expenses or losses directly related to the crime.

"(5) An order of restitution may be enforced by the victim in the same manner as a judgment in civil action or by the United States pursuant to the provisions of sections 3612 and 3613. Notwithstanding any other provision of law, an order of restitution shall be satisfied by the defendant before any other Federal lien.

"(c) RESTITUTION AS CONDITION.—If a defendant is placed on probation or a term of supervised release pursuant to this title, any restitution ordered under this section shall be a condition of such term of supervised release or probation. Failure to comply with an order of restitution shall be grounds for the revocation of probation or for prosecution for contempt.

"§ 3557. Review of a sentence

"The review of a sentence imposed pursuant to section 3551 is governed by the provisions of section 3742.

"§ 3558. Implementation of a sentence

"The implementation of a sentence imposed pursuant to section 3551 is governed by the provisions of chapter 229.

§ 3559. Sentencing classification of offenses

"(a) CLASSIFICATION.—An offense that is not specifically classified by a letter grade in the section defining it, is classified—

"(1) if the maximum term of imprisonment authorized is—

"(A) life imprisonment, or if the maximum penalty is death, as a Class A felony;

"(B) twenty years or more, as a Class B felony;

"(C) less than twenty years but ten or more years, as a Class C felony;

"(D) less than ten years but five or more years, as a Class D felony;

"(E) less than five years but more than one year, as a Class E felony;

"(F) one year or less but more than six months, as a Class A misdemeanor;

"(G) six months or less but more than thirty days, as a Class B misdemeanor;

"(H) thirty days or less but more than five days, as a Class C misdemeanor; or

"(I) five days or less, or if no imprisonment is authorized, as an infraction.

"(b) EFFECT OF CLASSIFICATION.—An offense classified under subsection (a) carries all the incidents assigned to the applicable letter designation except that:

"(1) the maximum fine that may be imposed is the fine authorized by the statute describing the offense, or by this chapter, whichever is the greater; and

"(2) the maximum term of imprisonment is the term authorized by the Statute describing the offense.

"SUBCHAPTER B—PROBATION

"Sec.
"3561. Sentence of probation.
"3562. Imposition of a sentence of probation.
"3563. Conditions of probation.
"3564. Running of a term of probation.
"3565. Revocation of probation.
"3566. Implementation of a sentence of probation.

"SUBCHAPTER B—PROBATION

"§ 3561. Sentence of probation

"(a) IN GENERAL.—A defendant who has been found guilty of an offense may be sentenced to a term of probation unless—

"(1) the offense is a Class A felony;

"(2) the offense is an offense for which probation has been expressly precluded; or

"(3) the defendant is sentenced at the same time to a term of imprisonment for the same or a different offense.

"(b) AUTHORIZED TERMS.—The authorized terms of probation are—

"(1) for a felony, not less than one nor more than five years;

"(2) for a misdemeanor, not more than two years; and

"(3) for an infraction, not more than one year.

"§ 3562. Imposition of a sentence of probation

"(a) FACTORS TO BE CONSIDERED IN IMPOSING A TERM OF PROBATION.—The court, in determining whether to impose a term of probation, and, if a term of probation is to be imposed, in determining the length of the term and the conditions of probation, shall consider the factors set forth in section 3553(a) to the extent that they are applicable.

"(b) EFFECT OF FINALITY OF JUDGMENT.—Notwithstanding the fact that a sentence of probation can subsequently be—

"(1) modified or revoked pursuant to the provisions of section 3564 or 3565;

"(2) corrected pursuant to the provisions of rule 35 and section 3742; or

"(3) appealed and modified, if outside the guideline range, pursuant to the provisions of section 3742;

a judgment of conviction that includes such a sentence constitutes a final judgment for all other purposes.

"§ 3563. Conditions of probation

"(a) MANDATORY CONDITIONS.—The court shall provide, as an explicit condition of a sentence of probation—

"(1) for a felony, a misdemeanor, or an infraction, that the defendant not commit another federal, State, or local crime during the term of probation; and

"(2) for a felony, that the defendant also abide by at least one condition set forth in subsection (b)(2), (b)(3), or (b)(13).

"(b) DISCRETIONARY CONDITIONS.—The court may provide, as further conditions of a sentence of probation, to the extent that such conditions are reasonably related to the factors set forth in section 3553 (a)(1) and (a)(2) and to the extent that such conditions involve only such deprivations of liberty or property as are reasonably necessary for the purposes indicated in section 3553(a)(2), that the defendant—

"(1) support his dependents and meet other family responsibilities;

"(2) pay a fine imposed pursuant to the provisions of subchapter C;

"(3) make restitution to a victim of the offense pursuant to the provisions of section 3556;

"(4) give to the victims of the offense the notice ordered pursuant to the provisions of section 3555;

"(5) work conscientiously at suitable employment or pursue conscientiously a course of study or vocational training that will equip him for suitable employment;

"(6) refrain, in the case of an individual, from engaging in a specified occupation, business, or profession bearing a reasonably direct relationship to the conduct constituting the offense, or engage in such a specified occupation, business, or profession only to a stated degree or under stated circumstances;

"(7) refrain from frequenting specified kinds of places or from associating unnecessarily with specified persons;

"(8) refrain from excessive use of alcohol, or any use of narcotic drug or other controlled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802), without a prescription by a licensed medical practitioner;

"(9) refrain from possessing a firearm, destructive device, or other dangerous weapon;

"(10) undergo available medical, psychiatric, or psychological treatment, including treatment for drug or alcohol dependency, as specified by the court, and remain in a specified institution if required for that purpose;

"(11) remain in the custody of the Bureau of Prisons during nights, weekends, or other intervals of time, totaling no more than the lesser of one year or the term of imprisonment authorized for the offense in section 3581(b), during the first year of the term of probation;

"(12) reside at, or participate in the program of, a community correction facility for all or part of the term of probation;

"(13) work in community service as directed by the court;

"(14) reside in a specified place or area, or refrain from residing in a specified place or area;

"(15) remain within the jurisdiction of the court, unless granted permission to leave by the court or a probation officer;

"(16) report to a probation officer as directed by the court or the probation officer;

"(17) permit a probation officer to visit him at his home or elsewhere as specified by the court;

"(18) answer inquiries by a probation officer and notify the probation officer promptly of any change in address or employment;

"(19) notify the probation officer promptly if arrested or questioned by a law enforcement officer; or

"(20) satisfy such other conditions as the court may impose.

"(c) MODIFICATIONS OF CONDITIONS.—The court may, after a hearing, modify, reduce, or enlarge the conditions of a sentence of probation at any time prior to the expiration or termination of the term of probation, pursuant to the provisions applicable

to the initial setting of the conditions of probation.

"(d) WRITTEN STATEMENT OF CONDITIONS.—The court shall direct that the probation officer provide the defendant with a written statement that sets forth all the conditions to which the sentence is subject, and that is sufficiently clear and specific to serve as a guide for the defendant's conduct and for such supervision as is required.

"§ 3564. Running of a term of probation

"(a) COMMENCEMENT.—A term of probation commences on the day that the sentence of probation is imposed, unless otherwise ordered by the court.

"(b) CONCURRENCE WITH OTHER SENTENCES.—Multiple terms of probation, whether imposed at the same time or at different times, run concurrently with each other. A term of probation runs concurrently with any federal, State, or local term of probation, or supervised release, or parole for another offense to which the defendant is subject or becomes subject during the term of probation, except that it does not run during any period in which the defendant is imprisoned, other than during limited intervals as a condition of probation or supervised release, in connection with a conviction for a federal, State, or local crime.

"(c) EARLY TERMINATION.—The court, after considering the factors set forth in section 3553(a) to the extent that they are applicable, may terminate a term of probation previously ordered and discharge the defendant at any time in the case of a misdemeanor or an infraction or at any time after the expiration of one year of probation in the case of a felony, if it is satisfied that such action is warranted by the conduct of the defendant and the interest of justice.

"(d) EXTENSION.—The court may, after a hearing, extend a term of probation, if less than the maximum authorized term was previously imposed, at any time prior to the expiration or termination of the term of probation, pursuant to the provisions applicable to the initial setting of the term of probation.

"(e) SUBJECT TO REVOCATION.—A sentence of probation remains conditional and subject to revocation until its expiration or termination.

"§ 3565. Revocation of probation

"(a) CONTINUATION OR REVOCATION.—If the defendant violates a condition of probation at any time prior to the expiration or termination of the term of probation, the court may, after a hearing pursuant to Rule 32.1 of the Federal Rules of Criminal Procedure, and after considering the factors set forth in section 3553(a) to the extent that they are applicable—

"(1) continue him on probation, with or without extending the term of modifying or enlarging the conditions; or

"(2) revoke the sentence of probation and impose any other sentence that was available under subchapter A at the time of the initial sentencing.

"(b) DELAYED REVOCATION.—The power of the court to revoke a sentence of probation for violation of a condition of probation, and to impose another sentence, extends beyond the expiration of the term of probation for any period reasonably necessary for the adjudication of matters arising before its expiration if, prior to its expiration, a warrant or summons has been issued on the basis of an allegation of such a violation.

"§ 3566. Implementation of a sentence of probation

"The implementation of a sentence of probation is governed by the provisions of subchapter A of chapter 229.

"SUBCHAPTER C—FINES

"Sec.
"3571. Sentence of fine.
"3572. Imposition of a sentence of fine.
"3573. Modification or remission of fine.
"3574. Implementation of a sentence of fine.

"SUBCHAPTER C—FINES

"§ 3571. Sentence of fine

"(a) IN GENERAL.—A defendant who has been found guilty of an offense may be sentenced to pay a fine.

"(b) AUTHORIZED FINES.—Except as otherwise provided, the authorized fines are—

"(1) if the defendant is an individual—

"(A) for a felony, or for a misdemeanor resulting in the loss of human life, not more than $250,000;

"(B) for any other misdemeanor, not more than $25,000; and

"(C) for an infraction, not more than $1,000; and

"(2) if the defendant is an organization—

"(A) for a felony, or for a misdemeanor resulting in the loss of human life, not more than $500,000;

"(B) for any other misdemeanor, not more than $100,000; and

"(C) for an infraction, not more than $10,000.

"§ 3572. Imposition of a sentence of fine

"(a) FACTORS TO BE CONSIDERED IN IMPOSING FINE.—The court, in determining whether to impose a fine, and, if a fine is to be imposed, in determining the amount of the fine, the time for payment, and the method of payment, shall consider—

"(1) the factors set forth in section 3553(a), to the extent they are applicable, including, with regard to the characteristics of the defendant under section 3553(a), the ability of the defendant to pay the fine in view of the defendant's income, earning capacity, and financial resources and, if the defendant is an organization, the size of the organizations;

"(2) the nature of the burden that payment of the fine will impose on the defendant, and on any person who is financially dependent upon the defendant;

"(3) any restitution or reparation made by the defendant to the victim of the offense, and any obligation imposed upon the defendant to make such restitution or reparation to the victim of the offense;

"(4) if the defendant is an organization, any measure taken by the organization to discipline its employees or agents responsible for the offense or to insure against a recurrence of such an offense; and

"(5) any other pertinent equitable consideration.

"(b) LIMIT ON AGGREGATE OF MULTIPLE FINES.—Except as otherwise expressly provided, the aggregate of fines that a court may impose on a defendant at the same time for different offenses that arise from a common scheme or plan, and that do not cause separable or distinguishable kinds of harm or damage, is twice the amount imposable for the most serious offense.

"(c) EFFECT OF FINALITY OF JUDGMENT.—Notwithstanding the fact that a sentence to pay a fine can subsequently be—

"(1) modified or remitted pursuant to the provisions of section 3573;

"(2) corrected pursuant to the provisions or rule 35 and section 3742; or

"(3) appealed and modified, if outside the guideline range, pursuant to the provisions of section 3742;

a judgment of conviction that includes such a sentence constitutes a final judgment for all other purposes.

"(d) TIME AND METHOD OF PAYMENT.—At the time a defendant is sentenced to pay a fine, the court may provide for the payment to be made within a specified period of time or in specified installments. If no such provision is made a part of the sentence, payment is due immediately.

"(e) ALTERNATIVE SENTENCE PRECLUDED.—At the time a defendant is sentenced to pay a fine, the court may not impose an alternative sentence to be served in the event that the fine is not paid.

"(f) INDIVIDUAL RESPONSIBILITY FOR PAYMENT.—If a fine is imposed on an organization, it is the duty of each individual authorized to make disbursement of the assets of the organization to pay the fine from assets of the organization. If a fine is imposed on an agent or shareholder of an organization, the fine shall not be paid, directly or indirectly, out of the assets of the organization, unless the court finds tht such payment is expressly permissible under applicable State law.

"§ 3573. Modification or remission of fine

"(a) PETITION FOR MODIFICATION OR REMISSION.—A defendant who has been sentenced to pay a fine, and who—

"(1) has paid part but not all thereof, and concerning whom the circumstances no longer exist that warranted the imposition of the fine in the amount imposed or payment by the time or method specified, may petition the court for—

"(A) an extension of the time for payment;

"(B) a modification in the method of payment; or

"(C) a remission of all or part of the unpaid portion; or

"(2) has thereafter voluntarily made restitution or reparation to the victim of the offense, may petition the court for a remission of the unpaid portion of the fine in an amount not exceeding the amount of such restitution or reparation.

"(b) ORDER OF MODIFICATION OR REMISSION.—If, after the filing of a petition as provided in subsection (a), the court finds that the circumstances warrant relief, the court may enter an appropriate order.

"§ 3574. Implementation of a sentence of fine

"The implementation of a sentence to pay a fine is governed by the provisions of subchapter B of chapter 229.

"SUBCHAPTER D—IMPRISONMENT

"Sec.
"3581. Sentence of imprisonment.
"3582. Imposition of a sentence of imprisonment.
"3583. Inclusion of a term of supervised release after imprisonment.
"3584. Multiple sentences of imprisonment.
"3585. Calculation of a term of imprisonment.
"3586. Implementation of a sentence of imprisonment.

"SUBCHAPTER D—IMPRISONMENT

"§ 3581. Sentence of imprisonment

"(a) IN GENERAL.—A defendant who has been found guilty of an offense may be sentenced to a term of imprisonment.

"(b) AUTHORIZED TERMS.—The authorized terms of imprisonment are—

"(1) for a Class A felony, the duration of the defendant's life or any period of time;

"(2) for a Class B felony, not more than twenty-seven years;

"(3) for a Class C felony, not more than fourteen years;

"(4) for a Class D felony, not more than eight years;

"(5) for a Class E felony, not more than five years;

"(6) for a Class A misdemeanor, not more than one year;

"(7) for a Class B misdemeanor, not more than six months;

"(8) for a Class C misdemeanor, not more than thirty days; and

"(9) for an infraction, not more than five days.

"§ 3582. Imposition of a sentence of imprisonment

"(a) FACTORS TO BE CONSIDERED IN IMPOSING A TERM OF IMPRISONMENT.—The court, in determining whether to impose a term of imprisonment, and, if a term of imprisonment is to be imposed, in determining the length of the term, shall consider the factors set forth in section 3553(a) to the extent that they are applicable, recognizing that imprisonment is not an appropriate means of promoting correction and rehabilitation. In determining whether to make a recommendation concerning the type of prison facility appropriate for the defendant, the court shall consider any pertinent policy statements issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2).

"(b) EFFECT OF FINALITY OF JUDGMENT.—Notwithstanding the fact that a sentence to imprisonment can subsequently be—

"(1) modified pursuant to the provisions of subsection (c);

"(2) corrected pursuant to the provisions of rule 35 and section 3742; or

"(3) appealed and modified, if outside the guideline range, pursuant to the provisions of section 3742;

a judgment of conviction that includes such a sentence constitutes a final judgment for all other purposes.

"(c) MODIFICATION OF AN IMPOSED TERM OF IMPRISONMENT.—The court may not modify a term of imprisonment once it has been imposed except that—

"(1) in any case—

"(A) the court, upon motion of the Director of the Bureau of Prisons, may reduce the term of imprisonment, after considering the factors set forth in section 3553(a) to the extent that they are applicable, if it finds that extraordinary and compelling reasons warrant such a reduction and that such a reduction is consistent with applicable policy statements issued by the Sentencing Commission; and

"(B) the court may modify an imposed term of imprisonment to the extent otherwise expressly permitted by statute or by Rule 35 of the Federal Rules of Criminal Procedure; and

"(2) in the case of a defendant who has been sentenced to a term of imprisonment based on a sentencing range that has subsequently been lowered by the Sentencing Commission pursuant to 28 U.S.C. 994(n), upon motion of the defendant or the Director of the Bureau of Prisons, or on its own motion, the court may reduce the term of imprisonement, after considereing the factors set forth in section 3553(a) to the extent that they are applicable, if such a reduction is consistent with applicable policy statements issued by the Sentencing Commission.

"(d) INCLUSION OF AN ORDER TO LIMIT CRIMINAL ASSOCIATION OF ORGANIZED CRIME AND DRUG OFFENDERS.—The court, in imposing a sentence to a term of imprisonment upon a defendant convicted of a felony set forth in chapter 95 (racketeering) or 96 (racketeer influenced and corrupt organizations) of this title or in the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 801 et seq.), or at any time thereafter upon motion by the Director of the Bureau of Prisons or a United States attorney, may include as a part of the sentence an order that requires that the defendant not associate or communicate with a specified person, other than his attorney, upon a showing of probable cause to believe that association or communication with such person is for the purpose of enabling the defendant to control, manage, direct, finance, or otherwise participate in an illegal enterprise.

"§ 3583. Inclusion of a term of supervised release after imprisonment

"(a) IN GENERAL.—The court, in imposing a sentence to a term of imprisonment for a felony or a misdemeanor, may include as part of the sentence a requirement that the defendant be placed on a term of supervised release after imprisonment.

"(b) AUTHORIZED TERMS OF SUPERVISED RELEASE.—The authorized terms of supervised release are—

"(1) for a Class A or Class B felony, not more than three years;

"(2) for a Class C or Class D felony, not more than two years; and

"(3) for a Class E felony, or for a misdemeanor, not more than one year.

"(c) FACTORS TO BE CONSIDERED IN INCLUDING A TERM OF SUPERVISED RELEASE.—The court, in determining whether to include a term of supervised release, and, if a term of supervised release is to be included, in determining the length of the term and the conditions of supervised release, shall consider the factors set forth in section 3553(a)(1), (a)(2)(B), (a)(2)(D), (a)(4), (a)(5), and (a)(6).

"(d) CONDITIONS OF SUPERVISED RELEASE.—The court shall order, as an explicit condition of supervised release, that the defendant not commit another Federal, State, or local crime during the term of supervision. The court may order, as a further condition of supervised release, to the extent that such condition—

"(1) is reasonably related to the factors set forth in section 3553 (a)(1), (a)(2)(B), and (a)(2)(D);

"(2) involves no greater deprivation of liberty than is reasonably necessary for the purposes set forth in section 3553 (a)(2)(B) and (a)(2)(D); and

"(3) is consistent with any pertinent policy statements issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a);

any condition set forth as a discretionary condition of probation in section 3563 (b)(1) through (b)(10) and (b)(12) through (b)(19), and any other condition it considers to be appropriate. If an alien defendant is subject to deportation, the court may provide, as a condition of supervised release, that he be deported and remain outside the United States, and may order that he be delivered to a duly authorized immigration official for such deportation.

"(e) MODIFICATION OF TERM OR CONDITIONS.—The court may, after considering the factors set forth in section 3553 (a)(1), (a)(2)(B), (a)(2)(D), (a)(4), (a)(5), and (a)(6)—

"(1) terminate a term of supervised release previously ordered and discharge the person released at any time after the expiration of one year of supervised release, if it is satisfied that such action is warranted by the conduct of the person released and the interest of justice; or

"(2) after a hearing, extend a term of supervised release if less than the maximum authorized term was previously imposed, and may modify, reduce, or enlarge the conditions of supervised release, at any time prior to the expiration or termination of the term of supervised release, pursuant to the provisions applicable to the initial setting of the term and conditions of post-release supervision.

"(f) WRITTEN STATEMENT OF CONDITIONS.—The court shall direct that the probation officer provide the defendant with a written statement that sets forth all the conditions to which the term of supervised release is subject, and that is sufficiently clear and specific to serve as a guide for the defendant's conduct and for such supervision as is required.

"§ 3584. Multiple sentences of imprisonment

"(a) IMPOSITION OF CONCURRENT OR CONSECUTIVE TERMS.—If multiple terms of imprisonment are imposed on a defendant at the same time, or if a term of imprisonment is imposed on a defendant who is already subject to an undischarged term of imprisonment, the terms may run concurrently or consecutively, except that the terms may not run consecutively for an attempt and for another offense that was the sole objective of the attempt. Multiple terms of imprisonment imposed at the same time run concurrently unless the court orders or the statute mandates that the terms are to run consecutively. Multiple terms of imprisonment imposed at different times run consecutively unless the court orders that the terms are to run concurrently.

"(b) FACTORS TO BE CONSIDERED IN IMPOSING CONCURRENT OR CONSECUTIVE TERMS.—The court, in determining whether the terms imposed are to be ordered to run concurrently or consecutively, shall consider, as to each offense for which a term of imprisonment is being imposed, the factors set forth in section 3553(a).

"(c) TREATMENT OF MULTIPLE SENTENCE AS AN AGGREGATE.—Multiple terms of imprisonment ordered to run consecutively or concurrently shall be treated for administrative purposes as a single, aggregate term of imprisonment.

"§ 3585. Calculation of a term of imprisonment

"(a) COMMENCEMENT OF SENTENCE.—A sentence to a term of imprisonment commences on the date the defendant is received in custody awaiting transportation to, or arrives voluntarily to commence service of sentence at, the official detention facility at which the sentence is to be served.

"(b) CREDIT FOR PRIOR CUSTODY.—A defendant shall be given credit toward the service of a term of imprisonment for any time he has spent in official detention prior to the date the sentence commences—

"(1) as a result of the offense for which the sentence was imposed; or

"(2) as a result of any other charge for which the defendant was arrested after the commission of the offense for which the sentence was imposed;

that has not been credited against another sentence.

"§ 3586. Implementation of a sentence of imprisonment

"The implementation of a sentence of imprisonment is governed by the provisions of subchapter C of chapter 229 and, if the sentence includes a term of supervised release,

by the provisions of subchapter A of chapter 229.

"CHAPTER 229—POSTSENTENCE ADMINISTRATION

"Subchapter
"A. Probation 3601
"B. Fines 3611
"C. Imprisonment 3621

"SUBCHAPTER A—PROBATION

"Sec.
"3601. Supervision of probation.
"3602. Appointment of probation officers.
"3603. Duties of probation officers.
"3604. Transportation of a probationer.
"3605. Transfer of jurisdiction over a probationer.
"3606. Arrest and return of a probationer.
"3607. Special probation and expungement procedures for drug possessor.

"SUBCHAPTER A—PROBATION

"§ 3601. Supervision of probation

"A person who has been sentenced to probation pursuant to the provisions of subchapter B of chapter 227, or placed on probation pursuant to the provisions of chapter 403, or placed on supervised release pursuant to the provisions of section 3583, shall, during the term imposed, be supervised by a probation officer to the degree warranted by the conditions specified by the sentencing court.

"§ 3602. Appointment of probation officers

"(a) APPOINTMENT.—A district court of the United States shall appoint qualified persons to serve, with or without compensation, as probation officers within the jurisdiction and under the direction of the court making the appointment. The court may, for cause, remove a probation officer appointed to serve with compensation, and may, in its discretion, remove a probation officer appointed to serve without compensation.

"(b) RECORD OF APPOINTMENT.—The order of appointment shall be entered on the records of the court, a copy of the order shall be delivered to the officer appointed, and a copy shall be sent to the Director of the Administrative Office of the United States Courts.

"(c) CHIEF PROBATION OFFICER.—If the court appoints more than one probation officer, one may be designated by the court as chief probation officer and shall direct the work of all probation officers serving in the judicial district.

"§ 3603. Duties of probation officers

"A probation officer shall—

"(a) instruct a probationer or a person on supervised release, who is under his supervision as to the conditions specified by the sentencing court, and provide him with a written statement clearly setting forth all such conditions;

"(b) keep informed, to the degree required by the conditions specified by the sentencing court, as to the conduct and condition of a probationer or a person on supervised release, who is under his supervision, and report his conduct and condition to the sentencing court;

"(c) use all suitable methods, not inconsistent with the conditions specified by the court, to aid a probationer or a person on supervised release who is under his supervision, and to bring about improvements in his conduct and condition;

"(d) be responsible for the supervision of any probationer or a person on supervised release who is known to be within the judicial district;

"(e) keep a record of his work, and make such reports to the Director of the Administrative Office of the United States Courts as the Director may require;

"(f) upon request of the Attorney General or his designee, supervise and furnish information about a person within the custody of the Attorney General while on work release, furlough, or other authorized release from his regular place of confinement, or while in prerelease custody pursuant to the provisions of section 3624(c); and

"(g) perform any other duty that the court may designate.

"§ 3604. Transportation of a probationer

"A court, after imposing a sentence of probation, may direct a United States marshal to furnish the probationer with—

"(a) transportation to the place to which he is required to proceed as a condition of his probation; and

"(b) money, not to exceed such amount as the Attorney General may prescribe, for subsistence expenses while traveling to his destination.

"§ 3605. Transfer of jurisdiction over a probationer

"A court, after imposing a sentence, may transfer jurisdiction over a probationer or person on supervised release to the district court for any other district to which the person is required to proceed as a condition of his probation or release, or is permitted to proceed, with the concurrence of such court. A later transfer of jurisdiction may be made in the same manner. A court to which jurisdiction is transferred under this section is authorized to exercise all powers over the probationer or releasee that are permitted by this subchapter or subchapter B or D of chapter 227.

"§ 3606. Arrest and return of a probationer

"If there is probable cause to believe that a probationer or a person on supervised release has violated a condition of his probation or release, he may be arrested, and, upon arrest, shall be taken without unnecessary delay before the court having jurisdiction over him.

"§ 3607. Special probation and expungement procedures for drug possessors

"(a) PRE-JUDGMENT PROBATION.—If a person found guilty of an offense described in section 404 of the Controlled Substances Act (21 U.S.C. 844)—

"(1) has not, prior to the commission of such offense, been convicted of violating a federal or State law relating to controlled substances; and

"(2) has not previously been the subject of a disposition under this subsection;

the court may, with the consent of such person, place him on probation for a term of not more than one year without entering a judgment of conviction. At any time before the expiration of the term of probation, if the person has not violated a condition of his probation, the court may, without entering a judgment of conviction, dismiss the proceedings against the person and discharge him from probation. At the expiration of the term of probation, if the person has not violated a condition of his probation the court shall, without entering a judgment of conviction, dismiss the proceedings against the person and discharge him from probation. If the person violates a condition of his probation, the court shall proceed in accordance with the provisions of section 3565.

"(b) RECORD OF DISPOSITION.—A nonpublic record of a disposition under subsection (a), or a conviction that is the subject of an expungement order under subsection (c), shall be retained by the Department of Justice solely for the purpose of use by the courts in determining in any subsequent proceeding whether a person qualifies for the disposition provided in subsection (a) or the expungement provided in subsection (c). A disposition under subsection (a), or a conviction that is the subject of an expungement order under subsection (c), shall not be considered a conviction for the purpose of a disqualification or a disability imposed by law upon conviction of a crime, or for any other purpose.

"(c) EXPUNGEMENT OF RECORD OF DISPOSITION.—If the case against a person found guilty of an offense under section 404 of the Controlled Substances Act (21 U.S.C. 844) is the subject of a disposition under subsection (a), and the person was less than twenty-one years old at the time of the offense, the court shall enter an expungement order upon the application of such person. The expungement order shall direct that there be expunged from all official records, except the nonpublic records referred to in subsection (b), all references to his arrest for the offense, the institution of criminal proceedings against him, and the results thereof. The effect of the order shall be to restore such person, in the contemplation of the law, to the status he occupied before such arrest or institution of criminal proceedings. A person concerning whom such an order has been entered shall not be held thereafter under any provision of law to be guilty of perjury, false swearing, or making a false statement by reason of his failure to recite or acknowledge such arrests or institution of criminal proceedings, or the results thereof, in response to an inquiry made of him for any purpose.

"SUBCHAPTER B—FINES

"Sec.
"3611. Payment of a fine.
"3612. Collection of an unpaid fine.
"3613. Lien provisions for satisfaction of an unpaid fine.

"SUBCHAPTER B—FINES

"§ 3611. Payment of a fine

"A person who has been sentenced to pay a fine pursuant to the provisions of subchapter C of chapter 227 shall pay the fine immediately, or by the time and method specified by the sentencing court, to the clerk of the court. The clerk shall forward the payment to the United States Treasury.

"§ 3612. Collection of an unpaid fine

"(a) CERTIFICATION OF IMPOSITION.—If a fine is imposed, the sentencing court shall promptly certify to the Attorney General—

"(1) the name of the person fined;

"(2) his last known address;

"(3) the docket number of the case;

"(4) the amount of the fine imposed;

"(5) the time and method of payment specified by the court;

"(6) the nature of any modification or remission of the fine; and

"(7) the amount of the fine that is due and unpaid.

The court shall thereafter promptly certify to the Attorney General the amount of any subsequent payment that the court may receive with respect to, and the nature of any subsequent remission or modification of, a fine concerning which certification has previously been issued.

"(b) RESPONSIBILITY FOR COLLECTION.—The Attorney General shall be responsible for collection of an unpaid fine concerning which a certification has been issued as provided in subsection (a). An order of restitu-

tion, pursuant to section 3556, does not create any right of action against the United States by the person to whom restitution is ordered to be paid.

"§ 3613. Lien provisions for satisfaction of an unpaid fine

"(a) LIEN.—A fine imposed pursuant to the provisions of subchapter C of chapter 227 is a lien in favor of the United States upon all property belonging to the person fined. The lien arises at the time of the entry of the judgment and continues until the liability is satisfied, remitted, or set aside, or it becomes unenforceable pursuant to the provisions of subsection (b). On application of the person fined, the Attorney General shall—

"(1) issue a certificate of release, as described in section 6325 of the Internal Revenue Code, of any lien imposed pursuant to this section, upon his acceptance of a bond described in section 6325(a)(2) of the Internal Revenue Code; or

"(2) issue a certificate of discharge, as described in section 6325 of the Internal Revenue Code, of any part of the person's property subject to a lien imposed pursuant to this section, upon his determination that the fair market value of that part of such property remaining subject to and available to satisfy the lien is at least three times the amount of the fine.

"(b) EXPIRATION OF LIEN.—A lien becomes unenforceable and liability to pay a fine expires—

"(1) twenty years after the entry of the judgment; or

"(2) upon the death of the individual fined.

the period set forth in paragraph (1) may be extended, prior to its expiration, by a written agreement between the person fined and the Attorney General. The running of the period set forth in paragraph (1) is suspended during any interval for which the running of the period of limitations for collection of a tax would be suspended pursuant to section 6503(b), 6503(c), 6503(f), 6503(i), or 7508(a)(1)(I) of the Internal Revenue Code of 1954 (26 U.S.C. 6503(b), 6503(c), 6503(f), 6503(i), or 7508(a)(1)(I)), or section 513 of the Act of October 17, 1940, 54 Stat. 1190.

"(c) APPLICATION OF OTHER LIEN PROVISIONS.—The provisions of sections 6323, 6331, 6332, 6334 through 6336, 6337(a), 6338 through 6343, 6901, 7402, 7403, 7424 through 7426, 7505(a), 7506, 7701, and 7805 of the Internal Revenue Code of 1954 (26 U.S.C. 6323, 6331, 6332, 6334 through 6336, 6337(a), 6338 through 6343, 6901, 7402, 7403, 7424 through 7426, 7505(a), 7506, 7701, and 7805) and of section 513 of the Act of October 17, 1940, 54 Stat. 1190, apply to a fine and to the lien imposed by subsection (a) as if the liability of the person fined were for an internal revenue tax assessment, except to the extent that the application of such statutes is modified by regulations issued by the Attorney General to accord with differences in the nature of the liabilities. For the purposes of this subsection, references in the preceding sections of the Internal Revenue Code of 1954 to 'the Secretary' shall be construed to mean 'the Attorney General,' and references in those sections to 'tax' shall be construed to mean 'fine.'

"(d) EFFECT OF NOTICE OF LIEN.—A notice of the lien imposed by subsection (a) shall be considered a notice of lien for taxes payable to the United States for the purposes of any State or local law providing for the filing of a notice of a tax lien. The registration, recording, docketing, or indexing, in accordance with 28 U.S.C. 1962, of the judgment under which a fine is imposed shall be considered for all purposes as the filing prescribed by section 6323(f)(1)(A) of the Internal Revenue Code of 1954 (26 U.S.C. 6323(f)(1)(A)) and by subsection (c).

"(e) ALTERNATIVE ENFORCEMENT.—Notwithstanding any other provision of this section, a judgment imposing a fine may be enforced by execution against the property of the person fined in like manner as judgments in civil cases, but in no event shall liability for payment of a fine extend beyond the period specified in subsection (b).

"(f) DISCHARGE OF DEBTS INAPPLICABLE.—No discharge of debts pursuant to a bankruptcy proceeding shall render a lien under this section unenforceable or discharge liability to pay a fine.

"SUBCHAPTER C—IMPRISONMENT

"Sec.
"3621. Imprisonment of a convicted person.
"3622. Temporary release of a prisoner.
"3623. Transfer of a prisoner to state authority.
"3624. Release of a prisoner.
"3625. Inapplicability of the Administrative Procedure Act.

"SUBCHAPTER C—IMPRISONMENT

"§ 3621. Imprisonment of a convicted person

"(a) COMMITMENT TO CUSTODY OF BUREAU OF PRISONS.—A person who has been sentenced to a term of imprisonment pursuant to the provisions of subchapter D of chapter 227 shall be committed to the custody of the Bureau of Prisons until the expiration of the term imposed, or until earlier released for satisfactory behavior pursuant to the provisions of section 3624.

"(b) PLACE OF IMPRISONMENT.—The Bureau of Prisons shall designate the place of the prisoner's imprisonment. The Bureau may designate any available penal or correctional facility that meets minimum standards of health and habitability established by the Bureau, whether maintained by the federal government or otherwise and whether within or without the judicial district in which the person was convicted, that the Bureau determines to be appropriate and suitable, considering—

"(1) the resources of the facility contemplated;

"(2) the nature and circumstances of the offense;

"(3) the history and characteristics of the prisoner;

"(4) any statement by the court that imposed the sentence—

"(A) concerning the purposes for which the sentence to imprisonment was determined to be warranted; or

"(B) recommending a type of penal or correctional facility as appropriate; and

"(5) any pertinent policy statement issued by the Sentencing Commission pursuant to section 444(a)(2) of title 28.

The Bureau may at any time, having regard for the same matters, direct the transfer of a prisoner from one penal or correctional facility to another.

"(c) DELIVERY OF ORDER OF COMMITMENT.—When a prisoner, pursuant to a court order, is placed in the custody of a person in charge of a penal or correctional facility, a copy of the order shall be delivered to such person as evidence of this authority to hold the prisoner, and the original order, with the return endorsed thereon, shall be returned to the court that issued it.

"(d) DELIVERY OF PRISONER FOR COURT APPEARANCES.—The United States Marshal shall, without charge, bring a prisoner into court or return him to a prison facility on order of a court of the United States or on written request of an attorney for the government.

"§ 3622. Temporary release of a prisoner

"The Bureau of Prisons may release a prisoner from the place of his imprisonment for a limited period if such release appears to be consistent with the purpose for which the sentence was imposed and any pertinent policy statement issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2), if such release otherwise appears to be consistent with the public interest and if there is reasonable cause to believe that a prisoner will honor the trust to be imposed in him, by authorizing him, under prescribed conditions, to—

"(a) visit a designated place for a period not to exceed thirty days, and then return to the same or another facility, for the purpose of—

"(1) visiting a relative who is dying;

"(2) attending a funeral of a relative;

"(3) obtaining medical treatment not otherwise available;

"(4) contacting a prospective employer;

"(5) establishing or reestablishing family or community ties; or

"(6) engaging in any other significant activity consistent with the public interest;

"(b) participate in a training or educational program in the community while continuing in official detention at the prison facility; or

"(c) work at paid employment in the community while continuing in official detention at the penal or correctional facility if—

"(1) the rates of pay and other conditions of employment will not be less than those paid or provided for work of a similar nature in the community; and

"(2) the prisoner agrees to pay to the Bureau such costs incident to official detention as the Bureau finds appropriate and reasonable under all the circumstances, such costs to be collected by the Bureau and deposited in the Treasury to the credit of the appropriation available for such costs at the time such collections are made.

"§ 3623. Transfer of a prisoner to state authority

"The Director of the Bureau of Prisons shall order that a prisoner who has been charged in an indictment or information with, or convicted of, a State felony, be transferred to an official detention facility within such State prior to his release from a federal prison facility if—

"(1) the transfer has been requested by the Governor or other executive authority of the State;

"(2) the State has presented to the Director a certified copy of the indictment, information, or judgment of conviction; and

"(3) the Director finds that the transfer would be in the public interest.

If more than one request is presented with respect to a prisoner, the Director shall determine which request should receive preference. The expenses of such transfer shall be borne by the State requesting the transfer.

"§ 3624. Release of a prisoner

"(a) DATE OF RELEASE.—A prisoner shall be released by the Bureau of Prisons on the date of the expiration of his term of imprisonment, less any time credited toward the service of his sentence as provided in subsection (b). If the date for a prisoner's release falls on a Saturday, a Sunday, or a legal holiday at the place of confinement, the prison-

er may be released by the Bureau on the last preceding weekday.

"(b) CREDIT TOWARD SERVICE OF SENTENCE FOR SATISFACTORY BEHAVIOR.—A prisoner who is serving a term of imprisonment of more than one year, other than a term of imprisonment for the duration of his life, shall receive credit toward the service of his sentence, beyond the time served, of thirty-six days at the end of each year of his term of imprisonment, beginning after the first year of the term, unless the Bureau of Prisons determines that, during that year, he has not satisfactorily complied with such institutional disciplinary regulations as have been approved by the Attorney General and issued to the prisoner. If the Bureau determines that, during that year, the prisoner has not satisfactorily complied with such institutional regulations, he shall receive no such credit toward service of his sentence or shall receive such lesser credit as the Bureau determines to be appropriate. The Bureau's determination shall be made within fifteen days after the end of each year of the sentence. Such credit toward service of sentence vests at the time that it is received. Credit that has vested may not later be withdrawn, and credit that has not been earned may not later be granted. Credit for the last year or portion of a year of the term of imprisonment shall be prorated and credited within the last six weeks of the sentence.

"(c) PRE-RELEASE CUSTODY.—The Bureau of Prisons shall, to the extent practicable, assure that a prisoner serving a term of imprisonment spends a reasonable part, not to exceed six months, of the last ten percent of the term to be served under conditions that will afford the prisoner a reasonable opportunity to adjust to and prepare for his reentry into the community. The United States Probation System shall, to the extent practicable, offer assistance to a prisoner during such pre-release custody.

"(d) ALLOTMENT OF CLOTHING, FUNDS, AND TRANSPORTATION.—Upon the release of a prisoner on the expiration of his term of imprisonment, the Bureau of Prisons shall furnish him with—

"(1) suitable clothing;

"(2) an amount of money, not more than $500, determined by the Director to be consistent with the needs of the offender and the public interest, unless the Director determines that the financial position of the offender is such that no sum should be furnished; and

"(3) transportation to the place of his conviction, to his bona fide residence within the United States, or to such other place within the United States as may be authorized by the Director.

"(2) SUPERVISION AFTER RELEASE.—A prisoner whose sentence includes a term of supervised release after imprisonment shall be released by the Bureau of Prisons to the supervision of a probation officer who shall, during the term imposed, supervise the person released to the degree warranted by the conditions specified by the sentencing court. The term of supervised release commences on the day the person is released from imprisonment. The term runs concurrently with any federal, State, or local term of probation or supervised release or parole for another offense to which the person is subject or becomes subject during the term of supervised release, except that it does not run during any period in which the person is imprisoned, other than during limited intervals as a condition of probation or supervised release, in connection with a conviction for a federal, State, or local crime.

"§ 3625. Inapplicability of the Administrative Procedure Act

"The provisions of sections 554 and 555 and 701 through 706 of title 5, United States Code, do not apply to the making of any determination, decision, or order under this subchapter."; and

(3) adding the following new section at the end of chapter 232:

"§ 3671. Definitions for sentencing provisions

"As used in chapters 227 and 229—

"(a) 'found guilty' includes acceptance by a court of a plea of guilty or nolo contendere;

"(b) 'commission of an offense' includes the attempted commission of an offense, the consummation of an offense, and any immediate flight after the commission of an offense; and

"(c) 'law enforcement officer' means a public servant authorized by law or by a government agency to engage in or supervise the prevention, detection, investigation, or prosecution of an offense."; and

(4) adding the following caption and sectional analysis at the beginning of new chapter 232:

"CHAPTER 232—MISCELLANEOUS SENTENCING PROVISIONS

"Sec.
"3661. Use of information for sentencing.
"3662. Conviction records.
"3663. Firearms possessed by convicted felons.
"3664. Bribe moneys.
"3665. Liquors and related property; definitions.
"3666. Remission or mitigation of forfeitures under liquor laws; possession pending trial.
"3667. Conveyance carrying liquor.
"3668. Disposition of conveyances seized for violation of the Indian liquor laws.
"3669. Vessels carrying explosives and steerage passengers.
"3670. Duties of Director of Administrative Office of the United States Courts.
"3671. Definitions for sentencing provisions.".

(b) The chapter analysis of Part II of title 18, United States Code, is amended by striking out the items relating to chapters 227, 229, and 231, and inserting in lieu thereof the following:

"227. Sentences 3551
"229. Post-Sentence Administration .. 3601
"231. Repealed .....
"232. Miscellaneous Sentencing Provisions ..... 3661".

SEC. 203. (a) Chapter 235 of title 18, United States Code, is amended by adding the following new section at the end thereof:

"§ 3742. Review of a sentence

"(a) APPEAL BY A DEFENDANT.—A defendant may file a notice of appeal in the district court for review of an otherwise final sentence if the sentence—

"(1) was imposed in violation of law;

"(2) was imposed as a result of an incorrect application of the sentencing guidelines issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a); or

"(3) was imposed for a felony or a Class A misdemeanor and is greater than—

"(A) the sentence specified in the applicable sentencing guideline issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1), to the extent that the sentence includes a greater fine or term of imprisonment or term of supervised release than the maximum established in the guideline, or includes a more limiting condition of probation or supervised release under section 3563 (b)(6) or (b)(11) than the maximum established in the guideline; and

"(B) the sentence, if any, specified in a plea agreement under Rule 11 (e)(1)(B) or (e)(1)(C) of the Federal Rules of Criminal Procedure.

"(b) APPEAL BY THE GOVERNMENT.—The government may file a notice of appeal in the district court for review of an otherwise final sentence if the sentence—

"(1) was imposed in violation of law;

"(2) was imposed as a result of an incorrect application of the sentencing guidelines issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a); or

"(3) was imposed for a felony or a Class A misdemeanor and is less than—

"(A) the sentence specified in the applicable sentencing guideline issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1), to the extent that the sentence includes a lesser fine or term of imprisonment or term of supervised release than the minimum established in the guideline, or includes a less limiting condition of probation or supervised release under section 3563 (b)(6) or (b)(11) than the minimum established in the guideline; and

"(B) the sentence, if any, specified in a plea agreement under Rule 11 (e)(1)(B) or (e)(1)(C) of the Federal Rules of Criminal Procedure;

and the Attorney General or the Solicitor General personally approves the filing of the notice of appeal.

"(c) RECORD ON REVIEW.—If a notice of appeal is filed in the district court pursuant to subsection (a) or (b), the clerk shall certify to the court of appeals—

"(1) that portion of the record in the case that is designated as pertinent by either of the parties;

"(2) the presentence report; and

"(3) the information submitted during the sentencing proceeding.

"(d) CONSIDERATION.—Upon review of the record, the court of appeals shall determine whether the sentence—

"(1) was imposed in violation of law;

"(2) was imposed as a result of an incorrect application of the sentencing guidelines; or

"(3) is outside the range of the applicable sentencing guideline, and is unreasonable, having regard for—

"(A) the factors to be considered in imposing a sentence, as set forth in chapter 227 of this title; and

"(B) the reasons for the imposition of the particular sentence, as stated by the district court pursuant to the provisions of section 3553(c).

The court of appeals shall give due regard to the opportunity of the district court to judge the credibility of the witnessess, and shall accept the findings of fact of the district court unless they are clearly erroneous.

"(c) DECISION AND DISPOSITION.—If the court of appeals determines that the sentence—

"(1) was imposed in violation of law or imposed as a result of an incorrect application of the sentencing guidelines, it shall—

"(A) remand the case for further sentencing proceedings; or

"(B) correct the sentence;

"(2) is outside the range of the applicable sentencing guideline and is unreasonable, it

shall state specific reasons for its conclusions and—

"(A) if it determines that the sentence is too high and the appeal has been filed under subsection (a), it shall set aside the sentence and—

"(i) remand the case for imposition of a lesser sentence;

"(ii) remand the case for further sentencing proceedings; or

"(iii) impose a lesser sentence;

"(B) if it determines that the sentence is too low and the appeal has been filed under subsection (b), it shall set aside the sentence and—

"(i) remand the case for imposition of a greater sentence;

"(ii) remand the case for further sentencing proceedings; or

"(iii) impose a greater sentence; or

"(3) was not imposed in violation of law or imposed as a result of an incorrect application of the sentencing guidelines, and is not unreasonable, it shall affirm the sentence.".

(b) The sectional analysis of chapter 235 of title 18, United States Code, is amended by adding the following new item after the item relating to section 3741:

"3742. Review of a sentence.".

SEC. 204. Chapter 403 of title 18, United States Code is amended as follows:

(a) Section 5037 is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by striking out subsections (a) and (b) and inserting the following new subsections in lieu thereof:

"(a) If the court finds a juvenile to be a juvenile delinquent, the court shall hold a disposition hearing concerning the appropriate disposition no later than twenty court days after the juvenile delinquency hearing unless the court has ordered further study pursuant to subsection (e). After the disposition hearing, and after considering any pertinent policy statements promulgated by the Sentencing Commission pursuant to 28 U.S.C. 994, the court may suspend the findings of juvenile delinquency, enter an order of restitution pursuant to section 3556, place him on probation, or commit him to official detention. With respect to release or detention pending an appeal or a petition for a writ of certiorari after disposition, the court shall proceed pursuant to the provisions of chapter 207.

"(b) The term for which probation may be ordered for a juvenile found to be a juvenile delinquent may not extend—

"(1) in the case of a juvenile who is less than seventeen years old, beyond the lesser of—

"(A) the date when the juvenile becomes twenty-one years old; or

"(B) the maximum term that would be authorized by section 3561(b) if the juvenile had been tried and convicted as an adult; or

"(2) in the case of a juvenile who is between seventeen and twenty-one years old, beyond the lesser of—

"(A) four years; or

"(B) the maximum term that would be authorized by section 3561(b) if the juvenile had been tried and convicted as an adult.

The provisions dealing with probation set forth in sections 3563, 3564, and 3565 are applicable to an order placing a juvenile on probation.

"(c) The term for which official detention may be ordered for a juvenile found to be a juvenile delinquent may not extend—

"(1) in the case of a juvenile who is less than seventeen years old, beyond the lesser of—

"(A) the date when the juvenile becomes twenty-one years old; or

"(B) the maximum term of imprisonment that would be authorized by section 3581(b) if the juvenile had been tried and convicted as an adult; or

"(2) in the case of a juvenile who is between seventeen and twenty-one years old—

"(A) who if convicted as an adult would be convicted of a Class A, B, or C felony, beyond five years; or

"(B) in any other case beyond the lesser of—

"(i) four years; or

"(ii) the maximum term of imprisonment that would be authorized by section 3581(b) if the juvenile had been tried and convicted as an adult.".

(b) Section 5041 is repealed.

(c) Section 5042 is amended by—

(1) striking out "parole or" each place it appears in the caption and text; and

(2) striking out "parole or".

(d) The sectional analysis is amended by striking out the items relating to sections 5041 and 5042 and inserting in lieu thereof the following:

"5041. Repealed.

"5042. Revocation of Probation.".

SEC. 205. The Federal Rules of Criminal Procedure are amended as follows:

(a) Rule 32 is amended—

(1) by deleting subdivision (a)(1) and inserting in lieu thereof the following:

"(1) IMPOSITION OF SENTENCE.—Sentence shall be imposed without unnecessary delay, but the court may, upon a motion that is jointly filed by the defendant and by the attorney for the government and that asserts a factor important to the sentencing determination is not capable of being resolved at that time, postpone the imposition of sentence for a reasonable time until the factor is capable of being resolved. Prior to the sentencing hearing, the court shall provide the counsel for the defendant and the attorney for the government with notice of the probation officer's determination, pursuant to the provisions of subdivision (c)(2)(B), of the sentencing classifications and sentencing guideline range believed to be applicable to the case. At the sentencing hearing, the court shall afford the counsel for the defendant and the attorney for the government an opportunity to comment upon the probation officer's determination and on other matters relating to the appropriate sentence. Before imposing sentence, the court shall also afford counsel for the defendant an opportunity to speak on behalf of the defendant and shall address the defendant personally and ask him if he wishes to make a statement in his own behalf and to present any information in mitigation of the sentence. The attorney for the government shall have an equivalent opportunity to speak to the court. Upon a motion that is jointly filed by the defendant and by the attorney for the government, the court may hear in camera such a statement by the defendant, counsel for the defendant, or the attorney for the government.";

(2) by adding after the words "right to appeal" in the first sentence of subdivision (a)(2) the words "from the conviction, of his right, if any, to obtain review of the sentence,";

(3) by deleting "right of appeal" in the second sentence of subdivision (a)(2) and inserting in lieu thereof "right to appeal or right to obtain review";

(4) by amending the first sentence of subdivision (c)(1) to read as follows:

"A probation officer shall make a presentence investigation and report to the court before the imposition of sentence unless the court finds that there is in the record information sufficient to enable the meaningful exercise of sentencing authority pursuant to 18 U.S.C. 3553, and the court explains this finding on the record.";

(5) by amending subdivision (c)(2) to read as follows:

"(2) REPORT.—The report of the presentence investigation shall contain—

"(A) information about the history and characteristics of the defendant, including his prior criminal record, if any, his financial condition, and any circumstances affecting his behavior that may be helpful in imposing sentence or in the correctional treatment of the defendant;

"(B) the classification of the offense and of the defendant under the categories established by the Sentencing Commission pursuant to section 994(a) of title 28, that the probation officer believes to be applicable to the defendant's case; the kinds of sentence and the sentencing range suggested for such a category of offense committed by such a category of defendant as set forth in the guidelines issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1); and an explanation by the probation officer of any factors that may indicate that a sentence of a different kind or of a different length than one within the applicable guideline would be more appropriate under all the circumstances;

"(C) any pertinent policy statement issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2);

"(D) verified information stated in a nonargumentative style containing an assessment of the financial, social, psychological, and medical impact upon, and cost to, any individual against whom the offense has been committed; and

"(E) such other information as may be required by the court.";

(6) in subdivision (c)(3)(A), by deleting "exclusive of any recommendations as to sentence" and inserting in lieu thereof ", including the information required by subdivision (c)(2) but not including any final recommendation as to sentence,";

(7) by deleting "or the Youth Correction Division of the Board of Parole pursuant to 18 U.S.C. 4208(b), 4252, 5010(e)" in subdivision (c)(3)(B) and inserting in lieu thereof "pursuant to 18 U.S.C. 3552(b); and

(8) by deleting "or imposition of sentence is suspended;" in subdivision (d) and inserting in lieu thereof a comma.

(b) Rule 35 is amended to read as follows:

"Rule 35. Correction of Sentence

"(a) CORRECTION OF A SENTENCE ON REMAND.—The court shall correct a sentence that is determined on appeal under 18 U.S.C. 3742 to have been imposed in violation of law, to have been imposed as a result of an incorrect application of the sentencing guidelines, or to be unreasonable, upon remand of the case to the court—

"(1) for imposition of a sentence in accord with the findings of the court of appeals; or

"(2) for further sentencing proceedings if, after such proceedings, the court determines that the original sentence was incorrect.

"(b) CORRECTION OF SENTENCE FOR CHANGED CIRCUMSTANCES.—The court, on motion of the government, may within one year after the imposition of a sentence, lower a sentence to reflect a defendant's subsequent, substantial assistance in the investigation or

prosecution of another person who has committed an offense, to the extent that such assistance is a factor in applicable guidelines or policy statements issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a).".

(c) Rule 38 is amended—

(1) by amending the caption to read: "Stay of Execution" and deleting "(a) Stay of Execution.";

(2) by deleting subdivisions (b) and (c);

(3) by redesignating subdivisions (a)(1) through (a)(4) as subdivisions (a) through (d), respectively;

(4) In subdivisions (a), by adding "from the conviction or sentence" after "is taken";

(5) in the first sentence of subdivision (b), by adding "from the conviction or sentence" after "is taken";

(6) by deleting "or a fine and costs" in the first sentence of subdivision (c);

(7) by deleting "and costs" in the second sentence of subdividion (c);

(8) by amending subdivision (d) to read as follows:

"(d) PROBATION.—A sentence of probation may be stayed if an appeal from the conviction or sentence is taken. If the sentence is stayed, the court shall fix the terms of the stay"; and

(9) by adding new subdivisions (e) and (f) as follows:

"(e) CRIMINAL FORFEITURE, NOTICE TO VICTIMS, AND RESTITUTION.—A sanction imposed as part of the sentence pursuant to 18 U.S.C. 3554, 3555, or 3556 may, if an appeal of the conviction or sentence is taken, be stayed by the district court or by the court of appeals upon such terms as the court finds appropriate. The court may issue such orders as may be reasonably necessary to ensure compliance with the sanction upon disposition of the appeal, including the entering of a restraining order or an injunction or requiring a deposit in whole or in part of the monetary amount involved into the registry of the district court or execution of a performance bond.

"(f) DISABILITIES.—A civil or employment disability arising under a Federal statute by reason of the defendant's conviction or sentence, may, if an appeal is taken, be stayed by the district court or by the court of appeals upon such terms as the court finds appropriate. The court may enter a restraining order or an injunction, or take any other action that may be reasonably necessary to protect the interest represented by the disability pending disposition of the appeal.".

(d) Rule 40 is amended by deleting "3653" in subdivision (d)(1) and inserting in lieu thereof "3605".

(e) Rule 54 is amended—

(1) by amending the definition of "Petty offense" in subdivision (c) to read as follows: " 'Petty offense' means a class B or C misdemeanor or an infraction."; and

(2) by adding a new definition as follows: " 'Grade' includes the issue whether, for the purposes of section 3571 (Sentence of Fine), a misdemeanor resulted in the loss of human life.".

(f) The Table of Rules that precedes Rule 1 is amended as follows:

(1) The item relating to Rule 35 is amended by deleting the words "or Reduction".

(2) The item relating to Rule 38 is amended to read as follows:

"38. Stay of Execution.

"(a) Death.
"(b) Imprisonment.
"(c) Fine.
"(d) Probation.
"(e) Criminal forfeiture, notice to victims, and restitution.
"(f) Disabilities."

SEC. 206. The Rules of Procedure for the Trial of Misdemeanors Before United States Magistrates are amended as follows:

"(a) Rule 1 is amended by deleting "(including petty offenses)".

"(b) Rule 9 is amended by deleting "as defined in title 18, U.S.C., § 1(3)".

"(c) A new Rule 12 is added at the end thereof to read as follows:

"Rule 12. Definitions

"As used in these rules—

"(1) 'minor offense' means a misdemeanor or an infraction;

"(2) 'petty offense' means a class B or C misdemeanor or an infraction."

"(d) The Table of Rules that precedes Rule 1 is amended by adding at the end thereof the following new item:

"12. Definitions".

SEC. 207. (a) Title 28 of the United States Code is amended by adding the following new chapter after chapter 57:

CHAPTER 58—UNITED STATES SENTENCING COMMISSION

"Sec.
"991. United States Sentencing Commission; Establishment and Purposes.
"992. Terms of Office; Compensation.
"993. Powers and Duties of Chairman.
"994. Duties of the Commission.
"995. Powers of the Commission.
"996. Director and Staff.
"997. Annual Report.
"998. Definitions.

"§ 991. United States Sentencing Commission; establishment and purposes

"(a) There is established as an independent commission in the judicial branch of the United States a United States Sentencing Commission which shall consist of seven voting members and one nonvoting member. The President, after consultation with representatives of judges, prosecuting attorneys, defense attorneys, law enforcement officials, senior citizens, victims of crime, and others interested in the criminal justice process, shall appoint the voting members of the Commission, by and with the advice and consent of the Senate, one of whom shall be appointed, by and with the advice and consent of the Senate, as the Chairman. Not more than four of the members of the Commission shall be members of the same political party. The Attorney General, or his designee, shall be an ex officio, nonvoting member of the Commission. The Chairman and members of the Commission shall be subject to removal from the Commission by the President only for neglect of duty or malfeasance in office or for other good cause shown.

"(b) The purposes of the United States Sentencing Commission are to—

"(1) establish sentencing policies and practices for the federal criminal justice system that—

"(A) assure the meeting of the purposes of sentencing as set forth in section 3553(a)(2) of title 18, United States Code;

"(B) provide certainty and fairness in meeting the purposes of sentencing, avoiding unwarranted sentencing disparities among defendants with similar records who have been found guilty of similar criminal conduct while maintaining sufficient flexibility to permit individualized sentences when warranted by mitigating or aggravating factors not taken into account in the establishment of general sentencing practices;

"(C) reflect, to the extent practicable, advancement in knowledge of human behavior as it relates to the criminal justice process; and

"(2) develop means of measuring the degree to which the sentencing, penal, and correctional practices are effective in meeting the purposes of sentencing as set forth in section 3553(a)(2) of title 18, United States Code.

"§ 992. Terms of office; compensation

"(a) The voting members of the United States Sentencing Commission shall be appointed for six-year terms, except that the initial terms of the first members of the Commission shall be staggered so that—

"(1) two members, including the chairman, serve terms of six years;

"(2) three members serve terms of four years; and

"(3) two members serve terms of two years.

"(b) No voting member may serve more than two full terms. A voting member appointed to fill a vacancy that occurs before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

"(c) Each voting member of the Commission shall be compensated during the term of office as a member of the Commission at the rate at which judges of the United States courts of appeals are compensated. A Federal judge may serve as a member of the Commission without resigning his appointment as a Federal judge.

"§ 993. Powers and duties of chairman

"The Chairman shall—

"(a) call and preside at meetings of the Commission; and

"(b) direct—

"(1) the preparation of requests for appropriations for the Commission; and

"(2) the use of funds made available to the Commission.

"§ 994. Duties of the Commission

"(a) The Commission, by affirmative vote of at least four members of the Commission, and pursuant to its rules and regulations and consistent with all pertinent provisions of this title and title 18, United States Code, shall promulgate and distribute to all courts of the United States and to the United States Probation System—

"(1) guidelines, as described in this section, for use of a sentencing court in determining the sentence to be imposed in a criminal case, including—

"(A) a determination whether to impose a sentence to probation, a fine, or a term of imprisonment;

"(B) a determination as to the appropriate amount of a fine or the appropriate length of a term of probation or a term of imprisonment;

"(C) a determination whether a sentence to a term of imprisonment should include a requirement that the defendant be placed on a term of supervised release after imprisonment, and, if so, the appropriate length of such a term; and

"(D) a determination whether multiple sentences to terms of imprisonment should be ordered to run concurrently or consecutively;

"(2) general policy statements regarding application of the guidelines or any other aspect of sentencing or sentence implementation that in the view of the Commission would further the purposes set forth in section 3553(a)(2) of title 18, United States Code, including the appropriate use of—

"(A) the sanctions set forth in sections 3554, 3555, and 3556 of title 18;

"(B) the conditions of probation and supervised release set forth in sections 3563(b) and 3583(d) of title 18;

"(C) the sentence modification provisions set forth in sections 3563(c), 3573, and 3582(c) of title 18;

"(D) the authority granted under rule 11(e)(2) of the Federal Rules of Criminal Procedure to accept or reject a plea agreement entered into pursuant to rule 11(e)(1); and

"(E) the temporary release provisions set forth in section 3622 of title 18, and the prerelease custody provisions set forth in section 3624(c) of title 18; and

"(3) guidelines or general policy statements regarding the appropriate use of the probation revocation provisions set forth in section 3565 of title 18, and the provisions for modification of the term or conditions of probation or supervised release set forth in sections 3563(c), 3564(d), and 3583(e) of title 18.

"(b) The Commission, in the guidelines promulgated pursuant to subsection (a)(1), shall, for each category of offense involving each category of defendant, establish a sentencing range that is consistent with all pertinent provisions of title 18, United States Code. If a sentence specified by the guidelines includes a term of imprisonment, the maximum of the range established for such a term shall not exceed the minimum of that range by more than 25 percent.

"(c) The Commission, in establishing categories of offenses for use in the guidelines and policy statements governing the imposition of sentences of probation, a fine, or imprisonment, governing the imposition of other authorized sanctions, governing the size of a fine or the length of a term of probation, imprisonment, or supervised release, and governing the conditions of probation, supervised release, or imprisonment, shall consider whether the following matters, among others, have any relevance to the nature, extent, place of service, or other incidents of an appropriate sentence, and shall take them into account only to the extent that they do have relevance—

"(1) the grade of the offense;

"(2) the circumstances under which the offense was committed which mitigate or aggravate the seriousness of the offense;

"(3) the nature and degree of the harm caused by the offense, including whether it involved property, irreplaceable property, a person, a number of persons, or a breach of public trust;

"(4) the community view of the gravity of the offense;

"(5) the public concern generated by the offense;

"(6) the deterrent effect a particular sentence may have on the commission of the offense by others; and

"(7) the current incidence of the offense in the community and in the nation as a whole.

"(d) The Commission in establishing categories of defendants for use in the guidelines and policy statements governing the imposition of sentences of probation, a fine, or imprisonment, governing the imposition of other authorized sanctions, governing the size of a fine or the length of a term of probation, imprisonment, or supervised release, and governing the conditions of probation, supervised release, or imprisonment, shall consider whether the following matters, among others, with respect to a defendant, have any relevance to the nature, extent, place of service, or other incidents of an appropriate sentence, and shall take them into account only to the extent that they do have relevance—

"(1) age;

"(2) education;

"(3) vocational skills;

"(4) mental and emotional condition to the extent that such condition mitigates the defendant's culpability or to the extent that such condition is otherwise plainly relevant;

"(5) physical condition, including drug dependence;

"(6) previous employment record;

"(7) family ties and responsibilities;

"(8) community ties;

"(9) role in the offense;

"(10) criminal history; and

"(11) degree of dependence upon criminal activity for a livelihood.

The Commission shall assure that the guidelines and policy statements are entirely neutral as to the race, sex, national origin, creed, and socioeconomic status of offenders.

"(e) The Commission shall assure that the guidelines and policy statements, in recommending a term of imprisonment or length of a term of imprisonment, reflect the general inappropriateness of considering the education, vocational skills, employment record, family ties and responsibilities, and community ties of the defendant.

"(f) The Commission, in promulgating guidelines pursuant to subsection (a)(1), shall promote the purposes set forth in section 991(b)(1), with particular attention to the requirements of subsection 991(b)(1)(B) for providing certainty and fairness in sentencing and reducing unwarranted sentence disparities.

"(g) The Commission, in promulgating guidelines pursuant to subsection (a)(1) to meet the purposes of sentencing as set forth in section 3553(a)(2) of title 18, United States Code, shall take into account the nature and capacity of the penal, correctional, and other facilities and services available, and shall make recommendations concerning any change or expansion in the nature or capacity of such facilities and services that might become necessary as a result of the guidelines promulgated pursuant to the provisions of this chapter.

"(h) The Commission shall assure that the guidelines will specify a sentence to a substantial term of imprisonment for categories of defendants in which the defendant—

"(1) has a history of two or more prior Federal, State, or local felony convictions for offenses committed on different occasions;

"(2) committed the offense as part of a pattern of criminal conduct from which he derived a substantial portion of his income;

"(3) committed the offense in furtherance of a conspiracy with three or more persons engaging in a pattern of racketeering activity in which the defendant participated in a managerial or supervisory capacity;

"(4) committed a crime of violence that constitutes a felony while on release pending trial, sentence, or appeal from a Federal, State, or local felony for which he was ultimately convicted; or

"(5) committed a felony that is set forth in section 401 or 1010 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 841 and 960), and that involved trafficking in a substantial quantity of a controlled substance.

"(i) The Commission shall insure that the guidelines reflect the general appropriateness of imposing a sentence other than imprisonment in cases in which the defendant is a first offender who has not been convicted of a crime of violence or an otherwise serious offense, and the general appropriateness of imposing a term of imprisonment on a person convicted of a crime of violence that results in serious bodily injury.

"(j) The Commission shall insure that the guidelines reflect the inappropriateness of imposing a sentence to a term of imprisonment for the purpose of rehabilitating the defendant or providing the defendant with needed educational or vocational training, medical care, or other correctional treatment.

"(k) The Commission shall insure that the guidelines promulgated pursuant to subsection (a)(1) reflect—

"(1) the appropriateness of imposing an incremental penalty for each offense in a case in which a defendant is convicted of—

"(A) multiple offenses committed in the same course of conduct that result in the exercise of ancillary jurisdiction over one or more of the offenses; and

"(B) multiple offenses committed at different times, including those cases in which the subsequent offense is a violation of section 3146 (penalty for failure to appear) or is committed while the person is released pursuant to the provisions of section 3147 (penalty for an offense committed while on release) of title 18; and

"(2) the general inappropriateness of imposing consecutive terms of imprisonment for an offense of conspiring to commit an offense or soliciting commission of an offense and for an offense that was the sole object of the conspiracy or solicitation.

"(l) The Commission shall insure that the guidelines reflect the fact that, in many cases, current sentences do not accurately reflect the seriousness of the offense. This will require that, as a starting point in its development of the initial sets of guidelines for particular categories of cases, the Commission ascertain the average sentences imposed in such categories of cases prior to the creation of the Commission, and in cases involving sentences to terms of imprisonment, the length of such terms actually served. The Commission shall not be bound by such average sentences, and shall independently develop a sentencing range that is consistent with the purposes of sentencing described in section 3553(a)(2) of title 18, United States Code.

"(m) The Commission periodically shall review and revise, in consideration of comments and data coming to its attention, the guidelines promulgated pursuant to the provisions of this section. In fulfilling its duties and in exercising its powers, the Commission shall consult with authorities on, and individual and institutional representatives of, various aspects of the Federal criminal justice system. The United States Probation System, the Bureau of Prisons, the Judicial Conference of the United States, the Criminal Division of the United States Department of Justice, and a representative of the Federal Public Defenders shall submit to the Commission any observations, comments, or questions pertinent to the work of the Commission whenever they believe such communication would be useful, and shall, at least annually, submit to the Commission a written report commenting on the operation of the Commission's guidelines, suggesting changes in the guidelines that appear to be warranted, and otherwise assessing the Commission's work.

"(n) The Commission, at or after the beginning of a regular session of Congress but not later than the first day of May, shall report to the Congress any amendments of the guidelines promulgated pursuant to subsection (a)(1), and a report of the reasons therefor, and the amended guidelines shall take effect one hundred and eighty days after the Commission reports them, except to the extent the effective date is enlarged or the guidelines are disapproved or modified by Act of Congress.

"(o) The Commission and the Bureau of Prisons shall submit to Congress an analysis and recommendations concerning maximum utilization of resources to deal effectively with the Federal prison population. Such report shall be based upon consideration of a variety of alternatives, including—

"(1) modernization of existing facilities;

"(2) inmate classification and periodic review of such classification for use in placing inmates in the least restrictive facility necessary to ensure adequate security; and

"(3) use of existing Federal facilities, such as those currently within military jurisdiction.

"(p) The Commission shall evaluate the impact of the sentencing guidelines on prosecutorial discretion, plea bargaining, disparities in sentencing, and the use of incarceration, and shall, by affirmative vote of a majority of the voting members of the Commission, issue a report of its findings to all appropriate courts, the Department of Justice, and the Congress.

"(q) The Commission, within three years of the date of enactment of the Sentencing Reform Act of 1983, and thereafter whenever it finds it advisable, shall recommend to the Congress that it raise or lower the grades, or otherwise modify the maximum penalties, of those offenses for which such an adjustment appears appropriate.

"(r) The Commission shall give due consideration to any petition filed by a defendant requesting modification of the guidelines utilized in the sentencing of such defendant, on the basis of changed circumstances unrelated to the defendant, including changes in—

"(1) the community view of the gravity of the offense;

"(2) the public concern generated by the offense; and

"(3) the deterrent effect particular sentences may have on the commission of the offense by others.

Within one hundred and eighty days of the filing of such petition the Commission shall provide written notice to the defendant whether or not it has approved the petition. If the petition is disapproved the written notice shall contain the reasons for such disapproval. The Commission shall submit to the Congress at least annually an analysis of such written notices.

"(s) The Commission, in promulgating general policy statements regarding the sentencing modification provisions in section 3582(c)(2) of title 18, shall describe what should be considered extraordinary and compelling reasons for sentence reduction, including the criteria to be applied and a list of specific examples. Rehabilitation of the defendant alone shall not be considered an extraordinary and compelling reason.

"(t) If the Commission reduces the term of imprisonment recommended in the guidelines applicable to a particular offense or category of offenses, it shall specify by what amount the sentences of prisoners serving terms of imprisonment that are outside the applicable guideline ranges for the offense may be reduced.

"(u) The Commission shall ensure that the general policy statements promulgated pursuant to subsection (a)(2) include a policy limiting consecutive terms of imprisonment for an offense involving a violation of a general prohibition and for an offense involving a violation of a specific prohibition encompassed within the general prohibition.

"(v) The appropriate judge or officer shall submit to the Commission in connection with each sentence imposed a written report of the sentence, the offense for which it is imposed, the age, race, and sex of the offender, information regarding factors made relevant by the guidelines, and such other information as the Commission finds appropriate. The Commission shall submit to Congress at least annually an analysis of these reports and any recommendations for legislation that the Commission concludes is warranted by that analysis.

"(w) The provisions of section 553 of title 5, relating to publication in the Federal Register and public hearing procedure, shall apply to the promulgation of guidelines pursuant to this section.

"§ 995. Powers of the Commission

"(a) The Commission, by vote of a majority of the members present and voting, shall have the power to—

"(1) establish general policies and promulgate such rules and regulations for the Commission as are necessary to carry out the purposes of this chapter;

"(2) appoint and fix the salary and duties of the staff Director of the Sentencing Commission, who shall serve at the discretion of the Commission and who shall be compensated at a rate not to exceed the highest rate now or hereafter prescribed for grade 18 of the General Schedule pay rates (5 U.S.C. 5332);

"(3) deny, revise, or ratify any request for regular, supplemental, or deficiency appropriations prior to any submission of such request to the Office of Management and Budget by the Chairman;

"(4) procure for the Commission temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code

"(5) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, local, and private agencies and instrumentalities with or without reimbursement therefor;

"(6) without regard to 31 U.S.C. 3324, enter into and perform such contracts, leases, cooperative agreements, and other transactions as may be necessary in the conduct of the functions of the Commission, with any public agency, or with any person, firm, association, corporation, educational institution, or non-profit organization;

"(7) accept and employ, in carrying out the provisions of this title, voluntary and uncompensated services, notwithstanding the provisions of 31 U.S.C. 1342, however, individuals providing such services shall not be considered Federal employees except for purposes of chapter 81 of title 5, United States Code, with respect to job-incurred disability and title 28, United States Code, with respect to tort claims;

"(8) request such information, data, and reports from any federal agency or judicial officer as the Commission may from time to time require and as may be produced consistent with other law;

"(9) monitor the performance of probation officers with regard to sentencing recommendations, including application of the Sentencing Commission guidelines and policy statements;

"(10) issue instructions to probation officers concerning the application of Commission guidelines and policy statements;

"(11) arrange with the head of any other federal agency for the performance by such agency of any function of the Commission, with or without reimbursement;

"(12) establish a research and development program within the Commission for the purpose of—

"(A) serving as a clearinghouse and information center for the collection, preparation, and dissemination of information on federal sentencing practices;

"(B) assisting and serving in a consulting capacity to federal courts, departments, and agencies in the development, maintenance, and coordination of sound sentencing practices;

"(13) collect systematically the data obtained from studies, research, and the empirical experience of public and private agencies concerning the sentencing proces;

"(14) publish data concerning the sentencing process;

"(15) collect systematically and disseminate information concerning sentences actually imposed, and the relationship of such sentences to the factors set forth in section 3553 (a) of title 18, United States Code;

"(16) collect systematically and disseminate information regarding effectiveness of sentences imposed;

"(17) devise and conduct, in various geographical locations, seminars and workshops providing continuing studies for persons engaged in the sentencing field;

"(18) devise and conduct periodic training programs of instruction in sentencing techniques for judicial and probation personnel and other persons connected with the sentencing process;

"(19) study the feasibilty of developing guidelines for the disposition of juvenile delinquents;

"(20) make recommendations to Congress concerning modification or enactment of statutes relating to sentencing, penal, and correctional matters that the Commission finds to be necessary and advisable to carry out an effective, humane and rational sentencing policy;

"(21) hold hearings and call witnesses that might assist the Commission in the exercise of its powers or duties; and

"(22) perform such other functions as are required to permit federal courts to meet their responsibilities under section 3553 (a) of title 18, United States Code, and to permit others involved in the federal criminal justice system to meet their related responsibilities.

"(b) The Commission shall have such other powers and duties and shall perform such other functions as may be necessary to carry out the purposes of this chapter, and may delegate to any member or designated person such powers as may be appropriate other than the power to establish general policy statements and guidelines pursuant to section 994(a) (1) and (2), the issuance of general policies and promulgation of rules and regulations pursuant to subsection (a)(1) of this section, and the decisions as to the factors to be considered in establishment of categories of offenses and offenders pursuant to section 994(b). The Commission shall coordinate its activities under subsections (a)(9), (a)(10), (a)(11), (a)(12), (a)(13), (a)(14), (a)(15), (a)(16), (a)(17), and (a)(18), to the extent practicable, with any related

activities of the Administrative Office of the United States Courts and the Federal Judicial Center for the purpose of avoiding unnecessary duplication.

"(c) Upon the request of the Commission, each federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information available to the greatest practicable extent to the Commission in the execution of its functions.

"(d) A simple majority of the membership then serving shall constitute a quorum for the conduct of business. Other than for the promulgation of guidelines and policy statements pursuant to section 994, the Commission may exercise its powers and fulfill its duties by the vote of a simple majority of the members present.

"(e) Except as otherwise provided by law, the Commission shall maintain and make available for public inspection a record of the final vote of each member on any action taken by it.

"§ 996. Director and staff

"(a) The Staff Director shall supervise the activities of persons employed by the Commission and perform other duties assigned to him by the Commission.

"(b) The Staff Director shall, subject to the approval of the Commission, appoint such officers and employees as are necessary in the execution of the functions of the Commission. The officers and employees of the Commission shall be exempt from the provisions of part III of title 5, United States Code, except the following chapters: 81 (Compensation for Work Injuries), 83 (Retirement), 89 (Health Insurance), and 91 (Conflicts of Interest.)

"§ 997. Annual report

"The Commission shall report annually to the Judicial Conference of the United States, the Congress, and the President of the United States on the activities of the Commission.

"§ 998. Definitions

"As used in this chapter—

"(a) 'Commission' means the United States Sentencing Commission;

"(b) 'Commissioner' means a member of the United States Sentencing Commission;

"(c) 'guidelines' means the guidelines promulgated by the Commission pursuant to section 994(a) of this title; and

"(d) 'rules and regulations' means rules and regulations promulgated by the Commission pursuant to section 995 of this title.".

(b) The chapter analysis of part III of title 28, United States Code, is amended by adding after the item relating to chapter 57 the following new item:

"58. United States Sentencing Commission ..... 991".

REPEALERS

SEC. 208. (a) The following provisions of title 18, United States Code, are repealed:

(1) section 1;

(2) sections 3575 and 3576;

(3) chapter 309;

(4) chapter 311;

(5) chapter 314;

(6) sections 4281, 4283, and 4284; and

(7) chapter 402.

(b) The item relating to section 1 in the sectional analysis of chapter 1 of title 18, United States Code, is amended to read: "1. Repealed.".

(c) The chapter analysis of Part III of title 18, United States Code, is amended by amending the items relating to—

(1) chapters 309 and 311 to read as follows:

"309. Repealed.....

"311. Repealed..... ";

and

(2) chapter 314 to read as follows:

"314. Repealed..... ".

(d) The sectional analysis of chapter 315 of title 18, United States Code, is amended by amending the items relating to—

(1) section 4281 to read: "4281. Repealed."; and

(2) sections 4283 and 4284 to read as follows:

"4283. Repealed..... ".

"4284. Repealed..... ".

(e) The item relating to chapter 402 in the chapter analysis of Part IV of title 18, United States Code, is amended to read as follows:

"402. Repealed..... ".

SEC. 209. (a) Sections 404(b) and 409 of the Controlled Substances Act (21 U.S.C. 844(b) and 849) are repealed.

(b) Section 404(a) of the Controlled Substances Act (21 U.S.C. 844(a)) is amended by deleting the designation "(a)" at the beginning of the subsection.

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 210. The Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended as follows:

(a) The second sentence of section 212(a)(9) (8 U.S.C. 1182(a)(9)) is amended to read: "An alien who would be excludable because of the conviction of an offense for which the sentence actually imposed did not exceed a term of imprisonment in excess of six months, or who would be excludable as one who admits the commission of an offense for which a sentence not to exceed one year's imprisonment might have been imposed on him, may be granted a visa and admitted to the United States if otherwise admissible: *Provided*, That the alien has committed only one such offense, or admits the commission of acts which constitute the essential elements of only one such offense.".

(b) Section 242(h) (8 U.S.C. 1252(h)) is amended by adding "supervised release," after "parole,".

SEC. 211. Section 4 of the Act of September 28, 1962 (16 U.S.C. 460k-3) is amended by deleting "petty offense (18 U.S.C. 1)" and substituting "misdemeanor".

SEC. 212. Section 9 of the Act of October 8, 1964 (16 U.S.C. 460n-8) is amended—

(a) in the first paragraph, by deleting "commissioner" each place it appears and substituting "magistrate"; and

(b) in the second paragraph, by amending the first sentence to read: "The functions of the magistrate shall include the trial and sentencing of persons charged with the commission of misdemeanors and infractions as defined in section 3581 of title 18, United States Code.".

SEC. 213. Title 18 of the United States Code is amended as followed.

(a) Section 924(a) is amended by deleting ", and shall become eligible for parole as the Board of Parole shall determine".

(b) Section 1161 is amended by deleting "3618" and substituting "3667".

(c) Section 1761(a) is amended by adding", supervised release," after "parole".

(d) Section 1963 is amended—

(1) in subsection (a), by deleting "(1) any interest he has acquired" and all through the end of the subsection and substituting "the property described in section 3554 in accord with the provisions of that section."; and

(2) by repealing subsections (b) and (c).

(e) Section 3006A is amended—

(1) in subsections (a)(1) and (b), by deleting "misdemeanor (other than a petty offense as defined in section 1 of this title)" each place it appears and substituting "Class A misdemeanor"; and

(2) in subsections (a)(3) and (g), deleting "subject to revocation of parole," each place it appears.

(f) Section 3143, as amended by this Act, is amended—

(1) in subsection (a), by adding "other than a person for whom the applicable guideline promulgated pursuant to 28 U.S.C. 994 does not recommend a term of imprisonment," after "sentence,"; and

(2) in subsection (c), by adding the following at the at the end thereof: "The judge shall treat a defendant in a case in which an appeal has been taken by the United States pursuant to the provisions of section 3742 in accordance with the provisions of—

"(1) subsection (a) if the person has been sentenced to a term of imprisonment; or

(2) section 3142 if the person has not been sentenced to a term of imprisonment.".

(g) Section 3147, as amended by this Act, is amended—

(1) in paragraph (1), by deleting "not less than two years and"; and

(2) in paragraph (2), by deleting "not less than ninety days and".

(h) Section 3156(b)(2) is amended by deleting "petty offense as defined in section 1(3) of this title" and substituting "Class B or C misdemeanor or an infraction".

(i) Section 3172(2) is amended by deleting "petty offense as defined in section 1(3) of this title" and substituting "Class B or C misdemeanor or an infraction".

(j) Section 3401 is amended—

(1) by repealing subsection (g); and

(2) in subsection (h), by deleting "petty offense case" and substituting "Class B or C misdemeanor case, or infraction case,".

(k) Section 3670 (formerly section 3619) is amended by deleting "3617" and "3618" and substituting "3666" and "3667", respectively.

(l) Section 4004 is amended by deleting "record clerks, and parole officers" and substituting "and record clerks".

(m) Chapter 306 is amended as follows:

"(b) An offender transferred to the United States to serve a sentence of imprisonment shall be released pursuant to section 3624(a) of this title after serving the period of time specified in the applicable sentencing guideline promulgated pursuant to 28 U.S.C. 994(a)(1). He shall be released to serve a term of supervised release for any term specified in the applicable guideline. The provisions of section 3742 of this title apply to a sentence under this subsection, and the United States court of appeals for the district in which the offender is imprisoned or under supervision after transfer to the United States has jurisdiction to review the sentence as though it had been imposed by the United States district court."; and

(C) by repealing subsection (c).

(4) Section 4108(a) is amended by adding ", including any term of imprisonment or term of supervised release specified in the applicable sentencing guideline promulgated pursuant to 28 U.S.C. 994(a)(1)," after "consequences thereof".

(n) Section 4321 is amended by deleting "parole or".

(o) Section 4351(b) is amended by deleting "Parole Board" and substituting "Sentencing Commission".

(p) Section 5002 is amended by deleting "Board of Parole, the Chairman of the

Youth Division," and substituting "United States Sentencing Commission,".

SEC. 214. The Controlled Substances Act (21 U.S.C. 801 et seq.) is amended as follows:

(a) Section 401 (21 U.S.C. 841) is amended—

(1) in subsection (b)(1)(A), by deleting the last sentence;

(2) in subsection (b)(1)(B), by deleting the last sentence;

(3) in subsection (b)(2), by deleting the last sentence;

(4) in subsection (b)(4), by deleting "subsections (a) and (b) of", and by adding "and section 3607 of title 18, United States Code" after "404";

(5) in subsection (b)(5), by deleting the last sentence; and

(6) by repealing subsection (c).

(b) Section 405 (21 U.S.C. 845) is amended—

(1) in subsection (a), by deleting "(1)" the second place it appears, and by deleting ", and (2) at least twice any special parole term authorized by section 401(b), for a first offense involving the same controlled substance and schedule"; and

(2) in subsection (b), by deleting "(1)" the second place it appears, and by deleting ", and (2) at least three times any special parole term authorized by section 401(b), for a second or subsequent offense involving the same controlled substance and schedule".

(c) Section 408(c) (21 U.S.C. 848(c)) is amended by deleting "and section 4202 of title 18 of the United States Code".

SEC. 215. The Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.) is amended as follows:

(a) Section 1010 (21 U.S.C. 960) is amended—

(1) in subsection (b)(1), by deleting the last sentence;

(2) in subsection (b)(2), by deleting the last sentence; and

(3) by repealing subsection (c).

(b) Section 1012(a) (21 U.S.C. 962(a)) is amended by deleting the last sentence.

SEC. 216. Section 114(b) of title 23, United States Code, is amended by adding ", supervised release," after "parole".

SEC. 217. Section 5871 of the Internal Revenue Code of 1954 (26 U.S.C. 5871) is amended by deleting ", and shall become eligible for parole as the Board of Parole shall determine".

SEC. 218. Title 28 of the United States Code is amended as follows:

(a) Section 509 is amended—

(1) in paragraph (3), by deleting "; and" and substituting a period; and

(2) by repealing paragraph (4).

(b) Section 591(a) is amended by deleting "petty offense" and substituting "Class B or C misdemeanor or an infraction".

(c) Section 2901 is amended—

(1) in subsection (e), by deleting "section" and substituting "section 3581"; and

(2) in subsection (g)(3), by adding ", supervised release," after "parole", and by adding "supervised release," after "parole,".

SEC. 219. Section 504(a) of the Labor Management Reporting and Disclosure Act of 1959 (29 U.S.C. 504(a)) and section 411(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1111(a)) are amended—

(a) by deleting "Board of Parole of the United States Department of Justice" and substituting "if the offense is a federal offense, the sentencing judge or, if the offense is a State or local offense, on motion of the United States Department of Justice, the district court of the United States for the district in which the offense was committed";

(b) by adding ", pursuant to sentencing guidelines and policy statements issued pursuant to 28 U.S.C. 994(a),";

(c) by deleting "Board" and "Board's" and substituting "court" and "court's", respectively"; and

(d) by deleting "an administrative" and substituting "a".

SEC. 220. Section 411 (c)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1111(c)(3)) is amended by adding "or supervised release" after "parole".

SEC. 221. Section 454(b) of the Comprehensive Employment and Training Act of 1973, as added by section 2 of the Act of October 27, 1978 (29 U.S.C. 927(b)), is amended by deleting "or parole" the first place it appears and substituting ", parole, or supervised release".

SEC. 222. The Public Health Service Act (42 U.S.C. et seq.) is amended as follows:

(a) Section 341(a) (42 U.S.C. 257(a)0 is amended by deleting "or convicted of offenses against the United States and sentenced to treatment" and "addicts who are committed to the custody of the Attorney General pursuant to provisions of the Federal Youth Corrections Act (chapter 402 of title 18 of the United States Code),".

(b) Section 343(d) (42 U.S.C. 259(d)) is amended by adding "or supervised release" after "parole".

SEC. 223. Section 11507 of title 49, United States Code, is amended by adding ", supervised release," after "parole".

SEC. 224. Section 10(b)(7) of the Military Selective Service Act (50 U.S.C. App. 460(b)(7)) is amended by deleting "parole" and substituting "release".

EFFECTIVE DATE

SEC. 225.(a)(1) This title shall take effect on the first day of the first calendar month beginning twenty-four months after the date of enactment, except that—

(A) the repeal of chapter 402 of title 18, United States Code, shall take effect on the date of enactment; and

(B)(i) chapter 58 of title 28, United States Code, shall take effect on the date of enactment of this Act or October 1, 1983, whichever occurs later, and the United States Sentencing Commission shall submit the initial sentencing guidelines promulated to section 994(a)(1) of title 28 to the Congress within eighteen months of the effective date of the chapter; and

(ii) the sentencing guidelines promulgated pursuant to section 994(a)(1), and the provisions of sections 3581, 3583, and 3624 of title 18, United States Code, shall not go into effect until the day after—

(a) the United States Sentencing Commission has submitted the initial set of sentencing guidelines to the Congress pursuant to subparagraph (B)(i), along with a report stating the reasons for the Commission's recommendations;

(b) the General Accounting Office has undertaken a study of the guidelines, and their potential impact in comparison with the operation of the existing sentencing and parole release system, and has, within three months of submission of the guidelines, reported to the Congress the results of its study; and

(c) the Congress has had six months after the date described in subclause (a) in which to examine the guidelines and consider the reports.

(2) For the purposes of section 992(a) of title 28, the terms of the first members of the United States Sentencing Commission shall not begin to run until the sentencing guidelines go into effect pursuant to paragraph (1)(B)(ii).

(b)(1) The following provisions of law in effect on the day before the effective date of this Act shall remain in effect for five years after the effective date as to an individual convicted of an offense or adjudicated to be a juvenile delinquent before the effective date and as to a term of imprisonment during the period described in subsection (a)(1)(B):

(A) Chapter 311 of title 18, United States Code.

(B) Chapter 309 of title 18, United States Code.

(C) Sections 4254 through 4255 of title 18, United States Code.

(D) Sections 5041 and 5042 of title 18, United States Code.

(E) Sections 5017 through 5020 of title 18, United States Code, as to a sentence imposed before the date of enactment.

(F) The maximum term of imprisonment in effect on the effective date for an offense committed before the effective date.

(G) Any other law relating to a violation of a condition of release or to arrest authority with regard to a person who violates a condition of release.

(2) Notwithstanding the provisions of section 4202 of title 18, United States Code, as in effect on the day before the effective date of this Act, the term of office of a Commissioner who is in office on the effective date is extended to the end of the five-year period after the effective date of this Act.

(3) The United States Parole Commission shall set a release date, for an individual who will be in its jurisdiction the day before the expiration of five years after the effective date of this Act, that is within the range that applies to the prisoner under the applicable parole guideline. A release date set pursuant to this paragraph shall be set early enough to permit consideration of an appeal of the release date, in accordance with Parole Commission procedures, before the expiration of five years following the effective date of this Act.

(4) Notwithstanding the other provisions of this subsection, all laws in effect on the day before the effective date of this Act pertaining to an individual who is—

(A) released pursuant to a provision listed in paragraph (1); and

(B)(i) subject to supervision on the day before the expiration of the five-year period following the effective date of this Act; or

(ii) released on a date set pursuant to paragraph (3);

including laws pertaining to terms and conditions of release, revocation of release, provision of counsel, and payment of transportation costs, shall remain in effect as to the individual until the expiration of his sentence, except that the district court shall determine, in accord with the Federal Rules of Criminal Procedure, whether release should be revoked or the conditions of release amended for violation of a condition of release.

(5) Notwithstanding the provisions of section 991 of title 28, United States Code, and sections 4351 and 5002 of title 18, United States Code, the Chairman of the United States Parole Commission or his designee shall be a member of the National Institute of Corrections, and the Chairman of the United States Parole Commission shall be a member of the Advisory Corrections Coun-

cil and a nonvoting member of the United States Sentencing Commission, ex officio, until the expiration of the five-year period following the effective date of this Act. Notwithstanding the provisions of section 4351 of title 18, during the five-year period the National Institute of Corrections shall have seventeen members, including seven ex officio members. Notwithstanding the provisions of section 991 of title 28, during the five-year period the United States Sentencing Commission shall consist of nine members, including two ex officio, nonvoting members.

SEC. 226. (a)(1) Four years after the sentencing guidelines promulgated pursuant to section 994(a)(1), and the provisions of sections 3581, 3583, and 3624 of title 18, United States Code, go into effect, the General Accounting Office shall undertake a study of the guidelines in order to determine their impact and compare the guidelines system with the operation of the previous sentencing and parole release system, and, within six months of the undertaking of such study, report to the Congress the results of its study.

(2) Within one month of the start of the study required under subsection (a), the United States Sentencing Commission shall submit a report to the General Accounting Office detailing the operation of the sentencing guideline system and discussing any problems with the system or reforms needed.

(b) The Congress shall review the study submitted pursuant to subsection (a) in order to determine—

(1) whether the sentencing guideline system has been effective;

(2) whether any changes should be made in the sentencing guideline system; and

(3) whether the parole system should be reinstated in some form and the life of the Parole Commission extended.

TITLE III—LIMITATION OF THE EXCLUSIONARY RULE

SEC. 301. This title may be cited as the "Exclusionary Rule Limitation Act of 1982."

SEC. 302. (a) Chapter 223 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 3505. Limitation of the Fourth Amendment Exclusionary Rule

"Except as specifically provided by statute, evidence which is obtained as a result of a search or seizure and which is otherwise admissible shall not be excluded in a proceeding in a court of the United States if the search or seizure was undertaken in a reasonable, good faith belief that it was in conformity with the Fourth Amendment to the Constitution of the United States. A showing that evidence was obtained pursuant to and within the scope of a warrant constitutes prima facie evidence of such a reasonable good faith belief, unless the warrant was obtained through intentional and material misrepresentation.".

(b) The table of sections of such chapter is amended by adding at the end thereof the following item:

"§ 3505. Limitation of the Fourth Amendment Exclusionary Rule.".

TITLE IV—FORFEITURE

SEC. 401. This title may be cited as the "Comprehensive Forfeiture Act of 1983".

PART A

SEC. 402. Section 1963 of title 18 of the United States Code is amended to read as follows:

§ 1963. Criminal penalties

"(a) Whoever violates any provision of section 1962 of this chapter—

"(1) shall be fined not more than $25,000 or imprisoned for not more than twenty years, or both; and

"(2) shall forfeit to the United States any property, irrespective of any provision of State law—

"(A) constituting, or derived from, any interest in or contribution to an enterprise the person has acquired, maintained, established, operated, controlled, conducted, or participated in the conduct of, in violation of section 1962 of this chapter;

"(B) constituting a means by which the person has exerted influence or control over any enterprise he has acquired, maintained, established, operated, controlled, conducted, or participated in the acquisition, maintenance, establishment, operation, conduct or control of, in violation of section 1962 of this chapter; and

"(C) constituting, or derived from, any proceeds which the person obtained, directly or indirectly, from racketeering activity or unlawful debt collection in violation of section 1962 of this chapter.

The court, in imposing sentence on such person, shall order, in addition to any other sentence imposed pursuant to this section, that the person forfeit to the United States all property described in paragraph (2).

"(b) Property subject to criminal forfeiture under this section includes—

"(1) real property, including things growing on affixed to, and found in land, and

"(2) tangible and intangible personal property, including rights, privileges, interests, claims, and securities.

"(c) All right, title, and interest in property described in subsection (a)(2) vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is subsequently transferred to a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States: *Provided,* That the Attorney General shall not direct disposition of any such property if, in a proceeding under subsection (h), the person establishes to the Attorney General by evidence contained in a petition for remission or mitigation of forfeiture, that—

"(1) the person was a bona fide purchaser of the property for value; and

"(2) the person was reasonably without cause to believe that the property was of the type described in subsection (a)(2).

"(d) If any of the property described in subsection (a)(2)—

"(1) cannot be located,

"(2) has been transferred to, sold to, or deposited with, a third party,

"(3) has been placed beyond the jurisdiction of the court,

"(4) has been substantially diminished in value by any act or omission of the defendant, or

"(5) has been commingled with other property which cannot be divided without difficulty,

the court shall order the forfeiture of any other property of the defendant up to the value of any property described in paragraphs (1) through (5).

"(e)(1) Upon application of the United States, the court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a)(2) for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of section 1962 of this chapter and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if, after notice to persons appearing to have an interest in the property and opportunity for a hearing, the court determines that—

"(i) there is a substantial probability that the United States will prevail on the issue of forfeiture and that failure to enter the order will result in the property being destroyed, removed from the jurisdiction of the court, or otherwise made unavailable for forfeiture; and

"(ii) the need to preserve the availability of the property through the entry of the requested order outweighs the hardship on any party against whom the order is to be entered.

Provided, however, That an order entered pursuant to subparagraph (B) shall be effective for not more than ninety days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) A temporary restraining order under this subsection may be entered upon application of the United States without notice or opportunity for a hearing when an information or indictment has not yet been filed with respect to the property, if the United States demonstrates that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that provision of notice will jeopardize the availability of the property for forfeiture. Such a temporary order shall expire not more than ten days after the date on which it is entered, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. A hearing requested concerning an order entered under this paragraph shall be held at the earliest possible time, and prior to the expiration of the temporary order.

"(f) Upon conviction of a person under this section, the court shall enter a judgment of forfeiture of the property to the United States and shall also authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following the entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to, or derived from, an enterprise or an interest in an enterprise which has been ordered forfeited under this section may be used to offset ordinary and necessary expenses to the enterprise which are required by law, or which are necessary to protect the interests of the United States or third parties.

"(g) Following the seizure of property ordered forfeited under this section, the Attorney General shall direct the disposition of the property by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the

United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with or on behalf of the defendant be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or a person acting in concert with or on behalf of the defendant, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm or loss to him. Notwithstanding section 3302(b) of title 31, United States Code, the proceeds of any sale or other disposition of property forfeited under this section and any moneys forfeited shall be used to pay all proper expenses for the forfeiture and the sale, including expenses of seizure, maintenance and custody of the property pending its disposition, advertising and court costs. The Attorney General shall deposit in the Treasury any amounts of such proceeds or moneys remaining after the payment of such expenses.

"(h) With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this chapter;

"(2) compromise claims arising under this section;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

"(i) The Attorney General may promulgate regulations with respect to—

"(1) making reasonable efforts to provide notice to persons who may have an interest in property ordered forfeited under this section;

"(2) granting petitions for remission or mitigation of forfeiture;

"(3) the restitution of property to victims of an offense petitioning for remission or mitigation of forfeiture under this chapter;

"(4) the disposition by the United States of forfeited property by public sale or other commercially feasible means;

"(5) the maintenance and safekeeping of any property forfeited under this section pending its disposition; and

"(6) the compromise of claims arising under this chapter.

Pending the promulgation of such regulations, all provisions of law relating to the disposition of property, or the proceeds from the sale thereof, or the remission or mitigation of forfeitures for violation of the customs laws, and the compromise of claims and the award of compensation to informers in respect of such forfeitures shall apply to forfeitures incurred, or alleged to have been incurred, under the provisions of this section, insofar as applicable and not inconsistent with the provisions hereof. Such duties as are imposed upon the Customs Service or any person with respect to the disposition of property under the customs law shall be performed under this chapter by the Attorney General.

"(j) Except as provided in this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property, prior to or during the trial or appeal of the criminal case, or during the period in which any petition for remission or mitigation of forfeiture is pending before the Attorney General.

"(k) The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"(l) In order to facilitate the identification or location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under rule 15 of the Federal Rules of Criminal Procedure.".

PART B

SEC. 403. Part D of title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970 is amended by adding at the end thereof the following new section:

"CRIMINAL FORFEITURES

"Property Subject to Criminal Forfeiture

"SEC. . (a) Any person convicted of a violation of this title or title III punishable by imprisonment for more than one year shall forfeit to the United States, irrespective of any provision of State law—

"(1) any property constituting, or derived from, any proceeds the person obtained, directly or indirectly, as the result of such violation;

"(2) any of the person's property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of, such violation; and

"(3) in the case of a person convicted of engaging in a continuing criminal enterprise in violation of section 408 of this title (21 U.S.C. 848), the person shall forfeit, in addition to any property described in paragraph (1) or (2), any of his interest in, claims against, and property or contractual rights affording a source of control over, the continuing criminal enterprise.

The court, in imposing sentence on such person, shall order, in addition to any other sentence imposed pursuant to this title or title III, that the person forfeit to the United States all property described in this subsection.

"Meaning of Term 'Property'

"(b) Property subject to criminal forfeiture under this section includes—

"(1) real property, including things growing on, affixed to, and found in land; and

"(2) tangible and intangible personal property, including rights, privileges, interests, claims and securities.

Third Party Transfers

"(c) All right, title, and interest in property described in subsection (a) vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is subsequently transferred to a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States: *Provided,* That the Attorney General shall not direct disposition of any such property if, in a proceeding under subsection (i), the person establishes to the Attorney General by evidence contained in a petition for remission or mitigation of forfeiture, or the Attorney General otherwise has reason to know, that—

"(1) the person was a bona fide purchaser of the property for value; or

"(2) that person was reasonably without cause to believe that the property was of the type described in subsection (a).

"(d) If any of the property described in subsection (a)—

"(1) cannot be located,

"(2) has been transferred to, sold to, or deposited with a third party,

"(3) has been placed beyond the jurisdiction of the court,

"(4) has been substantially diminished in value by any act or omission of the defendant, or

"(5) has been commingled with other property which cannot be divided without difficulty,

the court shall order the forfeiture of any other property of the defendant up to the value of any property described in paragraphs (1) through (5).

"Protective Orders

"(e)(1) Upon application of the United States, the court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a) for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of this title or title III for which criminal forfeiture may be ordered under this section and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment of information, if, after notice to persons appearing to have an interest in the property and opportunity for a hearing, the court determines that—

"(i) there is a substantial probability that the United States will prevail on the issue of forfeiture and that failure to enter the order will result in the property being destroyed, removed from the jurisdiction of the court, or otherwise made unavailable for forfeiture; and

"(ii) the need to preserve the availability of the property through the entry of the requested order outweighs the hardship on any party against whom the order is to be entered.

Provided, however, That an order entered pursuant to subparagraph (B) shall be effective for not more than ninety days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) A temporary restraining order under this subsection may be entered upon application of the United States without notice or opportunity for a hearing when an information or indictment has not yet been filed with respect to the property, if the United States demonstrates that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that provision of notice will jeopardize the availability of the property for forfeiture. Such a temporary order shall expire not more than ten days after the date on which it is entered, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. A hearing requested concerning an order entered and this paragraph shall be held at the earliest possible time and prior to the expiration of the temporary order.

"Warrant of Seizure

"(f) The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant. If the court determines that there is probable cause to believe that the property to be seized would, in the event of conviction, be subject to forfeiture and that an order under subsection (e) may not be sufficient to assure the availability of the property for forfeiture, the court shall issue a warrant authorizing the seizure of such property.

"Execution

"(g) Upon entry of an order of forfeiture under this section, the court shall authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from property ordered forfeited under this section may be used to offset ordinary and necessary expenses to the property which are required by law, or which are necessary to protect the interests of the United States or third parties.

"Disposition of Property

"(h) Following the seizure of property ordered forfeited under this section, the Attorney General shall direct the disposition of the property by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or a person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm, or loss to him.

"Authority of the Attorney General

"(i) With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this section;

"(2) compromise claims arising under this section;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States, in accordance with the provisions of section 511(e) of this title (21 U.S.C. 881(e)), of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

"Applicability of Civil Forfeiture Provisions

"(j) Except to the extent that they are inconsistent with the provisions of this section, the provisions of section 511(d) of this title (21 U.S.C. 881(d)) shall apply to a criminal forfeiture under this section.

"Bar on Intervention; Exhaustion of Administrative Remedies

"(k) Except as provided in this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of is alleged interest in the property, prior to or during the trial or appeal of the criminal case, or during the period in which any petition for remission or mitigation of forfeiture is pending before the Attorney General.

"Jurisdiction To Enter Orders

"(l) The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"Depositions

"(m) In order to facilitate the identification and location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States, the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under rule 15 of the Federal Rules of Criminal Procedure.".

SEC. 404. Section 304 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 824) is amended by adding at the end of subsection (f) the following sentence: "All right, title, and interest in such controlled substances shall vest in the United States upon a revocation order becoming final.".

SEC. 405. Section 408 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 848) is amended—

(a) in subsection (a)—

(1) by striking out "(1)";

(2) by striking out "paragraph (2)" each time it appears, and inserting in lieu thereof "section 413 of this title"; and

(3) by striking out paragraph (2); and

(b) by striking out subsection (d).

SEC. 406. Section 511 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 881) is amended—

(a) in subsection (a) by inserting at the end thereof the following new subsection:

"(7) All real property, including any right, title, and interest in the whole of any lot or tract of land and any appurtenances or improvements, which is used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of, a violation of this title punishable by more than one year's imprisonment, except that no property shall be forfeited under this paragraph, to the extent of an interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.".

(b) in subsection (b)—

(1) by inserting "civil or criminal" after "Any Property subject to"; and

(2) by striking out in paragraph (4) "has been used or is intended to be used in violation of" and inserting in lieu thereof "is subject to civil or criminal forfeiture under";

(c) in subsection (c)—

(1) by inserting in the second sentence "any of" after "Whenever property is seized under"; and

(2) by inserting in paragraph (3) ", if practicable," after "remove it";

(d) in subsection (d) inserting "any of" after "alleged to have been incurred, under";

(e) in subsection (e)—

(1) by inserting "civilly or criminally" in the first sentence after "Whenever property is"; and

(2) by striking out in paragraph (3) "remove it for disposition" and inserting in lieu thereof "and dispose of it"; and

(f) by inserting at the end thereof the following new subsections:

"(h) All right, title, and interest in property described in subsection (a) shall vest in the United States upon commission of the act giving rise to forfeiture under this section.

"(i) the filing of an indictment or information alleging a violation of this title or title III which is also related to a civil forfeiture proceeding under this section shall, upon motion of the United States and for good cause shown, stay the civil forfeiture proceeding.".

SEC. 407. Part A of title III of the Comprehensive Drug Abuse Prevention and Control Act of 1970 is amended by adding at the end thereof the following new section:

"CRIMINAL FORFEITURES

"SEC. 1017. Section 413 of title II, relating to criminal forfeitures, shall apply in every respect to a violation of this title punishable by imprisonment for more than one year.".

SEC. 408. The table of contents of the Comprehensive Drug Abuse Prevention and Control Act of 1970 is amended—

(a) by adding immediately after

"Sec. . Applicability of treaties and other international agreements."

the following new item:

"Sec. . Criminal forfeitures."

"and (b) by adding immediately after

"Sec. 1016. Authority of Secretary of the Treasury."

the following new item:

"Sec. 1017. Criminal forfeitures."

PART C

Sec. 409. (a) Section 511(e)(1) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 881) is amended by adding after "retain the property for official use" the following: "or transfer the custody or ownership of any forfeited property to any Federal, State, or local agency pursuant to section 616 of the Tariff Act of 1930 (19 U.S.C. 1616)".

(b) Section 511(e) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 881(e)) is further amended by striking out "the general fund of the United States Treasury" in the sentence beginning "The Attorney General shall" and inserting in lieu thereof "accordance with subsection (j) of this section".

Sec. 410. (a) Section 511 of the Controlled Substances Act (21 U.S.C. 881) is amended by adding at the end the following new subsection:

"(j)(1) There is established in the United States Treasury a special fund to be known as the Drug Assets Forfeiture Fund (hereinafter in this subsection referred to as the 'fund') which shall be available to the Attorney General without fiscal year limitation in such amounts as may be specified in appropriation Acts for the following purposes of the Department of Justice:

"(A) the payment, at the discretion of the Attorney General, of any expenses necessary to seize, detain, inventory, safeguard, maintain, advertise, or sell property under seizure, detention, or forfeited pursuant to this Act or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), or of any other necessary expenses incident to the seizure, detention, or forfeiture of such property; such payments may include payments for contract services and payments to reimburse any Federal, State, or local agency for any expenditures made to perform the foregoing functions;

"(B) the payment of awards for information or assistance leading to a civil or criminal forfeiture under this Act, or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), at the discretion of the Attorney General;

"(C) the compromise and payment of valid liens and mortgages against property that has been forfeited pursuant to any provision of this Act or the Controlled Substances Import and Export Act (21 US.C. 951 et seq.), subject to the discretion of the Attorney General to determine the validity of any such lien or mortgage and the amount of payment to be made; and

"(D) disbursements authorized in connection with remission and mitigation procedures relating to property forfeited under this Act or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.).

"(2) Any reward paid from the fund for information concerning a forfeiture shall be paid at the discretion of the Attorney General or his delegate, except that the authority to pay a reward of $10,000 or more shall not be delegated to any person other than the Deputy Attorney General, the Associate Attorney General, the Director of the Federal Bureau of Investigation, or the Administrator of the Drug Enforcement Administration. Any reward for such information shall not exceed the lesser of $150,000 or one quarter of the amount realized by the United States from the property forfeited.

"(3) There shall be deposited in the fund all amounts remaining after payment of expenses for forfeiture and sale under subsection (e) of this section.

"(4) Amounts in the fund which are not currently needed for the purpose of this section shall be kept on deposit or invested in obligations of, or guaranteed by, the United States.

"(5) The Attorney General shall transmit to the Congress, not later than four months after the end of each fiscal year a detailed report on the amounts deposited in the fund and a description of expenditures made under this subsection.

"(6) The provisions of this subsection relating to deposits in the fund shall apply to all property in the custody of the Department of Justice on or after the effective date of the Comprehensive Forfeiture Act of 1983.

"(7) For the purposes described in paragraph (1)(A), (B), and (C), there are authorized to be appropriated from the fund for fiscal year 1984 not more than $10,000,000, for fiscal year 1985 not more than $15,000,000, for fiscal year 1986 not more than $20,000,000, and for fiscal year 1987 not more than $20,000,000. For fiscal years 1984, 1985, 1986, and 1987, there are authorized to be appropriated such amounts as may be necessary for the purpose described in paragraph (1)(D). Amounts in the fund in excess of the amounts appropriated at the end of each fiscal year shall be deposited in the General Fund of the United States Treasury. At the end of the last fiscal year for which appropriations from the fund are authorized by this Act, the fund shall cease to exist and any amount then remaining in the fund shall be deposited in the General Fund of the Treasury of the United States.".

PART D

Sec. 411. Section 607 of the Tariff Act of 1930 (19 U.S.C. 1607) is amended to read as follows:

"§ 607. Seizure; value $100,000 or less, prohibited articles, transporting conveyances

"(a) If—

"(1) the value of such seized vessel, vehicle, aircraft, merchandise, or baggage does not exceed $100,000;

"(2) such seized merchandise consists of articles the importation of which is prohibited; or

"(3) such seized vessel, vehicle, or aircraft was used to import, export, or otherwise transport or store any controlled substances,

the appropriate customs officer shall cause a notice of the seizure of such articles and the intention to forfeit and sell or otherwise dispose of the same according to law to be published for at least three successive weeks in such manner as the Secretary of the Treasury may direct. Written notice of seizure together with information on the applicable procedures shall be sent to each party who appears to have an interest in the seized article.

"(b) As used in this section, the term 'controlled substance' has the meaning given that term in section 102 of the Controlled Substances Act (21 U.S.C. 802).".

Sec. 412. Section 608 of the Tariff Act of 1930 (19 U.S.C. 1608) is amended in the second sentence by inserting after "penal sum of" the following: $5,000 or 10 percent of the value of the claimed property, whichever is lower, but not less than,".

Sec. 413. Section 609 of the Tariff Act of 1930 (19 U.S.C. 1609) is amended by striking out "after deducting the actual expenses of seizure, publication, and sale in the Treasury of the United States." and inserting in lieu thereof "after deducting expenses enumerated in section 613 of this Act into the Customs Forfeiture Fund.".

Sec. 414. Section 610 of the Tariff Act of 1930 (19 U.S.C. 1610) is amended by striking out "If the value of any vessel, vehicle, merchandise, or baggage so seized is greater than $10,000," and substituting in lieu thereof the following: "If any vessel, vehicle, aircraft, merchandise, or baggage is not subject to the procedure set forth in section 607,".

Sec. 415. Section 612 of the Tariff Act of 1930 (19 U.S.C. 1612) is amended by—

(1) inserting "aircraft," immediately after "vehicle," wherever it appears in the section;

(2) striking out "and the value of such vessel, vehicle, merchandise, or baggage as determined under section 606 does not exceed $10,000," in the first sentence and inserting in lieu thereof the following: "and the article is subject to the provisions of section 607 of this Act,"; and

(3) striking out "If such value of such vessel, vehicle, merchandise, or baggage exceeds $10,000," in the second sentence and inserting in lieu thereof the following: "If the article is not subject to the provisions of section 607 of this Act,".

Sec. 416. Section 613(a)(3) of the tariff Act of 1930 (19 U.S.C. 1613(a)(3)) is amended to read as follows:

"(3) the residue shall be deposited in the Customs Forfeiture Fund.".

Sec. 417. The Tariff Act of 1930 is amended by adding a new section immediately after section 613 (19 U.S.C. 1613) to read as follows:

"§ 613a. Customs Forfeiture Fund

"(a) There is hereby established in the Treasury of the United States a special fund for the United States Customs Service that shall be entitled the 'Customs Forfeiture Fund' (hereinafter referred to in this section as the 'fund'). This fund shall be available without fiscal year limitation in such amounts as may be specified in appropriations Acts for the following purposes of the United States Customs Service—

"(1) the payment of all proper expenses of the seizure or detention or the proceedings of forfeiture and sale (not otherwise recovered under section 613(a)) including but not limited to, expenses of inventory, security, maintaining the custody of the property, advertising and sale, and if condemned by the court and a bond for such costs was not given, the costs as taxed by the court; and

"(2) the payment of awards of compensation to informers under section 619 of the Tariff Act of 1930, as amended.

"(b) There shall be deposited in the fund all proceeds from the sale or other disposition of property forfeited under, and any currency or monetary instruments seized and forfeited under, the laws enforced or administered by the United States Customs Service.

"(c) Amounts in the fund which are not currently needed for the purposes of this section shall be kept on deposit or invested in obligations of, or guaranteed by, the United States.

"(d) The Commissioner of the Customs shall transmit to the Congress, not later than four months after the end of each fiscal year a detailed report on the amounts

deposited in the fund and a description of expenditures made under this section.

"(e) The provisions of this section relating to deposits in the fund shall apply to all property in the custody of the United States Customs Service on or after the effective date of the Comprehensive Forfeiture Act of 1983.

"(f) For the purposes described in subsection (a), there are authorized to be appropriated from the fund for fiscal year 1984 not more than $10,000,000, for fiscal year 1985 not more than $15,000,000, for fiscal year 1986 not more than $20,000,000, and for fiscal year 1987 not more than $20,000,000. Amounts in the fund in excess of the amounts appropriated at the end of each fiscal year shall be deposited in the General Fund of the Treasury of the United States. At the end of the last fiscal year for which appropriations from the fund are authorized by this Act, the fund shall cease to exist and any amount then remaining in the fund shall be deposited in the General Fund of the Treasury of the United States.".

SEC. 418. A new section 616 is added to the Tariff Act of 1930 (19 U.S.C. 1616) to read as follows:

"§ 616. Disposition of forfeited property

"(a) Notwithstanding any other provision of the law, the Commissioner is authorized to retain forfeited property, or to transfer such property on such terms and conditions as he may determine to—

"(1) any other Federal agency; or

"(2) any State or local law enforcement agency which participated directly in any of the acts which led to the seizure or forfeiture of the property.

The United States shall not be liable in any action arising out of the use of any property the custody of which was transferred pursuant to this section to any non-Federal agency.

"(b) The Secretary of the Treasury may order the discontinuance of any forfeiture proceedings under this Act in favor of the institution of forfeiture proceedings by State or local authorities under an appropriate State or local statute. After the filing of a complaint for forfeiture under this Act, the Attorney General may seek dismissal of the complaint in favor of forfeiture proceedings under State or local law.

"(c) Whenever forfeiture proceedings are discontinued by the United States in favor of State or local proceedings, the United States may transfer custody and possession of the seized property to the appropriate State or local official immediately upon the initiation of the proper actions by such officials.

"(d) Whenever forfeiture proceedings are discontinued by the United States in favor of State or local proceedings, notice shall be sent to all known interested parties advising them of the discontinuance or dismissal. The United States shall not be liable in any action arising out of the seizure, detention, and transfer of seized property to State or local officials.".

SEC. 419. Section 619 of the Tariff Act of 1930 (19 U.S.C. 1619) is amended by—

"(a) striking out "$50,000" each time it appears and inserting in lieu thereof "$150,000"; and

"(b) adding at the end thereof "In no event shall the Secretary delegate the authority to pay an award under this section in excess of $10,000 to an official below the level of the Commissioner of Customs.".

SEC. 420. The Tariff Act of 1930 is amended by adding a new section 589, to read as follows:

"§ 589. Arrest authority of customs officers

"Subject to the direction of the Secretary of the Treasury, an officer of the Customs Service as defined in section 401(i) of this Act, as amended, may—

"(1) carry a firearm;

"(2) execute and serve any order, warrant, subpena, summons, or other process issued under the authority of the United States;

"(3) make an arrest without a warrant for any offense against the United States committed in the officer's presence or for a felony, cognizable under the laws of the United States committed outside the officer's presence if the officer has reasonable grounds to believe that the person to be arrested has committed or is committing a felony; and

"(4) perform any other law enforcement duty that the Secretary of the Treasury may designate.".

(b) Section 7607 of the Internal Revenue Act of 1954 (26 U.S.C. 7607) is repealed.

SEC. 421. Sections 602, 605, 606, 608, 609, 611, 613, 614, 615, 618, and 619 (19 U.S.C. 1602, 1605, 1606, 1608, 1609, 1611, 1613, 1614, 1615, 1618, and 1619) of the Tariff Act of 1930 are amended by inserting the word "aircraft," immediately after the words "vehicle" or "vehicles," wherever they appear.

SEC. 422. Section 644 of the Tariff Act of 1930 (19 U.S.C. 1644) is amended to read as follows:

"§ 644. Application of the Federal Aviation Act and section 1518(d) of title 33

"(a) The authority vested by section 1109 of the Federal Aviation Act of 1958 (49 U.S.C. 1509) in the Secretary of the Treasury, by regulation to provide for the application to civil air navigation of the laws and regulations relating to the administration of customs, and of the laws and regulations relating to the entry and clearance of vessels, shall extend to the application in like manner of any of the provisions of this Act, or of the Anti-Smuggling Act of 1935, or of any regulations promulgated hereunder.

"(b) For purposes of section 1518(d) of title 33, the term "customs laws administered by the Secretary of the Treasury" shall mean this chapter and any other provisions of law classified to this title."

SEC. 423. The Tariff Act of 1930 is amended by adding a new section 600 to read as follows:

"§ 600. Application of the customs laws to other seizures by customs officers

"The procedures set forth in sections 602 through 619 of this Act (19 U.S.C. 1602 through 1619) shall apply to seizures of any property effected by customs officers under any law enforced or administered by the Customs Service unless such law specifies different procedures."

TITLE V—OFFENDERS WITH MENTAL DISEASE OR DEFECT

SEC. 501. This title may be sited as the "Insanity Defense Reform Act of 1983."

SEC. 502. (a) Chapter 1 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 20. Insanity defense

"(a) AFFIRMATIVE DEFENSE.—It is an affirmative defense to a prosecution under any federal statute that, at the time of the commission of the acts constituting the offense, the defendant, as a result of mental disease or defect, was unable to appreciate the nature and quality or the wrongfulness of his acts. Mental disease or defect does not otherwise constitute a defense.

"(b) BURDEN OF PROOF.—The defendant has the burden of proving the defense of insanity by clear and convincing evidence.

SEC. 503. (a) Chapter 313 of title 18, United States Code, is amended to read as follows:

"CHAPTER 313—OFFENDERS WITH MENTAL DISEASE OR DEFECT

"Sec.
"4241. Determination of Mental Competency To Stand Trial.
"4242. Determination of the Existence of Insanity at the Time of the Offense.
"4243. Hospitalization of a Person Acquitted by Reason of Insanity.
"4244. Hospitalization of a Convicted Person Suffering from Mental Disease or Defect.
"4245. Hospitalization of an Imprisoned Person Suffering from Mental Disease or Defect.
"4246. Hospitalization of a Person Due for Release but Suffering from Mental Disease or Defect.
"4247. General Provisions for Chapter.

"§ 4241. Determination of Mental Competency To Stand Trial

"(a) MOTION TO DETERMINE COMPETENCY OF DEFENDANT.—At any time after the commencement of a prosecution for an offense and prior to the sentencing of the defendant, the defendant or the attorney for the government may file a motion for a hearing to determine the mental competency of the defendant. The court shall grant the motion, or shall order such a hearing on its own motion, if there is reasonable cause to believe that the defendant may presently be suffering from a mental disease or defect rendering him mentally incompetent to the extent that he is unable to understand the nature and consequences of the proceedings against him or to assist in his defense.

"(b) PSYCHIATRIC OR PSYCHOLOGICAL EXAMINATION AND REPORT.—Prior to the date of the hearing, the court may order that a psychiatric or psychological examination of the defendant be conducted, and that a psychiatric or psychological report be filed with the court, pursuant to the provisions of section 4247 (b) and (c).

"(c) HEARING.—The hearing shall be conducted pursuant to the provisions of section 4247(d).

"(d) DETERMINATION AND DISPOSITION.—If, after the hearing, the court finds by a preponderance of the evidence that the defendant is presently suffering from a mental disease or defect rendering him mentally incompetent to the extent that he is unable to understand the nature and consequences of the proceedings against him or to assist properly in his defense, the court shall commit the defendant to the custody of the Attorney General. The Attorney General shall hospitalize the defendant for treatment in a suitable facility—

"(1) for such a reasonable period of time, not to exceed four months, as is necessary to determine whether there is a substantial probability that in the foreseeable future he will attain the capacity to permit the trial to proceed; and

"(2) for an additional reasonable period of time until—

"(A) his mental condition is so improved that trial may proceed, if the court finds that there is a substantial probability that within such additional period of time he will attain the capacity to permit the trial to proceed; or

"(B) the pending charges against him are disposed of according to law;

whichever is earlier.

If, at the end of the time period specified, it is determined that the defendant's mental condition has not so improved as to permit the trial to proceed, the defendant is subject to the provisions of section 4246.

"(e) DISCHARGE.—When the director of the facility in which a defendant is hospitalized pursuant to subsection (d) determines that the defendant has recovered to such an extent that he is able to understand the nature and consequences of the proceedings against him and to assist properly in his defense, he shall promptly file a certificate to that effect with the clerk of the court that ordered the commitment. The clerk shall send a copy of the certificate to the defendant's counsel and to the attorney for the government. The court shall hold a hearing, conducted pursuant to the provisions of section 4247(d), to determine the competency of the defendant. If, after the hearing, the court finds by a preponderance of the evidence that the defendant has recovered to such an extent that he is able to understand the nature and consequences of the proceedings against him and to assist in his defense, the court shall order his immediate discharge from the facility in which he is hospitalized and shall set the date for trial. Upon discharge, the defendant is subject to the provisions of chapter 207.

"(f) ADMISSIBILITY OF FINDING OF COMPETENCY.—A finding by the court that the defendant is mentally competent to stand trial shall not prejudice the defendant is raising the issue of his insanity as a defense to the offense charged, and shall not be admissible as evidence in a trial for the offense charged.

"§ 4242. Determination of the Existence of Insanity at the Time of the Offense

"(a) MOTION FOR PRETRIAL PSYCHIATRIC OR PSYCHOLOGICAL EXAMINATION.—Upon the filing of a notice, as provided in Rule 12.2 of the Federal Rules of Criminal Procedure, that the defendant intends to rely on the defense set forth in subsection (a), the court, upon motion of the attorney for the government, may order that a psychiatric or psychological examination of the defendant be conducted, and that a psychiatric or psychological report be filed with the court, pursuant to the provisions of section 4247 (b) and (c).

"(b) SPECIAL VERDICT.—If the issue of insanity is raised by notice as provided in Rule 12.2 of the Federal Rules of Criminal Procedure on motion of the defendant or of the attorney for the government, or on the court's own motion, the jury shall be instructed to find, or, in the event of a nonjury trial, the court shall find, the defendant—

"(1) guilty;

"(2) not guilty;

"(3) not guilty only by reason of insanity.

"§ 4243. Hospitalization of a Person Acquitted by Reason of Insanity

"(a) DETERMINATION OF PRESENT MENTAL CONDITION OF ACQUITTED PERSON.—If a person is found not guilty only by reason of insanity at the time of the offense charged, he shall be committed to a suitable facility until such time as he is eligible for release pursuant to subsection (d).

"(b) PSYCHIATRIC OR PSYCHOLOGICAL EXAMINATION AND REPORT.—Prior to the date of the hearing, pursuant to subsection (c), the court shall order that a psychiatric or psychological examination of the defendant be conducted, and that a psychiatric or psychological report be filed with the court, pursuant to the provisions of section 4247 (b) and (c).

"(c) HEARING.—A hearing shall be conducted pursuant to the provisions of section 4247(d) and shall take place not later than forty days following the special verdict.

"(d) DETERMINATION AND DISPOSITION.—If, after the hearing, the court finds by clear and convincing evidence that the acquitted person is presently suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another, the court shall commit the person to the custody of the Attorney General. The existence of clear and convincing evidence that a person's release would create a substantial risk of bodily injury to another person or serious damage to property of another shall be presumed, subject to rebuttal by the acquitted person, where the person has been found not guilty only by reason of insanity of an offense involving bodily injury or serious damage to property of another, or a substantial risk of such injury or damage. The Attorney General shall release the person to the appropriate official of the State in which the person is domiciled or was tried if such State will assume responsibility for his custody, care, and treatment. The Attorney General shall make all reasonable efforts to cause such a State to assume such responsibility. If, notwithstanding such efforts, neither such State will assume such responsibility, the Attorney General shall hospitalize the person for treatment in a suitable facility until—

"(1) such a State will assume such responsibility; or

"(2) the person's mental condition is such that his release, or his conditional release under a prescribed regimen of medical, psychiatric, or psychological care or treatment, would not create a substantial risk of bodily injury to another person or serious damage to property of another;

whichever is earlier. The Attorney General shall continue periodically to exert all reasonable efforts to cause such a State to assume such responsibility for the person's custody, care, and treatment.

"(e) DISCHARGE.—When the director of the facility in which an acquitted person is hospitalized pursuant to subsection (d) determines that the person has recovered from his mental disease or defect to such an extent that his release, or his conditional release under a prescribed regimen of medical, psychiatric, or psychological care or treatment, would no longer create a substantial risk of bodily injury to another person or serious damage to property of another, he shall promptly file a certificate to that effect with the clerk of the court that ordered the commitment. The clerk shall send a copy of the certificate to the person's counsel and to the attorney for the government. The court shall order the discharge of the acquitted person or, on the motion of the attorney for the government or on its own motion, shall hold a hearing, conducted pursuant to the provisions of section 4247(d), to determine whether he should be released. If, after the hearing, the court finds by a preponderance of the evidence that the person has recovered from this mental disease or defect to such an extent that—

"(1) his release would no longer create a substantial risk of bodily injury to another person or serious damage to property of another, the court shall order that he be immediately discharged; or

"(2) his conditional release under a prescribed regimen of medical, psychiatric, or psychological care or treatment would no longer create a substantial risk of bodily injury to another person or serious damage to property of another, the court shall—

"(A) order that he be conditionally discharged under a prescribed regimen of medical, psychiatric, or psychological care or treatment that has been prepared for him, that has been certified to the court as appropriate by the director of the facility in which he is committed, and that has been found by the court to be appropriate; and

"(B) order, as an explicit condition of release, that he comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment.

The court at any time may, after a hearing employing the same criteria, modify or eliminate the regimen of medical, psychiatric, or psychological care or treatment.

"(f) REVOCATION OF CONDITIONAL DISCHARGE.—The director of a medical facility responsible for administering a regimen imposed on an acquitted person conditionally discharged under subsection (e) shall notify the Attorney General and the court having jurisidiction over the person of any failure of the person to comply with the regimen. Upon such notice, or upon other probable cause to believe that the person has failed to comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment, the person may be arrested, and, upon arrest, shall be taken without unnecessary delay before the court having jurisdiction over him. The court shall, after a hearing, determine whether the person should be remanded to a suitable facility on the ground that, in light of his failure to comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment, his continued release would create a substantial risk of bodily injury to another person or serious damage to property of another.

"§ 4244. Hospitalization of a Convicted Person Suffering From Mental Disease or Defect

"(a) MOTION TO DETERMINE PRESENT MENTAL CONDITION OF CONVICTED DEFENDANT.—A defendant found guilty of an offense, or the attorney for the government, may, within ten days after the defendant is found guilty, and prior to the time the defendant is sentenced, file a motion for a hearing on the present mental condition of the defendant if the motion is supported by substantial information indicating that the defendant may presently be suffering from a mental disease or defect for the treatment of which he is in need of custody for care or treatment in a suitable facility. The court shall grant the motion, or at any time prior to the sentencing of the defendant shall order such a hearing on its own motion, if it is of the opinion that there is reasonable cause to believe that the defendant may presently be suffering from a mental disease or defect for the treatment of which he is in need of custody for care for treatment in a suitable facility.

"(b) PSYCHIATRIC OR PSYCHOLOGICAL EXAMINATION AND REPORT.—Prior to the date of the hearing, the court may order that a psychiartric or psychological examination of the defendant be conducted, and that a psychiatric or psychological report be filed with the court, pursuant to the provisions of section 4247 (b) and (c). In addition to the information required to be included in the

psychiatric or psychological report pursuant to the provisions of section 4247(c), if the report includes an opinion by the examiners that the defendant is presently suffering from a mental disease or defect but that it is not such as to require his custody for care or treatment in a suitable facility, the report shall also include an opinion by the examiner concerning the sentencing alternatives that could best accord the defendant the kind of treatment he does need.

"(c) HEARING.—The hearing shall be conducted pursuant to the provisions of section 4247(d).

"(d) DETERMINATION AND DISPOSITION.—If, after the hearing, the court finds by a preponderance of the evidence that the defendant is presently suffering from a mental disease or defect and that he should, in lieu of being setnenced to imprisonment, be committed to a suitable facility for care or treatment, the court shall commit the defendant to the custody of the Attorney General. The Attorney General shall hospitalize the defendant for care or treatment in a suitable facility. Such a commitment constitutes a provisional sentence of imprisonment to the maximum term authorized by law for the offense for which the defendant was found guilty.

"(e) DISCHARGE.—When the director of the facility in which the defendant is hospitalized pursuant to subsection (d) determines that the defendant has recovered from his mental disease or defect to such an extent that he is no longer in need of custody for care or treatment in such a facility, he shall promptly file a certificate to that effect with the clerk of the court that ordered the commitment. The clerk shall send a copy of the certificate to the defendant's counsel and to the attorney for the government. If, at the time of the filing of the certificate, the provisional sentence imposed pursuant to subsection (d) has not expired, the court shall proceed finally to sentencing and may modify the provisional sentence.

"§ 4245. Hospitalization of an Imprisoned Person Suffering from Mental Disease or Defect

"(a) MOTION TO DETERMINE PRESENT MENTAL CONDITION OF IMPRSIONED DEFENDANT.—If a defendant serving a sentence of imprisionment objects either in writing or through his attorney to being transferred to a suitable facility for care or treatment, an attorney for the government, at the request of the director of the facility in which the defendant is imprisoned, may file a motion with the court for the district in which the facility is located for a hearing on the present mental condition of the defendant. the court shall grant the motion if there is resonable cause to believe tha the defendant may presently be suffering from a mental disease or defect for the treatment of which he is in need of custody for care or treatment in a suitable facility. A motion filed under this subsection shall stay the release of the defendant pending completion of procedures contained in this section.

"(b) PSYCHIATRIC OR PSYCHOLOGICAL EXAMINATION AND REPORT.—Prior to the date of the hearing, the court may order that a psychiatric or psychological examination of the defendant may be conducted, and that a psychiartic or psychological report be filed with the court, pursuant to the provisions of section 4247(b) and (c).

"(c) HEARING.—The hearing shall be conducted pursuant to the provisions of section 4247 (d).

"(d) DETERMINATION AND DISPOSITION.—If, after the hearing, the court finds by a preponderance of the evidence that the defendant is presently suffering from a mental disease or defect for the treatment of which he is in need of custody for care or treatment in a suitable facility, the court shall commit the defendant to the custody of the Attorney General. The Attorney General shall hospitalize the defendant for treatment in a suitable facility until he is no longer in need of such custody for care or treatment or until the expiration of his sentence of imprisonment, whichever occurs earlier.

"(e) DISCHARGE.—When the director of the facility in which the defendant is hospitalized pursuant to subsection (d) determines that the defendant has recovered from his mental disease or defect to such an extent that he is no longer in need of custody for care or treatment in such a facility, he shall promptly file a certificate to that effect with the clerk of the court that ordered the commitment. The clerk shall send a copy of the certificate to the defendant's counsel and to the attorney for the government. If, at the time of the filing of the certificate, the term of imprisonment imposed upon the defendant has not expired, the court shall order that the defendant be reimprisoned until the expiration of his sentence of imprisonment.

"§ 4246. Hospitalization of a person due for release but suffering from mental disease or defect

"(a) INSTITUTION OF PROCEEDING.—If the director of a facility in which a person is hospitalized certifies that a person whose sentence is about to expire, or who has been committed to the custody of the Attorney General pursuant to section 4241(d), or against whom all criminal charges have been dismissed solely for reasons related to the mental condition of the person, is presently suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another, and that suitable arrangements for State custody and care of the person are not available, he shall transmit the certificate to the clerk of the court for the district in which the person is confined. The clerk shall send a copy of the certificate to the person, and to the attorney for the government, and, if the person was committed pursuant to section 4241(d), to the clerk of the court that ordered the commitment. The court shall order a hearing to determine whether the person is presently suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another. A certificate filed under this subsection shall stay the release of the person pending completion of procedures contained in this section.

"(b) PSYCHIATRIC OR PSYCHOLOGICAL EXAMINATION AND REPORT.—Prior to the date of the hearing, the court may order that a psychiatric or psychological examination of the defendant be conducted, and that a psychiatric or psychological report be filed with the court, pursuant to the provisions of section 4247 (b) and (c).

"(c) HEARING.—The hearing shall be conducted pursuant to the provisions of section 4247(d).

"(d) DETERMINATION AND DISPOSITION.—If, after the hearing, the court finds by clear and convincing evidence that the person is presently suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another, the court shall commit the person to the custody of the Attorney General. The Attorney General shall release the person to the appropriate official of the State in which the person is domiciled or was tried if such State will assume responsibility for his custody, care, and treatment. The Attorney General shall make all reasonable efforts to cause such a State to assume such responsibility. If, not withstanding such efforts, neither such State will assume such responsibility, the Attorney General shall hospitalize the person for treatment in a suitable facility, until—

"(1) such a State will assume such responsibility; or

"(2) the person's mental condition is such that his release, or his conditional release under a prescribed regimen of medical, psychiatric, or psychological care or treatment would not create a substantial risk of bodily injury to another person or serious damage to property of another;

whichever is earlier. The Attorney General shall continue periodically to exert all reasonable efforts to cause such a State to assume such responsibility for the person's custody, care, and treatment.

"(e) DISCHARGE.—When the director of the facility in which a person is hospitalized pursuant to subsection (d) determines that the person has recovered from his mental disease or defect to such an extent that his release would no longer create a substantial risk of bodily injury to another person or serious damage to property of another, he shall promptly file a certificate to that effect with the clerk of the court that ordered the commitment. The clerk shall send a copy of the certificate to the person's counsel and to the attorney for the government. The court shall order the discharge of the person or, on the motion of the attorney for the government or on its own motion, shall hold a hearing, conducted pursuant to the provisions of section 4247(d), to determine whether he should be released. If, after the hearing, the court finds by a preponderance of the evidence that the person has recovered from his mental disease or defect to such an extent that—

"(1) his release would no longer create a substantial risk of bodily injury to another person or serious damage to property of another, the court shall order that he be immediately discharged; or

"(2) his conditional release under a prescribed regimen of medical, psychiatric, or psychological care or treatment would no longer create a substantial risk of bodily injury to another person or serious damage to property of another, the court shall—

"(A) order that he be conditionally discharged under a prescribed regimen of medical, psychiatric, or psychological care or treatment that has been prepared for him, that has been certified to the court as appropriate by the director of the facility in which he is committed, and that has been found by the court to be appropriate; and

"(B) order, as an explicit condition of release, that he comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment.

The court at any time may, after a hearing employing the same criteria, modify or eliminate the regimen of medical, psychiatric, or psychological care or treatment

"(f) REVOCATION OF CONDITIONAL DISCHARGE.—The director of a medical facility responsible for administering a regimen imposed on a person conditionally discharged under subsection (e) shall notify the Attorney General and the court having jurisdic-

tion over the person of any failure of the person to comply with the regimen. Upon such notice, or upon other probable cause to believe that the person has failed to comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment, the person may be arrested, and, upon arrest, shall be taken without unnecessary delay before the court having jurisdiction over him. The court shall, after a hearing, determine whether the person should be remanded to a suitable facility on the ground that, in light of his failure to comply with the prescribed regimen of medical, psychiatric, or psychological care or treatment, his continued release would create a substantial risk of bodily injury to another person or serious damage to property of another.

(g) RELEASE TO STATE OF CERTAIN OTHER PERSONS.—If the director of a facility in which a person is hospitalized pursuant to this subchapter certifies to the Attorney General that a person, against whom all charges have been dismissed for reasons not related to the mental condition of the person, is presently suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another, the Attorney General shall release the person to the appropriate official of the State in which the person is domiciled or was tried for the purpose of institution of State proceedings for civil commitment. If neither such State will assume such responsibility, the Attorney General shall release the person upon receipt of notice from the State that it will not assume such responsibility, but not later than 10 days after certification by the director of the facility.

"§ 4247. General Provisions for Chapter—

"(a) DEFINITIONS.—As used in this chapter—

(1) 'rehabilitation program' includes—

"(A) basic educational training that will assist the individual in understanding the society to which he will return and that will assist him in understanding the magnitude of his offense and its impact on society;

"(B) vocational training that will assist the individual in contributing to, and in participating in, the society to which he will return;

"(C) drug, alcohol, and other treatment programs that will assist the individuals in overcoming his psychological or physical dependence; and

"(D) organized physical sports and recreation programs; and

"(2) 'suitable facility' means a facility that is suitable to provide care or treatment given the nature of the offense and the characteristics of the defendant.

"(b) PSYCHIATRIC OR PSYCHOLOGICAL EXAMINATION.—A psychiatric or psychological examination ordered pursuant to this title shall be conducted by a licensed or certified psychiatrist or clinical psychologist, or, if the court finds it appropriate, by more than one such examiner. Each examiner shall be designated by the court, except that if the examination is ordered under section 4245 or 4246, upon the request of the defendant an additional examiner may be selected by the defendant. For the purposes of an examination pursuant to an order under section 4241, 4244, or 4245, the court may commit the person to be examined for a reasonable period, but not to exceed thirty days, and under section 4242, 4243, or 4246, for a reasonable period, but not to exceed forty-five days, to the custody of the Attorney General for placement in a suitable facility. Unless impracticable, the psychiatric or psychological examination shall be conducted in the suitable facility closest to the court. The director of the facility may apply for a reasonable extension, but not to exceed fifteen days under section 4241, 4244, or 4245, and not to exceed thirty days under section 4242, 4243, or 4246, upon a showing of good cause that the additional time is necessary to observe and evaluate the defendant.

"(c) PSYCHIATRIC OR PSYCHOLOGICAL REPORTS.—A psychiatric or psychological report ordered pursuant to this chapter shall be prepared by the examiner designated to conduct the psychiatric or psychological examination, shall be filed with the court with copies provided to the counsel for the person examined and to the attorney for the government, and shall include—

"(1) the person's history and present symptoms;

"(2) a description of the psychiatric, psychological, and medical tests that were employed and their results;

"(3) the examiner's findings; and

"(4) the examiner's opinions as to diagnosis, prognosis, and—

"(A) if the examination is ordered under section 4241, whether the person is suffering from a mental disease or defect rendering him mentally incompetent to the extent that he is unable to understand the nature and consequences of the proceedings against him or to assist properly in his defense;

"(B) if the examination is ordered under section 4242, whether the person was insane at the time of the offense charged;

"(C) if the examination is ordered under section 4243 or 4246, whether the person is suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another;

"(D) if the examination is ordered under section 4244 or 4245, whether the person is suffering from a mental disease or defect as a result of which he is in need of custody for care or treatment in a suitable facility; or

"(E) if the examination is ordered as a part of a presentence investigation, any recommendation the examiner may have as to how the mental condition of the defendant should affect the sentence.

"(d) HEARING.—At a hearing ordered pursuant to this chapter the person whose mental condition is the subject of the hearing shall be represented by counsel and, if he is financially unable to obtain adequate representation, counsel shall be appointed for him pursuant to section 3006A. The person shall be afforded an opportunity to testify, to present evidence, to subpoena witnesses on his behalf, and to confront and cross-examine witnesses who appear at the hearing.

"(e) PERIODIC REPORT AND INFORMATION REQUIREMENTS.—The director of the facility in which a person is hospitalized pursuant to—

"(A) section 4241 shall prepare semiannual reports; or

"(B) sections 4243, 4244, 4245, or 4246 shall prepare annual reports; concerning the mental condition of the person and containing recommendations concerning the need for his continued hospitalization. The reports shall be submitted to the court that ordered the person's commitment to the facility and copies of the reports shall be submitted to such other persons as the court may direct.

"(2) The director of the facility in which a person is hospitalized pursuant to sections 4241, 4243, 4244, 4245, or 4246 shall inform such person of any rehabilitation programs that are available for persons hospitalized in that facility.

"(f) VIDEOTAPE RECORD.—Upon written request of defense counsel, the court may order a videotape record made of the defendant's testimony or interview upon which the periodic report is based pursuant to subsection (e). Such videotape record shall be submitted to the court along with the periodic report.

"(g) ADMISSIBILITY OF A DEFENDANT'S STATEMENT AT TRIAL.—A statement made by the defendant during the course of a psychiatric or psychological examination pursuant to sections 4241 or 4242 is not admissible as evidence against the accused on the issue of guilt or punishment in any criminal proceeding, unless the defendant waived his privilege against self incrimination, but is admissible on the issue of insanity.

"(h) HABEAS CORPUS UNIMPAIRED.—Nothing contained in sections 4243 or 4246 precludes a person who is committed under either of such sections from establishing by writ of habeas corpus the illegality of his detention.

"(i) DISCHARGE.—Regardless of whether the director of the facility in which a person is hospitalized has filed a certificate pursuant to the provisions of subsection (e) of sections 4241, 4243, 4244, 4245, or 4246, counsel for the person or his legal guardian may, at any time during such person's hospitalization, file with the court that ordered the commitment a motion for a hearing to determine whether the person should be discharged from such facility, but no such motion may be filed within one hundred and eighty days of a court determination that the person should continue to be hospitalized. A copy of the motion shall be sent to the director of the facility in which the person is hospitalized and to the attorney for the government.

"(j) AUTHORITY AND RESPONSIBILITY OF THE ATTORNEY GENERAL.—The Attorney General—

"(A) may contract with a State, a locality, or a private agency for the confinement, hospitalization, care, or treatment of, or the provision of services to, a person committed to his custody pursuant to this chapter;

"(B) may apply for the civil commitment, pursuant to State law, of a person committed to his custody pursuant to section 4243 or 4246;

"(C) shall, before placing a person in a facility pursuant to the provisions of section 4241, 4243, 4244, 4245, or 4246, consider the suitability of the facility's rehabilitation programs in meeting the needs of the person; and

"(D) shall consult with the Secretary of the Department of Health and Human Services in the general implementation of the provisions of this chapter and in the establishment of standards for facilities used in the implementation of this chapter.

"(k) This chapter does not apply to a prosecution under an Act of Congress applicable exclusively to the District of Columbia or the Uniform Code of Military Justice.".

(b) The item relating to chapter 313 in the chapter analysis of Part III of title 18, United States Code, is amended to read as follows:

"313. Offenders with mental disease or defect.".

SEC. 504. Rule 12.2 of the Federal Rules of Criminal Procedure is amended—

(a) by deleting "crime" in subdivision (a) and inserting in lieu thereof "offense";

(b) by deleting "whether he had the mental state required for the offense charged" in subdivision (b) and inserting in lieu thereof "guilt";

(c) by deleting "to a psychiatric examination by a psychiatrist designated for this purpose in the order of the court" in subdivision (c) and inserting in lieu thereof "to an examination pursuant to 18 U.S.C. 4242"; and

(d) by deleting "mental state" in subdivision (d) and inserting in lieu thereof "guilt".

SEC. 505. Section 3006A of title 18, United States Code, is amended—

(a) in subsection (a), by deleting "or, (4)" and substituting "(4) whose mental condition is the subject of a hearing pursuant to chapter 313 of this title, or (5)"; and

(b) in subsection (g), by deleting "or section 4245 of title 18".

SEC. 506. Rule 704 of the Federal Rules of Evidence is amended to read as follows:

"Rule 704. Opinion on Ultimate Issue

"(a) Except as provided in subdivision (b), testimony in the form of an opinion or inference otherwise admissible is not objectionable because it embraces an ultimate issue to be decided by the trier of fact.

"(b) No expert witness testifying with respect to the mental state or condition of a defendant in a criminal case may state an opinion or inference as to whether the defendant did or did not have the mental state or condition constituting an element of the crime charged or of a defense thereto. Such ultimate issues are matters for the trier of fact alone.

TITLE VI—REFORM OF FEDERAL INTERVENTION IN STATE PROCEEDINGS

SEC. 601. This title may be cited as the "Reform of Federal Intervention in State Proceedings Act of 1983."

SEC. 602. Section 2244 of title 28, United States Code, is amended by adding at the end thereof the following new subsections:

"(d) When a person in custody pursuant to the judgement of a State court fails to raise a claim in State proceedings at the time or in the manner required by State rules of procedure, the claim shall not be entertained in an application for a writ of habeas corpus unless actual prejudice resulted to the applicant from the alleged denial of the Federal right asserted and—

"(1) the failure to raise the claim properly or to have it heard in State proceedings was the result of State action in violation of the Constitution or laws of the United States;

"(2) the Federal right asserted was newly recognized by the Supreme Court subsequent to the procedural default and is retroactively applicable; or

"(3) the factual predicate of the claim could not have been discovered through the exercise of reasonable diligence prior to the procedural default.

"(e) A one-year period of limitation shall apply to an application for a writ of habeas corpus by a person in custody pursuant to the judgment of a State Court. The limitation period shall run from the latest of the following times:

"(1) the time at which State remedies are exhausted;

"(2) the time at which the impediment to filing an application created by State action in violation of the Constitution or laws of the United States is removed, where the applicant was prevented from filing by such State action;

"(3) the time at which the Federal right asserted was initially recognized by the Supreme Court, where the right has been newly recognized by the Court and is retroactively applicable; or

"(4) the time at which the factual predicate of the claim or claims presented could have been discovered through the exercise of reasonable diligence.".

SEC. 603. Section 2253 of title 28, United States Code, is amended to read as follows:

"§ 2253. Appeal

"In a habeas corpus proceeding or a proceeding under section 2255 of this title before a circuit or district judge, the final order shall be subject to review, on appeal, by the court of appeals for the circuit where the proceeding is had.

"There shall be no right of appeal from such an order in a proceeding to test the validity of a warrant to remove, to another district or place for commitment or trial, a person charged with a criminal offense against the United States, or to test the validity of his detention pending removal proceedings.

"An appeal may not be taken to the court of appeals from the final order in a habeas corpus proceeding where the detention complained of arises out of process issued by a State court, or from the final order in a proceeding under section 2255 of this title, unless a circuit justice or judge issues a certificate of probable cause".

SEC. 604. Federal Rule of Appellate Procedure 22 is amended to read as follows:

"Rule 22.

"HABEAS CORPUS AND § 2255 PROCEEDINGS

"(a) Application for an Original Writ of Habeas Corpus. An application for a writ of habeas corpus shall be made to the appropriate district court. If application is made to a circuit judge, the application will ordinarily be transferred to the appropriate district court. If an application is made to or transferred to the district court and denied, renewal of the application before a circuit judge is not favored; the proper remedy is by appeal to the court of appeals from the order of the district court denying the writ.

"(b) Necessity of Certificate of Probable Cause for Appeal. In a habeas corpus proceeding in which the detention complained of arises out of process issued by a State court, and in a motion proceeding pursuant to 28 U.S.C. § 2255, an appeal by the applicant or movant may not proceed unless a circuit judge issues a certificate of probable cause. If a request for a certificate of probable cause is addressed to the court of appeals, it shall be deemed addressed to the judges thereof and shall be considered by a circuit judge or judges as the court deems appropriate. If no express request for a certificate is filed, the notice of appeal shall be deemed to constitute a request addressed to the judges of the court of appeals. If an appeal is taken by a State or the government or its representative, a certificate of probable cause is not required.".

SEC. 605. Section 2254 of title 28, United States Code, is amended by redesignating subsections "(e)" and "(f)" as subsections "(f)" and "(g)" respectively, and is further amended—

(a) by amending subsection (b) to read as follows:

"(b) An application for a writ of habeas corpus in behalf of a person in custody pursuant to the judgment of a State court shall not be granted unless it appears that the applicant has exhausted the remedies available in the courts of the State, or that there is either an absence of available State corrective process or the existence of circumstances rendering such process ineffective to protect the rights of the applicant. An application may be denied on the merits notwithstanding the failure of the applicant to exhaust the remedies available in the courts of the States.";

(b) by adding a new subsection (d) reading as follows:

"(d) An application for a writ of habeas corpus in behalf of a person in custody pursuant to the judgment of a State court shall not be granted with respect to any claim that has been fully and fairly adjudicated in State proceedings."; and

(c) by redesignating subsection "(d)" as subsection "(e)", and amending it to read as follows:

"(e) In a proceeding instituted by an application for a writ of habeas corpus by a person in custody pursuant to the judgment of a State court, a full and fair determination of a factual issue made in the case by a State court shall be presumed to be correct. The applicant shall have the burden of rebutting this presumption by clear and convincing evidence.".

SEC. 606. Section 2255 of title 28, United States Code, is amended by deleting the second paragraph and the penultimate paragraph thereof, and by adding at the end thereof the following new paragraphs:

"When a person fails to raise a claim at the time or in the manner required by Federal rules of procedure, the claim shall not be entertained in a motion under this section unless actual prejudice resulted to the movant from the alleged denial of the right asserted and—

"(1) the failure to raise the claim properly, or to have it heard, was the result of governmental action in violation of the Constitution or laws of the United States;

"(2) the right asserted was newly recognized by the Supreme Court subsequent to the procedural default and is retroactively applicable; or

"(3) the factual predicate of the claim could not have been discovered through the exercise of reasonable diligence prior to the procedural default.

"A two-year period of limitation shall apply to a motion under this section. The limitation period shall run from the latest of the following times:

"(1) the time at which the judgment of conviction becomes final;

"(2) the time at which the impediment to making a motion created by governmental action in violation of the Constitution or laws of the United States is removed, where the movant was prevented from making a motion by such governmental action;

"(3) the time at which the right asserted was initially recognized by the Supreme Court, where the right has been newly recognized by the Court and is retroactively applicable; or

"(4) the time at which the factual predicate of the claim or claims presented could have been discovered through the exercise of reasonable diligence.".

TITLE VII—DRUG ENFORCEMENT AMENDMENTS

PART A—CONTROLLED SUBSTANCES PENALTIES

SEC. 701. This title may be cited as the "Controlled Substances Penalties Amendments Act of 1983".

SEC. 702. subsection (b) of Section 401 of the Controlled Substances Act (21 U.S.C. 841(b)) is amended—

(1) in paragraph (1), by—

(A) redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively, and inserting after "(1)" a new subparagraph to read as follows:

"(A) In the case of a violation of subsection (a) of this section involving—

"(i) 100 grams or more of a controlled substance in schedule I or II which is a mixture or substance containing a detectable amount of a narcotic drug other than a narcotic drug consisting of—

"(a) coca leaves;

"(b) a compound, manufacture, salt, derivative, or preparation of coca leaves; or

"(c) a substance chemically identical thereto;

"(ii) a kilogram or more of any other controlled substance in schedule I or II which is a narcotic drug;

"(iii) 500 grams or more of phencyclidine (PCP); or

"(iv) 5 grams or more of lysergic acid diethylamide (LSD); such person shall be sentenced to a term of imprisonment of not more than 20 years, a fine of not more than $250,000, or both.

If any person commits such a violation after one or more prior convictions of him for an offense punishable under this paragraph, or for a felony under any other provision of this title or title III or other law of a State, the United States, or a foreign country relating to narcotic drugs, marihuana, or depressant or stimulant substances, have become final, such person shall be sentenced to a term of imprisonment of not more than 40 years, a fine of not more than $500,000, or both";

(B) in subparagraph (B), as redesignated above, by—

(i) striking out "which is a narcotic drug" in the first sentence and inserting in lieu thereof "except as provided in subparagraphs (A) and (C),"

(ii) striking out "$25,000" and "$50,000" and inserting in lieu thereof "$125,000" and "$250,000", respectively; and

(iii) striking out "of the United States" in the second sentence and inserting in lieu thereof "of a State, the United States, or a foreign country"; and

(C) in subparagraph (C), as redesignated above, by—

(i) striking out "a controlled substance in schedule I or II which is not a narcotic drug" and ", (5), and (6)" and inserting in lieu thereof "less than 50 kilograms of marihuana, 10 kilograms of hashish, or one kilogram of hashish oil" and "and (5)", respectively;

(ii) striking out "$15,000" and "$30,000" and inserting in lieu thereof "$50,000" and "$100,000", respectively; and

(iii) striking out "of the United States" in the second sentence and inserting in lieu thereof "of a state, the United States, or a foreign country";

(2) in paragraph (2), by—

(A) striking out "$10,000" and "$20,000" and inserting in lieu thereof "$25,000" and "$50,000", respectively; and

(B) striking out "of the United States" and inserting in lieu thereof "of a State, the United States, or a foreign country";

(3) in paragraph (3), by—

(A) striking out "$5,000" and "$10,000" and inserting in lieu thereof "$10,000" and "$20,000", respectively; and

(B) striking out "of the United States" and inserting in lieu thereof "of a State, the United States, or a foreign country";

(4) in paragraph (4), by striking out "(1)(B)" and inserting in lieu thereof "(1)(C)";

(5) by striking out paragraphs (5) and (6).

SEC. 703. Subsection (b) of section 1010 of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)) is amended—

(1) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively, and inserting after "(b)" a new paragraph to read as follows:

"(1) In the case of a violation under subsection (a) of this section involving—

"(A) 100 grams or more of a mixture or substance containing a detectable amount of a narcotic drug in schedule I or II other than a narcotic drug consisting of—

"(i) coca leaves;

"(ii) a compound, manufacture, salt, derivative, or preparation of coca leaves; or

"(iii) a substance chemically identical thereto;

"(B) a kilogram or more of any other narcotic drug in schedule I or II;

"(C) 500 grams or more of phencyclidine (PCP);

"(D) 5 grams or more of lysergic acid diethylamide (LSD);

the person committing such violation shall be imprisoned for not more than twenty years, or fined not more than $250,000, or both.";

(2) in paragraph (2), as redesignated above, by—

(A) striking out "narcotic drug in schedule I or II, the person committing such violation shall" and inserting in lieu thereof "controlled substance in schedule I or II, the person committing such violation shall, except as provided in paragraphs (1) and (3),"; and

(B) striking out "$25,000" and inserting in lieu thereof "$125,000";

(3) in paragraph (3), as redesignated above, by—

(A) striking out "a controlled substance other than a narcotic drug in schedule I or II, the person committing such violation shall" and inserting in lieu thereof "less than 50 kilograms of marihuana, less than 10 kilograms of hashish, less than one kilogram of hashish oil, or any quantity of a controlled substance in schedule III, IV, or V, the person committing such violation shall, except as provided in paragraph (4)"; and

(B) striking out "$15,000" and substituting "$50,000".

SEC. 704. Section 1012 of the Controlled Substances Import and Export Act (21 U.S.C. 962) is amended by striking out "the United States" in subsection (b) and inserting in lieu thereof "a State, the United States, or a foreign country".

PART B—DIVERSION CONTROL AMENDMENTS

SEC. 705. Section 102 of the Controlled Substances Act (21 U.S.C. 802) is amended by adding the following new paragraph (14):

(14) The term "isomer" means the optical isomer, except as used in Section 202(c) Schedule I(b) and Section 202(c) Schedule II(a)(5). As used in Section 202(c) Schedule I(b), the term "isomer" means the optical, positional or geometric isomer. As used in Section 202(c) Schedule II(a)(5), the term "isomer" means the optical or geometric isomer.

Section 102 is further amended by redesignating the existing paragraphs (14) through (28) as (15) through (29), respectively, and by amending redesignated paragraph (17) to read as follows:

(17) The term "narcotic drug" means any of the following whether produced directly or indirectly by extraction from substances of vegetable origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis:

(A) Opium, opiates, derivatives of opium and opiates, including their isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, whenever the existence of such isomers, esters, ethers and salts is possible within the specific chemical designation. Such term does not include the isoquinoline alkaloids of opium.

(B) Poppy straw and concentrate of poppy straw.

(C) Coca leaves. Such term does not include coca leaves and extracts of coca leaves from which cocaine, ecgonine and derivatives of ecgonine of their salts have been removed.

(D) Cocaine, its salts, optical and geometric isomers, and salts of isomers.

(E) Ecgonine, its derivatives, their salts, isomers, and salts of isomers.

(F) Any compound, mixture or preparation which contains any quantity of any of the substances referred to in clauses (A) through (E).

SEC. 706. Section 201 of the Controlled Substances Act (21 U.S.C. 881) is amended by adding a new subsection (h) as follows:

(h) If the Attorney General finds that such action is necessary to avoid an imminent hazard to the public safety, he may, by temporary rule without prior notice or hearing, and without regard to the requirements of subsection (b) relating to the Secretary of Health and Human Services, control any drug or other substance. A finding that the issuance of a temporary rule under this subsection is necessary to avoid an imminent hazard to the public safety shall be good cause for and, unless otherwise provided by the Attorney General, shall constitute a finding for the purpose of section 553(b) of Title 5, United States Code, that notice and public procedure on making such a temporary rule are impractical, unnecessary, and contrary to the public interest.

(1) When issuing a temporary rule under this subsection, the Attorney General shall be required to consider, with respect to this finding of an imminent hazard to the public safety, only those factors set forth in section 201(c)(4), (5) and (6), including, but not limited to, actual abuse, diversion from legitimate channels, and clandestine importation, manufacture or marketing.

(2) The Attorney General shall transmit notice of the temporary scheduling of any drug or substance to the Secretary of Health and Human Services who, within thirty days from the date of such notice, may object to the temporary placement. Unless the Secretary has currently available evidence relating to the lack of abuse potential of the drug or substance, his consideration shall be limited to the factors set forth in subsection (1) of this section. The Secretary's objection to temporary control shall be binding upon the Attorney General but shall be considered as affecting the temporary scheduling only and shall in no way reflect upon any subsequent proceedings under section 201(a) to permanently control or reschedule the same drug or substance.

(3) The temporary scheduling of any drug or substance shall expire at the end of one year from the date of the temporary scheduling thereof, except that the Attorney General may, during the pendency of proceedings under section 201(a)(1), extend the temporary placement for periods of six months.

(4) A temporary rule issued under this subsection shall be vacated upon the conclusion of a subsequent rulemaking proceeding

initiated under section 201(a) and no such temporary rule may be issued subsequent to the initiation of formal rulemaking proceedings as to the same drug or substance.

(5) Notwithstanding the schedule in which a drug is placed pursuant to this subsection, the penalty for the illegal manufacture, distribution, dispensing or possession with intent to manufacture, distribute or dispense, shall be that provided by section 401(b)(1)(c) for Schedule III controlled substances.

(6) With respect to the requirements of Title II, Part C, only the requirements of section 302 (registration) and section 307 (recordkeeping and reporting) shall apply to a drug for as long as it is temporarily scheduled.

(7) The issuance of a temporary rule under this subsection shall not constitute a final determination for purposes of review under section 507 of this Title, nor shall such temporary rule be otherwise reviewable.

SEC. 707. Section 201(g)(1) of the Controlled Substances Act (21 U.S.C. 811(g)(1)) is amended to read:

(g)(1) The Attorney General may, by regulation, exempt any compound, mixture, or preparation containing a controlled substance from the application of all or any part of this Title if he finds such compound, mixture, or preparation meets the requirements of one of the following categories:

(A) EXEMPT OVER THE COUNTER PREPARATIONS.—A compound, mixture or preparation containing a non-narcotic controlled substance which may, under the Federal Food, Drug and Cosmetic Act, be lawfully sold over the counter without a prescription.

(B) EXEMPT PRESCRIPTION PREPARATIONS.—A compound, mixture or preparation containing a non-narcotic controlled substance and which is approved for prescription use and which contains one or more other active ingredients which are not listed in any schedule. In addition, such other ingredients are included therein in such combinations, quantity, proportion, or concentration as to vitiate the potential for abuse.

(C) EXEMPT CHEMICAL PREPARATIONS.—A compound, mixture or preparation which contains any controlled substance and which is not for administration to a human being or animal, and is packaged in such form or concentration, or with adulterants or denaturants, so that the packaged quantities do not present any significant potential for abuse.

Section 202(d) of the Controlled Substances Act (21 U.S.C. 812(d)) is deleted.

SEC. 708. Section 302(a) of the Controlled Substances Act (21 U.S.C. 822(a)) is amended to read as follows:

(a)(1) Every person who manufactures or distributes any controlled substance, or who proposes to engage in the manufacture or distribution of any controlled substance, shall obtain annually a registration issued by the Attorney General in accordance with the rules and regulations promulgated by him.

(2) Every person who dispenses, or who proposes to dispense, any controlled substance, shall obtain from the Attorney General a registration issued in accordance with the rules and regulations promulgated by him. The Attorney General shall, by regulation, determine the period of such registrations. In no event, however, shall such registrations be issued for less than one year nor for more than three years.

SEC. 709. Section 303(f) of the Controlled Substances Act (21 U.S.C. 823(f)) is amended to read as follows:

(f) The Attorney General shall register practitioners (including pharmacies, as distinguished from—pharmacists) to dispense, or conduct research with, controlled substances in Schedules II, III, IV, or V, if the applicant is authorized to dispense, or conduct research with respect to, controlled substances under the laws of the state in which he practices; provided, however, that the Attorney General may deny an application for such registration if he determines that the issuance of such registration would be inconsistent with the public interest. In determining the public interest, the following factors shall be considered:

(1) the recommendation of the appropriate state licensing board or professional disciplinary authority;

(2) the applicant's past experience in dispensing, or conducting research with respect to controlled substances;

(3) the applicant's prior conviction record under Federal, state or local laws relating to the manufacture, distribution, or dispensing of controlled substances;

(4) compliance with applicable state, Federal or local laws relating to controlled substances; and,

(5) such other factors as may be relevant to and consistent with the public health and safety.

Separate registration under this part for practitioners engaging in research with controlled substances in Schedules II, III, IV, or V, who are already registered under this part in another capacity, shall not be required. Registration applications by practitioners wishing to conduct research with controlled substances in Schedule I shall be referred to the Secretary, who shall determine the qualifications and competency of each practitioner requesting registration, as well as the merits of the research protocol. The Secretary, in determining the merits of each research protocol, shall consult with the Attorney General as to effective procedures to adequately safeguard against diversion of such controlled substances from legitimate medical or scientific use. Registration for the purpose of bona fide research with controlled substances in Schedule I by a practitioner deemed qualified by the Secretary may be denied by the Attorney General only on a ground specified in Section 304(a).

SEC. 710. Section 304(a) of the Controlled Substances Act (21 U.S.C. 824(a)) is amended by the addition of the word "or" to the end of subsection (3) thereof, and by the addition of a new subsection (4) as follows:

(4) has committed such acts as would render his registration under section 303 inconsistent with the public interest as defined therein.

SEC. 711. Section 304(f) of the Controlled Substances Act (21 U.S.C. 924(f)) is redesignated section 304(f)(1) and the following new section 304(f) is added:

(2) The Attorney General may, in his discretion, place under seal any controlled substances owned or possessed by a registrant whose registration has expired, or who has ceased to practice or do business in the manner contemplated by his registration. Such controlled substances shall be held for the benefit of the registant, or his successor in interest, for a period of 90 days, following which the Attorney General may dispose of such controlled substances in accordance with section 511(e).

SEC. 712. Section 307(c)(1)(A) of the Controlled Substances Act (21 U.S.C. 827(C)(1)(A)) is amended to read:

(A) to the prescribing of controlled substances in Schedules II, III, IV, or V by practitioners acting in the lawful course of their professional practice;

SEC. 713. Section 307(c)(1)(B) of the Controlled Substances Act (21 U.S.C. 827(c)(1)(B) is amended to read:

(B) to the administering of a controlled substance in Schedules II, III, IV, or V unless the practitioner regularly engages in the dispensing or administering of controlled substances and charges his patients, either separately or together with charges for other professional services, for substances so administered.

SEC. 714. Section 307 of the Controlled Substances Act (21 U.S.C. 827) is further amended by adding thereto a new subsection (f) as follows:

(f) Every registrant under this title shall be required to report any change of professional or business address in such manner as the Attorney General shall by regulation require.

SEC. 715. Section 403(a)(2) of the Controlled Substances Act (21 U.S.C. 943(a)(2)) is amended to read as follows:

(2) to use in the course of the manufacture, distribution, or dispensing of a controlled substance, or to use for the purpose of acquiring or obtaining a controlled substance, a registration number which is fictitious, revoked, suspended, expired, or issued to another person.

SEC. 716. Section 503(a) of the Controlled Substances Act (21 U.S.C. 873(a)) is amended by adding thereto a new subsection (6) as follows:

(e) Enter into grant-in-aid programs with state and local governments to assist them to suppress the diversion of controlled substances from legitimate medical, scientific, and commercial channels. Funds annually appropriated for this purpose shall remain available until expended.

SEC. 717. Section 511(a)(1) of the Controlled Substances Act (21 U.S.C. 811(a)(1)) is amended to read as follows:

(1) All controlled substances which have been manufactured, distributed, dispensed, acquired, or possessed in violation of this title.

SEC. 718. Section 1002(a)(2) of the Controlled Substances Import and Export Act (21 U.S.C. 952(a)(2)) is amended by adding the word "or," at the end of subpart (B) thereof, and by adding the following new subpart (C):

(C) is in limited quantities for ultimate scientific, analytical or research uses exclusively.

SEC. 719. Section 1002(a)(2) of the Controlled Substances Import and Export Act (21 U.S.C. 952(b)(2)) is amended to read as follows:

(2) is imported pursuant to such notification, or declaration, or in the case of any non-narcotic controlled substance in Schedule III, such import permit, notification or declaration, as the Attorney General may by regulation prescribe.

SEC. 720. Section 1003(e) of the Controlled Substances Import and Export Act (21 U.S.C. 953(e)) is amended to read as follows:

(e) It shall be unlawful to export from the United States to any other country any non-narcotic controlled substance in Schedule III or IV or any controlled substances in Schedule V unless—

(1) there is furnished (before export) to the Attorney General documentary proof

that importation is not contrary to the laws or regulations of the country of destination for consumption for medical, scientific or other legitimate purposes.

(2) it is exported pursuant to such notification, or declaration, or in the case of any non-narcotic controlled substance in Schedule III, such import permit, notification or declaration, as the Attorney General may by regulation prescribe.

SEC. 721. Section 1007(a)(2) of the Controlled Substances Import and Export Act (21 U.S.C. 957(a)(2)) is amended to read as follows:

(2) export from the United States any controlled substance in Schedules I, II, III, IV, or V.

SEC. 722. Section 1008(a) of the Controlled Substances Import and Export Act (21 U.S.C. 958(a)) is amended to read as follows:

(a) The Attorney General shall register an applicant to import or export a controlled substance in Schedule I or II if he determines that such registration is consistent with the public interest and with United States obligations under international treaties, conventions, or protocols in effect on the effective date of this section. In determining the public interest, the following factors shall be considered:

(1) maintenance of effective controls against the diversion of any controlled substances both within the United States and international commerce;

(2) compliance with applicable State and local laws;

(3) prior conviction record of the applicant under Federal and State laws relating to controlled substances;

(4) past experience in the handling of controlled substances;

(5) such other factors as may be relevant to and consistent with the public health and safety.

SEC. 723. Section 1008(b) of the Controlled Substances Import and Export Act (21 U.S.C. 958(b)) is amended to read as follows:

"(b) Registration granted under this section shall not entitle a registrant to import or export controlled substances other than those specified in the registration.".

SEC. 724. Section 1008(c) of the Controlled Substances Import and Export Act (21 U.S.C. 958(c)) is amended to read as follows:

"(c) The Attorney General shall register an applicant to import or to export a controlled substance in Schedules III, IV, or V, unless he determines that the issuance of such registration is inconsistent with the public interest. In determining the public interest, the following factors shall be considered:

"(1) maintenance of effective controls against the diversion of any controlled substances;

"(2) compliance with applicable State and local laws;

"(3) prior conviction record of the applicant under Federal and State laws relating to controlled substances;

"(4) past experience in the handling of controlled substances;

"(5) such other factors as may be relevant to and consistent with the public health and safety.".

SEC. 725. Section 1008 of the Controlled Substances Import and Export Act (21 U.S.C. 958) is further amended by redesignating subsections (d), (e), (f), (g), and (h), as subsections (e), (f), (g), (h), and (i), respectively, and—

(1) by inserting the following new subsection (d):

"(d) Actions to deny an application for registration or to revoke or suspend a registration under this section.".

(1) The Attorney General may deny an application for registration or revoke or suspended a registration under subsection (a) if he is unable to determine that such registration is consistent with the public interest (as defined in subsection (a)) and with the United States obligations under international treaties, conventions, or protocols in effect on the effective date of this part.

(2) The Attorney General may deny an application for registration or revoke or suspend a registration under subsection (c), if he determines that such registration is inconsistent with the public interest (as defined in (c)) or with United States obligations under international treaties, conventions, or protocols in effect on the effective date of this part.

(3) The Attorney General may limit the revocation or suspension of a registration to the particular controlled substance, or substances, with respect to which grounds for revocation or suspension exist.

(4) Before taking action pursuant to this section, the Attorney General shall serve upon the applicant or registrant an order to show cause as to why the registration should not be denied, revoked or suspended. The order to show cause shall contain a statement of the basis thereof and shall call upon the applicant or registrant to appear before the Attorney General, or his designee, at a time and place stated in the order, but in no event less than thirty days after the date of receipt of the order. Proceedings to deny, revoke, or suspend shall be conducted pursuant to this section in accordance with subchapter II of chapter 5 of title 5 of the United States Code. Such proceeding shall be independent of, and not in lieu of, criminal prosecutions or other proceedings under this title or any other law of the United States.

(5) The Attorney General may, in his discretion, suspend any registration simultaneously with the institution of proceedings under this section, in cases where he finds that there is an imminent danger to the public health and safety. Such suspension shall continue in effect until the conclusion of such proceedings, including judicial review thereof, unless sooner withdrawn by the Attorney General or dissolved by a court of competent jurisdiction.

(6) The suspension or revocation of a registration under this section shall operate to suspend or revoke any quota applicable under section 306 of the Controlled Substances Act.

(7) In the event that the Attorney General suspends or revokes a registration granted under this section, all controlled substances owned or possessed by the registrant pursuant to such registration at the time of suspension or the effective date of the revocation order, as the case may be, may, in the discretion of the Attorney General, be placed under seal. No disposition may be made of any controlled substances under seal until the time for taking an appeal has elapsed or until all appeals have been concluded, except that a court, upon application therefor, may at any time order the sale of perishable controlled substances. Any such order shall require the deposit of the proceeds of the sale with the court. Upon a revocation order becoming final, all such controlled substances (or proceeds of the sale thereof which have been deposited with the court) shall be forfeited to the United States; and the Attorney General shall dispose of such controlled substances in accordance with section 511(e) of the Controlled Substances Act.

(2) by deleting "304" in the second sentence of redesignated subsection (e);

(3) and by amending redesignated subsection (i) to read as follows:

"(i) prior to issuing a registration under section 1002(a)(2)(B), the Attorney General shall give manufacturers holding registrations for the bulk manufacture of such controlled substance an opportunity to comment upon the adequacy of existing competition amongst domestic manufacturers.".

SEC. 726. Section 100(a)(1) of the Controlled Substances Import and Export Act is amended to read as follows:

"(1) such amounts of crude opium, poppy straw, concentrate of poppy straw and coca leaves as the Attorney General finds to be necessary to provide for medical, scientific, or other legitimate purposes, and".

TITLE VIII—JUSTICE ASSISTANCE

SEC. 801. Title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended to read as follows:

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"PART A—OFFICE OF JUSTICE ASSISTANCE

"ESTABLISHMENT OF OFFICE OF JUSTICE ASSISTANCE

"SEC. 101. There is hereby established an Office of Justice Assistance within the Department of Justice under the general authority of the Attorney General. The Office of Justice Assistance (hereafter referred to in this title as the 'Office') shall be headed by an Assistant Attorney General appointed by the President, by and with the consent of the Senate. The Assistant Attorney General shall have authority to award all grants, cooperative agreements, and contracts authorized under this title.

"DUTIES AND FUNCTIONS OF ASSISTANT ATTORNEY GENERAL

"SEC. 102. (a) The Assistant Attorney General shall—

"(1) publish and disseminate information on the conditions and progress of the criminal justice systems;

"(2) maintain liaison with the executive and judicial branches of the Federal and State Governments in matters relating to justice research and statistics, and cooperate in assuring as much uniformity as feasible in statistical systems of the executive and judicial branches;

"(3) provide information to the President, the Congress, the judiciary, State and local govenments, and the general public on justice research and statistics;

"(4) maintain liaison with public and private educational and research institutions, State and local governments, and governments of other nations concerning justice research and statistics;

"(5) cooperate in and participate with national and international organizations in the development of uniform justice statistics;

"(6) insure conformance with security and privacy regulations issued pursuant to section 710 and, identify, analyze and participate in the development and implementation of privacy, security and information policies which impact on Federal and state criminal justice operations and related statistical activities;

"(7) directly provide staff support to, supervise and coordinate the activities of the Bureau of Justice Programs, the National Institute of Justice, the Bureau of Justice Statistics and the Office of Juvenile Justice and Delinquency Prevention;

"(8) exercise the powers and functions set out in Part G; and

"(9) exercise such other powers and functions as may be vested in the Assistant Attorney General pursuant to this title or by delegation of the Attorney General.

"(b) The Attorney General shall submit an annual report to the President and to the Congress not later than March 31 of each year. Each annual report shall describe the activities carried out under the provisions of this title and shall contain such findings and recommendations as the Attorney General considers necessary or appropriate after consultation with the Assistant Attorney General and the Advisory Board.

"ADVISORY BOARD

"SEC. 103. (a) There is hereby established a Justice Assistance Board (hereinafter referred to as the 'Board'). The Board shall consist of not more than twenty-one members who shall be appointed by the President. The members shall include representatives of the public, various components of the criminal justice system at all levels of government, and persons experienced in the criminal justice system, including the design, operation and management of programs at the State and local level. The President shall designate from among its members a Chairman and Vice Chairman. The Vice Chairman is authorized to sit and act in the place of the Chairman in the absence of the Chairman. The Assistant Attorney General shall be a non-voting member of the Board and shall not serve as Chairman or Vice Chairman. Vacancies in the membership of the Board shall not affect the power of the remaining members to execute the functions of the Board and shall be filled in the same manner as in the case of an original appointment.

"(b) The Board may make such rules respecting organization and procedures as it deems necessary, except that no recommendation shall be reported from the Board unless a majority of the full Board assents.

"(c) The members of the Board shall serve at the pleasure of the President and shall have no fixed term. The members of the Board shall receive compensation for each day engaged in the actual performance of duties vested in the Board at rates of pay not in excess of the daily equivalent of the highest rate of basic pay then payable in the General Schedule of section 5332(a) of title 5, United States Code, and in addition shall be reimbursed for travel, subsistence, and other necessary expenses.

"(d) The Board shall—

"(1) advise and make recommendations to the Assistant Attorney General on the policies and priorities of the Bureau of Justice Programs, the National Institute of Justice and the Bureau of Justice Statistics in research, statistics and program priorities;

"(2) review demonstration programs funded under part B, and evaluations thereof, and advise the Assistant Attorney General of the results of such review and evaluations; and

"(3) undertake such additional related tasks as the Board may deem necessary.

"(e) In addition to the powers and duties set forth elsewhere in this title, the Assistant Attorney General shall exercise such powers and duties of the Board as may be delegated to the Assistant Attorney General by the Board.

"(f) The Assistant Attorney General shall provide staff support to assist the Board in carrying out its activities.

"PART B—BUREAU OF JUSTICE PROGRAMS

"ESTABLISHMENT OF BUREAU OF JUSTICE PROGRAMS

"SEC. 201. (a) There is established within the Office of Justice Assistance a Bureau of Justice Programs (hereinafter referred to in this part as the "Bureau").

"(b) The Bureau shall be headed by a Director who shall be appointed by the Attorney General. The director shall not engage in any employment other than that of serving as the Director, nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Bureau makes any contract or other arrangement under this title.

"DUTIES AND FUNCTIONS OF DIRECTOR

"SEC. 202. The Director shall—

"(1) provide funds to eligible States, units of local government and private nonprofit organizations pursuant to part E and part F;

"(2) establish priorities for programs in accordance with part E and, following public announcement of such priorities, award and allocate funds and technical assistance in accordance with the criteria of part F and on terms and conditions determined by the Director to be consistent with part F;

"(3) cooperate with and provide technical assistance to states, units of local government, and other public and private organizations or international agencies involved in criminal justice activities;

"(4) provide for the development of technical assistance and training programs for state and local criminal justice agencies and foster local participation in such activities;

"(5) encourage the targeting of State and local resources on efforts to reduce the incidence of violent crime and on programs relating to the apprehension and prosecution of repeat offenders;

"(6) advise and make recommendations to the Assistant Attorney General on the policies and priorities of the Office relating to the Bureau; and

"(7) exercise such other powers and functions as may be vested in the Director pursuant to this title.

"PART C—NATIONAL INSTITUTE OF JUSTICE

"NATIONAL INSTITUTE OF JUSTICE

"SEC. 301. It is the purpose of this part to establish a National Institute of Justice, which shall provide for and encourage research and demonstration efforts for the purpose of—

"(1) improving Federal, State and local criminal justice systems and related aspects of the civil justice system;

"(2) preventing and reducing crimes;

"(3) insuring citizen access to appropriate dispute-resolution forums;

"(4) improving efforts to detect, investigate, prosecute, and otherwise combat and prevent white-collar crime and public corruption; and

"(5) identifying programs of proven and demonstrated success or programs which are likely to be successful.

The Institute shall have authority to engage in and encourage research and development to improve and strengthen the criminal justice system and related aspects of the civil justice system and to disseminate the results of such efforts to units of Federal, State, and local governments, to develop alternatives to judicial resolution of

disputes, to evaluate the effectiveness of programs funded under this title, to develop and demonstrate new or improved approaches and techniques, to improve and strengthen the administration of justice, and to identify programs or projects carried out under this title which have demonstrated success in improving the quality of justice systems and which offer the likelihood of success if continued or repeated. In carrying out the provisions of this part the Institute shall give primary emphasis to the problems of State and local justice systems.

"ESTABLISHMENT, DUTIES, AND FUNCTIONS

"SEC. 302. (a) There is established within the Office of Justice Assistance a National Institute of Justice (hereinafter referred to in this title as the "Institute").

"(b) The Institute shall be headed by a Director appointed by the Attorney General. The Director shall have had experience in justice research. The Director shall have such authority as delegated by the Assistant Attorney General to make grants, cooperative agreements, and contracts awarded by the Institute. The Director shall not engage in any other employment than that of serving as Director; nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Institute makes any contract or other arrangements under this title.

"(c) The Institute is authorized to—

"(1) make grants to, or enter into cooperative agreements or contracts with, States, units of local government or combinations thereof, public agencies, institutions of higher education, private organizations, or individuals to conduct research, demonstration or special projects pertaining to the purposes described in this part, and provide technical assistance and training in support of tests, demonstrations, and special projects;

"(2) conduct or authorize multiyear and short-term research and development concerning the criminal and civil justice systems in an effort—

"(A) to identify alternative programs for achieving system goals;

"(B) to provide more accurate information on the causes and correlates of crime;

"(C) to analyze the correlates of crime and juvenile delinquency and provide more accurate information on the causes and correlates of crime and juvenile delinquency;

"(D) to improve the functioning of the criminal justice system;

"(E) to develop new methods for the prevention and reduction of crime, including but not limited to the development of programs to facilitate cooperation among the States and units of local government, the detection and apprehension of criminals, the expeditious, efficient, and fair disposition of criminal and juvenile delinquency cases, the improvement of police and minority relations, the conduct of research into the problems of victims and witnesses of crime, the feasibility and consequences of allowing victims to participate in criminal justice decisionmaking, the feasibility and desirability of adopting procedures and programs which increase the victim's participation in the criminal justice process, the reduction in the need to seek court resolution of civil disputes, and the development of adequate corrections facilities and effective programs of correction; and

"(F) to develop programs and projects to improve and expand the capacity of States and units of local government and combinations of such units, to detect, investigate, prosecute, and otherwise combat and prevent white-collar crime and public corruption, to improve and expand cooperation among the Federal Government, States, and units of local government in order to enhance the overall criminal justice system response to white-collar crime and public corruption, and to foster the creation and implementation of a comprehensive national strategy to prevent and combat white-collar crime and public corruption.

In carrying out the provisions of this subsection, the Institute may request the assistance of both public and private research agencies;

"(3) evaluate the effectiveness of projects or programs carried out under this title;

"(4) make recommendations to the Assistant Attorney General for action which can be taken by units of Federal, State, and local governments and by private persons and organizations to improve and strengthen criminal and civil justice systems;

"(5) provide research fellowships and clinical internships and carry out programs of training and special workshops for the presentation and dissemination of information resulting from research, demonstrations, and special projects including those authorized by this part;

"(6) collect and disseminate information obtained by the Institute or other Federal agencies, public agencies, institutions of higher education, and private organizations relating to the purposes of this part;

"(7) serve as a national and international clearinghouse for the exchange of information with respect to the purposes of this part; and

"(8) encourage, assist, and serve in a consulting capacity to Federal, State, and local justice system agencies in the development, maintenance, and coordination of criminal and civil justice programs and services;

"(9) advise and make recommendations to the Assistant Attorney General on the policies and priorities of the Office relating to the Institute; and

"(10) exercise such administrative functions under Part G as may be delegated by the Assistant Attorney General.

"(d) To insure that all criminal and civil justice research is carried out in a coordinated manner, the Institute is authorized to—

"(1) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, local, and private agencies and instrumentalities with or without reimbursement therefore;

"(2) confer with and avail itself of the cooperation, services, records, and facilities of State or of municipal or other local agencies;

"(3) request such information, data, and reports from any Federal agency as may be required to carry out the purposes of this section, and the agencies shall provide such information to the Institute as required to carry out the purposes of this part;

"(4) seek the cooperation of the judicial branches of Federal and State Governments in coordinating civil and criminal justice research and development.

"AUTHORITY FOR 100 PER CENTUM GRANTS

"SEC. 303. A grant authorized under this part may be up to 100 per centum of the total cost of each project for which such grant is made. The Institute shall require, whenever feasible, as a condition of approval of a grant under this part, that the recipient contribute money, facilities, or services to carry out the purposes for which the grant is sought.

"PART D—BUREAU OF JUSTICE STATISTICS

"BUREAU OF JUSTICE STATISTICS

"SEC. 401. It is the purpose of this part to provide for and encourage the collection and analysis of statistical information concerning crime, juvenile delinquency, and the operation of the criminal justice system and related aspects of the civil justice system and to encourage the development of information and statistical systems at the Federal, State, and local levels to improve the efforts of these levels of government to measure and understand the levels of crime, juvenile delinquency, and the operation of the criminal justice system and related aspects of the civil justice system. The Bureau shall give primary emphasis to the needs of State and local justice systems, both individually and as a whole.

"ESTABLISHMENT, DUTIES AND FUNCTIONS

"SEC. 402. (a) There is established within the Office of Justice Assistance a Bureau of Justice Statistics (hereinafter referred to in this part as the "Bureau").

"(b) The Bureau shall be headed by a Director appointed by the Attorney General. The Director shall have had experience in statistical programs. The Director shall have such authority as delegated by the Assistant Attorney General to make grants, cooperative agreements, and contracts awarded by the Bureau. The Director shall not engage in any other employment than that of serving as Director; nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Bureau makes any contract or other arrangement under this Act.

"(c) The Bureau is authorized to—

"(1) make grants to, or enter into cooperative agreements or contracts with public agencies, institutions of higher education, private organizations, or private individuals for purposes related to this part; grants shall be made subject to continuing compliance with standards for gathering justice statistics set forth in rules and regulations promulgated by the Director;

"(2) collect and analyze information concerning criminal victimization, including crimes against the elderly, and civil disputes;

"(3) collect and analyze data that will serve as a continuous and comparable national social indication of the prevalence, incidence, rates, extent, distribution, and attributes of crime, juvenile delinquency, civil disputes, and other statistical factors related to crime, civil disputes, and juvenile delinquency, in support of National, State, and local justice policy and decisionmaking;

"(4) collect and analyze statistical information concerning the operations of the criminal justice system at the Federal, State, and local levels;

"(5) collect and analyze statistical information concerning the prevalence, incidence, rates, extent, distribution, and attributes of crime, and juvenile delinquency, at the Federal, State, and local levels.

"(6) analyze the correlates of crime, civil disputes and juvenile delinquency, by the use of statistical information, about criminal and civil justice systems at the Federal, State, and local levels, and about the extent, distribution and attributes of crime, and juvenile delinquency, in the Nation and at the Federal, State, local levels;

"(7) compile, collate, analyze, publish, and disseminate uniform national statistics concerning all aspects of criminal justice and related aspects of civil justice, crime, includ-

ing crimes against the elderly, juvenile delinquency, criminal offenders, juvenile delinquents, and civil disputes in the various States;

"(8) recommend to the Assistant Attorney General national standards for justice statistics and for insuring the reliability and validity of justice statistics supplied pursuant to this title;

"(9) establish or assist in the establishment of a system to provide State and local governments with access to Federal informational resources useful in the planning, implementation, and evaluation of programs under this Act;

"(10) conduct or support research relating to methods of gathering or analyzing justice statistics;

"(11) provide assistance to the States and units of local government relating to collection, analysis, or dissemination of justice statistics;

"(12) develop and maintain a data processing capability to support the collection, aggregation, analysis and dissemination of information on the incidence of crime and the operation of the criminal justice system;

"(13) collect, analyze and disseminate comprehensive Federal justice transaction statistics (including statistics on issues of Federal justice interest such as public fraud and high technology crime) and to provide assistance to and work jointly with other Federal agencies to improve the availability and quality of Federal justice data;

"(14) advise and make recommendations to the Assistant Attorney General on the policies and priorities of the Office relating to the Bureau; and

"(15) exercise such administrative functions under Part G as may be delegated by the Assistant Attorney General.

"(d) To insure that all justice statistical collection, analysis, and dissemination is carried out in a coordinated manner, the Bureau is authorized to—

"(1) utilize, with their consent, the services, equipment, records, personnel, information, and facilities of other Federal, State, local and private agencies and instrumentalities with or without reimbursement therefore, and to enter into agreements with the aforementioned agencies and instrumentalities for purposes of data collection and analysis;

"(2) confer and cooperate with State, municipal, and other local agencies;

"(3) request such information, data, and reports from any Federal agency as may be required to carry out the purposes of this title; and

"(4) seek the cooperation of the judicial branch of the Federal Government in gathering data from criminal justice records.

"(e) Federal agencies requested to furnish information, data, or reports pursuant to subsection (d)(3) shall provide such information to the Bureau as is required to carry out the purposes of this section.

"(f) In recommending standards for gathering justice statistics under this section, the Bureau shall consult with representatives of State and local government, including, where appropriate, representatives of the judiciary.

"AUTHORITY FOR 100 PER CENTUM GRANTS

"SEC. 403. A grant authorized under this part may be up to 100 per centum of the total cost of each project for which such grant is made. The Bureau shall require, whenever feasible as a condition of approval of a grant under this part, that the recipient contribute money, facilities, or services to carry out the purposes for which the grant is sought.

"USE OF DATA

"SEC. 404. Data collected by the Bureau shall be used only for statistical or research purposes, and shall be gathered in a manner that precludes their use for law enforcement or any purpose relating to a particular individual other than statistical or research purposes.

PART E—STATE/LOCAL ALLOCATIONS

"DESCRIPTION OF PROGRAM

"SEC. 501. (a) It is the purpose of this part to assist States and units of local government in carrying out specific programs of proven effectiveness or which offer a high probability of improving the functions of the criminal justice systems and which focus primarily on violent crime and serious offenders. The Bureau of Justice Programs (hereinafter referred to in this part as the 'Bureau') is authorized, pursuant to authority delegated by the Assistant Attorney General, to establish criteria and make grants under this part to States for the purpose of funding specific programs and projects that—

"(1) increase the conviction rate of repeat or violent offenders through focused enforcement and prosecution units which target serious offenders for special prosecution action;

"(2) address the problem of serious and violent offenses committed by juveniles;

"(3) combat arson;

"(4) disrupt illicit commerce in stolen goods and property;

"(5) improve assistance (other than compensation) to crime victims and witnesses;

"(6) improve the operational effectiveness of law enforcement by integrating and maximizing the effectiveness of police field operations and the use of crime analysis techniques;

"(7) encourage citizen action in crime prevention and cooperation with law enforcement;

"(8) reduce recidivism among drug or alcohol abusing offenders;

"(9) improve workload management systems for prosecutors;

"(10) provide training and technical assistance to justice personnel;

"(11) provide programs which alleviate prison and jail overcrowding, including alternatives to pretrial detention and alternative programs for non-violent offenders;

"(12) implement programs that address critical problems of crime, such as drug trafficking, which have been certified by the Director, after consultation with the directors of National Institute of Justice, Bureau of Justice Statistics and the Office of Juvenile Justice and Delinquency Prevention, as having proved successful or which are innovative and have been deemed by the Director likely to prove successful.

"FEDERAL SHARE

"SEC. 502. (a) The Federal portion of any grant to a State made under this part shall be 50 per centum of the aggregate cost of programs and projects specified in the application for such grant.

"(b) The non-Federal portion of the cost of such programs or project shall be in cash.

"(c) In the case of a grant to an Indian tribe or other aboriginal group, the Bureau may increase the Federal portion of the cost of such program to the extent the Bureau deems necessary if the Bureau determines that the tribe or group does not have sufficient funds available to meet the non-Federal portion of such cost.

"(d) the Bureau may provide financial aid and assistance to programs or projects under this part for a period not to exceed three years.

"APPLICATIONS

"SEC. 503. (a) No grant may be made by the Bureau to a State, or by a State to an eligible recipient pursuant to part E, unless the application sets forth criminal justice programs covering a two-year period which meet the objectives of section 501, designates which objective specified in section 501(a) each such program is intended to achieve, and identifies the State agency or unit of local government which will implement each such program. This application must be amended annually if new programs are to be added to the application or if the programs contained in the original application are not implemented. The application must include—

"(1) an assurance that following the first fiscal year covered by an application and each fiscal year thereafter, the applicant shall submit to the Bureau, where the applicant is a State;

"(A) a performance report concerning the activities carried out pursuant to this title; and

"(B) an assessment by the applicant of the impact of those activities on the objectives of this title and the needs and objectives identified in the applicant's statement;

"(2) a certification that Federal funds made available under this title will not be used to supplant State or local funds, but will be used to increase the amounts of such funds that would, in the absence of Federal funds, be made available for criminal justice activities;

"(3) fund accounting, auditing, monitoring, and such evaluation procedures as may be necessary to keep such records as the Bureau shall prescribe will be provided to assure fiscal control, proper management, and efficient disbursement of funds received under this title;

"(4) an assurance that the State will maintain such data and information and submit such reports in such form, at such times and containing such data and information as the Bureau may reasonably require to administer other provisions of this title;

"(5) a certification that its programs meet all the requirements of this section, that all the information contained in the application is correct, that there has been appropriate coordination with affected agencies, and that the applicant will comply with all provisions of this title and all other applicable Federal laws. Such certification shall be made in a form acceptable to the Bureau and shall be executed by the chief executive or other officer of the applicant qualified under regulations promulgated by the Bureau;

"(6) satisfactory assurances that equipment, whose purchase was previously made in connection with a program or project in such State assisted under this title and whose cost in the aggregate was $100,000 or more, has been put into use not later than one year after the date set at the time of purchase for the commencement of such use and has continued in use during its useful life.

"REVIEW OF APPLICATIONS

"SEC. 504. (a) The Bureau shall provide financial assistance to each State applicant under this part to carry out the programs or projects submitted by such applicant upon determining that the application or amendment thereof is consistent with require-

ments of this title and with the priorities and criteria established by the Bureau under section 501. Each application or amendment made and submitted for approval to the Bureau pursuant to section 503 of this title shall be deemed approved, in whole or in part, by the Bureau within sixty days after first received unless the Bureau informs the applicant of specific reasons for disapproval.

"(b) The Bureau shall suspend funding for an approved application in whole or in part if such application contains a program or project which has failed to conform to the requirements or statutory objectives of this Act. The Bureau may make appropriate adjustments in the amounts of grants in accordance with its findings pursuant to this subsection.

"(c) Grant funds awarded under this part and part F shall not be used for—

"(1) the purchase of equipment or hardware, or the payment of personnel costs, unless the cost of such purchases and payments is incurred as an incidental and necessary part of a program under section 501(a);

"(2) programs which have as their primary purpose general salary payments for employees or classes of employees within an eligible jurisdiction, except for the compensation of personnel for time engaged in conducting or undergoing training programs or the compensation of personnel engaged in research, development, demonstration, or short-term programs;

"(3) construction projects; or

"(4) programs or projects which, based upon evaluations by the Bureau, the National Institute of Justice, Bureau of Justice Statistics, State or local agencies, and other public or private organizations, have been demonstrated to offer a low probability of improving the functioning of the criminal justice system. Such programs must be formally identified by a notice in the Federal Register after opportunity for comment.

"(d) The Bureau shall not finally disapprove any application submitted to the Director under this part, or any amendments thereof, without first affording the applicant reasonable notice and opportunity for reconsideration.

"SEC. 505. (a) Of the total amount appropriated for this part and part F in any fiscal year, 80 per centum shall be set aside for this part and 20 per centum shall be set aside for part F. Funds set aside for this part shall be allocated to States as follows:

"(1) $250,000 shall be allocated to each of the participating States.

"(2) Of the total funds remaining for this part after the allocation under paragraph (1) there shall be allocated to each State an amount which bears the same ratio to the amount of remaining funds described in this subparagraph as the population of such State bears to the population of all the States.

"(b) Notwithstanding the requirements of section 505(a), if the total amount appropriated for this part and part F is less than $80,000,000 in any fiscal year, then the entire amount shall be set aside and reserved for allocation to the States according to the criteria established by the Director to provide for equitable distribution among the States.

"(c) Each State which receives funds under this part in a fiscal year shall distribute among units or local government, or combinations of units of local government, in such State for the purposes specified in section 501(a) that portion of such funds which bears the same ratio to the aggregate amount of such funds as the amount of funds expended by all units of local government for criminal justice in the preceding fiscal year bears to the aggregate amount of funds expended by the State and all units of local government in such State for criminal justice in such preceding fiscal year.

"(2) Any funds not distributed to units of local government under paragraph (1) shall be available for expenditure by the State involved.

"(3) For purposes of determining the distribution of funds under paragraph (1), the most accurate and complete data available for the fiscal year involved shall be used. If data for such fiscal year are not available, then the most accurate and complete data available for the most recent fiscal year preceding such fiscal year shall be used.

"(c) No funds allocated to a State under subsection (a) or (b) or received by a State for distribution under subsection (c) may be distributed by the Director or by the State involved for any program other than a program contained in an approved application.

"(d) If the Bureau determines, on the basis of information available to it during any fiscal year, that a portion of the funds allocated to a State for that fiscal year will not be required or that a State will be unable to qualify or receive funds under this part, then such portion shall be reallocated to the other participating States.

"STATE OFFICE

"SEC. 506. (a) The chief executive of each participating State shall designate a State office for purposes of—

"(1) preparing an application to obtain funds under this part; and

"(2) administering funds received from the Bureau of Justice Programs, including receipt, review, processing, monitoring, progress and financial report review, technical assistance, grant adjustments, accounting, auditing, and fund disbursements.

"(b) An office or agency performing other functions within the executive branch of a State may be designated to carry out the functions specified in subsection (a).

"PART F—DISCRETIONARY GRANTS

"PURPOSE

"SEC. 601. (a) The purpose of this part is to provide additional Federal financial assistance to States, units of local government, combinations of such units, and private nonprofit organizations for purposes of—

"(1) educational and training programs for criminal justice personnel;

"(2) providing technical assistance to States and local units of governments;

"(3) projects which are national or multi-State in scope and which address the purposes specified in section 501, and programs to improve the professionalism and performance of criminal justice agencies through the development of standards and voluntary accreditation processes; and

"(4) providing financial assistance to States, units of local government and private nonprofit organizations for demonstration programs which, in view of previous research or experience, are likely to be a success in more than one jurisdiction and are not likely to be funded with moneys from other sources.

"(b) The Director is authorized, pursuant to such authority as delegated by the Assistant Attorney General, to make grants, enter into cooperative agreements, and contracts with, states, units of local governments or combinations thereof, public agencies, institutions of higher education or private organizations.

"(c) The Federal portion of any grants made under this part may be made in amounts up to 100 per centum of the costs of the program or project.

"PROCEDURE FOR ESTABLISHING FUNDING AND SELECTION CRITERIA

"SEC. 602. The Bureau shall annually establish funding priorities and selection criteria for assistance after first providing notice and an opportunity for public comment.

"APPLICATION REQUIREMENTS

"SEC. 603. (a) No grant may be made pursuant to this part unless an application has been submitted to the Bureau in which the applicant—

"(1) sets forth a program or project which is eligible for funding pursuant to this part;

"(2) describes the services to be provided, performance goals and the manner in which the program is to be carried out;

"(3) describes the method to be used to evaluate the program or project in order to determine its impact and effectiveness in achieving the stated goals and agrees to conduct such evaluation according to the procedures and terms established by the Bureau;

"(4) indicates, if it is a private nonprofit organization, that it has consulted with appropriate agencies and officials of the State and units of local government to be affected by the program or project.

"(b) Each applicant for funds under this part shall certify that its program or project meets all the requirements of this section, that all the information contained in the application is correct, and that the applicant will comply with all the provisions of this title and all other applicable Federal laws. Such certification shall be made in a form acceptable to the Bureau.

"PERIOD FOR AWARD

"SEC. 604. The Bureau may provide financial aid and assistance to programs or projects under this part for a period not to exceed three years. Grants made pursuant to this part may be extended or renewed by the Bureau for an additional period of up to two years if—

"(1) an evaluation of the program or project indicates that it has been effective in achieving the stated goals or offers the potential for improving the functioning of the criminal justice system; and

"(2) the State, unit of local government, or combination thereof and private nonprofit organizations within which the program or project has been conducted agrees to provide at least one-half of the total cost of such program or project from part E funds or from any other source of funds, including other Federal grants, available to the eligible jurisdiction. Funding for the management and the administration of national nonprofit organizations under section 601(c) of this part is not subject to the funding limitations of this section.

"PART G—ADMINISTRATIVE PROVISIONS

"ESTABLISHMENT OF RULES AND DELEGATION OF FUNCTIONS

"SEC. 701. (a) The Attorney General is authorized, after appropriate consultation with representatives of States and units of local government, to establish such rules, regulations, and procedures as are necessary to the exercise of the functions of the Office, the Bureau of Justice Programs, the Institute and the Bureau of Justice Statis-

tics, and as are consistent with the stated purpose of this title.

"(b) The Attorney General may delegate to any of his respective officers or employees such functions as the Attorney General deems appropriate.

"NOTICE AND HEARING ON DENIAL OR TERMINATION OF GRANT

"SEC. 702. (a) Whenever, after reasonable notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code, the Office finds that a recipient of assistance under this title has failed to comply substantially with—

"(1) any provisions of this title;

"(2) any regulations or guidelines promulgated under this title; or

"(3) any application submitted in accordance with the provisions of this title, or the provisions of any other applicable Federal Act;

the Assistant Attorney General, until satisfied that there is no longer any such failure to comply, shall terminate payments to the recipient under this title, reduce payments to the recipient under this title by an amount equal to the amount of such payments which were not expended in accordance with this title, or limit the availability of payments under this title to programs, projects, or activities not affected by such failure to comply.

"(b) If any grant under this title has been terminated, the Bureau of Justice Programs, the National Institute of Justice or the Bureau of Justice Statistics, as appropriate, shall notify the grantee of its action and set forth the reason for the action taken. Whenever such a grantee requests a hearing, the Office, or any authorized officer thereof, is authorized and directed to hold such hearings or investigations, including hearings on the record in accordance with section 554 of title 5, United States Code, at such times and places as necessary, following appropriate and adequate notice to such grantee; and the findings of fact and determinations made with respect thereto shall be final and conclusive, except as otherwise provided herein. The Office is authorized to take final action without a hearing if after an administrative review of the termination it is determined that the basis for the appeal, if substantiated, would not establish a basis for continuation of the grant. Under such circumstances, a more detailed statement of reasons for the agency action should be made available, upon request, to the grantee.

"(c) If such recipient is dissatisfied with the findings and determinations of the Office, following notice and hearing provided for in subsection (a) of this section, a request may be made for rehearing, under such regulations and procedure as the Office may establish, and such recipient shall be afforded an opportunity to present such additional information as may be deemed appropriate and pertinent to the matter involved.

"FINALITY OF DETERMINATIONS

"SEC. 703. In carrying out the functions vested by this title in the Office, its determinations, findings, and conclusions shall, after reasonable notice and opportunity for a hearing, be final and conclusive upon all grants.

"SUBPOENA POWER; AUTHORITY TO HOLD HEARINGS

"SEC. 704. The Office may appoint such hearing examiners or administrative law judges or request the use of such administrative law judges selected by the Office of Personnel Management pursuant to section 3344 of title 5, United States Code, as shall be necessary to carry out the powers and duties under this title. The Office, or upon authorization, any member thereof or any hearing examiner or administrative law judge assigned to or employed thereby shall have the power to hold hearings and issue subpoenas, administer oaths, examine witnesses, and receive evidence at any place in the United States it may designate.

"PERSONNEL AND ADMINISTRATIVE AUTHORITY

"SEC. 705. (a) The Office is authorized to select, appoint, employ and fix compensation of such officers and employees as shall be necessary to carry out the powers and duties of the Office, the Bureau of Justice Programs, the Institute, and the Bureau of Justice Statistics under this title.

"(b) The Office, the Bureau of Justice Programs, the Institute, and the Bureau of Justice Statistics are authorized, on a reimbursable basis when appropriate, to use the available services, equipment, personnel, and facilities of Federal, State, and local agencies to the extent deemed appropriate after giving due consideration to the effectiveness of such existing services, equipment, personnel, and facilities.

"(c) The Office may arrange with and reimburse the heads of other Federal departments and agencies for the performance of any of the functions under this title.

"(d) The Office, the Bureau of Justice Programs, the Institute, and the Bureau of Justice Statistics in carrying out their respective functions may use grants, contracts or cooperative agreements in accordance with the standards established in the Federal Grant and Cooperative Agreement Act of 1977 (41 U.S.C. 501 et. seq.).

"(e) The Office may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, relating to appointments in the Federal service, at rates of compensation for individuals not to exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5, United States Code.

"(f) The Office is authorized to appoint pursuant to the Advisory Committee Management Act, but without regard to the remaining provisions of title 5, United States Code, technical or other advisory committees to advise it with respect to the administration of this title as it deems necessary. Members of those committees not otherwise in the employ of the United States, while engaged in advising or attending meetings of the committees shall be compensated at rates to be fixed by the Office but not exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5 of the United States Code, and while away from home or regular place of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title 5 for persons in the Government service employed intermittently.

"(g) Payments under this title may be made in installments, and in advance or by way of reimbursement, as may be determined by the Office, and may be used to pay the transportation and subsistence expenses of persons attending conferences or other assemblages notwithstanding the provisions of 31 U.S.C. 1345.

"(h) The Office is authorized to accept and employ, in carrying out the provisions of this title, voluntary and uncompensated services notwithstanding the provisions of 31 U.S.C. 1342. Such individuals shall not be considered Federal employees except for purposes of chapter 81 of title 5, United States Code, with respect to job-incurred disability and title 28, United States Code, with respect to tort claims.

"TITLE TO PERSONAL PROPERTY

"SEC. 706. Notwithstanding any other provision of law, title to all expendable and nonexpendable personal property purchased with funds made available under this title, including such property purchased with funds made available under this Act as in effect before the date of the enactment of the Justice Assistance Act of 1983, shall vest in the criminal justice agency or nonprofit organization that purchased the property if it certifies to the State office described in Section 506 that it will use the property for criminal justice purposes. If such certification is not made, title to the property shall vest in the State office, which shall seek to have the property used for criminal justice purposes elsewhere in the State prior to using it or disposing of it in any other manner.

"PROHIBITION OF FEDERAL CONTROL OVER STATE AND LOCAL CRIMINAL JUSTICE AGENCIES

"SEC. 707. Nothing in this title or any other Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over any police force or any other criminal justice agency of any state or political subdivision thereof.

"NONDISCRIMINATION

"SEC. 708. (a) No person in any State shall on the ground of race, color, religion, national origin, or sex be excluded from participation in, be denied the benefits of or be subjected to discrimination under or denied employment in connection with any programs or activity funded in whole or in part with funds made available under this title.

"(b) Notwithstanding any other provision of law, nothing contained in this title shall be construed to authorize the Office of Justice Assistance—

"(1) to require, or condition the availability or amount of a grant upon the adoption by an applicant or grantee under this title of a percentage ratio, quota system, or other program to achieve racial balance in any criminal justice agency; or

"(2) to deny or discontinue a grant because of the refusal of an applicant or grantee under this title to adopt such a ratio, system or other program.

"(c) Whenever the Attorney General has reason to believe that a State government or unit of local government has engaged in or is engaging in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in an appropriate United States district court. Such a court may grant as relief any temporary restraining order, preliminary or permanent injunction, or other order, as necessary or appropriate to insure the full enjoyment of the rights described in this section, including the suspension, termination, or repayment of such funds made available under this title as the court may deem appropriate, or placing any further such funds in escrow pending the outcome of the litigation.

"(d) Whenever the Attorney General files a civil action alleging a pattern or practice of discriminatory conduct on the basis of race, color, religion, national origin, or sex in any program or activity of State government or unit of local government which State government or unit of local govern-

ment receives funds made available under this title, and the conduct allegedly violates the provisions of this section and neither party within forty-five days after filing has been granted such preliminary relief with regard to the suspension or repayment of funds as may be otherwise available by law, the Office of Justice Assistance shall cause to have suspended further payment of any funds under this title to that specific program or activity alleged by the Attorney General to be in violation of the provisions of this subsection until such time as the court orders resumption of payment.

"RECORDKEEPING REQUIREMENT

"SEC. 709. (a) Each recipient of funds under this title shall keep such records as the Office shall prescribe, including records which fully disclose the amount and disposition by such recipient of the funds, the total cost of the project or undertaking for which such funds are used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Office or any of its duly authorized representatives, shall have access for purpose of audit and examination of any books, documents, papers, and records of the recipients of funds under this title which in the opinion of the Office may be related or pertinent to the grants, contracts, subcontracts, subgrants, or other arrangements referred to under this title.

"(c) The Comptroller General of the United States or any of his duly authorized representatives, shall, until the expiration of three years after the completion of the program or project with which the assistance is used, have access for the purpose of audit and examination to any books, documents, papers, and records of recipients of Federal funds under this title which in the opinion of the Comptroller General may be related or pertinent to the grants, contracts, subcontracts, subgrants, or other arrangements referred to under this title.

"(d) The provisions of this section shall apply to all recipients of assistance under this title, whether by direct grant, cooperative agreement, or contract under this title or by subgrant or subcontract from primary grantees or contractors under this title.

"CONFIDENTIALITY OF INFORMATION

"SEC. 710. (a) Except as provided by Federal law other than this title, no officer or employee of the Federal Government, and no recipient of assistance under the provisions of this title shall use or reveal any research or statistical information furnished under this title by any person and indentifiable to any specific private person for any purpose other than the purpose for which it was obtained in accordance with this title. Such information and copies thereof shall be immune from legal process, and shall not, without the consent of the person furnishing such information, be admitted as evidence or used for any purpose in any action, suit, or other judicial, legislative, or administrative proceedings.

"(b) All criminal history information collected, stored, or disseminated through support under this title shall contain, to the maximum extent feasible, disposition as well as arrest data where arrest data is included therein. The collection, storage and dissemination of such information shall take place under procedures reasonably designed to insure that all such information is kept current therein; the Office shall assure that the security and privacy of all information is adequately provided for and that information shall only be used for law enforcement and criminal justice and other lawful purposes. In addition, an individual who believes that criminal history information concerning him contained in an automated system is inaccurate, incomplete, or maintained in violation of this title, shall, upon satisfactory verification of his identity, be entitled to review such information and to obtain a copy of it for the purpose of challenge or correction.

"(c) All criminal intelligence systems operating through support under this title shall collect, maintain, and disseminate criminal intelligence information in conformance with policy standards which are prescribed by the Office and which are written to assure that the funding and operation of these systems furthers the purpose of this title and to assure that such systems are not utilized in violation of the privacy and constitutional rights of individuals.

"(d) any person violating the provisions of this section, or of any rule, regulation, or order issued thereunder, shall be fined not to exceed $10,000 in addition to any other penalty imposed by law.

"PART H—DEFINITIONS

"(1) 'criminal justice' means activities pertaining to crime prevention, control, or reduction, or the enforcement of the criminal law, including, but not limited to, police efforts to prevent, control, or reduce crime or to apprehend criminals, including juveniles, activities of courts having criminal jurisdiction, and related agencies (including but not limited to prosecutorial and defender services, juvenile delinquency agencies and pretrial service or release agencies), activities of corrections, probation, or parole authorities and related agencies assisting in the rehabilitation, supervision, and care of criminal offenders, and programs relating to the prevention, control, or reduction of narcotic addiction and juvenile delinquency;

"(2) 'State' means any State of the United States, the District of Columbia and the Commonwealth of Puerto Rico;

"(3) 'unit of local government' means any city, county, township, town, borough, parish, village, or other general purpose political subdivision of a State, an Indian tribe which performs law enforcement functions as determined by the Secretary of the Interior, any agency of the District of Columbia government or the United States performing law enforcement functions in and for the District of Columbia, and the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands;

"(4) 'public agency' means any State, unit of local government, combination of such States or units, or any department, agency, or instrumentality of any of the foregoing;

"(5) 'criminal history information' includes records and related data, contained in an automated or manual criminal justice information system, compiled by law enforcement agencies for the purpose of indentifying criminal offenders and alleged offenders and maintaining as to such persons records of arrests, the nature and disposition of criminal charges, sentencing, confinement, rehabilitation, and release;

"(6) 'evaluation' means the administration and conduct of studies and analyses to determine the impact and value of a project or program in accomplishing the statutory objectives of this title;

"(7) 'Attorney General' means the Attorney General of the United States or his designee;

"(8) 'Assistant Attorney General' means the Assistant Attorney General for Justice Assistance.

"PART I—FUNDING

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 901. There is authorized to be appropriated to carry out the functions of the Bureau of Justice Statistics such sums as are necessary for the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, and September 30, 1987. There is authorized to be appropriated to carry out the functions of the National Institute of Justice such sums as are necessary for the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, and September 30, 1987. There is authorized to be appropriated for parts A, B, E, F and G, and for the purposes of carrying out the remaining function of the Office of Justice Assistance other than parts J and L, such sums as are necessary for the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, and September 30, 1987. Funds appropriated for any fiscal year may remain available for obligation until expended. There is authorized to be appropriated in each fiscal year such sums as may be necessary to carry out the purposes of part J and part L.

"PART J—PUBLIC SAFETY OFFICERS' DEATH BENEFITS

"PAYMENTS

"SEC. 1001. (a) In any case in which the Office determines, under regulations issued pursuant to this part, that a public safety officer has died as the direct and proximate result of a personal injury sustained in the line of duty, the Office shall pay a benefit of $50,000 as follows—

"(1) if there is no surviving child of such officer, to the surviving spouse of such officer;

"(2) if there is a surviving child or children and a surviving spouse, one-half to the surviving child or children of such officer in equal shares and one-half to the surviving spouse;

"(3) if there is no surviving spouse, to the child or children of such officer in equal shares; or

"(4) if none of the above, to the dependent parent or parents of such officer in equal shares.

"(b) Whenever the Office determines upon showing of need and prior to final action that the death of a public safety officer is one with respect to which a benefit will probably be paid, the Office may make an interim benefit payment not exceeding $3,000 to the person entitled to receive a benefit under subsection (a) of this section.

"(c) The amount of an interim payment under subsection (b) shall be deducted from the amount of any final benefit paid to such person.

"(d) Where there is no final benefit paid, the recipient of any interim payment under subsection (b) shall be liable for repayment of such amount. The Office may waive all or part of such repayment, considering for this purpose the hardship which would result from such repayment.

"(e) The benefit payable under this part shall be in addition to any other benefit that may be due from any other source, except—

"(1) payments authorized by section 12(k) of the Act of September 1, 1916, as amended (D.C. Code, sec. 4-531(1)); or

"(2) benefits authorized by section 8191 of title 5, United States code; such beneficiaries shall only receive benefits under that section that are in excess of the benefits received under this part.

"(f) No benefit paid under this part shall be subject to execution or attachment.

"LIMITATIONS

"SEC. 1002. No benefit shall be paid under this part—

"(1) if the death was caused by the intentional misconduct of the public safety officer or by such officer's intention to bring about his death;

"(2) if the public safety officer was voluntarily intoxicated at the time of his death;

"(3) if the public safety officer was performing his duties in a grossly negligent manner at the time of his death; or

"(4) to any person who would otherwise be entitled to a benefit under this person's actions were a substantial contributing factor to the death of the public safety officer.

"DEFINITIONS

"SEC. 1003. As used in this part—

"(1) 'child' means any natural, illegitimate, adopted, or posthumous child or stepchild of a deceased public safety officer who, at the time of the public safety officer's death, is—

"(i) eighteen years of age or under;

"(ii) over eighteen years of age and a student as defined in section 8101 of title 5, United States Code; or

"(iii) over eighteen years of age and incapable of self-support because of physical or mental disability;

"(2) 'dependent' means a person who was substantially reliant for support upon the income of the deceased public safety officer;

"(3) 'fireman' includes a person serving as an officially recognized or designated member of a legally organized volunteer fire department;

"(4) 'intoxication' means a disturbance of mental or physical faculties resulting from the introduction of alcohol into the body as evidenced by—

"(i) a post-mortem blood alcohol level of .20% or greater;

"(ii) a post-mortem blood alcohol level of at least .10% but less than .20%, unless the Office receives convincing evidence that the public safety officer was not acting in an intoxicated manner immediately prior to his death; or resulting from drugs or other substances in the body;

"(5) 'law enforcement officer' means a person involved in crime and juvenile delinquency control or reduction, or enforcement of the laws. This includes, but is not limited to, police, corrections, probation, parole, and judicial officers;

"(6) 'public agency' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Commonwealth of the Northern Mariana Islands, and any territory or possession of the United States, or any unit of local government, department, agency, or instrumentality of any of the foregoing; and

"(7) 'public safety officer' means a person serving a public agency in an official capacity, with or without compensation, as a law enforcement officer or a fireman.

"ADMINISTRATIVE PROVISIONS

"SEC. 1004. (a) The Office is authorized to establish such rules, regulations, and procedures as may be necessary to carry out the purposes of this part. Such rules, regulations, and procedures will be determinative of conflict of laws issues arising under this part. Rules, regulations, and procedures issued under this part may include regulations governing the recognition of agents or other persons representing claimants under this part before the Office. The Office may prescribe the maximum fees which may be charged for services performed in connection with any claim under this part before the Office, and any agreement in violation of such rules and regulations shall be void.

"(b) In making determinations under section 1001, the Office may utilize such administrative and investigative assistance as may be available from State and local agencies. Responsibility for making final determinations shall rest with the Office.

"JUDICIAL REVIEW

"SEC. 1005. The United States Claims Court shall have exclusive jurisdiction over all actions seeking review of the final decisions of the Office under this part.

"PART K—FBI TRAINING OF STATE AND LOCAL CRIMINAL JUSTICE PERSONNEL

"SEC. 1101. (a) The Director of the Federal Bureau of Investigation is authorized to—

"(1) establish and conduct training programs at the Federal Bureau of Investigation National Academy at Quantico, Virginia, to provide, at the request of a State or unit of local government, training for State and local criminal justice personnel;

"(2) develop new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen criminal justice; and

"(3) assist in conducting, at the request of a State or unit of local government, local and regional training programs for the training of State and local criminal justice personnel engaged in the investigation of crime and the apprehension of criminals. Such training shall be provided only for persons actually employed as State police or highway patrol, police of a unit of local government, sheriffs, and their deputies, and other persons as the State or unit may nominate for police training while such persons are actually employed as officers of such State or unit.

"(b) In the exercise of the functions, powers, and duties established under this section the Director of the Federal Bureau of Investigation shall be under the general authority of the Attorney General.

"(c) Notwithstanding the provisions of subsection (a), the Secretary of the Treasury is authorized to fund and continue to develop, establish and conduct training programs at the Federal Law Enforcement Training Center at Glynco, Georgia, to provide, at the request of a State or unit of local government, training for State and local criminal justice personnel so long as that training does not interfere with the Center's mission to train Federal law enforcement personnel.

"PART L—EMERGENCY FEDERAL LAW ENFORCEMENT ASSISTANCE

"APPLICATION REQUIREMENTS

"SEC. 1201 (a) The Attorney General is authorized to receive from the chief executive of any state a request for designation of a state or local jurisdiction as a law enforcement emergency jurisdiction. Such application shall be submitted in such manner and containing or accompanied by such information as the Attorney General may prescribe. Such application for designation as a law enforcement emergency jurisdiction shall be evaluated by the Attorney General according to such criteria, and on such terms and conditions as he shall establish and shall publish in the Federal Register prior to the beginning of fiscal year 1984 and each fiscal year thereafter for which appropriations will be available to carry out the program.

"(b) The Attorney General shall, in accordance with the criteria established, approve or disapprove such application not later than ten days after receiving such application.

"ASSISTANCE PROVIDED

"SEC. 1202. (a) Upon a finding by the Attorney General that a law enforcement emergency exists in accordance with the provisions of section 1201 of this title, the federal law enforcement community is authorized to provide emergency assistance for the duration of the emergency. The cost of such assistance may be paid by the Office of Justice Assistance from funds appropriated under this part, in accordance with procedures established by the Office and the heads of the participating Federal law enforcement agencies and with the approval of the Attorney General.

"(b) Upon such finding by the Attorney General, the Office of Justice Assistance may provide technical assistance, funds for the lease or rental of specialized equipment and other forms of emergency assistance to the jurisdiction, except that no funds may be used to pay the salaries of local criminal justice personnel or otherwise supplant State or local funds that would in the absence of such Federal funds be made available for law enforcement. The cost of assistance provided under this section shall be paid by the Office of Justice Assistance from funds appropriated under this part. The Federal share of such assistance may be up to 100 per centum of project costs.

"DEFINITIONS

"SEC. 1203. For the purposes of this part—

"(1) the term "Federal law enforcement assistance" means equipment, training, intelligence information, and technical expertise;

"(2) the term "Federal law enforcement community" means the heads of the following departments or agencies:

(A) the Department of Justice,

(B) the Internal Revenue Service,

(C) the Customs Service,

(D) the National Park Service,

(E) the Secret Service,

(F) the Coast Guard,

(G) the Bureau of Alcohol, Tobacco and Firearms,

(H) other Federal agencies with specific statutory authority to investigate violations of Federal criminal laws;

"(3) the term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

"(4) the term "law enforcement emergency" means an uncommon situation in which state and local resources are inadequate to protect the lives and property of citizens or enforce the criminal law.

"ADMINISTRATIVE REQUIREMENT

"SEC. 1204. The recordkeeping and administrative requirements of section 709 and section 710 shall apply to funds provided under this part.

"PART M—TRANSITION

"CONTINUATION OF RULES, AUTHORITIES, AND PROCEEDINGS

"SEC. 1301. (a) All orders, determinations, rules, regulations, and instructions of the Office of Justice Assistance, Research, and Statistics which are in effect on the date of the enactment of this Act shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President or the Attorney General, or his designee, or by operation of law.

"(b) The amendments made to this title by the Justice Assistance Act of 1983 shall not affect any suit, action, or other proceeding commenced by or against the Government before the date of the enactment of such Act.

"(c) Nothing in this title prevents the utilization of funds appropriated for purposes of this title for all activities necessary or appropriate for the review, audit, investigation, and judicial or administrative resolution of audit matters for those grants or contracts that were awarded under this title. The final disposition and dissemination of program and project accomplishments with respect to programs and projects approved in accordance with this title, as in effect before the date of the enactment of the Justice Assistance Act of 1983, may be carried out with funds appropriated for purposes of this title.

"(d) The Assistant Attorney General may award new grants, enter into new contracts or cooperative agreements and otherwise obligate unused or reversionary funds previously appropriated for the purposes of Parts D, E and F of this title as in effect on the day before the date of enactment of the Justice Assistance Act of 1983, or for purposes consistent with this title.

"(e) Nothwithstanding any other provisions of law, the Assistant Attorney General shall have all the authority previously vested in the Director of the Office of Justice Assistance, Research, and Statistics and the Administrator of the Law Enforcement Assistance Administration necessary to terminate the activities of the Law Enforcement Assistance Administration and the Office of Justice Assistance, Research, and Statistics, and all provisions of this title, as in effect on the day before the enactment of the Justice Assistance Act of 1983, which are necessary for this purpose remain in effect for the sole purpose of carrying out the termination of these activities.

"REFERENCES IN OTHER LAWS

"SEC. 802. Any reference to the Office of Justice Assistance, Research, and Statistics or the Law Enforcement Assistance Administration in any law other than this Act and the Omnibus Crime Control and Safe Streets Act of 1968, applicable to activities, functions, powers, and duties that after the date of the enactment of this Act are carried out by the Office of Justice Assistance shall be deemed to be a reference to the Office of Justice Assistance or to the Assistant Attorney General, Office of Justice Assistance, as the case may be.

"COMPENSATION OF FEDERAL OFFICERS

"SEC. 803. (a) Section 5314 of title 5, United States Code is amended by striking out "Director, Office of Justice Assistance, Research, and Statistics.".

"(b) Section 5315 of title 5, United States Code is amended by striking out "Administrator of Law Enforcement Assistance." "Director of the National Institute of Justice", and "Director of the Bureau of Justice Statistics."

"(c) Section 5316 of title 5, United States Code is amended by adding "Director of the National Institute of Justice, Director of the Bureau of Justice Statistics, and Director of the Bureau of Justice Programs.".

"PRISON INDUSTRY ENHANCEMENT

"SEC. 804. (a) Section 1761, subsection (c), of title 18, United States Code, is amended to read as follows—

"(c) In addition to the exceptions set forth in subsection (b) of this section, this chapter shall also not apply to goods, wares, services or merchandise manufactured, produced, provided or mined by convicts or prisoners participating in a program of not more than 20 projects designated by the Assistant Attorney General, Office of Justice Assistance, who—

"(1) have, in connection with such work, received wages at a rate which is not less than that paid for work of a similar nature in the locality in which the work was performed, except that such wages may be subject to deductions which shall not, in the aggregate, exceed 80 per centum of gross wages, and shall be limited as follows—

"(A) taxes (Federal, State, local);

"(B) reasonable charges for room and board as determined by regulations which shall be issued by the Chief correctional officer of the jurisdiction;

"(C) allocations for support of family pursuant to State statute, court order, or agreement by the offender;

"(D) contributions to any fund established by law to compensate the victims of crime of not more than 20 per centum but not less than 5 per centum of gross wages—

"(2) are entitled to compensation for injury sustained in the course of participation in these projects;

"(3) have participated in such employment voluntarily and have agreed in advance to the specific deductions made from gross wages pursuant to this section, and all other financial arrangements as a result of participation in such employment.

"(b)(1) Section 1761 of title 18, United States Code, is amended by adding thereto a new subsection (d) as follows:

"(d) The provisions of subsection (c) shall not apply unless—

"(1) representatives of local union central bodies or similar labor union organizations have been consulted prior to the initiation of any project otherwise qualifying for any exception created by subsection (c); and

"(2) such paid inmate employment will not result in the displacement of employed workers, or be applied in skills, crafts, or trades in which there is a surplus of available gainful labor in the locality, or impair existing contracts for services."

"(2) The second sentence of Section 11507 of title 49, United States Code, is amended by adding after the 'use' the following—

', or to commodities produced by a project designated by the Assistant Attorney General, Office of Justice Assistance under Section 1761(c) of title 18, United States Code'.

(c) The first section of the Act entitled "An Act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes", approved June 30, 1936 (49 Stat. 2036; 41 U.S.C. 35), commonly known as the Walsh-Healey Act, is amended by adding to the end of subsection (d) thereof, before"; and", the following: "except that this section, or any other law or Executive order containing similar prohibitions against purchase of goods by the Federal Government, shall not apply to convict labor which satisfies the conditions of sections 1761 (c) and 1761 (d) of title 18, United States Code".

TITLE IX—SURPLUS FEDERAL PROPERTY AMENDMENTS

SEC. 901. Section 203 of the Federal Property and Administrative Services Act of 1949 as amended (40 U.S.C. 484), is further amended by adding at the end thereof the following new subsection:

"(p)(1) Under such regulations as he may prescribe, the Administrator is authorized in his discretion to transfer or convey to the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, the Commonwealth of the Northern Mariana Islands, or any political subdivision or instrumentality thereof, surplus property determined by the Attorney General to be required for correctional facility use by the authorized transferee or grantee under an appropriate program or project for the care or rehabilitation of criminal offenders as approved by the Attorney General. Transfers or conveyance under this authority shall be made by the Administrator without monetary consideration to the United States.

"(2) The deed of conveyance of any surplus real property disposed of under the provisions of this subsection—

"(A) shall provide that all such property shall be used and maintained for the purpose for which it was conveyed in perpetuity, and that in the event the property ceases to be used or maintained for that purpose, all or any portion of the property shall, in its then existing condition, at the option of the United States, revert to the United States; and

"(B) may contain such additional terms, reservations, restrictions, and conditions as may be determined by the Administrator to be necessary to safeguard the interests of the United States.

"(3) With respect to surplus real property conveyed pursuant to this subsection, the Administrator is authorized and directed—

"(A) to determine and enforce compliance with the terms, conditions, reservations, and restrictions contained in any instrument by which such transfer was made;

"(B) to reform, correct, or amend any such instrument by the execution of a corrective reformative or amendatory instrument where necessary to correct such instrument or to conform such transfer to the requirements of applicable law; and

"(C) to (i) grant releases from any of the terms, conditions, reservations, and restrictions contained in, and (ii) convey, quitclaim, or release to the transferee or other eligible user any right or interest reserved to the United States by any instrument by which such transfer was made, if he determines that the property so transferred, or that such release, conveyance, or quitclaim deed will not prevent accomplishment of the purpose for which such property was so transferred: Provided, That any such release, conveyance, or quitclaim deed may be granted on, or made subject to, such terms and conditions as he or she shall deem necessary to protect or advance the interests of the United states.".

SEC. 902. The first sentence of subsection (o) of section 203 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 484(o)), is further amended by revising the first sentence of such subsection to read as follows:

"(o) The Administrator with respect to personal property donated under subsection (j) of this section and with respect to personal or real property transferred or conveyanced under subsection (p) of this section, and the head of each executive agency disposing of real property under subsection (k) of this section, shall submit during the calendar quarter following the close of each fiscal year a report to the Senate (or to the Secretary of the Senate if the Senate is not in session) and to the House of Representatives (or to the Clerk of the House if the House is not in session) showing the acquisition cost of all personal property so donated and of all real property so disposed of during the preceding fiscal year.".

TITLE X—REINSTITUTION OF CAPITAL PUNISHMENT

SEC. 1001. Chapter 227 of title 18, United States Code, is amended by adding after section 3562 a new section 3562A, to read as follows:

"§ 3562A. Sentencing for capital offenses

"(a) HEARING REQUIRED.—A person shall be subjected to the penalty of death for any offense against the United States only if a hearing is held in accordance with this section.

"(b) NOTICE BY THE GOVERNMENT.—Whenever the Government intends to seek the death penalty for an offense for which one of the sentences provided is death, the attorney for the government, a reasonable time before trial or acceptance by the court of a plea of guilty, shall sign and file with the court, and serve upon the defendant, a notice (1) that the government in the event of conviction will seek the sentence of death, and (2) setting forth the aggravating factor or factors which the Government will seek to prove as the basis for the death penalty. The court may permit the attorney for the Government to amend this notice for good cause shown.

"(c) HEARING BEFORE COURT OR JURY.—When the attorney for the Government has filed a notice as required under subsection (b) and the defendant is found guilty of or pleads guilty to an offense for which one of the sentences provided is death, the judge who presided at the trial or before whom the guilty plea was entered, or any other judge if the judge who presided at the trial or before whom the guilty plea was entered is unavailable, shall conduct a separate sentencing hearing to determine the punishment to be imposed. The hearing shall be conducted—

"(1) before the jury which determined the defendant's guilt;

"(2) before a jury impaneled for the purpose of the hearing if—

"(A) the defendant was convicted upon a plea of guilty;

"(B) the defendant was convicted after a trial before the court sitting without a jury;

"(C) the jury which determined the defendant's guilt has been discharged for good cause; or

"(D) after initial imposition of a sentence under this section, redetermination of the sentence under this section is necessary; or

"(3) before the court alone, upon the motion of the defendant and with the approval of the Government.

A jury impaneled pursuant to paragraph (2) of this subsection shall consist of twelve members, unless, at any time before the conclusion of the hearing, the parties stipulate with the approval of the court that it shall consist of any number less than twelve.

"(d) PROOF OF AGGRAVATING AND MITIGATING FACTORS.—Notwithstanding Rule 32(c) of the Federal Rules of Criminal Procedure, when a defendant is found guilty of or pleads guilty to an offense for which one of the sentences provided is death, no presentence report shall be prepared. In the sentencing hearing, information may be presented as to any matter relevant to the sentence and shall include matters relating to any of the aggravating or mitigating factors set forth in subsections (g), (h), and (i), or any other mitigating factor. Where information is presented relating to any of the aggravating factors set forth in subsection (h) or (i), information may be presented relating to any other aggravating factor. Information presented may include the trial transcript and exhibits if the hearing is held before a jury or judge not present during the trial. Any other information relevant to such mitigating or aggravating factors may be presented by either the Government or the defendant, regardless of its admissibility under the rules governing admission of evidence at criminal trials, except that information may be excluded if its probative value is substantially outweighed by the danger of unfair prejudice, confusion of the issues, or misleading the jury. The Government and the defendant shall be permitted to rebut any information received at the hearing and shall be given fair opportunity to present argument as the adequacy of the information to establish the existence of any of the aggravating or mitigating factors, and as to appropriateness in that case of imposing a sentence of death. The Government shall open the argument. The defendant shall be permitted to reply. The Government shall then be permitted to reply in rebuttal. The burden of establishing the existence of any aggravating factor is on the Government, and is not satisfied unless established beyond a reasonable doubt. The burden of establishing the existence of any mitigating factor is on the defendant, and is not satisfied unless established by a preponderance of the information.

"(e) RETURN OF FINDINGS.—The jury, or if there is no jury, the court, shall consider all the information received during the hearing. It shall return special findings identifying any mitigating factors, and any aggravating factors set forth in subsections (h) or (i), found to exist. If, in the case of an offense of treason or espionage, one of the aggravating factors set forth in subsection (h) is found to exist, or in the case of any other offense one of the aggravating factors set forth in subsection (i)(1) and another of the aggravating factors set forth in subsection (i)(2) through (10) is found to exist, a special finding identifying any other aggravating factor may be returned. A finding of such a factor by a jury shall be made by unanimous vote. If, in the case of an offense of treason or espionage, no aggravating factor set forth in subsection (h) is found to exist, or, in the case of any other offense, an aggravating factor set forth in subparagraph (i)(1) is not found to exist or an aggravating factor set forth in subparagraph (i)(1) is found to exist but no other aggravating factor set forth in subsection (i) is found to exist, the court shall impose a sentence, other than death, authorized by law. If, in the case of an offense of espionage or treason, one or more of the aggravating factors set forth in subsection (h) is found to exist, or, in the case of any other offense, an aggravating factor set forth in subparagraph (i)(1) and one or more of the other aggravating factors set forth in subsection (i) are found to exist, the jury, or if there is no jury, the court, shall then consider whether the aggravating factor or factors found to exist sufficiently outweigh any mitigating factor or factors found to exist, or in the absence of mitigating factors, whether the aggravating factors are themselves sufficient to justify a sentence of death. Based upon this consideration, the jury by unanimous vote, or if there is no jury, the court, shall return a finding as to whether a sentence of death is justified.

"(f) IMPOSITION OF SENTENCE.—Upon a finding that a sentence of death is justified, the court shall sentence the defendant to death. Otherwise the court shall impose a sentence, other than death, authorized by law.

"(g) MITIGATING FACTORS.—In determining whether a sentence of death is to be imposed on a defendant, the following mitigating factors shall be considered but are not exclusive:

"(1) the defendant was less than eighteen years of age at the time of the crime;

"(2) the defendant's capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to the charge;

"(3) the defendant was under unusual and substantial duress, although not such duress as constitutes a defense to the charge;

"(4) the defendant is punishable as a principal (as defined in section 2(a) of this title) in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to the charge;

"(5) the defendant could not reasonably have foreseen that his conduct in the course of the commission of murder, or other offense resulting in death for which he was convicted, would cause, or would create a grave risk of causing, death to any person.

"(h) AGGRAVATING FACTORS FOR TREASON AND ESPIONAGE.—If the defendant is found guilty of or pleads guilty to an offense under section 794 or section 2381 of this title, the following aggravating factors shall be considered but are not exclusive:

"(1) the defendant has been convicted of another offense involving espionage or treason for which either a sentence of life imprisonment or death was authorized by statute;

"(2) in the commission of the offense the defendant knowingly created a grave risk of substantial danger to the national security;

"(3) in the commission of the offense the defendant knowingly created a grave risk of death to another person.

"(i) AGGRAVATING FACTORS FOR HOMICIDE.—If the defendant is found guilty of or pleads guilty to any other offense for which one of the sentences provided is death, the following aggravating factors shall be considered but are not exclusive:

"(1) the defendant—

"(A) intentionally killed the victim;

"(B) intentionally inflicted serious bodily injury which resulted in the death of the victim;

"(C) intentionally participated in an act which he knew or reasonably should have known would create a grave risk of death to a person, other than one of the participants in the offense, and the victim did die as a direct result of the act; or

"(D) attempted to kill the President of the United States under the circumstances provided in section 1751(c) of this title;

"(2) the death or injury resulting in death occurred during the commission or attempted commission of, or during the immediate flight from the commission or attempted commission of, an offense under section 751 (prisoners in custody of institution or officer), section 794 (gathering or delivering defense information to aid foreign government), section 844(d) (transportation of explosives in interstate commerce for certain purposes), section 844(f) (destruction of Government property by explosives), section 844(i) (destruction of property in interstate commerce by explosives), section 1201 (kidnapping), or section 2381 (treason) of this title, or section 902 (i) or (n) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1472 (i), (n)) (aircraft piracy);

"(3) the defendant has been convicted of another Federal offense, or a State offense resulting in the death of a person, for which a sentence of life imprisonment or a sentence of death was authorized by statute;

"(4) the defendant has previously been convicted of two or more State or Federal offenses punishable by a term of imprisonment of more than one year, committed on different occasions, involving the infliction of, or attempted infliction of, serious bodily injury upon another person;

"(5) in the commission of the offense the defendant knowingly created a grave risk of death to one or more persons in addition to the victim of the offense;

"(6) the defendant committed the offense in an especially heinous, cruel, or depraved manner;

"(7) the defendant procured the commission of the offense by payment, or promise of payment, of anything of pecuniary value;

"(8) the defendant committed the offense as consideration for the receipt, or in the expectation of the receipt, of anything of pecuniary value;

"(9) the defendant committed the offense after substantial planning and premeditation to cause the death of a person or commit an act of terrorism;

"(10) the defendant committed the offense against—

"(A) the President of the United States, the President-elect, the Vice President, the Vice-President-elect, the Vice-President-designate, or, if there is no Vice President, the officer next in order of succession to the office of the President of the United States, or any person who is acting as President under the Constitution and laws of the United States;

"(B) a chief of state, head of government, or the political equivalent, of a foreign nation;

"(C) a foreign official listed in section 1116(b)(3)(A) of this title, if he is in the United States because of his official duties; or

"(D) a Federal judge, a Federal law-enforcement officer, or an employee of a United States penal or correctional institution, while performing his offical duties or because of his status as a public servant. For purposes of this subsection, a 'law-enforcement officer' is a public servant authorized by law or by a Government agency or Congress to conduct or engage in the prevention, investigation, or prosecution of an offense.

"(j) INSTRUCTION TO JURY ON RIGHT OF THE DEFENDANT TO JUSTICE WITHOUT DISCRIMINATION.—In any hearing held before a jury under this section, the court shall instruct the jury that in its consideration of whether the sentence of death is justified it shall not consider the race, color, national origin, creed, or sex of the defendant. The jury shall return to the court a certificate signed by each juror that consideration of race, color, national origin, creed, or sex of the defendant was not involved in reaching his or her individual decision.

"(k) SENTENCING IN CAPITAL CASES IN WHICH DEATH PENALTY IS NOT SOUGHT OR IMPOSED.—Notwithstanding the provisions of chapter 311 of this title, upon conviction of a person for an offense for which one of the sentences provided is death, the court may impose a sentence of life imprisonment without the possibility of parole.".

SEC. 1002. Section 34 of title 18 of the United States Code is amended by changing the comma after the words "imprisonment for life" to a period and deleting the remainder of the section.

SEC. 1003. Section 794(a) of title 18 of the United States Code is amended by changing the period at the end of the section to a comma and by adding immediately thereafter the words "except that the sentence of death shall not be imposed unless the jury or, if there is no jury, the court, further finds that the offense directly concerned nuclear weaponry, military spacecraft or satellites, early warning systems, or other means of defense or retaliation against large-scale attack; war plans; communications intelligence or cryptographic information; or any other major weapons system or major element of defense strategy."

SEC. 1004. Section 844(d) of title 18 of the United States Code is amended by striking the words "as provided in section 34 of this title".

SEC. 1005. Section 844(f) of title 18 of the United States Code is amended by striking the words "as provided in section 34 of this title".

SEC. 1006. Section 844(i) of title 18 of the United States Code is amended by striking the words "as provided in section 34 of this title".

SEC. 1007. The second paragraph of section 1111(b) of title 18 of the United States Code is amended to read as follows:

"Whoever is guilty of murder in the first degree shall be punished by death or by imprisonment for life.".

SEC. 1008. Section 1116(a) of title 18 of the United States Code is amended by striking the words "any such person who is found guilty of murder in the first degree shall be sentenced to imprisonment for life, and".

SEC. 1009. Section 1201 of title 18 of the United States Code is amended by inserting after the words "or for life" in subsection (a) the words "and, if the death of any person results, shall be punished by death or life imprisonment".

SEC. 1010. The last paragraph of section 1716 of title 18 of the United States Code is amended by changing the comma after the words "imprisonment for life" to a period and deleting the remainder of the paragraph.

SEC. 1011. Subsection (c) of section 1751 of title 18 of the United States Code is amended to read as follows: "Whoever attempts to kill or kidnap any individual designated in subsection (a) of this section shall be punished (1) by imprisonment for any term of years or for life, or (2) by death or imprisonment for any term of years for life, if the conduct constitutes an attempt to kill the President of the United States and results in bodily injury to the President or otherwise comes dangerously close to causing the death of the President.".

SEC. 1012. The second to the last paragraph of section 1992 of title 18 of the United States Code is amended by changing the comma after the words "imprisonment for life" to a period and deleting the remainder of the section.

SEC. 1013. Section 2031 of title 18 of the United States Code is amended by deleting the words "death, or".

SEC. 1014. Section 2113(e) of title 18 of the United States Code is amended by striking the words "or punished by death if the verdict of the jury shall so direct" and inserting in lieu thereof the words "or if death results shall be punished by death or life imprisonment".

SEC. 1015. Section 903 of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1473), is amended by striking subsection (c).

SEC. 1016. The analysis of chapter 227 of title 18 of the United States Code is amended by inserting after item 3562 the following new item:

"3562A. Sentencing for capital offenses.".

SEC. 1017. Section 3566 of title 18 of the United States Code is amended by adding a second paragraph as follows:

"In no event shall a sentence of death be carried out upon a pregnant woman.".

SEC. 1018. Chapter 235 of title 18 of the United States Code is amended by inserting immediately after section 3741 the following new section:

"§ 3742. Appeal from sentence of death

"In any case in which the sentence of death is imposed under section 3562A of this title, the sentence of death shall be subject to review by the court of appeals upon appeal by the defendant. Notice of appeal must be filed within the time prescribed for appeal of judgment in section 2107 of title 28 of the United States Code. An appeal under this section may be consolidated with an appeal of the judgment of conviction. Such review shall have priority over all other cases.

"On review of the sentence, the court of appeals shall consider the record, the evidence submitted during the trial, the information submitted during the sentencing hearing, the procedures employed in the sentencing hearing, and the special findings returned under section 3562A(e) of this title.

"The court shall affirm the sentence if it determines that: (1) the sentence of death was not imposed under the influence of passion, prejudice, or any other arbitrary factor; and (2) the information supports the special finding of the existence of any aggravating factor, or the failure to find any mitigating factors as set forth or allowed in section 3562A. In all other cases the court shall remand the case for reconsideration under section 3562A of this title. The court of appeals shall state in writing the reasons for its disposition of the review of the sentence.".

SEC. 1019. The analysis of chapter 235 of title 18 of the United States Code is amended by adding at the end thereof the following new item:

"3742. Appeal from sentence of death.".

SEC. 1020. The provisions of sections 3562A and 3742 of title 18 of the United States Code, as added by this Act, shall not apply to prosecutions under the Uniform Code of Military Justice (10 U.S.C. 801).

TITLE XI—LABOR RACKETEERING AMENDMENTS

SEC. 1101. (a) Subsection (d) of section 302 of the Labor Management Relations Act, 1947 (29 U.S.C. 186), is amended to read as follows:

"(d)(1) Any person who participates in a transaction involving a payment, loan, or delivery of money or other thing of value to a labor organization in payment of membership dues or to a joint labor-management trust fund as defined by clause (B) of the proviso to clause (5) of subsection (c) of this section or to a plant, area, or industry-wide labor-management committee that is received and used by such labor organization, trust fund, or committee, which transaction does not satisfy all the applicable requirements of subsections (c)(4) through (c)(9) of this section, and willfully and with intent to benefit himself or to benefit other persons he knows are not permitted to receive a payment, loan, money, or other thing of value under subsections (c)(4) through (c)(9) violates this subsection, shall, upon conviction thereof, be guilty of a felony and be subject to a fine of not more than $15,000, or imprisoned for not more than five years, or both; but if the value of the amount of money or thing of value involved in any violation of the provisions of this section does not exceed $1,000, such person shall be guilty of a misdemeanor and be subject to a fine of not more than $10,000, or imprisoned for not more than one year, or both.

"(2) Except for violations involving transactions covered by subsection (d)(1) of this section, any person who willfully violates this section shall, upon conviction thereof, be guilty of a felony and be subject to a fine of not more than $15,000, or imprisoned for not more than five years, or both; but if the value of the amount of money or things of value involved in any violation of the provisions of this section does not exceed $1,000, such person shall be guilty of a misdemeanor and be subject to a fine of not more than $10,000, or imprisoned for not more than one year, or both.".

(b) Subsection (e) of such section is amended to read as follows:

"(e) The district courts of the United States and the United States courts of the territories and possessions shall have jurisdiction, for cause shown, and subject to the provisions of Rule 65 of the Federal Rules of Civil Procedure (relating to notice to opposite party), over—

"(1) suits alleging a violation of this section brought by any person directly affected by the alleged violation, and

"(2) suits brought by the United States alleging that a transaction involving a payment, loan, or delivery of money or other thing of value to a labor organization in payment of membership dues or a joint labor-management trust fund as provided for in clause (B) of the proviso to clause (5) of subsection (c) of this section or to a plant, area, or industrywide labor-management committee violates this section,

to restrain such violations without regard to the provisions of section 6 of the Clayton Act (15 U.S.C. 17), section 20 of such Act (29 U.S.C. 52), and sections 1 through 15 of the Act entitled 'An Act to amend the Judicial Code to define and limit the jurisdiction of courts sitting in equity, and for other purposes', approved March 23, 1932 (29 U.S.C. 101-115.).

SEC. 1102. (a) So much of subsection (a) of section 411 of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1111) as follows "the Labor-Management Reporting and Disclosure Act of 1959 (29 U.S.C. 401)," is amended to read as follows: 'any felony involving abuse or misuse of such person's labor organization or employee benefit plan position or employment, or conspiracy to commit any such crimes or attempt to commit any such crimes, or a crime in which any of the foregoing crimes is an element, shall serve or be permitted to serve—

"(1) as an administrator, fiduciary, officer, trustee, custodian, counsel, agent, employee, or representative in any capacity of any employee benefit plan,

"(2) as a consultant or adviser to an employee benefit plan, including but not limited to any entity whose activities are in whole or substantial part devoted to providing goods or services to any employee benefit plan, or

"(3) in any capacity that involves decision-making authority or custody or control of the moneys, funds, assets, or property of any employee benefit plan, during or for the period of ten years after such conviction or after the end of such imprisonment, whichever is later, unless the sentencing court on the motion of the person convicted sets a lesser period of at least five years after such conviction or after the end of such imprisonment, whichever is later, and unless prior to the end of such period, in the case of a person so convicted or imprisoned (A) his citizenship rights, having been revoked as a result of such conviction, have been fully restored, or (B) the United States Parole Commission determines that such person's service in any capacity referred to in paragraphs (1) through (3) would not be contrary to the purposes of this title. Prior to making any such determination the Commission shall hold an administrative hearing and shall give notice to such proceeding by certified mail to the Secretary of Labor and to State, county, and Federal prosecuting officials in the jurisdiction or jurisdictions in which such person was convicted. The Commission's determination in any such proceeding shall be final. No person shall knowingly hire, retain, employ, or otherwise place any other person to serve in any capacity in violation of this subsection. Notwithstanding the preceding provisions of this subsection, no corporation or partnership will be precluded from acting as an administrator, fiduciary, officer, trustee, custodian, counsel, agent, or employee of any employee benefit plan or as a consultant to any employee benefit plan without a notice, hearing, and determination by such Parole Commission that such service would be inconsistent with the intention of this section.".

(b) Subsection (b) of such section is amended to read as follows:

"(b) Any person who intentionally violates this section shall be fined not more than $10,000 or imprisoned for not more than five years, or both.".

(c) Subsection (c) of such section is amended to read as follows:

"(c) For the purpose of this section—

"(1) A person shall be deemed to have been 'convicted' and under the disability of 'conviction' from the date of the judgment of the trial court, regardless of whether that judgment remains under appeal.

"(2) The term 'consultant' means any person who, for compensation, advises, or represents an employee benefit plan or who provides other assistance to such plan, concerning the establishment or operation of such plan.

"(3) A period of parole shall not be considered as part of a period of imprisonment.".

(d) Such section is amended by adding at the end thereof the following:

"(d) Whenever any person—

"(1) by operation of this section, has been barred from office or other position in an employee benefit plan as a result of a conviction, and

"(2) has filed an appeal of that conviction, any salary which would be otherwise due such person by virtue of such office or position, shall be placed in escrow by the individual or organization responsible for payment of such salary. Payment of such salary into escrow shall continue for the duration of the appeal or for the period of time during which such salary would be otherwise due, whichever period is shorter. Upon the final reversal of such person's conviction on appeal, the amounts in escrow shall be paid to such person. Upon the final sustaining of that person's conviction on appeal, the amounts in escrow shall be returned to the individual or organization responsible for payments of those amounts. Upon final reversal of such person's conviction, such person shall no longer be barred by this statute from assuming any position from which such person was previously barred.".

SEC. 1103. (a) So much of subsection (a) of section 504 of the Labor-Management Reporting and Disclosure Act of 1959 (29 U.S.C. 504) as follows "or a violation of title II or III of this Act" is amended to read as follows: "any felony involving abuse or misuse of such person's labor organization or employee benefit plan position or employment, or conspiracy to commit any such crimes, shall serve or be permitted to serve—

"(1) as a consultant or adviser to any labor organization,

"(2) as an officer, director, trustee, member of any executive board or similar governing body, business agent, manager, organizer, employee, or representative in any capacity of any labor organization,

"(3) as a labor relations consultant or adviser to a person engaged in an industry or activity affecting commerce, or as an officer, director, agent, or employee of any group or association of employers dealing with any labor organization, or in a position having specific collective bargaining authority or direct responsibility in the area of labor-management relations in any corporation or association engaged in an industry or activity affecting commerce, or

"(4) in a position which entitles its occupant to a share of the proceeds of, or as an officer or executive or administrative employee of, any entity whose activities are in whole or substantial part devoted to providing goods or services to any labor organization, or

"(5) in any capacity that involves decision-making authority concerning, or decision-making authority over, or custody of, or control of the moneys, funds, assets, or property of any labor organization,

during or for the period of ten years after such conviction or after the end of such imprisonment, whichever is later, unless the sentencing court on the motion of the person convicted sets a lesser period of at least five years after such conviction or after the end of such imprisonment, whichever is later, and unless prior to the end of such period, in the case of a person so convicted or imprisoned, (A) his citizenship rights, having been revoked as a result of such conviction, have been fully restored, or (B) the United States Parole Commission determines that such person's service in any capacity referred to in clauses (1) through (5) would not be contrary to the purposes of this Act. Prior to making any such determination the Commission shall hold an administrative hearing and shall give notice of such proceeding by certified mail to the Secretary of Labor and to State, county, and

Federal prosecuting officials in the jurisdiction or jurisdictions in which such person was convicted. The Commission's determination in any such proceeding shall be final. No person shall knowingly hire, retain, employ, or otherwise place any other person to serve in any capacity in violation of this subsection.".

(b) Subsection (b) of such section is amended to read as follows:

"(b) Any person who willfully violates this section shall be fined not more than $10,000 or imprisoned for not more than five years, or both.".

(c) Subsection (c) of such section is amended to read as follows:

"(c) For the purpose of this section—

"(1) A person shall be deemed to have been 'convicted' and under the disability of 'conviction' from the date of the judgment of the trial court, regardless of whether that judgment remains under appeal.

"(2) A period of parole shall not be considered as part of a period of imprisonment.".

(d) Such section 504 is amended by adding at the end thereof the following:

"(d) Whenever any person—

"(1) by operation of this section, has been barred from office or other position in a labor organization or employee benefit plan as a result of a conviction, and

"(2) has filed an appeal of that conviction, any salary which would be otherwise due such person by virtue of such office or position, shall be placed in escrow by the individual employer or organization responsible for payment of such salary. Payment of such salary into escrow shall continue for the duration of the appeal or for the period of time during which such salary would be otherwise due, whichever period is shorter. Upon the final reversal of such person's conviction on appeal, the amounts in escrow shall be paid to such person. Upon the final sustaining of such person's conviction on appeal, the amounts in escrow shall be returned to the individual employer or organization responsible for payments of those amounts. Upon final reversal of such person's conviction, such person shall no longer be barred by this statute from assuming any position from which such person was previously barred.".

SEC. 1104. (a) The amendments made by section 1102 and section 1103 of this Title shall take effect with respect to any judgment of conviction entered by the trial court after the date of enactment of this Title, except that that portion of such amendments relating to the commencement of the period of disability shall apply to any judgment of conviction entered prior to the date of enactment of this Title if a right of appeal or an appeal from such judgment is pending on the date of enactment of this Title.

(b) Subject to subsection (a) the amendments made by sections 1103 and 1104 shall not affect any disability under section 411 of the Employee Retirement Income Security Act of 1974 or under section 504 of the Labor-Management Reporting and Disclosure Act of 1959 in effect on the date of enactment of this Title.

TITLE XII—CURRENCY AND FOREIGN TRANSACTIONS REPORTING ACT AMENDMENTS

SEC. 1201. (a) Subsection (a) of section 5322 of title 31, United States Code, is amended by striking out "$1,000, or imprisonment not more than one year, or both" and inserting in lieu thereof "$50,000, or imprisonment not more than five years, or both".

(b) Subsection (a) of section 5316 of title 31, United States Code, is amended—

(1) by inserting ", or attempts to transport or have transported, after "transports or has transported" in paragraph (1); and

(2) by striking out "more than $5,000" and inserting in lieu thereof "more than $10,000".

(c) Section 5317 of title 31, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting the following new subsection after subsection (a):

"(b) A customs officer may stop and search, without a search warrant, a vehicle, vessel, aircraft, or other conveyance, envelope or other container, or person entering or departing from the United States with respect to which or whom the officer has reasonable cause to believe there is a monetary instrument being transported in violation of section 5316 of this title.".

(d) Chapter 53 of title 31 of the United States Code is amended by adding a new section 5323 at the end thereof as follows:

"§ 5323. Rewards for informants

"(a) The Secretary may pay a reward to an individual who provides original information which leads to a recovery of a criminal fine, civil penalty, or forfeiture, which exceeds $50,000, for a violation of this chapter.

"(b) The Secretary shall determine the amount of a reward under this section. The Secretary may not award more than 25 per centum of the net amount of the fine, penalty, or forfeiture collected or $150,000, whichever is less.

"(c) An officer or employee of the United States, a State, or a local government who provides information described in subsection (a) in the performance of official duties is not eligible for a reward under this section.

"(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.".

(e) The table of contents of chapter 53 of title 31 is amended by adding the following new item after the item relating to section 5322:

"5323. Rewards for informants.".

(f) Section 1961(1) of title 18, United States Code, is amended—

(1) by striking out "or" after "(relating to embezzlement from union funds),"; and

(2) by inserting before the semicolon at the end thereof the following: ", or (E) any act which is indictable under the Currency and Foreign Transactions Reporting Act".

TITLE XIII—FEDERAL TORT CLAIMS ACT AMENDMENTS

SEC. 1301. Subsection (b) of section 1346 of title 28, United States Code, is amended—

(1) by inserting "(1)" after "jurisdiction of"; and

(2) By striking out the period at the end thereof and inserting in lieu thereof ", or (2) civil actions on claims against the United States, for money damages, sounding in tort arising under the Constitution of the United States for injury or loss of property, or personal injury or death, caused by an act or omission of any employee of the Government while acting within the scope of his office or employment, such liability to be determined in accordance with applicable Federal law.".

SEC. 1302. (a) Section 2672 of title 28, United States Code, is amended in the first paragraph—

(1) by inserting "(1)" after "United States" the first place it appears;

(2) by striking out the colon after "occurred" and inserting in lieu thereof ", or (2) for claims for money damages sounding in tort arising under the Constitution of the United States for injury or loss of property, or personal injury or death, caused by an act or omission of any employee of the Government while acting within the scope of his office or employment, such liability to be determined in accordance with applicable Federal law:";

(3) by inserting "or any award, compromise, or settlement based on a claim arising under the Constitution of the United States" after "$25,000"; and

(4) by striking the figure "$25,000" and substituting therefore the figure "$50,000".

(b) The third paragraph is amended by inserting between the word "made", the second time it appears, and the word "by", the words "or approved", and by inserting between the word "to", the fourth time it appears, and the word "section", the words, "this section or".

SEC. 1303. Section 2674 of title 28, United States Code, is amended—

(1) by striking out the comma after "claims" in the first paragraph and inserting in lieu thereof "other than those arising under the Constitution of the United States,";

(2) by inserting "(a)(1)" at the beginning of the first paragraph;

(3) by inserting "(2)" at the beginning of the second paragraph; and

(4) by adding at the end thereof the following new subsection:

"(b)(1) The United States shall be liable, respecting the provisions of this title relating to tort claims arising under the Constitution of the United States, to the extent recognized or provided by applicable Federal law, and shall be entitled to all defenses heretofore available to an employee of the United States and to which the United States would otherwise be entitled. The United States shall not be liable for interest prior to judgment or for punitive damages.

"(2) Damages in any such case shall be the greater of (A) actual damages or (B) liquidated damages of $1,000 or, in the case of a continuing tort, $100 a day for each day of violation up to a maximum of $15,000.".

SEC. 1304. Subsection (a) of section 2675 of title 28, United States Code, is amended by striking out the comma after "employment" and inserting in lieu thereof "or upon a claim against the United States for money damages for a tort arising under the Constitution of the United States caused by an act or omission of any employee of the Government while acting within the scope of his office or employment,".

SEC. 1305. (a) Subsection (b) of section 2679 of title 28, United States Code, is amended to read as follows:

"(b) The remedy against the United States provided by sections 1346(b) and 2672 of this title for claims for injury or loss of property or personal injury or death resulting from the negligent or wrongful act or omission of any employee of the Government while acting within the scope of his office or employment and for claims arising under the Constitution of the United States for an act or omission of any employee of the Government while acting within the scope of his office or employment, is exclusive of any other civil action or proceeding arising out of or relating to the same subject matter against the employee whose act or omission gave rise to the claim, or against the estate of such employee, and shall also be deemed an equally effective substitute for any recovery against the employee in his

individual capacity directly under the Constitution.".

(b) Subsection (d) of such section is amended to read as follows:

"(d)(1) Upon certification by the Attorney General that the defendant employee was acting within the scope of his office or employment at the time of the incident out of which the action arose, any such civil action or proceeding commenced in a United States district court shall be deemed an action against the United States under the provisions of this title and all reference thereto, and the United States shall be substituted as the party defendant. After substitution, the United States shall have available all defenses heretofore available to the employee and all defenses to which it would have been entitled if the action had originally been commenced against the United States under this chapter and section 1346(b) of this title.

"(2) Upon certification by the Attorney General that the defendant employee was acting within the scope of his office or employment at the time of the incident out of which the action arose, any such civil action or proceeding commenced in a State court shall be removed without bond at any time before trial by the Attorney General to the district court of the United States for the district and division embracing the place wherein it is pending. Such action shall be deemed an action brought against the United States under the provisions of this title and all references thereto, and the United States shall be substituted as the party defendant. After substitution, the United States shall have available all defenses heretofore available to the employee and all defenses to which it would have been entitled if the action had originally been commenced against the United States under this chapter and section 1346(b) of this title. The certification of the Attorney General shall conclusively establish scope of office or employment for purposes of removal.

"(3) The certification by the Attorney General under subsection (d)(1) or (2) that the defendant employee was acting within the scope of his office or employment shall be binding and conclusive, except that in the event that the Attorney General has not certified scope of office or employment, the employee may at any time before trial petition the court to find and certify that the employee was acting within the scope of his office or employment. A copy of the petition shall be served upon the United States in accordance with the provisions of rule 4(d)(4), Federal Rules of Civil Procedure. In the event the petition is filed in a civil action or proceeding pending in a State court, the action or proceeding shall be removed without bond by the Attorney General to the district court of the United States for the district and division embracing the place wherein it is pending. Should the district court determine that the employee was not acting within the scope of his office or employment, the action or proceeding shall be remanded to the State court.

"(4) Where a civil action or proceeding under this chapter is precluded because of the availability of a remedy, compensation, or other benefits from the United States as provided by any other law, the action or proceeding shall be dismissed but in that event, the running of any limitation of time for commencing or filing an application or claim in a proceeding for any such other remedy, compensation, or benefits shall be suspended during the pendency of the civil action or administrative proceeding under this chapter.

"(5) Whenever an action brought against a defendant employee in which the United States is substituted as the party defendant under this subsection is dismissed for failure first to present a claim to the appropriate Federal agency pursuant to section 2675(a) of this title, the claim shall be deemed to be timely presented under section 2401(b) of this title, if (A) the claim would have been timely if filed on the date the action against the defendant employee was commenced, and (B) the claim is presented to the appropriate Federal agency within sixty days after dismissal of the action.".

(c) Such section is further amended by adding at the end thereof the following new subsection:

"(f) If a civil action or proceeding under section 1346(b) or 2672 of this title arising under the Constitution of the United States results in a judgment against the United States or an award, compromise, or settlement paid by the United States, the Attorney General shall forward the matter to the head of the department or agency which employed the employee at the time of the act or omission for such further administrative investigation or disciplinary action as may be appropriate.".

(d) Such section is further amended by adding at the end thereof the following new subsection:

"(g) The head of an agency or his designee may, to the extent that he or his designee deems appropriate, hold harmless or provide liability insurance for any person described in subsection (b) for damages for personal injury, including death, caused by such person's negligent or wrongful act or omission while acting within the scope of such person's office or employment."

SEC. 1306. (a) Section 2680 of title 28, United States Code, is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"§ 2680. Exceptions; claims not arising under the Constitution of the United States";

(2) by inserting ", relating to tort claims other than those arising under the Constitution of the United States," in the first paragraph immediately after "title"; and

(3) by amending subsection (h) to read as follows:

"(h) Any claim arising out of libel, slander, misrepresentation, deceit, or interference with contract rights.".

(b) The item relating to section 2680 in the table of sections at the beginning of chapter 171 of title 28, United States Code, is amended to read as follows:

"2680. Exceptions; claims not arising under the Constitution of the United States.".

SEC. 1307. (a) Chapter 171 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 2681. Exceptions; claims arising under the Constitution of the United States

"The provisions of this chapter and of section 1346(b) of this title which relate to tort claims arising under the Constitution of the United States shall not apply to actions arising from the activities of the Tennessee Valley Authority, the Panama Canal Company, a Federal land bank, a Federal intermediate credit bank, or a bank for cooperatives.".

(b) The table of sections at the beginning of chapter 171 of title 28, United States Code, is amended by adding at the end thereof the following new item:

"2681. Exceptions; claims arising under the Constitution of the United States.".

SEC. 1308. (a)(1) Subsections (a) through (d) of section 4116 of title 38, United States Code, are repealed.

(2) Subsection (e) of such section is amended—

(A) by striking out "(e)";

(B) by striking out "person to whom the immunity provisions of this section apply (as described in subsection (a) of this section)," and inserting in lieu thereof "employee of the Veterans' Administration"; and

(C) by striking out "Department of Medicine and Surgery" and inserting in lieu thereof "Veterans' Administration".

(b)(1) Subsections (a) through (e) of section 224 of the Public Health Service Act (42 U.S.C. 233) are repealed.

(2) Subsection (f) of such section is amended by striking out "(f)".

(c)(1) Subsections (a) through (e) of section 1089 of title 10, United States Code, are repealed.

(2) Subsection (f) of such section is amended by striking out "person described in subsection (a)" and inserting in lieu thereof "employee of the armed forces, the Department of Defense, the United States Soldiers' and Airmen's Home, or the Central Intelligence Agency".

(3) Subsection (g) of such section is amended—

(A) by striking out "and" at the end of clause (2);

(B) by redesignating clause (3) as clause (4); and

(C) by inserting after clause (2) the following new clause:

"(3) the Governor of the United States Soldiers' and Airmen's Home, in the case of an employee of the United States Soldiers' and Airmen's Home; and".

(4) Subsections (f) and (g) of such section are redesignated as subsections (a) and (b), respectively.

(d)(1) Subsections (a) through (e) of section 307 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458a) are repealed.

(2) Subsection (f) of such section is amended—

(A) by striking out "(f)"; and

(B) by striking out "person described in subsection (a)" and inserting in lieu thereof "employee of the National Aeronautics and Space Administration".

(e)(1) Subsections (a) through (e) of section 30 of the State Department Basic Authorities Act of 1945 (22 U.S.C. 2702) are repealed.

(2) Subsection (f) of such section is amended by striking out "person to whom the immunity provisions of subsection (a) of this section apply," and inserting in lieu thereof "employee of the Department of State."

(3) Subsections (f) and (g) of such section are redesignated as subsections (a) and (b), respectively.

SEC. 1309. Section 2520 of title 18, United States Code, is amended by adding at the end thereof the following new sentence: "This section shall not apply to any civil cause of action against an officer or employee of the United States while acting within the scope of his office or employment.".

SEC. 1310. Section 1810 of title 50, United States Code, is amended by adding at the end thereof the following new sentence:

"This section shall not apply to any civil cause of action against an officer or employee of the United States while acting within the scope of his office or employment.".

SEC. 1311. (a) Except as provided in subsection (b), the amendments made by this Act shall apply to all claims, civil actions and proceedings pending on, or filed on or after, the date of enactment of this Act.

(b)(1) With respect to any civil action or proceeding pending on the date of enactment against a Federal employee in his individual capacity, the plaintiff may, upon timely demand, (A) retain his right to a trial by jury if the demand for trial by jury is made prior to or on the date of enactment, or (B) elect a trial by jury if the time for election of a trial by jury pursuant to applicable law has not expired as of the date of enactment, except that in any provisions of section 2674(b) of this title, as added by section 3 of this Act, which relate to liquidated damages, shall not apply.

(2) With respect to any civil action or proceeding pending against a Federal employee in his individual capacity on appeal, or pending against a Federal employee in his individual capacity in a State court in which the time for removal pursuant to section 2679(d) of this title has expired, the amendments made by this Act shall not apply, except that the United States shall be substituted for the defendant employee upon certification by the Attorney General that the defendant employee was acting within the scope of his office or employment at the time of the incident out of which the action or proceeding arose.

(3) The provisions of section 2675(a) of this title shall not apply to a civil action or proceeding against a Federal employee in his individual capacity pending on the date of enactment of this Act, if the provisions of section 2675(a) were inapplicable to the action or proceeding when filed.

TITLE XIV—MISCELLANEOUS VIOLENT CRIME AMENDMENTS

PART A—MURDER-FOR-HIRE AND VIOLENT CRIMES IN AID OF RACKETEERING ACTIVITY

SEC. 1401. (a) Chapter 1 of title 18 of the United States Code is amended by adding a new section 16 as follows:

"§ 16. Crime of violence defined.

"The term 'crime of violence' means—

"(a) an offense that has an element the use, attempted use, or threatened use of physical force against the person or property of another, or

"(b) any other offense that is a felony and that, by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense.".

(b) The analysis for chapter 1 of title 18 of the United States Code is amended by adding at the end thereof the following: "16. Crime of violence defined.".

SEC. 1402. (a) Chapter 95 of title 18, United States Code, is amended by adding new sections 1952A and 1952B, following section 1952, as follows:

"§ 1952A. Use of interstate commerce facilities in the commission of murder-for-hire

"(a) Whoever travels in or causes another (including the intended victim) to travel in interstate or foreign commerce, or uses or causes another (including the intended victim) to use the mail or any facility in interstate or foreign commerce, with intent that a murder be committed in violation of the laws of any State or the United States as consideration for the receipt of anything of pecuniary value, shall be fined not more than $10,000 or imprisoned for not more than five years, or both; and if personal injury results, shall be fined not more than $20,000 and imprisoned for not more than twenty years, or both; and if death results, shall be subject to imprisonment for any term of years or for life, or shall be fined not more than $50,000, or both.

"(b) As used in this section—

"(1) 'anything of pecuniary value' means anything of value in the form of money, a negotiable instrument, a commercial interest, or anything else the primary significance of which is economic advantage; and

"(2) 'facility of interstate commerce' includes means of transportation and communication.

"§ 1952B. Violent crimes in aid of racketeering activity

"(a) Whoever, as consideration for the receipt of or as consideration for a promise or agreement to pay anything of pecuniary value from an enterprise engaged in racketeering activity, or for the purpose of gaining entrance to or maintaining or increasing position in an enterprise engaged in racketeering activity, murders, kidnaps, maims, assaults with a dangerous weapon, commits assault resulting in serious bodily injury upon, or threatens to commit a crime of violence against any individual in violation of the laws of any State or the United States, or attempts or conspires so to do, shall be punished—

"(1) for murder or kidnapping, by imprisonment for any term of years or for life or a fine of not more than $50,000, or both;

"(2) for maiming, by imprisonment for not more than thirty years or a fine of not more than $30,000, or both;

"(3) for assault with a dangerous weapon or assault resulting in serious bodily injury, by imprisonment for not more than twenty years or a fine of not more than $20,000, or both;

"(4) for threatening to commit a crime of violence, by imprisonment for not more than five years or a fine of not more than $5,000, or both;

"(5) for attempting or conspiring to commit murder, by imprisonment for not more than ten years or a fine of not more than $10,000, or both; and

"(6) for attempting or conspiring to commit a crime involving maiming, assault with a dangerous weapon, or assault resulting in serious bodily injury, by imprisonment for not more than three years or a fine of not more than $3,000, or both.

"(b) As used in this section—

"(1) 'racketeering activity' has the meaning set forth in section 1961 of this title; and

"(2) 'enterprise' includes any partnership, corporation, association, or other legal entity, and any union or group of individuals associated in fact although not a legal entity, which is engaged in, or the activities of which affect, interstate or foreign commerce.".

(b) The analysis at the beginning of chapter 95 of title 18 is amended by adding after the item relating to section 1952 the following:

"1952A. Use of interstate commerce facilities in the commission of murder-for-hire.

"1952B. Violent crimes in aid of racketeering activity.".

PART B—SOLICITATION TO COMMIT A CRIME OF VIOLENCE

SEC. 1403. (a) Chapter 19 of title 18 of the United States Code is amended by adding at the end thereof the following new section:

"§ 373. Solicitation to commit a crime of violence

"(a) Whoever, with intent that another person engage in conduct constituting a crime of violence in violation of the laws of the United States, and under circumstances strongly corroborative of that intent, solicits, commands, induces, or otherwise endeavors to persuade such other person to engage in such conduct, shall be imprisoned not more than one-half the maximum term of imprisonment or fined not more than one-half of the maximum fine prescribed for the punishment of the crime solicited, or both; or if the crime solicited is punishable by death, shall be imprisoned for not more than twenty years.

"(b) It is an affirmative defense to a prosecution under this section that, under circumstances manifesting a voluntary and complete renunciation of his criminal intent, the defendant prevented the commission of the crime solicited. A renunciation is not 'voluntary and complete' if it is motivated in whole or in part by a decision to postpone the commission of the crime until another time or to substitute another victim or another but similar objective. If the defendant raises the affirmative defense at trial, the defendant has the burden of proving the defense by a preponderance of the evidence.

"(c) It is not a defense to a prosecution under this section that the person solicited could not be convicted of the crime because he lacked the state of mind required for its commission, because he was incompetent or irresponsible, or because he is immune from prosecution or is not subject to prosecution.".

(b) The analysis at the beginning of chapter 19 of title 18 is amended by adding after the item relating to section 372 the following:

"373. Solicitation to commit a crime of violence.".

PART C—FELONY-MURDER RULE

SEC. 1404. Section 1111 of title 18 of the United States Code is amended by adding after the word "arson" the words "escape, murder, kidnaping, treason, espionage, sabotage,".

PART D—MANDATORY PENALTY FOR USE OF A FIREARM DURING A FEDERAL CRIME OF VIOLENCE

SEC. 1405. (a) Subsection (c) of section 924 of title 18 is amended to read as follows:

"(c) Whoever, during and in relation to any crime of violence, including a crime of violence which provides for an enhanced punishment if committed by the use of a deadly or dangerous weapon or device, for which he may be prosecuted in a court of the United States, uses or carries a firearm, shall, in addition to the punishment provided for such crime of violence, be sentenced to imprisonment for five years. In the case of his second or subsequent conviction under this subsection, such person shall be sentenced to imprisonment for ten years. Notwithstanding any other provision of law, the court shall not place on probation or suspend the sentence of any person convicted of a violation of this subsection, nor shall the term of imprisonment imposed under this subsection run concurrently with any other term of imprisonment including that imposed for the crime of violence in which the firearm was used or carried. No person sentenced under this subsection shall be eligible for parole during the term of imprisonment imposed herein.".

PART E—ARMOR-PIERCING BULLETS

SEC. 1406. (a) Chapter 44 of title 18, United States Code, is amended by adding at the end thereof the following:

"§ 929. Use of restricted ammunition.

"(a) Whoever, during and in relation to the commission of a crime of violence including a crime of violence which provides for an enhanced punishment if committed by the use of a deadly or dangerous weapon or device for which he may be prosecuted in a court of the United States, uses or carries any handgun loaded with armor-piercing ammunition as defined in subsection (b), shall, in addition to the punishment provided for the commission of such crime of violence be sentenced to a term of imprisonment for not less than five years. Notwithstanding any other provision of law, the court shall not suspend the sentence of any person convicted of a violation of this subsection, nor place him on probation, nor shall the term of imprisonment run concurrently with any other terms of imprisonment including that imposed for the felony in which the armor-piercing handgun ammunition was used or carried. No person sentenced under this subsection shall be eligible for parole during the term of imprisonment imposed herein.

"(b) For purposes of this section—

"(1) 'armor-piercing ammunition' means ammunition which, when or if fired from any handgun used or carrried in violation of subsection (a) under the test procedure of the National Institute of Law Enforcement and Criminal Justice Standard for the Ballistics Resistance of Police Body Armor promulgated December, 1978, is determined to be capable of penetrating bullet-resistant apparel or body armor meeting the requirements of Type IIA of Standard NILECJ-STD-0101.01 as formulated by the United States Department of Justice and published in December of 1978; and

"(2) 'handgun' means any firearm, including a pistol or revolver, originally designed to be fired by the use of a single hand.".

(b) The table of sections for chapter 44 of title 18, United States Code, is amended by adding at the end thereof the following:

"929. Use of restricted ammunition.".

PART F—KIDNAPING OF FEDERAL OFFICIALS

SEC. 1407. Section 1201 of title 18 of the United States Code is amended—

(1) in subsection (a)(3), by deleting "or" at the end thereof;

(2) in subsection (a)(4), by deleting the comma at the end thereof and substituting "; or"; and

(3) by adding after subsection (a)(4) a new subsection (a)(5) to read as follows:

"(5) The person is among those officers and employees designated in section 1114 of this title and any such act against the person is done while the person is engaged in, or on account of, the performance of his official duties,".

PART G—CRIMES AGAINST FAMILY MEMBERS OF FEDERAL OFFICIALS

SEC. 1408. (a) Chapter 7 of title 18 of the United States Code is amended by adding a new section at the end thereof to read as follows:

"§ 115. Influencing, impeding, or retaliating against a federal official by threatening or injuring a family member.

"(a) Whoever assaults, kidnaps, or murders, or attempts to kidnap or murder, or threatens to assault, kidnap or murder a member of the immediate family of a United States official, a United States judge, a federal law enforcement officer, or an official whose killing would be a crime under 18 U.S.C. 1114, as amended, with intent to impede, intimidate, interfere with, or retaliate against such official, judge or law enforcement officer while he is engaged in or as account of the performance of his official duties, shall be punished as provided in subsection (b).

"(b)(1) An assault in violation of this section shall be punished as provided in section 111 of this title.

"(2) A kidnaping or attempted kidnaping in violation of this section shall be punished as provided in section 1201 of this title.

"(3) A murder or attempted murder in violation of this section shall be punished as provided in sections 1111 and 1113 of this title.

"(4) A threat made in violation of this title shall be punished by a fine of not more than $5,000 or imprisonment for a term of not more than five years, or both, except that imprisonment for a threatened assault shall not exceed three years.

"(c) As used in this section, the term—

"(1) Federal law enforcement officer means any officer, agent, or employee of the United States authorized by law or by a government agency to engage in or supervise the prevention, detection, investigation, or prosecution of any violation of federal criminal law;

"(2) 'Immediate family member' of an individual means—

"(A) his spouse, parent, brother or sister, child or person to whom he stands in loco parentis; or

"(B) any other person living in his household and related to him by blood or marriage;

"(3) 'United States judge' means any judicial officer of the United States, and includes a justice of the Supreme Court and a United States magistrate; and

"(4) 'United States official' means the President, President-elect, Vice President, Vice President-elect, a Member of Congress, a member-elect of Congress, a member of the executive branch who is the head of a department listed in 5 U.S.C. 101, or the Director of The Central Intelligence Agency.".

(b) The analysis of chapter 7 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"115. Influencing, impeding, or retaliating against a federal official by threatening or injuring a family member.".

PART H—ADDITION OF CRIMES OF MAIMING AND SODOMY TO MAJOR CRIMES ACT

SEC. 1409. Section 1153 of title 18 is amended to read as follows:

"Any Indian who commits against the person or property of another Indian or other person any of the following offenses, namely, murder, manslaughter, kidnaping, maiming, rape, involuntary sodomy, carnal knowledge of any female, not his wife, who has not attained the age of sixteen years, assault with intent to commit rape, incest, assault with intent to commit murder, assault with a dangerous weapon, assault resulting in serious bodily injury, arson, burglary, robbery, and a felony under section 661 of this title within the Indian country, shall be subject to the same law and penalties as all other persons committing any of the above offenses, within the exclusive jurisdiction of the United States.

"As used in this section, the offenses of burglary, involuntary sodomy, and incest shall be defined and punished in accordance with the laws of the State in which such offense was committed as are in force at the time of such offense.

"In addition to the offenses of burglary, involuntary sodomy, and incest, any other of the above offenses which are not defined and punished by Federal law in force within the exclusive jurisdiction of the United States shall be defined and punished in accordance with the laws of the State in which such offense was committed as are in force at the time of such offense."

PART I—DESTRUCTION OF MOTOR VEHICLES

SEC. 1410. Section 31 of title 18 of the United States Code is amended in the definition of "motor vehicle" by striking out "or passengers and property;" and inserting in lieu thereof "passengers and property, or property or cargo;".

PART J—DESTRUCTION OF ENERGY FACILITIES

SEC. 1411. (a) Chapter 65 of title 18, United States Code, is amended by adding at the end thereof the following:

"§ 1365. Destruction of an energy facility.

"(a) Whoever knowingly and willfully damages the property of an energy facility in an amount that in fact exceeds $100,000, or damages the property of an energy facility in any amount and causes a significant interruption or impairment of a function of an energy facility, shall be punishable by a fine of not more than $50,000 or imprisonment for not more than ten years, or both.

"(b) Whoever knowingly and willfully damages the property of an energy facility in an amount that in fact exceeds $5,000 shall be punishable by a fine of not more than $25,000, or imprisonment for not more than five years, or both.

"(c) For purposes of this section, the term 'energy facility' means a facility that is involved in the production, storage, transmission, or distribution of electricity, fuel, or another form or source of energy, or research, development, or demonstration facilities relating thereto, regardless of whether such facility is still under construction or is otherwise not functioning, except a facility subject to the jurisdiction, administration, or in the custody of the Nuclear Regulatory Commission.".

"(d) The table of contents for chapter 65 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"1365 Destruction of an energy facility.".

PART K—ASSAULTS UPON FEDERAL OFFICIALS

SEC. 1412. Section 1114 of title 18 of the United States Code is amended—

(1) by inserting "or attempts to kill" after "kills";

(2) by striking out "while engaged in the performance of his official duties" and inserting in lieu thereof "or any officer or employee of any department or agency within the Intelligence Community (as defined in section 3.4(F) of Executive Order 12333, December 8, 1981, or successor orders) not already covered under the terms of this section,";

(3) by adding ", or any other officer, agency, or employee of the United States designated for coverage under this section in regulations issued by the Attorney General" after "National Credit Union Administration"; and

(4) by inserting before the period at the end thereof the following: ", except that any such person who is found guilty of attempted murder shall be imprisoned for not more than twenty years".

PART L—ESCAPE FROM CUSTODY RESULTING FROM CIVIL COMMITMENT

SEC. 1413. Section 1826 of title 28, United States Code, is amended by adding a new subsection (c) as follows:

"(c) Whoever escapes or attempts to escape from the custody of any facility or from any place in which or to which he is confined pursuant to this section or section 4243 of title 18, or whoever rescues or attempts to rescue or instigates, aids, or assists the escape or attempt to escape of such a person, shall be subject to imprisonment for not more than three years, or a fine of not more than $10,000, or both.

PART M—EXTRADITION REFORM

SEC. 1414. Chapter 209 of title 18, United States Code, is amended as follows:

(a) Section 3181 is deleted.

(b) Section 3182 is redesignated as section "3181".

(c) Section 3183 is redesignated as section "3182" and is amended by striking out "or the Panama Canal Zone" in the first sentence.

(d) A new section 3183 is added as follows:

"§ 3183. Payment of fees and costs.

"All costs or expenses incurred in any interstate rendition proceeding and apprehending, securing, and transmitting a fugitive shall be paid by the demanding authority.".

(e) Sections 3184 through 3195 are deleted.

(f) The chapter heading and section analysis are amended to read as follows:

"CHAPTER 209—INTERSTATE RENDITION

"3181. Fugitives from State or Territory to State, District, or Territory.
"3182. Fugitives from State, Territory or Possession into extra-territorial jurisdiction of the United States.
"3183. Payment of fees and costs.".

SEC. 1415. A new chapter 210 of title 18 of the United States Code is added as follows:

"CHAPTER 210—INTERNATIONAL EXTRADITION

"Sec.
"3191. Extradition authority in general.
"3192. Initial procedure.
"3193. Waiver of extradition hearing and consent to removal.
"3194. Extradition hearing.
"3195. Appeal.
"3196. Surrender of a person to a foreign state.
"3197. Receipt of a person from a foreign state.
"3198. General provisions for chapter.

"§ 3191. Extradition authority in general

"The United States may extradite a person to a foreign state pursuant to this chapter only if—

"(a) there is a treaty concerning extradition between the United States and the foreign state; and

"(b) the foreign state requests extraditon within the terms of the applicable treaty.

"§ 3192. Initial procedure

"(a) IN GENERAL.—The Attorney General may file a complaint charging that a person is extraditable. The Attorney General shall file the complaint in the United States district court—

"(1) for the district in which the person may be found: or

"(2) for the District of Columbia, if the Attorney General does not know where the person may be found.

"(b) COMPLAINT.—The complaint shall be made under oath or affirmation, and shall specify the offense for which extradition is sought. The complaint—

"(1) shall be accompanied by a copy of the request for extradition and by the evidence and documents required by the applicable treaty; or

"(2) if not accompanied by the materials specified in paragraph (1)—

"(A) shall contain—

"(i) information sufficient to identify the person sought;

"(ii) a statement of the essential facts constituting the offense that the person is believed to have committed, or a statement that an arrest warrant for the person is outstanding in the foreign state; and

"(iii) a description of the circumstances that justify the person's arrest; or

"(B) shall contain such other information as is required by the applicable treaty;

and shall be supplemented before the extradition hearing by the materials specified in paragraph (1).

"(c) ARREST OR SUMMONS.—Upon receipt of a complaint, the court shall issue a warrant for the arrest of the person sought or, if the Attorney General so requests, a summons to the person to appear at an extradition hearing. The warrant or summons shall be executed in the manner prescribed by rule 4(d) of the Federal Rules of Criminal Procedure. A person arrested pursuant to this section shall be taken without unnecessary delay before the nearest available court for an extradition hearing.

"(d) DETENTION OR RELEASE OF ARRESTED PERSON.—

"(1) The court shall order that a person arrested under this section be held in official detention pending the extradition hearing unless the person establishes to the satisfaction of the court that special circumstances require his release.

"(2) Unless otherwise provided by the applicable treaty, if a person is detained pursuant to paragraph (1) in a proceeding in which the complaint is filed under subsection (b)(2), and if, within sixty days of the person's arrest, the court has not received—

"(A) the evidence or documents required by the applicable treaty; or

"(B) notice that the evidence or documents have been received by the Department of State and will promptly be transmitted to the court:

the court may order that the person be released from official detention pending the extradition hearing.

"(3) If the court orders the release of the person pending the extradition hearing, it shall impose conditions of release that will reasonably assure the appearance of the person as required and the safety of any other person and the community.

"§ 3193. Waiver of extradition hearing and consent to removal

"(a) INFORMING THE COURT OF WAIVER AND CONSENT.—A person against whom a complaint is filed may waive the requirements of formal extradition proceedings, including an order of surrender, by informing the court that he consents to removal to the foreign state.

"(b) INQUIRY BY THE COURT.—The court, upon being informed of the person's consent to removal, shall—

"(1) inform the person that he has a right to consult with counsel and that, if he is financially unable to obtain counsel, counsel may be appointed to represent him pursuant to section 3006A; and

"(2) address the person to determine whether his consent is—

"(A) voluntary, and not the result of a threat or other improper inducement; and

"(B) given with full knowledge of its consequences, including the fact that it may not be revoked after the court has accepted it.

"(c) FINDING OF CONSENT AND ORDER OF REMOVAL.—If the court finds that the person's consent to removal is voluntary and given with full knowledge of its consequences, it shall, unless the Attorney General notifies the court that the foreign state or the United States objects to such removal, order the surrender of the person to the custody of a duly appointed agent of the foreign state requesting extradition. The court shall order that the person be held in official detention until surrendered.

"(d) LIMITATION OF DETENTION PENDING REMOVAL.—A person whom the court orders surrendered pursuant to subsection (c) may, upon reasonable notice to the Secretary of State, petition the court for release from official detention if, excluding any time during which removal is delayed by judicial proceedings, the person is not removed from the United States within thirty days after the court ordered the person's surrender. The court may grant the petition unless the Secretary of State, through the Attorney General, shows good cause why the petition should not be granted.

"§ 3194. Extradition hearing

"(a) IN GENERAL.—The court shall hold a hearing to determine whether the person against whom a complaint is filed is extraditable, unless the hearing is waived pursuant to section 3193. The purpose of the hearing is limited. The court does not have jurisdiction to determine the merits of the charge against the person by the foreign state or to determine whether the foreign state is seeking the extradition of the person for the purpose of prosecuting or punishing the person for his political opinions. The hearing shall be held as soon as practicable after the arrest of the person or issuance of the summons.

"(b) RIGHTS OF THE PERSON SOUGHT.—The court shall inform the person of the limited purpose of the hearing, and shall inform him that—

"(1) he has the right to be represented by counsel and that, if he is financially unable to obtain counsel, counsel may be appointed to represent him pursuant to section 3006A; and

"(2) he may cross-examine witnesses who appear against him and may introduce evidence in his own behalf with respect to the matters set forth in subsection (d).

"(c) EVIDENCE.—

"(1) A deposition, warrant, or other document, or a copy thereof, is admissible as evidence in the hearing if—

"(A) it is authenticated in accordance with the provisions of an applicable treaty or law of the United States;

"(B) it is authenticated in accordance with the applicable law of the foreign state, and such authentication may be established conclusively by a showing that—

"(i) a judge, magistrate, or other appropriate officer of the foreign state has signed a certification to that effect; and

"(ii) a diplomatic or consular officer of the United States who is assigned or accredited to the foreign state, or a diplomatic or consular officer of the foreign state who is assigned or accredited to the United States,

has certified the signature and position of the judge, magistrate, or other officer; or

"(C) other evidence is sufficient to enable the court to conclude that the document is authentic.

"(2) A certificate of affidavit by an appropriate official of the Department of State is admissible as evidence of the existence of a treaty or its interpretation.

"(3) If the applicable treaty requires that such evidence be presented on behalf of the foreign state as would justify ordering a trial of the person if the offense had been committed in the United States, the requirement is satisfied if the evidence establishes probable cause to believe that an offense was committed and that the person sought committed it.

"(d) FINDINGS.—The court shall find that the person is extraditable if it finds that—

"(1) there is probable cause to believe that the person arrested or summoned to appear is the person sought in the foreign state;

"(2) the evidence presented is sufficient to support the complaint under the provisions of the applicable treaty;

"(3) no defense to extradition specified in the applicable treaty, and within the jurisdiction of the court, exists; and

"(4) the act upon which the request for extradition is based would constitute an offense punishable under the laws of—

"(A) the United States;

"(B) the State where the fugitive is found; or

"(C) a majority of the States.

The court may base a finding that a person is extraditable upon evidence consisting, in whole or in part, of hearsay or of properly certified documents.

"(e) POLITICAL OFFENSES AND OFFENSES OF A POLITICAL CHARACTER.—The court shall not find the person extraditable after a hearing under this section if the court finds that the person has established by clear and convincing evidence that any offense for which such person may be subject to prosecution or punishment if extradited is a political offense.

"(1) For the purposes of this section a political offense does not include—

"(A) an offense within the scope of the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on December 16, 1970;

"(B) an offense within the scope of the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, signed at Montreal on September 23, 1971;

"(C) a serious offense involving an attack against the life, physical integrity, or liberty of internationally protected persons (as defined in section 1116 of this title), including diplomatic agents;

"(D) an offense with respect to which a multilateral treaty obligates the United States to either extradite or submit for the purposes of prosecution a person accused of the offense;

"(E) an offense that consists of the manufacture, importation, distribution, or sale of narcotics or dangerous drugs;

"(F) an attempt or conspiracy to commit an offense described in subparagraphs (A) through (D) of this paragraph, or participation as an accomplice of a person who commits, attempts, or conspires to commit such an offense.

"(2) For the purposes of this section a political offense, except in extraordinary circumstances, does not include—

"(A) an offense that consists of homicide, assualt with intent to commit serious bodily injury, rape, kidnaping, the taking of a hostage, or a serious unlawful detention;

"(B) an offense involving the use of a firearm (as such term is defined in section 921 of this title) if such use endangers a person other than the offender;

"(C) an attempt or conspiracy to commit an offense described in subparagraphs (A) or (B) of this paragraph, or participation as an accomplice of a person who commits, attempts, or conspires to commit such an offense.

"(f) DETERMINATION BY THE COURT OF THE APPLICATION OF THE POLITICAL OFFENSE EXCEPTION.—

"(1) Upon motion made by the person sought to be extradited or the Attorney General, the United States district court may order the determination of any issue under paragraph (e) of this section by a judge of such court.

"(2) No issue under paragraph (e) of this section shall be determined by the court and no evidence shall be received with respect to such issue unless and until the court determines the person sought is otherwise extraditable.

"(g) OTHER ISSUES.—

"(1) Any issue as to whether the foreign state is seeking extradition of a person for the purpose of prosecuting or punishing the person because of such person's political opinions, race, religion, or nationality shall be determined by the Secretary of State in the discretion of the Secretary of State.

"(2) Any issue as to whether the extradition of a person to a foreign state would be incompatible with humanitarian considerations shall be determined by the Secretary of State in the discretion of the Secretary of State.

"(3) In determining the application of subparagraphs (1) and (2) of this paragraph, the Secretary of State shall consult with the appropriate Bureaus and Offices of the Department of State including the Bureau of Human Rights and Humanitarian Affairs.

"(h) CERTIFICATION OF FINDINGS TO THE SECRETARY OF STATE.—

"(1) If the court finds that the person is extraditable, it shall state the reasons for its findings as to each charge or conviction, and certify its findings, together with a transcript of the proceedings, to the Secretary of State. The court shall order that the person be held in official detention until surrendered to a duly appointed agent of the foreign state, or until the Secretary of State declines to order the person's surrender.

"(2) If the court finds that the person is not extraditable, it shall state the reasons for its findings as to each charge or conviction, and certify the findings, together with such report as the court considers appropriate, to the Secretary of State. The Attorney General may commence a new action for extradition of the person only with the agreement of the Secretary of State.".

"§ 3195. Appeal

"(a) IN GENERAL.—Either party may appeal, to the appropriate United States court of appeals, the findings by the district court on a complaint for extradition. The appeal shall be taken in the manner prescribed by rules 3 and 4(b) of the Federal Rules of Appellate Procedure, and shall be heard as soon as practicable after the filing of the notice of appeal. Pending determination of the appeal, the district court shall stay the extradition of a person found extraditable.

"(b) DETENTION OR RELEASE PENDING APPEAL.—If the district court found that the person sought is—

"(1) extraditable, it shall order that the person be held in official detention pending determination of the appeal, or pending a finding by the court of appeals that the person has established that special circumstances require his release;

"(2) not extraditable, it shall order that the person be released pending determination of an appeal unless the court is satisfied that the person is likely to flee or to endanger the safety of any other person or the community.

If the court orders the release of a person pending determination of an appeal, it shall impose conditions of release that will reasonably assure the appearance of the person as required and the safety of any other person and the community.

"(c) SUBSEQUENT REVIEW.—No court has jurisdiction to review a finding that a person is extraditable unless the person has exhausted his remedies under subsection (a). If the person files a petition for habeas corpus or for other review, he shall specify whether the finding that he is extraditable has been upheld by a court, and, if so, shall specify the court, the date, and the nature of each such proceeding. A court does not have jurisdiction to entertain a person's petition for habeas corpus or for other review if his commitment has previously been upheld, unless the court finds that the grounds for the petition or appeal could not previously have been presented.

§ 3196. Surrender of a person to a foreign state

"(a) RESPONSIBILITY OF THE SECRETARY OF STATE.—If a person is found extraditable pursuant to section 3194, the Secretary of State, upon consideration of the provisions of the applicable treaty and this chapter—

"(1) may order the surrender of the person to the custody of a duly appointed agent of the foreign state requesting extradition;

"(2) may order such surrender of the person contingent on the acceptance by the foreign state of such conditions as the Secretary considers necessary to effectuate the purposes of the treaty or the interest of justice.

The Secretary may order the surrender of a person who is a national of the United States unless such surrender is expressly forbidden by the applicable treaty or by the laws of the United States. A decision of the Secretary under paragraph (1) or (2) is final and is not subject to judicial review.

"(b) NOTICE OF DECISION.—The Secretary of State, upon ordering a person's surrender or denying a request for extradition in whole, or in part, shall notify the person sought, the diplomatic representative of the foreign state, the Attorney General, and the court that found the person extraditable. If the Secretary orders the person's surrender, he also shall notify the diplomatic representative of the foreign state on the time limitation on the person's detention that is provided by subsection (c)(2).

"(c) LIMITATION ON DETENTION PENDING DECISION OR REMOVAL.—A person who is found extraditable pursuant to section 3194 may, upon reasonable notice to the Secretary of state, petition the court for release from official detention if, excluding any time during which removal is delayed by judicial proceedings—

"(1) the Secretary does not order the person's surrender, or decline to order the person's surrender, within forty-five days after

his receipt of the court's findings and the transcript of the proceedings; or

"(2) the person is not removed from the United States within thirty days after the Secretary ordered the person's surrender.

The court may grant the petition unless the Secretary of State, through the Attorney General, shows good cause why the petition should not be granted.

"§ 3197. Receipt of a person from a foreign state

"(a) APPOINTMENT AND AUTHORITY OF RECEIVING AGENT.—The Attorney General shall appoint an agent to receive, from a foreign state, custody of a person accused of a Federal, State, or local offense. The agent shall have the authority of a United States marshal. The agent shall convey the person directly to the Federal or State jurisdiction that sought his return.

"(b) TEMPORARY EXTRADITION TO THE UNITED STATES.—If a foreign state delivers custody of a person accused of a Federal, State, or local offense to an agent of the United States on the condition that the person be returned to the foreign state at the conclusion of criminal proceedings in the United States, the Bureau of Prisons shall hold the person in custody pending the conclusion of the proceedings, and shall then surrender the person to a duly appointed agent of the foreign state. The return of the person to the foreign state is not subject to the requirements of this chapter.

"§ 3198. General provisions for chapter

"(a) DEFINITIONS.—As used in this chapter—

"(1) 'court' means—

"(A) a United States district court established pursuant to section 132 of title 28, United States Code, the District Court of Guam, the District Court of the Virgin Islands, or the District Court of the Northern Mariana Islands; or

"(B) a United States magistrate authorized to conduct an extradition proceeding;

"(2) 'foreign state', when used in other than a geographic sense, means the government of a foreign state;

"(3) 'foreign state', when used in a geographic sense, includes all territory under the jurisdiction of a foreign state, including a colony, dependency, and constituent part of the state; its air space and territorial waters; and vessels or aircraft registered in the state;

"(4) 'treaty' includes a treaty, convention, or international agreement, bilateral or multilateral, that is in force after advice and consent by the Senate; and

"(5) 'warrant', as used with reference to a foreign state, means any judicial document authorizing the arrest or detention of a person accused or convicted of a crime.

"(b) PAYMENT OF FEES AND COSTS.—Unless otherwise specified by treaty, all transportation costs, subsistence expenses, and translation costs incurred in connection with the extradition or return of a person at the request of—

"(1) a foreign state, shall be borne by the foreign state unless the Secretary of State directs otherwise;

"(2) a State, shall be borne by the State; and

"(3) the United States, shall be borne by the United States.".

SEC. 1416. This Act shall take effect on the first day of the first month after enactment, and shall be applicable to extradition and rendition proceedings commenced thereafter.

TITLE XV—SERIOUS NONVIOLENT OFFENSES

PART A—PRODUCT TAMPERING

SEC. 1501. Chapter 65 of title 18 of the United States Code is amended by adding at the end thereof the following new section:

"§ 1365. Tampering with consumer products with intent to cause injury or death.

"(a) Whoever alters, tampers with, or does any other act with respect to a food, drug, device, or cosmetic, or the labeling or container thereof, which is in, is intended to be in, or continues to affect, interstate or foreign commerce, with the intent to kill, injure, or otherwise endanger the health or safety of any person, if such act results in such food, drug, device, or cosmetic being adulterated or misbranded, or attempts, threatens, or conspires to do so, shall be imprisoned for not more than ten years or fined not more than $20,000, or both; and if serious bodily injury results, shall be imprisoned for not more than twenty years or fined not more than $50,000, or both; and if death results, shall be imprisoned for any term or years or for life or fined not more than $100,000, or both.

"(b)(1) Whoever imparts or conveys false information, knowing the information to be false, concerning an act or attempted act which, if true, would constitute a violation of subsection (a) shall be imprisoned for not more than one year or fined not more than $10,000, or both.

"(2) Whoever willfully and maliciously imparts or conveys false information, knowing the information to be false, concerning an act or attempted act which, if true, would constitute a violation of subsection (a) shall be imprisoned for not more than five years or fined not more than $25,000, or both.

"(c) Violations of this section may be investigated by the Federal Bureau of Investigation in addition to any other Federal agency having investigative jurisdiction under title 21, United States Code, for such violation.

"(d) A person has the intent required for an offense under this section if the person knows or has reasons to know that the normal and usual consequence of the actual, attempted, or threatened alteration, tampering or other act would be to kill, injure, or otherwise endanger the health or safety of any person.

"(e) As used in this section—

"(1) the term 'food' has the definition given such term in section 201(f) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(f)) and also includes 'meat food product' as such term is defined in section 2(j) of the Federal Meat Inspection Act (21 U.S.C. 601(j)), 'poultry' as such term is defined in section 4(d) of the Poultry Products Inspection Act (21 U.S.C. 453(e)), 'poultry product' as such term is defined in section 4(e) of the Poultry Products Inspection Act (21 U.S.C. 453(f)), 'egg product' as such term is defined in section 4(f), of the Egg Products Inspection Act (21 U.S.C. 1033(f)), and 'egg' as such term is defined in section 4(g) of the Egg Products Inspection Act (21 U.S.C. 1033(g));

"(2) the term 'drug' has the definition given such term in section 201(g)(1) of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 321(g)(1));

"(3) the term 'device' has the definition given such term in section 201(h) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(h));

"(4) the term 'cosmetic' has the definition given such term in section 201(i) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(i));

"(5) the term 'labeling' has the definition given such term in section 201(m) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(m));

"(6) the terms 'adulterated' and 'misbranded' have the definitions given such terms in the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.) the Federal Meat Inspection Act (21 U.S.C 601 et seq.), the Poultry Products Inspection Act (21 U.S.C. 451 et seq.) and the Egg Products Inspection Act (21 U.S.C. 1031 et seq.); and

"(7) the term 'serious bodily injury' means bodily injury to a person which involves—

"(A) a substantial risk of death;

"(B) extreme physical pain;

"(C) protracted and obvious disfigurement; or

"(D) protracted loss or impairment of the function of a bodily member, organ, or mental faculty."

The table of sections at the beginning of chapter 65 of title 18 of the United States Code is amended by adding at the end the following new item:

"1365. Tampering with consumer products with intent to cause injury or death.".

PART B—CHILD PORNOGRAPHY

SEC. 1502. (a) Section 2252 of title 18, United States Code, is amended—

(1) in subsection (a)(1) by striking out ", for the purpose of sale or distribution for sale, any obscene" and inserting in lieu thereof "any";

(2) in subsection (a)(1)(B) by striking out "such visual or print medium depicts such conduct; or" and inserting in lieu thereof "such visual or print medium visually depicts such conduct or such visual or print medium is obscene and depicts such conduct; or";

(3) in subsection (a)(2) by striking out "for the purpose of sale or distribution for sale, or knowingly sells or distributes for sale, any obscene" and inserting in lieu thereof ", sells, or distributes any"; and

(4) in subsection (a)(2)(B) by striking out "such visual or print medium depicts such conduct;" and inserting in lieu thereof "such visual or print medium visually depicts such conduct or such visual or print medium is obscene and depicts such conduct;".

(b) Section 2253(3) of title 18, United States Code, is amended by striking out ", for pecuniary proft".

PART C—WARNING THE SUBJECT OF A SEARCH

SEC. 1503. Section 2232 of title 18 of the United States Code is amended by adding a new paragraph as follows:

"Whoever, having knowledge that any person authorized to make searches and seizures has been authorized or is otherwise likely to make a search or seizure, in order to prevent the authorized seizing or securing of any person, goods, wares, merchandise or other property, gives notice or attempts to give notice of the possible search or seizure to any person shall be fined not more than $10,000 or imprisoned not more than five years, or both.".

PART D—PROGRAM FRAUD AND BRIBERY

SEC. 1504(a). Chapter 31 of title 18 of the United States Code is amended by adding a new section 666 as follows:

"§ 666. Theft or bribery concerning programs receiving federal funds.

"(a) Whoever, being an agent of an organization, or of a state or local government

agency, that receives benefits in excess of $10,000 in any one year period pursuant to a federal program involving a grant, a contract, a subsidy, a loan, a guarantee, insurance, or another form of federal assistance, embezzles, steals, purloins, willfully misapplies, obtains by fraud, or otherwise knowingly without authority converts to his own use or to the use of another, property having a value of $5,000 or more owned by or under the care, custody, or control of such organization or state or local government agency, shall be imprisoned for not more than ten years and fined not more than $100,000 or an amount equal to twice that which was obtained in violation of this subsection, whichever is greater, or both so imprisoned and fined.

"(b) Whoever, being an agent of an organization, or of a state or local government agency, described in subsection (a), solicits, demands, accepts, or agrees to accept anything of value from a person or organization other than his employer or principal for or because of the recipient's conduct in any transaction or matter or a series of transactions or matters involving $5,000 or more concerning the affairs of such organization or state or local government agency, shall be imprisoned for not more than ten years or fined not more than $100,000 or an amount equal to twice that which was obtained, demanded, solicited or agreed upon in violation of this subsection, whichever is greater, or both so imprisoned and fined.

"(c) Whoever offers, gives, or agrees to give to an agent of an organization or of a state or local government agency, described in subsection (a), anything of value for or because of the recipient's conduct in any transaction or matter or any series of transactions or matters involving $5,000 or more concerning the affairs of such organization or state or local government agency, shall be imprisoned not more than ten years or fined not more than $100,000 or an amount equal to twice that offered, given or agreed to be given, whichever is greater, or both so imprisoned and fined.

"(d) For purposes of this section,

"(1) 'agent' means a person or organization authorized to act on behalf of another person, organization or a government and, in the case of an organization or a government, includes a servant or employee, a partner, director, officer, manager and representative;

"(2) 'organization' means a legal entity, other than a government, established or organized for any purpose, and includes a corporation, company, association, firm, partnership, joint stock company, foundation, institution, trust, society, union, and any other association of persons;

"(3) 'government agency' means a subdivision of the executive, legislative, judicial, or other branch of a government, including a department, independent establishment, commission, administration, authority, board, and bureau; or a corporation or other legal entity established by, and subject to control by, a government or governments for execution of a governmental program; and

"(4) 'local' means of or pertaining to a political subdivision within a State.".

(b) The analysis at the beginning of chapter 31 of title 18 of the United States Code is amended by adding after the item relating to section 665 the following:

"666. Theft or bribery concerning programs receiving federal funds.".

PART E—COUNTERFEITING OF STATE AND CORPORATE SECURITIES AND FORGING OF ENDORSEMENTS OR SIGNATURES ON UNITED STATES SECURITIES

SEC. 1505. (a) Chapter 25 of title 18 of the United States Code is amended by adding the following new sections at the end thereof:

"§ 510. Securities of the States and private entities

"(a) Whoever makes, utters or possesses a counterfeited security of a State or a political subdivision thereof or of an organization, or whoever makes, utters or possesses a forged security of a State or political subdivision thereof or of an organization, with intent to deceive another person, organization, or government shall be fined not more than $250,000 or imprisoned for not more than ten years, or both.

"(b) Whoever makes, receives, possesses, sells or otherwise transfers an implement designed for or particularly suited for making a counterfeit or forged security with the intent that it be so used shall be punished by a fine of not more than $250,000 or by imprisonment for not more than ten years, or both.".

"(c) For purposes of this section—

"(1) the term 'counterfeited' means a document that purports to be genuine but is not, because it has been falsely made or manufactured in its entirety;

"(2) the term 'forged' means a document that purports to be genuine but is not because it has been falsely altered, completed, signed, or endorsed, or contains a false addition thereto or insertion therein, or is a combination of parts of two or more genuine documents;

"(3) the term 'security' means

"(A) a note, stock certificate, treasury stock certificate, bond, treasury bond, debenture, certificate of deposit, interest coupon, bill, check, draft, warrant, debit instrument as defined in section 916(c) of the Electronic Fund Transfer Act (15 U.S.C. 1693(c), money order, traveler's check, letter of credit, warehouse receipt, negotiable bill of lading, evidence of indebtedness, certificate of interest in or participation in any profit-sharing agreement collateral-trust certificate, pre-reorganization certificate of subscription, transferable share, investment contract, voting trust certificate, or certificate of interest in tangible or intangible property;

"(B) an instrument evidencing ownership of goods, wares, or merchandise;

"(C) any other written instrument commonly known as a security;

"(D) a certificate of interest in, certificate of participation in, certificate for, receipt for, or warrant or option or option or other right to subscribe to or purchase, any of the foregoing; or

"(E) a blank form of any of the foregoing;

"(4) the term 'organization' means a legal entity, other than a government, established or organized for any purpose, and includes a corporation, company, association, firm, partnership, joint stock company, foundation, institution, society, union, or any other association or persons which operates in or the activities of which affect interstate or foreign commerce; and

"(5) the term 'State' includes a State of the United States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, and any other territory or possession of the United States.

"§ 511. Forging endorsements or signature on securities of the United States

"(a) Whoever—

"(1) with intent to defraud, forges any endorsement or signature on a security of the United States; or

"(2) with intent to defraud, passes, utters, or publishes, or attempts to pass, utter, or publish any security of the United States hearing on forged endorsement or signature; or

"(3) with knowledge that a security of the United States is stolen or bears a forged endorsement or signature, buys, sells, exchanges, receives, delivers, retains, or conceals any such security of the United States that in fact is stolen or bears a forged endorsement or signature—

shall be fined not more than $250,000 or imprisoned not more than 10 years, or both; but if the face value of the security of the United States or the aggregate face value, if more than one security, does not exceed $500 in any of the above offenses, the penalty shall be a fine of not more than $1,000 or imprisonment for not more than one year, or both.

"(b) For purposes of this section—

"(1) the term 'forge' means to create an endorsement or signature which purports to be genuine but is not because it has been falsely signed, made, completed, altered, subjected to a false addition, or subjected to a combination of parts of two or more genuine endorsements or signatures;

"(2) the term 'security' means (A) an obligation of the United States or (B) any security as defined in section 510(c)(3) of this title.".

(b) The analysis at the beginning of chapter 25 of title 18 is amended by adding after the item relating to section 509 the following:

"510. Securities of the State and private entities.".

(c) Section 3056(a) of title 18 of the United States Code is amended by inserting "511," after "509,".

PART F—RECEIPT OF STOLEN BANK PROPERTY

SEC. 1506. Subsection (c) of section 2313 of title 18 is amended to read as follows:

"(c) Whoever receives, possesses, conceals, stores, barters, sells, or disposes of, any property or money or other thing of value which has been taken or stolen from a bank, credit union, or savings and loan association in violation of subsection (b), knowing the same to be property which has been stolen shall be subject to the punishment provided in subsection (b) for the taker."

PART G—BANK BRIBERY

SEC. 1507. (a) Section 215 of title 18 is amended to read as follows:

"(a) Whoever, being an officer, director, employee, agent, or attorney of any financial institution, bank holding company, or savings and loan holding company, except as provided by law, directly or indirectly, asks, demands, exacts, solicits, seeks, accepts, receives or agrees to receive any thing of value, for himself or for any other person or entity, other than such financial institution, from any person or entity for or in connection with any transaction or business of such financial institution; or

"(b) Whoever, except as provided by law, directly or indirectly, gives, offers, or promises any thing of value to any officer, director, employee, agent, or attorney of any financial institution, bank holding company, or savings and loan holding company, or offers or promises any such officer, director,

employee, agent, or attorney to give any thing of value to any person or entity, other than such financial institution, for or in connection with any transaction or business of such financial institution—

"Shall be fined not more than $5,000 or three times the value of any thing offered, asked, given, received, or agreed to be given or received, whichever is greater, or imprisoned not more than five years, or both; but if the value of any thing offered, asked, given, received, or agreed to be given or received does not exceed $100, shall be fined not more than $1,000 or imprisoned not more than one year, or both.

"(c) As used in this section—

"(1) 'financial institution' means

"(A) any bank the deposits of which are insured by the Federal Deposit Insurance Corporation;

"(B) any member, as defined in section 2 of the Federal Home Loan Bank Act, as amended, of the Federal Home Loan Bank System and any Federal Home Loan Bank;

"(C) any institution the accounts of which are insured by the Federal Savings and Loan Insurance Corporation;

"(D) any credit union the accounts of which are insured by the Administrator of the National Credit Union Administration;

"(E) any Federal land bank, Federal land bank association, Federal intermediate credit bank, production credit association, bank for cooperatives; and

"(F) a small business investment company, as defined in section 103 of the Small Business Investment Act of 1958 (15 U.S.C. 662); and

"(2) 'bank holding company' or 'savings and loan holding company' means any person, corporation, partnership, business trust, association or similar organization which controls a financial institution in such a manner as to be a bank holding company or a savings and loan holding company under the Bank Holding Company Act Amendments of 1956 (12 U.S.C. 1841) or the Savings and Loan Holding Company Amendments of 1967 (12 U.S.C. 1730a).

"(d) This section shall not apply to the payment by a financial institution of the usual salary or director's fee paid to an officer, director, employee, agent, or attorney thereof, or to a reasonable fee paid by such financial institution to such officer, director, employee, agent, or attorney for services rendered to such financial institution."

(b) Section 216 of title 18 is repealed.

PART H—BANK FRAUD

SEC. 1508. (a) Chapter 63 of title 18 of the United States Code is amended by adding a new section as follows:

"§1344 Bank Fraud

"(a) Whoever knowingly executes, or attempts to execute, a scheme or artifice—

"(1) to defraud a Federally chartered or insured financial institution; or

"(2) to obtain any of the moneys, funds, credits, assets, securities or other property owned by or under the custody or control of a Federally chartered or insured financial institution by means of false or fraudulent pretenses, representations, or promises, shall be fined not more than $10,000, or imprisoned not more than five years, or both.

"(b) As used in this section, the term 'Federally chartered or insured financial institution' means—

"(1) a bank with deposits insured by the Federal Deposit Insurance Corporation;

"(2) an institution with accounts insured by the Federal Savings and Loan Insurance Corporation;

"(3) a credit union with accounts insured by the National Credit Union Administration Board;

"(4) a Federal home loan bank or a member, as defined in section 2 of the Federal Home Loan Bank Act (12 U.S.C. 1422), of the Federal home loan bank system; or

"(5) a bank, banking association, land bank, intermediate credit bank, bank for cooperatives, production credit association, land bank association, mortgage association, trust company, savings bank, or other banking or financial institutions organized or operating under the laws of the United States."

(b) The analysis for chapter 63 of title 18 of the United States Code is amended by adding at the end thereof the following:

"1344. Bank Fraud.".

PART I—POSSESSION OF CONTRABAND IN PRISON

SEC. 1509. (a) Chapter 87 of title 18 of the United States Code is amended by adding at the end thereof the following new section:

"§ 1793. Possession of contraband articles

"(a) Whoever, being an inmate in a Federal penal or correctional institution makes, possesses, procures, receives or otherwise provides himself with any object that may be used as a means of facilitating escape contrary to any rule or regulation promulgated by the Attorney General shall be punished by a fine of not more than $1,000 or by imprisonment for not more than one year, or both.

"(b) Whoever, being an inmate of a Federal penal or correctional institution, makes, possesses, procures, receives or otherwise provides himself with any firearm (as defined in section 921 of this title) any other weapon or object intended for use as a weapon, or a narcotic drug as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802) contrary to any rule or regulation promulgated by the Attorney General, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than ten years, or both. Notwithstanding any other provision of law, the court shall not suspend any sentence of imprisonment imposed under this subsection, nor may such a sentence run concurrently with any other term of imprisonment including that being served at the time of the offense. No person sentenced to imprisonment under this subsection shall be placed on probation or be eligible for parole during the term of imprisonment imposed herein.".

(b) The analysis at the beginning of chapter 87 of title 18 is amended by adding after the item relating to section 1792 the following:

"1793. Possession of contraband articles.".

TITLE XVI—PROCEDURAL AMENDMENTS

PART A—PROSECUTION OF CERTAIN JUVENILES AS ADULTS

SEC. 1601. Section 5031 of title 18 of the United States Code is amended by striking the word "eighteenth" both places it appears and inserting in lieu thereof the word "seventeenth".

SEC. 1602. (a) The first paragraph of section 5032 of title 18 of the United States Code is amended to read as follows:

"A juvenile alleged to have committed an act of juvenile delinquency, other than a violation of law committed within the special maritime and territorial jurisdiction of the United States for which the maximum authorized term of imprisonment does not exceed six months, shall not be proceeded against in any court of the United States unless the Attorney General, after investigation, certifies to the appropriate district court of the United States that (1) the juvenile court or other appropriate court of a state does not have jurisdiction or refuses to assume jurisdiction over said juvenile with respect to such alleged act of juvenile delinquency, (2) the State does not have available programs and services adequate for the needs of juveniles, or (3) the offense charged is a felony and that there is a substantial federal interest in the case or the offense to warrant the exercise of federal jurisdiction."

(b) The fourth paragraph of section 5032 of title 18 of the United States Code is amended—

(1) by striking "punishable by a maximum term of ten years imprisonment or more, life imprisonment or death," and inserting in lieu thereof: "that is a crime of violence or an offense described in sections 841, 952(a), 955, or 959 of title 21,";

(2) by striking out "sixteen" and "sixteenth" and inserting in lieu thereof "fourteen" and "fourteenth," respectively; and

(3) by striking out the period at the end of the paragraph and inserting in lieu thereof"; however, a juvenile who is alleged to have committed one of the preceding enumerated felonies after having been found guilty of an act which if committed by an adult would have been a crime of violence or an offense described in section 841, 952(a), 955, or 959 of title 21, or a crime of violence in violation of a state felony statute, shall be transferred to the appropriate district court of the United States for criminal prosecution;" and

(c) Section 5032 of title 18 of the United States Code is further amended by adding at the end thereof the following:

"Whenever a juvenile transferred to district court under this section is not convicted of the crime upon which the transfer was based or another crime which would have warranted transfer had the juvenile been initially charged with that crime, further proceedings concerning the juvenile shall be conducted pursuant to the provisions of this chapter.

"Any proceedings against a juvenile under this chapter or as an adult shall not be commenced until any prior juvenile court records of such juvenile have been received by the court, or the clerk of the juvenile court has certified in writing that the juvenile has no prior record, or that the juvenile's record is unavailable and why it is unavailable.

"Whenever a juvenile is adjudged delinquent pursuant to the provisions of this chapter, the specific acts which the juvenile has been found to have committed shall be described as part of the official record of the proceedings and part of the juvenile's official record".

SEC. 1603. Section 5038 of title 18 of the United States Code is amended by striking subsection (d) and inserting in lieu thereof the following:

"(d) Whenever a juvenile is found guilty of committing an act which if committed by an adult would be a felony that is a crime of violence or an offense described in section 841, 952(a), 955 or 959 of title 21, such juvenile shall be fingerprinted and photographed. Fingerprints and photographs of a juvenile who is not prosecuted as an adult shall be made available only in accordance with the provisions of subsection (a) of this section. Fingerprints and photographs of a juvenile who is prosecuted as an adult shall

be made available in the manner applicable to adult defendants.

"(e) Unless a juvenile who is taken into custody is prosecuted as an adult neither the name nor picture of any juvenile shall be made public by any medium of public information in connection with a juvenile delinquency proceeding.".

PART B—WIRETAP AMENDMENTS

SEC. 1604. (a) Section 2518(7) of title 18 of the United States Code is amended by inserting ", the Deputy Attorney General, the Associate Attorney General," after the words "Attorney General";

(b) Paragraph (a) of section 2518(7) of title 18 of the United States Code is amended to read as follows:

"(a) an emergency situation exists that involves—

"(i) immediate danger of death or serious physical injury to any person.

"(ii) conspiratorial activities threatening the national security interest, or

"(iii) conspiratorial activities characteristic of organized crime, that requires a wire or oral communication to be intercepted before an order authorizing such interception can, with due diligence, be obtained, and".

(c) Subsection (1) of Section 2516 of title 18 of the United States Code is amended—

(1) in paragraph (c) by adding "section 1343 (fraud by wire, radio, or television), sections 2251 or 2252 (sexual exploitation of children)," after "section 664 (embezzlement from pension and welfare funds),";

(2) again in paragraph (c) by adding "1512 and 1513" following "section 1503";

(3) by redesignating present paragraph "(g)" as "(h)" and by inserting a new paragraph (g) as follows:

"(g) a violation of section 5322 of title 31, United States Code (dealing with the reporting of currency transactions);" and

(4) in the first paragraph by inserting the words "Deputy Attorney General, Associate Attorney General," after the words "Attorney General.".

PART C—EXPANSION OF VENUE FOR THREAT OFFENSES

SEC. 1605. (a) The second paragraph of subsection (a) of section 3237 of title 18, United States Code is amended to read as follows:

"Any offense involving the use of the mails, transportation in interstate or foreign commerce, or the importation of an object or person into the United States is a continuing offense and, except as otherwise expressly provided by enactment of Congress, may be inquired of and prosecuted in any district from, through, or into which such commerce, mail matter, or imported object or person moves.".

(b) Section 3239 of title 18 of the United States Code is deleted.

PART D—INJUNCTIONS AGAINST FRAUD

SEC. 1606. (a) Chapter 63 of title 18 of the United States Code is amended by adding at the end thereof a new section 1345 as follows:

"1345. Injunctions against fraud

"Whenever it shall appear that any person is engaged or is about to engage in any act which constitutes or will constitute a violation of this chapter, the Attorney General may initiate a civil proceeding in a district court of the United States to enjoin such violation. The court shall proceed as soon as practicable to the hearing and determination of such an action, and may, at any time before final determination, enter such a restraining order or prohibition, or take such other action, as is warranted to prevent a continuing and substantial injury to the United States or to any person or class of persons for whose protection the action is brought. A proceeding under this section is governed by the Federal Rules of Civil Procedure, except that, if an indictment has been returned against the respondent, discovery is governed by the Federal Rules of Criminal Procedure.".

(b) The analysis at the beginning of chapter 63 of title 18 is amended by adding after the item relating to section 1343 the following:

"1345. Injunctions against fraud.".

PART E—GOVERNMENT APPEAL OF POST-CONVICTION NEW TRIAL ORDERS

SEC. 1607. The first paragraph of section 3731 of title 18 of the United States Code is amended by adding, after "indictment or information" the words, "or granting a new trial after verdict or judgement,".

PART F—WITNESS SECURITY PROGRAM IMPROVEMENTS

SEC. 1608. (a) Title 18 of the United States Code is amended by adding after chapter 223 the following new chapter:

Chapter 224—Protection of Witnesses

"Sec.
"3521. Witness relocation and protection.
"3522. Reimbursement of expenses.
"3523. Civil action to restrain witness or victim intimidation.
"3524. Definition for chapter.

§3521. Witness relocation and protection

"(a) RELOCATION.—The Attorney General may provide for the relocation or protection of a government witness or a potential government witness in a official proceeding if the Attorney General determines that an offense described in section 1512 or 1513, or a State or local offense that is similar in nature or that involves a crime of violence directed at a witness, is likely to be committed. The Attorney General may also provide for the relocation or protection of the immediate family of, or a person otherwise closely associated with, such witness or potential witness if the family or person may also be endangered.

"(b) RELATED PROTECTIVE MEASURES.—In connection with the relocation or protection of a witness, a potential witness, or an immediate family member or close associate of a witness or potential witness, the Attorney General may take any action he determines to be necessary to protect such person from bodily injury, and otherwise to assure his health, safety, and welfare, for as long as, in the judgment of the Attorney General, such danger exists. The Attorney General may—

"(1) provide suitable official documents to enable a person relocated to establish a new identity;

"(2) provide housing for the person relocated or protected;

"(3) provide for the transportation of household furniture and other personal property to the new residence of the person relocated;

"(4) provide a tax free subsistence payment, in a sum established in regulations issued by the Attorney General, for such times as the Attorney General determines to be warranted;

"(5) assist the person relocated in obtaining employment; and

"(6) refuse to disclose the identity or location of the person relocated or protected, or any other concerning the person or the program after weighing the danger such a disclosure would pose to the person, the detriment it would cause to the general effectiveness of the program, and the benefit it would afford to the public or to the person seeking the disclosure.

"(c) CIVIL ACTION AGAINST A RELOCATED PERSON.—Notwithstanding the provisions of subsection (b)(6), if a person relocated under this section is named as a defendant in a civil cause of action, arising prior to the person's relocation, for damages resulting from bodily injury, property damage, or injury to business, process in the civil proceeding may be served upon the Attorney General. The Attorney General shall make reasonable efforts to serve a copy of the process upon the person relocated at his last known address. If a judgment in such an action is entered against the person relocated, the Attorney General shall determine whether the person has made reasonable efforts to comply with the provisions of that judgment. The Attorney General shall take affirmative steps to urge the person relocated to comply with any judgment rendered. If the Attorney General determines that the person has not made reasonable efforts to comply with the provisions of the judgment, he may, in his discretion, after weighing the danger to the person relocated, disclose the identity and location of that person to the plaintiff entitled to recovery pursuant to the judgment. Any such disclosure shall be made upon the express condition that further disclosure by the plaintiff of such identity or location may be made only if essential to the plaintiff's efforts to recover under the judgment, and only to such additional persons as is necessary to effect the recovery. Any such disclosure or nondisclosure by the Attorney General shall not subject the government to liability in any action based upon the consequences thereof.

§ 3522. Reimbursement of expenses

"The provision of transportation, housing, subsistence, or other assistance to a person under section 3521 may be conditioned by the Attorney General upon reimbursement of expenses in whole or in part to the United States by a State or local government.

§ 3524. Definition for chapter

"As used in this subchapter 'government' includes the Federal Government and a State or local government".

(b) The table of chapters for part II of title 18, United States Code, is amended by adding after the item for chapter 223 the following new item:

"224. Protection of witnesses..... 3521".

(c) Title V of the Organized Crime Control Act of 1970 (84 Stat. 933) is repealed.

PART G—CLARIFICATION OF CHANGE OF VENUE FOR CERTAIN TAX OFFENSES

Section 3237(b) of title 18 of the United States Code is amended to read as follows:

"(b) Notwithstanding the second paragraph of subsection (a), where an offense is described in section 7203 of the Internal Revenue Code of 1954, or where venue for prosecution of an offense described in section 7201 or 7206(1), (2) or (5) of such Code (whether or not the offense is also described in another provision of law) is based solely on a mailing to the Internal Revenue Service, and prosecution is begun in a judicial district other than the judicial district in which the defendant resides, he may upon motion filed in the district in which the prosecution is begun, elect to be tried in the district in which he was residing at the time

of the alleged offense was committed: *Provided,* That the motion is filed within twenty days after arraignment of the defendant upon indictment or information."

THE COMPREHENSIVE CRIME CONTROL ACT OF 1983: SECTION-BY-SECTION ANALYSIS

TITLE I—BAIL REFORM

I. Introduction

Title I of the bill substantially revises the Bail Reform Act of 1966 (18 U.S.C. 3146 et seq.) and is based, with only minor modifications, on S. 1554 as reported by the Senate Judiciary Committee (S. Rept. No. 97-317, 97th Cong., 2d Sess. (1982)) and on the bail reform provisions set out in Title I of S. 2572, the "Violent Crime and Drug Enforcement Improvements Act of 1982", comprehensive criminal justice legislation that was approved by the Senate on three separate occasions in the last Congress. These bail reform provisions are also substantially similar to those in H.R. 4362 which was approved with certain amendments by the House Judiciary Committee's Subcommittee on Courts, Civil Liberties and the Administration of Justice in the summer of last year, but which was never brought before the full Committee for action.

The purpose of this title is to address such problems as the need to consider community safety in setting nonfinancial conditions of release, the need to expand the list of statutory release conditions, the need to permit the pretrial detention of defendants as to whom no conditions of release will assure their appearance at trial or assure the safety of the community or of other persons, the need for a more appropriate basis for deciding on post-conviction release, the need to permit temporary detention of persons who are arrested while on a form of conditional release, and the need to provide procedures for revocation of release for violation of a condition of release.

Most significant of the bail reforms that would be achieved by this title is its provision for pretrial detention based on the defendant's dangerousness. The Senate Judiciary Committee's Report on S. 1554 (S. Rept. No. 97-317, supra) contains an extensive discussion of the pretrial detention issue and should be referred to for a fuller discussion of this matter. Briefly, in determining that federal bail laws must be amended to give the courts the authority to deny release to the minority of defendants who are so dangerous that no form of conditional release would be sufficient to reasonably assure the safety of the community or other persons, the Committee reached the following conclusions. First, as a general matter, considerations of defendant dangerousness should be placed on an equal footing with currently permitted considerations of risk of flight. Second, the commission of crimes by those released on bail is a serious problem that can and should be addressed in federal law. Third, judges can, with an acceptable degree of accuracy, identify that minority of defendants who pose such a danger to others that no form of conditional release is appropriate. Fourth, pretrial detention based on dangerousness is not unconstitutional if appropriately limited in application and if available only in the framework of reasonable procedural safeguards. Fifth, there is a perception that a substantial number of dangerous federal defendants are now detained pending trial—ostensibly because of risk of flight—through the use of high money bond, and this practice, to the extent that it exists, may be effectively replaced by a carefully drawn pretrial detention statute that would not only permit the courts to address the issue of defendant dangerousness squarely and honestly, but would also be fairer to defendants than the use of money bond to achieve detention of particularly dangerous defendants.

While the pretrial detention provision and certain other aspects of this title represent a departure from the Bail Reform Act of 1966, many of the improvements worked by that Act have been retained.

II. Section-by-section analysis

Set out below is a brief section-by-section analysis of title I. The section-by-section analysis in the Senate Judiciary Committee's report on S. 1554 should be consulted for a more in-depth description of these provisions.

Section 101

Section 101 provides that this title may be cited as the "Bail Reform Act of 1983."

Section 102

Subsection (a) of section 102 repeals current sections 3141 through 3151 of title 18, United States Code, and inserts in their place new sections 3141 through 3150. Each of these new sections is analyzed below:

Section 3141. Release and detention authority generally

This section, like current 18 U.S.C. 3141, specifies which judicial officers have the authority to order the release or detention of person pending trial (subsection (a)) or pending sentence or appeal (subsection (b)). The authority set out in current law has, with only two minor modifications, been carried forward.

Section 3142. Release or detention of a defendant pending trial

This section makes several substantive changes in the basic provisions of the Bail Reform Act of 1966. That Act adopted the concept that in non-capital cases a person is to be ordered released under the minimum conditions reasonably required to assure his presence at trial. Danger to the community and the protection of society are not to be considered in making release decisions under current law.

Considerable criticism has been leveled at the Bail Reform Act for its failure to recognize the problem of crimes committed by those on pretrial release. (S. Rept. No. 97-317, supra, at 36-37.) The constraints of the Bail Reform Act prevent the courts from imposing conditions of release geared toward assuring community safety, or from denying release to those defendants who pose an especially severe risk to others. It is intolerable that the law denies judges the tools to make honest and appropriate decisions regarding the release of such defendants. To address this problem, Section 3142 departs from current law in two significant ways. First, it permits an assessment of a defendant's dangerousness in setting any conditions of release, a concept that has been widely supported. (See S. Rept. No. 97-317, supra, at 37.) Second, as noted above, the courts are given the authority, in limited circumstances, to deny release to defendants as to whom even the most stringent form of conditional release would be insufficient to reasonably assure community safety. (The need for pretrial detention authority is discussed at length in the report on S. 1554. S. Rept. No. 97-314, supra; see especially pp. 38-42.) The core pretrial detention provisions of section 3142 are set out in subsections (e) and (f).

These and the other subsections of section 3142 are discussed in detail below:

Subsection (a) provides that when a person charged with an offense is brought before a judicial officer, the judicial officer is to pursue one of four alternative courses of action set out in subsections (b) through (e).

Subsection (b) requires the judicial officer to release the person on his personal recognizance or upon execution of an unsecured appearance bond unless he determines that such release (1) will not reasonably assure the appearance of the person or (2) will endanger the safety of any other person or the community. As in current law, this is the favored form of release. However, unlike current law, this provision permits a consideration of defendant dangerousness. If released pursuant to this provision, the defendant is subject to the mandatory condition that he not commit another offense while on release. Those released pursuant to the conditions enumerated in subsection (c) are subject to the same mandatory condition.

Subsection (c) provides that if the judicial officer determines that release on personal recognizance or on an unsecured appearance bond will not give the necessary assurances, he is to release the person pursuant to the least restrictive condition or combination of conditions that will give the required assurances concerning appearance and community safety. Except for financial conditions of release, which may be imposed only to assure the defendant's appearance, any of the discretionary conditions of release set out in subsection (c)(2) may be imposed to assure either appearance or community safety. These discretionary conditions carry forward those now listed in 18 U.S.C. 3146, and incorporate nine more.

The final sentence of section 3142(c) retains the current authority set forth in 18 U.S.C. 3142(e) for the court to amend the release order at any time.

Subsection (d) permits the judge to detain a defendant for a period of up to ten days if the person was arrested while already on a form of conditional release, such as bail, probation, or parole. The purpose of this provision is to allow the government time to notify the original releasing authorities so that they may take whatever action may be appropriate in light of the defendant's arrest. This provision is based largely on a similar provision in the D.C. Code. (See S. Rept. No. 97-317, supra, at 47-48, for further discussion of this provision.) An additional basis for temporary detention under subsection (d) which was incorporated in S. 2572 has been carried forward. It permits temporary detention of a person who is an alien not lawfully admitted into the country in order that the officials of the Immigration and Naturalization Service may be notified and take appropriate action.

Subsections (e) and (f) set forth the findings and procedures that are required for an order of detention. The standard for an order of detention is contained in subsection (e), which provides that the judicial officer is to order the person detained if, after a hearing pursuant to subsection (f), he determines that no condition or combination of conditions of release will reasonably assure the appearance of the defendant as required and the safety of any other person and the community. The facts on which the finding of dangerousness is based must, under subsection (f), be supported by clear and convincing evidence. Thus, this subsection not only codifies existing authority to detain persons who are serious flight risks or who threaten witnesses or jurors, but also cre-

ates new authority to detain persons who pose especially serious dangers to community safety.

Generally, subsection (e) does not specify the kinds of information that will support the findings necessary to deny release. However, it does specify one set of circumstances which, if established, creates a rebuttable presumption that no form of conditional release will be adequate: where the defendant has a history of having committed a serious offense while on release.

Both S. 1554 and title I of S. 2572 provided for this sort of rebuttable presumption in the additional circumstance in which the defendant was charged with a particularly serious drug trafficking offense. The omission of this provision does not reflect a conclusion that such a presumption is necessarily inappropriate, but rather a reluctance to include it without a better indication of the nature of the legislative findings upon which it was based. For example, persons charged large scale drug trafficking are of concern both because of the danger they may pose to community safety if they engage in drug trafficking after release and because of the frequency with which persons charged with such offenses fail to appear for trial. However, the provision included in the Senate-passed legislation does not indicate whether the rebuttable presumption favoring detention is based on concerns of dangerousness or of appearance risk, or both.

Subsection (f) describes, in paragraphs (1) through (6), the circumstances under which a detention hearing may be held. Under paragraphs (1) through (3), a detention hearing may be held if the defendant is charges with (1) a crime of violence; (2) an offense punishable by death or life imprisonment; or (3) a major drug trafficking offense. These offenses are essentially the same categories of offense for which a pretrial detention hearing may be held under the D.C. Code.

Subsections (f)(4), (f)(5), and (f)(6) describe the other cases in which a pretrial detention hearing may be held. The first two types of cases, those involving either a serious risk that the defendant will flee or that he will obstruct justice or threaten or injure witnesses or jurors, reflect the scope of current case law authority permitting denial of release. The third type of case is that in which a defendant charged with a serious offense has a substantial history of committing dangerous offenses.

It is noted that where a case meets the circumstances described in paragraphs (1) through (6) of subsection (f), either the court or the attorney for the Government may move for a detention hearing. While this was the approach adopted in title I of S. 2572, as introduced, when the bill was approved by the Senate, this provision was changed so that a detention hearing would be required in the circumstances specified in paragraphs (1), (2), and (3). This was also the approach adopted in S. 1554, as reported by the Senate Judiciary Committee. Since it may better serve the interests of judicial economy to have a detention hearing only when either the court or the government believes it is merited, it seems appropriate that the concept of requiring a detention hearing under certain circumstances be given further consideration.

The procedural requirements for the pretrial detention hearing are set forth in section 3142(f) and track those of the analogous provision of the D.C. Code. For a further discussion of this and other aspects of subsection (f), see S. Rept. No. 97-317, supra, at 50-53.

Subsection (g) enumerates the factors that are to be considered by the court in determining whether there are conditions of release that will reasonably assure the appearance of the person as required and the safety of other persons and the community. Most of these factors are drawn from current law. Subsection (g) also contains a new provision making clear the authority of the courts to conduct a hearing into the source of property used to post bond. Experience has shown that where money bond is financed through the proceeds of crime it is generally ineffective in assuring the defendant's appearance. This provision makes clear the authority of the courts to inquire into the source of property used to post bond (now called Nebbia hearings) and to decline to accept the bond if they are not satisfied as to its source.

For a further discussion of subsection (g) see S. Rept. No. 97-317, supra, pp. 53-55.

Subsection (h) provides that in issuing an order of release under subsection (b) or (c), the judicial officer is to include a written statement setting forth all the conditions of release. He is also required to advise the person of the penalties for a violation of a condition of release. A similar provision exists in current law. See 18 U.S.C. 3146(c).

Subsection (i) requires that an order of detention include written findings of fact and a written statement of the reasons for the detention. The court's order must also direct that the person be confined in a facility separate from convicted offenders, if practicable, and permit the person a reasonable opportunity for private consultation with counsel while confined. As approved by the Senate, the bail provisions of S. 2572 would have required that the Attorney General promulgate regulations to govern the custody of persons detained prior to trial. In our view, this provision should be given further consideration, and it thus has not been incorporated.

Subsection (j) carries forward a provision included in S. 2572 as passed by the Senate that simply emphasizes that the provisions of proposed section 3142 are not to be construed as modifying or limiting the presumption of innocence.

Section 3143. Release or detention of a defendant pending sentence or appeal

This section makes several revisions in that portion of current 18 U.S.C. 3148 which concerns post-conviction release. The basic distinction between the existing provision and section 3143 is one of presumption. Under current 18 U.S.C. 3148, the judicial officer is instructed to treat a person who has already been convicted according to the release standards of 18 U.S.C. 3146 that are applicable to pre-conviction release unless he has reason to believe that no conditions of release will reasonably assure that the person will not flee or pose a danger to any other person or to the community.

The current presumption favoring post-conviction release should be eliminated. Once guilt of a crime has been established, there is no reason to favor release pending imposition of sentence or appeal. The conviction, by which the defendant's guilt of a crime has been established beyond a reasonable doubt, is presumably correct in law. Also, release of a criminal defendant into the community after conviction may undermine the deterrent effect of the criminal law, especially in those situations where an appeal of the conviction may drag on for many months or even years.

Section 3143 separately treats release pending sentence, release pending appeal by the defendant, and release pending appeal by the government. As to release pending sentence, subsection (a) provides that a person convicted shall be held in official detention unless the judicial officer finds by clear and convicing evidence that the person is not likely to flee or to pose a danger to the safety of any other person or the community. Subsection (a) covers those awaiting the execution of sentence as well as its imposition.

Subsection (b) deals with release after sentence of imprisonment of a defendant who has filed an appeal or a petition for a writ of certiorari. Such person is also to be detained unless the judicial officer finds by clear and convincing evidence that the defendant is not likely to flee or pose a danger to the safety of any other person or the community. In addition, the court must affirmatively find that the appeal is not taken for the purpose of delay and that it raises a substantial question of law or fact likely to result in reversal or an order for a new trial. Under the current 18 U.S.C. 3148, release can be denied only if it appears that the appeal is frivolous or taken for delay. Subsection (b) is based on the release pending appeal provision of the D.C. Code (Section 23-1325)

Subsection (c) concerns release pending appeal by the government from an order of dimissal of an indictment or information or suppression of evidence pursuant to 18 U.S.C. 3731. As both of these kinds of appeals contemplate a situation in which the defendant has not been convicted, the defendant is to be treated under section 3142, the general provision governing release or detention pending trial. Subsection (c) is a new provision derived from 18 U.S.C. 3731.

For further discussion of this provision see S. Rept. No. 97-317, supra, at 56-57.

Section 3144. Release or detention of a material witness

This section carries forward, with two changes, current 18 U.S.C. 4149, which concerns the release of a material witness.

The first change in current law is that section 3144 would permit the judicial officer to order the detention of the witness if there were no conditions of release that would assure his appearance. A witness could not be detained for inability to comply with a condition of release if his testimony could be adequately secured by deposition and if detention is not required to prevent a failure of justice. Currently, 18 U.S.C. 3149 ambiguously requires the conditional release of the witness in the same manner as for a defendant awaiting trial, yet the language of the statute recognizes that certain witnesses will be detained because of an inability to meet the conditions of release imposed by the judicial officer.

The other change is to grant the judicial officer not only the authority to set release conditions for a detained material witness, or, in an appropriate case, to order his detention pending his appearance at the criminal proceeding, but also to authorize the arrest of the witness in the first instance. It is anomalous that current law authorizes release conditions but at the same time does not authorize the initial arrest.

For further discussion of this provision see S. Rept. No. 97-317, supra, at 58.

Section 3145. Review and appeal of a release or detention order

Section 3145 sets forth the provisions for the review and appeal of release and deten-

tion orders. Subsections (a) and (b) provide for the review of release and detention orders by the court having original jurisdiction over the offense in situations in which the order is initially entered by a magistrate, or other court not having original jurisdiction over the offense (other than a federal appellate court).

Subsection (c) grants both the defendant and the government a right to appeal release or detention orders, or decisions denying the revocation or amendment of such orders.

Although based in part on current 18 U.S.C. 3147, section 3145 makes two substantive changes in present law. First, section 3145 permits review of all release and detention orders. Second, it permits the government to appeal release decisions. For further discussion of this provision see S. Rept. No. 97-317, supra, at 59-60.

Section 3146. Penalty for failure to appear

Section 3146 basically continues the current law offense of bail jumping (18 U.S.C. 3150), although the maximum penalty has been increased to more nearly parallel that of the underlying offense with which the defendant was charged. This increased penalty provision is designed to eliminate the temptation to a defendant to go into hiding until the government's case for a serious felony grows stale or until a witness becomes unavailable and then to surface at a later date with criminal liability limited to the less serious bail jumping offense. Subsection (a) provides that a person commits an offense if, after having been released pursuant to the provisions of chapter 207 of title 18 as amended by the bill: (1) he knowingly fails to appear before a court as required by the conditions of his release; or (2) he knowingly fails to surrender for service of sentence pursuant to a court order.

Subsection (c) provides that it is an affirmative defense that "uncontrollable circumstances prevented the defendant from appearing or surrendering, that the defendant did not contribute the creation of such circumstances in reckless disregard of the requirement that he appear or surrender, and that the defendant appeared or surrendered as soon as such circumstances ceased to exist."

Subsection (d) of section 3146 simply emphasizes that, in addition to the penalties of fine and imprisonment provided for bail jumping, the court may also order the person to forfeit any bond or other property he has pledged to secure his release if he has failed to appear.

Section 3147. Penalty for an offense committed while on release

Section 3147 is designed to deter those who would pose a risk to community safety by committing another offense when released under the provisions of this bill and to punish those who indeed are convicted of another offense. Accordingly, this section prescribes a penalty in addition to any sentence ordered for an offense committed while on release. This additional penalty is a term of imprisonment of at least two years and not more than ten years if the offense committed while on release is a felony. If the offense committed while on release is a misdemeanor, this additional penalty is at least 90 days and not more than a year.

Section 3148. Sanctions for violations of a release condition

Section 3148 provides in subsection (a) for two distinct sanctions that are applicable for persons released pursuant to section 3142 who violate a condition of their release—revocation of release and an order of detention, and a prosecution for contempt of court.

Subsection (b) sets out the procedure for revocation of release. Specific provisions for revocation of release are new to federal bail law, although a similar provision exists in the District of Columbia Code. Generally, an order of revocation and detention will issue at this hearing if the court finds, first, that there is either probable cause to believe that the person has committed a federal, State, or local crime while on release, which is a violation of a mandatory condition imposed on all released persons, or clear and convincing evidence that the person has violated any other condition of his release, and, second, either that no condition or combination of conditions can be set that will assure that the person will not flee or pose a danger to the safety of any other person or the community, or that the person is unlikely to abide by reasonable conditions.

Since the establishment of probable cause to believe that the defendant has committed a serious crime while on release constitutes compelling evidence that the defendant poses a danger to the community, once such probable cause is established it is appropriate that the burden rest on the defendant to come forward with evidence indicating that this conclusion is not warranted in his case. Therefore, section 3148(b) provides that if there is probable cause to believe that the person has committed a federal, State, or local felony while on release, a rebuttable presumption arises that no condition or combination of conditions will assure that the person will not pose a danger to the safety of any other person or the community.

Subsection (c) emphasizes that the court may impose contempt sanctions if the person has violated a condition of his release. This carries forward the provisions of existing 18 U.S.C. 3151.

Section 3149. Surrender of an offender by a surety

Except for minor word changes, this provision is identical to current 18 U.S.C. 3142. The section provides that, if a person is released on an appearance bond with a surety, such person may be arrested by his surety and delivered to a United States Marshal and brought before the court. The person so returned will be retained in custody until released.

Section 3150. Applicability to a case removed from a State court

This section specifies that the release provisions of chapter 207 of title 18, United States Code, as amended by this title, are to apply to a case removed to a federal court from a State court.

The remaining subsections (b) through (e) of section 102 set out certain technical and conforming amendments and provide definitions for certain terms used in the new release provisions of chapter 207.

Section 103 contains two technical amendments to 18 U.S.C. 3041 and 3042; deletes section 3043 (security for peace and good behavior), a provision little used and unnecessary in light of this title's grant of authority to consider dangerousness in release decisions; and creates new section 3062.

New section 3062 grants to a law enforcement officer who is authorized to make arrests for offenses committed in his presence the authority to arrest a person released under this Act if the officer had reasonable grounds to believe the person is violating certain release conditions in his presence. Since a violation of a release condition constitutes contempt, it is likely that officers have such authority currently. However, this provision will assure that law enforcement officers with arrest authority for offenses committed in their presence are made especially aware of the importance of arresting a person on release who is subject to one of the conditions that is aimed primarily at preventing further crimes by the defendant and assuring against harm to victims and witnesses.

Section 104 amends 18 U.S.C. 3731 to permit, in accordance with new 18 U.S.C. 3146(c), the government to appeal release decisions.

Section 105 sets out a conforming amendment to 18 U.S.C. 3772.

Section 106 sets out a conforming amendment to 18 U.S.C. 4282.

Section 107 sets out a conforming amendment to 28 U.S.C. 636.

Section 108 sets out what are, for the most part, technical or conforming amendments to the Federal Rules of Criminal Procedure. The amendment to Rule 46(e)(2) adds language emphasizing that a surety's surrender of a bail jumper into custody may be an appropriate basis for setting aside forfeiture of all or part of the bond. New Rule 46(h) makes it clear that, when authorized by statute or regulation, minor charges may be disposed of by ordering the forfeiture of collateral. This procedure is currently used to dispose of minor offenses, such as traffic violations, and permits those charged with such offenses to forgo appearing at an official proceeding if they so wish. See Rule 4(a) of the Rules of Procedure for the trial of misdemeanors before United States Magistrates.

Section 109 amends Rule 9(c) of the Federal Rules of Appellate Procedure to provide that a convicted person seeking release pending appeal is to bear the burden of proof both with respect to the issues of his appearance and considerations of community safety and with respect to the merit of his appeal.

TITLE II—SENTENCING REFORM

I. Introduction

Sentencing the culmination of the criminal trial process, is the act by which the justice system gives formal expression to the seriousness, or lack of seriousness, with which the defendant's criminal conduct is viewed. Ideally it should express society's moral standards as applicable to the behavior of the defendant in an individual case, and as necessary to deter future criminal conduct by others.

Over the past decade, a consensus has developed among persons of different political views that the current federal sentencing system is riddled with serious shortcomings. More recently, there has also developed a substantial agreement, although not a unanimous one, as to a practical approach by which the shortcomings might be remedied. The following discussion outlines the perceived shortcomings and the new approach taken in title II of the bill, which is derived, with minor modifications, from the sentencing provisions of H.R. 3963 as it passed the Senate on September 30, 1982. Those provisions were, in turn, based on the sentencing provisions in the proposed revision of the Federal Criminal Code, S. 1630, 97th Cong. See generally S. Rept. 97-307, 97th Cong., 2d Sess.

II. SENTENCING UNDER CURRENT LAW AND PRACTICE

A. The sentencing process

Sentencing today is left to the discretion of federal judges who are trained in the law but who have no special competence in ascertaining the values of society and applying them to sentencing in individual criminal cases. In employing their discretion, the judges are left to their own devices and philosophies. Congress has provided no general statutory guidance as to the purposes to be achieved by the sentencing process, has set forth no sentencing philosophy (other than occasional hints at rehabilitation), and has given no direction concerning factors to be considered in determining an appropriate sentence. The only real legislative guidance is that provided by the maximum sentences specified in the penal statutes—and these only indicate the Congressional view of the appropriate sentence for the most serious offense under the provision. In imposing sentences, judges are not required to state any rationale, and few do.

B. Sentencing options

While the current statutes provide sentencing alternatives of probation, fines, and imprisonment, each is encumbered.

1. Probation.—Probation is treated as a suspension of the imposition or execution of a sentence rather than as a sentence itself, and partly for that reason there is little incentive to impose conditions on probation that might make it a more effective punitive or remedial sanction. It tends to be viewed as a vehicle for rehabilitation only.

2. Fines.—The maximum fine levels carried by penal offenses vary inexplicably. They usually also reflect penalty levels of previous centuries, and today are much too low to be considered a realistic measure of the gravity of most offenses. Even when fines are imposed, statutory processes for collection rely too heavily on cumbersome state procedures to assure collection.

3. Imprisonment.—Imprisonment under current laws is a two-step process. First, the sentencing judge sets the outside limit of the period of time that he believes appropriate for the defendant to spend in prison. Second, the parole authorities decide what portion of the imposed term the defendant actually should serve. The practice is based upon a 19th Century rehabilitative theory that has proved to be faulty.

a. The Theory. The theory underlying current imprisonment practices is that criminality is a disease to be cured through rehabilitative programs in a prison setting. The purpose of a sentence to imprisonment is to rehabilitate. At the time of sentencing, however, no one knows how long a defendant's rehabilitation will take. Therefore, a defendant should be sentenced to a considerably more lengthy term than is probably necessary in order to ensure that he will remain imprisoned long enough to be rehabilitated. Later, the parole authorities will examine the defendant's behavior in prison, and, when they find that he has become rehabilitated, will then release him before the expiration of his imposed term.

b. Problems with the theory. There are two principal problems with the theory.

First, many sentences to imprisonment are not designed to rehabilitate, but to deter, incapacitate, or punish. Sentences imposed for these purposes do not require any review of the defendant's prison behavior by parole authorities in order to set the proper length of the term. Such sentences logically should be set by the court for a definite term, and should not be subject to later variation.

Second, the theory is unsoundly predicated even for sentences designed to rehabilitate. Behavioral scientists have recently concluded that there exists no satisfactory means of inducing rehabilitation on a regular basis. More importantly, they have also concluded that no one can tell from a prisoner's behavior whether he has become rehabilitated. Consequently, the basic reason for an indeterminate sentence that may be adjusted by parole authorities—for the existence of parole boards—has disappeared.

c. Adaptation of the system to the demise of the theory. The Federal Parole Commission today acknowledges that it cannot tell from a prisoner's behavior when he has become rehabilitated. It therefore no longer even attempts to accord its practice with the original theory. Instead, with few exceptions, it releases prisoners at the times specified by the Commission's self-developed guidelines—guidelines that are based upon factors known at the time of sentencing. Since the Commission's release determinations need no longer await an opportunity to observe the prisoner's conduct in confinement, there is no reason why the Commission cannot inform a prisoner of his proposed release date at about the time of his incarceration—and this in fact is just what the Commission now does.

The imprisonment process today, therefore, involves two branches of government—acting at approximately the same time and basing their determinations on essentially the same information—solemnly announcing quite different sentences to be served by the same defendant. The result is not just an awkward adaptation of practice to an anachronistic theory; it leaves the judges attempting to adjust their sentences so as to overcome what they perceive as inappropriately harsh or lenient consequences of the parole process, and leaves the parole authorities regularly ignoring the actual sentences meted out by judges.

C. Review of sentences

There is no mechanism today for securing review of sentences that appear either unusually harsh or unusually lenient.

D. Consequences of the current system

As might be expected, numerous studies have documented considerable disparity in sentences meted out by federal judges to similarly situated defendants who have committed like offenses. Various attempts to reduce such disparity has been ineffective. The perception of this disparity tends to encourage defendants to engage in continual relitigation of the issue of their guilt. It also, in combination with the artificial process by which judges impose lengthy sentences and parole authorities grant early release a short time thereafter, serves to leave the public jaded about the efficacy of the whole criminal justice system, and to rob the system of whatever potential deterrent effect it might otherwise be capable of producing.

III. SENTENCING UNDER TITLE II OF THE BILL

Title II of the bill completely revises current law as to the purposes of sentencing, the process by which the judge determines the appropriate sentence in a particular case, and review of sentence to assure its legality and reasonableness.

A. Legislatively prescribed purposes

Title II gives legislative recognition for the first time to the appropriate purposes of sentencing. The stated purposes specifically include assurance of just punishment, deterrence of criminal conduct by others, and protection of the public, and lessen the previously implied emphasis on rehabilitation. (Proposed 18 U.S.C. 3553 (a)(2).)

B. The sentencing process

Judges are directed to sentence with the above purposes in mind, pursuant to guidelines established by a Sentencing Commission.

1. The sentencing commission.—The Sentencing Commission is to be an independent agency in the judicial branch consisting of seven voting members appointed by the President with advice and consent of the Senate and one ex-officio, non-voting member, the Attorney General. The Commission is directed to draft guidelines for use by federal judges, taking into consideration all offender and offense characteristics that appear relevant to the specified purposes of sentencing. For each federal offense, the guidelines will be expected to specify a variety of appropriate sentencing ranges, depending upon different combinations of offender and offense characteristics. Development of the guidelines is subject to the public review process of the Administrative Procedure Act. The initial guidelines, and all subsequent modifications, are to be transmitted by the Commission to the Congress for review and possible modification. Absent congressional rejection of the guidelines, they will be officially promulgated. (Proposed chapter 58 of title 28, United States Code.)

In a few areas (involving, e.g., recidivists, organized crime offenders, first offenders), title II provides general legislative guidance to the Commission as to the kind of sentence and degree of severity that would seem to be appropriate for inclusion in the guidelines. These provisions are intended to accord some direction to the Commission without so circumscribing its consideration of occasional countervailing factors as to prove unduly rigid. The provisions are limited to subject areas that otherwise would be considered likely candidates for legislatively directed mandatory sentences to imprisonment, or legislatively directed presumptions in favor of probation.

2. The guidelines. For each federal offense, the guidelines will specify a variety of appropriate sentencing ranges—encompassing imprisonment, fines, and probation—depending upon the particular history and characteristics of the defendant in the case and the particular circumstances under which the offense is committed. Each offense, therefore, may have a dozen or so sentencing ranges specified, only one of which will fit a given case. (Proposed 28 U.S.C. 994(a).)

3. Judicial application of the guidelines. After a sentencing hearing, a judge will determine the particular guideline range that is applicable to the offender and the offense. He will then be expected to sentence within the narrow range specified. The judge may, however, sentence above or below the specified guideline range in unusual circumstances, but must give specific reasons for such a sentence. (Proposed 18 U.S.C. 3553(b) and (c).)

C. Sentencing options

1. Probation.—Probation is cast by title II as a penalty in itself, rather than as a deferred penalty. A judge is required to impose as a condition of probation in a felony case a condition that the defendant pay a fine or make restitution to the victim or that he engage in community service.

The judge is required for every crime to impose a prohibition against the defendant's committing another crime during the probationary period. A variety of potentially useful discretionary conditions of probation (including undertaking vocational training or undergoing medical or psychiatric treatment) are set forth by title II for the consideration of the Sentencing Commission and the judges. (Proposed subchapter B of chapter 227 of title 18.)

2. Fines.—The maximum fine levels under title II are dramatically increased. The maximums specified for felonies are up to a quarter of million dollars for an individual defendant, and up to half a million dollars for an organizational defendant, although the actual amount imposed is to be predicated upon the defendant's ability to pay as well as upon the gravity of the offense and related considerations. (Proposed subchapter C of chapter 227 of title 18.) Lien procedures, like those in the tax laws, are provided to assure an effective means of collecting imposed fines. (Proposed subchapter B of chapter 229 of title 18.)

3. Imprisonment.—Title II of the bill makes a major change in sentences to imprisonment. It moves to a determinate system, abolishing early release on parole and providing for the first time that the sentence announced by the sentencing judge will be for almost all cases the sentence actually served by the defendant (except for a potential 10 percent credit for "good time"). Such sentences will not need to involve the artifically lengthy terms that are imposed today in the exception that they will be shortened later by parole authorities. Although early release on parole is abolished, in a case in which a judge believes that defendant should be supervised for a period after the expiration of his term of imprisonment, he may order a term of post-release supervision. (Proposed subchapter D of chapter 227 of title 18.)

Terms of imprisonment ordinarily will not be subject to later adjustment. However, an exception is made in the case of an unusualy long term of imprisonment. A defendant serving a term of imprisonment longer than six years will be entitled after six years to petition the sentencing judge for reexamination of the sentence, and the judge will be empowered to reduce the sentence upon a finding of the existence of extraordinary and compelling reasons and a finding of compatibility of such a reduction with Sentencing Commission standards. A defendant sentenced to an unusually long term of imprisonment that is above the applicable guidelines will be able to obtain a second review, for which the same standards will apply, after he has served the maximum time specified in the applicable guideline. (Proposed 18 U.S.C. 3582(c)(2).)

4. Collateral sentencing orders.—In addition to penalties traditionally applicable, a court is empowered by title II to order a defendant convicted of fraud (a situation in which an appropriate amount of restitution might be difficult to ascertain in an ordinary sentencing hearing) to give notice of the conviction to the victims of the offense (who may not be known to anyone other than the defendant) in order to facilitate their bringing of whatever private recovery actions might prove to be appropriate. (Proposed 18 U.S.C. 3555.) The bill also carries forward provisions similar to those enacted by Public Law 97-291 empowering a court to order a defendant to pay restitution if he is found guilty of an offense causing bodily injury or property damage or loss.

D. Review process

Title II contains an appellate process to review sentence propriety in questionable cases. By incorporating the appeal procedures into the general structure of the guidelines sentencing system, title II assures that the extremes of sentencing that most deserve review may be called to the attention of an appellate court, without overburdening the court with a flood of challenges to sentences well within the bounds of what would generally be considered reasonable under all of the circumstances. The defendant is permitted to appeal a term of imprisonment, a restrictive condition of probation, or a fine, that falls above the range specified in the applicable guideline, and to appeal a restitution order or a notice order. Recognizing that sentence disparity reaches in two directions, title II also permits the government, on behalf of the public, to seek review of a sentence that falls below the applicable guideline range in a case in which the Attorney General approves the filing of such an appeal. In both situations, the question on appeal is whether the sentence imposed is, under the circumstances, "clearly unreasonable." (Proposed 18 U.S.C. 3742.)

IV. SECTION-BY-SECTION ANALYSIS OF TITLE II

Section 201 of the bill specifies that the Act may be cited as the "Sentencing Reform Act of 1983".

Section 202(a)(1) redesignates a number of sentencing provisions in current law with new section numbers in order to preserve them.

Section 202(a)(2) repeals current chapters 227, 229, and 231 of title 18, United States Code, and replaces them with totally new sentencing provisions. New chapter 227 of title 18 describes in some detail the kinds of sentences available, and new chapter 229 of title 18 describes the means of implementing those sentences.

CHAPTER 227—SENTENCES

Subchapter A (general provisions) of proposed chapter 227 of title 18.—Subchapter A contains general provisions relating to the types of sentences that can be imposed on individuals and on organizations, and to the considerations that should go into the determination of an appropriate sentence. Section 3551 lists the types of sentences that may be imposed upon a defendant who has been found guilty of an offense. Section 3552 contains the requirements for pre-sentence investigations and reports. Section 3553 lists the factors to be considered by a sentencing judge in imposing sentence, and sets forth the requirement that the judge state reasons for a particular sentence. Sections 3554 through 3556 describe the collateral sentences of an order of criminal forfeiture, an order of notice to victims of a fraudulent offense, and an order of restitution. Sections 3557 and 3558 refer to other provisions of title 18 relating to appellate review and implementation of sentences. Section 3559 classifies all federal offenses according to the grading system set forth in section 3581.

Section 3551 (authorized sentences).—Section 3551 outlines the authorized sentences for defendants found guilty of a federal offense, other than an offense described in an Act of Congress applicable exclusively in the District of Columbia or the Uniform Code of Military Justice. It requires that each federal offender be sentenced in accord with the provisions of chapter 227 of title 18 in order to achieve the general purposes of sentencing set out in section 3553(a)(2). Subsection (b) of section 3551 specifies that an individual offender must either be placed on probation, fined, or imprisoned as provided in the subchapters governing the imposition of such sentences. It requires the imposition of at least one of these sentences. It further states that a fine may be imposed in addition to any other sentence, as may any of the other sanctions authorized by section 3554, 3555, and 3556. Subsection (c) requires that an organization that is convicted of a federal offense be sentenced to a term of probation or to pay a fine, or both. At least one of these sentences must be imposed. In addition, an organization may, in an appropriate case, be made subject to an order of criminal forfeiture, an order of notice to victims, or an order of restitution.

Section 3552 (presentence reports).—Section 3552 requires the preparation of a presentence report by a probation officer in accord with the provisions of rule 32(c) of the Federal Rules of Criminal Procedure. Subsection (b) of section 3552 carries forward the provisions 18 U.S.C. 4205(c), which provides that, if the court desires more information concerning a convicted defendant, either before or after receiving the presentence report and any report concerning the defendant's mental condition, it may assign the offender to the custody of the Bureau of Prisons for a period of study and preparation of a report concerning matters appropriate to the sentencing decision. The bill amends current law by reducing the maximum period for the study from six months to 120 days in order to advance the time for final sentencing while still allowing an adequate period for study. The bill also amends current law to specifically require that the court order for a study specify the information sought by the court. Subsection (c) adds a new provision to the law that specifically permits the court to order a presentence examination by a psychiatric or psychological examiner concerning the current mental condition of the defendant. The examination would be conducted pursuant to section 4247, and the court would be provided with a written report by the examiner. S. Rept. No. 97-307, pages 982-987. Subsection (d) requires that the court assure that a presentence report and a report prepared pursuant to subsection (c) be made available to the defendant, the counsel for the defendant, and the attorney for the government pursuant to the provisions of Rule 32(c) of the Federal rules of Criminal Procedure.

Section 3553 (Imposition of a Sentence).—Subsection (a) sets out the factors that the judge is required to consider in selecting the type of sentence to be imposed in a particular case, and the length or amount of such sentence. Subsection (a)(1) directs the judge to consider "the nature and circumstances of the offense and the history and characteristics of the defendent". Subsection (a)(2) requires that the judge consider the need for the sentence imposed to carry out the four purposes of sentencing: the need for the sentence imposed to reflect the seriousness of the offense, to promote respect for law, and to provide just punishment for the offense, to afford adequate deterrence to criminal conduct; to protect the public from further crimes of the offender; and to provide the defendant with needed educational; or vocational training, medical care, or other correctional treatment in the most effective manner. (See S. Rept. No. 97-307, pages 987-989). Subsection (a)(3) requires the judge to consider the kinds of sentences available. Subsections (a)(4) and (a)(5) require that the sentencing judge consider the kinds of sentence and the sentencing range

applicable to the category of offense committed by the category of offender under sentencing guidelines issued pursuant to 28 U.S.C. 994(a), as that provision is enacted by section 207 of this title. Subsection (a)(6) requires the judge to consider "the need to avoid unwarranted disparities among defendants with similar records who have been found guilty of similar conduct".

Subsection (b) requires the sentencing judge to impose a sentence consistent with the sentencing guidelines unless he finds that there is an aggravating or mitigating circumstance present in the case that was not adequately considered in the formulation of the sentencing guidelines and that the circumstance should result in a different sentence. The provision is designed to achieve the goal of avoiding disparities in sentences that are not justified by differences among offenses or offenders. At the same time, the provision provides the flexibility necessary to assure adequate consideration of circumstances that might justify a sentence outside the guidelines.

Subsection (c) contains a new requirement that the court, at the time of sentencing, state the reasons for the imposition of the sentence in each case. It also requires that, if the sentence is within the guidelines, the court state the reason for imposing sentence at a particular point within the range, and that, if the sentence is of a different kind or outside the range set out in the sentencing guidelines, the court state the specific reason that the sentence imposed differs from the guidelines. This statement would essentially indicate why the court felt that the guidelines did not adequately take into account all the pertinent circumstances of the case at hand. If the sentencing court felt the case was an entirely typical one for the applicable guideline category, it would have no adequate justification for deviating from the recommended range. See S. Rept. No. 97-307, page 991. The statement of reasons for a sentence outside the guidelines would assist the appellate court, in a case in which the defendant or the government appealed the sentence pursuant to section 3742, to evaluate whether the sentence was "clearly unreasonable" or not. The statement of reasons would also inform the defendant and the public of the reasons for the sentence, and aid the probation and prison officials in fashioning an appropriate program for a defendant.

Subsection (d) requires that the court give prior notice to the defendant and the government that it is considering imposing an order of notice under section 3555 or an order of restitution under section 3556 as part of the sentence. The purpose of the notice is to enable the parties to prepare adequately for the sentencing hearing. The subsection also requires that the court, upon motion of the defendant or the government or on its own motion, permit the parties to submit affidavits and written memoranda concerning matters relevant to the imposition of an order of notice or restitution (e.g., identification of individual, or classes of, victims, evaluation issues, and defenses that a defendant could assert in a civil action with respect to any victim); afford counsel an opportunity to address in open court the issue of the appropriateness of such an order; and include in its statement of reasons for the sentence specific reasons for imposing the order. See S. Rept. No. 97-307, pages 992 and 993.

Section 3554 (Order of Criminal Forfeiture).—Section 3554 specifies that the court, in imposing a sentence on a defendant who has been found guilty of an offense described in section 1962 of title 18, relating to racketeering activity, or an offense described in title II or III of the Comprehensive Drug Abuse Prevention and Control Act of 1970, relating to drug trafficking, shall order, in addition to the sentence that is imposed pursuant to the provisions of section 3551, that the defendant forfeit property to the United States in accord with the provisions of section 1963 of title 18 or section 413 of the Comprehensive Drug Abuse and Control Act of 1970. Section 1963 of title 18 is amended by title IV of this bill and the criminal forfeiture provisions for drug offenses are added by title IV.

Section 3555 (Order of Notice to Victims).—Section 3555 is a new provision that allows a court to require a defendant who has been found guilty of an offense involving fraud or other intentionally deceptive practices to give notice and explanation of the conviction to the victims of the offense. The provision should facilitate any private actions that may be warranted for recovery of losses from the offense. Without such a provision, many victims of major fraud schemes may not become aware of the fraud (for example, that the mining stock they purchased is counterfeit) until it is too late to seek legal redress, or may not be able to ascertain the perpetrator's current whereabouts (for example, a "fly-by-night" roofing operation). The provision should also serve to alert fraud victims to the advisability of other action on their part (for example, news of the worthlessness of a phony "cancer cure" may prompt a victim to visit a doctor in time for proper medical attention). In order to avoid the possibility of the offender's making only token efforts of giving notice, the court is empowered to designate the advertising areas and media in which notice is to be given. The judge is required, in determining whether to require notice, to consider not only the factors set forth in section 3553(a), but also the cost of giving notice as it relates to the loss caused by the offense. In addition, the bill limits to $20,000 the amount that the court may require the defendant to pay for such notice. These provisions are intended to assure that the order of notice requires only such publication as is reasonable under the circumstances of the case. S. Rept. No. 97-307, pages 996-999.

Section 3556 (Order of Restitution).—Section 3556 permits the court to order payment of restitution in addition to any other sentence imposed pursuant to section 3551. The provision is similar to 18 U.S.C. 3579 and 3580 as enacted by section 5 of the Victim and Witness Protection Act of 1982, Public Law 97-291.

Under subsection (a), in a case causing bodily injury or death, the court may order restitution in an amount that does not exceed the expenses necessarily incurred by the victim for medical expenses or by his estate for funeral and burial expenses. In a case involving unlawful obtaining, damaging, or destruction of property, the order of restitution could require that the defendant restore the property to the victim, or make restitution to the victim in an amount that does not exceed the value of the property. The provision is drafted to assure that the restitution determination will not unduly complicate the sentencing proceedings. Subsection (b) specifies that restitution should not be ordered in any situation where the victim is bound by a civil judgment relating to same injury or damage. It also provides that any amount paid to a person under an order of restitution should be set off against any civil damages and that a court may order the payment to be made to a third party, such as an insurance company, that has paid the victim for his losses.

Section 3557 (Review of a Sentence).—Section 3557 provides that the review of a sentence imposed pursuant to section 3551 is governed by the provisions of section 3742, which are enacted by section 203(a) of the bill.

Section 3558 (Implementation of a Sentence).—Section 3558 provides that the implementation of a sentence imposed pursuant to section 3551 is governed by the provisions of chapter 229 of title 18, which are enacted by section 202(a) of this bill.

Section 3559 (Sentencing Classification of Offenses).—Subsection (a) of section 3559 creates a grading scheme for offenses described in sections that specify a maximum sentence rather than a letter grade for the offense. The purpose of the provision is to indicate more clearly how the sentencing provisions of subchapters B, C, and D of this chapter apply to offenses with particular maximum sentences today.

Under subsection (a)(1)(A), if the maximum term of imprisonment authorized for the offense is life imprisonment, or if the maximum penalty is death, the offense becomes a Class A felony. Under subsection (a)(1)(B), if a term of years of more than 20 years is specified as the maximum sentence, the offense becomes a Class B felony. Under subsection (a)(1)(C), if the maximum specified in current law is less than 20 years but more than ten years, the offense becomes a Class C felony. Under subsection (a)(1)(D), if the maximum specified in current law is less than ten years but more than five, the offense becomes a Class D felony. For lower level offenses, if current law provides a sentence that is equal to the sentence specified in section 3581 for a grade of offense, or is less than that amount but more than the maximum specified for the next lower grade, the offense is designated as an offense of the grade equal to or just above that specified in current law. Subsection (b) provides that current law offenses classified by operation of subsection (a) carry all the incidents assigned to the applicable letter designation, 'except that, if the maximum fine in current law is higher, the higher fine level applies, and that the current maximum term of imprisonment remains unchanged. Despite the provisions of section 3581(b), the maximum term of imprisonment for an offense would be that specified in the statute creating the offense until Congress amends the substantive provision to designate the offense as one of a particular grade set forth in section 3581 (b). This circuity results from the fact that title II does not amend substantive criminal law to rationalize maximum sentences. It does, however, create the structure necessary to accomplish this purpose readily at a future date.

Subchapter B (Probation) of Chapter 227 of Title 18.—This subchapter governs the imposition, conditions, and possible revocation of a sentence to a term of probation. In keeping with modern criminal justice philosophy, probation is described as a form of sentence rather than, as in current law, a suspension of the imposition or execution of sentence.

Section 3561 (Sentence of Probation).—Section 3561 authorizes the imposition of a sentence to a term of probation in all cases, unless the case involves a Class A felony or an offense for which probation has been ex-

pressly precluded, or the defendant is sentenced at the same time to a term of imprisonment for the same or a different offense. The section also specifies that the maximum term of probation for a felony is five years, and the minimum is one year. The maximum term of probation for a misdemeanor is two years, and the maximum for an infraction is one year, with no minimum term specified for these offenses.

Section 3562 (Imposition of a Sentence of Probation).—Section 3562 sets forth the criteria to be considered by the court in determining whether to impose a sentence of probation and in determining the length of the term and the conditions of probation. It also makes clear that, despite the susceptibility of a term of probation to modification, revocation, or appeal, a judgment of criminal conviction that includes such a sentence constitutes a final judgment for all other purposes. Subsection (a) requires that the judge, in determining whether to impose a sentence to a term of probation upon an organization or an individual, and in setting the terms and conditions of any sentence to probation that is imposed, consider the factors set forth in section 3553(a) to the extent that they are applicable. These include the history and characteristics of the offender and the nature of the offense, the four purposes of sentencing set forth in section 3553(a)(2), and the sentencing guidelines and policy statements of the Sentencing Commission created under proposed 28 U.S.C. 994. Subsection (b) codifies current judicial decisions that hold that judgments imposing probation are final judgments for all purposes, particularly for purposes of appeal, even though the sentence is subject to compliance with specified conditions, is revocable for noncompliance with those conditions, and is subject to modification, extension, or early termination in certain situations. See S. Rept. No. 97-307, pages 1007-1010.

Section 3563 (Conditions of Probation).—Section 3563(a) specifies that the court is required to provide, as a condition of probation for any federal offense, that the defendant not commit another federal, State, or local crime during the term of probation, and to provide as a condition of probation for a defendant convicted of a felony that the defendant pay a fine or restitution or engage in community service.

Subsection (b) sets out optional conditions which may be imposed, the last of which makes clear that the enumeration is suggested only, and not intended as a limitation on the court's authority to consider and impose other appropriate conditions. The subsection indicates that the discretionary conditions on probationary freedom must be reasonably related to the nature and circumstances of the offense, the history and characteristics of the offender, and the four purposes of sentences. If a condition involves a deprivation of property or liberty, the condition must be reasonably necessary to carry out the purposes of sentencing set forth in section 3553(a)(2). In addition, under subsection (a), the policy statements and sentencing guidelines promulgated by the Sentencing Commission should be considered in determining the conditions of probation. Most of the conditions set forth in section 3563(b) have been used and sanctioned in appropriate cases under the current statute. Among the discretionary conditions are conditions that the defendent pay a fine in accord with subchapter C, make restitution to a victim of the offense pursuant to section 3556, give notice to the victims of the offense pursuant to section 3555, remain in the custody of the Bureau of Prisons during nights, weekends, or other intervals of time, or participate in community service as directed by the court. For a detailed discussion of these and the other discretionary conditions of probation, see the S. Rept. No. 97-307, pages 1011-1015.

Subsection (c) permits the court to modify, reduce, or enlarge the conditions of a sentence of probation at any time before its expiration, and requires that the court hold a hearing before making such a modificaiton.

Subsection (d) requires that the probation officer provide the defendant with a written statement of the conditions to which he is subject, and requires that statement to be sufficiently clear and specific to serve as a guide to the defendant's conduct and for such supervision as is required.

Section 3564 (Running of a Term of Probation).—This section governs the commencement of a term of probation; the effect of other sentences upon the running of the term; and the court's power to terminate or extend a term of probation.

Subsection (a) provides that the term of probation commences on the day the sentence of probation is imposed, unless otherwise ordered by the court.

Subsection (b) provides that multiple terms of probation are to run concurrently, regardless of when or for what offenses or by what jurisdiction they are imposed, and that a term of probation is to run concurrently with a term of supervised release; consequently, unlike the situation under current law, consecutive terms of probation may not be imposed. Of course, if a defendant is sentenced to terms of probation for offenses of varying seriousness, the maximum term of probation would be measured according to the term for the most serious offense. This subsection also makes it clear that probation does not run during any period in which the defendant is imprisoned in connection with a conviction for any other offense, except, of course, during limited periods of confinement as a condition of probation or supervised release.

Subsection (c) authorizes the court, after considering the factors set forth in section 3553(a), to terminate a term of probation and to discharge the defendant prior to its expiration at any time in the case of a misdemeanor or an infraction or at any time after one year in the case of a felony, if the conduct of the defendant and the interest of justice warrant such action. See S. Rept. No. 97-307, page 1018.

Subsection (d) authorizes the court, after a hearing and pursuant to the provisions applicable to the initial setting of the term of probation, to extend the term of probation, unless the maximum term was previously imposed, at any time prior to its expiration or termination.

Subsection (e) provides that a term of probation remains subject to revocation during its continuance.

Section 3565 (Revocation of Probation).—This section provides that probation may be revoked if the defendant violates a condition of probation, and specifies the period during which such revocation may take place.

Subsection (a) provides that if the defendant violates a condition of probation, the court either may, after a hearing pursuant to Rule 32.1 of the Federal Rules of Criminal Procedure, continue the defendant on the sentence of probation, subject to such modification to the term or conditions of probation as it deems appropriate, or may revoke probation and impose any other sentence that could have been imposed at the time of the initial sentencing.

Subsection (b) provides that revocation of probation and imposition of another sentence may occur after the term of probation has expired if a violation of the condition occurred prior to the expiration, if the adjudication occurs within a reasonable period of time, and if a warrant or summons on the basis of an allegation of such a violation was issued prior to the expiration of the term of probation.

Section 3566 (Implementation of a Sentence of Probation).—This section, which has no counterpart in current law, merely directs attention to the fact that provisions governing the implementation of probation are contained in subchapter A of chapter 229.

Subchapter C (Fines) of Chapter 227 of Title 18.—This subchapter sets the maximum monetary fines that may be imposed for the various levels or criminal offenses, specifies the criteria to be considered before imposition of fines, and provides for the subsequent modification or remission of fines previously imposed.

Fines generally have been an inappropriately underused penalty in American criminal law, even though there are many instances in which a fine in a measured amount could constitute a highly effective means of achieving one or more of the goals of the criminal justice system. Part of the reason for the under-utilization of fines as a criminal sanction is the fact that the levels of fines under current law, with rare exceptions, are so low that the courts are not able to use them effectively as a sentencing option. These statutory limits are largely the product of an earlier era when the average wage-earner achieved a yearly income considerably lower than that of today, and when inflation had not yet reduced the value of currency to its present level. See S. Rept. No. 97-307, pages 1021-1029.

Section 3571 (Sentence of Fine).—Section 3571 establishes the general statutory authority for the imposition of a fine as a penal sanction. The maximum amount of the fine that may be imposed in a particular case depends on whether the offense is classified as a felony, misdemeanor, or infraction; whether the offender is an individual or an organization; and, in the case of a misdemeanor, whether the offense resulted in loss of human life.

Subsection (a) authorizes the use of fines in criminal sentencing. There are no offenses for which a fine may not be imposed. Payment of a fine may also be made a discretionary condition of probation for any offense, or a mandatory condition of probation for a convicted felon. See proposed section 3562.

Subsection (b) establishes the maximum limits of fines for felonies, misdemeanors, and infractions. Under the provisions of proposed 18 U.S.C. 3559, the fine levels specified in subsection (b) apply to existing offenses unless current law specifies a higher maximum fine. The fines specified in subsection (b) for an individual defendant are $250,000 for a felony or for a misdemeanor resulting in the loss of human life, $25,000 for any other misdemeanor, and $1,000 for an infraction. The fine levels set forth in the subsection for organizations are higher than those for individuals, following the New York model, in order to take cognizance of the fact that a sum of money that is sufficient to penalize or deter an individ-

ual may not necessarily be sufficient to penalize or deter an organization, both because the organization is likely to have more money available to it and because the sentence for an organization obviously cannot include a term of imprisonment. For an organization, subsection (b) provides a maximum fine for a felony, or for a misdemeanor that results in loss of human life, of $500,000; for any other misdemeanor a maximum fine of $100,000; and for an infraction, a fine of not more than $10,000. See S. Rept. No. 97-307, pages 1022-1025.

Section 3572 (Imposition of a Sentence of Fine).—Section 3572 sets out factors that the court must consider in imposing a fine, specifies the degree to which the sentence to pay a fine is final, places a limit on the aggregation of multiple fines, provides that the court may specify the time and method of payment of the fine, precludes the imposition at the time a sentence is imposed of an alternative sentence to be served if an imposed fine is not paid, provides notice that agents of an organization who are authorized to disperse its assets are individually responsible for payment of a fine against the organization from the funds of the organization, and provides that a fine imposed on an agent or shareholder of an organization may not be paid from the assets of the organization unless expressly permitted under applicable State law.

Subsection (a) specifies the factors to be considered by the court in determining whether to impose a fine, and in determining its amount and the means of payment. In addition to the factors set forth in section 3553(a), the court is required to consider the ability of the defendant to pay the fine; the nature of the burden the payment of the fine will impose on the defendant and on any person dependent on him; restitution or reparation made by the defendant to the victim of the offense; if the defendant is an organization, any measure taken by the organization to discipline the persons responsible for the offense or ensure against the recurrence of the offense; and any other pertinent equitable consideration.

Subsection (b) provides that the aggregate of fines that may be imposed on a defendant at the same time for offenses that arise from a common scheme or plan and that do not cause separable or distinguishable kinds of harm or damage, is twice the amount imposable for the most serious offense. The provision was included to avoid the possibility that for some offenses, particularly regulatory offenses, an ongoing pattern of conduct might constitute numerous minor offenses that did not warrant a maximum fine equal to the aggregate fine for all of the minor offenses.

Subsection (c) makes clear that, even though a fine imposed by the sentencing judge may be modified or remitted, or corrected or appealed pursuant to section 3742, a judgment of conviction that includes a fine is final for all other purposes.

Subsection (d) permits the court to authorize payment of a fine within a specified period of time or in installments. This provision gives necessary flexibility to the fine provisions in order to permit the imposition of a relatively high fine on a defendant who can pay it over a period of time. This will permit the imposition of a sentence to pay a high fine when such a sentence will best serve the purposes of sentencing. It may permit, for example, the imposition of a sentence to pay a high fine in a case in which the defendant might otherwise be sentenced to a term of imprisonment.

Subsection (e) prohibits the imposition at the time of sentencing of a term of imprisonment to be served if a fine is not paid. If the defendant does fail to pay his fine, the court may determine the appropriate remedy after the non-payment occurs. See S. Rept. No. 97-307, page 1027.

Subsection (f) makes clear that, if an organization is fined, it is the duty of each of the organization's employees or agents who is authorized to make disbursements of the assets of the organization to pay the fine from those assets. The subsection also bars payment of a fine imposed on an agent or shareholder of an organization from assets of the organization, unless State law expressly permits such payments.

Section 3573 (Modification or Remission of Fine).—Section 3573 permits modification or remission of a fine if there have been changes in the circumstances that warranted imposition of a fine in the amount imposed or payment by the time or method specified by the court. Since section 3572 specifies that the ability to pay is relevant to the amount of the fine, a modification or remission of the fine should be available when that ability lessens. The section also permits remission of the fine in an amount that does not exceed the amount of restitution or reparation voluntarily paid to the victim by the defendant after the fine was imposed. The section permits the court to adjust the fine of a well-intentioned defendant in order to avoid creating unjustifiable impoverishment. However, an unexcused failure to pay a fine may still be prosecuted as any other criminal contempt.

Section 3574 (Implementation of a Sentence of Fine).—Section 3574 states that the provisions concerning implementation of a sentence to pay a fine are contained in subchapter B of chapter 229.

Subchapter D (Imprisonment) of Chapter 227 of Title 18.—Subchapter D sets forth the basic considerations governing the imposition of sentences of imprisonment. It creates the frame of reference used to determine the applicability of sentence provisions to offenses throughout the United States Code. It deals specifically with the terms of imprisonment and supervised release authorized for the various grades of offenses, criteria for imposing such sentences, collateral aspects of sentences of imprisonment, operations of multiple sentences, and calculation of terms of imprisonment.

Section 3581 (Sentence of Imprisonment).—Section 3581 provides in subsection (a) that a defendant convicted of an offense may be sentenced to a term of imprisonment.

Subsection (b) creates nine classes of offenses: five felony classes with authorized terms of imprisonment ranging from life imprisonment to three years, three misdemeanor classes with maximum terms ranging from one year to 30 days, and an infraction category that carries a maximum of five days imprisonment. See page 45 infra and S. Rept. No. 97-307, pages 1034-1036.

Section 3582 (Imposition of a Sentence of Imprisonment).—Section 3582(a) specifies for the first time in the federal criminal law the factors that a court must consider in imposing a sentence of imprisonment. These include the nature and circumstances of the offense and the history and characteristics of the defendant, the need for the sentence imposed to provide just punishment, a deterrent effect, incapacitation, and an opportunity for rehabilitation, and the guidlines and policy statements of the Sentencing Commission that apply to the case. Subsection (a) also specifies that, in light of current knowledge, the judge should recognize, in determining whether to impose a term of imprisonment, "that imprisonment is not an appropriate means of promoting correction and rehabilitation". This statement is designed to discourage the employment of a term of imprisonment on the grounds that the prison has a program that might be of benefit to the prisoner. This does not mean, of course, that, if a defendant is to be sentenced to imprisonment for other purposes, the availability of rehabilitative programs should not be an appropriate consideration, for example, in recommending a particular facility.

Subsection (b) makes clear that a judgment of conviction is final even though it includes a sentence that may be modified pursuant to the provisions of subsection (c), corrected pursuant to Rule 35 of the Federal Rules of Criminal Procedure, or appealed pursuant to section 3742.

Subsection (c) provides that a court may not modify a sentence of imprisonment unless one of three conditions warrant the use of a safety valve for modification of the sentence. The first safety valve permits the modification of the sentence in the unusual case in which the defendant's circumstances are so changed, such as by terminal illness, that it would be inequitable to continue the confinement of the prisoner. In such a case, the Director of the Bureau of Prisons could petition the court for a reduction in the sentence, and the court could grant a reduction if it found that the reduction was justified by "extraordinary and compelling reasons" and was consistent with applicable policy statements issued by the Sentencing Commission.

The second safety valve permits a defendant with an unusually long sentence, one that is over six years in length, to file a motion with the court after he has served six years of that term, for reduction of the term of imprisonment. The Director of the Bureau of Prisons may also file such a motion for the prisoner. The court may grant the motion if, after considering the factors set forth in section 3553(a), it finds that extraordinary and compelling reasons require such a reduction and that a reduction is consistent with applicable policy statements issued by the Sentencing Commission. An additional review of the sentence may be sought by a defendant with an unusually long prison term who is sentenced above the maximum applicable sentencing guideline. Such a defendant may seek a second review of his sentence after he has served the maximum applicable guideline sentence, and the same review standards apply as for the first review.

The third safety valve permits the reduction of the sentence of a defendant who was sentenced to a term of imprisonment under sentencing guidelines that were later reduced by the Sentencing Commission, if such a reduction is appropriate considering the factors set forth in section 3553(a) and if it is consistent with applicable policy statements issued by the Sentencing Commission. It is expected that the Sentencing Commission would, whenever it revised its sentencing guidelines as to a particular offense, indicate its views as to the appropriate situations, if any, in which a sentence already being served should be reduced.

Subsection (d) permits the court to include in the sentence of a drug trafficker or racketeer an order that the defendant not associate or communicate with a specified

person, other than his attorney, if there has been a showing or probable cause to believe that such association or communication would be for the purpose of enabling the defendant to control, manage, direct, finance, or otherwise participate in an illegal enterprise. The provision is designed to prohibit a manager of a criminal enterprise from continuing to manage that enterprise while he serves his term of imprisonment.

Sector 3583 (Inclusion of a Term of Supervised Release After Imprisonment—Section 3583 is a new section that permits the court, in imposing a term of imprisonment for a felony or a misdemeanor, to impose as part of the sentence a requirement that the defendant be placed on a term of supervised release after imprisonment. Unlike current parole law, the question whether the defendant will be supervised following his term of imprisonment is dependent on whether the judge concludes that the defendant needs supervision, rather than on the question whether part of the term of imprisonment remains at the time of the prisoner's release. The term of supervised release would be a separate part of a defendant's sentence, rather than being the end of the term of imprisonment.

Subsection (b) specifies the authorized terms of supervised release, with the terms ranging from a term of not more than one year for a defendant sentenced for a Class E felony or for a misdemeanor, to a term of not more than three years for a defendant sentenced for a Class A or B felony. The length of the term of supervised release will be dependent on the needs of the defendant for supervision rather than, as in current law, on the almost sheer accident of the amount of time that happens to remain of the term of imprisonment when the defendant is released.

Subsection (c) describes the factors that the judge is required to consider in determining whether to include a term of supervised release as a part of a sentence, and if a term of supervised release is included, the length of that term. The judge is required to consider the history and characteristics of the defendant, the nature and circumstances of his offense, the need for the sentence to protect the public from further crimes of the defendant and to provide the defendant with needed educational or vocational training, medical care, or other correctional treatment in the most effective manner, the applicable sentencing guidelines and policy statements, and the need to avoid unwarranted sentencing disparity.

Subsection (d) describes the conditions that the judge may impose on the term of supervised release. The court is required to order, as a condition of supervised release, that the defendant not commit another crime during the period of supervision. It may also order any of the conditions set forth as conditions of probation in section 3563(b)(1) through (b)(10) and (b)(12) through (b)(19), and any other condition it considers appropriate, if the condition is reasonably related to the history and characteristics of the offender and the nature and circumstances of the offense, the need for the sentence to protect the public from further crimes of the defendant, and the need to provide the defendant with needed educational or vocational training, medical care, or other correctional treatment. The condition also may not involve a greater deprivation of liberty than is necessary to protect the public and to provide needed rehabilitation or corrections programs, and must be consistent with any pertinent policy statement issued by the Sentencing Commission. For a further discussion of the available conditions of supervised release, see S. Rept. No. 97-307, pages 1010-1016.

Subsection (e) permits the court, after considering the same factors considered in the original imposition of a term of supervised release, to terminate the term of supervised release previously ordered at any time after one year or, after a hearing, to extend the term of supervised release (if less than the maximum term authorized was originally imposed) or to modify, reduce, or enlarge the conditions of release.

Subsection (f) requires the court to direct the probation officer to provide the defendant with a clear and specific statement of the conditions of supervised release.

Section 3584 (Multiple Sentences of Imprisonment).—This section provides the rules for determining the length of the term of imprisonment for a person convicted of more than one offense. It specifies the factors to be considered in determining whether to impose concurrent or consecutive sentences, and provides that consecutive and concurrent sentences shall be treated for administrative purposes as a single aggregate term of imprisonment.

Section 3585 (Calculation of a Term of Imprisonment).—This section provides the method of calculating the beginning of a term of imprisonment and contains provisions for crediting an offender for prior custody. Under subsection (a), the sentence commences on the date that the defendant is received into custody awaiting transportation to, or arrives voluntarily to commence service of sentence at, the official detention facility at which the sentence is to be served. Subsection (b) provides credit towards the service of an imprisonment term for any time the defendant has been in official custody prior to the date the sentence was imposed if the custody was a result of the same offense for which the sentence was imposed or was a result of a separate charge for which the defendant was arrested after commission of the current offense. No credit would be given if such time had already been credited toward the service of another sentence.

Section 3586 (Implementation of a Sentence of Imprisonment.—Section 3586 provides a cross-reference to the provisions concerning implementation of a sentence of imprisonment contained in subchapter C of chapter 229, and, if the sentence includes a term of supervised release, in the provisions of subchapter A of chapter 229.

CHAPTER 229—POSTSENTENCE ADMINISTRATION

Chapter 229 consists of three subchapters which cover the administration of the various types of sentences imposed under subchapters B, C, and D of chapter 227. Subchapter A of chapter 229 provides for the appointment of probation officers and sets forth their duties. In addition, it provides for special probation and record expungement procedures for drug possession offenses. Subchapter B covers the payment and collection of fines which may be imposed under chapter 227. Subchapter C sets forth the procedures governing prison terms.

Subchapter A (Probation) of Chapter 229 of Title 18.—This subchapter contains the provisions for implementation of a sentence to probation pursuant to subchapter B of chapter 227, the placement of juvenile delinquents on probation, and the placement of an individual on supervised release pursuant to section 3583. The subchapter, for the most part, carries forward current law concerning the appointment of probation officers by the court and the powers and duties of probation officers.

Section 3601 (Supervision of Probation).—Section 3601 requires that a person sentenced to a term of probation under subchapter B of chapter 227, or placed on probation pursuant to the provisions of chapter 403, or placed on supervised release pursuant to the provisions of section 3583, be supervised by a probation officer to the degree warranted by the conditions specified by the sentencing court.

Section 3602 (Appointment of Probation Officers).—Section 3602 is largely derived from current 18 U.S.C. 3654. Subsection (a) requires each district court of the United States to appoint suitable and qualified persons to serve with or without compensation as a probation officers under the direction of the court. Those appointed with compensation are removable by the court for cause, rather than removable as the discretion of the court as in current law. The change was made upon the recommendation of the Probation Committee of the Judicial Conference. Voluntary probation officers serving without compensation remain subject to removal at the discretion of the court. The requirement that probation officers be "qualified" as well as "suitable" is added to the law in order to emphasize that probation officers who will be supervising innovative conditions of probation permitted under the probation subchapter should be qualified by their training or background to be probation officers. There may even be circumstances in which a probation officer should be a specialist who might be made available, as the need arose, to any one of several courts. For example, such a probation officer might be needed if a union or brokerage house, rather than a street criminal, were under supervision.

Section 3603 (Duties of Probation Officers).—Section 3603 carries forward the provisions of current 18 U.S.C. 3655 relating to the duties of probation officers with respect to supervision of probationers and the keeping of records and making of reports, and modifies the provisions to cover persons released from prison on supervised release pursuant to section 3583. The section includes a number of specific requirements not in current law, including the requirements that the probation officer be responsible for supervision of any probationer or person under supervised release known to be within the judicial district (in order to clarify supervisory authority over probationers and persons on supervised release transferred into his district or temporarily present in the district), and that, when requested, the probation officer supervise and furnish information about persons on work release, furlough, or other authorized release or in pre-release custody pursuant to section 3634(c).

Section 3604 (Transportation of a Probationer).—This section carries forward the provisions of current 18 U.S.C. 4283 permitting a court to order a United States marshal to furnish to a person placed on probation transportation to their place where he is required to go as a condition of probation. The provision also removes the dollar limitation on the amount of subsistence expenses that may be paid for a probationer while travelling to his destination, substituting a provision that permits the Attorney General to prescribe reasonable subsistence payments.

Section 3605 (Transfer of Jurisdiction Over a Probationer).—Section 3605, relating

to transfer of jurisdiction over a probationer or person on supervised release from one court to another, is derived from current 18 U.S.C. 3653. Both current law and section 3605 require the concurrence of the court receiving jurisdiction over a probationer to the transfer of jurisdiction. Section 3605 expands current law to cover persons on supervised release and provides that the transfer of a probationer or a person on supervised release to another district may be made either as a condition of probation or supervised release or with the permission of the court, unlike current law which provides for transfer of a probationer only "from the district in which he is being supervised". The section would also permit a court to which jurisdiction over a probationer or a person or supervised release was transferred to exercise all the powers over the probationer or release that are permitted by this subchapter and subchapter B of chapter 227. This differs from current law, which requires the consent of the sentencing court to a change in the period of probation. See S. Rept. No. 97-307, pages 1233 and 1234.

Section 3606 (Arresting and Return of a Probationer).—Section 3606 continues the provisions of current 18 U.S.C. 3653 which authorizes the arrest and return of a probationer to the court having jurisdiction over him if he violates a condition of probation, and expands the provisions to refer to persons on supervised release pursuant to section 3583. See S. Rept. No. 97-307, Page 1234.

Section 3607 (Special Probation and Expungement Procedures for Drug Possessers).—Section 3607 carries forward the provisions of 21 U.S.C. 844(b) relating to special probation without entry of judgment for a first offender found guilty of violating the drug possession statute if the offender has not previously been convicted of an offense under a federal or State law relating to controlled substances. The section also permits, as does current law, expungement of records for persons placed on probation under the section if they were under the age of 21 at the time of the offense and did not violate a condition of probation.

Subchapter B (Fines) of chapter 229 of Title 18.—This subchapter is designed to increase the efficiency with which the government collects fines assessed against criminal defendants. Present law, 18 U.S.C. 3565, provides that a criminal fine judgment "may be enforced by execution against the property of the defendant in like manner as judgments in civil cases". Thus, the federal government is greatly confined by State law and must litigate in order to collect a fine from an uncooperative defendant. These relatively cumbersome procedures have resulted in collection by the United States in recent years of only 60 to 70 percent of the amount of fines imposed. This subchapter attempts to remedy this situation by treating criminal fine judgments like tax liens for collection purposes, thereby making available to the Attorney General summary collection procedures similar to those used by the Internal Revenue Service. Foremost among these is the power to administratively levy against the property of the defendant, which precludes disposition of the property to avoid payment and permits realization of the amount of the fine without litigation.

Section 3611 (Payment of a Fine).—Section 3611 provides for the payment of a fine imposed under subchapter C of chapter 227 to the clerk for the sentencing court to be forwarded to the United States Treasury. The section requires either immediate payment or payment by the time and method specified by the sentencing court.

Section 3612 (Collection of an Unpaid Fine).—Section 3612 requires the sentencing court, whenever a fine is imposed, to provide the Attorney General with certain certified information. The Attorney General is then responsible for collecting the fine if it is not paid at the time required. See S. Rept. No. 97-307, page 1236.

Section 3613 (Lien Provisions for Satisfaction of an Unpaid Fine).—Section 3613 establishes the procedure by which the Attorney General is to make collection of unpaid fines. This section significantly improves current practices by providing a federal collection procedure independent of State laws that is patterned on the collection procedures utilized by the Internal Revenue Service.

Subsection (a) eliminates the clerical procedures necessary to create judgment liens, by providing that the fine is a lien in favor of the United States upon all property belonging to the person fined. The lien arises at the time of the entry of judgment and continues until the liability has ben satisfied or set aside, or until it becomes unenforceable pursuant to subsection (b). See S. Rept. No. 97-307, page 1238. Subsection (a) permits the defendant to apply for release of a lien upon payment of a bond by the defendant or for a discharge of part of a lien if the Attorney General determines that a lien remains on property worth at least three times the amount of the fine.

Subsection (b) changes current law by imposing a 20-year statute of limitations on collection of a criminal fine. Under existing law, the government's right to seek execution of a criminal sentence, including a fine, is not subject to any time limit. Thus a criminal fine may be satisfied only through payment in full, death of the debtor, or presidential pardon. The limitation period established by subsection (b) will permit the closing of a file by United States attorneys for a case that is so old that the collection of a fine is unlikely. The period for collection may be extended by a written agreement entered into by the defendant and the Attorney General prior to expiration of the period, as is permitted in similar provisions in the tax area. Subsection (b) also provides that the running of the 20-year statute of limitations is to be suspended "during any interval for which the running of the period of the limitation for collection of a tax would be suspended" pursuant to several provisions of the tax laws.

Subsection (c) provides that certain sections of the Internal Revenue Code of 1954, as amended, apply to a fine and to the lien imposed under subsection (a) as if the liability of the person fined were for an Internal Revenue tax assessment, except to the extent that the application of such statutes is modified by regulations issued by the Attorney General to accord with differences in the nature of the liabilities. See S. Rept. No. 97-307, pages 1239-1242 for a description of those provisions.

Subsection (d) provides that a notice of a lien imposed under subsection (a) is to be considered a notice of a lien for taxes payable to the United States for the purpose of any State or local law providing for the filing of the notice of a tax lien.

Subsection (e) permits the use of the current law mechanism for enforcing fines as though they were civil judgments as an alternative to the lien-type enforcement mechanism.

Subsection (f) makes clear that a discharge of debts in bankruptcy does not render a fine unenforceable or discharge liability to pay a fine.

Subchapter C (Imprisonment) of Chapter 229 of Title 18.—Subchapter C contains the provisions for implementation of a sentence of imprisonment imposed under subchapter D of chapter 227. The subchapter generally follows existing law, except that custody of federal prisoners is placed in the Bureau of Prisons directly rather than in the Attorney General, thus giving the Bureau of Prisons direct authority to determine matters, such as the place of confinement of a prisoner, which are presently determined by the Attorney General. The subchapter also substantially revises the method by which the release date of an imprisoned person is determined.

Section 3621 (Imprisonment of a Convicted Person).—This section is derived from existing law.

Subsection (a) is derived from 18 U.S.C. 4082(a) except that the new provision places custody of federal prisoners directly in the Bureau of Prisons rather than in the Attorney General. See S. Rept. No. 97-307, page 1243.

Subsection (b) changes existing law to provide that the authority to designate the place of confinement for federal prisoners rests in the Bureau of Prisons rather than in the Attorney General. The designated penal or correctional facility need not be in the judicial district in which the prisoner was convicted and need not be maintained by the federal government. Subsection (b) adds a new requirement that a facility meet minimum standards of health and habitability established by the Bureau of Prisons.

Subsection (c) provides for delivery of an order of commitment to the person in charge of the facility to which a prisoner has been sent by court order, and for the original order to be returned to the court with the return endorsed.

Subsection (d) requires the United States marshal to bring a prisoner to court or return him to prison upon order of the court or written request of an attorney for the Government.

Section 3622 (Temporary Release of a Prisoner).—Section 3622 is derived from current 18 U.S.C. 4032(c), and permits temporary release of a prisoner by the Bureau of Prisons for specified reasons. The only criterion for such release in current law is that there be "reasonable cause to believe . . . [the prisoner] will honor his trust." Under section 3622, the release would also have to appear to be consistent with the purposes for which the sentence was imposed, with any pertinent policy statements of the Sentencing Commission, and with the public interest. This places emphasis on factors important to the overall correctional program for the defendant, rather than limiting the factors to be considered to the probability of the prisoner's return to the facility at the appropriate time. In addition to the current law list of purposes for which a prisoner may be released, such as attending a funeral or working at paid employment or participating in a training program in the community on a voluntary basis, subsection (b) includes a new provision permitting temporary release to participate in an educational program, to make it clear that release may be for such things as pursuing a course of study in college as well as for vocational training. Subsection (c), relating to employment, modifies current law (18 U.S.C. 4082(c)(2)) by dropping the requirement

that local unions be consulted and a provision barring work release where other workers might be displaced. This will give the Bureau of Prisons more flexibility than provided in current law in developing work programs in appropriate cases. See S. Rept. No. 97-307, page 1245.

Subsection (c) carries forward the provisions of current law that require that work in the community must be at the same rate and under the same conditions as for similar employment in the community involved. Subsection (c)(2) amends current law to require that a prisoner pay costs incident to his detention as a condition of work release.

Section 3623 (Transfer of a Prisoner to State Authority).—Section 3623 delineates the circumstances under which the Director of the Bureau of Prisons must order the transfer of a federal prisoner to a State facility prior to his release from the federal facility. Like current 18 U.S.C. 4085, section 3623 provides that the Director of the Bureau of Prisons must order that a prisoner be transferred to an official detention facility within a State prior to the prisoner's release from the federal prison if certain requirements are satisfied. First, the prisoner must have been charged in an indictment or in an information with a felony or have been convicted of a felony in that State. Second, the transfer must have been requested by the governor or other executive authority of the State. Next, the State must send to the Director, usually along with the request, a certified copy of the indictment, information, or judgment of conviction. Finally, the Director must find that the transfer would be in the public interest. See S. Rept. No. 97-307, pages 1245-1246. Finally, the section provides that the costs of transferring a prisoner to a State authority will be borne by the State requesting the transfer.

Section 3624 (Release of a Prisoner).—Section 3624(a) describes the method by which the release date of a prisoner is determined. It replaces a confusing array of statutes and administrative procedures concerning the determination of the date of release of a prisoner. Perhaps the most confusing aspect of the current law provisions is that, for a regular adult prisoner whose term of imprisonment exceeds one year, there are two mechanisms for determining the release date, each of which requires recordkeeping and constant evaluation of prisoner eligibility for release. The prisoner is ultimately released on the earlier of the two release dates that results from the parallel determinations. First, current 18 U.S.C. 4163 requires that a prisoner who has not been released earlier, for example, on parole, must be released at the expiration of his sentence less credit for good conduct. For a prisoner whose term of imprisonment exceeds one year in length, at the same time that the Bureau of Prisons is keeping records on good time allowances, the United States Parole Commission is periodically evaluating whether the prisoner should be released on parole. (Other release date statutes apply to prisoners who are serving less than one year in prison.) See S. Rept. No. 97-307, page 1247. Subsection (a) replaces the multiplicity of release date statutes with a single provision that describes the mechanism for setting release dates. It provides that a prisoner is to be released at the expiration of his term of imprisonment less any credit toward the service of his sentence for satisfactory prison behavior accumulated pursuant to subsection (b). This, as discussed in the introduction, every sentence to a term of imprisonment will represent the actual time to be served less good time. There will be no artificially high sentences to allow for the operation of the parole system, which has no role as to prisoners sentenced under the revised statute. A prisoner may be subject on release to a term of supervised release pursuant to section 3583 if his term of imprisonment exceeds one year in length and his sentence includes a term of supervised release.

Subsection (b) contains the provisions concerning the earning of credit toward early release for satisfactory prison behavior. It applies only to persons who are sentenced to terms of imprisonment longer than one year, except those sentenced to life imprisonment. The provision also substantially simplifies the computation of credit toward early release over the computation required under current law. See S. Rept. No. 97-307, page 1249.

Subsection (c) is new. It provides that, to the extent practicable, the last ten percent of the term of imprisonment, not in excess of six months, should be spent in circumstances that afford the prisoner a reasonable opportunity to adjust to and prepare for reentry into the community. The Bureau of Prisons would have discretion to determine what opportunity for reentry needs to be made available in each case. The probation system is required, to the extent practicable, to offer assistance to prisoners at this prerelease stage.

Subsection (d), relating to the allotment of clothing, transportation, and funds to a prisoner at the expiration of his term of imprisonment, amends current law to increase to $500 the amount of money furnished to a prisoner, and to omit provisions for loans to prisoners. The loan provisions in existing law have not proved successful, having caused greater administrative costs and difficulties than the amount of money involved justifies. The Director of the Bureau of Prisons is to determine the amount of money to be given to each prisoner, and a new provision is added to require that the determination be made in accord with the public interest and the needs of the prisoner.

As in current law, the prisoner must be furnished transportation to one of three places: (1) the place of conviction; (2) his bona fide residence within the United States; or (3) any other place designated by the Director of the Bureau of Prisons.

Subsection (e) provides that a prisoner whose sentence includes a term of supervised release shall be released to the supervision of a probation officer. It also specifies that the term of supervised release begins on the date of release and runs concurrently with any other term of supervised release, probation, or parole unless the person is in prison other than for a brief period as a condition of probation or supervised release.

Section 3625 (Inapplicability of the Administrative Procedure Act).—This section makes clear that certain of the provisions of the Administrative Procedure Act do not apply to any determination, decision, or order of the Bureau of Prisons. This result is in accord with recent case law, and will assure that the Bureau of Prisons is able to make decisions concerning the appropriate facility, corrections program, and disciplinary measures for a particular prisoner without constant second-guessing. The provision, of course, would not eliminate constitutional challenges by prisoners under the appropriate provisions of law. The phrase "determination, decision, or order" in the provision is intended to mean adjudication of specific cases as opposed to general rulemaking.

Section 202(a)(3).—Section 202(a)(3) adds a new section 3671 at the end of chapter 232 of title 18, United States Code. The section contains definitions of the terms "found guilty", "commission of an offense", and "law enforcement officer", for use in the sentencing provisions contained in chapters 227 and 229 of title 18, United States Code.

Section 202(a)(4) of the bill enacts the caption and section analysis for new chapter 232 of title 18, United States Code, the chapter that is created by section 202(a)(1) of the bill.

Section 202(b) amends the chapter analysis of Part II of title 18.

Section 203.

Section 203(a) adds to chapter 235 of title 18 a new section 3742, which relates to appellate review of sentencing. The section describes the circumstances in which a defendant or the government can appeal a sentence in the federal criminal justice system. Under subsection (a) the defendant can file a notice of appeal in the district court for review of an otherwise final sentence if the sentence was imposed in violation of law, was imposed as a result of an incorrect application of the guidelines, or was imposed for a felony or a Class A misdemeanor and is greater than the sentence specified in the guidelines and not consistent with a plea agreement and was unreasonable. Similarly, under subsection (b), the government may appeal a sentence that was imposed in violation of law, imposed as a result of an incorrect aplication of the sentencing guidelines, or imposed for a felony or a Class A misdemeanor and is less than the applicable guidelines and not consistent with a plea agreement. Before the government may appeal a sentence, the Attorney General or the Solicitor General must personally approve the filing of a notice of appeal. For a discussion of the constitutionality of government appeal of sentences, see S. Rept. No. 97-307, pages 1226-27.

It should be noted that, under current law, there is specific authority in Rule 35 of the Federal Rules of Criminal Procedure for the trial judge to correct an illegal sentence. In order to be sure that all sentencing issues can be raised in a single proceeding, a proceeding which goes beyond the appellate review of sentencing provided in current law, the bill combines review of issues relating to illegality of sentences with all other issues relating to sentencing. If the trial judge were to discover that he had made an error in a sentence that made it illegal, he could notify the counsel for the defendant and the counsel for the government in order to permit them to raise that issue as part of any sentencing appeal they may file.

Subsection (c) of section 3742 describes the record on which the appeal is based.

Subsection (d) requires the court of appeals to determine upon review of the record whether the sentence was imposed in violation of law, imposed as a result of incorrect application of the sentencing guidelines, or, if it is outside the range of the applicable sentencing guideline, is unreasonable. Under subsection (e), if the court of appeals determines that the sentence was imposed in violation of law or imposed as a result of an incorrect application of the sentencing guidelines, it is required to remand the case for further sentencing proceedings or to correct the sentence. If the court determines that the sentence is outside the range of the applicable sentencing guide-

lines and is unreasonable, it is required to state specific reasons for its conclusions and to remand the case or correct the sentence. If the sentence was appealed by the defendant and is too high, the court may remand the case for further sentencing proceedings or for imposition of a lower sentence, or impose a lesser sentence itself. If the sentence was appealed by the government and is too low, the court may remand the case for further sentencing proceedings or for imposition of a higher sentence, or impose a higher sentence itself. If none of these is found by the court of appeals, the court, of course, would affirm the sentence.

Section 203(b) makes a technical correction in the sectional analysis of chapter 235.

Section 204.

Section 204 amends chapter 403 of title 18, United States Code, relating to juvenile delinquency.

Section 204(a) of the bill amends section 5037 of title 18, United States Code, by replacing current subsections (a) and (b), relating to disposition after a finding of juvenile delinquency, with the disposition provisions from S. 1630, 97th Cong. See S. Rept. No. 97-307, pages 1184-1189.

Under subsection (a), if the court finds that a juvenile is a juvenile delinquent, the court is required to hold a disposition hearing within 20 court days after the juvenile delinquency hearing. After the disposition hearing, the court may suspend the finding of juvenile delinquency, enter an order of restitution pursuant to section 3556, place the juvenile on probation, or commit him to official detention. The provisions of chapter 207 of title 18 are specifically made applicable to the decision whether to release or detain the juvenile pending an appeal or a petition for a writ of certiorari after the disposition.

Subsection (b) sets forth the probation terms for juveniles. If the juvenile is less than 17 years old, the probation term may not extend beyond the date when the juvenile becomes twenty-one or the maximum term that would be authorized under the adult probation statue if the juvenile had been tried and convicted as an adult. If the juvenile is between 17 and 21, the probation may not extend beyond three years or the maximum that would be authorized for an adult, whichever is less.

Subsection (c) provides the maximum periods for official detention of a juvenile found to be a juvenile delinquent. It parallels the 1974 Act provision set forth in current law for juveniles under 18 at the time of the proceeding. However, for juveniles between the age of 17 and 21 at the time of the proceeding, the bill specifies that the term of official detention for a Class A, B, or C felony is a maximum of five years and for any other offense the maximum term is the lesser of three years or the maximum sentence applicable to an adult offender.

Section 204(b) repeals section 5041 of title 18, United States Code, in light of the abolition of the parole system in federal law.

Section 204(c) amends section 5042 of title 18 by striking out references to parole and parolees.

Section 204(d) amends the sectional analysis of chapter 403 of title 18 to accord with the other amendments made by section 204.

Section 205.

Section 205 of the bill contains a number of amendments to the Federal Rules of Criminal Procedure that are necessitated by the amendments to the sentencing provisions.

Section 205(a) amends Rule 32 in several respects. First, it amends subdivision (a)(1) of the Rule to require that, before the sentencing hearing, the court make available to counsel for the defendant and the attorney for the government notice of the probation officer's determination, pursuant to the revised provisions of subdivision (c)(2)(B), as to the sentencing classification and sentencing guidelines range believed to be applicable to the case. The sentencing hearing will then focus on any questions that arise as to the accuracy of the probation officer's determination. In addition, the subdivision is amended to permit the postponement of imposition of sentence for a reasonable time, upon a motion jointly filed by the defendant and by the attorney for the government that asserts that a factor important to the determination is not capable of being resolved at that time. The purpose of this amendment is to permit the sentencing determination to be delayed somewhat if, for example, the cooperation of the defendant with the government in prosecution of another person is a factor in the sentencing guidelines and delay of sentencing is necessary to assure that such cooperation actually occurs.

Subdivision (c)(1) is amended to require that a probation officer make a presentence investigation and report before imposition of sentence unless the court finds that there is in the record information sufficient to enable the meaningful exercise of sentencing authority pursuant to 18 U.S.C. 3553. This change is necessitated by the fact that it is essential that the judge have all the information he needs in order to accurately apply the sentencing guidelines.

Subdivision (c)(2) of Rule 32 is amended to spell out in some detail the information that should be included in the presentence report in order to assure the accurate application of the guidelines. This amendment assures that the information relating to the requirements of the sentencing guidelines system is contained in the presentence report. See S. Rept. No. 97-307, pages 1303-1304.

Section 205(b) amends Rule 35 of the Federal Rules of Criminal Procedure in order to accord with the provisions of proposed section 3742 of title 18 concerning appellate review of sentence. New subdivision (a) requires the court to correct a sentence that is determined on appeal under 18 U.S.C. 3742 to have been imposed in violation of law, to have been imposed as a result of an incorrect application of the guidelines, or to be unreasonable. New subdivision (b) permits the court, on motion of the government, to lower a sentence within one year after its imposition to reflect a defendant's subsequent, substantial assistance in the investigation or prosecution of another person who has committed an offense, to the extent that such assistance is a factor in applicable guidelines or policy statements issued by the Sentencing Commission.

Section 205(c) amends Rule 38 of the Federal Rules of Criminal Procedure in order to make technical changes necessitated by the enactment of provisions for appellate review of sentence. See S. Rept. No. 97-307, page 1306.

Section 205(c) also adds two new subdivisions to Rule 38. New subdivision (e) relates to the stay of an order of criminal forfeiture, notice to victims, or restitution, if an appeal of the conviction or sentence is taken.

New subdivision (f) of Rule 38 provides for the stay of a civil or employment disability that arises under a federal statute by reason of the defendant's conviction or sentence if an appeal is taken from the conviction or sentence.

Section 205(d) makes a correction in a cross-reference in Rule 40 of the Federal Rules of Criminal Procedure.

Section 205(e) amends Rule 54 to redefine the term "petty offense" in subdivision (c) to refer to the grading of offenses prescribed by proposed section 3583 of title 18, and to add a definition of the word "grade" that specifies that the word grade includes the issue whether, for the purposes of section 3571 (relating to the sentence of fine), a misdemeanor resulted in the loss of human life.

Section 205(f) amends the table of rules of the Federal Rules of Criminal Procedure to accord with the other amendments to the rules.

Section 206.

Section 206 contains a number of technical amendments to the Rules of Procedure for the Trial of Misdemeanors Before United States Magistrates to take into account the new grading structure for federal offenses.

Section 207.

Section 207(a) adds a new chapter 58 to title 28 of the United States Code. That chapter creates the United States Sentencing Commission and outlines its functions.

CHAPTER 58 OF TITLE 28.—UNITED STATES SENTENCING COMMISSION

Section 991 (United States Sentencing Commission; Establishment and Purpose).—Proposed section 991 of title 28, United States Code, creates the United States Sentencing Commission and spells out its purposes. The Commission is established as an independent commission in the judicial branch consisting of seven voting members appointed by the President by and with the advice and consent of the Senate. The Attorney General, or his designee, is an ex officio non-voting member of the Commission.

Under subsection (b), the purposes of the Sentencing Commission are to establish sentencing policies and practices for the Federal criminal justice system that assure the meeting of the purposes of sentencing, provide certainly and fairness in meeting those purposes, avoid unwarranted sentencing disparities among defendants with similar records who have been found guilty of similar criminal conduct, and reflect, to the extent practicable, the advancement in knowledge of human behavior as it relates to the criminal justice process. In addition, subsection (b) requires the Commission to develop means of measuring the degree to which sentencing, penal, and correctional practices are effective in meeting the purposes of sentencing. See S. Rept. No. 97-307, pages 1327-1330.

Section 992.—Terms of Office; Compensation

Proposed section 992 of title 28, United States Code, sets out, in subsection (a), a system of staggered appointments for the Chairman and voting members of the Commission such that, once in operation, the Commission membership will be replaced or reappointed over a period of six years—at least two members, or one member and the Chairman, every two years. Subsection (b) of proposed section 992 provides that a voting member may serve no more than two full terms and that a member appointed to serve an unexpired term shall serve only the remainder of the term. Subsection (c) of proposed section 992 sets the compensation of voting members at the rate of court of appeals judges. A federal judge is specifical-

ly authorized to be appointed as a member of the Commission without having to resign his appointment as a federal judge. The salary for a federal judge on the Commission would be that of a court of appeals judge only so long as he was on the Commission. See S. Rept. No. 97-307, page 1331.

Section 993.—Powers and Duties of Chairman

Proposed section 993 of title 28 provides that the Chairman, who is appointed as such by the President with the advice and consent of the Senate, is to call and preside at meetings, and to direct the preparation of appropriations requests and the use of funds made available to the Commission.

Section 994.—Duties of the Commission

Proposed section 994 of title 28 spells out the duties of the Sentencing Commission.

Subsection (a) requires the Sentencing Commission to promulgate sentencing guidelines and policy statements to be used by the sentencing judge in determining the appropriate sentence in a particular case. The sentencing guidelines and policy statements are to be promulgated pursuant to the rules and regulations of the Sentencing Commission and to be consistent with all pertinent provisions of titles 18 and 28. Guidelines and policy statements must be adopted by an affirmative vote of at least four members of the Commission.

Under subsection (a)(1)(A), the guidelines are required to provide guidance for the judge in determining whether to sentence a convicted defendant to probation, to pay a fine, or to a term of imprisonment. See S. Rept. No. 97-307, pages 1331-1333.

Subsection (a)(1)(B) requires that the sentencing guidelines recommend an appropriate amount of fine or appropriate length of a term of probation or imprisonment. In recommending an appropriate fine, the Commission could, of course, provide a formula or a set of principles for determining an appropriate fine relative to the damage caused, the gain to the defendant, or the ability of the defendant to pay, consistent with the flexibility possible because of the high maximum fines set forth in chapter 227 of title 18, rather than specifying a specific dollar amount.

Subsection (a)(1)(C) requires that the sentencing guidelines recommend whether a category of defendant convicted of a particular offense who is sentenced to a term of imprisonment should be required to serve a term of supervised release, and if so, what length of term is appropriate.

Finally, subsection (a)(1)(D) requires that the sentencing guidelines include recommendations as to whether sentences to terms of imprisonment should be ordered to run concurrently or consecutively.

Under subsection (a)(2), the Commission is required to issue general policy statements concerning application of the guidelines and other aspects of sentencing and sentence implementation that would further the ability of the federal criminal justice system to achieve the purposes of sentencing. Policy statements are required to address the questions of the appropriate use of the sanctions of order of criminal forfeiture, order of restitution, and order of notice to victims; conditions of probation and supervised release; sentence modification provisions for fines, probation, and imprisonment; authority under Rule 11(e)(2) of the Federal Rules of Criminal Procedure to accept or reject a plea agreement; and temporary release under section 3622 of title 18 and pre-release custody under section 3624(c) of title 18. These policy statements could also address, for example, such questions as the appropriateness of sentences outside the guidelines where there exists a particular aggravating or mitigating factor which does not occur sufficiently frequently to be incorporated in the guidelines themselves. The policy statements might also address such issues as the kind of recommendations a judge might make pursuant to section 3582(a) of title 18 to the Bureau of Prisons as to an appropriate prison facility for a defendant committed to its custody. One important function of the policy statements might be to alert federal district judges to existing disparities which have not adequately been cured by the guidelines, while offering recommendations as to how these situations should be treated in the future. Another area in which the Sentencing Commission might wish to issue general policy statements concerns the imposition of sentence upon organizations convicted of criminal offenses. See S. Rept. No. 97-307, page 1334.

Under subsection (a)(3) of section 994, the Sentencing Commission is required to issue either guidelines or policy statements concerning the appropriate use of probation revocation under section 3565 of title 18, and of the provisions for modification of the term or conditions of probation or supervised release set forth in sections 3563(c), 3564(d), and 3583(e) of title 18.

Under subsection (b) of proposed section 994, the Commission is to devise categories based on characteristics of the offense and categories based on characteristics of the offender. For each combination of a category of offense and a category of offender, a sentence or sentencing range is to be recommended that is consistent with all pertinent provisions of title 18 of the United States Code. This subsection contemplates a detailed set of sentencing guidelines, to be used as indicated in subsection (a) and in chapter 227 of title 18, as amended by this bill, that are designed to achieve the purposes of sentencing set forth in title 18. The subsection further requires that, if the guidelines recommend a term of imprisonment for a particular combination of offense and offender characteristics, the maximum of the sentencing range recommended may not exceed the minimum of that range by more than 25 percent. See S. Rept. No. 97-307, page 1336.

Subsection (c) of proposed section 994 lists a number of offense characteristics which the Sentencing Commission is required to examine for the purpose of determining whether and to what extent they are pertinent to the establishment of categories of offenses for use in the sentencing guidelines and policy statements dealing with the nature, extent, location, or other incidents of an appropriate sentence. The Commission is required to determine whether and to what extent each factor might be pertinent to the kind of sentence that should be imposed; the size of the fine or the length of a term of probation, imprisonment, or supervised release; and the conditions of probation, supervised release, or imprisonment. The Sentencing Commission may conclude, with respect to any of the listed factors, that, for example, the factor should not play a role at all in sentencing for a particular purpose. The Sentencing Commission is also required under subsection (c) to determine whether other factors not specifically listed are relevant to the sentencing decision. For a detailed discussion of the various factors the Commission is required to consider, see pages 1337-1339 of Senate Report 97-307.

Subsection (d) of proposed section 994 contains a list of a number of offender characteristics that the Sentencing Commission is required to examine in order to determine whether and to what extent they are pertinent to the establishment of categories of offenders for use in the sentencing guidelines and policy statements concerning the nature, extent, location, or other incidents of an appropriate sentence. The subsection parallels subsection (c) in its description of the issues that the Commission is required to examine. It also contains a specific provision that "The Commission shall assure that the guidelines and policy statements are entirely neutral as to race, sex, national origin, creed, and socioeconomic status of offenders."

Subsection (d)(1) specifies that the Commission should consider what effect the age of the defendant should have on the sentencing decision. The factor derives in part from the fact that under the Youth Corrections Act and the young adult offender provisions in current law, the youth of an offender frequently plays a role in the sentencing decision. This role may, depending upon the way in which the current law provisions are applied, result in a more harsh or less harsh sentence than a regular adult offender would receive for the same offense committed under similar circumstances. The provision of subsection (d)(1) is intended to require that consideration of youth in determining the appropriate sentence be employed in a more rational and consistent way than it is today. Accordingly, the bill repeals the Youth Corrections Act and the young adult offender sentencing provisions and requires the Sentencing Commission to consider, in promulgating the sentencing guidelines and policy statements, what effect age—including youth, adulthood, and old age—should have on the nature, extent, location, and other incidents of an appropriate sentence. For a discussion of the other factors listed in subsection (d), see S. Rept. No. 97-307, pages 1340-1342.

Subsection (e) specifically requires that the Sentencing Commission ensure that the sentencing guidelines and policy statements reflect the "general inappropriateness" of considering education, vocational skills, employment record, family ties and responsibilities, and community ties of the defendant in recommending a term of imprisonment or the length of a term of imprisonment. See S. Rept. No. 97-307, page 1342.

Subsections (f) through (l) contain a number of provisions giving general guidance to the Sentencing Commission on the considerations that the Congress believes to be appropriate in establishing the sentencing guidelines. Subsection (f) emphasizes the importance of providing certainty and fairness in sentencing and reducing unwarranted sentencing disparities. Subsection (g) requires the Commission to take into account the nature and capacity of the penal, correctional, and other facilities and services available to the federal criminal justice system and make recommendations concerning any change or expansion that might become necessary as a result of the sentencing guidelines. Subsection (h) requires that the Commission guidelines specify a sentence to a substantial term of imprisonment for serious repeat offenders, career criminals, and drug traffickers. Subsection (i) indicates that it is generally appropriate for the guidelines to reflect no sentence of imprisonment in cases in which a defendant is

a first offender who has not been convicted of a crime of violence or an otherwise serious offense, and, conversely, that the guidelines reflect the general appropriateness of imposing a sentence of imprisonment in a case involving a crime of violence that results in serious bodily injury. The words "general appropriateness" are intended to make clear that there may be exceptions to this general statement, and that it is intended only to provide general guidance to the Sentencing Commission. Subsection (j) requires that the guidelines reflect the inappropriateness of imposing a sentence to a term of imprisonment for the purpose of rehabilitating the defendant or providing the defendant with needed educational and vocational training, medical care, or other correctional treatment. Subsection (k) is designed to ensure that the guidelines reflect the appropriateness of imposing incremental penalties for multiple offenses, and the general inappropriateness of imposing consecutive terms for a conspiracy or solicitation and for the offense that was the sole object of the conspiracy or solicitation. Subsection (1) requires the Commission to insure that the guidelines reflect the fact that, in many cases, current sentences do not accurately reflect the seriousness of offenses and, as a starting point, to review the average sentences imposed in categories of cases under current practices, including the average term of imprisonment. The subsection also makes clear that the Commission is not bound by these averages.

Subsection (m) requires the Commission periodically to update its guidelines and to consult with a variety of interested institutions and groups. This revision and refinement of the guidelines will represent the bulk of the Commission's work once the initial guidelines and policy statements are promulgated. The provision mandates that the Commission constantly monitor the implementation of the guidelines in order to determine whether unwarranted sentencing disparity is effectively being avoided. The subsection complements appellate review of sentence by providing effective oversight as to how well the guidelines are working. The oversight would not involve any role for the Commission in second-guessing individual judicial sentencing actions either at the trial or appellate level. Rather, it would involve an examination of the overall operation of the guideline system to determine whether the guidelines are being effectively implemented and to revise them if for some reason they fail to achieve their purposes.

Subsection (n) requires that proposed amendments to the guidelines, and a statement of reasons for the amendments, be reported to the Congress at or after the beginning of a session of Congress but no later than the first of May. It provides that the amendments will take effect 180 days after the Commission reports them, except to the extent that the effective date is enlarged or the guidelines are disapproved or modified by Act of Congress. The provision is modeled after section 3771 of title 18, United States Code, relating to amendments to the Federal Rules of Criminal Procedure.

Section (o) requires the Sentencing Commission and the Bureau of Prisons to conduct a thorough analysis of the optimum utilization of resources to deal with the federal prison population, and to report to the Congress on the results of that study.

Subsection (p) requires the Sentencing Commission to evaluate the impact of the sentencing guidelines on prosecutorial discretion, plea bargaining, sentencing disparity, and the use of incarceration.

Subsection (q) requires the Commission to make recommendations to the Congress concerning raising or lowering of grades for offenses, or otherwise modifying the maximum penalties for offenses. This provision is especially important in light of the fact that the sentencing provisions are now contained in an amendment to title 18 that does not revise the definitions of offenses and regrade them according to their relative seriousness. Thus, it is probable that the Commission will find in promulgating its guidelines that the maximum sentences for some offenses do not adequately reflect the relative seriousness of those offenses, with some maximum sentences being too high relative to those for similar offenses while others are too low. It is expected that the Commission will promulgate its guidelines according to what it believes the sentences should be for a given combination of offense and offender characteristics, and if such recommendation necessitates an amendment of the statutory maximum sentence for a particular offense, it will recommend such a change.

Subsection (r) requires the Sentencing Commission to give "due consideration" to a request by a defendant for modification of the sentencing guidelines applied to his case. The Commission is required to respond, to state reasons for any declination to make modifications, and to keep the Congress informed of such actions on an annual basis.

Subsection (s) requires the Commission to describe the "extraordinary and compelling reasons" that would justify a reduction of a particularly long sentence pursuant to section 3582(c)(2) of title 18. The subsection specifically states, consistent with the rejection of the rehabilitation theory as the basis for determining the length of a term of imprisonment, that "rehabilitation of the defendant alone shall not be considered an extraordinary and compelling reason" for reducing the sentence.

Subsection (t) requires the Sentencing Commission, in reducing sentence for a particular category of offense, to specify by what amount the sentence of a prisoner sentenced outside the guidelines might be reduced if the person was sentenced before the reduction. This specification would then be used by the court in assessing a prisoner's petition pursuant to section 3582(c)(3).

Subsection (u) provides that the policy statements issued by the Sentencing Commission shall include a policy limiting consecutive terms for an offense involving violation of a general prohibition and an offense involving a specific prohibition contained within the general prohibition. The policy is intended to apply to those offenses which are, in effect, "lesser-included offenses" in relation to other, more serious ones, but which for merely technical reasons do not quite come within the definition of a lesser-included offense.

Subsection (v) provides that the appropriate judge or officer will supply the Sentencing Commission in each case with a written report of each sentence containing detailed information as to the various factors relevant to the sentence and other information found appropriate by the Commission. This provision is necessary for the Sentencing Commission to be able to monitor the effectivenes of various sentencing policies and practices. The Commission is required to submit at least annually to the Congress an analysis of the reports submitted to it under these provision and any recommendations for legislation that the analysis indicates is warranted.

Subsection (w) makes provisions of 5 U.S.C. 553, the provisions of the Administrative Procedure Act that relate to rulemaking, applicable to the promulgation of guidelines pursuant to section 994. This is an exception to the fact the Administrative Procedure Act is not generally applicable to the judicial branch and also to the fact that the Federal Register is not generally used by that branch for publication required under the Act.

Section 995—Powers of the Commission

Proposed section 995 of title 28 describes the powers of the Sentencing Commission. Subsection (a) enumerates 21 specific powers of the Commission that may be exercised by majority vote of the members present and voting, and provides, in paragraph (22), that the Commission may perform such other functions as are required to permit federal courts to meet their sentencing responsibilities under section 3553(a) of title 18, and to permit others involved in the federal criminal justice system to meet their related responsibilities.

The first eight paragraphs of subsection (a) contain general administrative powers necessary to carry out the functions of the Commission. See S. Rept. No. 97-307, pages 1348 through 1349.

In addition, section 995 gives the Commission a number of powers relating specifically to its role in monitoring the effectiveness of the sentencing practices and policies in the federal criminal justice system.

Under subsection (a)(9), the Sentencing Commission has authority to monitor the preformance of probation officers with respect to sentencing recommendations, including those relating to application of guidelines and policy statements. Under subsection (a)(10), the Commission is authorized to issue instructions to probation officers concerning the application of guidelines and policy statements of the Commission. See S. Rept. N. 97-307, page 1349.

A number of additional provisions provide for extensive research and data collection and dissemination authority in the sentencing area. These functions are essential to the ability of the Sentencing Commission to carry out two of its purposes: the development of a means of measuring the degree to which various sentencing, penal, and correctional practices are effective in meeting the purposes of sentencing, and the establishment (and refinement) of sentencing guidelines and policy statements that reflect, to the extent practicable, advancement in knowledge of human behavior as it relates to the criminal justice process.

Subsection (b) is a broad statement of powers and duties similar to section 995(a)(22), and includes specific authority to delegate powers other than the powers to promulgate general policy statements and sentencing guidelines, to issue general policies and promulgate rules and regulations pursuant to section 995(a)(1), and to decide which factors should be considered in establishment of categories of offenders and offenses pursuant to section 994(b). It also contains language that requires the Commission to coordinate certain of its activities, to the extent practicable, with any related activities of the Administrative Office of the United States Courts and the Federal Judicial Center in order to avoid unnecessary duplication.

Subsection (c) requires federal agencies to make services, equipment, personnel, facilities, and information available on request of

the Commission to the greatest practicable extent.

Subsection (d) provides that a simple majority of the membership then serving shall constitute a quorum for the conduct of business. Except for the promulgation of sentencing guidelines or policy statements, the Commission may exercise its powers and fulfill its duties by the vote of a simple majority of the members present.

Subsection (e) requires the Commission, except where otherwise provided by law, to make available for public inspection a record of the final vote of each member on any action taken.

Section 996—Director and Staff

Proposed section 996 of title 28 describes the authority of the staff director to supervise the activities of the Commission employees and perform other duties assigned by the Commission, and to appoint such officers or employees as are necessary in the execution of the functions of the Commission, subject to the approval of the Commission. It is intended that the Commission staff consist of persons with a wide variety of backgrounds pertinent to conducting criminal justice research and making recommendations as to sentencing policy.

The officers and employees of the Commission are, under subsection (b), exempted from most civil service provisions in title 5, United States Code, except for the benefits provided in chapters 81 through 89.

Section 997—Annual Report

Proposed section 997 of title 28 requires the Commission to report annually to the Judicial Conference, the Congress, and the President on the activities of the Commission.

Section 998—Definitions

Proposed section 998 of title 28 contains definitions needed for the understanding of chapter 58 of title 28.

REPEALERS

Section 208. Section 208(a) of the bill repeals a number of provisions of title 18 of the United States Code.

Section 1 of title 18, which defines felonies, misdemeanors, and petty offenses, is deleted as covered in the sentencing provisions of chapter 227.

Sections 3575 and 3576, containing specialized sentencing provisions for dangerous special offenders, are repealed. These provisions are replaced by provisions that require the sentencing guidelines to reflect a substantial term of imprisonment for a defendant who has a long criminal history, who committed the offense in furtherance of a racketeering conspiracy in which he participated in a managerial or supervisory capacity, or who committed the offense as part of a pattern of criminal conduct from which he derived a substantial portion of his income.

Chapter 309, relating to good time allowances and release dates, is repealed as covered by the release provisions of section 3624 of title 18, as enacted by this bill.

Chapter 311, relating to parole, is repealed as replaced by the new sentencing provisions.

Chapter 314, relating to sentencing of narcotic addicts, is repealed consistent with the decision to repeal specialized sentencing provisions and replace them with provisions for sentencing guidelines that permit consideration of all combinations of offense and offender characteristics in a systematic manner.

Sections 4281, 4283, and 4284, relating to discharge and release payments, are deleted as covered by provisions of chapter 229.

Chapter 402, the Federal Youth Corrections Act, is repealed as covered by the sentencing guidelines provisions, particularly 28 U.S.C. 994(d)(1). See the discussion of that provision.

Sections 208 (b) through (e) contain technical amendments to various analyses contained in title 18 to reflect the repeal of these sections and chapters.

Section 209. Section 209(a) repeals sections 404(b) and 409 of the Controlled Substances Act (21 U.S.C. 844(b) and 849), the specialized sentencing provisions for special dangerous drug offenders. These special dangerous offender provisions are more adequately covered in the sentencing guidelines provisions that require the guidelines to reflect a substantial term of imprisonment for drug traffickers.

TECHNICAL AND CONFORMING AMENDMENTS

Section 210. Section 210(a) amends section 212(a)(9) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(9)) to reflect the deletion of the concept of petty offense.

Section 210(b) amends section 242(h) of the Immigration and Nationality Act (8 U.S.C. 1252(h)) to add a reference to a term of supervised release after a reference to a parole term.

Section 211. Section 211 amends section 4 of the Act of September 28, 1962 (16 U.S.C. 460k-3) to replace a reference to petty offenses with a reference to misdemeanors.

Section 212. Section 212 amends section 9 of the Act of October 8, 1944, to reflect the authority of the United States Magistrate to try and sentence persons charged with the commission of misdemeanors and infractions, as defined in section 3581 of title 18.

Section 213. Section 924(a) of title 18 is amended by section 213(a) to delete a reference to parole, since parole is abolished.

Section 1161 of title 18 is amended by section 213(b) to update a cross-reference.

Section 1761(a) of title 18 is amended by section 213(c) to make an exception to the restriction on transportation or importation of prison-made goods applicable to a person on supervised release as well as to one on parole.

Section 1963 of title 18 is amended by section 213(d) to conform to changes in the forfeiture statutes made by title IV of this bill.

Section 3006A of title 18 is amended by section 213(e) to reflect the new grading scheme in the sentencing provisions and to delete references to revocation of parole, since parole is abolished by this bill.

Section 3143, as amended by this Act, is amended by section 213(f) to provide that a person awaiting sentencing is not presumed to be detainable if the applicable sentencing guideline does not provide a term of imprisonment. Section 213(f) of the bill also adds a new provision to section 3143(c) of title 18 specifying the provisions of the bail statutes that apply to a defendant whose sentence is being appealed by himself or by the government.

Subsections (h), (i), and (j) of section 213 amend sections 3156(b)(2), 3172(2), and 3401(h) of title 18 to reflect the new grading scheme set forth in section 3581 of title 18.

Section 3401 is also amended by repealing subsection (g), which relates to magistrate sentencing in youth offender cases, since the youth offender provisions in current law have been repealed.

Section 213(k) of the bill amends cross-references in section 3670 (formerly section 3619) of title 18.

Section 213(l) of the bill deletes a reference to parole officers in section 4004.

Section 213(m) of the bill amends chapter 306 of title 18, relating to transfer of offenders to and from foreign countries, in several respects. First, it amends subsection (f) of section 4101 to include a term supervised release in the definition of parole. Second, it amends subsection (g) of section 4101 to conform the description of probation to the provisions of subchapter B of chapter 227. Third, it amends section 4105(c) to bring a reference in paragraph (1) into conformity with the revised provisions relating to credit towards service of sentence for satisfactory behavior contained in section 3624, to conform cross-references in paragraphs (1) and (2), to delete paragraph (3) because of the new provisions relating to good time set forth in section 3624, and to amend paragraph (4) to delete references to forfeiture of good time as inconsistent with the provisions of section 3624. Section 4106 is amended to place offenders on parole in a foreign country who are transferred to the United States under supervision by the probation system rather than the Parole Commission, which would be abolished by this bill, and to provide that an offender transferred to serve a term of imprisonment shall be released in accord with the provisions of section 3624(a) of title 18 after serving the period of time specified in the applicable sentencing guidelines (rather than the Parole Commission's setting the release date). If the guidelines recommend a term of supervised release for such an offender, the offender will be placed on such a term. Sentence review procedures of section 3742 are made applicable to a sentence under the subsection, and the United States court of appeals for the district in which the offender is imprisoned or under supervision after transfer to the United States has jurisdiction to review the sentence as though it had been imposed by the district court. Section 4106(c) is repealed, since it relates to parole release and parole has been abolished. Section 4108(c) is amended to require that, when an offender's consent to transfer to the United States is verified, the offender be informed of the applicable guideline sentence for his offense.

Section 213(n) of the bill amends section 4321 of title 18 to delete a reference to parole.

Section 213(o) of the bill amends section 4351(b) to make the Chairman of the Sentencing Commission a member of the National Institute of Corrections Advisory Board in place of the Chairman of the Parole Commission.

Section 213(p) of the bill amends section 5002 of title 18 to make the Chairman of the Sentencing Commission a member of the Advisory Corrections Council, and to delete references to the Parole Commission.

Sections 214-224. Section 214 amends section 401(b)(1)(A), (b)(1)(B), (b)(2), (b)(5), and (c) and section 405 of the Controlled Substances Act to delete references to a special parole term for various drug trafficking offenses. Section 401(b)(4) is amended to conform to the fact that the special sentencing provisions for drug possession have been moved to section 3607 of title 18. Section 408(c) is amended to delete a reference to the current parole statutes.

Section 215 deletes references in the Controlled Substances Import and Export Act to special parole terms.

Section 216 amends section 114(b) of title 23, United States Code, to add a reference to a term of supervised release.

Section 217 amends section 5871 of the Internal Revenue Code of 1954 to delete a reference to eligibility for parole.

Section 218(a) amends section 509 of title 28 to delete a reference to the Parole Commission. Section 218(b) amends section 591 of title 28 to conform to the grading of misdemeanors and infractions.

Section 218(c) amends section 2901 of title 28 to add a reference to a term of supervised release and to conform a cross-reference to chapter 227.

Section 219 of the bill amends section 504(a) of the Labor Management Reporting and Disclosure Act of 1959, which forbids, with certain exceptions, a current or former member of the Communist party or a person convicted of one of a list of specific offenses from holding office in a labor organization, to specify that the sentencing judge, rather than the Parole Commission, should decide whether a person convicted of a federal offsense can hold union office. If the offense is a State or local offense, a judge of the United States district court in which the offense was committed may, under the amendment, make the decision upon motion of the Department of Justice. Section 504(a) is also amended to specify that decisions under the section are to be made pursuant to sentencing guidelines and policy statements promulgated pursuant to 28 U.S.C. 994(a), as enacted by this bill. Section 504(a) is further conformed to the bill by deleting a reference to administrative proceedings before the Board of Parole so as to conform with changes made in a reference to the sentencing court. Similar amendments are made by section 219 of the bill to section 411(a) of the Employee Retirement Income Security Act of 1974. In addition, section 411(c)(3) is amended to add a reference to a term of supervised release after a reference to parole.

Section 221 amends section 454(b) of the Comprehensive Employment and Training Act of 1973 to add a reference to a term of supervised release after a reference to parole.

Section 222(a) amends section 341(a) of the Public Health Service Act to delete references to hospitalization of drug addicts convicted of an offense and sentenced under the Narcotic Addict Rehabilitation Act of 1966 or the Federal Youth Corrections Act. Both those provisions are repealed by this bill in favor of permitting sentencing guidelines to recommend appropriate sentences for all combinations of offense and offender characteristics.

Section 343(d) of the Public Health Service Act is amended by section 222 to add a reference to a term of supervised release after the reference to parole.

Section 223 of the bill amends section 11507 of title 49, United States Code, to add a reference to a term of supervised release after the reference to parole.

Section 224 amends section 10(b)(7) of the Military Selective Service Act (50 U.S.C. App. 460(b)(7)) to substitute a reference to "release" for a reference to "parole."

Section 225—Effective Date

Section 225 of title II is the effective date provision for the title. Subsection (a)(1)(A) makes the repeal of chapter 402 of title 18, United States Code, effective on the date of enactment. Subsection (a)(1)(B) makes the provisions of chapter 58 of title 28, United States Code, relating to the creation and responsibilities of the United States Sentencing Commission, effective on the date of enactment. It also specifies that the Sentencing Commission shall submit the initial sentencing guidelines promulgated pursuant to 28 U.S.C. 994(a)(1) to the Congress within 18 months of the date of enactment. The sentencing guidelines, and the provisions of sections 3581, 3583, and 3624 of title 18, United States code, do not go into effect until after the Sentencing Commission has submitted the initial set of guidelines, the General Accounting Office has had three months to study them and report to Congress, and the Congress has had six months from the date of submission of the guidelines by the Sentencing Commission to examine them and consider comments. All other provisions of the bill will go into effect on the first day of the first calendar month beginning twenty-four months after the date of enactment.

Section 225(a)(2) provides that, for purposes of determining when the terms of office of the first members of the Sentencing Commission expire, their terms are deemed to begin to run when the sentencing guidelines first go into effect.

Section 225(b) specifies that certain provisions of current law relating to sentencing will continue to apply to individuals convicted of offenses or adjudicated to be juvenile delinquents before the effective date and as to a term of imprisonment imposed during the period described in subsection (a)(1)(B) (relating to the effective date of the initial set of sentencing guidelines). This will assure that the length of a term of imprisonment, and the parole and good time statutes, will remain in effect as to any prisoner sentenced before the sentencing guidelines and the provisions of proposed 18 U.S.C. 3553 and 3624 go into effect. All other aspects of the sentencing provisions will go into effect 24 months after the date of enactment.

Most of those individuals incarcerated under the old system will be released during the five-year period. As to those individuals who have not been released at that time, the Parole Commission must set a release date prior to the expiration of the five years that is within the range that applies to the prisoner under the applicable parole guidelines. (It is intended that, in setting release dates under this provision, the Parole Commission give the prisoner the benefit of the applicable new sentencing guideline if it is lower than the minimum parole guideline.)

Subsection (b) also assures that, while the Parole Commission remains in existence, the Chairman of the Parole Commission or his designee will remain a member of the National Institute of Corrections, and the Chairman will remain a member of the Advisory Corrections Council ex officio and be an ex officio member of the Sentencing Commission.

Section 226. Section 226 requires the General Accounting Office to conduct a six-month study, four years after the effective date of the sentencing guidelines, of the operation of those guidelines compared with the current parole release system. The United States Sentencing Commission would be required to provide GAO with a report detailing the operation of the sentencing guidelines and making recommendations. Congress would be required to review the GAO study to determine the effectiveness of the sentencing guidelines system, whether any changes are needed in the system, and whether the parole system should be reinstated in some form.

TITLE III—EXCLUSIONARY RULE REFORM

Title III of the bill would add a new section 3505 to title 18 of the United States Code governing the Fourth Amendment exclusionary rule. It would provide that except as specifically provided by statute, evidence obtained as a result of a search or seizure and which is otherwise admissible shall not be excluded in a proceeding in a federal court if the search or seizure was undertaken in a reasonable and good faith belief that it was in conformity with the Fourth Amendment. It would also provide that a showing that the evidence was obtained pursuant to and within the scope of a warrant constitutes prima facie evidence of such a reasonable good faith belief unless the warrant was obtained through intentional and material misrepresentation.

Initially, although the Fourth Amendment secures the right of persons to be free of "unreasonable" searches or seizures it should be noted that there are no constitutional or statutory provisions which specifically set limits on what is meant by an "unreasonable" search or seizure. Instead, the law in this area is an amalgam of cases dealing with a vast range of issues relating to the undertaking of searches and seizures. The crux of the present problem which would be overcome by the new section 3505 is that as courts have continued to develop the law of search and seizure they have continued to apply the exclusionary rule in situations where it could not possibly deter unlawful police conduct, the foremost rationale for the rule.

The new section 3505 deals with this situation by provid'ng that evidence obtained as a result of a search undertaken in reasonable good faith as to its lawfulness shall not be excluded since actions undertaken in reasonable good faith are not susceptible of being deterred. The often highly probative evidence found during a search undertaken by the officers in reasonable good faith would be admitted and the attention of the court in a criminal case would remain focused on the question of the defendant's guilt or innocence, not diverted to a consideration of possible police error in applying the ever evolving law of search and seizure. Section 3505 would still allow consideration of police conduct but the issue would be whether the actions of the law enforcement officers were undertaken in a reasonable and good faith belief that they were lawful.

Such good faith is clearly shown when an officer makes an arrest in reliance on a statute that is later found to be unconstitutional or relies on a duly authorized search warrant, a judicial mandate to search while he has a sworn duty to carry out. Hence, the section specifically provides that a showing that evidence was obtained pursuant to and in that scope of a warrant constitutes prima facie evidence of such a reasonable good faith belief. However, a search pursuant to a warrant would not constitute such evidence if the warrant were obtained through intentional and material misrepresentation. This standard is derived from *Franks* v. *Delaware*, 438 U.S. 154 (1978), where the Court emphasized the presumption of validity with respect to an affidavit offered in support of a warrant but held that "where the defendant makes a substantial preliminary showing that a false statement knowingly and intentionally, or with reckless disregard for the truth, was included by the affiant in the warrant affidavit, and if the allegedly false statement is necessary to the finding of probable cause, the Fourth Amendment requires that a hearing be held at the defendant's request." 438 U.S. at 155-156. If at the hearing the defendant establishes that perjury or reckless disregard for the truth was present, and with the affidavit's false

material set aside, the remaining material is insufficient to establish probable cause for the warrant's issuance, it must be voided and the fruits of the search excluded.

The section is not, however, limited to searches executed pursuant to a warrant. An officer may in good faith make a reasonable interpretation of a statute which a court determines to be inconsistent with the legislative intent, or may reasonably and in good faith conclude that a particular set of facts and circumstances gives rise to probable cause to conduct one of the types of judicially sanctioned warrantless searches, or that a warrant is not required. The proposed legislation would cover such situations as well.

Although intended primarily to apply in criminal proceedings brought in federal court, the proposal is drafted so that the same reasonable good faith test would apply to the obtaining of evidence offered in all types of proceedings in federal courts such as applications for federal habeas corpus petitions filed by State prisoners and federal civil cases. Indeed these are the types of cases where the deterrent effect of the rule has already been found to be minimal at best and greatly outweighed by the societal cost of excluding the evidence. In *Stone* v. *Powell*, 428 U.S. 465 (1976), the Supreme Court held that where a State has provided a full and fair opportunity for litigation of Fourth Amendment claims, a State prisoner may not be granted federal habeas corpus relief on the grounds that evidence obtained by an unlawful search and seizure was introduced at trial.

In *United States* v. *Janis*, 428 U.S. 433 (1976), the Court held that the exclusionary rule should not be applied to forbid the use in federal civil proceedings of evidence seized by State officers in good faith reliance on a search warrant that proved to be defective. While the Janis holding (the scope of which would not be affected by section 3505) related specifically to the use in the courts of one sovereign of evidence obtained by law enforcement agents of another sovereign, the lack of any deterrent effect of applying the rule would be analogous in the case of a search by federal officers who were acting in good faith.

Under section 3505 law enforcement officers would still be required to keep abreast of the complex law of search and seizure because the conduct of an officer will have to be informed to be reasonable. The section would not reward ignorance on the part of the police. It simply restrains the rule to its proper boundaries where it will remain as a "judicially created remedy designed to safeguard Fourth Amendment rights generally through its deterrent effect . . ." *United States* v. *Calandra*, 414 U.S. 338, 348 (1974). Thus the proposal would not eliminate the exclusionary rule but rather will eliminate the disrespect for the law that its application often engenders in the minds of the police and the public alike. Moreover, when the rule is applied in the case of a trivial violation or mistake by the police as to whether the requirements of the law have been complied with, and results in the acquittal of a criminal guilty of a serious crime or alters the result in a significant civil proceeding, the lack of proportionality of the sanction applied to the officer's mistake is so great that the confidence of the public in our system of justice cannot help but be eroded. In cases of this nature, where the police have reasonably tried to apply the complex law of search and seizure, the rule has a grossly distorting effect on our system of justice where the central purpose is to search for the truth and, in criminal cases, ensure that the guilty are convicted and the innocent are acquitted.

A suggestion that Congress should act to restrict the scope of the exclusionary rule was made over ten years ago by the Chief Justice in his dissent in *Bivens* v. *Six Unknown Named Agents of the Federal Bureau of Narcotics*, 403 U.S. 388, 422-424 (1971). Since section 3505 is grounded primarily on the cases decided since that time in which the Supreme Court has emphasized the deterrence of unlawful conduct as the sole or primary purpose of the rule, the section's modification of the rule is constitutionally permissible. Moreover, the substance of section 3505 is very similar to that already adopted by the Fifth Circuit *en banc* in *United States* v. *Williams*, 622 F.2d 830 (1980), *cert. denied*, 449 U.S. 1127 (1981) in a decision based on a thorough analysis of relevant Supreme Court cases, and it basically follows the recommendation of the Attorney General's Task Force on Violent Crime which conducted hearings on the issue around the country and received the opinions of distinguished citizens and jurists of all points of view.

TITLE IV—FORFEITURE

I. Introduction

Title IV of the bill is designed to enhance the use of forfeiture, and in particular the sanction of criminal forfeiture, as a law enforcement tool in combatting two of the most serious crime problems facing the country: racketeering and drug trafficking.

There are presently two types of forfeiture statutes in federal law. The first provides for civil forfeiture, a civil in rem action, brought directly against property which is unlawful or contraband, or which has been used for an unlawful purpose. The majority of drug-related property, including drug profits, must be forfeited civilly under 21 U.S.C. 881. While this civil forfeiture statute has been an extremely useful tool in the effort to combat drug trafficking, a significant drawback is the requirement that a separate civil suit be filed in each district in which forfeitable property is located. Also, the overcrowding of civil dockets may require a substantial delay before these civil forfeiture cases may be heard. Where the property to be forfeited is the property of a person charged with a drug violation, and that violation constitutes the basis for forfeiture, a more efficient way of achieving forfeiture would be to employ the second type of forfeiture statute, a criminal forfeiture statute, and thereby consolidate consideration of forfeiture issues with the trial of the criminal offense.

Criminal forfeiture is relatively new to federal law, although it has its origins in ancient English common law. It is an in personam proceeding against a defendant in a criminal case, and is imposed as a sanction against the defendant upon his conviction. Criminal forfeiture is now available under two statutes: the Racketeer Influenced and Corrupt Organization statute (18 U.S.C. 1960 et seq., hereinafter referred to as RICO) and the Continuing Criminal Enterprise statute (21 U.S.C. 848, hereinafter referred to as CCE), which punishes those who conduct drug trafficking organizations.

In the last decade, there has been an increasing awareness of the extremely lucrative nature of drug trafficking and of the illicit economy which it generates and through which it is sustained, and thus, or the importance of effective tools for attacking the economic aspects of such crime. A similar awareness with respect to racketeering led to the enactment of the RICO and CCE statutes more than ten years ago.

Both civil and criminal forfeiture hold significant promise as important law enforcement tools in separating racketeers and drug traffickers from their ill-gotten profits and the economic power bases through which they operate. However, because of limitations of an ambiguities in present forfeiture statutes, the law enforcement potential of forfeiture in these areas has not been fully realized. Title IV is designed to address these problems, and is based with minor modifications on the forfeiture provisions of title VI of the Senate-passed comprehensive drug enforcement and violent crime bill of the last Congress, S. 2572. This title of S. 2572 was, with certain amendments, based on S. 2320, the forfeiture bill prepared by the Administration which was approved by the Senate Judiciary Committee. (S. Rept. No. 97-520, 97th Cong., 1st Sess. (1982).)

This title is divided into four parts. The first, designated as Part A, sets forth an amended version of 18 U.S.C. 1963, the provisions of current law governing the penalties, including criminal forfeiture, for violations of the RICO offenses described in 18 U.S.C. 1962. One of the significant proposed changes in the current RICO forfeiture provisions would make it clear that property which constitutes, or is derived from, the proceeds of racketering activity punishable under 18 U.S.C. 1962 is subject to an order of criminal forfeiture. There is now a split in Circuits on whether such racketeering profits are subject to forfeiture, and the Surpreme Court has granted certiorari in *Russello* v. *United States* (No. 82-472, cert. granted January 10, 1982) to review this issue. Other of the more significant amendments to section 1963 are designed to address the problem of defendants defeating forfeiture actions by removing, concealing, or transferring forfeitable assets prior to conviction. These amendments include a provision expanding to the pre-indictment stage the courts' authority to enter restraining orders, a provision setting out clear authority voiding such transfers in the context of criminal forfeiture actions, and a provision permitting the court to order the defendant to forfeit substitute assets when the property originally subject to forfeiture has been made unavailable at the time of conviction.

Part B of this title makes several amendments to the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 801 et seq.). The most significant of the amendments in Part B is the creation in section 403 of a new criminal forfeiture statute that would be applicable in all cases involving major criminal violations of the Act. This new statute would provide for the criminal forfeiture of the proceeds of drug offenses as well as other property used in the commission of such offenses, and would reduce the need to pursue parallel criminal prosecutions and civil forfeiture actions. This forfeiture statute would also include several of the improvements proposed with respect to the RICO criminal forfeiture statute in part A of this title. Part B would also amend the civil forfeiture provisions of the narcotics laws (21 U.S.C. 881) to allow, in certain new circumstances, the forfeiture of real property, and to require the stay of civil forfeiture proceedings pending disposition of a related criminal case in those instances where the criminal prosecution and forfeiture action cannot, or should not, be consolidated.

Part C establishes a four-year trial program under which amounts realized by the United States from the forfeiture of drug profits and other drug-related assets are to be placed in a special fund which is to be made available for appropriations to defray certain expenses that are incurred by the Government in civil and criminal forfeiture actions under title 21, United States Code.

Part D of title IV sets forth amendments to the Tariff Act of 1930 which are designed primarily to achieve two purposes: first, to improve civil forfeiture provisions which are applicable not only to forfeitures under the customs laws, but also, by virtue of 21 U.S.C. 881, to forfeitures under the drug laws; second, to create a Customs Forfeiture Fund that will be available to defray forfeiture expenses arising out of seizures and forfeitures under the Customs laws.

II. SECTION-BY-SECTION ANALYSIS

Section 401 provides that this title may be cited as the "Comprehensive Forfeiture Act of 1983."

Part A

Section 402 amends 18 U.S.C. 1963, the provision which sets out the penalties for a violation of the RICO statute (18 U.S.C. 1962). The current penalties of fine and imprisonment are retained, but the provisions relating to criminal forfeiture have been amended and expanded. Each of the subsections of 18 U.S.C. 1963, as it would be amended by section 402, is discussed below:

18 U.S.C. 1963(a)

Section 1963(a) sets out the penalties for a violation of 18 U.S.C. 1962. Paragraph (1) carries forward the current fine and imprisonment levels. Paragraph (2) describes the property of the defendant that is subject to an order of criminal forfeiture. The substantive change worked by paragraph (2) is that it will specifically provide for the forfeiture of the profits generated by racketeering activity that serves as the basis for a RICO prosecution. Several courts have held that such profits are not currently forfeitable under RICO, and this limiting interpretation has significantly diminished the utility of the statute's criminal forfeiture sanction. The criminal forfeiture provisions of past criminal code reform legislation have also provided for the forfeiture of proceeds. See S. Rept. 97-307, page 948. As noted above, the issue of the forfeitability of RICO profits is now pending Supreme Court review.

18 U.S.C. 1963(b)

The title's amended 18 U.S.C. 1963(b) emphasizes that property subject to civil forfeiture may be either real property or tangible or intangible personal property, and underscores an intent, consistent with current law (see, *e.g., United States* v. *Rubin*, 559 F.2d 975 (5th Cir. 1977)), that the concept of "property" as used in section 1963 is to be broadly construed. Earlier versions of this legislation included a lengthy recitation of examples of the types of interests subject to forfeiture under RICO. Since it is more appropriate that such a discussion be part of the bill's legislative history, it has been omitted.

18 U.S.C. 1963(c)

Subsection (c) of section 1963, as amended, is a codification of the "taint" theory long recognized in forfeiture cases. Under this theory, forfeiture relates back to the time of the illegal acts which give rise to the forfeiture. From that time forward, the property is tainted and remains subject to forfeiture regardless of any subsequent disposition. Absent such a principle, a defendant could avoid forfeiture simply by transferring this property prior to conviction. This subsection makes it clear, however, that in the case of a transfer to a bona fide purchaser for value, the Attorney General may not proceed with disposition of the property. Such persons may obtain a return of their property by filing a petition for remission or mitigation of forfeiture.

18 U.S.C. 1963(d)

This provision is new to the law. It provides that where property found to be subject to forfeiture has been removed, concealed, transferred, or substantially depleted, the court may order that the defendant forfeit substitute assets. This subsection addresses one of the most serious impediments to significant forfeitures. Presently, a defendant may avoid the impact of forfeiture simply by transferring his assets to another, placing them beyond the jurisdiction of the court, or taking other actions to render such property unavailable at the time of conviction. Section 1963(d) addresses this problem. The criminal forfeiture provision of past criminal code reform legislation has also included a substitute assets provision. See S. Rept. No. 97-307, page 948-949.

18 U.S.C. 1963(e)

This part of section 402 expands the current authority of the courts to enter restraining or protective orders with respect to property that may be subject to forfeiture. The current restraining order authority, set out at 18 U.S.C. 1963, is limited to the post-indictment period. However, defendants often become aware, prior to indictment, of a criminal investigation and will move to conceal or alienate their forfeitable assets at that time. To address this problem, section 1963(e)(1)(B) describes certain circumstances under which the government may obtain a pre-indictment restraining order. Subsection (e)(2) articulates the circumstances in which an ex parte pre-indictment restraining order may be issued. Such an ex parte order is limited to a term of ten days, and may be issued only when it appears that the giving of notice will result in the transfer or removal of the property before an order could be entered.

18 U.S.C. 1963(f)

Proposed 18 U.S.C. 1963(f) governs matters arising during the period from the entry of the order of forfeiture until the time that the Attorney General directs disposition of the property. For the most part, these provisions are drawn from current law and practice, and have been formulated to provide necessary flexibility.

18 U.S.C. 1963(g)

Subsection (g) concerns matters regarding the disposition of property, and is drawn largely from current law. A new aspect of this provision is that it specifically authorizes the court to stay disposition of the forfeited property pending an appeal of the criminal case if a third party claiming an interest in the property demonstrates that such disposition will result in irreparable injury, harm, or loss to him. Once the property has been disposed of, the proceeds are to be used to pay the expenses of the forfeiture and sale, including costs arising from the seizure, maintenance, and custody of the property. The remaining amounts are to be deposited in the general fund of the Treasury.

18 U.S.C. 1963(h)

Subsection (h) sets forth several aspects of the authority of the Attorney General with respect to property that has been ordered forfeited. This authority is in essence carried forward from existing law, although in a more straightforward manner. Title I of S. 2572, as approved by the Senate, included in subsection (h) a standard for review of the Attorney General's decisions regarding petitions for remission and mitigation. The circumstances under which these decisions should be subject to judicial review, and the appropriate standard on review present issues of considerable complexity and are the subject of developing case law. Therefore, this provision has been omitted so that these issues may be reserved for further consideration.

18 U.S.C. 1963(i)

Under current 18 U.S.C. 1963(c), the procedures for most post-seizure matters are governed by the customs laws. In some respects, however, these customs law provisions have been inadequate in addressing some of the complex issues that arise in RICO cases, where forfeited property may include interests in ongoing businesses. Subsection (i) therefore permits the issuance of regulations to govern certain post-seizure matters which may be drafted to address some of the unique problems arising in RICO forfeiture cases.

18 U.S.C. 1963(j)

This provision codifies the currently recognized limitations on the commencement of legal actions by third parties claiming an interest in property subject to forfeiture. See *United States* v. *Mandel*, 505 F. Supp. 189 (D. Md. 1981).

18 U.S.C. 1963(k)

This provision emphasizes the current jurisdiction of the court to enter orders of criminal forfeiture without regard to the location of the property—a principle which distinguishes criminal forfeiture actions from in rem civil forfeiture actions.

18 U.S.C. 1963(l)

Subsection (l) of section 1963, as amended by this title, authorizes the court to order the taking of depositions to facilitate the identification and location of property that has been ordered forfeited and the facilitate the disposition of petitions for remission or mitigation of forfeiture. The taking of such depositions will provide for a more orderly and fair consideration of these matters and will permit the development of a more complete record.

Part B

This part sets out various amendments to the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C., 801 et seq.).

Section 403 creates a new generally applicable criminal forfeiture statute for all felony violations of Titles II and III of the Comprehensive Drug Abuse Prevention and Control Act. This statute is, in virtually all respects, identical to the RICO criminal forfeiture statute as amended by section 402 of this title, and will appear as a new section at the end of Part D of title II of the Comprehensive Drug Abuse Prevention and Control Act. The new drug criminal forfeiture section is divided into the following subsections.

Subsection (a) provides for the sanction of criminal forfeiture upon a defendant's conviction for a felony drug offense. Property which is subject to criminal forfeiture under this provision includes the proceeds of the drug violation (now subject to civil forfeiture under 21 U.S.C. 881(a)(6)), property

used or intended to be used to commit the violation (such property is largely subject to civil forfeiture under current 21 U.S.C. 881), and the property already subject to criminal forfeiture under the Continuing Criminal Enterprise statute (21 U.S.C. 848).

Subsection (b), like the analogous provision of 18 U.S.C. 1963, as amended by section 402, emphasizes that the term "property, as used in subsection (a), is to be broadly construed.

Subsection (c)—see analysis of section 402 above that refers to new 18 U.S.C. 1963(c).

Subsection (d)—see analysis of section 402 above that refers to the analogous substitute assets provision of new 18 U.S.C. 1963(d).

Subsection (e) provides for a permissive presumption that property of a defendant is subject to forfeiture if the government establishes that the defendant acquired the property at or within a reasonably related time after the commission of the offense and that he had no apparent legal sources of income to explain his acquisition of the property. This provision is much like the "net worth" method of proof commonly used in tax cases. Framed as a permissive and rebuttable inference rather than a mandatory presumption, this provision appears to meet constitutional requirements fully. See *Ulster County Court* v. *Allen*, 442 U.S. 140 (1979).

Subsection (f)—see analysis of section 402 above that refers to the analogous protective order provision of new 18 U.S.C. 1963(e).

Subsection (g) recognizes that in drug cases forfeitable assets frequently take the form of cash, precious metals and gems, and other property that is easily moved or concealed. With respect to such property, a restraining or protective order may not be sufficient to assure the availability of the property for forfeiture. Therefore, this section provides for the issuance of a warrant of seizure if the government demonstrates that a protective or restraining order will not be sufficient.

Subsection (h)—see analysis of section 402 above that refers to the analogous provision of new 18 U.S.C. 1963(f), governing certain matters arising in the period between the entry of the order of forfeiture and the disposition of the property.

Subsection (i)—see analysis of section 402 above that refers to the analogous provision of new 18 U.S.C. 1963(g), which governs matters concerning the disposition of property ordered forfeited.

Subsection (j)—see analysis of section 402 above that refers to the analogous provision of new 18 U.S.C. 1963(h), enumerating the authorities of the Attorney General.

Subsection (k) retains the current application of the customs laws to certain matters arising under forfeitures effected under title 21, United States Code. See 21 U.S.C. 881(d).

Subsection (l)—see analysis of section 402 above that refers to new 18 U.S.C. 1963(j).

Subsection (m)—see analysis of section 402 above that refers to new 18 U.S.C. 1963(k).

Subsection (n)—see analysis of section 402 above that refers to new 18 U.S.C. 1963(l).

Section 404 incorporates in 21 U.S.C. 824(f) (relating to the forfeiture of controlled substances held by a dispenser or manufacturer whose registration has been revoked) the "taint" theory discussed above under sections 402 and 403.

Section 405 deletes the separate criminal forfeiture provisions of the Continuing Criminal Enterprise statute (21 U.S.C. 848). Criminal forfeiture arising out of a violation of this statute will be governed by the new criminal forfeiture statute set out in section 403 of this title.

Section 406 amends certain provisions of 21 U.S.C. 881, which provides for the civil forfeiture of a variety of drug-related property, and which also governs certain procedural matters both in civil forfeitures and in criminal forfeitures under the CCE statute.

The first amendment would add to the list of property subject to civil forfeiture real property which is used in a felony violation of title 21. An "innocent owner" exception like that now included in other provisions of section 881(a) is included.

The amendments to subsections (b), (c), (d), and (e) of section 881 are essentially technical and conforming amendments. In addition, two new subsections are added to 21 U.S.C. 881. The first codifies that "taint" theory now clearly applicable in civil forfeiture actions. The second provides for a stay of civil forfeiture proceedings where a criminal action involving the offense that is also the basis for the civil forfeiture suit is commenced. Without such a stay, the civil proceeding may be used as a vehicle for premature or impermissibly broad discovery of matters that will arise in the criminal case.

Section 407 adds a new section at the end of Title III of the Comprehensive Drug Abuse Prevention and Control Act to make it clear that the new criminal forfeiture statute applies in cases of felony violations involving the import or export of controlled substances.

Section 408 is a conforming amendment to the table of contents of the Comprehensive Drug Abuse Prevention and Control Act.

Part C

Section 409 amends 21 U.S.C. 881(e) to achieve two purposes. First, it provides that the Attorney General may transfer drug-related property forfeited under title 21, United States Code, to another Federal agency, or to an assisting State or local agency, pursuant to section 616 of the Tariff Act (19 U.S.C. 1616), as amended in section 418 of the bill. Often, State and local law enforcement agencies give significant assistance in drug investigations that result in forfeitures to the United States. However, there is presently no mechanism whereby the forfeited property may be transferred to these agencies for their official use. This amendment, in conjunction with the Tariff Act amendment cited above, will permit such a transfer and thereby should enhance important cooperation between Federal, State, and local law enforcement agencies in drug investigations. The second amendment to 21 U.S.C. 881(e) provides for the deposit of moneys realized by the United States in drug forfeitures into the Drug Assets Forfeiture Fund created by section 410.

Section 410 amends 21 U.S.C. 881 by adding a new subsection (j) that would create, for a trial four-year period, a Drug Assets Forfeiture Fund from which moneys could be appropriated to defray the mounting costs associated with forfeiture actions. (A similar fund for customs forfeitures is created in section 417 of the bill.) Presently, when any amounts are realized by the United States from the forfeiture of drug-related assets, these amounts must be deposited in the general fund of the Treasury. Therefore, they are not available to defray the expenses of forfeiture in those cases where the expenses associated with the forfeiture of a particular piece of property exceed the amount realized by the sale of the property. Under new subsection (j), the amounts realized in profitable forfeitures would be deposited in a Drug Assets Forfeiture Fund which would be available, through the appropriations process, for payments, at the discretion of the Attorney General, for four specified purposes. These purposes are: (1) the payment of expenses necessary to inventory, safeguard, maintain, advertise or sell the property, including payments for contract services or payments to State and local agencies which may provide these services; (2) payments for information or assistance relating to a drug offense or leading to a forfeiture of drug assets; (3) the compromise and payment of valid liens against forfeited property; and (4) disbursements to innocent persons in connection with the remission and mitigation of forfeiture. Reward payments from the Fund in excess of $10,000 must be authorized by either the Attorney General, Deputy Attorney General, Associate Attorney General, Director of the Federal Bureau of Investigation, or the Administrator of the Drug Enforcement Administration. These rewards also may not exceed a maximum of $150,000, or, in the case of a reward in a forfeiture case, the lesser of $150,000 or one-quarter the amount realized by the United States in the forfeiture action.

The authorized level of appropriations from the Fund for fiscal years 1984 through 1988 is not to exceed $20,000,000 or the total amount deposited in the Fund in the prior fiscal year. This appropriations ceiling applies to money for the first three purposes of the Fund specified in subsection (j)(1). For the fourth purpose—disbursements to innocent persons granted remission or mitigation of forfeiture—moneys may be appropriated from the fund as may be necessary. Not less than four months after the end of each fiscal year, the Attorney General is to submit to the Congress a detailed report on the amounts deposited in the Fund and expenditures made out of moneys appropriated from the Fund.

Part D

Part D of title IV sets forth several amendments to the Tariff Act of 1930. These provisions govern the seizure and forfeiture of property under the customs laws, and are also applicable, by virtue of 21 U.S.C. 881, to seizure and forfeiture of drug-related property. Briefly, these amendments provide for: (1) the expanded use of efficient administrative forfeiture proceedings in cases in which no party comes forward to contest a forfeiture action; (2) enhanced cooperation between Federal and State and local law enforcement agencies by permitting the transfer of federally forfeited property to assisting State and local agencies and by providing clear authority for the discontinuance of Federal forfeiture actions in favor of forfeitures under State law; and (3) the creation of a Customs Forfeiture Fund to be available to defray expenses associated with forfeiture actions under the customs laws.

Section 411 amends 19 U.S.C. 1607, which in conjunction with sections 1608 and 1609 of title 19, United States Code, currently governs the procedures for the forfeiture of property valued at $10,000 or less. Under these provisions, notice of the seizure of the property is to be published and written notice is to be given to each party who appears to have an interest in the property. If no party comes forward to contest the forfeiture, the property may be forfeited in an administrative proceeding pursuant to 19

U.S.C. 1609. If a party does contest the forfeiture and posts the bond required under 19 U.S.C. 1608, a judicial proceeding must be held regarding the forfeiture. Significant numbers of forfeitures under the drug and customs laws are uncontested. However, the more efficient administrative forfeiture proceeding is available only with respect to a limited number of these cases because the property involved frequently exceeds the current $10,000 valuation ceiling. Thus, in a significant number of cases, judicial proceedings are required even though the forfeiture action goes uncontested. In these cases, the overcrowding of court dockets often means a delay of more than one year before the case may be heard, and during this period of delay the property is subject to deterioration and the costs to the government in maintaining and safeguarding the property escalate. To address this problem, section 411 and other of the amendments set our in Part D amend current law to make administrative forfeiture proceedings available in uncontested cases involving: (1) property of a value of up to $100,000; (2) any property the importation of which is prohibited (as under current law); and (3) any conveyances used to transport illicit drugs.

Section 412 amends 19 U.S.C. 1608 to increase the amount of bond which is to be filed by a party wishing to contest the forfeiture of property subject to the provisions of 19 U.S.C. 607 (i.e., property valued at $100,000 or less or conveyances of illicit drugs) in a judicial proceeding. Under current law, this bond is set at $250, an amount so low that it neither acts to discourage the filing of clearly frivolous suits nor reflects the substantial costs to the government in pursuing a judicial forfeiture. As amended by section 412, the bond would be set at the lesser of $5,000 or 10 percent of the value of the property, but in no event less than $250. This increased bond is also a reflection of the fact that in light of section 411's amendment to 19 U.S.C. 1607, the bond provision will apply to cases involving property of significantly greater value than under present law. Of course, the bond requirement is subject to the established authority of the courts, because of due process requirements, to reduce or dispense with a required bond where claimant is unable to post it.

Section 413 amends 19 U.S.C. 1609 to provide for the deposit of the proceeds of the sale of property forfeited under the customs law into the Customs Forfeiture Fund established in section 417.

Section 414 amends 19 U.S.C. 1610 to conform to the amendments discussed above regarding 19 U.S.C. 607. As under current law, section 1610 requires a judicial forfeiture for all property not governed by the procedures set out in sections 1607 through 1609 of title 19, United States Code. Thus, if the value of the property seized exceeds the limits described in 19 U.S.C. 1607, as amended in section 411 of this title, a judicial forfeiture is required regardless of whether the forfeiture is contested.

Section 415 sets forth an amendment to 19 U.S.C. 1612, which permits, in certain circumstances, the summary sale of a wasting asset, to conform with the amendment to 19 U.S.C. 607, discussed above in relation to section 411 of the bill.

Section 416 sets forth conforming amendments to 19 U.S.C. 1613 to provide for the deposit of customs forfeiture proceeds into the Customs Forfeiture Fund established in section 417 of the bill.

Section 417 amends the Tariff Act by creating a new section that will provide for the deposit of the proceeds of forfeitures under the customs laws into a Customs Forfeiture Fund which is to be available for the payment of expenses associated with forfeiture actions. It parallels the Drug Assets Forfeiture Fund established in section 410.

Section 418 creates a new section 616 of the Tariff Act (19 U.S.C. 1616) to govern certain dispositions of forfeited property. Subsection (a) of this new section permits the transfer of forfeited property to another Federal agency, or to a State or local agency which participated in the case which led to the forfeiture. Subsection (b) provides for the discontinuance of a Federal forfeiture action in favor of State or local forfeiture proceedings. Subsection (c) makes clear the authority of the United States to transfer the seized property directly to State or local authorities where a forfeiture action is discontinued under subsection (b), and subsection (d) provides for notice to be given to all interested parties to advise them of such a discontinuance of Federal proceedings.

Section 419 amends 19 U.S.C. 1619 to increase from $50,000 to $150,000 the maximum amount of a reward that may be paid for information leading to a forfeiture. As under current law, however, the amount of such an award may not exceed one-fourth of the amount realized by the United States from the forfeiture.

Section 420 adds a new section 589 to the Tariff Act to describe the arrest authority of customs officers.

Section 421 amends several sections of the Tariff Act to provide that the seizure and forfeiture of aircraft are treated in the same manner as the seizure and forfeiture of other conveyances. Other amendments to the Tariff Act in preceding sections of Part D of this title provided for the same change.

Section 422 amends 9 U.S.C. 1644 to correct an outdated reference to 49 U.S.C. 177 by substituting a reference to the current applicable provision of the Federal Aviation Act.

Section 423 adds a new section 600 to the Tariff Act to make it clear that all seizure effected by customs officers are to be governed by setions 602 through 609 of the Tariff Act unless other procedures for seizure are provided.

TITLE V—INSANITY DEFENSE REFORM

Title V of the bill amends various provisions of title 18, United States Code, and of the Federal Rules of Criminal Procedure, relating to the procedure to be followed in Federal courts with respect to offenders who are or have been suffering from a mental disease or defect. Among the matters provided for by these amendments are the determination of mental competency to stand trial, the determination of the existence of insanity at the time of the offense, a limitation of the scope of a separate insanity defense, and the post-trial hospitalization of defendants suffering from a mental disease or defect.

Section 502 of the bill adds a new section 20 to title 18 to limit the insanity defense. The section provides that insanity is a defense only if, at the time of the offense, the defendant, "as a result of a mental disease or defect was unable to appreciate the nature and quality or the wrongfulness of his act." Mental disease or defect would not otherwise constitute a defense. The new section also shifts to the defendant the burden of proving his insanity by clear and convincing evidence. This limitation of the insanity defense in effect eliminates the volitional portion of the two-pronged ALI-Model Penal Code test for insanity which has been adopted by the federal courts. That test for insanity states that "[a] person is not responsible for criminal conduct if at the time of such conduct as a result of mental disease or defect he lacks substantial capacity to appreciate the criminality of his conduct or to conform to the requirements of law."

The volitional portion of the test is eliminated because there is much stronger agreement among psychiatrists about the defendant's understanding of his acts than about the concept of volition. A December 1982, statement by the American Psychiatric Association on the Insanity Defense noted that "[t]he line between an irresistible impulse and an impulse not resulted is probably no sharper than that between twilight and dusk." While, the cognitive portion is retained, section 506 of the bill amends Rule 704 of the Federal Rules of Criminal Procedure to forbid an expert psychiatric witness from stating an opinion as to whethr the defendant's mental state or condition constituted a defense. Frequently, in insanity defense trials prosecution and defense psychiatrists agree about the nature and extent of the defendant's mental disorder. They disagree over the probable relationship between this disorder and the defendant's ability to appreciate the wrongfulness of his conduct. This relationship is treated as a question of fact for the jury to determine.

Section 503 of the bill provides a comprehensive amendment of current chapter 313 of title 18, United States Code. Proposed section 4241 deals with the determination of mental competency to stand trial. Section 4242 relates to the determination of the existence of insanity at the time of an offense. Section 4243 provides for the hospitalization of a person acquitted by reason of insanity. Section 4244 deals with the hospitalization of a convicted person who is suffering from a mental disease or defect. Section 4245 covers the hospitalization of an imprisoned person who suffers from a mental disease or defect. Section 4246 deals with the situation of such a person who is scheduled to be released. Section 4247 contains general provision for chapter 313.

Section 4241, Determination of Mental Competency to Stand Trial, contains six subsections which deal exclusively with the determination of the mental competency of the defendant to stand trial or to enter a plea. Subsection (a) permits either the defendant or the government to move for a hearing to determine the defendant's mental competency, and requires the court to order a hearing if there is reasonable cause to believe that a mental disease or defect renders the defendant unable to understand the proceedings or to assist in his defense. Subsection (b) permits the court to order a psychiatric or pyschological examination of the defendant prior to the hearing. Subsection (c) requires that the hearing be conducted pursuant to the provisions of section 4247 (i.e., the defendant shall be represented by counsel, afforded and opportunity to testify, etc.). Subsection (d) provides that a defendant found by a preponderance of the evidence to be mentally incompetent shall be hospitalized for treatment in a suitable facility for a reasonable period of time to determine whether there is a substantial probability that he will attain the capacity to permit the trial to proceed. If the defendant appears unlikely to improve sufficiently, he is to be treated in accordance with the provisions of section 4246. Subsection (e) provides for the discharge from the hospital of a defendant who has recovered sufficiently to stand trial. Subsection (f) specifies

that a court finding of competency to stand trial shall not prejudice the defendant in raising the issue of his insanity as defense to the crime charged, and shall not be admissible as evidence at trial.

Section 4242 sets forth the procedure for determining the defendant's sanity at the time of the offense. Subsection (a) provides that upon the filing of a notice by the defendant in accordance with the Federal Rules of Criminal Procedure that he intends to save an insanity defense, the court may order a psychiatric examination.

Subsection (b) specifies that in a case involving an insanity defense the trier of fact is to return a verdict of guilty, not guilty, or not guilty only by reason of insanity.

Section 4243, Hospitalization of a Person acquitted by Reason of Insanity, sets out the procedure to be followed when a person is found not guilty solely by reason of insanity at the time of the offense. Subsection (a) requires that such a person be committed to a suitable facility until he is eligible for release pursuant to subsection (d). Subsection (b) requires that the person undergo a psychiatric or psychological study, while subsection (c) mandates a hearing on his present mental condition within forty days following the verdict. Subsection (d) provides that if, after the hearing, the person is found by clear and convincing evidence to be then suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another, he shall be committed to the custody of the Attorney General for treatment, preferably in a state facility. The fact that the person was found not guilty only by reason of insanity of an offense involving bodily injury or serious damage to property, or an offense involving substantial risk of such injury or damage, is to give rise to a rebuttable presumption that the dangerousness element of subsection (d)'s test for commitment is met. If the person is able to rebut or neutralize this persumption, the government will be required to come forward with other facts to meet its burden of clear and convincing evidence of the person's present dangerousness resulting from a mental disease or defect. Subsection (e) provides for the absolute or conditional release of such a person pursuant to a medical certification and a court finding that such release will no longer create a substantial risk to the person or property of others. Subsection (f) permits revocation of a conditional release order if such a risk is created anew by the person's failure to comply with the conditions of release.

Section 4244, Hospitalization of a Convicted Person Suffering from Mental Disease or Defect, sets forth procedures new to Federal law, to be followed when there is reasonable cause to believe that a recently convicted defendant may be suffering from a mental disease or defect and is in need of care or treatment in a suitable facility. Subsection (a) permits the court, shortly after a guilty verdict and before sentencing, on motion of the defendant or the government or on its own motion, to order a hearing on the defendant's present mental condition if there is reasonable cause to believe he is suffering from a mental disease or defect for the treatment of which he is in need of custody for care or treatment in a suitable facility. Under subsection (b), the court may order a psychiatric of psychological examination of the defendant. If, after a hearing provided for by subsection (c), the court determines by a preponderance of the evidence pursuant to subsection (d) that the standard set forth in subsection (a) has been met, the defendant is to be committed to the custody of the Attorney General for hospitalization in a suitable facility, in lieu of being imprisoned. Subsection (e) permits the discharge and final sentencing of a hospitalized defendant when the director of the facility certifies that he is no longer is need of custody for care and treatment.

Section 4245, Hospitalization of an Imprisoned Person Suffering from Mental Disease or Defect, deals with the hospitalization of an imprisoned person who is suffering from a mental disease or defect for which he is in need of custody for care or treatment, if the person objects to being hospitalized. Unlike current federal law, subsection (a) provides that, when a defendant who is imprisoned objects to being transferred to a suitable facility for care and treatment of a mental disease or defect, the court shall, on the government's motion, order a hearing on the defendant's present mental condition if there is reasonable cause to believe that the defendant may be suffering from a mental disease or defect for the treatment of which he is in need of custody or care for treatment in a suitable facility. Subsections (b) and (c), respectively, provide for the psychiatric or psychological examination of the defendant, and for the conduct of the hearing. Subsection (d) provides that a defendant who is found by a preponderance of the evidence to be suffering from a mental disease or defect and in need of custody for care and treatment shall be hospitalized in a suitable facility until he is no longer in need of such care or treatment, or until his prison sentence expires. Subsection (e) provides for the defendant's discharge from the hospital and return to prison upon the certification of the director of the facility that he is no longer in need of custody for care and treatment.

Section 4246, Hospitalization of a Person Due for Release but Suffering from Mental Disease or Defect, covers those circumstances where State authorities will not institute civil commitment proceedings against a hospitalized defendant whose federal sentence is about to expire, who is mentally incompotent to stand trial, or against whom all criminal charges have been dropped solely for reasons related to his mental condition, and who is presently mentally ill. Subsection (a) requires the court to order a hearing if the director of the facility in which the person is hospitalized certifies that he is presently suffering from a mental disease or defect as a result of which his release would create a substantial risk of bodily injury to another person or serious damage to property of another, and that suitable arrangements for State custody and care of the person are not available. Subsections (b) and (c), respectively, provide for the psychiatric or psychological examination of the person and for the conduct of the hearing. Subsection (d) provides that if the facts certified are found by the court by clear and convincing evidence, the person is to be committed to the custody of the Attorney General for treatment, preferably in a State facility. Subsection (e) provides for the absolute or conditional release of such a person pursuant to a medical certification and a court finding that such release will no longer create a substantial risk to the person or property of others. Subsection (f) permits revocation of a conditional release order if such a risk is created anew by the person's failure to comply with the conditions of release. Subsection (g) deals with mentally ill persons who have been hospitalized and against whom all charges have been dismissed for reasons not related to their mental condition. If the director of the hospital certifies that the release of such a person would create a substantial risk of bodily injury to another person or serious damage to property of another, the Attorney General is required to release the person to appropriate State officials for the institution of State civil commitment proceedings. If the appropriate State will not assume responsibility, and so informs the Attorney General, the person must be released.

Section 4247, General Provisions for Chapter 313, contains a definition of terms used in chapter 313, as well as other provisions generally applicable to sections 4241-4246. Subsection (a) defines the terms "rehabilitation program" and "suitable facility". Subsections (b) and (c), respectively, set forth requirements for court ordered psychiatric or psychological examinations and reports. Subsection (d) enumerates the rights a person has at a hearing to determine his mental condition. Subsection (e) pertains to reports by mental facilities, and contains a requirement that a hospitalized person be informed of the availability of rehabilitation programs. Subsection (f) permits the court to order and examine a videotape record of a defendant's testimony or interview which forms a basis of a periodic report of his mental condition. Subsection (g) concerns the admissibility in evidence of statements made by a defendant during the course of a psychiatric or psychological examination. Subsections (h) and (i), respectively, preserve the availability of the writ of habeas corpus, and permit a hospitalized person to move for a hearing to determine whether he should be released. Subsection (j) sets forth the authority and responsibility of the Attorney General under chapter 313. Subsection (k) provides that chapter 313 does not apply to a prosecution under an Act of Congress applicable exclusively to the District of Columbia or under the Uniform Code of Military Justice.

Section 504 of the bill amends Rule 12.2 of the Federal Rules of Criminal Procedure to conform with chapter 313 of title 18 as amended by section 503.

Section 505 of the bill amends section 3006A of title 18, United States Code, to conform with chapter 313 of title 18 as amended by section 503.

Section 506 amends Rule 704 of the Federal Rules of Evidence to forbid an expert witness in an insanity defense case from stating an opinion or inference as to whether the defendant had the mental state or condition constituting an element of the crime or a defense as has been discussed in connection with section 502.

TITLE VI—REFORM OF FEDERAL INTERVENTION IN STATE PROCEEDINGS

Title VI of the bill would amend various provisions of title 28, United States Code, and a related Rule of Appellate Procedure, concerning the availability of collateral relief in the federal courts of State and federal prisoners. Among the matters addressed by these amendments are the standard of review in habeas corpus proceedings, the effect of procedureal defaults on the subsequent availability of collateral relief, the time within which collateral relief may be sought, the requirement of exhaustion of state remedies, and the procedure on appeal in collateral proceedings.

Section 602 of the bill would add two new subsections to section 2244 of title 28, United States Code. Proposed section 2244(d) relates to the effect of a State prisoner's failure to raise a claim properly in State proceedings on the subsequent availability of federal habeas corpus. Proposed subsection (d)(1) of section 2244 sets out a general standard under which such a procedural default would bar access to federal habeas corpus unless it was the result of State action in violation of federal law. The main practical significance of this standard is that attorney error or misjudgement in failing to raise a claim properly would excuse a procedural default if it amounted to constitutionally ineffective assistance of counsel, since in such a case the default would be the result of the State's failure, in violation of the Sixth Amendment, to afford the defendant effective assistance of counsel, *See Cuyler* v. *Sullivan*, 446 U.S. 335, 342-45 (1980). But lesser degrees of attorney error or misjudgement would not excuse a default. This would adopt as the uniform rule the approach of the Second Circuit Court of Appeals in the case of *Indiviglio* v. *United States*, 612 F.2d 624, 631 (1979), eliminating the great uncertainties that currently exist in this area. Proposed section 2244(d)-(2)-(3) further provides for excuse of a procedural default where a claim raised in a habeas corpus proceeding asserts a new, retroactive right subsequently recognized by the Supreme Court, or where the factual predicate of the claim could not have been discovered prior to the default through the exercise or reasonable diligence.

Proposed new section 2244(e) in section 602 of the bill would establish a one year time limit on application for federal habeas corpus, normally commencing at the time State remedies are exhausted. This would provide State defendants with ample time to seek federal review following the conclusion of State proceedings, but would avoid the acute difficulties of proof that currently arise when federal habeas corpus is sought by a prisoner years or decades after the State trial. The proposed limitation rule may be compared to various existing time limits on seeking review or re-opening of criminal judgements in the federal courts, such as the normal ten day limit on appeal by federal defendants under Fed. R. App. P. (4)(b); the normal ninety day limit on a State defendant's application for direct review in the Supreme Court under Sup. Ct. R. 11, 22; and the two year limit on motions for new trials based on newly discovered evidence under Fed. R. Crim. P. 33. Proposed section 2244(e) further provides for deferral of the start of the limitation period in appropriate cases, such as assertion of newly recognized rights or newly discovered claims.

Section 603 of the bill would amend section 2253 of title 28, United States Code, so as to vest in the judges of the courts of appeals exclusive authority to issue certificates of probable cause for appeal in habeas corpus proceedings. It would also create an identical certificate requirement for appeals by federal prisoners in collateral relief proceedings pursuant to section 2255 of title 28, United States Code. This would implement recommendations of Judge Henry Friendly of the Second Circuit Court of Appeals. See Friendly, Is Innocence Irrelevant? Collateral Attack on Criminal Judgments, 38 U. Chi. L. Rev. 142, 144 n. 9 (1970). The reform would correct inefficiencies of the current system under which an appellate court is obliged to hear an appeal on a district court's certification, though it may believe that the certificate was improvidently granted, and under which a prisoner is afforded duplicative opportunities to persuade first a district judge and then an appellate judge that an appeal is warranted. Section 604 of the bill would amend Fed. R. App. P. 22 to conform it to the amendments of section 603.

Section 605 of the bill would make various changes in Section 2254 of title 28, United States Code. Section 605(a) would amend current section 2254(b) to clarify that a habeas corpus petition can be denied on the merits notwithstanding the petitioner's failure to exhaust State remedies. This would implement a recommendation of Professor David Shapiro. See Shapiro, Federal Habeas Corpus: A Study in Massachusetts, 87 Harv. L. Rev. 321, 358-59 (1973). It would avoid the waste of State and federal resources that presently results when a prisoner presenting a hopeless petition is sent back to the State courts to exhaust State remedies.

Section 605(b) of the bill would add a new subsection (d) to section 2254, United States Code. Proposed subsection (d) would accord deference to the result of full and fair State adjudications. This would establish a standard similar to that started by the Supreme Court in the case of Ex Parte Hawk, 321 U.S. 114, 118 (1944), prior to the unexplained substitution of the current rules of mandatory re-adjudication by the decision in *Brown* v. *Allen*, 344 U.S. 443 (1953). To be full and fair in the intended sense the State court determination must be reasonable, and must be arrived at by procedures consistent with applicable federal law, including the Constitutional requirement of due process. In addition, re-adjudication by the federal habeas court would be allowed in cases in which new evidence of substantial importance came to light or a retroactive change of law of substantial importance occurred after the State proceedings. The general sense of the proposed reform is that reversal of a State conviction after a lapse of years and affirmance by the appellate courts of the State should rest on a finding by the habeas court of a significant error or deficiency in the State proceedings. A mere reasonable difference of opinion in a case in which the proper disposition is unclear should not be grounds for disturbing a State judgment in a habeas corpus proceeding.

Section 605(c) of the bill would simplify current section 2254(d), which is verbose, confusing, and obscure; redesignate it as section 2254(e); and bring its formulation into conformity with that of proposed new section 2254(d). This provision would be of minor practical significance, coming into play only when the general standard governing deference to State determinations in proposed new section 2254(d) was found by the habeas court to be unsatisfied.

Section 606 of the bill would amend section 2255, 28 United States Code. It would carry out reforms in the collateral remedy for federal prisoners comparable to the rule proposed in section 602 of the bill governing excuse of procedural defaults and time limitation in habeas corpus proceedings.

TITLE VII—DRUG ENFORCEMENT AMENDMENTS

Part A—Drug Penalties

The purpose of Title VII of the bill is to provide a more rational penalty structure for the major drug trafficking offenses punishable under the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 801 et seq.). Trafficking in illicit drugs is one of the most serious crime problems facing the country, yet the present penalties for major drug offenses are often inconsistent or inadequate. This title primarily focuses on three major problems with current drug penalties.

First, with the exception of offenses involving marihuana (see 21 U.S.C. 841(b)(6)), the severity of current drug penalties is determined exclusively by the nature of the controlled substance involved. While it is appropriate that the relative dangerousness of a particular drug should have a bearing on the penalty for its importation or distribution, another important factor is the amount of the drug involved. Without the inclusion of this factor, penalties for trafficking in especially large quantities of extremely dangerous drugs are often inadequate. Thus, under current law the penalty for trafficking in 500 grams of heroin is the same as that provided for an offense involving 10 grams. The drug penalties schedule of the criminal code reform bill reported by the Senate in the prior Congress (S. Rep. No. 97-307, 97th Cong., 1st Sess.) addressed this problem by punishing as a Class B felony (up to 25 years' imprisonment) offenses involving trafficking in large amounts of opiates and other extremely dangerous drugs. Based on his approach, this title amends 21 U.S.C. 841 and 960 to provide for more severe penalties than are currently available for such major trafficking offenses.

The second problem addressed by this title is the current fine levels for major drug offenses. Drug trafficking is enormously profitable. Yet current fine levels are, in relation to the illicit profits generated, woefully inadequate. It is not uncommon for a major drug transaction to produce profits in the hundreds of thousands of dollars. However, with the exception of the most recently enacted penalty for distribution of large amounts of marihuana (21 U.S.C. 841(b)(6)), the maximum fine that may be imposed is $25,000. This title provides more realistic fine levels that can serve as appropriate punishments for, and deterrents to, these tremendously lucrative crimes.

A third problem addressed by this title is the disparate sentencing for offenses involving Schedule I and II substances, which depends on whether the controlled substance involved in the offense is a narcotic or non-narcotic drug. Offenses involving Schedule I and II narcotic drugs (opiates and cocaine) are punishable by a maximum of 15 years' imprisonment and a $25,000 fine, but in the case of all other Schedule I and II substances, the maximum penalty is only five years' imprisonment and a $15,000 fine. The same penalty is applicable in the case of a violation involving a Schedule III substance. This penalty structure is at oods with the fact that non-narcotic Schedule I and II controlled substances include such extremely dangerous drugs as PCP, LSD, methamphetamines, and methaqualone, and federal prosecutions involving these drugs typically involve huge amounts of illicit income and sophisticated organizations. Removing the distinction, for the purposes of sentencing, between narcotic, as opposed to non-narcotic, controlled substances in Schedules I and II was proposed in S. 1951 in the 97th Congress, and this concept is included in this title.

Section 701 provides that this title may be cited as the "Controlled Substances Penalties Amendments Act of 1982."

Section 702 amends 21 U.S.C. 841(b), the provision which sets out the penalties for the most serious domestic drug trafficking

offenses. Each of the paragraphs of this section is discussed below.

Paragraph (1) revises section 841(b)(1), which describes the penalties for offenses involving controlled substances in Schedules I, II, and III. Although marihuana is a Schedule I controlled substance, trafficking in amounts over 1,000 pounds is currently governed by 21 U.S.C. 841(b)(6), and distribution of small amounts for no remuneration is treated as mere possession under 21 U.S.C. 841(b)(4). Currently, offenses involving narcotic Schedule I and II substances (narcotic Schedule I and II controlled substances are opiates and cocaine; *see* 21 U.S.C. 802(16)) are governed by section 841(b)(1)(A), while offenses involving nonnarcotic Schedule I and II substances and all Schedule III substances are governed by section 841(b)(1)(B). This part of the amendment would redesignate these subparagraphs as subparagraphs (B) and (C) and create a new subparagraph (A) under section 841(b)(1) that would provide, for offenses involving large amounts of particularly dangerous drugs, higher penalties than those now provided under section 841.

Under this new section 841(b)(1)(A), an offense involving (i) 100 grams or more of an opiate; (ii) a kilogram or more of cocaine (a more complex manner of defining opiates and cocaine is necessary in the amendment because of the new way in which such substances are defined elsewhere in title 21); (iii) 500 grams or more of PCP; or (iv) five grams or more of LSD, would be punishable by a maximum of 20 years' imprisonment and a fine of $250,000. Consistent with the current structure of section 841, these maximum penalties would be doubled where the defendant has a prior felony conviction. The amendment's description of the prior offense which may trigger the more severe penalty does, however, differ from the description used in current law. In current law, this enhanced sentencing is available only in the case of a prior federal felony drug conviction. The amendment would permit prior State and foreign felony drug convictions to be used for this purpose as well. The prior conviction language of current provisions of section 841 and of section 962 (relating to importation and exportation offenses) has been amended in a similar manner to include State and foreign, as well as federal, felony drug convictions.

All other offenses involving a Schedule I or II sentence, except those involving less than 50 kilograms of marihuana, 10 kilograms of hashish, or one kilogram of hashish oil, are to be punished under section 841(b)(1)(B). Thus, the current distinction, for purposes of punishment, between Schedule I and II substances which are narcotic drugs and those which are not has been abandoned. The maximum 15-year term of imprisonment currently applicable to offense involving narcotic Schedule I and II substances is retained. However, the current maximum fine level of $25,000 has been raised to $125,000. By virtue of current section 841(b)(6), offenses involving large amounts of marihuana are already punishable at this 15 years/$125,000 fine level. Similarly, offenses involving Schedule III substances and lesser amounts of marihuana, hashish, and hashish oil, governed in the amendment by section 702(1)(C), are punishable at the current level of five years' imprisonment, but the maximum fine has been raised from $15,000 to $50,000. Marihuana is currently treated in the same manner as a Schedule III controlled substance when the amount involved is less than 1,000 pounds. Thus, this formula is generally consistent with current law.

Paragarph (2) amends section 841(b)(2) to raise the fine level for a violation involving a Schedule IV substance from $10,000 to $25,000. Also included is the amendment noted above in relation to new section 841(b)(1)(A), which would treat State and foreign, as well as federal, felony drug convictions as prior convictions for the purpose of existing enhanced sentencing provisions.

Paragraph (3) amends section 841(b)(3) to raise the fine level for a violation involving a Schedule V substance from $5,000 to $10,000.

Paragraph (4) is a technical amendment reflecting the redesignation of current section 841(b)(1)(B) as section 841(b)(1)(C).

Paragraph (5) deletes paragraphs (5) and (6) of section 841(b). Current paragraph (5) provides special penalties for violations involving PCP. Since PCP has not been designated as a Schedule II substance, this special provision is no longer necessary. Current paragraph (6) provides for heightened penalties for trafficking in large amounts of marihuana. Since these amendments provide that such offenses would be punishable under section 841(b)(1)(B) by a maximum penalty of 15 years' imprisonment and a $125,000 fine, this special provision is not longer necessary.

Section 703 amends 21 U.S.C. 960(b), which sets out the penalties for the major drug importation and exportation offenses, in a manner consistent with the amendments to 21 U.S.C. 841(b) discussed above. Each of the paragrpahs of this section is discussed below.

Paragraph (1) creates a new section 960(b)(1) which provides for heightened penalties for importation offenses involving large amounts of extremely dangerous drugs. This section is analogous to the new section 841(b)(1)A) added by paragraph (1) section 702 of the amendment.

Paragraph (2), as was done with respect to section 841(b)(1) section 702 of the amendment, consolidates the treatment of offenses involving all Schedules I and II substances except lesser amounts of marihuana and hashish. The current 15-year level of imprisonment is retained, but the fine is elevated from $25,000 to $125,000, as was done with respect to the analogous offense under section 841(b)(1).

Paragraph (3) amends current section 960(b)(2) (redesignated as section 960(b)(3) in the amendment), which now governs offenses involving all controlled substances other than Schedule I and II narcotic drugs. As amended, this section would continue to govern violations involving lesser amounts of marihuana and hashish and all Schedule III, IV and V substances, would retain the current five-year maximum term of imprisonment, and would raise the current fine of $15,000 to $50,000. Unlike 21 U.S.C. 841(b), 21 U.S.C. 960 does not provide separate penalties for offenses involving Schedule IV and V substances.

Section 704 amends 21 U.S.C. 962 to permit prior State and foreign, as well as federal, felony drug convictions to be considered for the purpose of this section's enhanced sentencing for repeat drug offenders. As noted above, various provisions of 21 U.S.C. 841(b) were amended in a similar manner.

Part B—Diversion control amendments

Following a statement of findings and declarations, this part of Title VII amends Section 102 of the Controlled Substances Act (CSA) to define the term "isomer" and redefine the term "narcotic drug." Confusion has arisen in some courts concerning the control of isomers of certain drugs, particularly cocaine. Similarly, certain ambiguities in the definition of narcotic drug are corrected relating to cocaine and concentrated poppy straw.

This part goes on to amend section 201 of the CSA to establish a new emergency authority to place an uncontrolled substance under temporary controls which provide for registration, recordkeeping, and criminal penalties of up to five (5) years. This would permit DEA to deal with rapidly developing situations in which a new or uncontrolled drug suddenly becomes a public danger.

This part then draws together and expands existing authorities which permit certain drug compounds to be exempted from the CSA. This will clarify present ambiguities in the law and also permit exemption of certain compounds not intended for human or animal administration.

The amendment to section 302 would enable the Attorney General to determine by regulation the frequency with which practitioners must register, though in no case, more than once annually or less than once in three years. This will permit DEA to allow 98 percent of its approximately 600,000 registrants to register once every three years instead of annually as the law now requires. If this were found to be unsatisfactory, then DEA could by regulation, revert to a two-year, or one-year requirement.

The new section 303 would greatly alter the standards required for the registration of practitioners. Currently, the requirement is only that they be licensed by state law. The new standard will enable DEA to consider recommendations of the state licensing board, special limitations, and applicants' prior conviction record and other related matters. This will give both DEA and state licensing boards improved ability to deny practitioners the right to utilize controlled drugs in appropriate cases; however, the burden of proof will be on the Government in an adminstrative hearing.

The amended section 304, which currently provides for revocation and suspension of registration, will correct the present situation in which the law does not specifically provide that failure to maintain the standards required for registration will be a cause for suspension of registration.

The amendments to section 304 would permit the Attorney General to place under seal any controlled substances possessed by registrants who have ceased to do business or whose registration has expired. DEA has such authority in many cases. This simply corrects an oversight in the 1970 law.

The modifications to section 307 would exempt practitioners from recordkeeping requirements for drugs which are prescribed. The amendment will broaden the current exemption for prescribing which now relates only to narcotic drugs. It also eliminates the blanket exemption for adminstration which is now addressed in 307(c)(1)(B).

In addition, the new section 307 would exempt practitioners from recordkeeping requirements for the administration of drugs, but only when this represents an occasional activity. It also eliminates exemption for occasional dispensing. This provision narrows the current exemption for administering, eliminates the exemption for dispensing, and increases DEA's ability to detect diversion at the practitioner level.

In addition, distributors as well as manufacturers would be required to provide peri-

odic reports on sales and distribution of Schedule I, II and III Substances. These will be limited to the greatest extent possible to major drugs of concern. At present, distributors are only required to file such reports for narcotic drugs.

Registrants would also be required to report changes of address. This is necessary in view of the plan to increase the length of registration to three years.

The amendment to section 402 establishes penalties for violations of registrant requirements by adding an additional violation for production or procurement of drugs in excess of quota limitations. This change is in part necessary because of the extension of quota requirements to Schedule III drugs and because of an oversight in drafting the original Act of 1970. This adds an additional violation for it would also be an offense to make use of an expired registration number; this is to correct an oversight in the original act.

The amendment to section 503 provides special grant authority and authorizes resources for expansion of DEA's State Assistance Program to help state and local governments suppress the diversion of controlled substances. DEA's program to assist states in establishing diversion investigation units has proven successful; however, because of lack of explicit authority and necessary resources, states have been hindered in establishing such programs. The new authority will respond to this problem.

The amendment to section 511 provides for the forfeiture of controlled substances processed in violation of the law. This will correct an oversight in the original Act which included "manufacture," "distribution," etc., but not "possession."

The first of several amendments to the Import/Export Act amends Section 1002 to authorize the importation of limited quantities of certain drugs for scientific and research purposes. The need for such a provision to assist research has continually arisen since the original law was enacted in 1970.

The new section 1002 also authorizes the importation of poppy straw and its concentrate in addition to crude opium. There is a demonstrated need for such authority.

Section 1002 is also amended to permit the Attorney General to require, by regulation, import permits for controlled substances in Schedule III. This expands the current authority to require import permits, which now extends only to Schedules I and II and all narcotic drugs in any Schedule. It allows the use of discretion as to whether to require a declaration or permit.

The amendment to section 1003 permits the Attorney General to ensure that the foreign government of destination has approved import for consumption and not merely for transhipment. This will clarify the intent of the present law and permit the Attorney General to require the documenting proof necessary to help assure that the U.S. does not become a source country for international diversion.

The amendment to section 1007 requires registration of persons who export Schedule V drugs. At present, the registration requirement applies to all of the Schedules except V. This has created some confusion within the industry, and is an anomaly in the "closed system" of drug regulation.

The amendment to section 1008 lists the standards which must be met to register for import and export activity. At present the standards are incorporated by reference to another part of the law, thus making the Act difficult and confusing to use. This involves no change in substantive requirements.

Section 1008 is also amended to extend the drug specific nature of Schedule I and II import/export registrations to those for Schedule III, IV, and V. In addition, the revised section 1008 would list the specific standards required for registration of importers and exporters of drugs in Schedules III, IV, and V. Again the purpose is to eliminate confusing cross-references which now exist in the law. There is no change in substantive requirements.

The final change in section 1008 is to establish procedures to deny, revoke, or suspend a registration. The purpose here is to eliminate confusing cross-references which exist in the present drug law.

JUSTICE ASSISTANCE ACT OF 1983

SECTION-BY-SECTION ANALYSIS

Part A—Office of Justice Assistance

Sec. 101. Establishes Office of Justice Assistance in the Department of Justice, headed by an Assistant Attorney General and under the authority of the Attorney General.

Sec. 102. Describes the role of the Assistant Attorney General, who has authority over the activities carried out under this title and is responsible for coordination and provisions of staff support and services to the units established under this Act. Responsibilities include dissemination of information, coordination with state and local governments and cooperation with state and local criminal justice agencies and officials.

Sec. 103. Establishes a Justice Assistance Advisory Board of not more than 21 members appointed by the President and sets qualifications for members. The Board is authorized to make recommendations to the Assistant Attorney General concerning program priorities of the operating units and to provide such advice concerning criminal justice matters as may be appropriate.

Part B—Bureau of Justice Programs

Sec. 201. Establishes a Bureau of Justice Programs within the Office of Justice Assistance. The Bureau is to be headed by a director appointed by the Attorney General.

202. Describes the duties and functions of the Bureau and its director, and authorizes the provision of financial and technical assistance and training to state and local criminal justice agencies. Gives the authority to make grants and enter into contracts and inter-agency agreements for the purpose of providing assistance to state and local governments.

Part C—National Institute of Justice

Sec. 301. Establishes a National Institute of Justice within the Office of Justice Assistance. The Institute, headed by a director appointed by the Attorney General, is authorized to conduct and support basic and applied research in criminal justice, and related aspects of civil justice, and juvenile justice.

Sec. 302. Describes the duties and functions of the Institute and its director, including authority as delegated by the Assistant Attorney General to make grants and enter into contracts and interagency agreements for the purpose of research in criminal and juvenile justice.

Sec. 303. Authorizes the Institute to make grants and enter into contracts for projects up to 100 per centum of project costs.

Part D—Bureau of Justice Statistics

Sec. 401. Indicates that the purpose of this part is to provide for the collection and analysis of statistical information on crime, juvenile delinquency, and criminal justice systems, and related aspects of civil justice systems; further, to encourage the same at Federal, State, and local levels.

Sec. 402. Establishes a Bureau of Justice Statistics within the Office of Justice Assistance to be headed by a Director appointed by the Attorney General. The Director shall have such authority as delegated by the Assistant Attorney General. Authorizes BJS to make grants and enter into contracts for a variety of statistical collection and analyses purposed involving crime, juvenile delinquency, and criminal justice systems at Federal, State, and local levels, and to assist in establishment of statistical systems and capabilities at State and local level.

Sec. 403. Authorizes BJS to make grants up to 100 per centum of project costs.

Sec. 404. Directs that data collected by BJS shall be used for only statistical or research purposes and shall be gathered in a manner that precludes use for law enforcement or other purposes relating to a particular individual.

Part E—State/local allocations

Sec. 501. Provides that purpose of this part is to assist States and local governments to establish programs of proven success or which have high probability of improving criminal justice systems and which focus primarily on violent crime and serious offenders. Authorizes Bureau of Justice programs to make grants to States for 12 enumerated program areas.

Sec. 502. Limits Federal share of any grant to a State under this part to 50 per centum of aggregate cost of programs of projects in application and directs that non-Federal share must be in cash.

Sec. 503. Articulates application requirements, including stipulation that application must set forth programs for a two year period which meet objectives of Sec. 501 and must designate which 501 objective will be achieved by each program. Also provides that certain specific assurances must be included in the application, including pledge to submit an annual performance report and assessment of impact of funded activities and certification that federal funds will not be used to supplant state or local funds. Other assurances, including fund accounting, maintenance of data, and equipment use, are provided.

Sec. 504. Directs that Bureau shall provide financial assistance to each state applicant if application is consistent with requirements of title and with priorities and criteria of Sec. 501. Also directs that an application will be deemed approved unless Bureau informs applicant of reasons for disapproval within 60 days of its receipt. Gives Bureau authority to suspend funding for that part of a program that has failed to meet Act's objectives. Prohibits use of grant funds under Parts E and F for certain purposes that are enumerated, including construction projects. Gives applicant under this part the right of notice and an opportunity for reconsideration under Sec. 703 before final disapproval of application.

Sec. 505. Provides that of total sum appropriated for Part E and Part F, 80 per centum will be for Part E and 20 per centum will be for Part F. Sets allocation and distribution requirements, including provision of $250,000 base amount to each State and pass-through of funds to local units of government.

Sec. 506. Specifies that the chief executive of each participating state will designate an

office to administer its Bureau of Justice programs.

Part F—Discretionary grants

Sec. 601. Authorizes a discretionary program to provide financial assistance, in amounts up to 100 per centum of program or project costs, to states, units of local government, and private nonprofit organizations for four specific program areas, including education, training, and technical assistance to state and local governmental units, national or multi-state efforts, and also demonstration programs under certain specified conditions.

Sec. 602. Requires the Bureau to establish funding priorities and selection criteria after first providing notice and opportunity for public comment.

Sec. 603. Specifies certain programmatic and certification requirements for applications submitted for discretionary funding.

Sec. 604. Provides that discretionary funding under this part may be for a period not to exceed three years.

Part G—Administrative provisions

Sec. 701. Authorizes the Office of Justice Assistance to establish rules, regulations and procedures for its functions and those of its component units.

Sec. 702. Gives Office authority for grant termination and fund suspension for noncompliance with law, regulations or grant terms. Establishes the authority and procedures in the Office for reconsideration of termination of a grant under this Act.

Sec. 703. Specifies the Office's final authority in determinations, findings and conclusions under the Act.

Sec. 704. Grants the Office subpoena power and authority to hold and conduct hearings to discharge its duties under the Act.

Sec. 705. Gives the Office the personnel and administrative authority to fulfill its functions and duties under the Act.

Sec. 706. Specifies that title to personal property purchased under this Act shall vest in the agency or organization purchasing the property if it certifies it will be used for criminal justice purposes. If no certification, title vests in the state office to seek use for criminal justice purposes.

Sec. 707. Disclaims any interpretation of title to authorize agency or employee direction, control, etc. over any police force or other criminal justice agency.

Sec. 708. Continues current law prohibiting non-discrimination on basis of race, color, etc. in this program with the exceptions of amendments eliminating provisions for automatically notifying Governor of civil rights non-compliance and automatic suspension or termination of funds.

Sec. 709. Establishes standard recordkeeping requirements for recipients of funds and gives authority to Office to conduct audits.

Sec. 710. Continues current provisions for the confidentiality of data and information collected, stored, maintained, etc. with support under this Act, including authority in Office to establish standards to protect confidentiality and individuals' privacy and constitutional rights.

Part H—Definitions

Sec. 801. Provides definitions of key terms of Act.

Part I—Funding

Sec. 901. Provides authority through FY 1987 for appropriations to carry out purposes of Act.

Part J—Public safety officers' death benefits

Sec. 1001. Provides for payment of $50,000 to prescribed survivor(s) of a public safety officer who dies from personal injury sustained in line of duty. Sets certain administrative procedures.

Sec. 1002. Establishes same limitations on payment of benefits as under current law, with the notable exception that voluntary intoxication by officer at time of death will be a bar to benefits.

Sec. 1003. Gives definitions for key terms of PSOB provisions. Amended to set blood-alcohol levels for what constitutes "intoxication".

Sec. 1004. Authorizes Office to establish such rules, regulations, etc. as necessary to carry out the purposes of this part.

Sec. 1005. Provides that United States Claims Court shall have exclusive jurisdiction of these claims.

Part K—FBI training of State and local criminal justice personnel

Sec. 1101. Authorizes FBI Director to establish and conduct training for State and local criminal justice personnel.

Part L—Emergency Federal law enforcement assistance

Sec. 1201. Authorizes Attorney General to receive from chief executive of any state an application for designation as "law enforcement emergency jurisdiction" which shall be evaluated by A-G established criteria; must approve or disapprove application with 10 days of receipt.

Sec. 1202. If emergency designation is approved, the Office of Justice Assistance can provide funds and technical assistance to state for duration of emergency, but no local salaries can be paid or other supplanting of state or local funds.

Sec. 1203. Gives definitions of key terms of this part.

Sec. 1204. Provides recordkeeping requirements for this part.

Part M—Transition

Sec. 1301. Provides standard provisions for the continuation of rules, regulations, instructions, etc. in effect at time of enactment. Permits Assistant Attorney General to obligate unused or reversionary funds previously appropriated.

Sec. 802. Changes references in other laws to "OJARS" and "LEAA" to "Office of Justice Assistance."

Sec. 803. Makes changes in compensation statutes pertaining to the various directors.

Sec. 804. This section expands the previous LEAA prison industry certification program from 7 to 20 projects and places authority in OJA. This section also exempts prisoner-made goods produced in a certified project from the restrictions of 49 U.S.C. 11507, which authorizes individual states to keep prisoner-made goods in a foreign state from entering their jurisdictions.

TITLE IX—SURPLUS FEDERAL PROPERTY AMENDMENTS

Title IX of the bill is designed to make it easier for the federal government to transfer to the State and local governments surplus federal property for use by the transferee for the care or rehabilitation of criminal offenders. It is identical to S. 1422 as reported by the Committee on Governmental Affairs. (See S. Rept. No. 97-332). The provisions are also in accord with Recommendation 56 of the Attorney General's Task Force on Violent Crime, which cited the transfer of surplus property for this purpose as a "significant opportunity for Federal involvement in easing State and local correctional facility overcrowding." Attorney General's Task Force on Violent Crime, Final Report, p. 79 (1981).

Section 901 of the bill amends section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) to permit the Administrator of the General Services Administration to transfer or convey to a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa the Virgin Islands, the Trust Territory of the Pacific Islands, or any political subdivision or instrumentality thereof, surplus property determined by the Attorney General to be required for a correctional facility by the transferee or grantee. Because of the knowledge of the Bureau of Prisons as to the appropriateness of particular facilities for particular corrections programs, the Attorney General rather than the Administrator of GSA would approve the transfer. The transfers under the provision would be made without charge to the State or local government receiving the property. If the property ceases to be used for the authorized purpose, it will revert, at the option of the United States, to the United States.

Section 902 of the bill further amends section 203 of the Federal Property and Administrative Services Act of 1949 to require that the head of the transferring agency under the amendment made by section 801 submit an annual report to the Congress showing the acquisition cost of personal property donated and of real property disposed of during the preceding fiscal year.

TITLE X—REINSTITUTION OF CAPITAL PUNISHMENT

I. Introduction

Various provisions of the United States Code now authorize the imposition of the sentence of death for crimes of homicide, treason, and espionage. However, in all but one instance, these sentences are unenforceable because they fail to incorporate a set of legislated guidelines to guide the sentencer's discretion in coming to a determination whether the sentence of death is merited in a particular case. This requirement was first articulated by the Supreme Court in its decision in *Furman* v. *Georgia*, 408 U.S. 238 (1972). In a series of decisions following *Furman*, the Court has given further guidance on the constitutional requisites of a statute authorizing the imposition of capital punishment. Notable in this series of cases was a group of landmark death penalty decisions—*Gregg* v. *Georgia*, 428 U.S. 153 (1976); *Proffitt* v. *Florida*, 428 U.S. 242 (1976); *Jurek* v. *Texas*, 428 U.S. 262 (1976); *Woodson* v. *North Carolina*, 428 U.S. 280 (1976); and *Roberts* v. *Louisiana*, 428 U.S. 325 (1976)—in which the Court held that the death penalty was a constitutionally permitted sanction if imposed under certain procedures and criteria which guarded against the unfettered discretion condemned in *Furman*, but which retained sufficient flexibility to allow the consideration of aggravating and mitigating factors in each case.

In the decade since the *Furman* decision, two-thirds of the States have enacted laws to restore the availability of the death penalty as an available sanction for the most serious crimes when committed under particularly reprehensible circumstances. During this same period, the Congress has on several occasions considered legislation to provide constitutional procedures that would permit the restoration of the death penalty to the federal criminal justice system, but with the exception of a death penalty provision in-

cluded in anti-aircraft hijacking legislation in 1974, no such statute has been passed by the Congress.

In the 97th Congress, the Senate Judiciary Committee devoted considerable effort to the development of legislation that would establish constitutional procedures for the imposition of the death penalty on the federal level. The bill reported by the Committee, S. 114, improved on bills introduced in earlier Congresses and incorporated provisions to comport with the Supreme Court's capital punishment decisions over the past decade. S. 114, as reported by the Judiciary Committee, was strongly supported by the Administration, and its provisions, with only three modifications, are set out as title X of this bill.

The section-by-section analysis below briefly describes the various provisions of title X. The Judiciary Committee's Report on S. 114, S. Rept. No. 97-143, 97th Cong., 1st Sess.(1981), provides a more detailed analysis as well a lengthy discussion of the policy and constitutional issues addressed in this legislation.

II. Section-by-Section Analysis

Section 1001 amends title 18, United States Code, by adding a new section 3562A to chapter 227. This new section 3562A is the core provision of this title, for it sets out the procedures which must be followed before the death penalty may be imposed. Included in these procedures is an enumeration of aggravating and mitigating factors that are to guide the sentencing body in its consideration of the death penalty. Proposed section 3562A does not itself describe the offenses for which the death penalty may be imposed. The offenses for which the death penalty is to be an available sanction are the subject of amendments set out in sections 1002 through 1015.

New section 3562A is divided into the following subsections:

Subsection (a) provides that a person is subject to the penalty of death for an offense against the United States only if a hearing is held in accordance with this new section 3562A of title 18, United States Code.

Subsection (b) requires that the government give the defendant in a capital case pretrial notice as to whether the government intends to seek the death penalty in the event of conviction, and if so, the aggravating factors the government would seek to prove as a basis for the death penalty. The court may permit the notice to be amended for good cause shown.

Subsection (c) describes before whom the sentencing hearing regarding the death penalty is to be held. The hearing is to be conducted before the jury which determined the defendant's guilt, or before a new jury empaneled specifically for the purpose of the hearing in certain circumstances where the original jury is no longer available or where the defendant either pled guilty or was convicted in a trial before the court sitting without a jury. Upon motion of the defendant and with the approval of the court and the government, the hearing may be conducted before the court alone.

Subsection (d) describes the manner in which the hearing is to be conducted. The jury, or if there is no jury, the judge, is to determine the existence of aggravating or mitigating factors solely on the basis of information presented at the hearing. Therefore, no presentence report is to be prepared. Information relevant to aggravating or mitigating factors may be presented by the Government and the defendant, and may include the trial transcript and exhibits if the hearing is before a new judge or jury. The information presented need not conform to the rules governing admissibility of evidence at criminal trials, but the court may exclude evidence if its probative value is substantially outweighed by the danger of unfair prejudice, confusion of the issues, or misleading jury. Both the defendant and the Government are permitted to rebut any information received at the hearing and to present argument as to the adequacy of the information to establish any aggravating or mitgating factors and as to the appropriateness of the death penalty in the case. The burden of proving aggravating factors is upon the Government and must be established beyond a reasonable doubt. The defendant bears the burden of establishing by a preponderance of the information the existence of any mitigating factors.

Subsection (e) describes the procedures governing the fact finding and sentencing decision of the judge or jury before whom the hearing is conducted. After consideration of all the information received at the hearing, the judge or jury is to return special findings identifying any mitigating or aggravating factors found to exist. In the case of mitigating or aggravating factors found to exist. In the case of mitigating factors, a special finding may be returned as to one of the factors specifically enumerated in subsection (g) or as to any other mitigating factor offered by the defendant.

A new provision, not included in S. 114, as reported, has been incorporated to permit the return of special findings with respect to aggravating factors not specifically enumerated in subsections (h) or (i). However, such a finding of a nonstatutory aggravating factor is permitted only if the jury or judge has made a requisite threshold finding of specifically enumerated aggravating factors, *i.e.*, at least one of the three statutory aggravating factors set out in subsection (h) in the case of an offense of treason or espionage, or, in the case of any other offense, one of the agravating factors set out in subsection (i)(1) and at least one of the other specified factors enumerated in subsections (i)(2) through (10). This provision, which allows the jury to consider non-statutory aggravating factors, but does not permit imposition of the death penalty on the basis of non-statutory aggravating circumstances alone, is similar to the structure of the Georgia death penalty statute upheld by the Supreme Court in *Greegg* v. *Georgia, supra.* In order to conform with this new provision, subsections (h) and (i) have been amended to provide that the aggravating factors specifically listed therein are not exclusive.

When the determination of aggravating and mitigating factors is made by a jury, the finding must be by unanimous vote. This requirement of jury unanimity in finding particular aggravating or mitigating factors is the second respect in which the provisions of title X differ from the death penalty legislation reported by the Senate Judiciary Committee, S. 114. In S. 114, as reported, unanimity was required only with respect to whether *any* mitigating factors or *any* aggravating factors were found to exist; unanimity was not required with respect to any single factor. Thus, under S. 114, it would be possible to find an aggravating factor and impose the death penalty even if less than all the jurors, or even a minority of jurors, agreed as to the existence of a particular aggravating factor. This provision posed the difficult legal question of whether aggravating factors upon which the sentence of death may be based constitute the kind of "issue" which, under *Andres* v. *United States,* 333 U.S. 740, 748 (1948) and related cases, must be decided unanimously. In our view, it is preferable, for both legal and policy reasons, that any aggravating factor that is to be the basis for imposition of the death penalty be supported by a unanimous finding. Such unanimity will assure that the death penalty is not imposed arbitrarily, and would not serve as a procedural barrier to the imposition of the death sentence in appropriate cases.

In the case of an offense of treason or espionage, if the none of the aggravating factors set out in subsection (h) are found to exist, the court is to impose an authorized sentence other than death. The same sentencing disposition is required in the case of a homicide offense either if none of the aggravating factors set out in subsection (i) are found to exist, or if one of the four aggravating factors set out in subsection (i)(1) is found but no additional aggravating factors for homicide are established. The aggravating factor described in subsection (i)(1) is primarily designed to assure in homicide cases including an attempted assassination of the President, that the death penalty is not imposed in circumstances where it would be disproportionate to the seriousness of the criminal conduct involved. Before the death penalty may be imposed for homicide, therefore, an aggravating factor in addition to one of the four described in subsection (i)(1) must be established.

Where the requisite aggravating factor or factors are found to exist (*i.e.*, any factor set forth in subsection (h) in the case of treason or espionage, or, in the case of homicide, a factor set forth in subsection (i)(1) and one of the additional factors specified in subsection (i)), the jury, or if there is no jury, the judge, is to consider whether the aggravating factors sufficiently outweigh any mitigating factors or, if there are no mitigating factors, whether the aggravating factors alone are sufficient, to justify the sentence of death. Based on this consideration, the judge or jury is to return a finding of whether the sentence of death is justified. Where the finding is made by a jury, it is to be by unanimous vote.

Subsection (f) provides that upon a finding that the sentence of death is justified, the court is to impose the death sentence. In any other case, the court is to impose a sentence, other than death, that is authorized by law, which, as provided in subsection (k), may include life imprisonment without the possibility of parole. Thus, the judge is obliged to abide by the unanimous decision of the jury, an approach upheld in *Gregg, supra.* The Senate Judiciary Committee's Report on S. 114 notes that the Committee chose this approach after careful consideration of the alternative of permitting the judge to overrule the jury finding either in favor of or against a sentence of death. (S. Rept. No. 97-143, *supra,* at 23.)

Subsection (g) specifies five mitigating factors that are to be considered in determining whether to impose the sentence of death, but it also provides that these five factors are not exclusive. Thus, this provision comports with the Supreme Court's decision in *Lockett* v. *Ohio,* 438 U.S. 586 (1978), in which it was held that the sentencing authority may not be precluded from considering any relevant mitigating factor the defendant wishes to offer. The five specifically enumerated mitigating fac-

tors are (1) the defendant was less than eighteen at the time of the offense; (2) the defendant's capacity to appreciate the wrongfulness of his conduct or to conform to the requirements of the law was impaired, although not to an extent to constitute a defense; (3) the defendant was under unusual and substantial duress, although not such duress as constitutes a defense; (4) the defendant's participation in the offense was relatively minor, although not so minor as to constitute a defense or relieve him of liability as a principal; and (5) the defendant could not reasonably have foreseen that his conduct in committing the murder or other offense resulting in death would cause, or would create a grave risk of causing, the death of another.

Subsection (h) sets forth the three aggravating factors for the offenses of treason or espionage: the defendant has been convicted of another offense involving treason or espionage for which a sentence of life imprisonment or death was authorized; in the commission of the offense the defendant knowingly created a grave risk of substantial danger to the national security; or he knowingly created a grave risk of death to another in the commission of the offense. It is noted that the circumstances under which the death penalty is authorized for the offense of espionage are limited by virtue of an amendment to 18 U.S.C. 794(a) which is set out in section 1003.

Subsection (i) lists the statutory aggravating factors for offenses other than treason and espionage for which the death penalty is authorized. These other offenses are murder, the commission of certain serious felonies in which a death results, and an attempt to kill the President of the United States. As was noted in the discussion of subsection (e), a finding of one of the four aggravating factors set out in paragraph (1) of subsection (i) is a threshold determination which must be made before a finding of any other of the aggravating factors set out in subsection (i) will be sufficient for imposition of the death sentence. The four aggravating factors described in paragraph (1) are: the defendant intentionally killed the victim; he intentionally inflicted serious bodily injury which resulted in the death of the victim; he intentionally participated in an act which he knew or reasonably should have known would create a grave risk of death to an innocent person who did die as a result of the act; or he attempted to kill the President and the attempt actually caused bodily injury to the President or came dangerously close to killing him. In effect, these four criteria require a finding of particularly serious culpable conduct on the part of the defendant (apart from that necessarily involved by virtue of the seriousness of the offense charged) before the death penalty may be considered. This assures the element of proportionality required under cases such as *Coker* v. *Georgia*, 433 U.S. 584 (1977) and *Enmund* v. *Florida*, 102 S.Ct. 3368 (1982).

Where one of the aggravating factors set out in subsection (i)(1) is established, one of the other factors listed in subsection (i)(2) through (10) must also be found to exist before the death penalty may be imposed. These additional factors are: (1) the death, or the injury resulting in death, occurred during the commission or attempted commission of, or during the immediate flight from the commission or the attempted commission of, one of several exceptionally serious dangerous crimes, *i.e.*, escape from penal custody, espionage, serious explosive offenses, kidnapping, treason, and aircraft hijacking; (2) the defendant has been convicted of another offense resulting in the death of a person for which a sentence of life imprisonment or death was authorized; (3) the defendant has previously been convicted of two or more felonies, committed on different occasions, involving the infliction of, or attempted infliction of, serious bodily injury; (4) the defendant knowingly created a grave risk of death to one or more person in addition to the victim of the offense; (5) he committed the offense in a particularly heinous, cruel, or depraved manner; (6) he procured the commission of the offense by payment or promise of payment; (7) he committed the offense for pay; (8) he committed the offense after substantial planning and premeditation to cause the death of another person or commit an act of terrorism; or (9) he committed the offense against one of certain designated public officials.

Subsection (j) requires an instruction to the jury before whom the sentencing hearing is held that it not consider the race, color, national origin, creed, or sex of the defendant in determining whether the sentence of death is justified. Each juror is to certify that none of these factors was considered in reaching his or her decision.

Subsection (k) is a new provision that was not included in S. 114, as reported. It authorizes, in capital cases, the imposition of a sentence of life imprisonment without the possibility of parole. Thus, this sentence may be imposed by the court either where the death sentence is not sought or where, after a death penalty hearing pursuant to new section 3562A, the jury, or if there is no jury, the court, determines that the penalty of death is not justified.

Section 1002 makes the bill's sentencing procedure applicable to violations of Chapter 2 of title 18 of the United States Code, dealing with aircraft and motor vehicles, where death results.

Section 1003 reduces the scope of the availability of the death penalty for espionage. It retains death as an authorized sentence for peacetime espionage only where it concerns certain major military matters which directly affect the national defense.

Section 1004 applies the bill's new sentencing procedure to section 844(d) of title 18 of the United States Code, dealing with the transportation of explosives in interstate commerce with the knowledge or intent that such explosives will be used to injure persons or property, where death results.

Section 1005 applies the new sentencing procedure to section 844(f) of title 18 of the United States Code, dealing with the destruction of government or government-related property by use of explosives, where death results.

Section 1006 applies the sentencing provision to section 844(i) of title 18, United States Code, dealing with the malicious destruction by explosives of property used in interstate commerce, where death results.

Section 1007 applies the new sentencing procedure to the offense of murder in the first degree committed in the special maritime and territorial jurisdiction of the United States.

Section 1008 would amend 18 U.S.C. 1116(a), which carries punishment as provided under 18 U.S.C. 1111, 1112, and 1113, to increase the maximum penalty for first degree murder of a foreign official or official guest while in the United States to include death, in order to make the penalty similar to the maximum penalty for the murder of a citizen, and makes applicable the bill's new sentencing procedure. This offense was created by the same post-*Furman* legislation discussed below in the analysis of section 1009.

Section 1009 provides for the imposition of the death penalty where death results from an offense of kidnapping. The bill's sentencing procedure will apply in these cases. This is a change consistent with other felony-murder provisions in title 18. This offense had originally contained a death penalty provision, but when the section was revised in other respects in 1972 (Public Law 92-539) the death penalty provision was dropped as superfluous, since the *Furman* decision has invalidated such provisions just a few months before.

Section 1010 applies the new sentencing provisions to section 1716 of title 18, United States Code, dealing with the mailing of injurious articles, where death result.

Section 1011 would for the first time provide the death penalty for an attempt to kill the President of the United States if the attempt results in bodily injury to the President or otherwise comes dangerously close to killing the President and applies the new sentencing provisions to this offense. A memorandum prepared by the Office of Legal Counsel of the Department of Justice discussing the constitutionality of the death penalty for this offense was submitted to the Senate Judiciary Committee during its consideration of S. 114. See *Capital Punishment*, Hearings before the Committee on the Judiciary, United States Senate, 97th Cong., 1st Sess., 54-65 (1981).

Section 1012 applies the new sentencing provisions to section 1992 of title 18, United States Code, dealing with the wrecking of trains, where death results.

Section 1013 eliminates the death penalty as an authorized punishment for rape within the special maritime and territorial jurisdiction of the United States. This is in accord with the the Supreme Court's decision in *Coker* v. *Georgia*, *supra*, which held the death penalty unconstitutionally excessive as a sanction for the offense of rape.

Section 1014 restricts the application of the penalty of death for violations of section 2113 of title 18, United States Code, concerning bank robbery and incidental crimes, to those cases where death results, and provides life imprisonment as the alternative penalty in such cases.

Section 1015 applies the new sentencing procedure to aircraft piracy where death results from the commission or attempted commission of the offense.

Section 1016 amends the analysis of chapter 227 of title 18 of the United States Code to include the new sentencing procedure for capital offenses.

Section 1017 amends section 3566 of title 18, United States Code, dealing with the execution of the death sentence, to prohibit execution of the sentence upon a pregnant woman.

Section 1018 provides for the addition of a new section 3742 to chapter 235 of title 18, United States Code, setting out the rules applicable to appeals from the imposition of the sentence of death. Under this section, a sentence of death imposed in accordance with section 3562A shall be subject to review by the court of appeals upon an appeal of the sentence by the defendant. Notice of appeal must be filed within the time prescribed under 28 U.S.C. 2107. This is done to permit the court of appeals to easily consolidate the sentence appeal and the appeal of the conviction. Explicit approval

of such consolidation is provided. The review in capital cases is given priority over all other cases. In its review, the court of appeals must consider the entire record of the case, the procedures employed in the sentencing hearing, and the findings as to the existence of the aggravating and mitigating factors. The court of appeals must affirm the sentence where it finds that: (1) the sentence of death was not imposed under the influence of passion, prejudice, or any other arbitrary factor; and (2) the information supports the jury's or court's special findings. In all other cases the court is directed to remand the case for reconsideration under the provisions of section 3562A. Finally, the section requires a written statement by the court of appeals of the reasons for its disposition of the review of the sentence.

As was noted in the Judiciary Committee's Report of S. 114, the standard of review does not require the reviewing court to consider the issue of disproportionality in every case:

The standard of review on appeal is substantially similar to that used in the Georgia statute upheld in the *Gregg* case. It is considerably more rigorous than that upheld in *Proffitt*. It differs from the Georgia statute in that it does not contain a statutory requirement that the court of appeals compare this case to similar cases to determine whether the sentence under review is disproportionate. Such comparisons may not always be possible or meaningful. Disproportionality; however, is not excluded as an appropriate concern of the appellate court.

S. Rept. No. 97-143, *supra*, at 26.

Section 1019, amends the analysis of chapter 235 of title 18, United States Code, to include the new section providing for appeal from the sentence of death.

Section 1020 provides that the special procedures for imposition of the death penalty, and for appellate review of that sentence, shall not apply to prosecutions under the Uniform Code of Military Justice.

TITLE XI—LABOR RACKETEERING AMENDMENTS

Section 1101 of the bill is identical to section 2 of S. 336, 98th Cong., 1st Sess., and legislation which passed the Senate in the 97th Congress. Currently, section 302 of the Labor Management Relations Act, 1947 (also known as the Taft-Hartley Act) prohibits, among other things, the buying and selling of labor peace. Violation of this provision, however, is only a misdemeanor subject to a fine of up to $10,000 and imprisonment of not more than one year or both. Section 1101 raises this prohibition to a felony where the money or item involved exceeds $1,000 subject to a fine of not more than $15,000 and imprisonment for not more than five years or both.

In making this change, the drafters were aware of the technical nature of some of the prohibitions found in section 302. Section 302 also regulates employer payments to labor unions, employee pension and welfare plans, and labor-management cooperation committees, as opposed to corrupt payments to individuals. Therefore, violations of the statute based on the failure to comply with restrictions governing such payments in section 302(c) (4) through (9), 29 U.S.C. 186(c)(4)-(9), will require proof that a defendant had knowledge of the factual circumstances surrounding the offense and acted with intent to benefit himself or any other person not permitted to receive such benefit. However, all violations not involving subsection (c) (4) through (9) will require proof of only general intent, as in existing law.

Section 1101 also clarifies jurisdiction of the district courts of the United States in light of the substantive changes made to the Taft-Hartley Act.

Sections 1102 and 1103 are identical to similar proposals in S. 336, 98th Cong., 1st Sess., and in S. 1785, 97th Cong., 2d Sess., as passed by the Senate on July 28, 1982. *See* S. Rep. No. 97-497, 97th Cong., 2d Sess. (July 19, 1982). Bacause the Department of Justice believes that labor unions and employee benefit plans must be free of the control or influence of persons who pose a danger to the integrity of such organizations, as demonstrated by their conviction of significant crimes, the Department supports strengthening sections 504 and 1111 of Title 29, United States Code, and bringing the two companion statutes closer to conformity as to the crimes and positions covered. The bill would amend both sections 1111 and 504 and (1) elevate each statute to a felony with the uniform result that violation of either statute will carry a maximum sentence of imprisonment for five years, $10,000 fine, or both (2) extend the period of maximum prohibited service under each statute from five to ten years after conviction, or after the end of imprisonment, whichever is later and (3) impose the disability of each statute in all cases immediately upon conviction in the trial court from date of judgment, regardless of whether the judgment remains under appeal.

With respect to the issue of whether compensation, which might be otherwise due a convicted person, should be placed in escrow pending the outcome of any such appeal, the bill adopts the Senate Labor Committee's view of the escrow provision (as developed during the 97th Congress), which reflects an equitable balance between the interests of the convicted individual during appeal and interests of the union members and benefit plan participants. *See* S. Rep. No. 97-497, *supra* at 15. Moreover, additional avenues of relief are open to the convicted individual under 29 U.S.C. 504 and 1111 in the form of existing statutory exemptions from disqualification which can result from a full restoration of citizenship rights lost after conviction or action of the U.S. Parole Commission.

The Department of Justice also supports S. 336's enlargement of the list of disabling crimes in each statute to also include certain offenses involving abuse or misuse of the convicted person's labor organization or employee benefit plan position or employment. Sections 1101 and 1103 would also enlarge the class of persons prohibited from service with labor unions and employee benefit plans by reason of their convictions. Especially significant is the elimination of the exception for exclusively clerical and custodial employees currently found in section 504. The clerical exception is sometimes used as a vehicle for the rehiring, with substantial salaries, of convicted individuals who have vacated union office, but who continue to exercise the influence and control formerly enjoyed by virtue of the vacated office. Because a union official who uses his position corruptly may often wield great economic power over his fellow members and the employers with whom his union deals, it is sometimes difficult to prove that a convicted individual is in fact exercising more than exclusively clerical duties.

Section 1104 is identical to S. 336 and provides that, with one exception, the amendments in sections 1102 and 1103 will apply prospectively only to those persons whose judgments of conviction (including imposition of sentence) were entered after the effective date of the amendments. Therefore, those persons whose judgments of conviction were entered prior to the effective date of the amendments will be subject only to the existing disabilities of 29 U.S.C. 504 and 1111 with one exception.

The exception related to those convicted persons who, on the effective date of the amendments, would be disqualified from service by crimes currently enumerated and in positions currently listed in the existing provisions of 29 U.S.C. 504 and 1111, but for the fact that appeals from such convictions are either being pursued or could be properly pursued. Section 1104 requires that those persons within the exception be removed from their respective positions upon the effective date of the amendments.

TITLE XII—CURRENCY TRANSACTION AMENDMENTS

Section 1201 is similar to a provision in S. 2572. It would amend various sections in Subchapter II of Chapter 53 of title 31 of the United States Code to strengthen the ability of law enforcement authorities to stem the illicit flow of currency involved in narcotics trafficking and money laundering schemes often associated with organized crime. The subchapter presently provides for the filing of reports relating to certain large-scale domestic currency transactions, and to the importation or exportation of monetary instruments—generally cash or the equivalent—in large amounts.

Section 1201(a) raises the criminal penalty for a willful violation of the chapter from its present misdemeanor level to a felony with an authorized punishment of five years' imprisonment and a $50,000 fine, or both. This complements the presently authorized civil penalty for persons who fail to report currency importation and exportation. The civil penalty may extend to the entire amount of the monetary instrument for which the report was required. See 31 U.S.C. 5321.

Section 1201(b) would amend section 5316 which presently requires a report to be filed by a person who transports monetary instruments of $5,000 or more into or out of the United States. It would raise the reporting requirement to apply only to those transporting $10,000 in recognition of the fact that legitimate tourists today occasionally carry more than $5,000. Additionally, it would add a reporting requirement for those who attempt to transport the larger amount. Presently there is no attempt to provision. As a result, court decisions have held that as to transporting currency out of the country the statute is not violated until the person has actually departed the United States. At that point federal arrest authority is generally lacking.

Section 1201(c) would authorize a search without a warrant by a customs officer of a vehicle, container, or person entering or leaving the Untied States if the officer has reasonable cause to believe the vehicle, container or person is transporting monetary instruments without having made the required report.

Sections 1201 (d) and (e) would authorize rewards for persons who provide information which leads to a fine, civil penalty, or a substantial forfeiture for a violation of the currency reporting laws.

Section 1201(f) would add currency reporting violations to the definitions of "racketeering activity" listed at 18 U.S.C.

1961(1), thereby making this offense a predicate offense for a RICO prosecution.

TITLE XIII—FEDERAL TORT CLAIMS ACT AMENDMENTS

Title XIII would amend Title 28, United States Code, to include under the Federal Tort Claims Act claims based upon a common law tort or tortious conduct arising under the Constitution of the United States founded upon a theory first enunciated by the Supreme Court in *Bivens* v. *Six Unknown Named Agents of the Bureau of Narcotics*, 403 U.S. 288 (1971). Section 1301 would provide that, in a *Bivens* cause of action, liability would be determined in accordance with Federal law. In non-*Bivens* or common law negligence actions brought under the Federal Tort Claims Act, liability would continue to be determined in accordance with applicable state law. Federal law would be utiliized when the claim is based upon an alleged violation of the Federal Constitution because of the clearly unique federal nature of the claims and the Federal court genesis of the decisional law recognizing such a cause of action.

It is not contemplated that every wrong, or even every unconstitutional act, necessarily will rise to the level of a tort. The title makes no attempt to define the breadth or scope of those rights or constitutional deprivations which are compensable under a *Bivens* theory. Rather, that is left to the developing case law. It is clear, however, that no novel or unprecedented liability is intended to be visited upon the government. For example, a judicial finding that a given statute or regulation was unconstitutional would not give rise to a constitutional tort claim for the actions of the Congress in enacting the statute or the head of an agency or department in issuing the regulation.

All of the provisions of the title are intended to apply to both present and former Federal employees (including members of the uniformed services) sued for acts committed or omissions occurring during the course of their Federal employment.*

Title XIII would also conform the administrative claim jurisdiction to include claims for Constitutional tort violations, in addition to broadening the jurisdiction of the United States to entertain suits for constitutional violations under the Federal Tort Claims Act.

The title would also amend section 2672 of Title 28 by providing that, regardless of amount, all awards, compromises, or settlements made by an agency for tort claims arising under the Constitution would be effected only with prior approval of the Attorney General. To ensure that agencies apply uniform standards in determining whether conduct arises to the level of a constitutional tort, and that meritorious claims of constitutional wrongs are brought to the attention of the proper officials, the amendment to section 2672 would require the Attorney General or his designee to approve any proposed findings of constitutional injury prior to completion of the award, compromise, or settlement.

Also amended would be section 2674 of Title 28, the section of the Federal Tort Claims Act establishing the liability of the United States for the torts of its officers and imployees. The first paragraph of section 2674 would be amended to make clear that it applies only to suits based upon common law as distinguished from constitutional torts. The second paragraph of section 2674 would remain unchanged.

A new subsection would be added to section 2674 which would make the United States liable for constitutional torts committed by its employees. Such liability would be determined by Federal Law. The new paragraph compensates persons successfully asserting constitutional tort claims with liquidated—i.e. minimum—damages of $1,000. In cases involving "continuing" violations, such as warrantless electronic surveillance or unlawful mail openings lasting several days or weeks, such persons would receive liquidated damages of either $1,000 or a sum computed at the rate of $100 for each day of violation up to a total of $15,000, whichever is higher. This provision is drawn from section 2520 of Title 18, United States Code, which establishes a civil cause of action for unlawful interception of wire or oral communications and provides liquidated damages to successful plaintiffs. The primary remedy provided by section 2520 would thus be incorporated into the Federal Tort Claims Act to the extent conduct actionable under section 2520 constitutes tortious conduct under the Constitution.

The liquidated damages provision would cover all constitutional torts not just those torts that may arise from the interception or disclosure of wire or oral communications. A successful plaintiff would be entitled to compensation for all actual damages to the extent they exceed liquidated damages. The term "actual damages" is intended to be synonymous with compensatory damages as that term is understood and applied in tort law.

Section 2674(b)(1), as amended, would provide that the United States shall be entitled to assert as a defense to a suit based on an alleged tort arising under the Constitution all defenses available to an individual employee prior to enactment of the legislation. This would include the absolute or qualified immunity of the employee, including his reasonable belief in the lawfulness of his conduct. In order for the defense of qualified immunity to be applicable, the reasonableness of the conduct and of the actor must be established. Thus the issues posed in litigating that defense go to the heart of the merits of the underlying conduct. The qualified immunity defense tests the actions of the offending official against the standard of reasonableness. If that test is met, it is questionable that a wrong has occurred in the traditional sense of tort law. More importantly, if that test is not at issue, the plaintiff loses his or her day in court concerning the conduct, motivation and wrongfulness of the federal officer or employee.

Litigation of the reasonableness defense also enables the public litigation process to uncover the true offender. He is unmasked because his actions were not reasonable. Not only is he thus exposed and the public informed and the plaintiff vindicated, but disciplinary action is then triggered under the legislation, even if the case or claim is settled. Otherwise, the situation would be one of strict liability for liquidated damages where, for example, every successful litigant of a motion to suppress evidence in a criminal case, even if convicted of a crime, might be entitled to an award of damages. The conduct would never be really examined by the civil trial court and the true wrong-doer would more than likely be camouflaged within the larger group of cases settled or satisfied after judgment because the issues of good faith and reasonableness had been rendered irrelevant by legislation. Additionally, the public treasury would be taxed automatically with a large number of payments of questionable merit.

An additional interest to be protected in keeping the defense is the professional, reputational interest of the employee. It would be unfair not to permit him to defend his actions in the public forum by proving the reasonableness of the conduct.

Finally, on this point, it is noted that the Constitution was designed for flexibility and adaptation and is thus not free of ambiguity. lawyers and judges cannot decide on its meaning or application with unanimity or prescience. It would not appear to be fair to ask street level federal employees to interpret it at their personal peril. The qualified immunity defense is needed to protect the action of an officer of employee who has acted reasonably in the face of an unclear constitutional mandate.

The United States would also be able to assert the absolute immunity of certain officials whose full or partial entitlement to that defense is currently recognized by decisional law. They include members of the Congress, judges, prosecutors, agency officials performing analogous functions and officials in, "those exceptional situations where it is demonstrated that absolute immunity is essential for the conduct of the public business." *Butz* v. *Economou*, 433 U.S. 478 at 507 (1978). These officers, by the very nature of their duties, occasionally are determined in hindsight to have transgressed constitutional limitations in areas of the law which may be uncertain or ill-defined. Moreover, the risk of a debilitating or chilling effect upon the vigorous conduct of the duties of these officers through collateral, public judicial attack or litigative intrusion remains if such suits are permitted even though personal financial insulation is achieved by other portions of this title. The scope of immunity for such persons would be determined by developing case law such as that evidenced in the *Butz* v. *Economou* decision, *supra*. It should be noted that the amendments do not, of course, relieve the plaintiff of the traditional tort burden of proving duty, breach of duty and proximate causation.

The purpose of the exclusive remedy provision of the title is to comprehensively harmonize the system of tort remedies available for a wrong committed by federal employees in the scope of employment. The bill would thus establish the Federal Tort Claims Act as the exclusive means or remedy by which the actions of any federal official may be remedied in tort damages. A plaintiff, whether a private citizen or another federal employee, could not sue the allegedly offending official directly or personally under the common law or a constitutional theory. The title would instead enable the plaintiff to sue the United States or, perhaps, seek such administrative compensation as is available by law. As an example of the last point, there is decisional law to the effect that a government employee on the job may sue his fellow employee even though he has received Federal Employees Compensation Act benefits from the government pursuant to 5 U.S.C. § 8101 *et seq.* cf. *Bates* v. *Harp*, 573 F.2d 930 (6th Cir. 1978). The title would eliminate this type of duplicative suit. *See Carr* v. *United States*, 422 F.2d 1007 (4th Cir. 1970). If a plaintiff obtains compensation through FECA from the government, he could sue neither the government nor a fellow employee for additional compensation.

* Also intended to be covered are such officials as the Board of Regents of the Uniformed Services University of the Health Sciences for actions within the scope of their federal duties.

It is specifically noted that the amendments embodied in the title are not intended in any way to modify or imply Congressional abrogation of the rule of law that has evolved from the case of *Feres* v. *United States*, 340 U.S. 135 (1950). To the contrary, that doctrine is intended to be preserved and endorsed.

Finally, it is noted that the title is not intended to be a vehicle for collateral interdiction or attack upon a Federal agency's regulatory process, action, proceeding or procedures.

TITLE XIV—MISCELLANEOUS VIOLENT CRIME AMENDMENTS

TITLE XIII STRENGTHENS A NUMBER OF PROVISIONS DEALING WITH VIOLENT CRIME AND CREATES A LIMITED NUMBER OF NEW OFFENSES IN THIS AREA

Part A.—Murder-for-hire and violent crimes in aid of racketeering

Section 1401 adds a new section 16 to title 18 to define the term "crime of violence." The term is used in several other sections of the bill such as section 102 proscribing violent crimes committed for money or other consideration, and section 103, prohibiting solicitation to commit a crime of violence. The definition of the term "crime of violence" is taken from the Senate version of the Criminal Code Reform Bill (S. 1630, 97th Cong.) and predecessor bills. The term means an offense that has as an element the use, attempted use, or threatened use of force, or any other offense that is a felony and that involves a substantial risk that physical force may be used against the person or property of another.

Section 1402 proscribes murder and other violent crimes for hire. It is similar to a provision contained in S. 2572 as passed by the Senate in the 97th Congress and would add two new sections, 1952A and 1952B, to title 18 of the United States Code. Although designed primarily for use in cases of murder-for-hire carried out at the orders of organized crime figures, section 1952A would also reach other such calculated murders. Section 1952A follows the format of 18 U.S.C. 1952, interstate travel in aid of racketeering. Section 1952 presently covers murder if the perpetrator traveled in interstate commerce to commit the murder, or used a facility of interstate commerce to comit it, and the crime was in furtherance of an unlawful activity involving offenses relating to gambling, untaxed liquor, narcotics, prostitution, extortion, bribery, or arson.

Section 1952A would reach the travel in interstate or foreign commerce or the use of the mails or a facility in interstate or foreign commerce (such as a telephone if used for an interstate call) with the intent that a murder be committed in violation of state or Federal law. The murder must be planned or carried out as consideration for the receipt of something of pecuniary value or a promise or agreement to pay something of pecuniary value. Both the person who ordered the murder and the "hit-man" would be covered. If the victim is killed the punishment can extend to life imprisonment and a $50,000 fine but lesser punishments are provided if the planned murder did not take place or the attempt resulted only in an injury to the victim.

Section 1952B is designed to deal with contract murders and other violent crimes by organized crime figures which do not involve interstate travel or other interstate facilities or are committed not for money but rather as a part of membership in a criminal organization. This section proscribes murder, kidnaping, maiming, serious assaults and threats of violence committed as consideration for payment or a promise to pay anything of pecuniary value from an "enterprise" engaged in "racketeering activities." "Racketeering activity" is defined as set forth in the RICO statute, section 1961, and "enterprise" is defined as an organization, group or entity whose activities affect interstate commerce. The proposed section also covers murders, kidnapings, maimings, serious assaults and threats of violence committed as a means of gaining entrance into or improving one's status in an enterprise engaged in racketeering activity. Attempts and conspiracy to commit these offenses are also covered. The person who ordered the offenses set forth in the section could also be punished as an aider and abettor under 18 U.S.C. 2.

While section 1952B proscribes murder, kidnaping, maiming, assault with a dangerous weapon, and assault resulting in serious bodily injury in violation of federal or State law, it is intended to apply to these crimes in a generic sense, whether or not a particular State has chosen those precise terms for such crimes. For example, section 120.10 of the Penal code of New York provides that a person is guilty of assault in the first degree when "(1) with intent to cause serious physical injury to another person, he causes such injury of such person or to a third person by means of a deadly weapon or a dangerous instrument; or (2) with intent to disfigure another person seriously and permanently, or destroy, amputate, or disable permanently a member or organ of his body, he causes such injury to such or to a third person . . ." A person who committed such an offense in New York would violate the proposed new section if his actions were for payment of anything of pecuniary value from an organization engaged in racketeering activity or for advancement in such an organization.

Part B.—Solicitation to commit a crime of violence

Section 1403 adds a new section 373 to title 18 of the United States Code, to proscribe the offense of solicitation to commit a crime of violence. This section is of principal utility in a situation where a person makes a serious effort to induce another to engage in activity constituting a crime of violence but is unsuccessful in doing so. The solicitor is clearly a dangerous person and his act merits criminal sanctions. Yet at present there is no federal law that prohibits solicitation generally, although a solicitation offense was included in S. 2572 as passed by the Senate in the 97th Congress and in S. 1630 (97th Cong.), the proposed federal criminal code reform bill. See S. Rept. No. 97-307, pages 179-186.

Only solicitation to commit a crime of violence is here covered. "Crime of violence" is defined, in a new section 16 to be added to title 18, as a crime that has as an element the use or attempted use of physical force against another's person or property, or any felony that involves a substantial risk that physical force will be so used. Thus, although the new offense rests primarily on words of instigation to crime, what is involved is legitimately proscribable criminal activity, not advocacy of ideas which is protected by the First Amendment right of free speech.

Part C.—Felony murder

Section 1404 expands the definition of felony murder in 18 U.S.C. 1111 and is identical to a provision in S. 2572 as passed by the Senate in the last Congress. Presently premeditated murder is murder in the first degree. Under common law, a murder committed during a common law felony was held to be committed with a sufficient degree of malice to warrant punishment as first degree murder, but section 1111 only applies the felony murder doctrine to killings committed during an actual or attempted arson, rape, burglary, or robbery. The amendment would expand the list of underlying offenses by adding escape, murder—for example if the defendant acts in the heat of passion in an attempt to kill A but instead kills B—kidnaping, treason, espionage, and sabotage since these crimes also pose as great, if not more, danger to human life, as the four presently listed.

Pard D.—Mandatory penalty for firearm use during violent crimes

Section 1405 provides for a mandatory sentence of imprisonment for a determinate period of time for using or carrying a firearm in a federal crime of violence. This section is similar to one included in S. 2572 as passed by the Senate in the 97th Congress and carries out one of the recommendations of the Attorney General's Task Force on Violent Crime. This section amends present section 924(c) of title 18 which attempts to provide for a mandatory minimum sentence, but is drafted in such a way that a person convicted of a violation may still be given a suspended sentence or placed on probation for his first violation. Moreover, present section 924(c) is ambiguous as to whether the sentence for a first violation may be made to run concurrently with that for the underlying offense. In addition, even if a person is sentenced to imprisonment under section 924(c), the normal parole eligibility rules apply. Section 1405 eliminates the possibility of a suspended or concurrent sentence, probation, and parole. A person convicted of using or carrying a firearm in relation to a crime of violence would be sentenced to imprisonment for five years for his first conviction and ten years for a subsequent conviction.

Part E.—Armor-piercing bullets

Section 1406 adds a new section 929 to title 18 to provide for a mandatory term of imprisonment for using armor-piercing handgun ammunition during and in relation to a federal crime of violence. It is identical to a provision in S. 2572 as passed in the last Congress. A mandatory sentence of imprisonment for five years is provided for using or carrying a handgun loaded with ammunition which would, if fired from the handgun, pierce the type of body armor commonly worn by police officers. A person convicted of a violation of this section could not be given a suspended or concurrent sentence or placed on probation and he would not be eligible for parole.

It should be noted that the mandatory punishment for the use of the armor-piercing ammunition under section 929 is in addition to the mandatory punishment for the use or carrying of the firearm under the amended section 924. Thus a person who robbed a bank with a handgun loaded with armor-piercing bullets would, if charged with and convicted of a violation of 18 U.S.C. 924 and 929, be sentenced to a mandatory term of imprisonment for ten years—five years for carrying the gun and five for the bullets—in addition to any punishment for the underlying bank robbery offense. This cumulative mandatory punishment for firearms and bullets is intended to serve a

clear notice on criminals that they face substantial jail time for their use and to persuade them to leave firearms and particularly dangerous bullets at home when they are choosing weapons.

Part F.—Kidnaping of Federal officials

Section 1407 proscribes the kidnaping of a federal officer in the performance of his duties. It is identical to a provision in S. 2572 as passed by the Senate in the 97th Congress and amends the present kidnaping statute, 18 U.S.C. 1201, to cover the abduction of a federal officer listed in 18 U.S.C. 1114 if the crime is committed while the victim is engaged in his official duties or on account of his official duties. Presently only murder and assault on these persons are federal offenses and kidnaping would not be covered unless the victim happened to be transported in interstate commerce of the offense was committed in an area of special federal jurisdiction. The amendment also complements the amendments contained in the next section of the bill which proscribes the murder, assault, or kidnaping of family members of federal law enforcement officers and high level federal officials if the offense is committed to impede or retaliate against the federal officer or employee because of his official duties.

Part G.—Crimes against family members of Federal officials

Section 1408 adds a new section 115 to title 18 to make it a federal offense to commit or threaten to commit a murder, kidnaping or assault upon a close relative of a federal judge, federal law enforcement officer, or certain federal officials if the purpose of the attack is to impede, interfere with, intimidate, or retaliate against the federal employee on account of his official duties. Since it would be an element of the new offense that the act was done because of the official duties of the employee, the section represents no real expansion of federal jurisdiction. The scope of the offense is linked to acts done with a purpose to obstruct or retaliate against federal officials because of their job-related responsibilities—acts for which a State or local jurisdiction might lack the necessary degree of interest to vindicate the crime and for which federal jurisdiction is thus appropriate.

The subjects of the new offense are family members—spouse, parent, brother, sister, and other relatives of the official who actually live in his household—of those government employees and officers most likely to be subjected to attacks by terrorists or other criminals in an attempt to interfere with vital functions of the government and the administration of justice, namely law enforcement officers, the President, Vice President, Members of Congress, Cabinet officers, federal judges including Supreme Court Justices, and persons protected by 18 U.S.C. 1114. In part, this section complements the provisions of P.L. 97-285, enacted in 1982 to protect Supreme Court Justices and cabinet officers themselves by making attack on their persons federal crimes.

Part H.—Amendment of the Major Crimes Act

Section 1409 amends the Major Crimes Act, 18 U.S.C. 1153, which provides for federal jurisdiction over the serious interpersonal crimes listed therein if committed by an Indian in the Indian country. Presently 14 felony offenses are covered. The section would be amended to add the offenses of involuntary sodomy and maiming and to cover larceny only if the property involved is worth in excess of $100.00. A crime committed by an Indian against the person or property of another Indian may only be prosecuted in federal court if it is listed in section 1153. Other such interpersonal crimes must be prosecuted in tribal court where the maximum punishment extends to six months' imprisonment and a $500.00 fine. Such punishment is not sufficient for the offenses of maiming, traditionally regarded as among the most serious of all crimes, or for involuntary sodomy, which frequently involves a minor child as the victim. Conversely, tribal courts are fully capable of handling petty larceny of amounts less than $100.00 and there is no need to continue federal court jurisdiction over such an offense.

Part I.—Destruction of motor vehicles

Section 1410 deals with the destruction of motor vehicles and is also identical to a provision contained in S. 2572. It amends the definition of "motor vehicle" in 18 U.S.C. 31, the section that defines the term as it is applied in 18 U.S.C. 33 which proscribes the destruction of motor vehicles. Presently "motor vehicle" means any device used for commercial purposes on the highways for the transportation of passengers or passengers and property. It does not include vehicles used to transport only cargo. Another statute which does cover the actual or attempted destruction of cargo moving in interstate commerce, 15 U.S.C. 1281, is restricted to the destruction of the cargo itself. Thus, there is no federal coverage of a sniper who shoots at a cargo truck since the truck carries only cargo which usually is not destroyed. The amendment would close this gap by expanding the definition of "motor vehicle" to include a device used for carrying "passengers and property, or property or cargo."

Part J.—Destruction of energy facilities

Section 1411 is also similar to a provision in S. 2572. It adds a new section 1365 to title 18 to make it a federal crime to knowingly and willfully damage the property of an energy producting facility in an amount that exceeds $100,000 or to cause any amount of damage which results in a significant interruption or impairment of the functions of the facility. The penalty for this offense may extend to ten years' imprisonment and a $50,000 fine. A punishment of up to five years' imprisonment and a $25,000 fine is provided for the lesser included offense of knowingly and willfully damaging the property of an energy facility in an amount that exceeds $5,000. The term "energy facility" is defined to include all types of electrical generating plants, and other facilities involved in the distribution, storage or transmission of electricity or other types of energy. It does not, however, include a facility subject to the jurisdiction of the Nuclear Regulatory Commission since the damaging of such facilities is already proscribed by 42 U.S.C. 2284.

Part K.—Assaults on Federal officers

Section 1412 makes three amendments to section 1114 of title 18 which proscribes the killing of designated federal officers and employees while engaged in, or on account of the performance of their official duties. It is similar to section 322 of H.R. 3963 as passed, a portion of the bill which the Administration favored. First, section 1114 is amended to cover attempted murders. Second, its coverage is expanded to include certain officers in the Intelligence Community. Third, authority is given to the Attorney General to designate by regulation other classes of federal officers and employees for coverage under section 1114, an approach similar to that in several of the criminal code revision bills. This would provide a workable mechanism for extending federal protection to miscellaneous classes of persons as changing needs dictate. 18 U.S.C. 1114 is also used to define the scope of coverage of 18 U.S.C. 111 which sets out the offense of assault against persons "designated in section 1114." Thus, by virtue of section 111's cross reference to section 1114 the second and third of the above amendments also operate to modify the scope of the assault statute.

Part L.—Escape from custody resulting from civil commitment

Section 1413 is designed to make it an offense to escape from confinement ordered pursuant to a court under the provisions of 28 U.S.C. 1826. That statute empowers a judge to order confined any person who, without just cause, refuses to testify before a federal court or grand jury. Such confinement may extend for the life of the court proceeding or the term of the grand jury. Under present law persons who esacpe or attempt to escape from confinement as a result of such an order cannot be prosecuted. Moreover, such persons are on occasions already serving federal prison terms when they refuse to testify. If a federal prisoner is ordered civilly committed the criminal sentence is suspended for the duration of the civil contempt sentence to ensure that the confinement is in addition to and extends the time of the confinement for the criminal sentence. See 28 CFR 522.11(d). This in effect gives the prisoner a "free shot" at making an escape while confined pursuant to 28 U.S.C. 1826. Since such confinement is often in a local jail which may not be as secure as a federal prison, the incentive to attempt an escape can be great. Recently an unsuccessful attempt was made to prosecute under 18 U.S.C. 751 two persons in Arizona confined in a local correctional center pursuant to 28 U.S.C. 1826, but the court ruled that the section was inapplicable. Section 1315 of the bill would eliminate this loophole by making 18 U.S.C. 751, which prohibits escapes and attempted escapes, and 18 U.S.C. 752, which prohibits rescuing a prisoner or aiding his escape, specifically applicable to persons confined pursuant to 28 U.S.C. 1826. It is patterned after a provision in 28 U.S.C. 2902 which incorporates the provisions of 18 U.S.C. 751 and 752 for escapes by persons who have been civilly committed to the custody of the Surgeon General to determine if they are drug addicts.

Part M.—Extradition reform

Chapter 209 of current title 18 of the United States Code (18 U.S.C. 3181-3195) entitled "Extradition" covers both interstate rendition and international extradition. This title would retain chapter 209 for interstate rendition provisions and create a new chapter 210 for international extradition laws.

International extradition is the process by which a person located in one nation is arrested and turned over to another nation for criminal trial or punishment. The new chapter 210 consists of eight sections. Sections 3191 through 3196 deal primarily with requests made to the United States by foreign governments and set forth the procedure for determining whether a person located in this country should be delivered up to a foreign power. Section 3197 deals with the return of a fugitive extradited to the United States from a foreign nation. Section 3198 contains definitions and a provision on pay-

ment of the expenses incident to extradition. The proposed chapter replaces 18 U.S.C. 3181 and 3184-3195. Other Federal statutes on extradition, which include 18 U.S.C. 751, 752, and 1502, are not affected by this legislation.

The provisions of the proposed chapter substantially alter the present statutory law for several reasons.

First, many of the statutes on extradition have been in force without major alteration since 1882. Several have not been significantly changed since 1848. These antiquated provisions have proven increasingly inadequate in dealing with the modern problems in the international control of crime.

Second there has been a marked increase in the number of extradition requests received and made by the United States in recent years. Those requests have revealed problems in the extradition process. Moreover, the requests have generated a number of published court decisions on constitutional and legal issues involved in international extradition. The judicial interpretation of the law contained in these court decisions fills important gaps in the present statutory law, and should be reflected in any new extradition legislation.

Third, the United States has concluded new extradition treaties with many foreign countries in the past few years. The language of the present law is not adequate to fully implement some of the provisions of the new treaties, and therefore impedes fulfillment by the United States of its international obligations.

In summary, the following significant improvements in international extradition are accomplished by this title:

(1) Permits the United States to secure a warrant for the arrest of a foreign fugitive even though the fugitive's whereabouts in the United States is unknown or even if he is not in the United States. This warrant can then be entered into the FBI's NCIC system so that if the fugitive attempts to enter the United States or is apprehended in the United States for other reasons, he can be identified and arrested immediately for extradition to the requesting country.

(2) Provides a statutory procedure for waiver of extradition. This feature protects a fugitive's rights while facilitating his removal to the requesting country in instances in which he is willing to voluntarily go to the requesting country without a formal extradition hearing.

(3) Permits both a fugitive and the United States on behalf of the requesting country to directly appeal adverse decisions by an extradition court. Under present law a fugitive can only attack an adverse decision through habeas corpus. The only option available to the United States acting on behalf of a requesting country is to refile the extradition complaint with another magistrate.[1]

(4) Clarifies the applicable standards for bail at all stages of an extradition case by adopting standards largely derived from Federal court cases.

(5) Establishes clear statutory procedures and standards applicable to all critical phases of the handling and litigation of a foreign extradition request.

(6) Sets forth specific procedures for determination of applicability of political offense exception to extradition and removes from that exception violent acts committed by terrorists and others and offenses involving international drug trafficking.

(7) Limits access to United States courts in connection with foreign extradition requests to cases initiated by the Attorney General.

(8) Permits use of a summons instead of a warrant of arrest in appropriate cases.

(9) Codifies the rights of the fugitive to legal representation and to a speedy determination of an extradition request.

(10) Simplifies and rationalizes the procedures for authenticating documents for use in extradition proceedings.

(11) Facilitates temporary extradition of fugitives to the United States.

TITLE XV—SERIOUS NONVIOLENT OFFENSES

Title XV deals with serious, but not necessarily violent crimes.

Part A—Product tampering

Section 1501 establishes federal criminal sanctions for tampering with food, drugs, and cosmetics such as recently occurred in the case of the poisoned Tylenol. Subsection (a) amends title 18 of the United States Code to proscribe the tampering with any food, drug, or cosmetic which is in, or which affects interstate commerce, with the intent to kill, injure, or otherwise endanger any person. The phrase "which affects commerce" is designed to be very broad and would allow for federal jurisdiction, for example, over tampering with a bottle of aspirin made in the state of the tampering if the manufacturer also shipped to out-of-state distributors.

Subsection (b) sets out the penalty for the new offense. Imprisonment for up to ten years and a fine of up to $10,000 is provided for the mere act of tampering with the requisite intent. If injury actually results, the authorized punishment in increased to twenty year's imprisonment and a $20,000 fine and if death results the punishment can extend to life imprisonment and a $100,000 fine. It is specifically privided that the Food and Drug Administration; in addition to the FBI, may investigate a violation of the new provision.

Part B—Child pornography

Section 1502 is similar to a provision in S. 2572. It amends the federal child pornography laws, 18 U.S.C. 2252 and 2253, to facilitate the prosecution of purveyors of material depicting children engaging in sexually explicit conduct. In *New York v. Ferber*, —— U.S. ——, 102 S. Ct. 3348, July 2, 1982, the Supreme Court held that material showing children engaging in such conduct could be banned even though the material might not meet the legal definition of obscenity as set out in *Miller v. California*, 413 U.S. 15 (1973). (In *Miller* the Court held that while obscene material could be regulated, obscenity was limited to works which, taken as a whole appeal to prurient interests, which portray sexual conduct in a patently offensive way, and which do not have serious literary, artistic, political or scientific value.) *Ferber* recognized that where children were involved the state had a much greater interest in regulating pornography. Accordingly, section 1502 of the bill amends section 2252 to cover the transportation, shipment, receipt, sale or distribution of material visually depicting minors engaging in sexually explicit conduct whether or not the conduct is legally obscene, as the law presently requires. However, if the material in question consists only of a written description of minors engaging in sexually explicit conduct, the obscenity requirement of 18 U.S.C. 2252 would remain applicable. Treating non-visual depictions in this manner accommodates the constitutional concerns raised in *Ferber* regarding such works. 102 S. Ct. at 3358. In addition, the section eliminates the present requirement that the material must be sold, or produced for pecuniary profit. Experience has shown that a certain amount of this type of material is produced and traded by "collectors" rather than sold, but the harm to the children involved is, of course, the same regardless of the motive.

Part C—Warning the Subject of a Search

Section 1503 provides for a new type of obstruction of justice offense. Under section 2232 of title 18 it is a misdemeanor to impair an authorized search by a law enforcement officer, such as a search in the execution of a warrant, by destroying or removing the property that is the object of the search. It is not, however, an offense to warn a person that his property is about to be the target of a search so that he can himself remove or destroy it. Recently a local policeman attempted to warn a narcotics dealer that a federal warrant for his house had been issued. This reprehensible conduct could not be successfully prosecuted. Section 1503 fills this gap by adding a new paragraph to section 2322 to prohibit giving notice, or attempting to give notice of a search in order to prevent the authorized seizing of any property.

Part D—Program Fraud and Bribery

Section 1504 covers fraud or bribery concerning a program of a private organization or of a state or local government that receives federal financial assistance. It is based on a similar provision in S. 1630. Presently 18 U.S.C. 665 makes theft or embezzlement by an officer or employee of an agency receiving assistance under the Comprehensive Employment and Training Act (CETA) a federal offense. There is no statute of general applicability in this area and thefts from other organizations receiving federal financial assistance can only be prosecuted under 18 U.S.C. 641, theft of federal funds or other federal property. Prosecutions under this statute are severely limited inasmuch as it is necessary to prove that the money stolen is property of the United States. Frequently title has passed to the state or local government before it is stolen, or the funds are so commingled by the state or municipality that the federal character of the funds cannot be shown. Section 1504 is designed to remedy this situation and protect federal assistance programs from theft and fraud.

The section adds a new section 666 to title 18. Section 666(a) makes it a federal crime for an officer, employee, or agent of a private organization or of a state or local government that receives over $10,000 in federal benefits in one year pursuant to a grant, subsidy or guarantee program to steal, embezzle, obtain by fraud or otherwise improperly divert property valued at $5,000 or more.

Section 666(b) covers agents, officers, and employees of such organizations or governments who seek or accept a bribe or commission in connection with their conduct in a matter involving $5,000 or more, and section 666(c) covers the offeror of the bribe or commission. The punishment for a violation of the section is appropriately severe in light of the high minimum amount of property— $5,000—that must be involved for federal jurisdiction to attach. It extends to ten years' imprisonment, and a fine of up to $100,000, or an amount equal to twice that which was the target of the offense, whichever is greater.

[1] United States v. Mackin—F.2d—(2d Cir 1981).

Part E—Counterfeiting of State and Corporate Securities and Forging of Endorsements or Signatures on United States Securities

Section 1505 makes it a federal crime to counterfeit or forge state or corporate securities. It is similar to a provision in S. 1630. While this is an extension of federal jurisdiction, the need for such an extension was amply demonstrated several years ago in hearings held before the Senate Permanent Subcommittee on Investigations concerning organized crime and the theft and counterfeiting of corporate securities. (See *Hearings on Organized Crime; Securities Thefts and Frauds*, before the Permanent Subcommittee on Investigations, Committee on Government Operations, United States Senate, 93rd Cong., 1st Sess., Part 1, pp. 123-126). Present law is inadequate to combat widespread fraud schemes involving the use of counterfeit corporate and state securities. The use of these securities as collateral for loans and for other illegal purposes has a serious detrimental effect on interstate commerce. Moreover, these crimes invariably reach beyond State borders and thus local officials are generally unable to cope with them.

Section 1505 adds a new section 510 to title 18. Section 510 (a) makes it a federal crime to make, utter, or possess a counterfeited or forged State, municipal, or corporate security. Section 510(b) proscribes making, receiving, possessing, selling or otherwise transferring an implement designed or particularly suited for making or counterfeiting such a security. Section 510(c) contains definitions for the section. The term "security" is broadly defined to include, inter alia, stocks, bonds, notes, checks, warehouse receipts, bills of lading and letters of credit.

Section 1505 would add a new section 511 to title 18, United States Code, to make it a felony: (1) with intent to defraud, to forge an endorsement or signature on a Treasury check, bond, or other security of the United States; or (2) to pass or attempt to pass such an obligation with intent to defraud. The bill would also make it a felony to exchange or receive, with knowledge of its false character, an obligation of the United States that has been stolen or bears a forged endorsement. The penalty would be a fine of not more than $250.000 or imprisonment for not more than 10 years, or both. However, if the amount of the obligation involved did not exceed $500, the penalty would be a fine of not more than $1,000 or imprisoment not to exceed one year, or both.

At present, violations for forgery of endorsement or fraudulent negotiation of a Treasury check or bond or other security of the United States are prosecuted under title 18, section 495. That section was not, however, drafted to deal specifically with government obligations, but instead expressly covers deeds, powers of attorney, and contracts. The basis for using section 495 to prosecute violations involving government obligations is the provision therein which penalizes the forgery or altering of "other writings." Sections 471 and 472 of title 18 are concerned with forgery and uttering forged obligations or securities of the United States. However, these sections apply to forgery of the security, not forgery of endorsements.

Because section 495 was not drafted to deal with Treasury checks or bonds or other obligations of the United States, many of the variations of offenses of offenses involved with the forgery of obligations are not included under section 495. For example, it is currently possible for a thief to steal a Treasury check endorsed by a payee, endorse his own name and obtain the proceeds and not violate section 495. In addition, it is possible for a thief to steal one or more government checks or bonds from a rightful owner and sell or exchange them to a middle man and not violate section 495. In some cases no other federal statute would cover acts of this kind.

The proposal would make it possible to prosecute both forgeries of endorsement and related crimes involving obligations of the United States under one section. It would greatly assist the Secret Service, which has the primary jurisdiction to investigate crimes involving obligations and securities of the United States and which would have jurisdiction with regard to new section 511 by virtue of the amendment of 18 U.S.C. 3056(a). New section 511 is not intended to redistribute investigative responsibilities in any way. Specifically, in this regard, the United States Postal Service would retain primary jurisdicition to investigate thefts from the mails.

Part F—Receipt of Stolen Bank Property

Section 1506 deals with the receipt of stolen bank property. 18 U.S.C. 2113, proscribing bank robbery and bank burglary, prohibits in subsection (c) the receipt of property with the knowledge that it was stolen from a bank. Cases involving prosecutors under this subsection have held that the government must show that the defendant had knowledge that the property he received was stolen from a bank, not merely that he knew that it was stolen. See *United States v. Tavoularis*, 515 F.2d 1070 (2nd Cir. 1975), where a conviction was lost in spite of overwhelming evidence that the defendant knew he was receiving stolen property. Section 1506 revises 18 U.S.C. 2113(c) to eliminate the requirement that the defendant knew the property was stolen from a bank. The government must still prove, however, that the defendant knew the property he was receiving was stolen.

Part G—Bank Bribery

Section 1507 revises and brings up to date the statute dealing with bribery of bank officers. Sections 215 and 216 of title 18 presently cover the receipt of commissions or gifts by bank employees for procuring loans, but they are inadequate, unduly complex, and obsolete in many respects. For example, these sections do not cover bribery of employees of federally insured credit unions, of member banks of the Federal Home Loan Bank System, such as savings and loan associations, or of bank holding companies. Section 1507 is based on a provision in S. 1630, and on S. 1428, introduced in the 93rd Congress. It combines existing sections 215 and 216 to bring up to date the list of covered institutions and to make other needed improvements.

The new Section 215(a) makes it an offense for any officer, director, employee, agent, or attorney of any covered institution to seek, accept, exact, receive, or agree to receive any thing of value from any person other than his financial institution in connection with any business or transaction of his institution. The language is taken from the federal bribery statute, 18 U.S.C. 201. As is the case with that statute, it covers both the direct and indirect seeking and receiving of payments and covers payments to third parties. This represents an expansion of current law which is limited to certain specific transactions. The penalty is increased from one year's imprisonment, as is provided under current law, to five years' imprisonment. Moreover, the maximum authorized fine is increased from $5,000 to an amount equal to three times the amount of the bribe. A misdemeanor penalty of one year's imprisonment and a $1000 fine is provided if the bribe does not exceed $100.00.

Section 215(b) covers persons who offer or promise the bribe of commission to bank employees as proscribed in subsection (a). The penalties are the same as for the recipient.

Section 215(c) lists the covered types of financial institutions and defines the term "bank holding company."

Part H—Bank Fraud

Section 1508 adds a new section 1344 to title 18 to provide for an offense of defrauding financial institutions which are federally chartered or insured. Present law covers the offenses of embezzlement, robbery, larceny, burglary, and false statements directed at these institutions. There is no similar statute generally proscribing bank fraud, and federal prosecution of a fraud directed at a bank may only be undertaken if the government can prove the elements of some other offense, such as mail or wire fraud, or making a false statement to a bank in violation of 18 U.S.C. 1014. The utility of this latter statute has been greatly diminished by the recent decision in *Williams v. United States*, 102 S. Ct. 3088 (1982), that it may no longer be applied to address check kiting, one of the most pervasive forms of bank fraud. While the use of the mail fraud statute, 18 U.S.C. 1341, allowed the successful prosecution of many bank frauds in the past, the 1974 case of *United States v. Maze*. 414 U.S. 395, has reduced this section's usefulness. In *Maze*, the Court held that proof that use of the mails occured in or was caused by a fraudulent scheme was insufficient for conviction under the mail fraud statute. Instead, proof that use of the mails played a significant part in bringing the scheme to fruition would be required. In addition to the problems of proof posed by the *Maze* decision, banks' increasing use of private courier services for collection purposes in lieu of the mails has further limited the instances in which the mail fruad statute may be used to prosecute bank fraud.

The new section 1344 is designed to fill the gaps in present law and provide a straightforward way of preventing bank frauds. It is modeled on the present wire and mail fraud statutes, and proscribes executing or attempting to execute a "scheme or artifice to defraud" a federally chartered or insured financial institution, or to obtain property owned by or under the custody or control of such an institution "by means of false or fraudulent pretenses, representations, or promises." The term "federally chartered or insured financial institution" is defined to include generally banks operating under the laws of the United States or whose accounts are federally insured.

Since the use of bogus or "shell" offshore banks has increasingly become a means of perpetrating major frauds on domestic banks and the considerable delay in collections between domestic and foreign banks makes manipulation of foreign financial transactions an attractive mode of defrauding banks within the united States, it is also intended that the section have extraterritorial application in certain cases.

Part I—Possession of contraband in prison

Section 1509 adds a new section 1793 to title 18 to prohibit the possession of contra-

band articles by federal prison inmates. It is similar to a provision in S. 1630. Present law, section 1791 of title 18, proscribes only the introduction of contraband into or the taking of it from a federal penal institution. The new section 1793(a) covers the making, possessing or receiving of an object by a federal prisoner if the object may be used as a means of facilitating an escape and is possessed contrary to a rule or regulation promulgated by prison officials. The penalty is one year's imprisonment and a $1,000 fine. A greatly increased penalty of ten years' imprisonment and a $10,000 fine is provided in section 1793(b) for possession contrary to prison regulations of a firearm, a weapon or object intended for use as a weapon—e.g. a knife made from a bed post—and certain narcotics.

TITLE XVI—MISCELLANEOUS PROCEDURAL AMENDMENTS

Title XVI of the bill contains several procedural changes designed to facilitate the prosecution of persons who commit violent or other serious crimes.

Part A—Juvenile prosecutions

Sections 1601-1603 make several amendments to chapter 403 of title 18 concerning juvenile delinquency. Similar provisions were contained in S. 2572.

Section 1601 amends section 5031 of title 18 to lower from eighteen to seventeen the age at which an act that would be considered a crime if committed by an adult is instead considered to be only an act of juvenile deliquency.

Section 1602 amends section 5032 of title 18 to provide that the provision relating to deferral of juvenile prosecutions to State authority does not apply to an offense that is a felony if there is such substantial federal interest in the case or in the offense that the exercise of federal jurisdiction is warranted. This amendment to curent law was recommended by the Attorney General's Task Force on Violent Crime. That Task Force Report indicates, at page 83, that it believes that the federal government "should have the opportunity to prosecute those individuals be they adults or juveniles, who violate federal law".

Section 1602 also amends section 5032 to permit adult prosecution of anyone over fourteen who is charged with a crime of violence or an offense described in section 841, 952(a), 955, or 959 of title 21, United States Code, relating to drug trafficking. Under current law, a person may be charged as an adult only if he is over 16 and is charged with an offense punishable by ten years or more in prison, life imprisonment, or death.

Section 1603 amends section 5038 of title 18 to permit the fingerprinting and photographing of a juvenile found guilty of an act of juvenile delinquency that, if committed by an adult, would be a felony crime of violence or an offense relating to drug trafficking under section 841, 952(a), 955, or 959 of title 21. under current law, the name and picture of a juvenile cannot be released in connection with any juvenile delinquency proceeding. The result is that frequently an adult with an extensive record will be sentenced as a first offender because the court is not familiar with his juvenile criminal history. This amendment of section 5038 is consistent with recommendation 58 of the Attorney General's Task Force on Violent Crime.

Part B—Wiretap amendments

Section 1604 amends section 2518(7) of title 18 (part of title III of the Omnibus Crime Control and Safe Streets Act of 1968) to provide for emergency interceptions of wire or oral communications in life endangering situations. A similar provision was included in S. 2572 and in S. 1640, 97th Cong., as passed by the Senate on March 25, 1982.

Generally, Title III requires prior court authorization of an interception of communications. However, 18 U.S.C. 2518(7) permits an emergency interception without such prior authorization under two types of emergency situations when there is not time to obtain a court order: those involving either "conspiratorial activities threatening the national security" or "conspiratorial activities characteristic of organized crime." The absence of similar specific authority to intercept communications in emergency situations in which there is an imminent threat to human life has been of grave concern of law enforcement authorities. Section 1604 would amend 18 U.S.C. 2518(7) to provide such authority.

As noted in the Senate Report on S. 1640 (S. Rept. 97-139, 97th Cong., 2d Sess., 1982) there have been situations where the need for such emergency authority was necessary and these situations may, unfortunately, arise again. For example, terrorists or other felons, while holding hostages, may use an available telephone to arrange with associates a strategy to force action on their demands or a plan of escape. Similarly, there may be situations in which plans for an imminent murder are learned, but the location or identity of the victim is unknown or law enforcement authorities are otherwise unable to take measures to assure his safety. In such situations, the interception of communications may be necessary to protect the lives of the hostages or victims, yet time for obtaining a court order may not be available.

Section 1604 also amends section 2516 of title 18 to add the offenses of wire fraud, child pornography, and violations of the currency transaction reporting statute (31 U.S.C. 5322) to the list of offenses for which a court ordered interception of a wire or oral communication is authorized, and to ensure that such an interception may be used in the investigation of the new witness tampering statutes, 18 U.S.C. 1512 and 1513, as added by P.L. 97-291.

Part C—Venue for threat offenses

Section 1605 is based on a provision in S. 1630; it slightly modifies the present venue statute, 18 U.S.C. 3237 and deletes section 3239. Section 3237 provides that an offense involving the use of the mails or transportation in interstate or foreign commerce is a continuing offense and, except as provided in another statute, may be prosecuted in any district from, through, or into which the commerce or mail matter moves. One such other statute is 18 U.S.C. 3239 which provides that with respect to the offense of telephoning or mailing threats, venue is only in the district where the threat was first placed in motion, such as the district in which the threatening letter was posted or in which the call was made. It is difficult to discern any reason to treat venue in threat cases differently from other continuing offenses, as a matter of right. For example, there appears to be no reason to mandate that a defendant who mailed a threat be tried where he mailed it but allow the government to prosecute a defendant who mailed an explosive in the district of mailing, the district of receipt, or any district through which it passed. Hence, section 3239 is repealed.

In addition, section 3237 is reworded to make it clear that the importation of an object or person into the United States is a continuing offense and may be prosecuted in any district from, through, or into which the person or object moves. Cases such as *United States v. Lember*, 319 F. Supp. 249 (E.D. VA., 1970) have limited venue in importation cases to the district of entry rather than of final destination. This has created difficulties as the witnesses are usually located in the place of destination.

Part D—Injunctions against fraud

Section 1606 adds a new section 1345 to title 18 to allow the Attorney General to initiate a civil proceeding in a district court of the United States to enjoin a violation of chapter 63, dealing with mail and wire fraud and, as amended by section 207 of this bill, with bank fraud. A similar provision was contained in S. 1630. The Attorney General has discretion to determine whether he has received sufficient evidence to initiate the action. The section is designed to enable the Attorney General to seek the injunction prior to the commencement of a criminal action—thereby bringing a speedy halt to the fraud scheme—but he can initiate the action at any time. The Federal Rules of Civil Procedure would apply except that if an indictment is returned the more restrictive discovery of rules of the Federal Rules of Criminal Procedure would apply.

Part E—Government appeal of new trial orders

Section 1607 deals with the rights of the government to appeal a decision of the district court to grant a new trial to a convicted defendant. It is similar to a provision in S. 1630. Presently 18 U.S.C. 3731 allows an appeal by the government from a decision, judgment, or order of a district court dismissing an indictment or information except where prohibited by the Double Jeopardy clause. There is no provision for a government appeal of an order granting a new trial after a verdict or judgment, although such an appeal would not violate the Double Jeopardy clause. If the government prevails on appeal the original verdict or judgment can simply be reinstated. This is a far better way to correct an erroneous decision than a costly, time-consuming new trial, the only alternative under present law. Accordingly, section 3731 is amended to allow a government appeal after any decision, judgment or order in a district court granting a new trial.

Part F—Witness security program improvements

Section 1608 of the bill makes several improvements in the Witness Protection Program by adding a new chapter 224 (sections 3521-3523) to title 18. Section 3521 expands the authority of the Attorney General to provide witness protection in cases other than those involving organized crime and broadens the definition of witness to include potential witnesses, victims, and their families.

Section 3521 also gives the Attorney General wider discretion to order the kinds of protective measures which he deems necessary than are authorized under present law. The Attorney General may provide official documents to enable a protected person to establish a new identity. He may provide housing and transportation of household goods to a new location if a protected person must be relocated. The Attorney General may also provide tax-free subsistence payments in a sum established pursuant to regulations for such time as he deems necessary. The Attorney General is also author-

ized to assist the relocated person in obtaining employment. Finally, the Attorney General is authorized, in his discretion, to refuse to disclose to anyone the identity, location, or other matter concerning a protected person. In ruling on a possible disclosure, he is authorized to consider the danger that would result to a relocated or protected person, the detriment a disclosure would cause to the general effectiveness of the program, and, conversely, the possible benefit to the public that might result from a disclosure.

Subsection 3521(c) deals with the occasional problem of a citizen who has a civil cause of action against a protected person but who cannot litigate because he is unable to learn of the person's new identity or location. The subsection seeks a balance between the usual policy of nondisclosure and the right of an innocent person to litigate for civil damages. The Attorney General is authorized to accept service or process on a person and is required to make a reasonable effort to serve the process on him at his last known address. If a judgment is entered, the Attorney General must determine if the relocated person has made reasonable efforts to comply with its provisions. If the Attorney General concludes that such reasonable efforts at compliance have not been made, he is granted discretion to reveal to the plaintiff the defendant's location, after giving appropriate weight to the danger to the protected person that will be caused.

Section 3522 provides that the provision of transportation, housing, subsistence, or other aid to a person under section 3521 may be conditioned on reimbursement of expenses in whole or in part to the United States by a state or local government.

Section 3523 provides general definitions for the chapter.

Part G—Clarification of Change of Venue for Certain Tax Offenses

Part G amends 18 U.S.C. 3237(b), a provision relating to the right of a defendant to obtain a change of venue in a prosecution for a tax offense described in 26 U.S.C. 7201 and 7206 (1), (2) and (5) and which involves use of the mails, where the defendant does not reside in the district of prosecution. The purpose of the amendment is to clarify the meaning of language that has been the subject of divergent interpretations by the courts.

Criminal prosecutions of persons who promote abusive tax shelters and other types of illegal tax schemes are typically brought in the jurisdiction where the scheme was packaged. Particularly in the larger cases, some of the defendants may reside in other jurisdictions. The Court of Appeals for the Ninth Circuit recently held in *United States v. United States District Court (Solomon)*, 693 F. 2d 68 (1982) that where the mails are used as part of the offense—such as to file tax returns—defendants who did not reside in the district of prosecution were entitled to have the substantive tax courts transferred to their district of residence under 18 U.S.C. 3237(b). The court rejected the contrary holding of the Second Circuit *(In re United States (Clemente)*, 608 F. 2d 76 (1979), cert. denied, 466 U.S. 908 (1980)), which found that a defendant was entitled to have the case transferred only when the prosecution relief upon use of the mails to lay venue in a district other than where the defendant resided.

The decision of the Ninth Circuit carries the prospect of two potentially lengthy trials instead of one. While the opinion recognizes the implications of the holding in terms of wasted judicial and prosecutive resources, the court felt that its decision was compelled by the language of the statute and suggested that if the results was disturbing, redress should be sought from the Congress.

Aside from the waste of resources, the current situation has also created considerable confusion. Recently, in a prosecution of a coal shelter tax scheme involving four defendants, the District Court for the Southern District of West Virginia transferred the portion of the case involving two defendants to the Eastern District of New York under Section 3237(b) on the basis of reasoning similar to that of the *Solomon* decision. The District Court for the Southern District of New York, however, relying on *Clemente* refused to docket the case and returned it to the Southern District of West Virginia which refused to redocket the case. The result of the conflicting positions taken by the West Virginia and New York courts is that the defendants in question cannot be tried in either district until this impasse is resolved.

Enactment of the amendments to Section 3237(b) would expressly preclude the unnecessary splintering of prosecutions in which multiple defendants are appropriately joined, would conserve judicial and prosecutive resources and would eliminate unseemly situations in which two courts by reason of differing interpretations of Section 3237(b) refuse to permit prosecution of a defendant in their respective districts.

To the Congress of the United States:

I am transmitting to the Congress today a legislative proposal entitled, the "Comprehensive Crime Control Act of 1983."

As you know, my Administration has made major efforts to fight crime in America. Soon after taking office, I directed the Attorney General and other Federal law enforcement officials to improve the efficiency and coordination of Federal law enforcement, with special emphasis on violent and drug-related crime. This has been accomplished largely through the work of the Cabinet Council on Legal Policy, chaired by the Attorney General, as well as through leadership provided by the White House Office on Drug Abuse Policy. As a result of these efforts, Federal law enforcement is better coordinated than ever before.

Of even greater importance, this Administration is attacking crime at its source by providing increased resources to Federal law enforcement agencies for apprehension, conviction, and incarceration. Last October, for example, I announced a national strategy to cripple organized crime and put drug traffickers out of business. We established twelve interagency task forces in key areas of the country—modeled in part on the Task Force that has been operating very successfully in South Florida—to work with State and local law enforcement officials to shut down organized criminal enterprises. We established a National Center for State and Local Law Enforcement Training to assist and train State and local officials in combatting syndicated crime. We also have taken many other actions, including use of the FBI in drug cases, to bring the full resources of the United States Government to bear on the critical problem of crime.

Our efforts are beginning to bear fruit. During 1982, for example, federal cocaine seizures totalled nearly 12,500 pounds—nearly three times the amount seized in 1981. Heroin seizures almost doubled, and seizures of marijuana increased by 50 percent. I have every reason to believe that these and other administrative actions will continue to increase arrests and convictions of persons who violate Federal law.

But administrative action, however successful, is not enough. If the forces of law are to regain the upper hand over the forces of crime, ensuring that criminals are convicted and put and kept behind bars, basic legislative changes are needed.

During the 97th Congress, the Senate passed S. 2572, the Violent Crime and Drug Enforcement Improvements Act. Among its principal provisions, this legislation would have made major and urgently needed changes in our laws concerning bail, criminal forfeiture, and sentencing. It is unfortunate that S. 2572 was not enacted during the last Congress, but I look forward to working with the 98th Congress to secure, at long last, passage of critically needed substantive criminal law reform.

The legislative proposal that I am transmitting today provides a thorough and comprehensive reform of those aspects of Federal criminal law that have proven to be the largest obstacles in our fight against crime. Many of our proposals were considered by the 97th Congress. Others are new. Each is important in rolling back the tide of criminal activity that threatens our Nation, our families and our way of life.

Our proposal is summarized in some detail in the materials accompanying this message. I do, however, want to highlight six especially critical reforms:

Bail. Our bill would make it much more difficult for a defendant likely to be a threat to his community to be released on bail pending trial.

Sentencing. The bill would change the sentencing system to ensure that sentences would be determinate and consistent throughout the Federal system, with no parole possible.

Exclusionary rule. Under our proposal, evidence in a criminal case that may have been improperly seized, which is now excluded from evidence, would be admissible upon a showing that the officer making the seizure acted in reasonable good faith.

Criminal forfeitures. Our bill would strengthen the ability of Federal prosecutors to confiscate the assets and profits of criminal enterprises.

Insanity defense. The bill would replace the current Federal insanity defense with a narrower defense applicable only to a person who is unable to appreciate the nature or wrongfulness of his acts.

Narcotics enforcement. Our proposal would substantially increase the penalties for trafficking in drugs and would strengthen the regulatory authority of the Drug Enforcement Administration with respect to the diversion of legitimate drugs into illegal channels.

The bill contains many other important provisions, as well, concerning labor racketeering, capital punishment, consumer product tampering, and extradition, to name only a few. These proposals, taken together, will provide Federal law enforcement officials with important new tools with which to combat crime and will help once again to make our streets safe for all our citizens.

We must not allow further delay in protecting the rights, safety, and quality of life of all Americans. We must act now. Accordingly, I urge prompt consideration and passage of these legislative proposals.

RONALD REAGAN.

THE WHITE HOUSE, *March 16, 1983.*

FACT SHEET: PRESIDENT REAGAN'S COMPREHENSIVE CRIME CONTROL ACT OF 1983

I. INTRODUCTION

This fact sheet summarizes the new omnibus crime bill submitted to the Congress by President Reagan. It is not necessarily intended that this 42-point proposal be processed as a single bill. Rather it is intended to serve as a reference document to set out, in a comprehensive fashion, all of the various criminal justice legislation reforms needed to restore a proper balance between the forces of law and the forces of lawlessness. Taken together, these various reforms would dramatically strengthen the ability of federal law enforcement officials to roll back the rising tide of crime in the United States, particularly in the areas of narcotics trafficking and organized crime.

Unlike the Criminal Code Reform Act long supported by the Department of Justice, this measure does not attempt a total revision of title 18 of the United States Code. This bill is more analogous to S. 2572 of the 97th Congress which was approved by the Senate last September by an overwhelming vote of 95 to 1. It is, however, much broader in scope than S. 2572.

II. MAJOR PROVISIONS OF THE BILL

Title I—Bail Reform would amend the Bail Reform Act of 1966 to:

Permit courts to consider danger to the community in making bail determinations;

Tighten the criteria for post-conviction release pending sentencing and appeal;

Provide for revocation of release and increased penalties for crimes committed while on release; and

Increase penalties for bail jumping.

Title II. Sentencing Reform would revise the sentencing system to:

Establish a *determinate* sentencing system with no parole and limited "good time" credits;

Promote more uniform sentencing by establishing a commission to set a narrow sentencing range for each federal criminal offense;

Require courts to explain in writing any departure from sentencing guidelines; and

Authorize defendants to appeal sentences harsher and the Government to appeal sentences more lenient than the sentencing commission guidelines.

Title III—Exclusionary Rule Reform would create an exception to the application of the Exclusionary Rule to prevent suppression of evidence where it can be shown that officers were proceeding in a good faith and objectively reasonable belief that they were acting in compliance with the law.

Title IV—Forfeiture Reform would strengthen criminal and civil forfeiture laws by providing for:

Forfeiture of profits and proceeds of organized crime enterprises;

Crimninal forfeiture in all narcotics trafficking cases;

Expanded procedures for "freezing" forfeitable property pending judicial proceedings;

Forfeiture of substitute assets where other assets have been removed from the reach of the Government;

A broader scope of property subject to criminal forfeiture; and

Expanded use of administrative forfeiture in noncontested cases.

Title V—Insanity Defense Reform would narrow the insanity defense currently available in the federal system to:

Limit the defense to those who are unable to appreciate the nature or wrongfulness of their acts;

Place the burden on the defendant to establish the defense by clear and convincing evidence;

Prevent expert testimony on the ultimate issue of whether the defendant had a particular mental state or condition; and

Establish procedures for federal civil commitment of persons found not guilty by reason of insanity if no State will commit him.

Title VI—Reform of Federal Intervention in State Proceedings would reduce federal court interference in State adjudication by:

Requiring federal reference to "full and fair" State court proceedings;

Limit the time within which State adjudications may be challenged in federal court; and

Make other improvements in federal habeas corpus laws.

Title VII—Drug Engorcement Amendments would:

Strengthen federal penalties applicable to narcotics offenses;

Reduce the regulatory burden on law-abiding manufacturers and distributors of legitimate controlled substances; and

Strengthen the ability of the Drug Enforcement Administration to prevent diversion of legitimate controlled substances to illegal uses.

Title VIII—Justice Assistance Act would:

Authorize a modest program of financial assistance to State and local law enforcement to help finance anticrime programs of proven effectiveness; and

Streamline the components of the Department of Justice responsible for statistical, research and other assistance to State and local law enforcement.

Title IX—Surplus Property Amendments would facilitate donation of surplus federal property to State and local governments for urgently needed prison space.

Title X—Reinstitution of Capital Punishment would establish constitutionally permissible procedures for imposition of the death penalty in certain homicide, treason and espionage cases.

Title XI—Labor Racketeering Amendments would strengthen federal laws with respect to labor-related racketeering activity by:

Raising from five to ten years the period of time that a corrupt official can be debarred from union or trust fund positions; and

Making debarment effective upon the date of conviction rather than the date all appeals are exhausted.

Title XII—Foreign Currency Transaction Amendments would improve federal laws designed to prevent international "money laundering" by:

Adding an "attempt" provision to existing laws prohibiting transportation of currency out of the United States in violation of reporting requirements;

Strengthening penalties for curency violations and authorizing payment of rewards for information leading to the conviction of money launderers; and

Clarifying the authority of U.S. Customs agents to conduct border searches related to currency offenses.

Title XIII—Federal Tort Claims Act Amendments would make the United States, rather than individual federal law enforcement agents, civilly liable for common law and constitutional torts involving injury to property or persons.

Title IV—Violent Crime Amendments is a miscellaneous title consisting of 13 improvements in federal laws related to violent crimes including:

Federal jurisdiction over murder-for-hire and crimes in aid of racketeering activity;

Solicitation to commit a crime of violence;

Strengthening of the federal felony-murder rule;

Minimum mandatory sentences for use of firearms in the course of federal crimes;

Additional minimum mandatory sentences for use of armor-piercing bullets in the course of federal crimes;

Criminal penalties for kidnaping of federal officials;

Criminal penalties for crimes directed at family members of federal officials;

Addition of the crimes of maiming and sodomy to the Major Crimes Act;

Strengthening of penalties for violence directed at interstate truckers;

Improvements in federal laws to protect energy facilities;

Expansion of the list of officials protected by the federal assault statute;

Criminal penalties for escape from civil commitment; and

Comprehensive amendments to the procedures governing extradition of foreign criminals found in the United States.

Title XV—Serious Non-Violent Offenses is a compilation of 9 miscellaneous amendments to strengthen federal laws governing serious but non-violent crimes including:

Product tampering;

Child pornography;

Obstruction of justice by giving warning of the impending execution of a search warrant;

Fraud and bribery related to federal programs;

Counterfeiting of State and corporate securities and forged endorsements of federal securities;

Receipt of stolen bank property;

Bribery related to federally regulated banks;

Bank fraud; and

Possession of contraband in prison.

Title XVI—Procedural Amendments is a series of 7 procedural amendments to federal criminal justice laws as follows:

Prosecution of certain juveniles as adults;

Wiretap amendments;

Expansion of venue for threat offenses;

Injunctions against fraud;

Government appeal of post-conviction new trial orders;

Witness security program improvements; and

Clarification of venue for certain criminal tax prosecutions.

III. CONCLUSION

The need for these various criminal justice reforms is clear and urgent. During the almost 10 years that the Congress has struggled unsuccessfully with Criminal Code Reform, little truly significant crime legislation has been enacted. Action on most of the reforms in this draft bill is, therefore, long overdue. Moreover, the increased emphasis which the Reagan Administration has placed on law enforcement—with the addition of approximately 1,600 new federal prosecutors, investigators and other federal law enforcement personnel to staff the regional drug task forces—makes reform of our substantive criminal laws essential if the national crime control program is to be truly effective. The Department of Justice has urged all Members of Congress to give this wide-ranging proposal careful attention and to work for enactment of the various proposals in the bill during the 98th Congress.

Mr. LAXALT. Mr. President, it is with great pleasure that I join the distinguished chairman of the Senate Committee on the Judiciary in introducing the Comprehensive Crime Control Act of 1983. The Department of Justice, at the direction of President Reagan, has drafted and assembled the most reasoned and sweeping criminal law reform in recent memory.

This legislative agenda has been well worth the wait. It attacks the violent crime, the drug-related crime, and the organized crime that seeks to tear this country apart. The people of this great Nation want the criminal justice system to work. We all want a system in which those who are factually guilty of a crime will be found legally guilty as well. We want those who prey on the law abiding to be punished and incapacitated commensurate with the harm caused to the victim and society in general.

To my mind, the administration's proposals address the critical task facing the Federal Government: That task is not simply to pass more laws creating more Federal crimes, but to improve the existing laws which constitute the Federal criminal justice system. We must focus the political energy of Congress on putting the Federal criminal justice system in better order, not on increasing haphazardly the list of Federal crimes.

To improve the Federal system, we need reforms in the areas of the bail system, the exclusionary rule, the insanity defense, the Federal habeas corpus jurisdiction, the sentencing of criminals, and the provision for capital punishment for those who commit the most heinous crimes. A healthy respect for the constitutional rights of individuals accused of committing crimes need not disable the criminal justice system from performing its fundamental function—the protection of law-abiding Americans. Too often of late, these good citizens have been recognized only as ever larger numbers under the "victims" column of crime statistics.

In addition to these reforms, it is imperative that the Federal Government strengthen its hand in the war against organized crime and the violent and drug-related crime which the mob perpetrates. We need stiffer penalties for drug offenses and clearer definitions of some of the narcotic drugs in the statutes. We need reform of the forfeiture provisions of the Federal law so that law enforcement agents can cripple and not merely wound the multibillion-dollar organizations who deal in illegal drugs.

The Comprehensive Crime Control Act of 1983 addresses all of these problems and offers sensible solutions which, along with other proposals already introduced in the Senate, will receive the immediate and thorough consideration of the Criminal Law Subcommittee.

The areas of reform I have mentioned today are not simply a "wish list" of legislation that would be nice to have; these reforms make up a program of improvements that are necessary for our Nation's welfare and that are long overdue.

By Mr. BIDEN (for himself, Mr. BAUCUS, Mr. BENTSEN, Mr. BOREN, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. CHILES, Mr. CRANSTON, Mr. DECONCINI, Mr. EAGLETON, Mr. FORD, Mr. GLENN, Mr. HEFLIN, Mr. HOLLINGS, Mr. INOUYE, Mr. KENNEDY, Mr. LEAHY, Mr. METZENBAUM, Mr. MITCHELL, Mr. MOYNIHAN, Mr. NUNN, Mr. PELL, Mr. PRYOR, Mr. RANDOLPH, Mr. SASSER, Mr. TSONGAS, and Mr. ZORINSKY):

S. 830. A bill to fight violent crime and crime organizations and to improve the administration of the criminal justice system; to the Committee on the Judiciary.

NATIONAL SECURITY AND VIOLENT CRIME CONTROL ACT OF 1983

Mr. BIDEN. Mr. President, for the second Congress in a row Senate Democrats have unanimously endorsed a program for controlling crime. This comprehensive legislative program offers the most effective and realistic response to the urgent problem of controlling violent crime in the United States.

It is based in large part upon the package that we Senate Democrats endorsed almost 2 years ago. That package served as the basis for comprehensive bipartisan legislation which Senator THURMOND and I sponsored, and which passed the Senate last September on a 95-to-1 vote. A scaled-down version of that legislation was unfortunately vetoed by the President.

We look forward to reviewing the President's proposals, and to working with our colleagues on the other side of the aisle and in the House to develop a truly bipartisan measure that can and will be enacted. I am confident that in a spirit of bipartisanship we can break the decade-long logjam that has existed in the Congress over major crime legislation. Indeed, I even believe that it will be possible to develop meaningful legislation in the sensitive areas of bail and sentencing.

Again the basic thrust of the Senate Democrats' efforts will be to focus the Nation, the Congress and the administration on the organized crime networks that control drug trafficking and the violent crime it spawns on American streets.

We again will be proposing a two-part strategy. First, we will continue to press the administration to expend the funds necessary to keep Federal law enforcement agencies operating at full capacity. We Democrats, working with like-minded Republicans, blocked serious budget cuts in the Federal law enforcement functions during the last Congress. Finally, this year the President is supporting increases in those budgets.

However, we feel that the increases are still not adequate and that is why Senator CHILES and I will offer a proposed increase in those budgets in the Budget Committee when the committee resumes its markup in April. That proposed increase would create over 5-percent real growth for Federal law enforcement budgets in the next 5 fiscal years constituting $1.4 billion in additional outlays over current funding during that period.

Second, we will pursue the legislative agenda represented in the 200-page bill we will be introducing on the floor today.

One of the major provisions of this bill creates a Cabinet-level office for coordination of Federal drug enforcement efforts. The same proposal was included in the bipartisan crime bill which passed the last Congress, and was cited by the President as the main reason for his veto of that legislation. However, support in Congress for this proposal has been strong, on both sides of the aisle, and we are hopeful that a basic consensus can be developed for this proposal this year and that we can reach an accommodation with the President on this issue.

We feel strongly that a coordinating office of this kind is essential to give order and direction to the Nation's drug enforcement efforts. These efforts are scattered among many different agencies, and we see no signs that the administration—despite its claims to the contrary—has been successful in curbing the confusion, duplication, and bureaucratic wrangling which has so persistently hampered drug enforcement efforts in the past.

The Democratic proposal also addresses the problem of international narcotics trafficking by mandating aggressive efforts at obtaining mutual assistance treaties with countries whose offshore banking systems serve as havens for illegal profits.

The growing problem of offshore banking is the subject of hearings currently being held by the Permanent Subcommittee on Investigations. Treaties are an important step toward a mutual and acceptable solution.

In the areas of bail, sentencing, and criminal procedure we have proposed substantial reforms which have received widespread support.

The bail reform proposal will permit the court to consider danger to the community in determining whether to release a defendant before trial. It also increases the penalties for bail jumping and for crimes committed during pretrial release. At the same time the

bill provides safeguards to insure that due process rights of individuals are protected and it prohibits the imposition of money bail beyond a defendant's ability to pay.

The sentencing provisions make revisions essential to a more fair and efficient sentencing system. Under the proposal all defendants would serve the entire term imposed, without an opportunity for parole. Sentences will be based upon guidelines so that the same offense committed results in similar punishment—regardless of the race or economic status of the offender.

We again propose to strengthen existing Federal statutes for forfeiture of criminal assets and facilitate their use by prosecutors. This will permit prosecutors to not only work to put drug traffickers in jail but also get the assets of their organization in an effort to truly put them out of business.

We will also continue to pursue amendments to Federal law which would expand Federal jurisdiction over murder for hire killings, assist prosection of organized crime cases, and protect Federal law enforcement personnel and their families.

Finally the bill also responds to State and local law enforcement needs by providing $170 million to help fund programs of proven success. This concept was included in the last Democratic package, supported by the Attorney General's Task Force on Violent Crime in 1981 and was a major feature of the crime package vetoed by President Reagan. This is a small and focused program that eliminates the old bureaucracy of LEAA and moves forward with the lessons learned from that program.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 830

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Security and Violent Crime Control Act of 1983".

TITLE I—NARCOTICS LAW ENFORCEMENT

SUBTITLE A—OFFICE OF THE DIRECTOR OF NATIONAL AND INTERNATIONAL DRUG OPERATIONS AND POLICY

SEC. 101. This subtitle may be cited as the "National Narcotics Act of 1983".

SEC. 102. (a) The Congress hereby makes the following findings:

(1) The flow of illegal narcotics into the United States is a major and growing problem.

(2) The problem of illegal drug activity falls across the entire spectrum of Federal activities both nationally and internationally.

(3) Illegal drug trafficking is estimated by the General Accounting Office to be a $79,000,000,000 a year industry in the United States.

(4) The annual consumption of heroin in the United States is in the range of four metric tons, and annual domestic consumption of cocaine is estimated to be forty to forty-eight metric tons.

(5) Despite the efforts of the United States Government and other nations, the mechanisms for smuggling opium and other hard drugs into the United States remain virtually intact and United States agencies estimate that they are able to interdict no more than 5 to 15 per centum of all hard drugs flowing into the country.

(6) Such significant indicators of the drug problem as drug-related deaths, emergency room visits, hospital admissions due to drug-related incidents, and addiction rates are soaring.

(7) Increased drug trafficking is strongly linked to violent, addiction-related crime and recent studies have shown that over 90 per centum of heroin users rely upon criminal activity as a means of income.

(8) Much of the drug trafficking is handled by syndicates which results in increased violence and criminal activity because of the competitive struggle for control of the domestic drug market.

(9) Controlling the supply of illicit drugs is a key to reducing the crime epidemic confronting every region of the country.

(10) The magnitude and scope of the problem requires a director of National and International Drug Operations and Policy with the responsibility for the coordination and direction of all Federal efforts by the numerous agencies.

(11) Such a director must have broad authority and responsibility for making management, policy, and budgetary decisions with respect to all Federal agencies involved in attacking this problem so that a unified and efficient effort can be made to eliminate the illegal drug problem.

(b) It is the purpose of this subtitle to insure—

(1) the development of a national policy with respect to illegal drugs;

(2) the direction and coordination of all Federal agencies involved in the effort to implement such a policy; and

(3) that a single, competent, and responsible high-level official of the United States Government, who is appointed by the President, by and with the advice and consent of the Senate, and who is accountable to the Congress and the American people, will be charged with the responsibility of coordinating the overall direction of United States policy, resources, and operations with respect to the illegal drug problem.

SEC. 103. There is established in the executive branch of the Government an office to be known as the "Office of the Director of National and International Drug Operations and Policy" (hereinafter in this subtitle referred to as the "Office of the Director"). There shall be at the head of the Office of the Director a Director of National and International Drug Operations and Policy (hereinafter in this subtitle referred to as the "Director"). There shall be a Deputy Director of National and International Drug Operations and Policy (hereinafter in this section referrred to as the "Deputy Director") to assist the Director in carrying out the Director's functions under this subtitle.

SEC. 104. (a) The Director and the Deputy Director shall be appointed by the President, by and with the advice and consent of the Senate. The Director and the Deputy Director shall each serve at the pleasure of the President. No person may serve as Director or Deputy Director for a period of more than four years unless such person is reappointed to that same office by the President, by and with the advice and consent of the Senate. The Director shall be entitled to the compensation provided for in section 5313, title 5, United States Code. The Deputy Director shall be entitled to the compensation provided for in section 5314, title 5, United States Code.

(b) The Director shall serve as the principal director and coordinator of United States operations and policy on illegal drugs.

(c) The Director shall have the responsibility, and is authorized to—

(1) develop, review, implement, and enforce United States Government policy with respect to illegal drugs;

(2) direct and coordinate all United States Government efforts to halt the flow into, and sale and use of illegal drugs within the United States;

(3) develop in concert with governmental entities budgetary priorities and budgetary allocations of entities of the United States Government with respect to illegal drugs; and

(4) coordinate the collection and dissemination of information necessary to implement United States policy with respect to illegal drugs.

(d) In carrying out his responsibilities under subsection (c) the Director is authorized to—

(1) direct, with the concurrence of the head of the agency employing such personnel, the temporary reassignment of government personnel within the United States Government in order to implement United States policy with respect to illegal drugs;

(2) procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for the grade of GS-18 of the General Schedule;

(3) accept and use donations of property from all government agencies; and

(4) use the mails in the same manner as any other department or agency of the executive branch.

(e) Notwithstanding any other provision of law, rule, or regulation to the contrary, the Director shall have the authority to direct each department or agency with responsibility for drug control to carry out the policies established by the Director consistent with the general authority of each agency or department.

(f) The Administrator of the General Services Administration shall provide to the Director on a reimbursable basis such administrative support services as the Director may request.

SEC. 105. The Director shall submit to the Congress, within nine months after enactment of this subtitle, and annually thereafter, a full and complete report reflecting United States policy with respect to illegal drugs, plans proposed for the implementation of such policy, and, commencing with the submission of the second report, a full and complete report reflecting accomplishments with respect to the United States policy and plans theretofore submitted to the Congress.

SEC. 106. For the purpose of carrying out this subtitle, there are authorized to be appropriated $500,000 for fiscal year 1984, and such sums as may be necessary for each of

the four succeeding fiscal years, to be available until expended.

SEC. 107. This subtitle shall be effective January 1, 1984.

SUBTITLE B—ILLEGAL USE OF AIRCRAFT

SEC. 111. (a) Section 609(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1429) is amended—

(1) by inserting "(1)" after "(b)", and

(2) by adding at the end the following new paragraph:

"(2) Any airman certificate issued under this subtitle shall be revoked upon the conviction in any court of the holder of such certificate for any violation of any State or Federal statute relating to the transportation or distribution of any controlled substance as defined by the Controlled Substances Act.".

(b) The amendment to section 609(b) of the Federal Aviation Act of 1958 made by subsection (a) of this subtitle shall not apply to any offense committed before the date of enactment of this subtitle.

SEC. 112. Section 902(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1472(b)) is amended—

(1) by striking out "(b) Any person who" and inserting in lieu thereof "(b)(1) Except as provided in paragraph (2), any person who";

(2) by striking out "uses or attempts to use" and inserting in lieu thereof "sells, uses, attempts to use, or possesses with the intent to use"; and

(3) by adding at the end the following new paragraph:

"(2)(A) Any person who violates paragraph (1) (other than by selling a fraudulent certificate) with the intent to violate any State or Federal statute relating to the transportation or distribution of any controlled substance as defined by the Controlled Substances Act shall be subject to a fine not exceeding $25,000 or to imprisonment not exceeding five years, or both.

"(B) Any person who sells a fraudulent certificate (as that term is used in paragraph (1)) with the knowledge that the purchaser intends to use such certificate in connection with any act violating any State or Federal statute relating to the transportation or distribution of any controlled substances as defined by the Controlled Substances Act shall be subject to a fine not exceeding $25,000 or to imprisonment not exceeding five years, or both.".

SEC. 113. (a) Chapter 2 of title 18 of the United States Code is amended by adding after section 35 the following:

"§ 36. Use of aircraft for narcotics purposes

"(a) Any person who operates an aircraft (as defined by section 1301(31) of title 49 of the United States Code) with knowledge that such aircraft is, incident to such operation, used or intended to be used in the commission of an act which is a violation of any State or Federal statute relating to the transportation or distribution of any controlled substances as defined by the Controlled Substances Act shall be subject to a fine of not more than $25,000 or imprisonment for not more than 5 years, or both.

"(b) Any person convicted of a second violation of subsection (a) of this section, shall be subject to a fine of not more than $50,000 or imprisonment for not more than 10 years, or both.

"(c) Any penalty imposed for a violation of this subsection shall be in addition to, and not in lieu of, any penalty imposed under any State or Federal statute relating to the transportation or distribution of any controlled substances as defined by the Controlled Substances Act.".

(b) The table of sections for chapter 2, title 18, United States Code, is amended by adding after the item relating to section 35, the following:

"36. Use of aircraft for narcotic purposes.".

SUBTITLE C—MUTUAL ASSISTANCE TREATIES

SEC. 121. (a) Title 28, United States Code, is amended by adding after section 529 the following:

"§ 529A. Negotiations with foreign governments

"(a) The Attorney General shall move expeditiously to conduct negotiations to conclude agreements to secure the cooperation of the law enforcement authorities of foreign countries in order to effectively deprive domestic criminals of the use of foreign havens for the proceeds of their crimes.

"(b) The Attorney General shall report to the Committees on the Judiciary of the Senate and the House of Representatives within six months of enactment on progress being made to conclude such agreements.".

(b) The table of sections for chapter 31, title 28, United States Code, is amended by adding after the item relating to section 529, the following:

"529A. Negotiations with foreign governments.".

TITLE II—BAIL, SENTENCING, AND CRIMINAL PROCEDURE REFORM

SUBTITLE A—BAIL REFORM

SEC. 201. This subtitle may be cited as the "Bail Reform Act of 1983".

SEC. 202. (a) Sections 3141 through 3151 of title 18, United States Code, are repealed and the following new sections are inserted in lieu thereof:

"§ 3141. Release and detention authority generally

"(a) PENDING TRIAL.—A judicial officer who is authorized to order the arrest of a person pursuant to section 3041 of this title shall order that an arrested person who is brought before him be released or detained, pending judicial proceedings, pursuant to the provisions of this chapter.

"(b) PENDING SENTENCE OR APPEAL.—A judicial officer of a court of original jurisdiction over an offense, or a judicial officer of a Federal appellate court, shall order that, pending imposition or execution of sentence, or pending appeal of conviction or sentence, a person be released or detained pursuant to the provisions of this chapter.

"§ 3142. Release or detention of a defendant pending trial

"(a) IN GENERAL.—Upon the appearance before a judicial officer of a person charged with an offense, the judicial officer shall issue an order that, pending trial, the person be—

"(1) released on his personal recognizance or upon execution of an unsecured appearance bond, pursuant to the provisions of subsection (b);

"(2) released on a condition or combination of conditions pursuant to the provisions of subsection (c);

"(3) temporarily detained to permit revocation of conditional release, deportation, or exclusion pursuant to the provisions of subsection (d); or

"(4) detained pursuant to the provisions of subsection (e).

"(b) RELEASE ON PERSONAL RECOGNIZANCE OR UNSECURED APPEARANCE BOND.—The judicial officer shall order the pretrial release of the person on his personal recognizance, or upon execution of an unsecured appearance bond in an amount specified by the court, subject to the condition that the person not commit a Federal, State, or local crime during the period of his release, unless the judicial officer determines that such release will not reasonably assure the appearance of the person as required or will endanger the safety of any other person or the community.

"(c) RELEASE ON CONDITIONS.—If the judicial officer determines that the release described in subsection (b) will not reasonably assure the appearance of the person as required or will endanger the safety of any other person or the community, he shall order the pretrial release of the person—

"(1) subject to the condition that the person not commit a Federal, State, or local crime during the period of release; and

"(2) subject to the least restrictive further condition, or combination of conditions, that he determines will reasonably assure the appearance of the person as required and the safety of any other person and the community, which may include the condition that the person—

"(A) remain in the custody of a designated person, who agrees to supervise him and to report any violation of a release condition to the court, if the designated person is able reasonably to assure the judicial officer that the person will appear as required and will not pose a danger to the safety of any other person or the community;

"(B) maintain employment, or, if unemployed, actively seek employment;

"(C) maintain or commence an educational program;

"(D) abide by specified restrictions on his personal associations, place of abode, or travel;

"(E) avoid all contact with an alleged victim of the crime and with a potential witness who may testify concerning the offense;

"(F) report on a regular basis to a designated law enforcement agency, pretrial services agency, or other agency;

"(G) comply with a specified curfew;

"(H) refrain from possessing a firearm, destructive device, or other dangerous weapon;

"(I) refrain from excessive use of alcohol, or any use of a narcotic drug or other controlled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802), without a prescription by a licensed medical practitioner;

"(J) undergo available medical or psychiatric treatment, including treatment for drug or alcohol dependency, and remain in a specified institution if required for that purpose;

"(K) execute an agreement to forfeit upon failing to appear as required, such designated property, including money, as is reasonably necessary to assure the appearance of the person as required, and post with the court such indicia of ownership of the property or such percentage of the money as the judicial officer may specify;

"(L) execute a bail bond with solvent sureties in such amount as is reasonably necessary to assure the appearance of the person as required;

"(M) return to custody for specified hours following release for employment, schooling, or other limited purposes; and

"(N) satisfy any other condition that is reasonably necessary to assure the appearance of the person as required and to assure the safety of any other person and the community.

The judicial officer may not impose a financial condition that results in the pretrial de-

tention of the person. The judicial officer may at any time amend his order to impose additional or different conditions of release.

"(d) TEMPORARY DETENTION TO PERMIT REVOCATION OF CONDITIONAL RELEASE, DEPORTATION OR EXCLUSION.—If the judicial officer determines that—

"(1) the person—

"(A) is, and was at the time the offense was committed, on—

"(i) release pending trial for a felony under Federal, State, or local law;

"(ii) release pending imposition or execution of sentence, appeal of sentence or conviction, or completion of sentence, for any offense under Federal, State, or local law; or

"(iii) probation or parole for any offense under Federal, State, or local law; or

"(B) is not a citizen of the United States or lawfully admitted for permanent residence, as defined in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(A)(20)); and

"(2) the person may flee or pose a danger to any other person or the community;

he shall order the detention of the person, for a period of not more than ten days, excluding Saturdays, Sundays, and holidays, and direct the attorney for the Government to notify the appropriate court, probation, or parole official, or State or local law enforcement official, or the appropriate official of the Immigration and Naturalization Service. If the official fails or declines to take the person into custody during that period, the person shall be treated in accordance with the other provisions of this section, notwithstanding the applicability of other provisions of law governing release pending trial or deportation or exclusion proceedings. If temporary detention is sought under paragraph (1)(B), the person has the burden of proving to the court that he is a citizen of the United States or is lawfully admitted for permanent residence.

"(e) DETENTION.—If, after a hearing pursuant to the provisions of subsection (f), the judicial officer finds that no condition or combination of conditions will reasonably assure the appearance of the person as required and the safety of any other person and the community, he shall order the detention of the person prior to trial. In a case described in (f)(1), a rebuttable presumption arises that no condition or combination of conditions will reasonably assure the safety of any other person and the community if the judge finds that—

"(1) the person has been convicted of a Federal offense that is described in subsection (f)(1), or of a State or local offense that would have been an offense described in subsection (f)(1) if a circumstance giving rise to Federal jurisdiction had existed;

"(2) the offense described in paragraph (1) was committed while the person was on release pending trial for a Federal, State, or local offense; and

"(3) a period of not more than five years has elapsed since the date of conviction, or the release of the person from imprisonment, for the offense described in paragraph (1), whichever is later.

Subject to rebuttal by the person, it shall be presumed that no condition or combination of conditions will reasonably assure the appearance of the person as required and the safety of the community if the judicial officer finds that there is probable cause to believe that the person committed an offense for which a maximum term of imprisonment of ten years or more is prescribed in the Controlled Substances Act (21 U.S.C. 801 et seq.), the Controlled Import and Export Act (21 U.S.C. 951 et seq.), section 1 of the Act of September 15, 1980 (21 U.S.C. 955a), or an offense under 18 U.S.C. 924(c).

"(f) DETENTION HEARING.—The judicial officer shall hold a hearing to determine whether any condition or combination of conditions set forth in subsection (c) will reasonably assure the appearance of the person as required and the safety of any other person and the community in a case—

"(1) upon motion of the attorney for the Government, that involves—

"(A) a crime of violence;

"(B) an offense for which the maximum sentence is life imprisonment or death;

"(C) an offense for which a maximum term of imprisonment of ten years or more is prescribed in the Controlled Substances Act (21 U.S.C. 801 et seq.), the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), or section 1 of the Act of September 15, 1980 (21 U.S.C. 955a); or

"(D) any felony committed after the person had been convicted of two or more prior offenses described in subparagraphs (A) through (C), or two or more State or local offenses that would have been offenses described in subparagraphs (A) through (C) if a circumstance giving rise to Federal jurisdiction had existed; or

"(2) upon motion of the attorney for the Government or upon the judge's own motion, that involves—

"(A) a serious risk that the person will flee; or

"(B) a serious risk that the person will obstruct or attempt to obstruct justice, or threaten, injure, or intimidate, or attempt to threaten, injure, or intimidate, a prospective witness or juror.

The hearing shall be held immediately upon the person's first appearance before the judicial officer unless that person, or the attorney for the Government, seeks a continuance. Except for good cause, a continuance on motion of the person may not exceed five days, and a continuance on motion of the attorney for the Government may not exceed three days. During a continuance, the person shall be detained, and the judicial officer, on motion of the attorney for the Government or on his own motion, may order that, while in custody, a person who appears to be a narcotics addict receive a medical examination to determine whether he is an addict. At the hearing, the person has the right to be represented by counsel, and, if he is financially unable to obtain adequate representation, to have counsel appointed for him. The person shall be afforded an opportunity to testify, to present witnesses on his own behalf, to cross-examine witnesses who appear at the hearing, and to present information by proffer or otherwise. The rules concerning admissibility of evidence in criminal trials do not apply to the presentation and consideration of information at the hearing. The facts the judicial officer uses to support a finding pursuant to (e) that no condition or combination of conditions will reasonably assure the safety of any other person and the community shall be supported by clear and convincing evidence. The person may be detained pending completion of the hearing.

"(g) FACTORS TO BE CONSIDERED.—The judicial officer shall, in determining whether there are conditions of release that will reasonably assure the appearance of the person as required and the safety of any other person and the community, take into account the available information concerning—

"(1) the nature and circumstances of the offense charged, including whether the offense is a crime of violence or involves a narcotic drug;

"(2) the weight of the evidence against the person;

"(3) the history and characteristics of the person, including—

"(A) his character, physical and mental condition, family ties, employment, financial resources, length of residence in the community, community ties, past conduct, history relating to drug or alcohol abuse, criminal history, and record concerning appearance at court proceedings; and

"(B) whether, at the time of the current offense or arrest, he was on probation, on parole, or on other release pending trial, sentencing, appeal, or completion of sentence for an offense under Federal, State, or local law; and

"(4) the nature and seriousness of the danger to any person or the community that would be posed by the person's release. In considering the conditions of release described in subsection (c)(2)(K) or (c)(2)(L), the judicial officer may upon his own motion, or shall upon the motion of the Government, conduct an inquiry into the source of the property to be designated for potential forfeiture or offered as collateral to secure a bond, and shall decline to accept the designation, or the use as collateral, of property that, because of its source, will not reasonably assure the appearance of the person as required.

"(h) CONTENTS OF RELEASE ORDER.—In a release order issued pursuant to the provisions of subsection (b) or (c), the judicial officer shall—

"(1) include a written statement that sets forth all the conditions to which the release is subject, in a manner sufficiently clear and specific to serve as a guide for the person's conduct; and

"(2) advise the person of—

"(A) the penalties for violating a condition of release, including the penalties for committing an offense while on pretrial release;

"(B) the consequences of violating a condition of release, including the immediate issuance of a warrant for the person's arrest; and

"(C) the provisions of sections 1503 of this title (relating to intimidation of witnesses, jurors, and officers of the court), 1510 (relating to obstruction of criminal investigations), 1512 (tampering with a witness, victim, or an informant), and 1513 (retaliating against a witness or an informant).

"(i) CONTENTS OF DETENTION ORDER.—In a detention order issued pursuant to the provisions of subsection (e), the judicial officer—

"(1) shall include written findings of fact, and a written statement, or a written reference to the hearing record, concerning the reasons for the detention;

"(2) shall direct that the person be committed to the custody of the Attorney General for confinement in a corrections facility in accordance with regulations promulgated pursuant to the provisions of subsection (j); and

"(3) may recommend that the person receive special medical or similar treatment or attention, but the Attorney General shall not be bound by such a recommendation.

"(j) CUSTODY WHILE AWAITING TRIAL.—The Attorney General shall promulgate regulations governing custody of persons detained pending trial. The regulations shall provide that—

"(1) to the extent practicable, the person be confined—

"(A) in a facility located near the court in which the person will have to appear;

"(B) separate from persons awaiting or serving sentences or being held in custody pending appeal; and

"(C) separate from persons who are defendants in the same case;

"(2) the person be afforded reasonable opportunity for private consultation with his counsel and, to the extent practicable, for private visits with his family or other persons;

"(3) on order of a court of the United States or on request of an attorney for the Government, the person in charge of the corrections facility in which the person is confined shall deliver the person to the custody of a United States Marshal or other appropriate Federal law enforcement officer for the purpose of an appearance in connection with a court proceeding or for another official purpose; and

"(4) the person may be released temporarily, in the custody of a United States Marshal or other appropriate person, if necessary for preparation of the person's defense or for another compelling reason.

"(k) PRESUMPTION OF INNOCENCE.—Nothing in this section shall be construed as modifying or limiting the presumption of innocence.

"§ 3143. Release or detention of a defendant pending sentence or appeal

"(a) RELEASE OR DETENTION PENDING SENTENCE.—The judicial officer shall order that a person who has been found guilty of an offense and who is waiting imposition or execution of sentence, be detained, unless the judicial officer finds by clear and convincing evidence that the person is not likely to flee or pose a danger to the safety of any other person or the community if released pursuant to section 3142 (b) or (c). If the judicial officer makes such a finding, he shall order the release of the person in accordance with the provisions of section 3142 (b) or (c).

"(b) RELEASE OR DETENTION PENDING APPEAL BY THE DEFENDANT.—The judicial officer shall order that a person who has been found guilty of an offense and sentenced to a term of imprisonment, and who has filed an appeal or a petition for a writ of certiorari, be detained, unless the judicial officer finds—

"(1) by clear and convincing evidence that the person is not likely to flee or pose a danger to the safety of any other person or the community if released pursuant to section 3142 (b) or (c); and

"(2) that the appeal is not for purpose of delay and raises a substantial question of law or fact likely to result in reversal or an order for a new trial.

If the judicial officer makes such findings, he shall order the release of the person in accordance with the provisions of section 3142 (b) or (c).

"(c) RELEASE OR DETENTION PENDING APPEAL BY THE GOVERNMENT.—The judicial officer shall treat a defendant in a case in which an appeal has been taken by the United States pursuant to the provisions of section 3731 of this title, in accordance with the provisions of section 3142, unless the defendant is otherwise subject to a release or detention order.

"§ 3144. Release or detention of a material witness

"If it appears from an affidavit filed by a party that the testimony of a person is material in a criminal proceeding, and if it is shown that it may become impracticable to secure the presence of the person by subpena, a judicial officer may order the arrest of the person and treat the person in accordance with the provisions of section 3142. No material witness may be detained because of inability to comply with any condition of release if the testimony of such witness can adequately be secured by deposition, and if further detention is not necessary to prevent a failure of justice. Release of a material witness may be delayed for a reasonable period of time until the deposition of the witness can be taken pursuant to the Federal Rules of Criminal Procedure.

"§ 3145. Review and appeal of a release or detention order

"(a) REVIEW OF A RELEASE ORDER.—If a person is ordered released by a magistrate, or by a person other than a judge of a court having original jurisdiction over the offense and other than a Federal appellate court—

"(1) the attorney for the Government may file, with the court having original jurisdiction over the offense, a motion for revocation of the order or amendment of the conditions of release; and

"(2) the person may file, with the court having original jurisdiction over the offense, a motion for amendment of the conditions of release.

The motion shall be determined promptly.

"(b) REVIEW OF A DETENTION ORDER.—If a person is ordered detained by a magistrate, or by a person other than a judge of a court having original jurisdiction over the offense and other than a Federal appellate court, the person may file, with the court having original jurisdiction over the offense, a motion for revocation or amendment of the order. The motion shall be determined promptly.

"(c) APPEAL FROM A RELEASE OR DETENTION ORDER.—An appeal from a release or detention order, or from a decision denying revocation or amendment of such an order, is governed by the provisions of section 1291 of title 28 and section 3731 of this title. The appeal shall be determined promptly.

"§ 3146. Penalty for failure to appear

"(a) OFFENSE.—A person commits an offense if, after having been released pursuant to this chapter—

"(1) he knowingly fails to appear before a court as required by the conditions of his release; or

"(2) he knowingly fails to surrender for service of sentence pursuant to a court order.

"(b) GRADING.—If the person was released—

"(1) in connection with a charge of, or while awaiting sentence, surrender for service of sentence, or appeal or certiorari after conviction, for—

"(A) an offense punishable by death, life imprisonment, or imprisonment for a term of fifteen years or more, he shall be fined not more than $25,000 or imprisoned for not more than ten years, or both;

"(B) an offense punishable by imprisonment for a term of five or more years, but less than fifteen years, he shall be fined not more than $10,000 or imprisoned for not more than five years, or both;

"(C) any other felony, he shall be fined not more than $5,000 or imprisoned not more than two years, or both; or

"(D) a misdemeanor, he shall be fined not more than $2,000 or imprisoned more than one year, or both; or

"(2) for appearance as a material witness, he shall be fined no more than $1,000 or imprisoned for not more than one year, or both.

A term of imprisonment imposed pursuant to this section shall be consecutive to the sentence of imprisonment for any other offense.

"(c) AFFIRMATIVE DEFENSE.—It is an affirmative defense to a prosecution under this section that uncontrollable circumstances prevented the person from appearing or surrendering, and that the person did not contribute to the creation of such circumstances in reckless disregard of the requirement that he appeared or surrender, and that the defendant appeared or surrendered as soon as such circumstances ceased to exist.

"(d) DECLARATION OF FORFEITURE.—If a person fails to appear before a court as required, and the person executed an appearance bond pursuant to section 3142(b) or is subject to the release condition set forth in section 3142(c)(2)(K), or (c)(2)(L), the judicial officer may, regardless of whether the person has been charged with an offense under this section, declare any property designated pursuant to that section to be forfeited to the United States.

"§ 3147. Penalty for an offense committed while on release

"A person convicted of an offense committed while released pursuant to this chapter shall be sentenced, in addition to the sentence prescribed for the offense to—

"(1) a term of imprisonment of not less than two years and not more than ten years if the offense is a felony; or

"(2) a term of imprisonment of not less than ninety days and not more than one year if the offense is a misdemeanor.

A term of imprisonment imposed pursuant to this section shall be consecutive to any other sentence of imprisonment.

"§ 3148. Sanctions for violation of a release condition

"(a) AVAILABLE SANCTIONS.—A person who has been released pursuant to the provisions of section 3142, and who has violated a condition of his release, is subject to a revocation of release, an order of detention, and a prosecution for contempt of court.

"(b) REVOCATION OF RELEASE.—The attorney for the Government may initiate a proceeding for revocation of an order of release by filing a motion with the district court. A judicial officer may issue a warrant for the arrest of a person charged with violating a condition of release, and the person shall be brought before a judicial officer in the district in which his arrest was ordered for a proceeding in accordance with this section. The judicial officer shall enter an order of revocation and detention if, after a hearing, the judicial officer—

"(1) finds that there is—

"(A) probable cause to believe that the person has committed a Federal, State, or local crime while on release; or

"(B) clear and convincing evidence that the person has violated any other condition of his release; and

"(2) finds that—

"(A) based on the factors set forth in section 3142(g), there is no condition or combination of conditions of release that will assure that the person will not flee or pose a danger to the safety of any other person or the community; or

"(B) the person is unlikely to abide by any condition or combination of conditions of release.

If there is probable cause to believe that, while on release, the person committed a Federal, State, or local felony, a rebuttable presumption arises that no condition or combination of conditions will assure that the person will not pose a danger to the safety of any other person or the community. If the judicial officer finds that there are conditions of release that will assure that the person will not flee or pose a danger to the safety of any other person or the community, and that the person will abide by such conditions, he shall treat the person in accordance with the provisions of section 3142 and may amend the conditions of release accordingly.

"(c) PROSECUTION FOR CONTEMPT.—The judge may commence a prosecution for contempt, pursuant to the provisions of section 401, if the person has violated a condition of his release.

"§ 3149. Surrender of an offender by a surety

"A person charged with an offense, who is released upon the execution of an appearance bond with a surety, may be arrested by the surety, and if so arrested, shall be delivered promptly to a United States marshal and brought before a judicial officer. The judicial officer shall determine in accordance with the provisions of section 3148(b) whether to revoke the release of the person, and may absolve the surety of responsibility to pay all or part of the bond in accordance with the provisions of rule 46 of the Federal Rules of Criminal Procedure. The person so committed shall be held in official detention until released pursuant to this chapter or another provision of law.

"§ 3150. Applicability to a case removed from a State court

"The provisions of this chapter apply to a criminal case removed to a Federal court from a State court.".

(b) Section 3154 of title 18, United States Code, is amended—

(1) in subsection (1), by striking out "and recommend appropriate release conditions for each such person" and inserting in lieu thereof "and, where appropriate, include a recommendation as to whether each such person should be released or detained and, if release is recommended, recommend appropriate conditions of release"; and

(2) in subsection (2), by striking our "section 3146(e) or section 3147" and inserting in lieu thereof "section 3145";

(c) Section 3156(a) of title 18, United States Code, is amended—

(1) by striking out "3146" and inserting in lieu thereof "3141";

(2) in paragraph (1)—

(A) by striking out "bail or otherwise" and inserting in lieu thereof "detain or"; and

(B) by deleting "and" at the end thereof;

(3) in paragraph (2), by striking out the period at the end and inserting in lieu thereof "; and";

(4) by adding after paragraph (2) the following new paragraphs:

"(3) The term 'felony' means an offense punishable by a maximum term of imprisonment of more than one year; and

"(4) The term 'crime of violence' means—

"(A) an offense that has as an element of the offense the use, attempted use, or threatened use of physical force against the person or property of another; or

"(B) any other offense that is a felony and that, by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense."; and

(5) in subsection (b)(1), by striking out "bail or otherwise" and inserting in lieu thereof "detain or".

(d) The item relating to chapter 207 in the analysis of part II of title 18, United States Code, is amended to read as follows:

"207. Release and detention pending judicial proceedings..... 3141".

(e)(1) The caption of chapter 207 is amended to read as follows:

"CHAPTER 207—RELEASE AND DETENTION PENDING JUDICIAL PROCEEDINGS".

(2) The section analysis for chapter 207 is amended by striking out the items relating to section 3141 through 3151 and inserting in lieu thereof the following:

"3141. Release and detention authority generally.
"3142. Release or detention of a defendant pending trial.
"3143. Release or detention of a defendant pending sentence or appeal.
"3144. Release or detention of a material witness.
"3145. Review and appeal of a release or detention order.
"3146. Penalty for failure to appear.
"3147. Penalty for an offense committed while on release.
"3148. Sanctions for violation of a release condition.
"3149. Surrender of an offender by a surety.
"3150. Applicability to a case removed from a State court."

SEC. 203. Chapter 203 of title 18, United States Code, is amended as follows:

(a) The last sentence of section 3041 is amended by striking out "determining to hold the prisoner for trial" and inserting in lieu thereof "determining, pursuant to the provisions of section 3142 of this title, whether to detain or conditionally release the prisoner prior to trial".

(b) The second paragraph of section 3042 is amended by striking out "imprisoned or admitted to bail" and inserting in lieu thereof "detained or conditionally released pursuant to section 3142 of this title".

(c) Section 3043 is repealed.

(d) The following new section is added after section 3061:

"§ 3062. General arrest authority for violation of release conditions

"A law enforcement officer, who is authorized to arrest for an offense committed in his presence, may arrest a person who is released pursuant to chapter 207 if the officer has reasonable grounds to believe that the person is violating, in his presence, a condition imposed on the person pursuant to section 3142(c)(2)(D), (c)(2)(E), (c)(2)(H), (c)(2)(I), or (c)(2)(M), or, if the violation involves a failure to remain in a specified institution as required, a condition imposed pursuant to section 3142(c)(2)(J).".

(e) The section analysis is amended—

(1) by amending the item relating to section 3043 to read as follows:

"3043. Repealed."; and

(2) by adding the following new item after the item relating to section 3061:

"3062. General arrest authority for violation of release conditions.".

SEC. 204. Section 3731 of title 18, United States Code, is amended by adding after the second paragraph the following new paragraph:

"An appeal by the United States shall lie to a court of appeals from a decision or order, entered by a district court of the United States, granting the release of a person charged with or convicted of an offense, or denying a motion for revocation of, or modification of the conditions of, a decision or order granting release.".

SEC. 205. The second paragraph of section 3772 of title 18, United States Code, is amended by striking out "bail" and inserting in lieu thereof "release pending appeal".

SEC. 206. Section 4282 of title 18, United States Code, is amended—

(a) by striking out "and not admitted to bail" and substituting "and detained pursuant to chapter 207"; and

(b) by striking out "and unable to make bail".

SEC. 207. Section 636 of title 28, United States Code, is amended by striking out "impose conditions of release under section 3146 of title 18" and inserting in lieu thereof "issue orders pursuant to section 3142 of title 18 concerning release or detention of persons pending trial".

SEC. 208. The Federal Rules of Criminal Procedure are amended as follows:

(a) Rule 5(c) is amended by striking out "shall admit the defendant to bail" and inserting in lieu thereof "shall detain or conditionally release the defendant".

(b) The second sentence of rule 15(a) is amended by striking out "committed for failure to give bail to appear to testify at a trial or hearing" and inserting in lieu thereof "detained pursuant to 18 U.S.C. § 3144".

(c) Rule 40(f) is amended to read as follows:

"(f) Release or Detention. If a person was previously detained or conditionally released, pursuant to chapter 207 of title 18, United States Code, in another district where a warrant, information or indictment issued, the Federal magistrate shall take into account the decision previously made and the reasons set forth therefor, if any, but will not be bound by that decision. If the Federal magistrate amends the release or detention decision or alters the conditions of release, he shall set forth the reasons for his action in writing.".

(d) Rule 46 is amended—

(1) in subdivision (a), by striking out "3146, 3148, or 3149" and inserting in lieu thereof "3142 and 3144";

(2) in subdivision (c), by striking out "3148" and inserting in lieu thereof "3143";

(3) by amending subdivision (e)(2) to read as follows:

"(2) SETTING ASIDE.—The court may direct that a forfeiture be set aside in whole or in part, upon such conditions as the court may impose, if a person released upon execution of an appearance bond with a surety is subsequently surrendered by the surety into custody or if it otherwise appears that justice does not require the forfeiture."; and

(4) by adding the following new subdivision at the end thereof:

"(h) FORFEITURE OF PROPERTY.—Nothing in this rule or in chapter 207 of title 18, United States Code, shall prevent the court from disposing of any charge by entering an order directing forfeiture of property pursuant to 18 U.S.C. § 3142(c)(2)(K) if the value of the property is an amount that would be an appropriate sentence after conviction of the offense charged and if such forfeiture is authorized by statute or regulation.".

(e) Rule 54(b)(3) is amended by striking out "18 U.S.C. § 3043, and".

SEC. 209. Rule 9(c) of the Federal Rules of Appellate Procedure is amended by striking out "3148" and inserting in lieu thereof "3143", and following the word "community", inserting "and that the appeal is not for purpose of delay and raises a substantial

question of law or fact likely to result in reversal or in an order for a new trial".

SUBTITLE B—SENTENCING REFORM

SEC. 211. This subtitle may be cited as the "Sentencing Reform Act of 1983".

SEC. 212. (a) Title 18 of the United States Code is amended by—

(1) redesignating sections 3577, 3578, 3611, 3612, 3615, 3617, 3618, 3619, 3620, and 3656 as sections 3661, 3662, 3663, 3664, 3665, 3666, 3667, 3668, 3669, and 3670 of a new chapter 232 of title 18 of the United States Code, respectively;

(2) repealing chapters 227, 229, and 231 and substituting the following new chapters:

"CHAPTER 227—SENTENCES

"Subchapter
"A. General Provisions 3551
"B. Probation 3561
"C. Fines 3571
"D. Imprisonment 3581

"SUBCHAPTER A—GENERAL PROVISIONS

"Sec.
"3551. Authorized sentences.
"3552. Presentence reports.
"3553. Imposition of a sentence.
"3554. Order of criminal forfeiture.
"3555. Order of notice to victims.
"3556. Order of restitution.
"3557. Review of a sentence.
"3558. Implementation of a sentence.
"3559. Sentencing classification of offenses.

"SUBCHAPTER A—GENERAL PROVISIONS

"§ 3551. Authorized sentences

"(a) IN GENERAL.—Except as otherwise specifically provided, a defendant who has been found guilty of an offense described in any Federal statute, other than an Act of Congress applicable exclusively in the District of Columbia or the Uniform Code of Military Justice, shall be sentenced in accordance with the provisions of this chapter so as to achieve the purposes set forth in subparagraphs (A) through (D) of section 3553(a)(2) to the extent that they are applicable in light of all the circumstances of the case.

"(b) INDIVIDUALS.—An individual found guilty of an offense shall be sentenced, in accordance with the provisions of section 3553, to—

"(1) a term of probation as authorized by subchapter B;

"(2) a fine as authorized by subchapter C; or

"(3) a term of imprisonment is authorized by subchapter D.

A sentence to pay a fine may be imposed in addition to any other sentence. A sanction authorized by section 3554, 3555, or 3556 may be imposed in addition to the sentence required by this subsection.

"(c) ORGANIZATIONS.—An organization found guilty of an offense shall be sentenced, in accordance with the provisions of section 3553, to—

"(1) a term of probation as authorized by subchapter B; or

"(2) a fine as authorized by subchapter C. A sentence to pay a fine may be imposed in addition to a sentence to probation. A sanction authorized by section 3554, 3555, or 3556 may be imposed in addition to the sentence required by this subsection.

"§ 3552. Presentence reports

"(a) PRESENTENCE INVESTIGATION AND REPORT BY PROBATION OFFICER.—A United States probation officer shall, pursuant to the provisions of Rule 32(c) of the Federal Rules of Criminal Procedure, make a presentence investigation of a defendant, and shall, before the imposition of sentence, report the results of the investigation to the court.

"(b) PRESENTENCE STUDY AND REPORT BY BUREAU OF PRISONS.—If the court, before or after its receipt of a report specified in subsection (a) or (c), desires more information than is otherwise available to it as a basis for determining the sentence to be imposed on a defendant found guilty of a felony, it may order that the defendant, for the purpose of a study, be committed to the custody of the Bureau of Prisons for a period of not more than sixty days. The order shall specify the additional information that the court needs before determining the sentence to be imposed. Such an order shall be treated for administrative purposes as a provisional sentence of imprisonment for the maximum term authorized by section 3581(b) for the offense committed. The Bureau shall conduct a complete study of the defendant during such period, inquiring into such matters as are specified by the court and any other matters that it believes are pertinent to the factors set forth in section 3553(a). The period of commitment may, in the discretion of the court, be extended for an additional period of not more than sixty days. By the expiration of the period of commitment, or by the expiration of any extension granted by the court, the Bureau shall return the defendant to the court for final sentencing, shall provide the court with a written report of the pertinent results of the study, and shall make to the court whatever recommendations the Bureau believes will be helpful to a proper resolution of the case. The report shall include recommendations of the Bureau concerning the guidelines and policy statements, promulgated by the Sentencing Commission pursuant to 28 U.S.C. 994(a), that it believes are applicable to the defendant's case. After receiving the report and the recommendations, the court shall proceed finally to sentence the defendant in accordance with the sentencing alternatives and procedures available under this chapter.

"(c) PRESENTENCE EXAMINATION AND REPORT BY PSYCHIATRIC OR PSYCHOLOGICAL EXAMINERS.—If the court, before or after its receipt of a report specified in subsection (a) or (b) desires more information than is otherwise available to it as a basis for determining the mental condition of the defendant, it may order that the defendant undergo a psychiatric or psychological examination and that the court be provided with a written report of the results of the examination pursuant to the provisions of section 4247.

"(d) DISCLOSURE OF PRESENTENCE REPORTS.—The court shall assure that a report filed pursuant to this section is disclosed to the defendant, the counsel for the defendant, and the attorney for the government in a timely manner, pursuant to the provisions of Rule 32(c) of the Federal Rules of Criminal Procedure.

"§ 3553. Imposition of a sentence

"(a) FACTORS TO BE CONSIDERED IN IMPOSING A SENTENCE.—The court, in determining the particular sentence to be imposed, shall consider—

"(1) the nature and circumstances of the offense and the history and characteristics of the defendant;

"(2) the need for the sentence imposed—

"(A) to reflect the seriousness of the offense, to promote respect for law, and to provide just punishment for the offense;

"(B) to afford adequate deterrence to criminal conduct;

"(C) to protect the public from further crimes of the defendant; and

"(D) to provide the defendant with needed educational or vocational training, medical care, or other correctional treatment in the most effective manner;

"(3) the kinds of sentences available;

"(4) the kinds of sentence and the sentencing range established for the applicable category of offense committed by the applicable category of defendant as set forth in the guidelines that are issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1) and that are in effect on the date the defendant is sentenced;

"(5) any pertinent policy statement issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2) that is in effect on the date the defendant is sentenced; and

"(6) the need to avoid unwarranted sentence disparities among defendants with similar records who have been found guilty of similar conduct.

"(b) APPLICATION OF GUIDELINES IN IMPOSING A SENTENCE.—The court shall impose a sentence of the kind, and within the range, referred to in subsection (a)(4) unless the court finds that an aggravating or mitigating circumstance exists that was not adequately taken into consideration by the Sentencing Commission in formulating the guidelines and that should result in a sentence different from that described.

"(c) STATEMENT OF REASONS FOR IMPOSING A SENTENCE.—The court, at the time of sentencing, shall state in open court the reasons for its imposition of the particular sentence, and, if the sentence—

"(1) is of the kind, and within the range, described in subsection (a)(4), the reason for imposing a sentence at a particular point within the range; or

"(2) is not of the kind, or is outside the range, described in subsection (a)(4), the specific reason for the imposition of a sentence different from that described.

If the sentence does not include an order of restitution, the court shall include in the statement the reason therefor. The clerk of the court shall provide a transcription of the court's statement of reasons to the Probation System, and, if the sentence includes a term of imprisonment, to the Bureau of Prisons.

"(d) PRESENTENCE PROCEDURE FOR AN ORDER OF NOTICE OR RESTITUTION.—Prior to imposing an order of notice pursuant to section 3555, or an order of restitution pursuant to section 3556, the court shall give notice to the defendant and the government that it is considering imposing such an order. Upon motion of the defendant or the government, or on its own motion, the court shall—

"(1) permit the defendant and the government to submit affidavits and written memoranda addressing matters relevant to the imposition of such an order;

"(2) afford counsel an opportunity in open court to address orally the appropriateness of the imposition of such an order; and

"(3) include in its statement of reasons pursuant to subsection (c) specific reasons underlying its determinations regarding the nature of such an order.

Upon motion of the defendant or the government, or on its own motion, the court may in its discretion employ any additional procedures that it concludes will not unduly complicate or prolong the sentencing process.

"§ 3554. Order of criminal forfeiture

The court, in imposing a sentence on a defendant who has been found guilty of an offense described in section 1962 of this title or in title II or III of the Comprehensive Drug Abuse Prevention and Control Act of 1970 shall order, in addition to the sentence that is imposed pursuant to the provisions of section 3551, that the defendant forfeit property to the United States in accordance with the provisions of section 1963 of this title or section 413 of the Comprehensive Drug Abuse and Control Act of 1970.

"§ 3555. Order of notice to victims

"The court, in imposing a sentence on a defendant who has been found guilty of an offense involving fraud or other intentionally deceptive practices, may order, in addition to the sentence that is imposed pursuant to the provisions of section 3551, that the defendant give reasonable notice and explanation of the conviction, in such form as the court may approve, to the victims of the offense. The notice may be ordered to be given by mail, by advertising in designated areas or through designated media, or by other appropriate means. In determining whether to require the defendant to give such notice, the court shall consider the factors set forth in section 3553(a) to the extent that they are applicable and shall consider the cost involved in giving the notice as it relates to the loss caused by the offense, and shall not require the defendant to bear the costs of notice in excess of $20,000.

"§ 3556. Order of restitution

"(a) ORDER.—The court, in imposing a sentence on a defendant for any offense under this title, except an offense described in section 3671, may order the defendant to make appropriate restitution. The order of restitution shall require that the defendant—

"(1) in the case of an offense causing injury or death, make restitution to the victim of the offense or estate of the victim in an amount that does not exceed income lost because of the victim's incapacitation or death, necessary medical expenses including ones associated with physical, psychological, or vocational rehabilitation, and, if applicable, the expenses for the funeral and burial of the victim; and

"(2) in the case of an offense resulting in loss, damage, or destruction of property—

"(A) restore the property to the victim of the offense; or

"(B) make restitution to the victim of the offense in an amount that does not exceed the value of the property.

The court may order that restitution be made in the form of money or, if the victim agrees, in services to the victim or to a person or organization designated by the victim. If the court does not order restitution, the court must state for the record the reasons. The court shall make the order of restitution as fair as possible to the victim without unduly complicating or prolonging the sentencing process.

"(b) RELATIONSHIP TO CIVIL PROCEEDINGS.—

"(1) The court shall not order restitution as to any victim who is bound by an earlier judgment in, or a settlement of, a civil proceeding involving the underlying offense.

"(2) Any amount paid to a person pursuant to an order of restitution shall be set off against an amount later recovered as compensatory damages by such person in any civil proceeding.

"(3) A conviction of a defendant by a Federal court of an offense involving the act giving rise to restitution under this section shall estop the defendant from denying the essential allegations of the criminal offense in any subsequent civil proceeding brought by the victim.

"(4) If appropriate the court may consider ordering restitution to any party who has compensated the victim for expenses or losses directly related to the crime.

"(5) An order of restitution may be enforced by the victim or the United States in the same manner as a judgment in a civil action and notwithstanding any other provision of law, an order of restitution shall be satisfied by the defendant before any Federal lien.

"(c) RESTITUTION AS CONDITION.—If a defendant is placed on probation or a term of supervised release pursuant to this title, any restitution ordered under this section shall be a condition of such term of supervised release or probation. Failure to comply with an order of restitution shall be grounds for the revocation of probation or for prosecution for contempt.

"§ 3557. Review of a sentence

"The review of a sentence imposed pursuant to section 3551 is governed by the provisions of sections 3742.

"§ 3558. Implementation of a sentence

"The implementation of a sentence imposed pursuant to section 3551 is governed by the provisions of chapter 229.

"§ 3559. Sentencing classification of offenses

"(a) CLASSIFICATION.—An offense that is not specifically classified by a letter grade in the section defining it, is classified—

"(1) if the maximum term of imprisonment authorized is—

"(A) life imprisonment, or if the maximum penalty is death, as a Class A felony;

"(B) twenty years or more, as a Class B felony;

"(C) less than twenty years but ten or more years, as a Class C felony;

"(D) less than ten years but five or more years, as a Class D felony;

"(E) less than five years but more than one year, as a Class E felony;

"(F) one year or less but more than six months, as a Class A misdemeanor;

"(G) six months or less but more than thirty days, as a Class B misdemeanor;

"(H) thirty days or less but more than five days, as a Class C misdemeanor; or

"(I) five days or less, or if no imprisonment is authorized, as an infraction.

"(b) EFFECT OF CLASSIFICATION.—An offense classified under subsection (a) carries all the incidents assigned to the applicable letter designation except that the maximum fine that may be imposed is the fine authorized by the statute describing the offense, or by this title, whichever is the greater.

"SUBCHAPTER B—PROBATION

"Sec.
"3561. Sentence of probation.
"3562. Imposition of a sentence of probation.
"3563. Conditions of probation.
"3564. Running of a term of probation.
"3565. Revocation of probation.
"3566. Implementation of a sentence of probation.

"SUBCHAPTER B—PROBATION

"§ 3561. Sentence of probation

"(a) IN GENERAL.—A defendant who has been found guilty of an offense may be sentenced to a term of probation unless—

"(1) the offense is a Class A felony;

"(2) the offense is an offense for which probation has been expressly precluded; or

"(3) the defendant is sentenced at the same time to a term of imprisonment for the same or a different offense.

"(b) AUTHORIZED TERMS.—The authorized terms of probation are—

"(1) for a felony, not less than one nor more than five years;

"(2) for a misdemeanor, not more than two years; and

"(3) for an infraction, not more than one year.

"§ 3562. Imposition of a sentence of probation

"(a) FACTORS TO BE CONSIDERED IN IMPOSING A TERM OF PROBATION.—The court, in determining whether to impose a term of probation, and, if a term of probation is to be imposed, in determining the length of the term and the conditions of probation, shall consider the factors set forth in section 3553(a) to the extent that they are applicable.

"(b) EFFECT OF FINALITY OF JUDGMENT.—Notwithstanding the fact that a sentence of probation can subsequently be—

"(1) modified or revoked pursuant to the provisions of section 3564 or 3565;

"(2) corrected pursuant to the provisions of rule 35 and section 3742; or

"(3) appealed and modified, if outside the guideline range, pursuant to the provisions of section 3742;

a judgment of conviction that includes such a sentence constitutes a final judgment for all other purposes.

"§ 3563. Conditions of probation

"(a) MANDATORY CONDITIONS.—The court shall provide, as an explicit condition of a sentence of probation—

"(1) for a felony, a misdemeanor, or an infraction, that the defendant not commit another Federal, State, or local crime during the term of probation; and

"(2) for a felony, that the defendant also abide by at least one condition set forth in subsection (b)(2), (b)(3), or (b)(13).

"(b) DISCRETIONARY CONDITIONS.—The court may provide, as further conditions of a sentence of probation, to the extent that such conditions are reasonably related to the factors set forth in section 3553 (a)(1) and (a)(2) and to the extent that such conditions involve only such deprivations of liberty or property as are reasonably necessary for the purposes indicated in section 3553(a)(2), that the defendant—

"(1) support his dependents and meet other family responsibilities;

"(2) pay a fine imposed pursuant to the provisions of subchapter C;

"(3) make restitution to a victim of the offense pursuant to the provisions of section 3556;

"(4) give to the victims of the offense the notice ordered pursuant to the provisions of section 3555;

"(5) work conscientiously at suitable employment or pursue conscientiously a course of study or vocational training that will equip him for suitable employment;

"(6) refrain, in the case of an individual, from engaging in a specified occupation, business, or profession bearing a reasonably direct relationship to the conduct constituting the offense, or engage in such a specified occupation, business, or profession only to a stated degree or under stated circumstances;

"(7) refrain from frequenting specified kinds of places or from associating unnecessarily with specified persons;

"(8) refrain from excessive use of alcohol, or any use of a narcotic drug or other con-

trolled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802), without a prescription by a licensed medical practitioner;

"(9) refrain from possessing a firearm, destructive device, or other dangerous weapon;

"(10) undergo available medical, psychiatric, or psychological treatment, including treatment for drug or alcohol dependency, as specified by the court, and remain in a specified institution if required for that purpose;

"(11) remain in the custody of the Bureau of Prisons during nights, weekends, or other intervals of time, totaling no more than the lesser of one year or the term of imprisonment authorized for the offense in section 3581(b), during the first year of the term of probation;

"(12) reside at, or participate in the program of, a community correction facility for all or part of the term of probation;

"(13) work in community service as directed by the court;

"(14) reside in a specified place or area, or refrain from residing in a specified place or area;

"(15) remain within the jurisdiction of the court, unless granted permission to leave by the court or a probation officer;

"(16) report to a probation officer as directed by the court or the probation officer;

"(17) permit a probation officer to visit him at his home or elsewhere as specified by the court;

"(18) answer inquiries by a probation officer and notify the probation officer promptly of any change in address or employment;

"(19) notify the probation officer promptly if arrested or questioned by a law enforcement officer; or

"(20) satisfy such other conditions as the court may impose.

"(c) MODIFICATION OF CONDITIONS.—The court may, after a hearing, modify, reduce, or enlarge the conditions of a sentence of probation at any time prior to the expiration or termination of the term of probation, pursuant to the provisions applicable to the initial setting of the conditions of probation.

"(d) WRITTEN STATEMENT OF CONDITIONS.—The court shall direct that the probation officer provide the defendant with a written statement that sets forth all the conditions to which the sentence is subject, and that is sufficiently clear and specific to serve as a guide for the defendant's conduct and for such supervision as is required.

"§ 3564. Running of a term of probation

"(a) COMMENCEMENT.—A term of probation commences on the day that the sentence of probation is imposed, unless otherwise ordered by the court.

"(b) CONCURRENCE WITH OTHER SENTENCES.—Multiple terms of probation, whether imposed at the same time or at different times, run concurrently with each other. A term of probation runs concurrently with any Federal, State, or local term of probation, or supervised release, or parole for another offense to which the defendant is subject or becomes subject during the term of probation, except that it does not run during any period in which the defendant is imprisoned, other than during limited intervals as a condition of probation or supervised release, in connection with a conviction for a Federal, State, or local crime.

"(c) EARLY TERMINATION.—The court, after considering the factors set forth in section 3553(a) to the extent that they are applicable, may terminate a term of probation previously ordered and discharge the defendant at any time in the case of a misdemeanor or an infraction or at any time after the expiration of one year of probation in the case of a felony, if it is satisfied that such action is warranted by the conduct of the defendant and the interest of justice.

"(d) EXTENSION.—The court may, after a hearing, extend a term of probation, if less than the maximum authorized term was previously imposed, at any time prior to the expiration or termination of the term of probation, pursuant to the provisions applicable to the initial setting of the term of probation.

"(e) SUBJECT TO REVOCATION.—A sentence of probation remains conditional and subject to revocation until its expiration or termination.

"§ 3565. Revocation of probation

"(a) CONTINUATION OR REVOCATION.—If the defendant violates a condition of probation at any time prior to the expiration or termination of the term of probation, the court may, after a hearing pursuant to Rule 32.1 of the Federal Rules of Criminal Procedure, and after considering the factors set forth in section 3553(a) to the extent that they are applicable—

"(1) continue him on probation, with or without extending the term or modifying or enlarging the conditions; or

"(2) revoke the sentence of probation and impose any other sentence that was available under subchapter A at the time of the initial sentencing.

"(b) DELAYED REVOCATION.—The power of the court to revoke a sentence of probation for violation of a condition of probation, and to impose another sentence, extends beyond the expiration of the term of probation for any period reasonably necessary for the adjudication of matters arising before its expiration if, prior to its expiration, a warrant or summons has been issued on the basis of an allegation of such a violation.

"§ 3566. Implementation of a sentence of probation

"The implementation of a sentence of probation is governed by the provisions of subchapter A of chapter 229.

"SUBCHAPTER C—FINES

"Sec.
"3571. Sentence of fine.
"3572. Imposition of a sentence of fine.
"3573. Modification or remission of fine.
"3574. Implementation of a sentence of fine.

"SUBCHAPTER C—FINES

"§ 3571. Sentence of fine

"(a) IN GENERAL.—A defendant who has been found guilty of an offense may be sentenced to pay a fine.

"(b) AUTHORIZED FINES.—Except as otherwise provided, the authorized fines are—

"(1) if the defendant is an individual—

"(A) for a felony, or for a misdemeanor resulting in the loss of human life, not more than $250,000;

"(B) for any other misdemeanor, not more than $25,000; and

"(C) for an infraction, not more than $1,000; and

"(2) if the defendant is an organization—

"(A) for a felony, or for a misdemeanor resulting in the loss of human life, not more than $500,000;

"(B) for any other misdemeanor, not more than $100,000; and

"(C) for an infraction, not more than $10,000.

"§ 3572. Imposition of a sentence of fine

"(a) FACTORS TO BE CONSIDERED IN IMPOSING FINE.—The court, in determining whether to impose a fine, and, if a fine is to be imposed, in determining the amount of the fine, the time for payment, and the method of payment, shall consider—

"(1) the factors set forth in section 3553(a), to the extent they are applicable, including, with regard to the characteristics of the defendant under section 3553(a), the ability of the defendant to pay the fine in view of the defendant's income, earning capacity, and financial resources and, if the defendant is an organization, the size of the organization;

"(2) the nature of the burden that payment of the fine will impose on the defendant, and on any person who is financially dependent upon the defendant;

"(3) any restitution or reparation made by the defendant to the victim of the offense, and any obligation imposed upon the defendant to make such restitution or reparation to the victim of the offense;

"(4) if the defendant is an organization, any measure taken by the organization to discipline its employees or agents responsible for the offense or to insure against a recurrence of such an offense; and

"(5) any other pertinent equitable consideration.

"(b) LIMIT ON AGGREGATE OF MULTIPLE FINES.—Except as otherwise expressly provided, the aggregate of fines that a court may impose on a defendant at the same time for different offenses that arise from a common scheme or plan, and that do not cause separable or distinguishable kinds of harm or damage, is twice the amount imposable for the most serious offense.

"(c) EFFECT OF FINALITY OF JUDGMENT.—Notwithstanding the fact that a sentence to pay a fine can subsequently be—

"(1) modified or remitted pursuant to the provisions of section 3573;

"(2) corrected pursuant to the provisions of rule 35 and section 3742; or

"(3) appealed and modified, if outside the guideline range, pursuant to the provisions of section 3742;

a judgment of conviction that includes such a sentence constitutes a final judgment for all other purposes.

"(d) TIME AND METHOD OF PAYMENT.—At the time a defendant is sentenced to pay a fine, the court may provide for the payment to be made within a specified period of time or in specified installments. If no such provision is made a part of the sentence, payment is due immediately.

"(e) ALTERNATIVE SENTENCE PRECLUDED.—At the time a defendant is sentenced to pay a fine, the court may not impose an alternative sentence to be served in the event that the fine is not paid.

"(f) INDIVIDUAL RESPONSIBILITY FOR PAYMENT.—If a fine is imposed on an organization, it is the duty of each individual authorized to make disbursement of the assets of the organization to pay the fine from assets of the organization. If a fine is imposed on an agent or shareholder of an organization, the fine shall not be paid, directly or indirectly, out of the assets of the organization, unless the court finds that such payment is expressly permissible under applicable State law.

"§ 3573. Modification or remission of fine

"(a) PETITION FOR MODIFICATION OR REMISSION.—A defendant who has been sentenced to pay a fine, and who—

"(1) has paid part but not all thereof, and concerning whom the circumstances no longer exist that warranted the imposition of the fine in the amount imposed or payment by the time or method specified, may petition the court for—

"(A) an extension of the time for payment;

"(B) a modification in the method of payment; or

"(C) a remission of all or part of the unpaid portion; or

"(2) has thereafter voluntarily made restitution or reparation to the victim of the offense, may petition the court for a remission of the unpaid portion of the fine in an amount not exceeding the amount of such restitution or reparation.

"(b) ORDER OF MODIFICATION OR REMISSION.—If, after the filing of a petition as provided in subsection (a), the court finds that the circumstances warrant relief, the court may enter an appropriate order.

"§ 3574. Implementation of a sentence of fine

"The implementation of a sentence to pay a fine is governed by the provisions of subchapter B of chapter 229.

"SUBCHAPTER D—IMPRISONMENT

"Sec.
"3581. Sentence of imprisonment.
"3582. Imposition of a sentence of imprisonment.
"3583. Inclusion of a term of supervised release after imprisonment.
"3584. Multiple sentences of imprisonment.
"3585. Calculation of a term of imprisonment.
"3586. Implementation of a sentence of imprisonment.

"SUBCHAPTER D IMPRISONMENT

"§ 3581. Sentence of imprisonment

"(a) IN GENERAL.—A defendant who has been found guilty of an offense may be sentenced to a term of imprisonment.

"(b) AUTHORIZED TERMS.—The authorized terms of imprisonment are—

"(1) for a Class A felony, the duration of the defendant's life or any period of time;

"(2) for a Class B felony, not more than twenty-five years;

"(3) for a Class C felony, not more than twelve years;

"(4) for a Class D felony, not more than six years;

"(5) for a Class E felony, not more than three years;

"(6) for a Class A misdemeanor, not more than one year;

"(7) for a Class B misdemeanor, not more than six months;

"(8) for a Class C misdemeanor, not more than thirty days; and

"(9) for an infraction, not more than five days.

"(c) CAREER CRIMINALS.—

"(1) For the purposes of this section, a career criminal is defined as a person sixteen years of age or older who has been found guilty of a crime of violence which is a felony offense or an offense described in section 841, 952(a), 955, or 959 of title 21, and has been convicted of two prior felony offenses, each of which is either a crime of violence in violation of State or Federal law or an offense described in section 841, 952(a), 955, or 959 of title 21.

"(2) A career criminal shall receive the maximum or approximately the maximum penalty for the current offense.

"(3) Prior to full implementation of the provisions of title V, relating to sentencing reform, a career criminal may receive a sentence of imprisonment without parole prior to the expiration of the full term of imprisonment imposed by the court.

"§ 3582. Imposition of a sentence of imprisonment

"(a) FACTORS TO BE CONSIDERED IN IMPOSING A TERM OF IMPRISONMENT.—The court, in determining whether to impose a term of imprisonment, and, if a term of imprisonment is to be imposed, in determining the length of the term, shall consider the factors set forth in section 3553(a) to the extent that they are applicable, recognizing that imprisonment is not an appropriate means of promoting correction and rehabilitation. In determining whether to make a recommendation concerning the type of prison facility appropriate for the defendant, the court shall consider any pertinent policy statements issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2).

"(b) EFFECT OF FINALITY OF JUDGMENT.—Notwithstanding the fact that a sentence to imprisonment can subsequently be—

"(1) modified pursuant to the provisions of subsection (c);

"(2) corrected pursuant to the provisions of rule 35 and section 3742; or

"(3) appealed and modified, if outside the guideline range, pursuant to the provisions of section 3742;

a judgment of conviction that includes such a sentence constitutes a final judgment for all other purposes.

"(c) MODIFICATION OF AN IMPOSED TERM OF IMPRISONMENT.—The court may not modify a term of imprisonment once it has been imposed except that—

"(1) in any case—

"(A) the court, upon motion of the Director of the Bureau of Prisons, may reduce the term of imprisonment, after considering the factors set forth in section 3553(a) to the extent that they are applicable, if it finds that extraordinary and compelling reasons warrant such a reduction and that such a reduction is consistent with applicable policy statements issued by the Sentencing Commission; and

"(B) the court may modify an imposed term of imprisonment to the extent otherwise expressly permitted by statute or by Rule 35 of the Federal Rules of Criminal Procedure;

"(2) in the case of a defendant who has been sentenced to a term of imprisonment in excess of six years, the court, upon motion of the defendant or the Director of the Bureau of Prisons, may reduce the term of imprisonment, after considering the factors set forth in section 3553(a) to the extent that they are applicable, if it finds that extraordinary and compelling reasons require such a reduction and that such a reduction is consistent with applicable policy statements issued by the Sentencing Commission; but the court may consider only two such motions with respect to a particular defendant, one, after the defendant has served at least six years of his sentence, and a second, after the defendant has served at least the maximum term of imprisonment specified in the applicable guideline issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1); and

"(3) in the case of a defendant who has been sentenced to a term of imprisonment based on a sentencing range that has subsequently been lowered by the Sentencing Commission pursuant to 28 U.S.C. 994(n), upon motion of the defendant or the Director of Bureau of Prisons, or on its own motion, the court may reduce the term of imprisonment, after considering the factors set forth in section 3553(a) to the extent that they are applicable, if such a reduction is consistent with applicable policy statements issued by the Sentencing Commission.

"(d) INCLUSION OF AN ORDER TO LIMIT CRIMINAL ASSOCIATION OF ORGANIZED CRIME AND DRUG OFFENDERS.—The court, in imposing a sentence to a term of imprisonment upon a defendant convicted of a felony set forth in chapter 95 (racketeering) or 96 (racketeer influenced and corrupt organizations) of this title or in the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 801 et seq.), or at any time thereafter upon motion by the Director of the Bureau of Prisons or a United States attorney, may include as a part of the sentence an order that requires that the defendant not associate or communicate with a specified person, other than his attorney, upon a showing of probable cause to believe that association or communication with such person is for the purpose of enabling the defendant to control, manage, direct, finance, or otherwise participate in an illegal enterprise.

"§ 3583. Inclusion of a term of supervised release after imprisonment

"(a) IN GENERAL.—The court, in imposing a sentence to a term of imprisonment for a felony or a misdemeanor, may include as a part of the sentence a requirement that the defendant be placed on a term of supervised release after imprisonment.

"(b) AUTHORIZED TERMS OF SUPERVISED RELEASE.—The authorized terms of supervised release are—

"(1) for a Class A or Class B felony, not more than three years;

"(2) for a Class C or Class D felony, not more than two years; and

"(3) for a Class E felony, or for a misdemeanor, not more than one year.

"(c) FACTORS TO BE CONSIDERED IN INCLUDING A TERM OF SUPERVISED RELEASE.—The court, in determining whether to include a term of supervised release, and, if a term of supervised release is to be included, in determining the length of the term and the conditions of supervised release, shall consider the factors set forth in section 3553 (a)(1), (a)(2)(B), (a)(2)(D), (a)(4), (a)(5), and (a)(6).

"(d) CONDITIONS OF SUPERVISED RELEASE.—The court shall order, as an explicit condition of supervised release, that the defendant not commit another Federal, State, or local crime during the term of supervision. The court may order, as a further condition, of supervised release, to the extent that such condition—

"(1) is reasonably related to the factors set forth in section 3553 (a)(1), (a)(2)(B), and (a)(2)(D);

"(2) involves no greater deprivation of liberty than is reasonably necessary for the purposes set forth in section 3553 (a)(2)(B) and (a)(2)(D); and

"(3) is consistent with any pertinent policy statements issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a);

any condition set forth as a discretionary condition of probation in section 3563(b)(1) through (b)(10) and (b)(12) through (b)(19), and any other condition it considers to be appropriate. If an alien defendant is subject to deportation, the court may provide, as a condition of supervised release, that he be deported and remain outside the United States, and may order that he be delivered to a duly authorized immigration official for such deportation.

"(e) MODIFICATION OF TERM OR CONDITIONS.—The court may, after considering

the factors set forth in section 3553 (a)(1), (a)(2)(B), (a)(2)(D), (a)(4), (a)(5), and (a)(6)—

"(1) terminate a term of supervised release previously ordered and discharge the person released at any time after the expiration of one year of supervised release, if it is satisfied that such action is warranted by the conduct of the person released and the interest of justice; or

"(2) after a hearing, extend a term of supervised release if less than the maximum authorized term was previously imposed, and may modify, reduce, or enlarge the conditions of supervised release, at any time prior to the expiration or termination of the term of supervised release, pursuant to the provisions applicable to the initial setting of the term and conditions of post-release supervision.

"(f) WRITTEN STATEMENT OF CONDITIONS.—The court shall direct that the probation officer provide the defendant with a written statement that sets forth all the conditions to which the term of supervised release is subject, and that is sufficiently clear and specific to serve as a guide for the defendant's conduct and for such supervision as is required.

"§ 3584. Multiple sentences of imprisonment

"(a) IMPOSITION OF CONCURRENT OR CONSECUTIVE TERMS.—If multiple terms of imprisonment are imposed on a defendant at the same time, or if a term of imprisonment is imposed on a defendant who is already subject to an undischarged term of imprisonment, the terms may run concurrently or consecutively, except that the terms may not run consecutively for an attempt and for another offense that was the sole objective of the attempt. Multiple terms of imprisonment imposed at the same time run concurrently unless the court orders or the statute mandates that the terms are to run consecutively. Multiple terms of imprisonment imposed at different times run consecutively unless the court orders that the terms are to run concurrently.

"(b) FACTORS TO BE CONSIDERED IN IMPOSING CONCURRENT OR CONSECUTIVE TERMS.—The court, in determining whether the terms imposed are to be ordered to run concurrently or consecutively, shall consider, as to each offense for which a term of imprisonment is being imposed, the factors set forth in section 3553(a).

"(c) TREATMENT OF MULTIPLE SENTENCES AS AN AGGREGATE.—Multiple terms of imprisonment ordered to run consecutively shall be treated for administrative purposes as a single, aggregate term of imprisonment.

"§ 3585. Calculation of a term of imprisonment

"(a) COMMENCEMENT OF SENTENCE.—A sentence to a term of imprisonment commences on the date the defendant is received in custody awaiting transportation to, or arrives voluntarily to commence service of sentence at, the official detention facility at which the sentence is to be served.

"(b) CREDIT FOR PRIOR CUSTODY.—A defendant shall be given credit toward the service of a term of imprisonment for any time he has spent in official detention prior to the date the sentence commences—

"(1) as a result of the offense for which the sentence was imposed; or

"(2) as a result of any other charge for which the defendant was arrested after the commission of the offense for which the sentence was imposed;

that has not been credited against another sentence.

"§ 3586. Implementation of a sentence of imprisonment

"The implementation of a sentence of imprisonment is governed by the provisions of subchapter C of chapter 229 and, if the sentence includes a term of supervised release, by the provisions of subchapter A of chapter 229.

"CHAPTER 229—POSTSENTENCE ADMINISTRATION

"Subchapter
"A. Probation 3601
"B. Fines 3611
"C. Imprisonment 3621

"SUBCHAPTER A—PROBATION

"Sec.
"3601. Supervision of probation.
"3602. Appointment of probation officers.
"3603. Duties of probation officers.
"3604. Transportation of a probationer.
"3605. Transfer of jurisdiction over a probationer.
"3606. Arrest and return of a probationer.
"3607. Special probation and expungement procedures for drug possessor.

"SUBCHAPTER A—PROBATION

"§ 3601. Supervision of probation

"A person who has been sentenced to probation pursuant to the provisions of subchapter B of chapter 227, or placed on probation pursuant to the provisions of chapter 403, or placed on supervised release pursuant to the provisions of section 3583, shall, during the term imposed, be supervised by a probation officer to the degree warranted by the conditions specified by the sentencing court.

"§ 3602 Appointment of probation officers

"(a) APPOINTMENT.—A district court of the United States shall appoint qualified persons to serve, with or without compensation, as probation officers within the jurisdiction and under the direction of the court making the appointment. The court may, for cause, remove a probation officer appointed to serve with compensation, and may, in its discretion, remove a probation officer appointed to serve without compensation.

"(b) RECORD OF APPOINTMENT.—The order of appointment shall be entered on the records of the court, a copy of the order shall be delivered to the officer appointed, and a copy shall be sent to the Director of the Administrative Office of the United States Courts.

"(c) CHIEF PROBATION OFFICER.—If the court appoints more than one probation officer, one may be designated by the court as chief probation officer and shall direct the work of all probation officers serving in the judicial district.

"§ 3603. Duties of probation officers

"A probation officer shall—

"(a) instruct a probationer or a person on supervised release, who is under his supervision as to the conditions specified by the sentencing court, and provide him with a written statement clearly setting forth all such conditions;

"(b) keep informed, to the degree required by the conditions specified by the sentencing court, as to the conduct and condition of a probationer or a person on supervised release, who is under his supervision, and report his conduct and condition to the sentencing court;

"(c) use all suitable methods, not inconsistent with the conditions specified by the court, to aid a probationer or a person on supervised release who is under his supervision, and to bring about improvements in his conduct and condition;

"(d) be responsible for the supervision of any probationer or a person on supervised release who is known to be within the judicial district;

"(e) keep a record of his work, and make such reports to the Director of the Administrative Office of the United States Courts as the Director may require;

"(f) upon request of the Attorney General or his designee, supervise and furnish information about a person within the custody of the Attorney General while on work release, furlough, or other authorized release from his regular place of confinement, or while in prerelease custody pursuant to the provisions of section 3624(c); and

"(g) perform any other duty that the court may designate.

"§ 3604. Transportation of a probationer

"A court, after imposing a sentence of probation, may direct a United States marshal to furnish the probationer with—

"(a) transportation to the place to which he is required to proceed as a condition of his probation; and

"(b) money, not to exceed such amount as the Attorney General may prescribe, for subsistence expenses while traveling to his destination.

"§ 3605. Transfer of jurisdiction over a probationer

"A court, after imposing a sentence, may transfer jurisdiction over a probationer or person on supervised release to the district court for any other district to which the person is required to proceed as a condition of his probation or release, or is permitted to proceed, with the concurrence of such court. A later transfer of jurisdiction may be made in the same manner. A court to which jurisdiction is transferred under this section is authorized to exercise all powers over the probationer or releasee that are permitted by this subchapter or subchapter B or D of chapter 227.

"§ 3606. Arrest and return of a probationer

"If there is probable cause to believe that a probationer or a person on supervised release has violated a condition of his probation or release, he may be arrested, and, upon arrest, shall be taken without unnecessary delay before the court having jurisdiction over him.

"§ 3607. Special probation and expungement procedures for drug possessors

"(a) PRE-JUDGMENT PROBATION.—If a person found guilty of an offense described in section 404 of the Controlled Substances Act (21 U.S.C. 844)—

"(1) has not, prior to the commission of such offense, been convicted of violating a Federal or State law relating to controlled substances; and

"(2) has not previously been the subject of a disposition under this subsection;

the court may, with the consent of such person, place him on probation for a term of not more than one year without entering a judgment of conviction. At any time before the expiration of the term of probation, if the person has not violated a condition of his probation, the court may, without entering a judgment of conviction, dismiss the proceedings against the person and discharge him from probation. At the expiration of the term of probation, if the person has not violated a condition of his probation the court shall, without entering a judgment of conviction, dismiss the proceedings

against the person and discharge him from probation. If the person violates a condition of his probation, the court shall proceed in accordance with the provisions of section 3565.

"(b) RECORD OF DISPOSITION.—A nonpublic record of a disposition under subsection (a), or a conviction that is the subject of an expungement order under subsection (c), shall be retained by the Department of Justice solely for the purpose of use by the courts in determining in any subsequent proceeding whether a person qualifies for the disposition provided in subsection (a) or the expungement provided in subsection (c). A disposition under subsection (a), or a conviction that is the subject of an expungement order under subsection (c), shall not be considered a conviction for the purpose of a disqualification or a disability imposed by law upon conviction of a crime, or for any other purpose.

"(c) EXPUNGEMENT OF RECORD OF DISPOSITION.—If the case against a person found guilty of an offense under section 404 of the Controlled Substances Act (21 U.S.C. 844) is the subject of a disposition under subsection (a), and the person was less than twenty-one years old at the time of the offense, the court shall enter an expungement order upon the application of such person. The expungement order shall direct that there be expunged from all official records, except the nonpublic records referred to in subsection (b), all references to his arrest for the offense, the institution of criminal proceedings against him, and the results thereof. The effect of the order shall be to restore such person, in the contemplation of the law, to the status he occupied before such arrest or institution of criminal proceedings. A person concerning whom such an order has been entered shall not be held thereafter under any provision of law to be guilty of perjury, false swearing, or making a false statement by reason of his failure to recite or acknowledge such arrests or institution of criminal proceedings, or the results thereof, in response to an inquiry made of him for any purpose.

"SUBCHAPTER B—FINES

"Sec.
"3611. Payment of a fine.
"3612. Collection of an unpaid fine.
"3613. Lien provisions for satisfaction of an unpaid fine.

"SUBCHAPTER B—FINES

"§ 3611. Payment of a fine

"A person who has been sentenced to pay a fine pursuant to the provisions of subchapter C of chapter 227 shall pay the fine immediately, or by the time and method specified by the sentencing court, to the clerk of the court. The clerk shall forward the payment to the United States Treasury.

"§ 3612. Collection of an unpaid fine

"(a) CERTIFICATION OF IMPOSITION.—If a fine is imposed, the sentencing court shall promptly certify to the Attorney General—

"(1) the name of the person fined;

"(2) his last known address;

"(3) the docket number of the case;

"(4) the amount of the fine imposed;

"(5) the time and method of payment specified by the court;

"(6) the nature of any modification or remission of the fine; and

"(7) the amount of the fine that is due and unpaid.

The court shall thereafter promptly certify to the Attorney General the amount of any subsequent payment that the court may receive with respect to, and the nature of any subsequent remission or modification of, a fine concerning which certification has previously been issued.

"(b) RESPONSIBILITY FOR COLLECTION.—The Attorney General shall be responsible for collection of an unpaid fine concerning which a certification has been issued as provided in subsection (a). An order of restitution, pursuant to section 3556, does not create any right of action against the United States by the person to whom restitution is ordered to be paid.

"§ 3613. Lien provisions for satisfaction of an unpaid fine

"(a) LIEN.—A fine imposed pursuant to the provisions of subchapter C of chapter 227 is a lien in favor of the United States upon all property belonging to the person fined. The lien arises at the time of the entry of the judgment and continues until the liability is satisfied, remitted, or set aside, or until it becomes unenforceable pursuant to the provisions of subsection (b). On application of the person fined, the Attorney General shall—

"(1) issue a certificate of release, as described in section 6325 of the Internal Revenue Code, of any lien imposed pursuant to this section, upon his acceptance of a bond described in section 6325(a)(2) of the Internal Revenue Code; or

"(2) issue a certificate of discharge, as described in section 6325 of the Internal Revenue Code, of any part of the person's property subject to a lien imposed pursuant to this section, upon his determination that the fair market value of that part of such property remaining subject to and available to satisfy the lien is at least three times the amount of the fine.

"(b) EXPIRATION OF LIEN.—A lien becomes unenforceable and liability to pay a fine expires—

"(1) twenty years after the entry of the judgment; or

"(2) upon the death of the individual fined.

The period set forth in paragraph (1) may be extended, prior to its expiration, by a written agreement between the person fined and the Attorney General. The running of the period set forth in paragraph (1) is suspended during any interval for which the running of the period of limitations for collection of a tax would be suspended pursuant to section 6503(b), 6503(c), 6503(f), or 7508(a)(1)(I) of the Internal Revenue Code of 1954 (26 U.S.C. 6503(b), 6503(c), 6503(g), or 7508(a)(1)(I)), or section 513 of the Act of October 17, 1940, 54 Stat. 1190.

"(c) APPLICATION OF OTHER LIEN PROVISIONS.—The provisions of sections 6323, other than 6323(f)(4), 6331 through 6343, 6901, 7402, 7403, 7405, 7423 through 7426, 7505(a), 7506, 7508, 7602 through 7605, 7622, 7701, and 7805 of the Internal Revenue Code of 1954 (26 U.S.C. 6323, 6331 through 6343, 6901, 7402, 7403, 7405, 7423 through 7426, 7505(a), 7506, 7508, 7602 through 7605, 7609, 7610, 7622, 7701, and 7805) and of section 513 of the Act of October 17, 1940, 54 Stat. 1190, apply to a fine and to the lien imposed by subsection (a) as if the liability of the person fined were for an internal revenue tax assessment, except to the extent that the application of such statutes is modified by regulations issued by the Attorney General to accord with differences in the nature of the liabilities. For the purposes of this subsection, references in the preceding sections of the Internal Revenue Code of 1954 to 'the Secretary' shall be construed to mean 'the Attorney General,' and references in those sections to 'tax' shall be construed to mean 'fine.'

"(d) EFFECT OF NOTICE OF LIEN.—A notice of the lien imposed by subsection (a) shall be considered a notice of lien for taxes payable to the United States for the purposes of any State or local law providing for the filing of a notice of a tax lien. The registration, recording, docketing, or indexing, in accordance with 28 U.S.C. 1962, of the judgment under which a fine is imposed shall be considered for all purposes as the filing prescribed by section 6323(f)(1)(A) of the Internal Revenue Code of 1954 (26 U.S.C. 6323(f)(1)(A)) and by subsection (c).

"SUBCHAPTER C—IMPRISONMENT

"Sec.
"3621. Imprisonment of a convicted person.
"3622. Temporary release of a prisoner.
"3623. Transfer of a prisoner to state authority.
"3624. Release of a prisoner.
"3625. Inapplicability of the Administrative Procedure Act.

"SUBCHAPTER C—IMPRISONMENT

"§ 3621. Imprisonment of a convicted person

"(a) COMMITMENT TO CUSTODY OF BUREAU OF PRISONS.—A person who has been sentenced to a term of imprisonment pursuant to the provisions of subchapter D of chapter 227 shall be committed to the custody of the Bureau of Prisons until the expiration of the term imposed, or until earlier released for satisfactory behavior pursuant to the provisions of section 3624.

"(b) PLACE OF IMPRISONMENT.—The Bureau of Prisons shall designate the place of the prisoner's imprisonment. The Bureau may designate any available penal or correctional facility that meets minimum standards of health and habitability established by the Bureau, whether maintained by the Federal government or otherwise and whether within or without the judicial district in which the person was convicted, that the Bureau determines to be appropriate and suitable, considering—

"(1) the resources of the facility contemplated;

"(2) the nature and circumstances of the offense;

"(3) the history and characteristics of the prisoner;

"(4) any statement by the court that imposed the sentence—

"(A) concerning the purposes for which the sentence to imprisonment was determined to be warranted; or

"(B) recommending a type of penal or correctional facility as appropriate; and

"(5) any pertinent policy statement issued by the Sentencing Commission pursuant to section 994(a)(2) of title 28.

The Bureau may at any time, having regard for the same matters, direct the transfer of a prisoner from one penal or correctional facility to another.

"(c) DELIVERY OF ORDER OF COMMITMENT.—When a prisoner, pursuant to a court order, is placed in the custody of a person in charge of a penal or correctional facility, a copy of the order shall be delivered to such person as evidence of this authority to hold the prisoner, and the original order, with the return endorsed thereon, shall be returned to the court that issued it.

"(d) DELIVERY OF PRISONER FOR COURT APPEARANCES.—The Bureau of Prisons shall, without charge, bring a prisoner into court or return him to a prison facility on order of a court of the United States or on written request of an attorney for the government.

"§ 3622. Temporary release of a prisoner

"The Bureau of Prisons may release a prisoner from the place of his imprisonment for a limited period, if such release appears to be consistent with the purposes for which the sentence was imposed and any pertinent policy statement issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2), if such release otherwise appears to be consistent with the public interest and if there is reasonable cause to believe that the prisoner will honor the trust to be imposed in him, by authorizing him, under prescribed conditions, to—

"(a) visit a designated place for a period not to exceed thirty days, and then return to the same or another facility, for the purpose of—

"(1) visiting a relative who is dying;

"(2) attending a funeral of a relative;

"(3) obtaining medical treatment not otherwise available;

"(4) contacting a prospective employer;

"(5) establishing or reestablishing family or community ties; or

"(6) engaging in any other significant activity consistent with the public interest;

"(b) participate in a training or educational program in the community while continuing in official detention at the prison facility; or

"(c) work at paid employment in the community while continuing in official detention at the penal or correctional facility if—

"(1) the rates of pay and other conditions of employment will not be less than those paid or provided for work of a similar nature in the community; and

"(2) the prisoner agrees to pay to the Bureau such costs incident to his official detention as the Bureau finds appropriate and reasonable under all the circumstances, such costs to be collected by the Bureau and deposited in the Treasury to the credit of the appropriation available for such costs at the time such collections are made.

"§ 3623. Transfer of a prisoner to state authority

"The Director of the Bureau of Prisons shall order that a prisoner who has been charged in an indictment or information with, or convicted of, a State felony, be transferred to an official detention facility within such State prior to his release from a Federal prison facility if—

"(1) the transfer has been requested by the Governor or other executive authority of the State;

"(2) the State has presented to the Director a certified copy of the indictment, information, or judgment of conviction; and

"(3) the Director finds that the transfer would be in the public interest.

If more than one request is presented with respect to a prisoner, the Director shall determine which request should receive preference. The expenses of such transfer shall be borne by the State requesting the transfer.

"§ 3624. Release of a prisoner

"(a) DATE OF RELEASE.—A prisoner shall be released by the Bureau of Prisons on the date of the expiration of his term of imprisonment, less any time credited toward the service of his sentence as provided in subsection (b). If the date for a prisoner's release falls on a Saturday, a Sunday, or a legal holiday at the place of confinement, the prisoner may be released by the Bureau on the last preceding weekday.

"(b) CREDIT TOWARD SERVICE OF SENTENCE FOR SATISFACTORY BEHAVIOR.—A prisoner who is serving a term of imprisonment of more than one year, other than a term of imprisonment for the duration of his life, shall receive credit toward the service of his sentence, beyond the time served, of thirty-six days at the end of each year of his term of imprisonment, beginning after the first year of the term, unless the Bureau of Prisons determines that, during that year, he has not satisfactorily complied with such institutional disciplinary regulations as have been approved by the Attorney General and issued to the prisoner. If the Bureau determines that, during that year, the prisoner has not satisfactorily complied with such institutional regulations, he shall receive no such credit toward service of his sentence or shall receive such lesser credit as the Bureau determines to be appropriate. The Bureau's determination shall be made within fifteen days after the end of each year of the sentence. Such credit toward service of sentence vests at the time that it is received. Credit that has vested may not later be withdrawn, and credit that has not been earned may not later be granted.

"(c) PRE-RELEASE CUSTODY.—The Bureau of Prisons shall, to the extent practicable, assure that a prisoner serving a term of imprisonment spends a reasonable part, not to exceed six months, of the last ten percent of the term to be served under conditions that will afford the prisoner a reasonable opportunity to adjust to and prepare for his reentry into the community. The United States Probation System shall, to the extent practicable, offer assistance to a prisoner during such pre-release custody.

"(d) ALLOTMENT OF CLOTHING, FUNDS, AND TRANSPORTATION.—Upon the release of a prisoner on the expiration of his term of imprisonment, the Bureau of Prisons shall furnish him with—

"(1) suitable clothing;

"(2) an amount of money, not more than $500, determined by the Director to be consistent with the needs of the offender and the public interest, unless the Director determines that the financial position of the offender is such that no sum should be furnished; and

"(3) transportation to the place of his conviction, to his bona fide residence within the United States, or to such other place within the United States as may be authorized by the Director.

"(e) SUPERVISION AFTER RELEASE.—A prisoner whose sentence includes a term of supervised release after imprisonment shall be released by the Bureau of Prisons to the supervision of a probation officer who shall, during the term imposed, supervise the person released to the degree warranted by the conditions specified by the sentencing court. The term of supervised release commences on the day the person is released from imprisonment. The term runs concurrently with any Federal, State, or local term of probation or supervised release or parole for another offense to which the person is subject or becomes subject during the term of supervised release, except that it does not run during any period in which the person is imprisoned, other than during limited intervals as a condition of probation or supervised release, in connection with a conviction for a Federal, State, or local crime.

"§ 3625. Inapplicability of the Administrative Procedure Act

"The provisions of sections 554 and 555 and 701 through 706 of title 5, United States Code, do not apply to the making of any determination, decision, or order under this subchapter."; and

(3) adding the following new section at the end of chapter 232:

"§ 3671. Definitions for sentencing provisions

"As used in chapters 227 and 229—

"(a) 'found guilty' includes acceptance by a court of a plea of guilty or nolo contendere;

"(b) 'commission of an offense' includes the attempted commission of an offense, the consummation of an offense, and any immediate flight after the commission of an offense; and

"(c) 'law enforcement officer' means a public servant authorized by law or by a government agency to engage in or supervise the prevention, detection, investigation, or prosecution of an offense."; and

(4) adding the following caption and sectional analysis at the beginning of new chapter 232:

"CHAPTER 232—MISCELLANEOUS SENTENCING PROVISIONS

"Sec.
"3661. Use of information for sentencing.
"3662. Conviction records.
"3663. Firearms possessed by convicted felons.
"3664. Bribe moneys.
"3665. Liquors and related property; definitions.
"3666. Remission or mitigation of forfeitures under liquor laws; possession pending trial.
"3667. Conveyance carrying liquor.
"3668. Disposition of conveyances seized for violation of the Indian liquor laws.
"3669. Vessels carrying explosives and steerage passengers.
"3670. Duties of Director of Administrative Office of the United States Courts.
"3671. Definitions for Sentencing Provisions.".

(b) The chapter analysis of Part II of title 18, United States Code, is amended by striking out the items relating to chapters 227, 229, and 231, and inserting in lieu thereof the following:

"227. Sentences 3551
"229. Post-Sentence Administration .. 3601
"231. Repealed .....
"232. Miscellaneous Sentencing Provisions ..... 3661".

SEC. 213. (a) Chapter 235 of title 18, United States Code, is amended by adding the following new section at the end thereof:

"§ 3742. Review of a sentence

"(a) APPEAL BY A DEFENDANT.—A defendant may file a notice of appeal in the district court for review of an otherwise final sentence if the sentence—

"(1) was imposed in violation of law;

"(2) was imposed as a result of an incorrect application of the sentencing guidelines issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a); or

"(3) was imposed for a felony or a class A misdemeanor and is greater than—

"(A) the sentence specified in the applicable sentencing guideline issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1), to the extent that the sentence includes a greater fine or term of imprisonment or term of supervised release than the maximum established in the guideline, or includes a more limiting condition of probation or supervised release under section 3563 (b)(6) or (b)(11) than the maximum established in the guideline; and

"(B) the sentence, if any, specified in a plea agreement under Rule 11 (e)(1)(B) or

(e)(1)(C) of the Federal Rules of Criminal Procedure.

"(b) APPEAL BY THE GOVERNMENT.—The government may file a notice of appeal in the district court for review of an otherwise final sentence if the sentence—

"(1) was imposed in violation of law;

"(2) was imposed as a result of an incorrect application of the sentencing guidelines issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a); or

"(3) was imposed for a felony or a Class A misdemeanor and is less than—

"(A) the sentence specified in the applicable sentencing guideline issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1), to the extent that the sentence includes a lesser fine or term of imprisonment or term of supervised release than the minimum established in the guideline, or includes a less limiting condition of probation or supervised release under section 3563 (b)(6) or (b)(11) than the minimum established in the guideline; and

"(B) the sentence, if any, specified in a plea agreement under Rule 11 (e)(1)(B) or (e)(1)(C) of the Federal Rules of Criminal Procedure;

and the Attorney General or the Solicitor General personally approves the filing of the notice of appeal.

"(c) RECORD ON REVIEW.—If a notice of appeal is filed in the district court pursuant to subsection (a) or (b), the clerk shall certify to the court of appeals—

"(1) that portion of the record in the case that is designated as pertinent by either of the parties;

"(2) the presentence report; and

"(3) the information submitted during the sentencing proceeding.

"(d) CONSIDERATION.—Upon review of the record, the court of appeals shall determine whether the sentence—

"(1) was imposed in violation of law;

"(2) was imposed as a result of an incorrect application of the sentencing guidelines; or

"(3) is outside the range of the applicable sentencing guideline, and is unreasonable, having regard for—

"(A) the factors to be considered in imposing a sentence, as set forth in chapter 227 of this title; and

"(B) the reasons for the imposition of the particular sentence, as stated by the district court pursuant to the provisions of section 3553(c).

The court of appeals shall give due regard to the opportunity of the district court to judge the credibility of the witnesses, and shall accept the findings of fact of the district court unless they are clearly erroneous.

"(c) DECISION AND DISPOSITION.—If the court of appeals determines that the sentence—

"(1) was imposed in violation of law or imposed as a result of an incorrect application of the sentencing guidelines, it shall—

"(A) remand the case for further sentencing proceedings; or

"(B) correct the sentence;

"(2) is outside the range of the applicable sentencing guideline and is unreasonable, it shall state specific reasons for its conclusions and—

"(A) if it determines that the sentence is too high and the appeal has been filed under subsection (a), it shall set aside the sentence and—

"(i) remand the case for imposition of a lesser sentence;

"(ii) remand the case for further sentencing proceedings; or

"(iii) impose a lesser sentence;

"(B) if it determines that the sentence is too low and the appeal has been filed under subsection (b), it shall set aside the sentence and—

"(i) remand the case for imposition of a greater sentence;

"(ii) remand the case for further sentencing proceedings; or

"(iii) impose a greater sentence; or

"(3) was not imposed in violation of law or imposed as a result of an incorrect application of the sentencing guidelines, and is not unreasonable, it shall affirm the sentence.".

(b) The sectional analysis of chapter 235 of title 18, United States Code, is amended by adding the following new item after the item relating to section 3741:

"3742. Review of a sentence.".

SEC. 214. Chapter 403 of title 18, United States Code, is amended as follows:

(a) Section 5037 is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by striking out subsections (a) and (b) and inserting the following new subsections in lieu thereof:

"(a) If the court finds a juvenile to be a juvenile delinquent, the court shall hold a disposition hearing concerning the appropriate disposition no later than twenty court days after the juvenile delinquency hearing unless the court has ordered further study pursuant to subsection (e). After the disposition hearing, and after considering any pertinent policy statements promulgated by the Sentencing Commission pursuant to section 994 of title 28, United States Code, the court may suspend the findings of juvenile delinquency, enter an order of restitution pursuant to section 3556, place him on probation, or commit him to official detention. With respect to release or detention pending an appeal or a petition for a writ of certiorari after disposition, the court shall proceed pursuant to the provisions of chapter 207.

"(b) The term for which probation may be ordered for a juvenile found to be a juvenile delinquent may not extend—

"(1) in the case of a juvenile who is less than seventeen years old, beyond the lesser of—

"(A) the date when the juvenile becomes twenty-one years old; or

"(B) the maximum term that would be authorized by section 3561(b) if the juvenile had been tried and convicted as an adult; or

"(2) in the case of a juvenile who is between seventeen and twenty-one years old, beyond the lesser of—

"(A) three years; or

"(B) the maximum term that would be authorized by section 3561(b) if the juvenile had been tried and convicted as an adult.

The provisions dealing with probation set forth in sections 3563, 3564, and 3565 are applicable to an order placing a juvenile on probation.

"(c) The term for which official detention may be ordered for a juvenile found to be a juvenile delinquent may not extend—

"(1) in the case of a juvenile who is less than seventeen years old, beyond the lesser of—

"(A) the date when the juvenile becomes twenty-one years old; or

"(B) the maximum term of imprisonment that would be authorized by section 3581(b) if the juvenile had been tried and convicted as an adult; or

"(2) in the case of a juvenile who is between seventeen and twenty-one years old—

"(A) who is convicted as an adult would be convicted of a class A, B, or C felony, beyond five years; or

"(B) in any other case beyond the lesser of—

"(i) three years; or

"(ii) the maximum term of imprisonment that would be authorized by section 3581(b) if the juvenile had been tried and convicted as an adult.".

(b) Section 5041 is repealed.

(c) Section 5042 is amended by—

(1) striking out "parole or" each place it appears in the caption and text; and

(2) striking out "parolee or".

(d) The sectional analysis is amended by striking out the items relating to sections 5041 and 5042 and inserting in lieu thereof the following:

"5041. Repealed.

"5042. Revocation of probation.".

SEC. 215. The Federal Rules of Criminal Procedure are amended as follows:

(a) Rule 32 is amended—

(1) by deleting subdivision (a)(1) and inserting in lieu thereof the following:

"(1) IMPOSITION OF SENTENCE.—Sentence shall be imposed without unnecessary delay, but the court may, upon a motion that is jointly filed by the defendant and by the attorney for the government and that asserts a factor important to the sentencing determination is not capable of being resolved at that time, postpone the imposition of sentence for a reasonable time until the factor is capable of being resolved. Prior to the sentencing hearing, the court shall provide the counsel for the defendant and the attorney for the government with notice of the probation officer's determination, pursuant to the provisions of subdivision (c)(2)(B), of the sentencing classifications and sentencing guideline range believed to be applicable to the case. At the sentencing hearing, the court shall afford the counsel for the defendant and the attorney for the government an opportunity to comment upon the probation officer's determination and on other matters relating to the appropriate sentence. Before imposing sentence, the court shall also afford counsel for the defendant an opportunity to speak on behalf of the defendant and shall address the defendant personally and ask him if he wishes to make a statement in his own behalf and to present any information in mitigation of the sentence. The attorney for the government shall have an equivalent opportunity to speak to the court. Upon a motion that is jointly filed by the defendant and by the attorney for the government, the court may hear in camera such a statement by the defendant, counsel for the defendant, or the attorney for the government.";

(2) by adding after the words "right to appeal" in the first sentence of subdivision (a)(2) the words "from the conviction, of his right, if any, to obtain review of the sentence,";

(3) by deleting "right of appeal" in the second sentence of subdivision (a)(2) and inserting in lieu thereof "right to appeal or right to obtain review";

(4) by amending the first sentence of subdivision (c)(1) to read as follows:

"A probation officer shall make a presentence investigation and report to the court before the imposition of sentence unless the court finds that there is in the record information sufficient to enable the meaningful exercise of sentencing authority pursuant to 18 U.S.C. 3553, and the court explains this finding on the record.";

"(5) by amending subdivision (c)(2) to read as follows:

"(2) REPORT.—The report of the presentence investigation shall contain—

"(A) information about the history and characteristics of the defendant, including his prior criminal record, if any, his financial condition, and any circumstances affecting his behavior that may be helpful in imposing sentence or in the correctional treatment of the defendant;

"(B) the classification of the offense and of the defendant under the categories established by the Sentencing Commission pursuant to section 994(a) of title 28, that the probation officer believes to be applicable to the defendant's case; the kinds of sentence and the sentencing range suggested for such a category of offense committed by such a category of defendant as set forth in the guidelines issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1); and an explanation by the probation officer of any factors that may indicate that a sentence of a different kind or of a different length than one within the applicable guideline would be more appropriate under all the circumstances;

"(C) any pertinent policy statement issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2);

"(D) verified information stated in a nonargumentative style containing an assessment of the financial, social, psychological, and medical impact upon, and cost to, any individual against whom the offense has been committed, and any need of such individual for restitution; and

"(E) such other information as may be required by the court.";

(6) in subdivision (c)(3)(A), by deleting "exclusive of any recommendations as to sentence" and inserting in lieu thereof ", including the information required by subdivision (c)(2) but not including any final recommendation as to sentence,";

(7) by deleting "or the Youth Correction Division of the Board of Parole pursuant to 18 U.S.C. 4208(b), 4252, 5010(e)" in subdivision (c)(3)(B) and inserting in lieu thereof "pursuant to 18 U.S.C. 3552(b)"; and

(8) by deleting "or imposition of sentence is suspended;" in subdivision (d) and inserting in lieu thereof a comma.

(b) Rule 35 is amended to read as follows:

"Rule 35. Correction of Sentence

"(a) CORRECTION OF A SENTENCE ON REMAND.—The court shall correct a sentence that is determined on appeal under 18 U.S.C. 3742 to have been imposed in violation of law, to have been imposed as a result of an incorrect application of the sentencing guidelines, or to be unreasonable, upon remand of the case to the court—

"(1) for imposition of a sentence in accord with the findings of the court of appeals; or

"(2) for further sentencing proceedings if, after such proceedings, the court determines that the original sentence was incorrect.

"(b) CORRECTION OF SENTENCE FOR CHANGED CIRCUMSTANCES.—The court, on motion of the government, may within one year after the imposition of sentence, lower a sentence to reflect a defendant's subsequent, substantial assistance in the investigation or prosecution of another person who has committed an offense, to the extent that such assistance is a factor in applicable guidelines or policy statements issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a).".

(c) Rule 38 is amended—

(1) by amending the caption to read: "Stay of Execution" and deleting "(a) STAY OF EXECUTION.";

(2) by deleting subdivisions (b) and (c);

(3) by redesignating subdivisions (a)(1) through (a)(4) as subdivisions (a) through (d), respectively;

(4) in subdivision (a), by adding "from the conviction or sentence" after "is taken";

(5) in the first sentence of subdivision (b), by adding "from the conviction or sentence" after "is taken";

(6) by deleting "or a fine and costs" in the first sentence of subdivision (c);

(7) by deleting "and costs" in the second sentence of subdivision (c);

(8) by amending subdivision (d) to read as follows:

"(d) PROBATION.—A sentence of probation may be stayed if an appeal from the conviction or sentence is taken. If the sentence is stayed, the court shall fix the terms of the stay."; and

(9) by adding new subdivisions (e) and (f) as follows:

"(e) CRIMINAL FOREFITURE, NOTICE TO VICTIMS, AND RESTITUTION.—A sanction imposed as part of the sentence pursuant to 18 U.S.C. 3554, 3555, or 3556 may, if an appeal of the conviction or sentence is taken, be stayed by the district court or by the court of appeals upon such terms as the court finds appropriate. The court may issue such orders as may be reasonably necessary to ensure compliance with the sanction upon disposition of the appeal, including the entering of a restraining order or an injunction, or requiring a deposit in whole or in part of the monetary amount involved into the registry of the district court or execution of a performance bond.

"(f) DISABILITIES.—A civil or employment disability arising under a Federal statute by reason of the defendant's conviction or sentence, may, if an appeal is taken, be stayed by the district court or by the court of appeals upon such terms as the court finds appropriate. The court may enter a restraining order or an injunction, or take any other action that may be reasonably necessary to protect the interest represented by the disability pending disposition of the appeal.".

(d) Rule 40 is amended by deleting "3653" in subdivision (d)(1) and inserting in lieu thereof "3605".

(e) Rule 54 is amended—

(1) by amending the definition of "Petty offense" in subdivision (c) to read as follows: " 'Petty offense' means a class B or C misdemeanor or an infraction."; and

(2) by adding a new definition as follows: " 'Grade' includes the issue whether, for the purposes of section 3571 (Sentence of Fine), a misdemeanor resulted in the loss of human life.".

(f) The Table of Rules that precedes Rule 1 is amended as follows:

(1) The item relating to Rule 35 is amended by deleting the words "or Reduction";

(2) The item relating to Rule 38 is amended to read as follows:

"38. Stay of Execution.
"(a) Death.
"(b) Imprisonment.
"(c) Fine.
"(d) Probation.
"(e) Criminal forfeiture, notice to victims, and restitution.
"(f) Disabilities.".

SEC. 216. The Rules of Procedure for the Trial of Misdemeanors Before United States Magistrates are amended as follows:

(a) Rule 1 is amended by deleting "(including petty offenses)".

(b) Rule 9 is amended by deleting "as defined in title 18, U.S.C., § 1(3)".

(c) A new Rule 12 is added at the end thereof to read as follows:

"Rule 12. Definitions

"As used in these rules—

"(1) 'minor offense' means a misdemeanor or an infraction;

"(2) 'petty offense' means a Class B or C misdemeanor or an infraction.".

(d) The Table of Rules that precedes Rule 1 is amended by adding at the end thereof the following new item:

"12. Definitions".

SEC. 217. (a) Title 28 of the United States Code is amended by adding the following new chapter after chapter 57:

"CHAPTER 58—UNITED STATES SENTENCING COMMISSION

"Sec.
"991. United States Sentencing Commission; Establishment and Purpose.
"992. Terms of Office; Compensation.
"993. Powers and Duties of Chairman.
"994. Duties of the Commission.
"995. Powers of the Commission.
"996. Director and Staff.
"997. Annual Report.
"998. Definitions.

"§ 991. United States Sentencing Commission; establishment and purpose

"(a) There is established as an independent commission in the judicial branch of the United States a United States Sentencing Commission which shall consist of seven voting members and one nonvoting member. The President, after consultation with representatives of judges, prosecuting attorneys, defense attorneys, law enforcement officials, senior citizens, victims of crime, and others interested in the criminal justice process, shall appoint the voting members of the Commission, by and with the advice and consent of the Senate, one of whom shall be appointed, by and with the advice and consent of the Senate, as the Chairman. Not more than four of the members of the Commission shall be members of the same political party. The Attorney General, or his designee, shall be an ex officio, nonvoting member of the Commission. The Chairman and members of the Commission shall be subject to removal from the Commission by the President only for neglect of duty or malfeasance in office or for other good cause shown.

"(b) The purposes of the United States Sentencing Commission are to—

"(1) establish sentencing policies and practices for the Federal criminal justice system that—

"(A) assure the meeting of the purposes of sentencing as set forth in section 3553(a)(2) of title 18, United States Code;

"(B) provide certainty and fairness in meeting the purposes of sentencing, avoiding unwarranted sentencing disparities among defendants with similar records who have been found guilty of similar criminal conduct while maintaining sufficient flexibility to permit individualized sentences when warranted by mitigating or aggravating factors not taken into account in the establishment of general sentencing practices;

"(C) reflect, to the extent practicable, advancement in knowledge of human behavior as it relates to the criminal justice process; and

"(2) develop means of measuring the degree to which the sentencing, penal, and correctional practices are effective in meeting the purposes of sentencing as set forth

in section 3553(a)(2) of title 18, United States Code.

"§ 992. Terms of office; compensation

"(a) The voting members of the United States Sentencing Commission shall be designated or appointed for six-year terms, except that the initial terms of the first members of the Commission shall be staggered so that—

"(1) one member designated by the President from the list of recommended judges submitted by the Judicial Conference and the chairman serve terms of six years;

"(2) one member designated by the President from the list of recommended judges submitted by the Judicial Conference and two members appointed by the President serve terms of four years; and

"(3) one member designated by the President from the list of recommended judges submitted by the Judicial Conference and one member appointed by the President serve terms of two years.

"(b) No voting member may serve more than two full terms. A voting member designated or appointed to fill a vacancy that occurs before the expiration of the term for which his predecessor was designated or appointed shall be designated or appointed only for the remainder of such term.

"(c) Each voting member of the Commission shall be compensated during the term of office as a member of the Commission at the rate at which judges of the United States courts of appeals are compensated. A Federal judge may serve as a member of the Commission without resigning his appointment as a Federal judge.

"§ 993. Powers and duties of chairman

"The Chairman shall—

"(a) call and preside at meetings of the Commission; and

"(b) direct—

"(1) the preparation of requests for appropriations for the Commission; and

"(2) the use of funds made available to the Commission.

"§ 994. Duties of the Commission

"(a) The Commission, by affirmative vote of at least four members of the Commission, and pursuant to its rules and regulations and consistent with all pertinent provisions of this title and title 18, United States Code, shall promulgate and distribute to all courts of the United States and to the United States Probation System—

"(1) guidelines, as described in this section, for use of a sentencing court in determining the sentence to be imposed in a criminal case, including—

"(A) a determination whether to impose a sentence to probation, a fine, or a term of imprisonment;

"(B) a determination as to the appropriate amount of a fine or the appropriate length of a term of probation or a term of imprisonment;

"(C) a determination whether a sentence to a term of imprisonment should include a requirement that the defendant be placed on a term of supervised release after imprisonment, and, if so, the appropriate length of such a term; and

"(D) a determination whether multiple sentences to terms of imprisonment should be ordered to run concurrently or consecutively;

"(2) general policy statements regarding application of the guidelines or any other aspect of sentencing or sentence implementation that in the view of the Commission would further the purposes set forth in section 3553(a)(2) of title 18, United States Code, including the appropriate use of—

"(A) the sanctions set forth in sections 3554, 3555, and 3556 of title 18;

"(B) the conditions of probation and supervised release set forth in sections 3563(b) and 3583(d) of title 18;

"(C) the sentence modification provisions set forth in sections 3563(c), 3573, and 3582(c) of title 18;

"(D) the authority granted under rule 11(e)(2) of the Federal Rules of Criminal Procedure to accept or reject a plea agreement entered into pursuant to rule 11(e)(1); and

"(E) the temporary release provisions set forth in section 3622 of title 18, and the prerelease custody provisions set forth in section 3624(c) of title 18; and

"(3) guidelines or general policy statements regarding appropriate use of the probation revocation provisions set forth in section 3565 of title 18, and the provisions for modification of the term or conditions of probation or supervised release set forth in sections 3563(c), 3564(d), and 3583(e) of title 18.

"(b) The Commission, in the guidelines promulgated pursuant to subsection (a)(1), shall, for each category of offense involving each category of defendant, establish a sentencing range that is consistent with all pertinent provisions of title 18, United States Code. If a sentence specified by the guidelines includes a term of imprisonment, the maximum of the range established for such a term shall not exceed the minimum of that range by more than 25 percent.

"(c) The Commission, in establishing categories of offenses for use in the guidelines and policy statements governing the imposition of sentences of probation, a fine, or imprisonment, governing the imposition of other authorized sanctions, governing the size of a fine or the length of a term of probation, imprisonment, or supervised release, and governing the conditions of probation, supervised release, or imprisonment, shall consider whether the following matters, among others, have any relevance to the nature, extent, place of service, or other incidents of an appropriate sentence, and shall take them into account only to the extent that they do have relevance—

"(1) the grade of the offense;

"(2) the circumstances under which the offense was committed which mitigate or aggravate the seriousness of the offense;

"(3) the nature and degree of the harm caused by the offense, including whether it involved property, irreplaceable property, a person, a number of persons, or a breach of public trust;

"(4) the community view of the gravity of the offense;

"(5) the public concern generated by the offense;

"(6) the deterrent effect a particular sentence may have on the commission of the offense by others; and

"(7) the current incidence of the offense in the community and in the nation as a whole.

"(d) The Commission in establishing categories of defendants for use in the guidelines and policy statements governing the imposition of sentences of probation, a fine, or imprisonment, governing the imposition of other authorized sanctions, governing the size of a fine or the length of a term of probation, imprisonment, or supervised release, and governing the conditions of probation, supervised release, or imprisonment, shall consider whether the following matters, among others, with respect to a defendant, have any relevance to the nature, extent, place of service, or other incidents of an appropriate sentence, and shall take them into account only to the extent that they do have relevance—

"(1) age;

"(2) education;

"(3) vocational skills;

"(4) mental and emotional condition to the extent that such condition mitigates the defendant's culpability or to the extent that such condition is otherwise plainly relevant;

"(5) physical condition, including drug dependence;

"(6) previous employment record;

"(7) family ties and responsibilities;

"(8) community ties;

"(9) role in the offense;

"(10) criminal history; and

"(11) degree of dependence upon criminal activity for a livelihood.

The Commission shall assure that the guidelines and policy statements are entirely neutral as to the race, sex, national origin, creed, and socioeconomic status of offenders.

"(e) The Commission shall assure that the guidelines and policy statements, in recommending a term of imprisonment or length of a term of imprisonment, reflect the general inappropriateness of considering the education, vocational skills, employment record, family ties and responsibilities, and community ties of the defendant.

"(f) The Commission, in promulgating guidelines pursuant to subsection (a)(1), shall promote the purposes set forth in section 991(b)(1), with particular attention to the requirements of subsection 991(b)(1)(B) for providing certainty and fairness in sentencing and reducing unwarranted sentence disparities.

"(g) The Commission, in the course of promulgating guidelines pursuant to subsection (a)(1) to meet the purposes of sentencing as set forth in section 3553(a)(2) of title 18, United States Code, shall review the nature and capacity of the penal, correctional, and other facilities and services available, and shall make recommendations concerning any change or expansion in the nature or capacity of such facilities and services that might become necessary as a result of the guidelines promulgated pursuant to the provisions of this chapter.

"(h) The Commission shall assure that the guidelines will specify a sentence to a substantial term of imprisonment for categories of defendants in which the defendant—

"(1) has a history of two or more prior Federal, State, or local felony convictions for offenses committed on different occasions;

"(2) committed the offense as part of a pattern of criminal conduct from which he derived a substantial portion of his income;

"(3) committed the offense in furtherance of a conspiracy with three or more persons engaging in a pattern of racketeering activity in which the defendant participated in a managerial or supervisory capacity;

"(4) committed a crime of violence that constitutes a felony while on release pending trial, sentence, or appeal from a Federal, State, or local felony for which he was ultimately convicted; or

"(5) committed a felony that is set forth in section 401 or 1010 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 841 and 960), and that in-

volved trafficking in a substantial quantity of a controlled substance.

"(i) The Commission shall insure that the guidelines reflect the general appropriateness of imposing a sentence other than imprisonment in many cases in which the defendant is a first offender who has not been convicted of a crime of violence or an otherwise serious offense, and the general appropriateness of imposing a term of imprisonment on a person convicted of a crime of violence that results in serious bodily injury.

"(j) The Commission shall insure that the guidelines reflect the inappropriateness of imposing a sentence to a term of imprisonment for the purpose of rehabilitating the defendant or providing the defendant with needed educational or vocational training, medical care, or other correctional treatment.

"(k) The Commission shall insure that the guidelines promulgated pursuant to subsection (a)(1) reflect—

"(1) the appropriateness of imposing an incremental penalty for each offense in a case in which a defendant is convicted of—

"(A) multiple offenses committed in the same course of conduct that result in the exercise of ancillary jurisdiction over one or more of the offenses; and

"(B) multiple offenses committed at different times, including those cases in which the subsequent offense is a violation of section 3146 (Penalty for failure to appear) or is committed while the person is released pursuant to the provisions of section 3147 (Penalty for an offense committed while on release) of title 18; and

"(2) the general inappropriateness of imposing consecutive terms of imprisonment for an offense of conspiring to commit an offense or soliciting commission of an offense and for an offense that was the sole object of the conspiracy or solicitation.

"(l) The Commission shall insure that the guidelines reflect the fact that, in many cases, current sentences do not accurately reflect the seriousness of the offense. This will require that, as a starting point in its development of the initial sets of guidelines for particular categories of cases, the Commission ascertain the average sentences imposed in such categories of cases prior to the creation of the Commission, and in cases involving sentences to terms of imprisonment, the length of such terms actually served. The Commission shall not be bound by such average sentences, and shall independently develop a sentencing range that is consistent with the provisions of this section and with the purposes of sentencing described in section 3553(a)(2) of title 18, United States Code.

"(m) The Commission periodically shall review and revise, in consideration of comments and data coming to its attention, the guidelines promulgated pursuant to the provisions of this section. In fulfilling its duties and in exercising its powers, the Commission shall consult with authorities on, and individual and institutional representatives of, various aspects of the Federal criminal justice system. The United States Probation System, the Bureau of Prisons, the Judicial Conference of the United States, the Criminal Division of the United States Department of Justice, and a representative of the Federal Public Defenders shall submit to the Commission any observations, comments, or questions pertinent to the work of the Commission whenever it believes such communication would be useful, and shall, at least annually, submit to the Commission a written report commenting on the operation of the Commission's guidelines, suggesting changes in the guidelines that appear to be warranted, and otherwise assessing the Commission's work.

"(n) The Commission, at or after the beginning of a regular session of Congress but not later than the first day of May, shall report to the Congress any amendments of the guidelines promulgated pursuant to subsection (a)(1), and a report of the reasons therefor, and the amended guidelines shall take effect one hundred and eighty days after the Commission reports them, except to the extent the effective date is enlarged or the guidelines are disapproved or modified by Act of Congress.

"(o) The Commission and the Bureau of Prisons shall submit to Congress an analysis and recommendations concerning maximum utilization of resources to deal effectively with the Federal prison population. Such report shall be based upon consideration of a variety of alternatives, including—

"(1) modernization of existing facilities;

"(2) inmate classification and periodic review of such classification for use in placing inmates in the least restrictive facility necessary to ensure adequate security; and

"(3) use of existing Federal facilities, such as those currently within military jurisdiction.

"(p) The Commission shall evaluate the impact of the sentencing guidelines on prosecutorial discretion, plea bargaining, disparities in sentencing, and the use of incarceration, and shall, by affirmative vote of a majority of the voting members of the Commission, issue a report of its findings to all appropriate courts, the Department of Justice, and the Congress.

"(q) The Commission, within three years of the date of enactment of the Sentencing Reform Act of 1983, and thereafter whenever it finds it advisable, shall recommend to the Congress that it raise or lower the grades, or otherwise modify the maximum penalties, of those offenses for which such an adjustment appears appropriate.

"(r) The Commission shall give due consideration to any petition filed by a defendant requesting modification of the guidelines utilized in the sentencing of such defendant, on the basis of changed circumstances unrelated to the defendant, including changes in—

"(1) the community view of the gravity of the offense;

"(2) the public concern generated by the offense; and

"(3) the deterrent effect particular sentences may have on the commission of the offense by others.

Within one hundred and eighty days of the filing of such petition the Commission shall provide written notice to the defendant whether or not it has approved the petition. If the petition is disapproved the written notice shall contain the reasons for such disapproval. The Commission shall submit to the Congress at least annually an analysis of such written notices.

"(s) The Commission, in promulgating general policy statements regarding the sentencing modification provisions in section 3582(c)(2) of title 18, shall describe what should be considered extraordinary and compelling reasons for sentence reduction, including the criteria to be applied and a list of specific examples. Rehabilitation of the defendant alone shall not be considered an extraordinary and compelling reason.

"(t) If the Commission reduces the term of imprisonment recommended in the guidelines applicable to a particular offense or category of offenses, it shall specify by what amount the sentences of prisoners serving terms of imprisonment that are outside the applicable guideline ranges for the offense may be reduced in order to carry out the purpose of the reduction.

"(u) The Commission shall ensure that the general policy statements promulgated pursuant to subsection (a)(2) include a policy limiting consecutive terms of imprisonment for an offense involving a violation of a general prohibition and for an offense involving a violation of a specific prohibition encompassed within the general prohibition.

"(v) The appropriate judge or officer shall submit to the Commission in connection with each sentence imposed a written report of the sentence, the offense for which it is imposed, the age, race, and sex of the offender, information regarding factors made relevant by the guidelines, and such other information as the Commission finds appropriate. The Commission shall submit to Congress at least annually an analysis of these reports and any recommendation for legislation that the Commission concludes is warranted by that analysis.

"(w) The provisions of section 553 of title 5, relating to publication in the Federal Register and public hearing procedure, shall apply to the promulgation of guidelines pursuant to this section.

"§ 995. Powers of the Commission

"(a) The Commission, by vote of a majority of the members present and voting, shall have the power to—

"(1) establish general policies and promulgate such rules and regulations for the Commission as are necessary to carry out the purposes of this chapter;

"(2) appoint and fix the salary and duties of the Staff Director of the Sentencing Commission, who shall serve at the discretion of the Commission and who shall be compensated at a rate not to exceed the highest rate now or hereafter prescribed for grade 18 of the General Schedule pay rates (5 U.S.C. 5332);

"(3) deny, revise, or ratify any request for regular, supplemental, or deficiency appropriations prior to any submission of such request to the Office of Management and Budget by the Chairman;

"(4) procure for the Commission temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code;

"(5) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, local, and private agencies and instrumentalities with or without reimbursement therefor;

"(6) without regard to section 3648 of the Revised Statutes of the United States (31 U.S.C. 529), enter into and perform such contracts, leases, cooperative agreements, and other transactions as may be necessary in the conduct of the functions of the Commission, with any public agency, or with any person, firm, association, corporation, educational institution, or nonprofit organization;

"(7) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679 of the Revised Statutes of the United States (31 U.S.C. 655(b));

"(8) request such information, data, and reports from any Federal agency or judicial officer as the Commission may from time to time require and as may be produced consistent with other law;

"(9) monitor the performance of probation officers with regard to sentencing recommendations, including application of the Sentencing Commission guidelines and policy statements;

"(10) issue instructions to probation officers concerning the application of Commission guidelines and policy statements;

"(11) arrange with the head of any other Federal agency for the performance by such agency of any function of the Commission, with or without reimbursement;

"(12) establish a research and development program within the Commission for the purpose of—

"(A) serving as a clearinghouse and information center for the collection, preparation, and dissemination of information on Federal sentencing practices;

"(B) assisting and serving in a consulting capacity to Federal courts, departments, and agencies in the development, maintenance, and coordination of sound sentencing practices;

"(13) collect systematically the data obtained from studies, research, and the empirical experience of public and private agencies concerning the sentencing process;

"(14) publish data concerning the sentencing process;

"(15) collect systematically and disseminate information concerning sentences actually imposed, and the relationship of such sentences to the factors set forth in section 3553(a) of title 18, United States Code;

"(16) collect systematically and disseminate information regarding effectiveness of sentences imposed;

"(17) devise and conduct, in various geographical locations, seminars and workshops providing continuing studies for persons engaged in the sentencing field;

"(18) devise and conduct periodic training programs of instruction in sentencing techniques for judicial and probation personnel and other persons connected with the sentencing process;

"(19) study the feasibility of developing guidelines for the disposition of juvenile delinquents;

"(20) make recommendations to Congress concerning modification or enactment of statutes relating to sentencing, penal, and correctional matters that the Commission finds to be necessary and advisable to carry out an effective, humane, and rational sentencing policy;

"(21) hold hearings and call witnesses that might assist the Commission in the exercise of its powers or duties; and

"(22) perform such other functions as are required to permit Federal courts to meet their responsibilities under section 3553(a) of title 18, United States Code, and to permit others involved in the Federal criminal justice system to meet their related responsibilities.

"(b) The Commission shall have such other powers and duties and shall perform such other functions as may be necessary to carry out the purposes of this chapter, and may delegate to any member or designated person such powers as may be appropriate other than the power to establish general policy statements and guidelines pursuant to section 994(a) (1) and (2), the issuance of general policies and promulgation of rules and regulations pursuant to subsection (a)(1) of this section, and the decisions as to the factors to be considered in establishment of categories of offenses and offenders pursuant to section 994(b). The Commission shall coordinate its activities under subsections (a)(9), (a)(10), (a)(11), (a)(12), (a)(13), (a)(14), (a)(15), (a)(16), (a)(17), and (a)(18), to the extent practicable, with any related activities of the Administrative Office of the United States Courts and the Federal Judicial Center for the purpose of avoiding unnecessary duplication.

"(c) Upon the request of the Commission, each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information available to the greatest practicable extent to the Commission in the execution of its functions.

"(d) A simple majority of the membership then serving shall constitute a quorum for the conduct of business. Other than for the promulgation of guidelines and policy statements pursuant to section 994, the Commission may exercise its powers and fulfill its duties by the vote of a simple majority of the members present.

"(e) Except as otherwise provided by law, the Commission shall maintain and make available for public inspection a record of the final vote of each member of any action taken by it.

"§ 996. Director and staff

"(a) The Staff Director shall supervise the activities of persons employed by the Commission and perform other duties assigned to him by the Commission.

"(b) The Staff Director shall, subject to the approval of the Commission, appoint such officers and employees as are necessary in the execution of the functions of the Commission. The officers and employees of the Commission shall be exempt from the provisions of part III of title 5, United States Code, except the following chapters: 81 (Compensation for Work Injuries), 83 (Retirement), 85 (Unemployment Compensation), 87 (Life Insurance), 89 (Health Insurance), and 91 (Conflicts of Interest).

"§ 997. Annual report

"The Commission shall report annually to the Judicial Conference of the United States, the Congress, and the President of the United States on the activities of the Commission.

"§ 998. Definitions

"As used in this chapter—

"(a) 'Commission' means the United States Sentencing Commission;

"(b) 'Commissioner' means a member of the United States Sentencing Commission;

"(c) 'guidelines' means the guidelines promulgated by the Commission pursuant to section 994(a) of this title; and

"(d) 'rules and regulations' means rules and regulations promulgated by the Commission pursuant to section 995 of this title.".

(b) The chapter analysis of part III of title 28, United States Code, is amended by adding after the item relating to chapter 57 the following new item:

"58. United States Sentencing Commission ..... 991".

SEC. 218. (a) The following provisions of title 18, United States Code, are repealed:

(1) section 1;

(2) chapter 309;

(3) chapter 311;

(4) chapter 314;

(5) sections 4281, 4283, and 4284; and

(6) chapter 402.

(b) The item relating to section 1 in the sectional analysis of chapter 1 of title 18, United States Code, is amended to read: "1. Repealed.".

(c) The chapter analysis of Part III of title 18, United States Code, is amended by amending the items relating to—

(1) chapters 309 and 311 to read as follows:

"309. Repealed

"311. Repealed";

and

(2) chapter 314 to read as follows:

"314. Repealed".

(d) The sectional analysis of chapter 315 of title 18, United States Code, is amended by amending the items relating to—

(1) section 4281 to read: "4281. Repealed."; and

(2) sections 4283 and 4284 to read as follows:

"4283. Repealed.

"4284. Repealed.".

(e) The item relating to chapter 402 in the chapter analysis of Part IV of title 18, United States Code, is amended to read as follows:

"402. Repealed".

SEC. 219. (a) Sections 404(b) and 409 of the Controlled Substances Act (21 U.S.C. 844(b) and 849) are repealed.

(b) Section 404(a) of the Controlled Substances Act (21 U.S.C. 844(a)) is amended by deleting the designation "(a)" at the beginning of the subsection.

SEC. 220. The Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended as follows:

(a) The second sentence of section 212(a)(9) (8 U.S.C. 1182(a)(9)) is amended to read: "An alien who would be excludable because of the conviction of an offense for which the sentence actually imposed did not exceed a term of imprisonment in excess of six months, or who would be excludable as one who admits the commission of an offense for which a sentence not to exceed one year's imprisonment might have been imposed on him, may be granted a visa and admitted to the United States if otherwise admissible: *Provided*, That the alien has committed only one such offense, or admits the commission of acts which constitute the essential elements of only one such offense.".

(b) Section 242(h) (8 U.S.C. 1252(h)) is amended by adding "supervised release," after "parole,".

SEC. 221. Section 4 of the Act of September 28, 1962 (16 U.S.C. 460k-3) is amended by deleting "petty offense (18 U.S.C. 1)" and substituting "misdemeanor".

SEC. 222. Section 9 of the Act of October 8, 1964 (16 U.S.C. 460n-8) is amended—

(a) in the first paragraph, by deleting "commissioner" each place it appears and substituting "magistrate"; and

(b) in the second paragraph, by amending the first sentence to read: "The functions of the magistrate shall include the trial and sentencing of persons charged with the commission of misdemeanors and infractions as defined in section 3581 of title 18, United States Code."

SEC. 223. Title 18 of the United States Code is amended as follows:

(a) Section 924(a) is amended by deleting ", and shall become eligible for parole as the Board of Parole shall determine".

(b) Section 1161 is amended by deleting "3618" and inserting in lieu thereof "3667".

(c) Section 1761(a) is amended by adding ", supervised release," after "parole".

(d) Section 1963 is amended—

(1) in subsection (a), by deleting "(1) any interest he has acquired" and all through the end of the subsection and substituting "the property described in section 3554 in accord with the provisions of that section."; and

(2) by repealing subsections (b) and (c).

(e) Section 3006A is amended—

(1) in subsections (a)(1) and (b), by deleting "misdemeanor (other than a petty offense as defined in section 1 of this title)" each place it appears and substituting "Class A misdemeanor"; and

(2) in subsections (a)(3) and (g), deleting "subject to revocation of parole," each place it appears.

(f) Section 3143, as amended by this Act, is amended—

(1) in subsection (a), by adding "other than a person for whom the applicable guideline promulgated pursuant to 28 U.S.C. 994 does not recommend a term of imprisonment," after "sentence,"; and

(2) in subsection (c), by adding the following at the end thereof: "The judge shall treat a defendant in a case in which an appeal has been taken by the United States pursuant to the provisions of section 3742 in accordance with the provisions of—

"(1) subsection (a) if the person has been sentenced to a term of imprisonment; or

"(2) section 3142 if the person has not been sentenced to a term of imprisonment.".

(g) Section 3147, as amended by this Act, is amended—

(1) in paragraph (1), by deleting "not less than two years and"; and

(2) in paragraph (2), by deleting "not less than ninety days and".

(h) Section 3156(b)(2) is amended by deleting "petty offense as defined in section 1(3) of this title" and substituting "Class B or C misdemeanor or an infraction".

(i) Section 3172(2) is amended by deleting "petty offense as defined in section 1(3) of this title" and substituting "Class B or C misdemeanor or an infraction".

(j) Section 3401 is amended—

(1) by repealing subsection (g); and

(2) in subsection (h), by deleting "petty offense case" and substituting "Class B or C misdemeanor case, or infraction case,".

(k) Section 3668 (formerly section 3619) is amended by deleting "3617" and "3618" and substituting "3666" and "3667", respectively.

(l) Section 4004 is amended by deleting "record clerks, and parole officers" and substituting "and record clerks".

(m) Chapter 306 is amended as follows:

(1) Section 4101 is amended—

(A) in subsection (f), by adding ", including a term of supervised release pursuant to section 3583" after "supervision"; and

(B) in subsection (g), by deleting "to a penalty of imprisonment the execution of which is suspended and" and substituting "under which", and by deleting "the suspended" and substituting "a".

(2) Section 4105(c) is amended—

(A) in paragraph (1), by deleting "for good time" the second place it appears and substituting "toward service of sentence for satisfactory behavior";

(B) in paragraphs (1) and (2), by deleting "section 4161" and substituting "section 3624(b)";

(C) in paragraph (1), by deleting "section 4164" and substituting "section 3624(a)";

(D) by repealing paragraph (3); and

(E) by amending paragraph (4) to read as follows:

"(4) Credit toward service of sentence may be withheld as provided in section 3624(b) of this title.".

(3) Section 4106 is amended—

(A) in subsection (a), by deleting "Parole Commission" and substituting "Probation System";

(B) by amending subsection (b) to read as follows:

"(b) An offender transferred to the United States to serve a sentence of imprisonment shall be released pursuant to section 3624(a) of this title after serving the period of time specified in the applicable sentencing guideline promulgated pursuant to 28 U.S.C. 994(a)(1). He shall be released to serve a term of supervised release for any term specified in the applicable guideline. The provisions of section 3742 of this title apply to a sentence under this subsection, and the United States court of appeals for the district in which the offender is imprisoned or under supervision after transfer to the United States has jurisdiction to review the sentence as though it had been imposed by the United States district court."; and

(C) by repealing subsection (c).

(4) Section 4108(a) is amended by adding ", including any term of imprisonment or term of supervised release specified in the applicable sentencing guideline promulgated pursuant to 28 U.S.C. 994(a)(1)," after "consequences thereof".

(n) Section 4321 is amended by deleting "parole or".

(o) Section 4351(b) is amended by deleting "Parole Board" and substituting "Sentencing Commission".

(p) Section 5002 is amended by deleting "Board of Parole, the Chairman of the Youth Division," and substituting "United States Sentencing Commission,".

SEC. 224. The Controlled Substances Act (21 U.S.C. 801 et seq.) is amended as follows:

(a) Section 401 (21 U.S.C. 841) is amended—

(1) in subsection (b)(1)(A), by deleting the last sentence;

(2) in subsection (b)(1)(B), by deleting the last sentence;

(3) in subsection (b)(2), by deleting the last sentence;

(4) in subsection (b)(4), by deleting "subsections (a) and (b) of", and by adding "and section 3607 of title 18, United States Code" after "404";

(5) in subsection (b)(5), by deleting the last sentence; and

(6) by repealing subsection (c).

(b) Section 405 (21 U.S.C. 845) is amended—

(1) in subsection (a), by deleting "(1)" the second place it appears, and by deleting ", and (2) at least twice any special parole term authorized by section 401(b), for a first offense involving the same controlled substance and schedule"; and

(2) in subsection (b), by deleting "(1)" the second place it appears, and by deleting ", and (2) at least three times any special parole term authorized by section 401(b), for a second or subsequent offense involving the same controlled substance and schedule".

(c) Section 405A, as added by title IX of this Act, is amended—

(1) in subsection (a)—

(A) by deleting "(1)": and

(B) by deleting "and (2) at least twice any special parole term authorized by section 401(b) for a first offense involving the same controlled substance and schedule";

(2) in subsection (b)—

(A) by deleting "(1)" and "not less than three years and"; and

(B) by deleting "and (2) at least three times any special term authorized by section 401(b) for a second or subsequent offense involving the same controlled substance and schedule"; and

(3) by deleting subsection (c).

(d) Section 408(c) (21 U.S.C. 848(c)) is amended by deleting "and section 4202 of title 18 of the United States Code".

SEC. 225. The Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.) is amended as follows:

(a) Section 1010 (21 U.S.C. 960) is amended—

(1) in subsection (b)(1), by deleting the last sentence;

(2) in subsection (b)(2), by deleting the last sentence; and

(b) Section 1012(a) (21 U.S.C. 962(a)) is amended by deleting the last sentence.

SEC. 226. Section 114(b) of title 23, United States Code, is amended by adding ", supervised release," after "parole".

SEC. 227. Section 5871 of the Internal Revenue Code of 1954 (26 U.S.C. 5871) is amended by deleting ", and shall become eligible for parole as the Board of Parole shall determine".

SEC. 228. Title 28 of the United States Code is amended as follows:

(a) Section 509 is amended—

(1) in paragraph (3), by deleting "; and" and substituting a period; and

(2) by repealing paragraph (4).

(b) Section 591(a) is amended by deleting "petty offense" and substituting "Class B or C misdemeanor or an infraction".

(c) Section 2901 is amended—

(1) in subsection (e), by deleting "section" and substituting "section 3581"; and

(2) in subsection (g)(3), by adding ", supervised release," after "parole", and by adding "supervised release," after "parole,".

SEC. 229. Section 504(a) of the Labor Management Reporting and Disclosure Act of 1959 (29 U.S.C. 504(a)) and section 411(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1111(a)) are amended—

(a) by deleting "Board of Parole of the United States Department of Justice" and substituting "if the offense is a Federal offense, the sentencing judge or, if the offense is a State or local offense, on motion of the attorney for the government, the district court of the United States for the district in which the offense was committed";

(b) by adding ", pursuant to sentencing guidelines and policy statements issued pursuant to 28 U.S.C. 994(a),";

(c) by deleting "Board" and "Board's" and substituting "court" and "court's", respectively; and

(d) by deleting "an administrative" and substituting "a".

SEC. 230. Section 411(c)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1111(c)(3)) is amended by adding "or supervised release" after "parole".

SEC. 231. Section 454(b) of the Comprehensive Employment and Training Act of 1973, as added by section 2 of the Act of October 27, 1978 (29 U.S.C. 927(b)), is amended by deleting "or parole" the first place it appears and substituting ", parole, or supervised release".

SEC. 232. The Public Health Service Act (42 U.S.C. et seq.) is amended as follows:

(a) Section 341(a) (42 U.S.C. 257(a)) is amended by deleting "or convicted of offenses against the United States and sentenced to treatment" and "addicts who are committed to the custody of the Attorney General pursuant to provisions of the Federal Youth Corrections Act (chapter 402 of title 18 of the United States Code),".

(b) Section 343(d) (42 U.S.C. 259(d)) is amended by adding "or supervised release" after "parole".

SEC. 233. Section 11507 of title 49, United States Code, is amended by adding ", supervised release," after "parole".

SEC. 234. Section 10(b)(7) of the Military Selective Service Act (50 U.S.C. App. 460(b)(7)) is amended by deleting "parole" and substituting "release".

SEC. 235. (a)(1) This subtitle shall take effect on the first day of the first calendar month beginning twenty-four months after the date of enactment, except that—

(A) the repeal of chapter 402 of title 18, United States Code, shall take effect on the date of enactment; and

(B)(i) chapter 58 of title 28, United States Code, shall take effect on the date of enactment of this Act or October 1, 1983, whichever occurs later, and the United States Sentencing Commission shall submit the initial sentencing guidelines promulgated pursuant to section 994(a)(1) of title 28 to the Congress within eighteen months of the effective date of the chapter; and

(ii) the sentencing guidelines promulgated pursuant to section 994(a)(1), and the provisions of sections 3581, 3583, and 3624 of title 18, United States Code, shall not go into effect until the day after—

(a) the United States Sentencing Commission has submitted the initial set of sentencing guidelines to the Congress pursuant to subparagraph (B)(i), along with a report stating the reasons for the Commission's recommendations;

(b) the General Accounting Office has undertaken a study of the guidelines, and their potential impact in comparison with the operation of the existing sentencing and parole release system, and has, within three months of the submission of the guidelines, reported to the Congress the results of its study; and

(c) the Congress has had six months after the date described in subclause (a) in which to examine the guidelines and consider the reports.

(2) For the purposes of section 992(a) of title 28, the terms of the first members of the United States Sentencing Commission shall not begin to run until the sentencing guidelines go into effect pursuant to paragraph (1)(B)(ii).

(b)(1) The following provisions of law in effect on the day before the effective date of this Act shall remain in effect for five years after the effective date as to an individual convicted of an offense or adjudicated to be a juvenile delinquent before the effective date and as to a term of imprisonment during the period described in subsection (a)(1)(B):

(A) Chapter 311 of title 18, United States Code.

(B) Chapter 309 of title 18, United States Code.

(C) Sections 4254 through 4255 of title 18, United States Code.

(D) Sections 5041 and 5042 of title 18, United States Code.

(E) Sections 5017 through 5020 of title 18, United States Code, as to a sentence imposed before the date of enactment.

(F) The maximum term of imprisonment in effect on the effective date for an offense committed before the effective date.

(G) Any other law relating to a violation of a condition of release or to arrest authority with regard to a person who violates a condition of release.

(2) Notwithstanding the provisions of section 4202 of title 18, United States Code, as in effect on the day before the effective date of this Act, the term of office of a Commissioner who is in office on the effective date is extended to the end of the five-year period after the effective date of this Act.

(3) The United States Parole Commission shall set a release date, for an individual who will be in its jurisdiction the day before the expiration of five years after the effective date of this Act, that is the earliest date that applies to the prisoner under the applicable parole guideline. A release date set pursuant to this paragraph shall be set early enough to permit consideration of an appeal of the release date, in accordance with Parole Commission procedures, before the expiration of five years following the effective date of this Act.

(4) Notwithstanding the other provisions of this subsection, all laws in effect on the day before the effective date of this Act pertaining to an individual who is—

(A) released pursuant to a provision listed in paragraph (1); and

(B)(i) subject to supervision on the day before the expiration of the five-year period following the effective date of this Act; or

(ii) released on a date set pursuant to paragraph (3);

including laws pertaining to terms and conditions of release, revocation of release, provision of counsel, and payment of transportation costs, shall remain in effect as to that individual until the expiration of his sentence, except that the district court shall determine, in accord with the Federal Rules of Criminal Procedure, whether release should be revoked or the conditions of release amended for violation of a condition of release.

(5) Notwithstanding the provisions of section 991 of title 28, United States Code, and sections 4351 and 5002 of title 18, United States Code, the Chairman of the United States Parole Commission or his designee shall be a member of the National Institute of Corrections, and the Chairman of the United States Parole Commission shall be a member of the Advisory Corrections Council and a nonvoting member of the United States Sentencing Commission, ex officio, until the expiration of the five-year period following the effective date of this Act. Notwithstanding the provisions of section 4351 of title 18, during that five-year period the National Institute of Corrections shall have seventeen members, including seven ex officio members.

SEC. 236. (a)(1) Four years after the sentencing guidelines promulgated pursuant to section 994(a)(1), and the provisions of sections 3581, 3583, and 3624 of title 18, United States Code, go into effect, the General Accounting Office shall undertake a study of the guidelines in order to determine their impact and compare the guideline system with the operation of the previous sentencing and parole release system, and within six months of the undertaking of such study, report to the Congress the results of its study.

(2) Within one month of the start of the study required under subsection (a), the United States Sentencing Commission shall submit a report to the General Accounting Office detailing the operation of the sentencing guideline system and discussing any problems with the system or reforms needed.

(b) The Congress shall review the study submitted pursuant to subsection (a) in order to determine—

(1) whether the sentencing guideline system has been effective;

(2) whether any changes should be made in the sentencing guideline system; and

(3) whether the parole system should be reinstated in some form and the life of the Parole Commission extended.

SEC. 237. (a) Chapter 227 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 3579. Mandatory prison sentence

"A term of imprisonment shall be imposed whenever—

"(1) serious bodily injury resulted from the defendant's participation in the offense; or

"(2) the offense is a felony and the defendant was previously convicted of a Federal, State, or local felony, unless a substantial period of time has elapsed since the defendant's previous conviction.".

(b) The table of sections for chapter 227 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"3579. Mandatory prison sentence.".

SUBTITLE C—FIREARM MANDATORY SENTENCE

SEC. 241. Subsection (c) of section 924 of title 18, United States Code, is amended to read as follows:

"(c) Whoever—

"(1) uses any firearm to commit a felony with respect to which the district courts of the United States have original and exclusive jurisdiction under section 3231 of this title; or

"(2) carries a firearm during the commission of any such felony if an element of such felony is the use of violence or threat of imminent violence;

shall, in addition to the punishment provided for the commission of such felony, be sentenced to a term of imprisonment for not less than five years, nor more than ten years. In the case of the second or subsequent conviction of a person under this subsection, such person shall be sentenced to imprisonment for any term of years not less than ten, or to life imprisonment. Notwithstanding any other provision of law, the court shall not suspend the sentence in the case of a person convicted under this subsection, or give that person a probationary sentence, nor shall the term of imprisonment imposed under this subsection run concurrently with any term of imprisonment imposed for the commission of such felony. Notwithstanding any other provision of law, a person convicted under this subsection shall not be eligible for parole during the first five years of imprisonment in the case of a first conviction under this subsection and during the first ten years of imprisonment in the case of a second or subsequent conviction under this subsection. It is the intention of Congress that the administration vigorously investigate and prosecute every violation of this subsection.".

SUBTITLE D—VIOLENT JUVENILE REFORM ACT OF 1983

SEC. 251. That this subtitle may be cited as the "Violent Juvenile Offender Act of 1983".

SEC. 252. Section 5031 of title 18 of the United States Code is amended by striking the word "eighteenth" both places it appears and inserting in lieu thereof the word "seventeenth".

SEC. 253. Section 5032 of title 18 of the United States Code is amended—

(1) by striking out the word "or" preceding "(2)" in the first paragraph;

(2) by striking the period at the end of the first paragraph and inserting in lieu thereof ", or (3) that the offense charged is a felony and that there is a substantial Federal interest in the case or the offense to warrant the exercise of Federal jurisdiction.";

(3) in the fourth paragraph, by striking "punishable by a maximum penalty of ten years imprisonment or more, life imprisonment or death," and insert in lieu thereof "that is a crime of violence or an offense described in section 841, 952(a), 955, or 959 of title 21,"; and in the same paragraph, strike out "sixteen" and "sixteenth" and insert in lieu thereof "fourteen" and "fourteenth", respectively;

(4) in the fourth paragraph, by striking out the period at the end of the paragraph and inserting in lieu thereof "If a juvenile, who is age sixteen years or older at the time of the alleged commission of the offense, is alleged to have committed one of the preceding enumerated felonies after having been found guilty of one act which if committed by an adult would have been a crime of violence or an offense described in section 841, 952(a), 955, or 959 to title 21, or a crime of violence in violation of a State felony statute, such juvenile shall be transferred to the appropriate district court of the United States for criminal prosecution. If a juvenile who is alleged to have committed one of the preceding enumerated felonies is tried as an adult, the trial shall be open to the public."; and

(5) by adding at the end of the section the following:

"Whenever a juvenile transferred to district court under this section is not convicted of the crime upon which the transfer was based or another crime which would have warranted transfer had the juvenile been initially charged with that crime, further proceedings concerning the juvenile shall be conducted pursuant to the provisions of this chapter.

"Any proceedings against a juvenile under this chapter or as an adult shall not be commenced until any prior juvenile court records of such juvenile have been received by the court, or the clerk of the juvenile court has certified in writing that the juvenile has no prior record, or that the juvenile's record is unavailable, and why it is unavailable.

"Whenever a juvenile is adjudged delinquent pursuant to the provisions of this chapter, a description of the specific acts which the juvenile has been found to have committed shall be included in the official record of the proceedings and the juvenile's official record. In determining the sentence to be imposed, the court shall consider the seriousness of the present act or acts which the juvenile has committed and the juvenile's prior offense record.".

SEC. 254. Section 5038 of title 18 of the United States Code is amended by striking out subsection (d) and inserting in lieu thereof the following new paragraphs:

"(d) Whenever a juvenile is found guilty of committing an act which if committed by an adult would be a felony that is a crime of violence or an offense described in section 841, 952(a), 955, or 959 of title 21, such juvenile shall be fingerprinted and photographed. Fingerprints and photographs of a juvenile who is not prosecuted as an adult shall be made available only in accordance with the provisions of subsection (a) of this section. Fingerprints and photographs of a juvenile who is prosecuted as an adult shall be made available in the manner applicable to adult defendants.

"(e) Unless a juvenile who is taken into custody is prosecuted as an adult neither the name nor picture of any juvenile shall be made public by any medium of public information in connection with a juvenile delinquency proceeding.".

SEC. 255. Section 203 of the Federal Property and Administrative Service Act of 1949 (63 Stat. 385) is amended by adding at the end thereof the following:

"(a) The Administrator is authorized, upon the recommendation of the Attorney General, to donate surplus property to any State or States for the housing of violent juvenile offenders found guilty of an act, which if committed by an adult would have been a crime of violence or an offense described in section 401 of the Controlled Substances Act (21 U.S.C. 841), or section 1002(a), 1005, or 1009 of the Controlled Substances Import and Export Act (21 U.S.C. 952(a), 955, or 959), or a crime of violence in violation of a State felony statute. Such donation shall be without cost to the State or States, except for the costs of care and handling. Whenever the Attorney General determines that the needs of an individual State are insufficient to warrant a donation of surplus property for the housing of violent juvenile offenders in that State, he shall recommend to the Administrator that such property be donated to more than one State for shared use on a regional basis. The Administrator shall condition any donation under this subsection upon the agreement of the recipient to provide basic necessities and appropriate rehabilitation programs to each violent juvenile offender housed in such surplus property, and to place each violent juvenile offender in the appropriate facility closest to his home community.".

SUBTITLE E—FEDERAL DIVERSION ACT

SEC. 261. This subtitle may be cited as the "Federal Diversion Act of 1983".

SEC. 262. The Congress finds and declares that—

(1) the interests of operating the Federal criminal justice system efficiently, protecting society, and deterring individuals charged with violating criminal laws from committing further criminal acts can be served by creating alternatives to prosecution; and

(2) such alternatives can be accomplished in appropriate cases without losing the general deterrent effect of the criminal justice system.

SEC. 263. (a) Title 18 of the United States Code is amended by adding immediately after chapter 209 the following new chapter:

"CHAPTER 210 DIVERSION

"Sec.
"3201. Definitions.
"3202. Admission to diversion program.
"3203. Voluntariness of waiver of rights.
"3204. Inadmissibility of diversion information.
"3205. Continuation and dismissal of charges.
"3206. Termination; review; completion; withdrawal.
"3207. District panel.
"3208. Authority of the Attorney General.

"§ 3201. Definitions

"As used in this chapter, the term—

"(1) 'eligible individual' means any person against whom a prosecutable case exists for an offense against the United States before—

"(A) the alleged offense did not involve the threat or infliction of serious bodily injury to other persons;

"(B) it is reasonably foreseeable that the person will not commit violent acts if admitted to a diversion program;

"(C) the person has not exhibited a continuing pattern of criminal behavior;

"(D) the person meets the criteria established by regulations issued by the Attorney General and guidelines established by the attorney for the Government in the district where the indictment, information, or complaint is filed; and

"(E) the person is admitted to participation in a diversion program by the attorney for the Government in the district in which the indictment, information, or complaint is filed;

"(2) 'diversion program' may include, but is not limited to, medical, educational, vocational, social, and psychological services; corrective and preventative guidance, training, and counseling; provision for residence in a halfway house or other suitable place; other services designed to protect the public and benefit the individual; restitution to victims of the offense or offenses charged; and uncompensated service to the community;

"(3) 'diversion plan' means a written agreement, signed by the eligible individual, defense counsel, diversion administrator, and the attorney for the Government, that states those elements of a diversion program in which the eligible individual will participate to assure that he will lead a lawful life, and states the length of time required to complete the plan; but in no event shall a diversion plan exceed twelve months except to allow the person admitted sufficient time to make restitution; and

"(4) 'diversion administrator' means a person designated by the Attorney General, after consultation with the district planning group, as administrator of the diversion program; except that in those districts in which a chief pretrial services officer has been appointed by a panel consisting of the chief judge of the circuit, the chief judge of the district, and a magistrate of the district (or their respective designees), the chief pretrial services officer shall also serve as the diversion administrator.

"§ 3202. Admission to diversion program

"(a) The diversion administrator or his assistants shall, to the extent possible, upon arrest or the issuance of a summons or as soon thereafter as possible, review the allegations against each person charged with a criminal offense against the United States and interview each person who he believes may be eligible for diversion. The diversion administrator shall then make a report to the attorney for the Government on the eligibility of each person charged. A person who has not had the allegations against him reviewed may request to be considered for admission by application to the diversion administrator. The attorney for the Government may require further investigation by the diversion administrator of a person being considered for admission with the consent of such person. If the attorney for the Government determines that a person is suitable, the diversion administrator shall prepare a diversion plan. Upon agreement of the elements of the plan by the attorney for the Government, diversion administrator, eligible person, and defense counsel, the attorney for the Government shall assign supervision of the plan to the diversion administrator. A determination of eligibility or suitability by the attorney for the Government shall not be subject to review except as otherwise provided by law.

"(b) The diversion administrator shall report to the attorney for the Government on the progress of the person in carrying out his plan in a manner and at times the attorney for the Government and diversion administrator deem appropriate and shall at the same time provide a copy of each such report to the person and defense counsel.

"§ 3203. Voluntariness of waiver of rights

"No person shall be admitted to a diversion program unless he has voluntarily agreed to participate and has received a copy of his diversion plan, and has voluntarily waived, in the presence of a judge or magistrate and with the advice of counsel (except in a case where counsel has been voluntarily waived), all applicable statutes of limitations and his right to speedy trial for the period of diversion.

"§ 3204. Inadmissibility of diversion information

"Whenever a person is admitted to a diversion program and his diversion plan is later terminated or the person withdraws and prosecution is resumed, any statement made or other information given by the person in connection with the determination of his eligibility or suitability for the program, any statement made by the person while participating in an activity of the program, and any statement, report or other information concerning his participation in the program shall not be admissible against the person on the issue of his guilt regarding the offense that was the basis for diversion in any judicial proceeding in which he is accused of such offense. This section shall not be construed to limit the admissibility of any information for purposes of impeachment.

"§ 3205. Continuation and dismissal of charges

"In each case involving a person who is admitted to a diversion program under this chapter, the criminal charges against the person shall be continued without final disposition for the period agreed upon in the diversion plan, unless the admission is terminated, completed earlier, or the person withdraws pursuant to section 3206 of this chapter. Upon the expiration of the diversion period, the attorney for the Government shall file a dismissal with prejudice as provided in section 3206(C). Nothing in this paragraph shall be construed to limit further investigation of the offense charged or presentation of evidence to a grand jury during the diversion period.

"§ 3206. Termination; review; completion; withdrawal

"(a) If the attorney for the Government finds the person is not fulfilling his obligations under the plan, or has discovered facts previously unknown to him demonstrating that the person is not suitable for diversion, the attorney for the Government may resume prosecution. The attorney for the Government shall make a written statement of the factual basis for his determination to resume prosecution and transmit copies to the person and to defense counsel. The person and defense counsel shall thereafter be notified of their opportunity to appear before the attorney for the Government and the diversion administrator to contest the determination within a reasonable time, as established by the Attorney General.

"(b) If the person fails to contest the determination of the attorney for the Government within the time specified, no further review of the determination shall be granted. If, on the appearance of the person and defense counsel before the attorney for the Government and the diversion administrator, the attorney for the Government determines that prosecution shall be resumed, the person may petition the court for review. If the court finds that no facts exist upon which the attorney for the Government could base a determination to resume prosecution, the court shall order that the person be allowed to fulfill his obligations under the plan or shall dismiss the charges if the court finds that all such obligations have been fulfilled. In a proceeding under the provisions of this subsection, evidence shall be admissible regardless of its admissibility in a trial on the offense.

"(c) If the diversion administrator certifies to the attorney for the Government at any time during the period of diversion that the person has fulfilled his obligations and has successfully completed the plan, and if the attorney for the Government concurs, the attorney for the Government shall file, by leave of court, a dismissal with prejudice of the indictment, information, or complaint against the person.

"(d) A person participating in a diversion plan may withdraw at any time, and the attorney for the Government may resume prosecution.

"(e) Whenever a diversion plan is terminated or the person withdraws before completion of the plan and the prosecution is resumed resulting in a conviction, the court shall consider the length and nature of the defendant's participation in the plan and may credit such participation as time served toward any sentence of probation or incarceration.

"§ 3207. District panel

"(a) The panel established by section 3153(b) of this title, together with the diversion administrator and such other individuals as the panel may appoint, shall constitute a diversion advisory committee. The panel may appoint individuals representing agencies to which persons are referred under a diversion program pursuant to this chapter. The group shall plan the implementation of the diversion program for the district and review on a regular basis the administration and progress of such program. The group shall report to the Attorney General at such times and in such manner as the Attorney General shall prescribe.

"(b) Members of the group shall not be compensated, but may be reimbursed pursuant to section 3208 for reasonable expenses incurred by them in carrying out their duties as members of the committee.

"§ 3208. Authority of the Attorney General

"(a) In carrying out the provisions of this chapter, the Attorney General shall—

"(1) reimburse agencies of the judicial branch of the Government for the cost of services of United States probation officers, pretrial service officers, and employees other than judges, magistrates, or Federal public defenders, who are necessary to carry out the purposes of this chapter;

"(2) employ and fix the compensation of such persons as he determines necessary to carry out the purposes of this chapter, without regard to the provisions of title 5, United States Code, relating to appointments in the competitive services and the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates;

"(3) acquire such facilities, services, and materials as he determines necessary to carry out the purposes of this chapter; and

"(4) enter into contracts and other agreements without regard to advertising requirements for the acquisition of such personnel, facilities, services, and materials which he determines necessary to carry out the purposes of this chapter.

"(b) In addition to the responsibilities described in subsection (a), the Attorney General shall—

"(1) issue, within one hundred and eighty days after the date of enactment of this section, regulations for use by the United States attorneys governing recommendations of persons to diversion programs;

"(2) conduct research and prepare concise annual reports for the President, the Congress, and the Judicial Conference showing the progress of all diversion programs in fulfilling the purposes set forth in this chapter;

"(3) provide for the audit of any funds expended under the provisions of this chapter other than funds expended to provide for defense counsel;

"(4) be authorized to accept voluntary and uncompensated services; and

"(5) promote the cooperation of the Department of Justice, local diversion programs, and all agencies which provide education, training, counseling, legal, employment, or other social services under any Act of Congress to assure that eligible individuals admitted to diversion programs can benefit to the extent possible.".

(b) The table of chapters for title 18, United States Code, and for part II of title 18, United States Code, are each amended by inserting immediately after the item relating to chapter 209 the following:

"210. Diversion ..... 3201.".

SEC. 264. For the purposes of carrying out the provisions of this subtitle, there are authorized to be appropriated $3,000,000 for each of the fiscal years ending September 30, 1984, 1985, 1986, and 1987.

SUBTITLE F—ATTEMPTED MURDER OF A PRESIDENT

SEC. 271. Subsection (c) of section 1751 of title 18, United States Code, is amended to read as follows:

"(c) Whoever attempts to kill any individual designated in subsection (a) of this section shall be punished by imprisonment for life without possibility of parole.".

TITLE III—ORGANIZED CRIME

SUBTITLE A—NARCOTICS LAW ENFORCEMENT POLICY GOALS AND REPORT

SEC. 301. (a) The purpose of this section is to set goals for Justice Department narcotics law enforcement policy.

(b)(1) Ninety days after the enactment of this section and thereafter on an annual basis the Attorney General shall submit to the Judiciary Committees of the Senate and the House of Representatives a report which shall explain how any proposed reorganization of the Drug Enforcement Administration and Justice Department narcotics control policy and organized crime control policy generally will accomplish the following goals:

(A) completely immobilize at least one of the traditionally recognized organized crime entities each year;

(B) reducing the number of narcotic trafficking organizations and independent traffickers as evidenced by (i) identifying the one hundred most sophisticated narcotic trafficking organizations in America, targeting and successfully eliminating at least ten of these narcotic organizations each year through arrests and indictment of the top people in each organization; (ii) increasing by 10 per centum annually the total number of level 1 and 2 violator arrests in which the Drug Enforcement Administration was the primary enforcement agency conducting the investigation; and (iii) increasing by 10 per centum annually the number of level 1 and 2 violator arrests in which the Drug Enforcement Administration assisted other Federal, State, or local enforcement agencies; and

(C) reducing the economic incentives for drug traffickers by seizing and forfeiting assets of major narcotics traffickers through the use of forfeiture laws (21 U.S.C. 881 (a) and (b), 21 U.S.C. 848, 18 U.S.C. 1961-4) by returning annually to the United States Treasury a dollar value of forfeited assets using such laws which at least equals $250,000,000 or the annual budget of the Drug Enforcement Administration, whichever is more.

(2) For the purposes of this section the term—

(A) "drug seizure" means confiscated drugs by law enforcement agencies;

(B) "level 1 and 2 violators" means the most significant drug traffickers which include interstate or international traffickers, laboratory operators, financiers, or heads of criminal organizations;

(C) "seizure" means physically securing property by law enforcement personnel;

(D) "forfeiture" means a judicially required divestiture of property without compensation; and

(E) "forfeited assets" means four types of assets which apply to the forfeiture statutes: (i) contraband, such as guns and controlled substances; (ii) derivative contraband, such as boats, airplanes, and cars used to warehouse, transport, or exchange contraband; (iii) direct proceeds, such as cash received for exchanging or payment for a variety of transactions involving contraband; and (iv) derivative proceeds, such as corporate stock real estate, legitimate businesses that are purchased, maintained, or acquired with the direct proceeds of an illegal transaction.

SEC. 302. (a) Title 28, United States Code, is amended by adding after section 522 the following:

"§ 522A. Attorney General report on organized crime

"In order to assist the Congress in making present or future determinations regarding the adequacy of tools and resources available to the executive branch of the Government for the purpose of combating organized criminal activity, the Attorney General shall provide to Congress, within sixty days after the date of enactment of this Act, a complete report on the status of organized crime in this Nation, including the identification of organized criminal groups, their leaders, members, geographical area of operation, size and type of criminal activity each organization is believed to be engaged in, together with an assessment of the reliability of the sources of the information reported. The report shall not identify any source of information provided, and any such information requested which may tend in the opinion of the Attorney General to impede any ongoing Federal criminal investigation may be withheld for that reason, provided that the report shall indicate that information is being withheld for that reason.".

(b) The table of sections for chapter 31, title 28, United States Code, is amended by adding after the item relating to section 522 the following:

"522A. Attorney General report on organized crime.".

SUBTITLE B—MURDER FOR HIRE

SEC. 311. (a) Title 18, United States Code, is amended by adding a new section 1118, as follows:

"§ 1118. Contract murder

"(a) DEFINITIONS.—As used in this chapter:

"(1) 'Contract murder' means a murder, attempted murder, or assault which violates the laws of the State where the prohibited acts were committed or commissioned, and which was commissioned, committed, or attempted to be commissioned or committed by any person offering, providing, agreeing to provide, threatening to cease providing, or soliciting, receiving, or agreeing to receive anything of value.

"(2) 'Commission or commissioned' means offering, planning, instructing, ordering, coercing, or otherwise initiating or being instrumental in a contract murder or attempted contract murder.

"(3) 'Anything of value' means anything tangible or intangible the offering party agrees to provide or the receiving party agrees to receive in exchange for committing or attempting to commit a contract murder as defined in this chapter, and may include, but is not limited to, tangible items such as money, land, or position, or intangible items such as gaining favor, anticipation of rewards for services performed, or other similar items.

"(4) 'Superior' means any person exerting direct or indirect responsibility, authority, control, or influence over another person.

"(5) 'Subordinate' means any person who is directly or indirectly responsible to or under the authority, control, or influence of another person.

"(b) COMMISSIONING, OR COMMITTING A CONTRACT MURDER, ATTEMPTED CONTRACT MURDER, OR CONTRACT ASSAULT.—(1) Any person who offers, provides, agrees to provide, threatens to cease providing, solicits, receives, or agrees to receive, anything of value as consideration for the commission of a murder, attempted murder, or assault which violates the laws of the State in which the prohibited acts were committed or commissioned shall be fined not more than $10,000 or imprisoned for not more than ten years, or both; and if personal injury results, shall be fined not more than $50,000 or imprisoned for not more than twenty years, or both; and if death results, shall be fined not more than $100,000 or be imprisoned for any term of years or for life, or both.

"(2) In any prosecution under this section, if it is shown that there was present—

"(A) a direct or indirect contact or communication between two or more persons involving an offer, agreement, or solicitation to commit a contract murder, or

"(B) a direct or indirect contact or communication between a superior and a subordinate involving an offer, agreement, or solicitation to commit a contract murder,

then there is prima facie evidence that the prohibited acts described in subsection 1118(b)(1) were committed and commissioned for anything of value.

"(3) Any person who uses actual or threatened force, violence or fear, or any person who uses his reputation for being a person who uses force and violence, to coerce or attempt to coerce another person to commit a murder, attempted murder, or assault in violation of the law of the State in which the prohibited acts were committed or commissioned shall be in violation of this section and shall be subject to the penalties set forth in subsection 1118(b)(1).

"(c) ATTORNEY GENERAL GUIDELINES.—The Attorney General shall, by regulation, designate criteria for Federal participation in the investigation and prosecution of contract murders as defined in this section: *Provided, however,* That these criteria are to be used solely for the purpose of providing comity with State and local authorities and to preserve and coordinate the limited resources of the Federal Government, and in no way shall limit the authority of the Federal Government to investigate and prosecute violations of this section.

"(d) EFFECT ON EXISTING FEDERAL COOPERATION WITH STATE AND LOCAL AUTHORITIES.—Nothing in this section shall compromise or otherwise affect the ability of Federal officials to assist State and local officials upon request.

"(e) EFFECT ON STATE LAWS.—This chapter shall not preempt any field of law with respect to State legislation which would be permissible in the absence of this section. No law of any State which would be valid in the absence of section 1118 and no officer, agency, or instrumentality of any State may be deprived by virtue of section 1118 of any jurisdiction over any offense over which it would have jurisdiction in the absence of section 1118.".

(b) The analysis of chapter 51 of title 18, United States Code, is amended by adding at the end thereof the following:

"1118. Contract murder.

"1118(a) Definitions.

"(b) Commissioning, or committing a contract murder, attempted contract murder, or contract assault.

"(c) Attorney General guidelines.

"(d) Effect on existing Federal cooperation with State and local authorities.

"(e) Effect on State laws.".

SEC. 312. Section 1114 of title 18, United States Code, is amended by adding after "Department of Justice," the following: "any attorney, agent, or employee of the United States Government employed to investigate or prosecute violations of Federal criminal statutes, or any officer or employee of any department or agency within the Intelligence Community (as defined in section 4-207 of Executive Order 12036 of January 24, 1978, or successor orders),".

SEC. 313. (a) Chapter 7 of title 18, United States Code, is amended by adding at the end thereof a new section 115, as follows:

"§ 115. Protection of families of Federal officers

"Any person who assaults, maims, kidnaps, murders, or threatens to assault, maim, kidnap, or murder the spouse, parent, brother, sister, child, ward, or other relative by blood or marriage, of any person designated in section 1114 of this title, with intent to impede, intimidate, interfere with, or retaliate against, the designated person while engaged in or on account of the performance of his official duties, shall be fined not more than $10,000 or imprisoned not more than ten years, or both. If a dangerous weapon is used in the commission of the offense, he shall be fined not more than $20,000 or imprisoned not more than fifteen years, or both. If personal injury results, he shall be fined not more than $50,000 or imprisoned for not more than twenty years, or both. If death results, he shall be imprisoned for any term of years or for life.".

(b) The analysis of chapter 7 of title 18, United States Code, is amended by adding at the end thereof the following:

"115. Protection of families of Federal officers.".

SEC. 314. Section 1503 of title 18, United States Code, is amended to read as follows:

"§ 1503. Influencing or injuring officer, juror, witness, potential witness, or informant

"Any person who corruptly, or by threats or force, or by any threatening letter or

communication, endeavors to influence, intimidate, or impede any witness, potential witness, or informant in any court, grand jury, or other proceeding of the United States or before any United States commissioner or other committing magistrate, or any grand or petit juror, or officer in or of any court of the United States, or officer who may be serving at any examination or other proceeding before any United States commissioner or other committing magistrate, in the discharge of his duty; or who injures any party, witness, potential witness, or informant in his person or property on account of his attending, having attended, or his potential participation in such court, grand jury, or other proceeding or examination before such officer, commissioner, or other committing magistrate, or on account of his testifying, having testified, being a potential witness to, or providing information on any matter pending therein; or who injures any such grand or petit juror in his person or property on account of any verdict or indictment assented to by him, or on account of his being or having been such juror; or who injures any such officer, commissioner, or other committing magistrate in his person or property on account of the performance of his official duties; or who corruptly or by threats or force, or by any threatening letter or communication, influences, obstructs, or impedes, or endeavors to influence, obstruct, or impede the due administration of justice, or who corruptly or by threats or force or by any threatening letter or communication endeavors to influence, intimidate or impede any witness, potential witness, or informant with intent to hinder, delay, or prevent the communication to a law enforcement officer of information relating to an offense or possible offense, shall be fined not more than $10,000 or imprisoned not more than ten years, or both.".

SEC. 315. Section 552(b)(7)(D) of title 5, United States Code, is amended by inserting the term ", or tend to disclose," after the word "disclose".

SEC. 316. Rule 35 of the Federal Rules of Criminal Procedure is amended by adding a new paragraph to subsection (b) to read as follows:

"The court may also reduce a sentence at any time upon the application of the Attorney General, or any Department of Justice attorney specially designated by the Attorney General, when a convicted defendant provides substantial assistance in the identification, investigation, indictment, arrest, or conviction of any of the defendant's accomplices, accessories, co-conspirators, principals, or other persons engaged in criminal conduct. Any such motion may be filed and heard on an ex parte motion in camera. The judge hearing such motion may reduce the sentence of the defendant if he finds that the defendant rendered such substantial assistance.".

SEC. 317. Title 18, United States Code, is amended by adding a new section 2521, as follows:

"§ 2521. Limitations on disclosures to protect ongoing criminal investigations

"(a) If the disclosure of any information contained in the affidavits, application, orders, or accompanying documents required by this chapter would tend to disclose the existence of other pending investigations or wire interceptions, a Federal district court judge may seal, use in camera proceedings, or other procedures to insure that the portion or portions of such documents which may disclose an ongoing criminal investigation or wire intercept are not disclosed. In making his decision, the judge shall consider the legal rights of any party receiving or requesting access to such documents and whether or not the portion or portions concerning ongoing criminal investigations, or wire intercepts are essential to protect any statutory or constitutional right claimed by such party.

"(b) The Attorney General or any attorney specially designated by him may make application to a Federal district court judge to seal, hold in camera proceedings, or use other appropriate procedures to protect the confidentiality of information relating to ongoing criminal investigations or wire intercepts as described in subsection 2521(a) of this title.".

SEC. 318. (a) Rule 6(e)(3)(A) of the Federal Rules of Criminal Procedure is amended by adding at the end thereof the following:

"(iii) a State or local law enforcement official duly authorized as an agent of the grand jury, where such an official is assisting an attorney for the Government in the enforcement of Federal criminal law.".

(b) Rule 6(e)(3)(B) of the Federal Rules of Criminal Procedure is amended by substituting the words "subparagraphs (A)(ii) and (A)(iii)" for "subparagraph (A)(ii)".

SUBTITLE C—CRIMINAL FORFEITURE

SEC. 321. This subtitle may be cited as the "Comprehensive Forfeiture Act of 1983".

SEC. 322. Section 1963 of title 18, United States Code, is amended to read as follows:

"§ 1963. Criminal penalties

"(a) Whoever violates any provision of section 1962 of this chapter—

"(1) shall be fined not more than $25,000 or imprisoned for not more than twenty years, or both; and

"(2) shall forfeit to the United States any property, irrespective of any provision of State law—

"(A) constituting, or derived from, any interest in or contribution to an enterprise he has acquired, maintained, established, operated, controlled, conducted, or participated in the conduct of, in violation of section 1962 of this chapter;

"(B) constituting a means by which he has exerted influence or control over any enterprise he has acquired, maintained, established, operated, controlled, conducted, or participated in the acquisition, maintenance, establishment, operation, conduct or control of, in violation of section 1962 of this chapter; and

"(C) constituting, or derived from, any proceeds which he obtained, directly or indirectly, from racketeering activity or unlawful debt collection in violation of section 1962 of this chapter.

The court, in imposing sentence on such person, shall order, in addition to any other sentence imposed pursuant to this section, that he forfeit to the United States all property described in paragraph (2).

"(b) Property subject to criminal forfeiture under this section includes—

"(1) real property, including things growing on, affixed to, and found in land; and

"(2) tangible and intangible personal property, including rights, privileges, interests, claims, and securities including, but not limited to—

"(A) any position, office, appointment, tenure, commission, or employment contract of any kind which the incumbent acquired or maintained in violation of section 1962 of this chapter, through which the incumbent conducted, or participated in or facilitated the conduct of, the affairs of an enterprise in violation of section 1962 of this chapter, or which afforded the incumbent a source of influence or control over the affairs of an enterprise which was exercised in violation of section 1962 of this chapter;

"(B) any compensation, right or benefit derived from a position, office, appointment, tenure, commission, or employment contract described in subparagraph (A) which the incumbent obtained, directly or indirectly, through a pattern of racketeering activity or unlawful debt collection in violation of section 1962 of this chapter, or which accrued to the incumbent during the period that he controlled, influenced, conducted, or participated in or facilitated the conduct of, the affairs of the enterprise in violation of section 1962 of this chapter; and

"(C) any amount payable or paid under any contract for goods or services which was awarded or performed through a pattern of racketeering activity or unlawful debt collection.

"(c) All right, title, and interest in property described in subsection (a)(2) vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is held in the name of, or possessed by, a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States: *Provided*, That the Attorney General shall not direct disposition of any such property if, in a proceeding under subsection (h), the person establishes to the Attorney General by evidence contained in a petition, or the Attorney General otherwise has reason to know, that—

"(1) the person was a bona fide purchaser of the property for value; and

"(2) the person was reasonably without cause to believe that the property was of the type described in subsection (a)(2).

"(d) If any of the property described in subsection (a)(2)—

"(1) cannot be located,

"(2) has been transferred to, sold to, or deposited with, a third party,

"(3) has been placed beyond the jurisdiction of the court,

"(4) has been substantially diminished in value by any act or omission of the defendant, or

"(5) has been commingled with other property which cannot be divided without difficulty,

the court shall order the forfeiture of any other property of the defendant up to the value of any property described in paragraphs (1) through (5).

"(e)(1) Upon application of the United States, the court may, after a hearing with respect to which any adverse parties have been given reasonable notice and opportunity to participate, enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a)(2) for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of section 1962 of this chapter and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if the court determines—

"(i) that there is probable cause to believe that the property with respect to which the order is sought would, in the event of con-

viction, be subject to forfeiture under this section and that the property is in the possession or control of the party against whom the order is to be entered, and

"(ii) that the party against whom the order is to be entered has failed to demonstrate that the entry of the requested order would result in substantial and irreparable harm or injury to him that outweighs the need to preserve the availability of the property through the entry of the requested order:

Provided, however, That an order entered pursuant to subparagraph (B) shall be effective for not more than ninety days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) Upon application of the United States, a temporary restraining order to preserve the availability of property described in subsection (a)(2) for forfeiture under this section may be granted without notice to the adverse party or his attorney if—

"(A) an indictment or information described in paragraph (1)(A) has been filed or if the court determines that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that the property is in the possession or control of the party against whom the order is to be entered; and

"(B) the court determines that the nature of the property is such that it can be concealed, disposed of, or placed beyond the jurisdiction of the court before the adverse party may be heard in opposition.

A temporary order granted without notice to the adverse party shall expire within such time, not to exceed ten days, as the court fixes, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. If a temporary restraining order is granted without notice to the adverse party, a hearing concerning the entry of an order under paragraph (1) shall be held at the earliest possible time and prior to the expiration of the temporary order.

"(f) Upon conviction of a person under this section, the court shall enter a judgment of forfeiture of the property to the United States and shall also authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following the entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from an enterprise, or an interest in an enterprise, ordered forfeited under this section may be used to offset ordinary and necessary expenses to the enterprise which are required by law, or which are necessary to protect the interests of the United States or third parties.

"(g) Following the seizure of property ordered forfeited under this section, the Attorney General shall direct the disposition of the property by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or a person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm or loss to him. The proceeds of any sale or other disposition of property forfeited under this section and any moneys forfeited shall be used to pay all proper expenses for the forfeiture and the sale, including expenses of seizure, maintenance and custody of the property pending its disposition, advertising and court costs. The Attorney General shall forward to the Treasurer of the United States for deposit in the general fund of the United States Treasury any amounts of such proceeds or moneys remaining after the payment of such expenses.

"(h) With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation, or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this chapter;

"(2) compromise claims arising under this chapter;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

A person who has filed a petition for remission or mitigation of forfeiture under this subsection, and who is dissatisfied with the Attorney General's decision regarding his petition, may obtain review of the Attorney General's decision in the district court in which the order of forfeiture was entered. The court shall set aside the decision of the Attorney General if it finds, based on the record of the petition proceedings, that the decision is arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

"(i) The Attorney General shall within one hundred and eighty days of the enactment of this Act promulgate regulations with respect to—

"(1) making reasonable efforts to provide notice to persons who may have an interest in property ordered forfeited under this section;

"(2) granting petitions for remission or mitigation of forfeiture;

"(3) the restitution of property to victims of an offense petitioning for remission or mitigation of forfeiture under this chapter;

"(4) the disposition by the United States of forfeited property by public sale or other commercially feasible means;

"(5) the maintenance and safekeeping of any property forfeited under this section pending its disposition; and

"(6) the compromise of claims arising under this chapter.

Pending the promulgation of such regulations, all provisions of law relating to the disposition of property, or the proceeds from the sale thereof, or the remission or mitigation of forfeitures for violation of the customs laws, and the compromise of claims and the award of compensation to informers in respect of such forfeitures shall apply to forfeitures incurred, or alleged to have been incurred, under the provisions of this section, insofar as applicable and not inconsistent with the provisions hereof. Such duties as are imposed upon the Customs Service or any other person with respect to the disposition of property under the customs law shall be performed under this chapter by the Attorney General.

"(j) Except as provided in this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property, prior to or during the trial or appeal of the criminal case, or during the period in which any petition for remission or mitigation of forfeiture is pending before the Attorney General.

"(k) The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"(*l*) In order to facilitate the identification or location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under rule 15 of the Federal Rules of Criminal Procedure.".

SEC. 323. Part D of the Controlled Substances Act (21 U.S.C. 841 et seq.) is amended by adding at the end thereof the following new section:

"CRIMINAL FORFEITURES

"Property Subject to Criminal Forfeiture

"SEC. 413. (a) Any person convicted of a violation of this title or title III punishable by imprisonment for more than one year shall forfeit to the United States, irrespective of any provision of State law—

"(1) any property constituting, or derived from, any proceeds he obtained, directly or indirectly as the result of such violation;

"(2) any of this property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of, such violation; and

"(3) in the case of a person convicted of engaging in a continuing criminal enterprise in violation of section 408 of this title (21 U.S.C. 848), he shall forfeit, in addition to any property described in paragraph (1) or (2), any of his interest in, claims against, and property or contractual rights affording a source of control over, the continuing criminal enterprise.

The court, in imposing sentence on such person, shall order, in addition to any other sentence imposed pursuant to this title or title III, that he forfeit to the United States all property described in this subsection.

"MEANING OF TERM 'PROPERTY'

"(b) Property subject to criminal forfeiture under this section includes—

"(1) real property, including things growing on, affixed to, and found in land; and

"(2) tangible and intangible personal property, including rights, privileges, interests, claims and securities.

"THIRD PARTY TRANSFERS

"(c) All right, title, and interest in property described in subsection (a) vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is held in the name of, or possessed by, a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States: *Provided,* That the Attorney General shall not direct disposition of any such property if, in a proceeding under subsection (i), the person establishes to the Attorney General by evidence contained in a petition for remission or mitigation of forfeiture, or the Attorney General otherwise has reason to know, that—

"(1) the person was a bona fide purchaser of the property for value; and

"(2) the person was reasonably without cause to believe that the property was of the type described in subsection (a).

"SUBSTITUTE ASSETS

"(d) If any of the property described in subsection (a)—

"(1) cannot be located,

"(2) has been transferred to, sold to, or deposited with a third party,

"(3) has been placed beyond the jurisdiction of the court,

"(4) has been substantially diminished in value by any act or omission of the defendant, or

"(5) has been commingled with other property which cannot be divided without difficulty,

the court shall order the forfeiture of any other property of the defendant up to the value of any property described in paragraphs (1) through (5).

"PROTECTIVE ORDERS

"(e)(1) Upon application of the United States, the court may, after a hearing with respect to which any adverse parties have been given reasonable notice and opportunity to participate, enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a) for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of this title or title III for which criminal forfeiture may be ordered under this section and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if the court determines—

"(i) that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that the property is in the possession or control of the party against whom the order is to be entered, and

"(ii) that the party against whom the order is to be entered has failed to demonstrate that the entry of the requested order would result in substantial and irreparable harm or injury to him that outweighs the need to preserve the availability of the property through the entry of the requested order.

An order entered pursuant to subparagraph (B) shall be effective for not more than ninety days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) Upon application of the United States, a temporary restraining order to preserve the availability of property described in subsection (a) for forfeiture under this section may be granted without notice to the adverse party or his attorney if—

"(A) an indictment or information described in paragraph (1)(A) has been filed or if the court determines that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that the property is in the possession or control of the party against whom the order is to be entered; and

"(B) the court determines that the nature of the property is such that it can be concealed, disposed of, or placed beyond the jurisdiction of the court before the adverse party may be heard in opposition.

A temporary order granted without notice to the adverse party shall expire within such time, not to exceed ten days, as the court fixes, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. If a temporary restraining order is granted without notice to the adverse party, a hearing concerning the entry of an order under paragraph (1) shall be held at the earliest possible time and prior to the expiration of the temporary order.

"WARRANT OF SEIZURE

"(f) The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant. If the court determines that there is probable cause to believe that the property to be seized would, in the event of conviction, be subject to forfeiture and that an order under subsection (f) may not be sufficient to assure the availability of the property for forfeiture, the court shall issue a warrant authorizing the seizure of such property.

"EXECUTION

"(g) Upon entry of an order of forfeiture under this section, the court shall authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from property ordered forfeited under this section may be used to offset ordinary and necessary expenses to the property which are required by law, or which are necessary to protect the interests of the United States or third parties.

"DISPOSITION OF PROPERTY

"(h) Following the seizure of property ordered forfeited under this section, the Attorney General shall direct the disposition of the property by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or a person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm, or loss to him.

"AUTHORITY OF THE ATTORNEY GENERAL

"(i) With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this chapter;

"(2) compromise claims arising under this chapter;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States, in accordance with the provisions of section 511(e) of this title (21 U.S.C. 881(e)), of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

A person who has filed a petition for remission or mitigation of forfeiture under this subsection, and who is dissatisfied with the Attorney General's decision regarding his petition, may obtain review of the Attorney General's decision in the district court in which the order of forfeiture was entered. The court shall set aside the decision of the Attorney General if it finds, based on the record of the petition proceedings, that the decision is arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

"Applicability of civil forfeiture provisions

"(j) Except to the extent that they are inconsistent with the provisions of this section, the provisions of section 511(d) of this title (21 U.S.C. 881(d)) shall apply to a criminal forfeiture under this section.

"Bar on intervention; exhaustion of administrative remedies

"(k) Except as provided in this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property, prior to or during the trial or appeal of the criminal case, or during the period in which any petition for remission or mitigation of forfeiture is pending before the Attorney General.

"Jurisdiction to enter orders

"(l) The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"Depositions

"(m) In order to facilitate the identification and location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under rule 15 of the Federal Rules of Criminal Procedure.".

SEC. 324. Section 304 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 824) is amended by adding at the end of subsection (f) the following sentence: "All right, title, and interest in such controlled substances shall vest in the United States upon a revocation order becoming final.".

SEC. 325. Section 408 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 848) is amended—

(a) in subsection (a)—

(1) by striking out "(1)";

(2) by striking out "paragraph (2)" each time it appears, and inserting in lieu thereof "section 413 of this title"; and

(3) by striking out paragraph (2); and

(b) by striking out subsection (d).

SEC. 326. Section 511 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 881) is amended—

(a) in subsection (a) by inserting at the end thereof the following new subsection:

"(7) All real property, including any right, title, and interest in the whole of any lot or tract of land, and any appurtenances or improvements on such property, which is used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of, a violation of this title punishable by more than one year's imprisonment, except that no property shall be forfeited under this paragraph, to the extent of an interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.";

(b) in subsection (b)—

(1) by inserting "civil or criminal" after "Any property subject to"; and

(2) by striking out in paragraph (4) "has been used or is intended to be used in violation of" and inserting in lieu thereof "is subject to civil or criminal forfeiture under";

(c) in subsection (c)—

(1) by inserting in the second sentence "any of" after "Whenever property is seized under"; and

(2) by inserting in paragraph (3) ", if practicable," after "remove it";

(d) in subsection (d) by inserting "any of" after "alleged to have been incurred, under";

(e) in subsection (e)—

(1) by inserting "civilly or criminally" in the first sentence after "Whenever property is"; and

(2) by striking out in paragraph (3) "remove it for disposition" and inserting in lieu thereof "and dispose of it"; and

(f) by inserting at the end thereof the following new subsections:

"(h) All right, title, and interest in property described in subsection (a) shall vest in the United States upon commission of the act giving rise to forfeiture under this section.

"(i) Pending, or upon, the filing of an indictment or information charging a violation of this title or title III for which criminal forfeiture may be ordered under section 413 of this title, and alleging that property would, in the event of conviction, be subject to criminal forfeiture, any civil forfeiture proceeding concerning such property commenced under this section shall, for good cause shown, be stayed pending disposition of the criminal case.".

SEC. 327. Part A of title III of the Comprehensive Drug Abuse Prevention and Control Act of 1970 is amended by adding at the end thereof the following new section:

"CRIMINAL FORFEITURES

"SEC. 1017. Section 413 of title II, relating to criminal forfeitures, shall apply in every respect to a violation of this title punishable by imprisonment for more than one year.".

SEC. 328. The table of contents of the Comprehensive Drug Abuse Prevention and Control Act of 1970 is amended—

(a) by adding immediately after

"Sec. 412. Applicability of treaties and other international agreements."

the following new item:

"Sec. 413. Criminal forfeitures."; and

(b) by adding immediately after

"Sec. 1016. Authority of Secretary of the Treasury."

the following new item:

"Sec. 1017. Criminal forfeitures.".

SEC. 329. (a) Section 511(e)(1) of the Controlled Substances Act (21 U.S.C. 881) is amended by adding after "retain the property for official use" the following: "or transfer the custody or ownership of any forfeited property to any Federal, State, or local agency pursuant to section 616 of the Tariff Act of 1930 (19 U.S.C. 1616)".

(b) Section 511(e) of the Controlled Substances Act (21 U.S.C. 881(e)) is further amended by striking out all that follows "moneys forfeited under this title shall be" and inserting in lieu thereof the following: "deposited in the Drug Assets Forfeiture Fund.".

SEC. 330. Part E of the Controlled Substances Act (21 U.S.C. 871 et seq.) is amended by adding at the end thereof the following:

"§ 517. Drug assets forfeiture fund

"(a) There is hereby established in the Treasury of the United States a special account that shall be entitled the 'Drug Assets Forfeiture Fund'. This account shall be available without fiscal year limitations for the following purposes of the United States Department of Justice:

"(1) the payment of all expenses necessary to inventory, safeguard and maintain property under seizure, detention, or forfeited pursuant to any provision of this Act. Expenses of maintenance may include payments for contract services and payment to reimburse any Federal, State, or local agency for any expenditures made to perform the foregoing functions;

"(2) the payment of awards for information or assistance leading to a civil or criminal forfeiture under, or regarding any violation of, this Act, at the discretion of the Attorney General; and

"(3) the payment of valid liens and mortgages against any property that has been forfeited pursuant to any provision of this Act, subject to the discretion of the Attorney General to determine the validity of any such lien or mortgage and the amount of payment to be made.

"(b) The Drug Assets Forfeiture Fund shall be initially funded by any sums not otherwise obligated from the 1981 and 1982 fiscal year appropriations of the United States Department of Justice.

"(c) All proceeds from the sale or other disposition of property forfeited under any provision of this Act and any seized and forfeited currency shall be deposited to the Drug Assets Forfeiture Fund.

"(d) At the end of each calendar quarter, any sums in the Fund in excess of ten million dollars shall be transferred to the general fund of the Treasury of the United States.

"(e) Amounts in the Fund which are not currently needed for the purposes of this section shall be kept on deposit or invested in obligations of, or guaranteed by, the United States.

"(f) Within sixty days of the end of each fiscal year, the Attorney General shall report to the appropriate oversight committee of the Congress on the receipts and disbursement of the Drug Assets Forfeiture Fund.

"(g) The provisions relating to payments to and disbursements from the Drug Assets Forfeiture Fund established by this section shall apply to all property disbursed of or in Department of Justice custody on or after the effective date of the Violent Crime and Drug Enforcement Improvements Act of 1983.".

SEC. 331. Section 607 of the Tariff Act of 1930 (19 U.S.C. 1607) is amended to read as follows:

"§ 607. Seizure; value $100,000, or less; prohibited articles; transporting conveyances

"If—

"(1) the value of such seized vessel, vehicle, aircraft, merchandise, or baggage does not exceed $100,000;

"(2) such seized merchandise consists of articles the importation of which is prohibited; or

"(3) such seized vessel, vehicle, or aircraft was used to import, export, or otherwise transport or store any controlled substances, the appropriate customs officer shall cause a notice of the seizure of such articles and the intention to forfeit and sell or otherwise dispose of the same according to law to be published for at least three successive weeks in such manner as the Secretary of the Treasury may direct. Written notice of seizure together with information on the applicable procedures shall be sent to each party who appears to have an interest in the seized article.".

SEC. 332. Section 608 of the Tariff Act of 1930 (19 U.S.C. 1608) is amended by striking out "$250" in the second sentence and inserting in lieu thereof the following: "$2,500 or ten percent of the value of the claimed property, whichever is less,".

SEC. 333. Section 609 of the Tariff Act of 1930 (19 U.S.C. 1609) is amended by striking

out "after deducting the actual expenses of seizure, publication, and sale in the Treasury of the United States." and inserting in lieu thereof the following: "into the Customs Forfeiture Fund.".

SEC. 334. Section 610 of the Tariff Act of 1930 (19 U.S.C. 1610) is amended by striking out "If the value of any vessel, vehicle, merchandise, or baggage, so seized is greater than $10,000," and substituting in lieu thereof the following: "If any vessel, vehicle, aircraft, merchandise, or baggage is not subject to the procedure set forth in section 607,".

SEC. 335. Section 612 of the Tariff Act of 1930 (19 U.S.C. 1612) is amended by—

(1) inserting "aircraft," immediately after "vehicle," wherever it appears in the section;

(2) striking out "and the value of such vessel, vehicle, merchandise, or baggage as determined under section 605 does not exceed $10,000," in the first sentence and inserting in lieu thereof the following: "and the article is subject to the provisions of section 607 of this Act,"; and

(3) striking out "If such values of such vessel, vehicle, merchandise, or baggage exceeds $10,000," in the second sentence and inserting in lieu thereof the following: "If the article is not subject to the provisions of section 607 of this Act,".

SEC. 336. (a) Section 613(a) of the Tariff Act of 1930 (19 U.S.C. 1613(a)) is amended by striking out "disposed of as follows:", in clauses (1), (2), and (3), and inserting in lieu thereof the following: "deposited in the Customs Forfeiture Fund".

(b) Section 613(b) of the Tariff Act of 1930 (19 U.S.C. 1613(b)) is amended by striking out "(a)(1) and (2) of this section" and inserting in lieu thereof "(a)(4) of section 613a of this Act (19 U.S.C. 1613a(a)(4)).".

SEC. 337. The Tariff Act of 1930 is amended by adding a new section immediately after section 613 (19 U.S.C. 1613) to read as follows:

"§ 613a. Customs forfeiture fund

"(a) There is hereby established in the Treasury of the United States a special account for the United States Customs Service that shall be entitled the 'Customs Forfeiture Fund'. This account shall be available without fiscal year limitations for the following purposes of the United States Customs Service—

"(1) the payment of all expenses necessary to inventory, safeguard, and maintain property under seizure, detention, or forfeited pursuant to any law enforced or administered by the United States Customs Service, including payments for expenses of maintenance, contract services, and to reimburse any Federal, State, or local agency for any expenditures made for the maintenance of property;

"(2) the payment of awards of compensation to informers under section 619 of the Tariff Act of 1930, as amended;

"(3) the payment by appropriate customs officers for the purchase of information concerning violations or possible violations of any law enforced or administered by the Customs Service; and

"(4) the payment to persons whom the appropriate customs officer determines hold valid—

"(A) liens for freight, charges, and contributions in general average, notice of which has been filed with the appropriate customs officer according to law; and

"(B) liens against property that has been forfeited pursuant to any law enforced or administered by the United States Customs Service,

subject to the condition that no payment to a lienholder shall exceed the net proceeds of the sale or, where the property is retained or transferred for official use, the appraised value less all applicable expenses.

"(b) The Fund shall be initially funded by any sums not otherwise obligated from the 1981 and 1982 fiscal year appropriations of the United States Customs Service.

"(c) All proceeds from the sale or other disposition of property forfeited, including any seized and forfeited currency, under any law enforced or administered by the Customs Service shall be deposited to the Customs Forfeiture Fund.

"(d) At the end of each calendar quarter, any sums in the Fund in excess of $10,000,000 shall be transferred to the general fund of the Treasury of the United States.

"(e) Amounts in the Fund which are not currently needed for the purposes of this subsection shall be kept on deposit or invested in obligations of, or guaranteed by, the United States.

"(f) Within sixty days of the end of each fiscal year, the Commissioner of Customs will report to the appropriate oversight committee of the Congress on the receipts and disbursement of the Customs Forfeiture Fund.

"(g) The provisions relating to payments and disbursements from the Fund established by this section shall apply to all property disbursed of or in the custody of the Customs Service on or after the effective date of this Act.".

SEC. 338. A new section, section 616, is added to the Tariff Act of 1930 (19 U.S.C. 1616) to read as follows:

"§ 616. Disposition of forfeited property

"(a) Notwithstanding any other provision of law, the Commissioner is authorized to retain forfeited property for official use or to transfer such forfeited property on such terms or conditions as he may determine to—

"(1) any other Federal agency; or

"(2) any State or local governmental agency which routinely assists in the enforcement of the laws of the United States or participated in any of the acts which led to the property being seized.

The United States shall not be liable in any action arising out of the use of any property the custody of which was transferred pursuant to this section to any non-Federal agency.

"(b) The Secretary of the Treasury is authorized to order the discontinuance of any Federal forfeiture proceedings in favor of the institution of forfeiture proceedings by State or local authorities under an appropriate State or local statute when he determines that such action is in the best interest of the United States. After the filing of a complaint for forfeiture in a United States district court, the appropriate attorney for the Department of Justice shall also have the authority to seek a voluntary dismissal of the complaint in favor of State or local action when he deems it to be in the best interest of the United States.

"(c) Whenever forfeiture proceedings are discontinued by the Federal Government in favor of State or local proceedings, the Secretary is authorized to transfer custody and possession of the seized property to the appropriate State or local official immediately upon the initiation of the proper actions by such officials.

"(d) Whenever forfeiture proceedings are discontinued by the Federal Government in favor of State or local proceedings, notice shall be sent to all known interested parties advising them of such a decision. The United States shall not be liable in any action arising out of the seizure, detention, and transfer of seized property to State or local officials.".

SEC. 339. Section 619 of the Tariff Act of 1930 (19 U.S.C. 1619) is amended by striking out "$50,000" wherever it appears and inserting in lieu thereof "$250,000".

SEC. 340. (a) The Tariff Act of 1930 is amended by adding a new section to read as follows:

"§ 589. Arrest authority of customs officers

"Subject to the direction of the Secretary of the Treasury, an officer of the Customs Service as defined in section 401(i) of this Act, as amended, may—

"(1) carry a firearm;

"(2) execute and serve any order, warrant, subpena, summons, or other process issued under the authority of the United States for arrest, search or seizure, or production of evidence;

"(3) make an arrest without a warrant for any offense against the United States committed in the officer's presence or for a felony, cognizable under the laws of the United States committed outside the officer's presence if the officer has reasonable grounds to believe that the person to be arrested has committed or is committing a felony; and

"(4) perform any other law enforcement duty that the Secretary of the Treasury may designate.".

(b) Section 7607 of the Internal Revenue Act of 1954 (26 U.S.C. 7607) is repealed.

SEC. 341. Sections 602, 605, 606, 608, 609, 611, 613, 614, 615, 618, and 619 (19 U.S.C. 1602, 1605, 1606, 1608, 1609, 1611, 1613, 1614, 1615, 1618, and 1619) of the Tariff Act of 1930 are amended by inserting the word "aircraft," immediately after the words "vehicle" or "vehicles," wherever they appear.

SUBTITLE D—ARSON CONTROL

SEC. 351. This subtitle may be cited as the "Anti-Arson Act of 1983".

SEC. 352. (a) There is established within the Federal Government an Interagency Committee on Arson Prevention and Control (hereinafter in this section referred to as the "Committee"). The Committee shall consist of the following persons (or their designees whose positions are compensated at a rate of pay not less than level V of the Executive Schedule under section 5315 of title 5, United States Code):

(1) The Attorney General.

(2) The Director of the Federal Bureau of Investigation.

(3) The Postmaster General.

(4) The Secretary of the Treasury.

(5) The Administrator of the United States Fire Administration, Federal Emergency Management Agency.

(6) The Administrator of the Federal Insurance Administration.

(7) The Director of the Bureau of Alcohol, Tobacco and Firearms.

(8) The Commissioner of the Internal Revenue Service.

(9) The Director of the Law Enforcement Assistance Administration.

(b) The Committee shall—

(1) develop and implement a comprehensive and coordinated Federal strategy and methodology for improving assistance to State and local governments for the prevention, detection, and control of arson;

(2) coordinate antiarson training and educational programs established within the Federal Government;

(3) coordinate Federal grants to State and local governments for arson prevention, training, detection, and control;

(4) coordinate Federal research and development relating to arson prevention, training, detection, and control;

(5) gather and compile statistical data relating to arson prevention, training, detection, and control;

(6) review each agency report filed under subsection (g) of this section; and

(7) provide such other assistance to Federal agencies, States, and local governments that aid in the cooperation and coordination of Federal antiarson assistance efforts.

(c) The members of the Committee shall elect a Chairman. The Chairman shall call meetings of the Committee at least four times a year at such times and places as the Chairman determines. The Committee may assemble and disseminate information, issue reports and other publications, and conduct such other activities as it considers appropriate to provide for effective coordination of Federal antiarson assistance.

(d) The Committee may establish such subcommittees or working groups as may be necessary for the fulfillment of its task. The membership may include persons not members of the Committee. Guidelines or regulations promulgated under the provisions of section 7(d) of the Federal Advisory Committee Act do not apply to any such subcommittee or working group.

(e) The Committee may request any agency of the executive branch to furnish it with such information, advice, and services as may be useful for the fulfillment of the Committee's functions under this section. The agencies of the executive branch are authorized, to the extent permitted by law, to provide the Committee with administrative services, information, facilities, and funds necessary for the activities of such Committee.

(f) The Committee may procure, subject to the availability of funds, the temporary professional services of individuals to assist in its work, in accordance with the provisions of section 3109 of title 5, United States Code.

(g) Each agency of the executive branch with arson related activities shall report annually to the Committee with respect to its efforts in providing training, educational programs, grants, and other Federal assistance to State and local governments for arson prevention, detection, and control.

(h) Not later than eighteen months after the date of enactment of this subtitle, the Committee shall transmit a report to the Congress concerning its activities under this subtitle. The report shall include an assessment of the success of the Committee in coordinating Federal efforts for the prevention, detection, and control of arson.

(i) The Committee shall terminate two years after the date of enactment of this subtitle.

(j) The expenses of the Committee shall be paid from the appropriations of each of the agencies represented on the Committee pursuant to subsection (a) of this section.

SEC. 353. (a) Section 704 of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by adding at the end thereof the following:

"(c) The Director of the Federal Bureau of Investigation is authorized and directed to classify the offense of arson as a part I crime in its Uniform Crime Reports. In addition, the Director of the Federal Bureau of Investigation is authorized and directed to develop and prepare a special statistical report in cooperation with the National Fire Data Center for the crime of arson, and shall make public the results of that report. The Director of the Federal Bureau of Investigation shall give priority as part of the special report to the investigation of arson in housing supported by programs of or owned by the Department of Housing and Urban Development.".

(b) Subsection (b) of section 704 of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by striking out "this section" and inserting in lieu thereof "subsection (a)".

SEC. 354. (a) The Administrator of the United States Fire Administration, Federal Emergency Management Agency, is authorized and directed to—

(1) conduct a research program for the development, testing, and evaluation of techniques and equipment for use by law enforcement officials and the fire service community in State and local governments for arson prediction, prevention, and control;

(2) develop and establish educational and training materials and programs for the fire service community and law enforcement officials for dissemination to State, municipal, and other local governments for the prevention, detection, and control of arson to enable such governments to establish, maintain, and fund their own programs;

(3) develop educational materials designed for local community awareness programs on arson; and

(4) gather, analyze, publish, and disseminate any other information relating to the prevention, prediction, occurrence, and control of arson.

(b) There are authorized to be appropriated for the United States Fire Administration the sum of $5,000,000 to carry out the provisions of this section.

SEC. 355. The Director of the Bureau of Alcohol, Tobacco and Firearms is authorized and directed to assist the Committee established under section 202 of this subtitle by providing to the Committee, as the Committee determines necessary and to the extent permitted by law, access to personnel and resources of the Bureau, including the use of laboratory facilities for research on the detection and prevention of arson.

SEC. 356. (a) Section 1211(b) of the National Housing Act (12 U.S.C. 1749bbb-3) is amended—

(1) by striking out "and" at the end of paragraph (10);

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following:

"(12) require that each policy written pursuant to the plan be written only after the insurer obtains a signed application from applicant and evaluates information with respect to the prospective policyholder that incorporates a listing of real property in which the policyholder has an insurable interest at the time the policy is applied for or at any time within the previous ten-year period including (A) number of fires; (B) cause of fires; (C) amount of each loss; and (D) amount of insurance recovery and whether destruction to any of such properties has occurred the cause of which is or may be arson-related.".

(b) Section 1211 of such Act is amended by adding at the end thereof the following new subsection:

"(d)(1) Each insurer under this title who, after obtaining the information required under paragraph (12) of subsection (b), has reasonable cause to believe that a prospective policyholder has an insurable interest, at the time the policy is applied for or at any time within the previous ten-year period, in any real property which has been the subject of destruction the cause of which is or may be arson-related, may request from the State insurance authority any relevant information within the custody of the authority that would assist the insurer in further investigating or evaluating the risk of writing the coverage for that prospective policyholder.

"(2) The State insurance authority is authorized to waive the provisions of any applicable State law which would prevent the release of such information without the prospective policyholder's consent, if it determines that—

"(A) the insurer's request for the waiver is based upon reasonable cause; and

"(B) the release of such information is essential to the insurer in determining whether to accept the risk.".

(c) Section 1211(b)(9) of such Act is amended by inserting "(A)" immediately before "notice" and by striking out "written under the plan, and" and inserting in lieu thereof the following: "written under the plan, except that subject to the approval of the State insurance authority, the insurer may establish procedures for the cancellation or nonrenewal of any risk eligible under the plan upon five days notice to any policyholder based on a finding by the insurer that the continuation of the coverage under the policy presents a demonstrable risk of arson, and (B)".

TITLE IV—AMENDMENTS TO OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

SEC. 401. This title may be cited as the "Justice Assistance Act of 1983".

SUBTITLE A—AMENDMENTS TO OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

DECLARATION AND PURPOSE

SEC. 411. The declaration and purpose contained in title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3701) is amended to read as follows:

"DECLARATION AND PURPOSE

"The Congress finds and declares that the high incidence of crime in the United States is detrimental to the general welfare of the Nation and its citizens, and that criminal justice efforts must be better coordinated and intensified, and made more effective and equitable at all levels.

"Congress further finds that there is an urgent need to encourage basic and applied research, to gather and disseminate accurate and comprehensive justice statistics, and to evaluate methods of preventing and reducing crime.

"Congress further finds that although crime is essentially a local problem that must be dealt with by State and local government, the financial and technical resources of the Federal Government should be made available to assist in the development of innovative and effective National, State, and local efforts.

"Congress further finds that the future welfare of the Nation and the well-being of its citizens depend on the establishment and maintenance of viable and effective justice systems which require systematic and sustained action by Federal, State, and local

governments; and continuing efforts at all levels to streamline programs and upgrade the functioning of agencies responsible for planning, implementing, and evaluating efforts to improve justice systems.

"It is, therefore, the declared policy of the Congress to aid in strengthening and improving justice systems by providing assistance with maximum certainty and effectiveness and minimum delay and waste. It is the purpose of this title to authorize funds and technical assistance (1) to be used to strengthen justice systems; (2) to develop and fund new methods and programs to enhance the effectiveness of justice systems; (3) to support the development of National, State, and local priorities and programs to meet the problems confronting justice systems; (4) to reduce court congestion and trial delay; (5) to support community and neighborhood anticrime efforts; (6) to improve and modernize correctional systems and encourage rehabilitation; (7) to encourage the undertaking of promising, innovative projects and programs to combat crime; (8) to encourage research directed toward the improvement of justice systems and new methods for the prevention and reduction of crime and the detection, apprehension, and rehabilitation of criminals; (9) to encourage the collection and analysis of statistical information concerning justice systems and the development and operation of justice information systems; (10) to develop and implement programs assisting victims, jurors, and witnesses; and (11) to support law enforcement-related personnel development and training efforts.

"It is further the policy of the Congress that the Federal assistance made available under this title not be utilized to reduce the amount of State and local financial support for justice activities below the level of such support prior to the availability of such assistance.".

OFFICE OF JUSTICE ASSISTANCE

SEC. 412. (a) Part A of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711-3713) is amended in the heading to such part by striking out "Law Enforcement Assistance Administration" and inserting in lieu thereof "Office of Justice Assistance".

(b) Section 101 of part A of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711) is amended to read as follows:

"ESTABLISHMENT OF OFFICE OF JUSTICE ASSISTANCE

"SEC. 101. (a) There is established within the Department of Justice under the general authority of the Attorney General an Office of Justice Assistance (hereinafter referred to in this part as the 'Office').

"(b) The Office shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. The Director may appoint Deputy Directors to assist in the direction of the Office. The Director shall have final authority over all grants, cooperative agreements, and contracts awarded by the Office. The Director shall have primary authority over administrative functions as may be necessary to carry out the provisions of this title. The Director shall not engage in any employment other than that of serving as Director, nor shall the Director hold any office in, or in any capacity for, any organization, agency, or institution with which the Office makes any contract or other arrangement under this title.".

(c) Section 102 of part A of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3712) is amended—

(1) by striking out "Administrator" each place it appears and inserting in lieu thereof "Director",

(2) in paragraph (1) by—

(A) striking out "States and units of local government" and inserting in lieu thereof "applicants", and

(B) striking out "D" and inserting in lieu thereof "D and E",

(3) by amending paragraph (2) to read as follows:

"(2) recognize national priorities for programs and award and allocate funds and technical assistance consistent with parts D and E;",

(4) in paragraph (4) by striking out "Administration" and inserting in lieu thereof "Office", and

(5) in paragraph (8) by striking out "H" and inserting in lieu thereof "G".

(6) in the heading for such section by striking out "ADMINISTRATOR" and inserting in lieu thereof "DIRECTOR".

(d) Part A of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711-3713) is amended by striking out section 103.

NATIONAL INSTITUTE OF JUSTICE

SEC. 413. (a) Section 202 of part B of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3722) is amended—

(1) by striking subsection (b) and inserting in lieu thereof the following:

"(b) The Institute shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall have had experience in justice research. The Director may appoint Deputy Directors to assist in the direction of the Institute. The Director shall have final authority over all grants, cooperative agreements, and contracts awarded by the Institute. The Director shall have primary authority over administrative functions as may be necessary to carry out the provisions of this title. The Director shall not engage in any employment other than that of serving as Director; nor shall the Director hold any office in, or act in any capacity for any organization, agency, or institution with which the Institute makes any contract or other arrangement under this title.",

(2) in subsection (c)—

(A) in paragraph (2)(A) by striking out ", including programs authorized by section 103 of this title",

(B) by striking out paragraph (9),

(C) in paragraph (10) by striking out "as national priority grants under part E and discretionary grants under part F; and", and inserting in lieu thereof "under parts D and E;",

(D) by redesignating paragraphs (10) and (11) as paragraphs (9) and (10), respectively

(E) by striking out the period at the end of paragraph (10) as redesignated and inserting in lieu thereof "; and", and

(F) by adding at the end of such subsection the following new paragraph:

(11) provide financial assistance to encourage replication, coordination, and sharing among State and local justice agencies and public and private nonprofit organizations regarding successful programs or projects and useful information resulting from multiyear and short-term research and development activities authorized under this part.", and

(3) in subsection (d)(5) by striking out "H" and inserting in lieu thereof "G".

(b) Part B of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3724) is amended by striking out section 204.

BUREAU OF JUSTICE STATISTICS

SEC. 414. (a) Section 301 of part C of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3731) is amended in the first sentence by adding after "and to support the development of" the following: "both".

(b) Section 302 of part C of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3732) is amended—

(1) in subsection (a) by inserting before "Bureau" the word "the", and

(2) by striking subsection (b) and inserting in lieu thereof the following:

(b) The Bureau shall be headed by a Director who shall be appointed by the President, with the advice and consent of the Senate. The Director shall be experienced in statistical and information programs. The Director may appoint Deputy Directors to assist in the direction of the Bureau. The Director shall have final authority over all grants, cooperative agreements, and contracts awarded by the Bureau. The Director shall have primary authority over administrative functions as may be necessary to carry out the provisions of this title. The Director shall not engage in any employment other than that of serving as Director; nor shall the Director hold any office in, or in any capacity for, any organization, agency, or institution with which the Bureau makes any contract or other arrangement under this title.", and

(3) by amending subsection (c)—

(A) in paragraph (13) by amending such paragraph to read as follows:

"(13) provide financial and technical assistance to States and units of local government relating to collection, analysis, or dissemination of justice statistics and development of justice information systems which produce statistical and operational data;",

(B) in paragraph (16) by amending such paragraph to read as follows:

"(16) insure conformance with security and privacy regulations issued pursuant to section 716 and assist in the development of guidelines for statistics, privacy and security, and information policy;",

(C) in paragraph (17) by striking out "H" and inserting in lieu thereof "G" and redesignating paragraph (17) of such subsection as paragraph (16), and

(D) by adding after paragraph (16) the following new paragraph:

"(17) provide assistance to encourage replication, coordination, and sharing among justice agencies regarding information systems, information policy and statistics; and".

(b) Part C of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3731-3735) is amended—

(1) by striking out section 304, and

(2) by redesignating section 305 as section 304.

NATIONAL PRIORITY IMPLEMENTATION AND REPLICATION PROGRAMS

SEC. 415. Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3741-3745) is amended by striking out part D of title I and inserting in lieu thereof the following:

"PART D—NATIONAL PRIORITY IMPLEMENTATION AND REPLICATION PROGRAMS

"PURPOSE

"SEC. 401. It is the purpose of this part to provide financial assistance to States, units of government, public and private nonprofit organizations, and neighborhood and community-based groups to replicate programs and projects which have been proven successful in addressing national crime priorities and the functioning of justice systems. Financial awards shall be made to encourage local institutionalization of the program or project.

"FEDERAL SHARE

"SEC. 402. (a) Financial awards under this part shall be made for a period of up to four years. The Federal share of project or program costs for grants of specified duration shall be in accordance with the following formula:

"(1) Four year grants—not to exceed 90 per centum in the first year, 75 per centum in the second year, 50 per centum in the third year, and 25 per centum in the fourth year.

"(2) Three year grants—not to exceed 75 per centum in the first year, 50 per centum in the second year, and 25 per centum in the third year.

"(3) Two year grants—not to exceed 50 per centum in the first year and 25 per centum in the second year.

"(4) One year grant—not to exceed 50 per centum.

"USES

"SEC. 403. (a) The Director of the Office of Justice Assistance is authorized to make grants providing assistance to implement programs and projects that address critical problems of violent and serious offenses and which programs are certified by the Director as having proven a success on the basis of objective, empirical, or statistical information or evaluation in accordance with criteria developed by the Office of Justice Assistance. In making grants under this part, the Director shall consider geographic distribution in order to benefit all sections of the country, and no State shall receive more than 5 per centum of the total dollar amount of grants awarded under this part annually. The Director shall give priority to programs and projects that—

"(1) identify and process within justice systems persons with a history of serious criminal conduct;

"(2) provide programs that address the problems of serious and violent offenses committed by juveniles;

"(3) combat arson;

"(4) disrupt illicit commerce in stolen goods and property;

"(5) effectively investigate and bring to trial white-collar crime, organized crime, public corruption crimes and fraud against the Government;

"(6) provide community and neighborhood programs that enable citizens and police to undertake initiatives to prevent and control neighborhood crime;

"(7) provide programs to speed the trial of criminal cases, reform sentencing practices and procedures, improve the efficiency of the jury system, and improve the processing of cases involving the mentally incompetent and pleas of mental incapacity;

"(8) provide training, management, and technical assistance to justice personnel;

"(9) coordinate the activities of components of the criminal justice system;

"(10) develop and implement programs which provide assistance (other than compensation) to jurors, witnesses, and victims of crime;

"(11) provide programs which address offenses committed against the elderly;

"(12) provide programs which identify and meet the needs of drug-dependent offenders;

"(13) provide alternatives to pretrial detention, jail, and prison for persons who pose no danger to the community;

"(14) provide programs which alleviate prison and jail overcrowding; and

"(15) provide programs that address critical problems of crime, such as drug trafficking, and have been certified by the Director of the Office, after consultation with the Director of the Institute, as having proven successful, based on available objective, empirical or statistical data, information, or evaluation.

"(b) The Director of the Office of Justice Assistance shall annually establish funding priorities and selection criteria for assistance after first providing notice and an opportunity for public comment. In establishing such priorities and criteria, the Director shall specify the amount of assistance available for each national priority initiative selected for replication using Federal assistance.

"APPLICATIONS

"SEC. 404. (a) No grant may be made pursuant to this part unless an application has been submitted to the Director in accordance with criteria established by the Office of Justice Assistance. Awards shall be given to those applicants that most clearly satisfy the funding priorities and selection criteria as established by the Office of Justice Assistance.

"(b) Applications must include a commitment and evidence of ability to fulfill the applicant's share of project or program costs over the term of the grant by cash match and evidence a commitment to continuing the project or program beyond the term of the grant.

"(c) At least 30 per centum of the funds reserved and set aside for this part shall be allocated to private nonprofit organizations and neighborhood and community-based groups for the purposes specified in this part.".

NATIONAL PRIORITY GRANTS

SEC. 416. Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3701 et seq.) is amended by striking out part E.

DISCRETIONARY GRANTS

SEC. 417. (a) Sections 601, 602, and 603 of part F of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3761-3763) are amended to read as follows:

"PURPOSE

"SEC. 501. The purpose of this part is to provide additional Federal financial assistance to States, units of local government, combinations of such units, and private nonprofit organizations for purposes of—

"(1) undertaking educational and training programs for criminal justice personnel;

"(2) providing technical assistance to States and local units of governments;

"(3) undertaking projects which are national or multi-State in scope, which address the purposes specified in section 401, and which have not received sufficient funds under part D; and

"(4) providing financial assistance for demonstration programs which, in view of previous research or experience, are likely to be a success in more than one jurisdiction and are not likely to be funded with moneys from other sources.

"PERCENTAGE OF APPROPRIATION FOR DISCRETIONARY GRANT PROGRAM

"SEC. 502. Of the total amount appropriated for part D and this part in any fiscal year—

"(1) 10 per centum shall be reserved and set aside for this part in a special discretionary fund for use by the Office in making grants to carry out the purposes specified in paragraphs (1), (2), and (3) of section 501; and

"(2) 10 per centum shall be reserved and set aside for this part in a special discretionary fund for use by the Office in making grants to carry out the purpose specified in paragraph (4) of section 501.

The Director shall ensure that recipients of grants to carry out the purposes specified in paragraphs (1), (2), and (3) of section 501 include private nonprofit organizations. Grants under this part may be made for amounts up to 100 per centum of the costs of the programs or projects contained in the approved application. The National Institute of Justice shall review the types of programs described in section 501 of part E of this title for the purpose of identifying programs of proven success, and the Director of the National Institute of Justice shall consult with the Director of the Office of Justice Assistance in such matters.

"PROCEDURE FOR ESTABLISHING FUNDING AND SELECTION CRITERIA

"SEC. 503. The Director of the Office of Justice Assistance shall annually establish funding priorities and selection criteria for assistance after first proving notice and an opportunity for public comment.".

(b) Section 604 of part F of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3764) is amended by striking out "Administration" each place it appears and inserting in lieu thereof "Office".

(c) Section 605 of part F of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3765) is amended—

(1) by striking out "Administration" each place it appears and inserting in lieu thereof "Office of Justice Assistance",

(2) by striking out the third sentence, and

(3) by striking out "each type of section 402 eligible jurisdiction" and inserting in lieu thereof "their needs. In making grants under this part, the Director shall consider geographic distribution in order to benefit all sections of the country.".

(d) Section 606 of part F of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3766) is amended—

(1) by striking out "Administration" each place it appears and inserting in lieu thereof "Office of Justice Assistance", and

(2) in the last sentence by striking out "602(1)" and inserting in lieu thereof "502".

(e) The heading for part F of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3761-3766) is amended by striking out "Part F" and inserting in lieu thereof "Part E".

(f) Part E of title I, as so redesignated, is amended by redesignating sections 604, 605, and 606 as sections 504, 505, and 506, respectively.

TRAINING AND MANPOWER DEVELOPMENT

SEC. 418. (a) Part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3701-3775) is amended—

(1) by striking out sections 701, 702, and 703,

(2) in section 705 by striking out "Administration" each place it appears and inserting in lieu thereof "Office", and

(3) by redesignating sections 704 and 705 as sections 601 and 602, respectively.

(b) The heading for part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3771-3775) is amended by striking out "PART G" and inserting in lieu thereof "PART F".

ADMINISTRATIVE PROVISIONS

SEC. 419. (a) Part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3781 et seq.) is amended by striking out section 801 and inserting in lieu thereof the following:

"ESTABLISHMENT OF JUSTICE ASSISTANCE BOARD

"SEC. 801. (a) There is established a Justice Assistance Board (hereafter referred to as the "Board"). The Board shall consist of—

"(1) fifteen voting members who shall be appointed by the President; and

"(2) the Director of the Office of Justice Assistance, the Director of the National Institute of Justice, the Director of the Bureau of Justice Statistics, and the Administrator of the Office of Juvenile Justice and Delinquency Prevention, who shall be nonvoting, ex officio members; and

"(3) two nonvoting, coordinating members from the National Advisory Committee for Juvenile Justice and Delinquency Prevention.

"(b) Members shall represent the public interest and shall be knowledgeable and experienced in the justice systems; such as law enforcement personnel, prosecutors, public and defense attorneys, judges, court administrators, probation and correctional personnel, researchers and scholars, representatives of public and private nonprofit and voluntary organizations, including those which offer programs of assistance to victims of crime, representatives of neighborhood and community-based groups and representatives of local and State governments. Five members shall be experienced in the types of programs and services provided by the Office of Justice Assistance; five members shall be experienced in the types of programs and services provided by the National Institute of Justice; and five members shall be experienced in the types of programs and services provided by the Bureau of Justice Statistics.

"(c)(1) Voting members of the Board shall be appointed for three-year terms, except that in order to provide for continuity in its operations and to establish staggered groups of vacancies, five members of the initial Board shall be appointed for four-year terms, five members of the initial Board shall be appointed for three-year terms, and five members of the initial Board shall be appointed for two-year terms.

"(2) The initial appointment of members shall be made not later than ninety days after the effective date of the Justice Assistance Act of 1982. Vacancies among Board members shall be filled within ninety days of the vacancy. Any member appointed to fill a vacancy occurring before the scheduled expiration of a term shall be appointed for the remainder of such term. Members shall be eligible for reappointment, but shall serve consecutively no more than two terms or six years, whichever is less. Members once appointed, may not be removed prior to the expiration of their term except for cause.

"(d) The Board shall elect from among its voting members a Chair and Vice Chair. The Board shall select from among its voting members two representatives to serve as nonvoting coordinating members on the National Advisory Committee for Juvenile Justice and Delinquency Prevention.

"(e) The Board shall meet at the call of the Chair, but not less frequently than quarterly. Notice of all Board meetings shall be published. Eight voting members of the Board shall constitute a quorum.

"(f) The Board shall—

"(1) recommend funding priorities and selection criteria to be used in determining the award and allocation of funds through the Office of Justice Assistance, the National Institute of Justice, and the Bureau of Justice Statistics;

"(2) recommend such policies and program priorities as it deems advisable;

"(3) review and evaluate the activities of the Office of Justice Assistance, the National Institute of Justice, and the Bureau of Justice Statistics and make such recommendations as it considers necessary or appropriate;

"(4) in the event of vacancies recommended to the President at least three candidates for the positions of Director of the Office of Justice Assistance, Director of the National Institute of Justice, and Director of the Bureau of Justice Statistics;

"(5) review and evaluate Federal policies and priorities in justice assistance, research, and statistics; and

"(6) coordinate its activities with the National Advisory Committee for Juvenile Justice and Delinquency Prevention and the Coordinating Council on Juvenile Justice and Delinquency Prevention.

"(g) Beginning January 1, 1984, the Board shall submit an annual report to the President and to the Congress not later than April 1 of each year and may submit such interim reports as it considers advisable to the President and to the Congress. Each annual report shall describe the activities of the Board during the preceding fiscal year and shall contain such findings and recommendations as the Board considers necessary or appropriate.

"(h) The head of each Federal agency shall make available to the Board such information and other assistance as it may require to carry out its responsibilities. The Board shall not have any authority to procure any temporary or intermittent services of any personnel under section 3109 of title 5, United States Code, or under any other provision of law.

"(i)(1) Members of the Board shall, while engaged in the actual performance of the duties vested in the Board, be entitled to receive compensation at a rate not to exceed the daily rate specified for grade GS-18 of the General Schedule in section 5332 of title 5, United States Code, including traveltime.

"(2) Members of the Board shall be entitled to reimbursement for travel expenses, including per diem in lieu of subsistence, while serving away from their place of residence or regular place of business, in the same manner as the expenses are authorized by section 5703 of title 5, United States Code, for persons in the Federal Government service employed intermittently.".

(b) Section 802 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3782) is amended—

(1) in subsection (a) by striking out "The Office of Justice Assistance, Research, and Statistics, the Law Enforcement Assistance Administration," and inserting in lieu thereof "The Office of Justice Assistance, the Office of Juvenile Justice and Delinquency Prevention,", and

(2) in subsection (b)—

(A) by striking out "Law Enforcement Assistance Administration" and "law Enforcement Assistance Administration" each place they appear and inserting in lieu thereof "Office of Justice Assistance",

(B) by inserting "the Office of Juvenile Justice and Delinquency Prevention," after "Bureau of Justice Statistics,",

(C) by striking out "parts D, E, and F" and inserting in lieu thereof "parts D and E",

(D) by striking out the second sentence,

(E) by amending the third sentence to read as follows: "In conducting evaluations described in this subsection, the Office of Justice Assistance, with the assistance and expertise of the National Institute of Justice, shall, when practical, compare the effectiveness of programs conducted by similar applicants and different applicants.", and

(F) by striking out "administration" and inserting in lieu thereof "Office".

(c) Section 803 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3783) is amended—

(1) by striking out "Law Enforcement Assistance Administration" each place it appears and inserting in lieu thereof "Office of Justice Assistance",

(2) by inserting "the Office of Juvenile Justice and Delinquency Prevention," after "Bureau of Justice Statistics," each place it appears, and

(3) in subsection (c) by striking out "Administration," and inserting in lieu thereof "Office,".

(d) Section 804 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3784) is amended by striking out "Law Enforcement Assistance Administration" and inserting in lieu thereof "Office of Justice Assistance".

(e) Section 805 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3785) is amended—

(1) by striking out "Office of Justice Assistance, Research, and Statistics, the Law Enforcement Assistance Administration," each place it appears and inserting in lieu thereof "Office of Justice Assistance,",

(2) by inserting "the Office of Juvenile Justice and Delinquency Prevention," before "or the National Institute of Justice" each place it appears,

(3) in subsection (a) by striking out "section 803, 804, or 815(c)(2)(G)" and inserting in lieu thereof "section 702, 703, or 712(c)(2)(G)", and

(4) in subsection (b) by inserting "the Office of Juvenile Justice and Delinquency Prevention" before "or the Bureau of Justice Statistics".

(f) Sections 806 and 807 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3786-3787) are each amended—

(1) by striking out "Office of Justice Assistance, Research, and Statistics,", and

(2) by striking out ", and the Law Enforcement Assistance Administration" and inserting in lieu thereof "the Office of Juvenile Justice and Delinquency Prevention, and the Office of Justice Assistance".

(g) Sections 810 and 811 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3788-3789) are amended—

(1) by striking out "Office of Justice Assistance, Research, and Statistics," each place it appears,

(2) by striking out ", and the Law Enforcement Assistance Administration" and insert-

ing in lieu thereof "the Office of Juvenile Justice and Delinquency Prevention, and the Office of Justice Assistance".

(h) Section 812 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3789a) is amended by striking out "Director of the Office of Justice Assistance, Research, and Statistics, the Administrator of the Law Enforcement Assistance Administration," and inserting in lieu thereof "Director of the Office of Justice Assistance, the Administrator of the Office of Juvenile Justice and Delinquency Prevention,".

(i) Section 813 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3789b) is amended in subsections (a) and (b)—

(1) by striking out "Office of Justice Assistance, Research, and Statistics," each place it appears and inserting in lieu thereof "Office of Juvenile Justice and Delinquency Prevention", and

(2) by striking out "Law Enforcement Assistance Administration" and inserting in lieu thereof "Office of Justice Assistance".

(j) Section 814 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3789c) is amended—

(1) in subsections (a) and (b)—

(A) by striking out "Office of Justice Assistance, Research, and Statistics," and inserting in lieu thereof "Office of Juvenile Justice and Delinquency Prevention,", and

(B) by striking out "Law Enforcement Assistance Administration" and inserting in lieu thereof "Office of Justice Assistance", and

(2) in subsection (c) by striking out "Administration" and inserting in lieu thereof "Office".

(k) Section 815 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3789b) is amended—

(1) by striking out "Office of Justice Assistance, Research, and Statistics," each place it appears and inserting in lieu thereof "Office of Juvenile Justice and Delinquency Prevention, the National Institute of Justice, the Bureau of Justice Statistics, and the Office of Justice Assistance", and

(2) in subsection (b) by striking out "or the Law Enforcement Assistance Administration" and inserting in lieu thereof "the Office of Juvenile Justice and Delinquency Prevention, or the Office of Justice Assistance".

(l) Section 816 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3789e) is amended to read as follows:

"REPORT TO PRESIDENT AND CONGRESS

"SEC. 816. Not later than April 1 of each year, the Director of the Office of Justice Assistance, the Director of the National Institute of Justice, and the Director of the Bureau of Justice Statistics shall each submit a report to the President and to the Congress on their activities under this title during the preceding fiscal year.".

(m) Section 817 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3789f) is amended—

(1) by striking out "Office of Justice, Research, and Statistics" each place it appears and inserting in lieu thereof "Office of Juvenile Justice and Delinquency Prevention, the National Institute of Justice, the Bureau of Justice Statistics, and the Office of Justice Assistance",

(2) in subsection (d) by striking out "section 815(c)" each place it appears and inserting in lieu thereof "section 712(c)", and

(3) in subsection (f)—

(A) by striking out "Law Enforcement Assistance Administration" and inserting in lieu thereof "Office of Justice Assistance", and

(B) by striking out "Administrator" each place it appears and inserting in lieu thereof "Director".

(n) Section 818 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3789c) is amended by striking out "Office of Justice Assistance, Research, and Statistics" each place it appears and inserting in lieu thereof "Office of Juvenile Justice and Delinquency Prevention, the National Institute of Justice, the Bureau of Justice Statistics, and the Office of Justice Assistance".

(o) Section 819 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3789h) is amended—

(1) by striking out "Office of Justice Assistance, Research, and Statistics," and inserting in lieu thereof "Office of Juvenile Justice and Delinquency Prevention,", and

(2) by striking out "Law Enforcement Assistance Administration" and inserting in lieu thereof "Office of Justice Assistance".

(p) Section 820(a) of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3789i(a)) is amended by striking out "Administration" and inserting in lieu thereof "Office".

(q) Section 823 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3789l) is amended by striking out "Administration" and inserting in lieu thereof "Office".

(r) Section 826 of part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3789o) is amended—

(1) by striking out "council" each place it appears,

(2) by striking out "Law Enforcement Assistance Administration" and inserting in lieu thereof "Office of Justice Assistance", and

(3) by striking out "Administration" each place it appears and inserting in lieu thereof "Office".

(s) The heading for part H of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3781-3789o) is amended by striking out "Part H" and inserting in lieu thereof "Part G".

(t) Part G, as so redesignated, of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3781-3789o) is amended by redesignating sections 801, 802, 803, 804, 805, 806, 807, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, and 827 as sections 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, and 725 respectively.

(u) Part G, as so redesignated, of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3781-3789o) is amended by striking out sections 808 and 809.

(v) Part G, as so redesignated, of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3781-3789o) is amended by adding at the end thereof the following new sections:

"REPAYMENT

"SEC. 726. (a) If Federal financial assistance provided under this part is used by the recipient of such assistance for any purpose other than the purpose for which it is provided, then such recipient shall promptly repay to the United States an amount equal to the value of such assistance.

"(b) The Director shall bring a civil action in an appropriate United States district court to recover any amount required to be repaid under subsection (a).".

DEFINITIONS

SEC. 420. (a) Section 901 of part I of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3791) is amended by striking out "Administration" each place it appears and inserting in lieu thereof "Office".

(b) Section 901(a)(4) of part I of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3791(a)(4)) is amended—

(1) by inserting "renovation, repairs, remodeling," after "acquisition,", and

(2) by striking out ", but does not include renovation, repairs, or remodeling".

(c) The heading for part I of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3791) is amended by striking out "PART I" and inserting in lieu thereof "PART H".

(d) Part H, as so redesignated, of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3791) is amended by redesignating section 901 as section 801.

FUNDING

SEC. 421. (a) Section 1001 of part J of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3793) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1001. (a) There is authorized to be appropriated to carry out the functions of the Office of Justice Assistance, parts D and E of this title, $100,000,000 for each of the fiscal years 1984, 1985, 1986, and 1987.

"(b) There is authorized to be appropriated to carry out the functions of the National Institute of Justice $25,000,000 for each of the fiscal years 1984, 1985, 1986, and 1987.

"(c) There is authorized to be appropriated to carry out the functions of the Bureau of Justice Statistics $25,000,000 for each of the fiscal years 1984, 1985, 1986, and 1987.

"(d) There are authorized to be appropriated for each of the fiscal years 1984, 1985, 1986, and 1987 such sums as may be necessary to carry out the purposes of part K of this title.".

(b) Part J of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3793-3793b) is amended by striking out sections 1002 and 1003 and inserting in lieu thereof the following new section:

"PROHIBITION ON USE OF FUNDS

"SEC. 1002. Notwithstanding any other provision of law, no funds appropriated under this section for parts D and E of this title may be expended for programs or projects involving the resolution of civil disputes or may be transferred or reprogramed for carrying out any activity which is not authorized under such parts.".

(c) The heading for part J of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3793-3793b) is amended by striking out "PART J" and inserting in lieu thereof "PART I".

(d) Part I, as so redesignated, of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3793-3793b) is amended by redesignating sections 1001 and 1002 as sections 901 and 902, respectively.

CRIMINAL PENALTIES

SEC. 422. (a) Section 1101 of part K of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3795) is

amended by striking out "Law Enforcement Assistance Administration" and inserting in lieu thereof "Office of Justice Assistance".

(b) Section 1103 of part K of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3795-3795b) is amended by striking out "Law Enforcement Assistance Administration" and inserting in lieu thereof "Office of Justice Assistance".

(c) The heading for part K of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3795-3795b) is amended by striking out "PART K" and inserting in lieu thereof "PART H".

(d) Part H, as so redesignated, of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3795-3795b) is amended by redesignating sections 1101, 1102, and 1103 as sections 1001, 1002, and 1003, respectively.

PUBLIC SAFETY OFFICERS' DEATH BENEFITS

SEC. 423. (a) Sections 1201 and 1204 of part I of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3797-3797c) are amended by striking out "Administration" each place it appears and inserting in lieu thereof "Office".

(b) The heading for part I of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3797-3797c) is amended by striking out "PART L" and inserting in lieu thereof "PART K".

(c) Part K, as so redesignated, of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3797-3797c) is amended by redesignating sections 1201, 1202, 1203, and 1204 as sections 1101, 1102, 1103, and 1104, respectively.

TRANSITION

SEC. 424. (a) Section 1301 of part M of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3799(a)) is amended—

(1) by adding "(1)" after "(a)",

(2) by adding at the end of subsection (a) the following new paragraph:

"(2) All orders, determinations, rules, regulations, and instructions issued under this title which are in effect on the date of the enactment of the Justice Assistance Act of 1983 shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President, the Attorney General, the Director of the Bureau of Justice Statistics, the Director of the National Institute of Justice, the Administrator of the Office of Juvenile Justice and Delinquency Prevention, or the Director of the Office of Justice Assistance with respect to their functions under this title or by operation of law.",

(3) by striking out subsection (j), and

(4) by redesignating subsection (k) as subsection (j).

(b) The heading for part M of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3799) is amended by striking out "PART M" and inserting in lieu thereof "PART L".

(c) Part L, as so redesignated, of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3799) is amended by redesignating section 1301 as section 1201.

TABLE OF CONTENTS

SEC. 425. The table of contents of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3701-3799) is amended—

(1) by amending the item relating to part A to read as follows:

"PART A—OFFICE OF JUSTICE ASSISTANCE"

(2) by striking out the item relating to section 103,

(3) by adding at the end of the items relating to part D the following new item:

"SEC. 406. State office.",

and

(4) by amending the items relating to parts E, F, G, H, I, J, L, and M, to read as follows:

"PART E—DISCRETIONARY GRANTS

"Sec. 501. Purpose.
"Sec. 502. Percentage of appropriation for discretionary grant program.
"Sec. 503. Procedure for establishing discretionary programs.
"Sec. 504. Application requirements.
"Sec. 505. Criteria for award.
"Sec. 506. Period for award.

"PART F—TRAINING AND MANPOWER DEVELOPMENT

"Sec. 601. Federal Bureau of Investigation training of State and local criminal justice personnel.
"Sec. 602. Criminal justice education program.

"PART G—ADMINISTRATIVE PROVISIONS

"Sec. 701. Establishment of Justice Assistance Board.
"Sec. 702. Consultation; establishment of rules and regulations.
"Sec. 703. Notice and hearing on denial or termination of grant.
"Sec. 704. Finality of determinations.
"Sec. 705. Appellate court review.
"Sec. 706. Delegation of functions.
"Sec. 707. Subpena power, authority to hold hearings.
"Sec. 708. Employment of hearing officers.
"Sec. 709. Authority to use available services.
"Sec. 710. Consultation with other Federal, State, and local officials.
"Sec. 711. Reimbursement authority.
"Sec. 712. Services of experts and consultants; advisor; committees.
"Sec. 713. Prohibition of Federal control over State and local criminal justice agencies.
"Sec. 714. Report to President and Congress.
"Sec. 715. Recordkeeping requirement.
"Sec. 716. Confidentiality of information.
"Sec. 717. Authority to accept voluntary services.
"Sec. 718. Administration of juvenile delinquency programs.
"Sec. 719. Prohibition of land acquisition.
"Sec. 720. Prohibition on use of CIA services.
"Sec. 721. Indian liability waiver.
"Sec. 722. District of Columbia matching fund source.
"Sec. 723. Limitation on civil justice matters.
"Sec. 724. Reimbursement for unused equipment.
"Sec. 725. Staff support; coordination of activities.
"Sec. 726. Repayment.
"Sec. 727. Prison industry enhancement.

"PART H—DEFINITIONS

"Sec. 801. Definitions.

"PART I—FUNDING

"Sec. 901. Authorization of appropriations.
"Sec. 902. Prohibition on use of funds.

"PART J—CRIMINAL PENALTIES

"Sec. 1001. Misuse of Federal assistance.
"Sec. 1002. Falsification or concealment of facts.
"Sec. 1003. Conspiracy to commit offense against United States.

"PART K—PUBLIC SAFETY OFFICERS' DEATH BENEFITS

"Sec. 1101. Payments.
"Sec. 1102. Limitations.
"Sec. 1103. Definitions.
"Sec. 1104. Administrative provisions.

"PART L—TRANSITION—EFFECTIVE DATE—REPEALER

"Sec. 1201. Continuation of rules, authorities, and proceedings.".

REFERENCES IN OTHER LAWS

SEC. 426. (a) Any reference to the Law Enforcement Assistance Administration, or to the Administrator of the Law Enforcement Assistance Administration, in any law other than this Act and the Omnibus Crime Control and Safe Streets Act of 1968, applicable to activities, functions, powers, and duties that after the date of the enactment of this Act are carried out by the Office of Justice Assistance shall be deemed to be a reference to the Office of Justice Assistance, or to the Director of the Office of Justice Assistance, as the case may be.

(b) Any reference to the Office of Justice Assistance, Research, and Statistics, or to the Director of the Office of Justice Assistance, Research, and Statistics, in any law other than this Act and the Omnibus Crime Control and Safe Streets Act of 1968, applicable to activities, functions, powers, and duties that after the date of the enactment of this Act are carried out by the Office of Justice Assistance, Bureau of Justice Statistics, the National Institute of Justice, or the Office of Juvenile Justice Delinquency Prevention shall be deemed to be a reference to the Office of Justice Assistance, Bureau of Justice Statistics, National Institute of Justice, or Office of Juvenile Justice Delinquency Prevention, Director of the Office of Justice Assistance or to the Director of the Bureau of Justice statistics, the Director of the National Institute of Justice, or the Administrator of the Office of Juvenile Justice and Delinquency Prevention, as the case may be.

TECHNICAL AMENDMENTS TO OTHER LAWS

SEC. 427. (a) Section 5314 of title 5, United States Code is amended by striking out "Director, Office of Justice Assistance, Research, and Statistics.".

(b) Section 5315 of title 5, United States Code, is amended—

(1) by striking out "Administrator of Law Enforcement Assistance.", and

(2) by adding at the end thereof the following new item: "Director, Office of Justice Assistance.".

(c) Section 1761 of title 18, United States Code, is amended—

(1) in subsection (c) by striking out "seven pilot projects designated by the Administrator of the Law Enforcement Assistance Administration" and inserting in lieu thereof "twenty projects designated by the Director of the Office of Justice Assistance".

(2) by adding at the end thereof the following:

"(d) The provisions of subsection (c) creating exemptions to Federal restrictions on marketability of prison made goods shall not apply unless—

"(1) representatives of local union central bodies or similar labor union organizations have been consulted prior to the initiation of any project qualifying of any exemption created by this section; and

"(2) such paid inmate employment will not result in the displacement of employed workers, or be applied in skills, crafts, or

trades in which there is a surplus of available gainful labor in the locality, or impair existing contracts for services.".

EFFECTIVE DATE

SEC. 428. Except as provided in subsection (b), this subtitle and the amendments made by this subtitle shall take effect on the date of the enactment of this Act.

SUBTITLE B—435.EMERGENCY FEDERAL LAW ENFORCEMENT ASSISTANCE

APPLICATION

SEC. 431. (a) In the event that a crime problem of serious and epidemic proportions exists throughout a State or a part of a State, a State (on behalf of itself or another appropriate unit of government) may submit an application under this section for Federal law enforcement assistance.

(b) An application for assistance under this section shall be submitted in writing by the chief executive officer of a State to the Attorney General, in a form prescribed by rules issued by the Attorney General. The Attorney General shall, after consultation with appropriate members of the Federal law enforcement community, approve or disapprove such application not later than ten days after receiving such application.

(c) Federal law enforcement assistance may be provided if such assistance is necessary to provide an adequate response to a crime problem described in subsection (a). In determing whether to approve or disapprove an application for assistance under this section, the Attorney General shall consider—

(1) the nature and extent of the crime problem throughout a State or in any part of a State,

(2) the emergency or extraordinary circumstances which produced the problem,

(3) the availability of State and local criminal justice resources to resolve the problem,

(4) the cost associated with the increased Federal presence,

(5) the need to avoid unnecessary Federal involvement and intervention in matters primarily of State and local concern, and

(6) any assistance which the State or other appropriate unit of government has received, or could receive, under any provision of title I of the Omnibus Crime Control and Safe Streets Act of 1968.

DEFINITIONS

SEC. 432. For purposes of this subtitle—

(1) the term "Federal law enforcement assistance" means funds, equipment, training, intelligence information, and personnel,

(2) the term "Federal law enforcement community" means the heads of the following departments or agencies:

(A) the Federal Bureau of Investigation,

(B) the Drug Enforcement Administration,

(C) the Criminal Division of the Department of Justice,

(D) the Internal Revenue Service,

(E) the Customs Service,

(F) the Immigration and Naturalization Service,

(G) the United States Marshals Service,

(H) the National Park Service,

(I) the United States Postal Service,

(J) the Secret Service,

(K) the Coast Guard,

(L) the Bureau of Alcohol, Tobacco, and Firearms, and

(M) other Federal agencies with specific statutory authority to investigate violations of Federal criminal laws, and

(3) the term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, or the Commonwealth of the Northern Mariana Islands.

LIMITATION ON AUTHORITY

SEC. 433. (a) Nothing in this subtitle authorizes the use of Federal law enforcement personnel to investigate violations of criminal law other than violations with respect to which investigation is authorized by other provisions of law.

(b) Nothing in this subtitle shall be construed to authorize the Attorney General or the Federal law enforcement community to exercise any direction, supervision, or control over any police force or other criminal justice agency of an applicant for Federal law enforcement assistance.

(c) No funds provided under this subtitle may be used to supplant State or local funds that would otherwise be made available for such purposes.

(d) Nothing in this subtitle shall be construed to limit any authority to provide emergency assistance otherwise provided by law.

PROHIBITION OF DISCRIMINATION

SEC. 434. (a) No person in any State shall, on the ground of race, color, religion, national origin, or sex, be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any activity for which Federal law enforcement assistance is provided under this subtitle.

(b) Paragraph (3) and paragraph (4) of section 712(c) of part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (as so redesignated by section 109 of this Act) shall apply with respect to a violation of subsection (a), except that the terms "this section" and "paragraph (1)", as such terms appear in such paragraphs, shall be deemed to be references to subsection (a) of this section, and a reference to the Office of Juvenile Justice and Delinquency Prevention, the National Institute of Justice, the Bureau of Justice Statistics, and the Office of Justice Assistance in such paragraphs shall be deemed to be a reference to the Attorney General.

CONFIDENTIALITY OF INFORMATION

SEC. 435. Section 715 of part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (as so redesignated by section 109 of this Act) shall apply with respect to—

(1) information furnished under this subtitle,

(2) criminal history information collected, stored, or disseminated with the support of Federal law enforcement assistance provided under this subtitle, and

(3) criminal intelligence systems operating with the support of Federal law enforcement assistance provided under this subtitle,

except that the terms "this title" and "this section", as such terms appear in such section 715, shall be deemed to be references to this subtitle and this section, respectively, of this Act, and a reference to the Office of Juvenile Justice and Delinquency Prevention, the National Institute of Justice, the Bureau of Justice Statistics, and the Office of Justice Assistance in such section 715 shall be deemed to be a reference to the Attorney General.

PROHIBITION OF LAND ACQUISITION

SEC. 436. No funds provided under this subtitle shall be used for land acquisition.

REPAYMENT

SEC. 437. (a) If Federal law enforcement assistance provided under this subtitle is used by the recipient of such assistance in violation of section 204 or for any purpose other than the purpose for which it is provided, then such recipient shall promptly repay to the Attorney General an amount equal to the value of such assistance.

(b) The Attorney General may bring a civil action in an appropriate United States district court to recover any amount required to be repaid under subsection (a).

RECORDKEEPING REQUIREMENT

SEC. 438. (a) Each recipient of Federal law enforcement assistance provided under this subtitle shall keep such records as the Attorney General may prescribe to facilitate an effective audit.

(b) The Attorney General and the Comptroller General of the United States shall have access, for the purpose of audit and examination, to any books, documents, and records of recipients of Federal law enforcement assistance provided under this subtitle which, in the opinion of the Attorney General or the Comptroller General, are related to the receipt or use of such assistance.

REPORT TO CONGRESS

SEC. 439. Not later than April 1 of each year, the Attorney General shall submit to the President and to the Congress a report describing Federal law enforcement assistance provided under this subtitle during the preceding fiscal year.

LIMITATION ON CIVIL JUSTICE MATTERS

SEC. 440. Federal law enforcement assistance provided under this subtitle may not be used with respect to civil justice matters except to the extent that such civil justice matters bear directly and substantially upon criminal justice matters or are inextricably intertwined with criminal justice matters.

ISSUANCE OF RULES

SEC. 441. The Attorney General, after consultation with appropriate members of the law enforcement community and with State and local officials, shall issue rules to carry out this subtitle.

AUTHORIZATION OF APPROPRIATIONS

SEC. 442. (a) There is authorized to be appropriated $20,000,000 for each fiscal year ending after September 30, 1982, to provide under this subtitle Federal law enforcement assistance other than funds.

(b) There are authorized to be appropriated for each fiscal year ending after September 30, 1982, such sums as may be necessary to provide under this subtitle Federal law enforcement assistance in the form of funds.

EFFECTIVE DATE

SEC. 443. This subtitle shall take effect on the date of the enactment of this Act.

SUBTITLE C—PUBLIC SAFETY OFFICERS ASSISTANCE ACT OF 1983

SEC. 451. (a)(1) It is the declared purpose of Congress in this section to promote the public welfare by establishing a means of meeting the financial needs of public safety officers or their surviving dependents and to assist local law enforcement officers, the front line of defense in the struggle against crime, in their effort to improve their economic well-being and livelihood.

(2) It is a further purpose of Congress in this section to extend to police officers and other law enforcement officials the same guarantees of civil rights and due process as all other Americans enjoy and to promote

the constitutional rights of the Nation's law enforcement personnel.

(b) Title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by adding at the end thereof a new part:

"PART O—PUBLIC SAFETY OFFICERS' GROUP LIFE INSURANCE

"DEFINITIONS

"SEC. 801. For the purposes of this part—

"(1) 'child' means any natural, adopted, illegitimate or posthumous child, or stepchild;

"(2) 'month' means a month that runs from a given day in one month to a day of the corresponding number in the next or specified succeeding months, except when the last month has not so many days, in which event it expires on the last day of the month; and

"(3) 'public safety officer' means a person serving a public agency in an official capacity, with or without compensation, in—

"(A) the enforcement of the criminal laws, including highway patrol,

"(B) a correctional probation or parole program, facility, or institution where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees,

"(C) a court having criminal or juvenile delinquent jurisdiction where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees, or

"(D) firefighting, including officially recognized or designated and legally organized volunteer firefighting, but does not include any person eligible to participate in the insurance program established by chapter 87 of title 5 of the United States Code, or any person participating in the program established by subchapter III of chapter 19 of title 38 of the United States Code; and

"(4) 'public agency' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States or any unit of local government, combination of such States, or units, or any department, agency, or instrumentality of any of the foregoing.

"Subpart 1—Nationwide Program of Group Life Insurance for Public Safety Officers

"ELIGIBLE INSURANCE COMPANIES

"SEC. 802. (a) The Administration is authorized, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5), to purchase from one or more life insurance companies a policy or policies of group life insurance to provide the benefits in this subpart. Each such life insurance company must (1) be licensed to issue life, accidental death, and dismemberment insurance in each of the fifty States of the United States and the District of Columbia, and (2) as of the most recent December 31 for which information is available to the Administration, have in effect at least 1 per centum of the total amount of group life insurance companies have in effect in the United States.

"(b) Any life insurance company issuing such a policy shall establish an administrative office at a place and under a name designated by the Administration.

"(c) The Administration may at any time discontinue any policy which it has purchased from any insurance company under this subpart.

"REINSURANCE

"SEC. 803. (a) The Administration shall arrange with each life insurance company issuing a policy under this subpart for the reinsurance, under conditions approved by the Administration, of portions of the total amount of insurance under the policy, determined under this section, with other life insurance companies which elect to participate in the reinsurance.

"(b) The Administration shall determine for and in advance of a policy year which companies are eligible to participate as reinsurers and the amount of insurance under a policy which is to be allocated to the issuing company and to reinsurers. The Administration shall make this determination at least every three years and when a participating company withdraws.

"(c) The Administration shall establish a formula under which the amount of insurance retained by an issuing company after ceding reinsurance, and the amount of reinsurance ceded to each reinsurer, is in proportion to the total amount of each company's group life insurance, excluding insurance purchased under this subpart, in force in the United States on the determination date, which is the most recent December 31 for which information is available to the Administration. In determining the proportions, the portion of a company's group life insurance in force on the determination date in excess of $100,000,000 shall be reduced by—

"(1) 25 per centum of the first $100,000,000 of the excess;

"(2) 50 per centum of the second $100,000,000 of the excess;

"(3) 75 per centum of the third $100,000,000 of the excess; and

"(4) 95 per centum of the remaining excess.

However, the amount retained by or ceded to a company may not exceed 25 per centum of the amount of the company's total life insurance in force in the United States on the determination date.

"(d) The Administration may modify the computations under this section as necessary to carry out the intent of this section.

"PERSONS INSURED; AMOUNT

"SEC. 804. (a) Any policy of insurance purchased by the Administration under this subpart shall automatically insure any public safety officer of a State or unit of general local government which has (1) applied to the Administration for participation in the insurance program under this subpart, and (2) agreed to deduct from such officer's pay the amount of such officer's contribution, if any, and forward such amount to the Administration or such other agency or office as is designated by the Administration as the collection agency or office for such contributions. The insurance provided under this subpart shall take effect from the first day agreed upon by the Administration and the responsible officials of the State or unit of general local government making application for participation in the program as to public safety officers then on the payroll, and as to public safety officers thereafter entering on duty from the first day of such duty. The insurance provided by this subpart shall insure all such public safety officers unless any such officer elects in writing not to be insured under this subpart. If any such officer elects not to be insured under this subpart he may thereafter, if eligible, be insured under this subpart upon written application, proof of good health, and compliance with such other terms and conditions as may be prescribed by the Administration.

"(b) A public safety officer eligible for insurance under this subpart is entitled to be insured for an amount of group life insurance, plus an equal amount of group accidental death and dismemberment insurance, in accordance with the following schedule:

* * * * *

The amount of such insurance shall automatically increase at any time the amount of increase in the annual basic rate of pay places any such officer in a new pay bracket of the schedule and any necessary adjustment is made in his contribution to the total premium.

"(c) Subject to conditions and limitations approved by the Administration which shall be included in any policy purchased by it, the group accidental death and dismemberment insurance shall provide for the following payments:

"Loss	Amount payable
For loss of life	Full amount shown in the schedule in subsection (b) of this section.
Loss of one hand or one foot or loss of sight of one eye.	One-half of the amount shown in the schedule in subsection (b) of this section.
Loss of two or more such members.	Full amount shown in the schedule in subsection (b) of this section.

The aggregate amount of group accidental death and dismemberment insurance that may be paid in the case of any insured as the result of any one accident may not exceed the amount shown in the schedule in subsection (b) of this section.

"(d) Any policy purchased under this subpart may provide for adjustments to prevent duplication of payments under any program of Federal gratuities for killed or injured public safety officers.

"(e) Group life insurance shall include provisions approved by the Administration for continuance of such life insurance without requirement of contribution payment during a period of disability of a public safety officer covered for such life insurance.

"(f) The Administration shall prescribe regulations providing for the conversion of other than annual rates of pay to annual rates of pay and shall specify the types of pay included in annual pay.

"TERMINATION OF COVERAGE

"SEC. 805. Each policy purchased under this subpart shall contain a provision, in terms approved by the Administration, to the effect that any insurance thereunder on any public safety officer shall cease two months after (1) his separation or release from duty as such an officer, or (2) discontinuance of his pay as such an officer, whichever is earlier: *Provided, however,* That coverage shall be continued during periods of leave or limited disciplinary suspension if such an officer authorizes or otherwise agrees to make or continue to make any required contribution for the insurance provided by this subpart.

"CONVERSION

"SEC. 806. Each policy purchased under this subpart shall contain a provision, in terms approved by the Administration, for the conversion of the group life insurance portion of the policy to an individual policy of life insurance effective the day following the date such insurance would cease as provided in section 804 of this subpart. During the period such insurance is in force, the insured, upon request to the Administration, shall be furnished a list of life insurance companies participating in the program established under this subpart and upon written application (with such period) to the

participating company selected by the insured and payment of the required premiums, the insured shall be granted life insurance without a medical examination on a permanent plan then currently written by such company which does not provide for the payment of any sum less than the face value thereof. In addition to the life insurance companies participating in the program established under this subpart, such list shall include additional life insurance companies (not so participating) which meet qualifying criteria, terms, and conditions, established by the Administration and agree to sell insurance to any eligible insured in accordance with the provisions of this section.

"WITHHOLDING OF PREMIUMS FROM PAY

"SEC. 807. During any period in which a public safety officer is insured under a policy of insurance purchased by the Administration under this subpart, his employer shall withhold each pay period from his basic or other pay until separation or release from duty as a public safety officer an amount determined by the Administration to be such officer's share of the cost of his group life insurance and accidental death and dismemberment insurance. Any such amount not withheld from the basic or other pay of such officer insured under this subpart while on duty as a public safety officer, if not otherwise paid, shall be deducted from the proceeds of any insurance thereafter payable. The initial amount determined by the Administration to be charged any public safety officer for each unit of insurance under this subpart may be continued from year to year, except that the Administration may redetermine such amount from time to time in accordance with the necessary costs of coverage.

"SHARING OF COST OF INSURANCE

"SEC. 808. For each month any public safety officer is insured under this subpart, the Administration shall bear not more than one-third of the cost of insurance for such officer, or such lesser amount as may from time to time be determined by the Administration to be a practicable and equitable obligation of the United States in assisting the States and units of general local government in recruiting and retaining their public safety officers.

"INVESTMENTS AND EXPENSES

"SEC. 809. (a) The amounts withheld from the basic or other pay of public safety officers as contributions to premiums for insurance under section 807 of this subpart, any sums contributed by the Administration under section 808 of this subpart, and any sums contributed for insurance under this subpart by States and units of general local government under section 816 of this part, together with the income derived from any dividends or premium rate readjustment from insurers, shall be deposited to the credit of a revolving fund established by section 818 of this part. All premium payments on any insurance policy or policies purchased under this subpart and the administrative costs to the Administration of the insurance program established by this subpart shall be paid from the revolving fund by the Administration.

"(b) The Administration is authorized to set aside out of the revolving fund such amounts as may be required to meet the administrative costs to the Administration of the program and all current premium payments on any policy purchased under this subpart. The Secretary of the Treasury is authorized to invest in and to sell and retire special interest-bearing obligations of the United States for the account of the revolving fund. Such obligations issued for this purpose shall have maturities fixed with due regard for the needs of the fund and shall bear interest at a rate equal to the average market yield (computed by the Secretary of the Treasury on the basis of market quotations as of the end of the calendar month next preceding the date of issue) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of four years from the end of such calendar month; except that where such average market yield is not a multiple of one-eighth of 1 per centum, the rate of interest of such obligation shall be the multiple of one-eighth of 1 per centum nearest market yield. The interest on and the proceeds from the sale of these obligations, and the income derived from dividends or premium rate adjustments from insurers, shall become a part of the revolving fund.

"BENEFICIARIES; PAYMENT OF INSURANCE

"SEC. 810. (a) Any amount of insurance in force under this subpart on any public safety officer or former public safety officer on the date of his death shall be paid, upon the establishment of a valid claim therefor, to the person or persons surviving at the date of his death, in the following order of precedence:

"(1) to the beneficiary or beneficiaries as the public safety officer or former public safety officer may have designated by a writing received in his employer's office prior to his death;

"(2) if there is no such beneficiary, to the surviving spouse of such officer or former officer;

"(3) if none of the above, to the child or children of such officer or former officer and to the descendants of deceased children by representation in equal shares;

"(4) if none of the above, to the parent or parents of such officer or former officer, in equal shares; or

"(5) if none of the above, to the duly appointed executor or administrator of the estate of such officer or former officer:

Provided, however, That if a claim has not been made by a person under this section within the period set forth in subsection (b) of this section, the amount payable shall escheat to the credit of the revolving fund established by section 818 of this part.

"(b) A claim for payment shall be made by a person entitled under the order of precedence set forth in subsection (a) of this section within two years from the date of death of a public safety officer or former public safety officer.

"(c) The public safety officer may elect settlement of insurance under this subpart either in a lump sum or in thirty-six equal monthly installments. If no such election is made by such officer, the beneficiary or other person entitled to payment under this section may elect settlement either in a lump sum or in thirty-six equal monthly installments. If any such officer has elected settlement in a lump sum, the beneficiary or other person entitled to payment under this section may elect settlement in thirty-six equal monthly installments.

"BASIC TABLES OF PREMIUMS; READJUSTMENTS OF RATES

"SEC. 811. (a) Each policy or policies purchased under this subpart shall include for the first policy year a schedule of basic premium rates by age which the Administration shall have determined on a basis consistent with the lowest schedule of basic premium rates generally charged for new group life insurance policies issued to large employers, taking into account expense and risk charges and other rates based on the special characteristics of the group. The schedule of basic premium rates by age shall be applied, except as otherwise provided in this section, to the distribution by age of the amount of group life insurance and group accidental death and dismemberment insurance under the policy at its date of issue to determine an average basic premium per $1,000 of insurance, taking into account all savings based on the size of the group established by this subpart. Each policy so purchased shall also include provisions whereby the basic rates of premium determined for the first policy year shall be continued for subsequent policy years, except that they may be readjusted for any subsequent year, based on the experience under the policy, such readjustment to be made by the insurance company issuing the policy on a basis determined by the Administration in advance of such year to be consistent with the general practice of life insurance companies under policies of group life insurance and group accidental death and dismemberment insurance issued to large employers.

"(b) Each policy so purchased shall include a provision that, in the event the Administration determines that ascertaining the actual age distribution of the amounts of group life insurance in force at the date of issue of the policy or at the end of the first or any subsequent year of insurance thereunder would not be possible except at a disproportionately high expense, the Administration may approve the determination of a tentative average group life premium, for the first of any subsequent policy year, in lieu of using the actual age distribution. Such tentative average premium rate may be increased by the Administration during any policy year upon a showing by the insurance company issuing the policy that the assumptions made in determining the tentative average premium rate for that policy year were incorrect.

"(c) Each policy so purchased shall contain a provision stipulating the maximum expense and risk charges for the first policy year, which charges shall have been determined by the Administration on a basis consistent with the general level of such charges made by life insurance companies under policies of group life insurance and group accidental health and dismemberment insurance issued to large employers, taking into consideration peculiar characteristics of the group. Such maximum charges shall be continued from year to year, except that the Administration may redetermine such maximum charges for any year either by agreement with the insurance companies or companies issuing the policy or upon written notice given by the Administration to such companies at least one year in advance of the beginning of the year for which such redetermined maximum charges will be effective.

"(d) Each such policy shall provide for an accounting to the Administration not later than ninety days after the end of each policy year, which shall set forth, in a form approved by the Administration, (1) the amounts of premiums actually accrued under the policy from its date of issue to the end of such policy year, (2) the total of all mortality, dismemberment, and other claim charges incurred for that period, and

(3) the amounts of the insurer's expense and risk charge for that period. Any excess of clause (1) over the sum of clauses (2) and (3) shall be held by the insurance company issuing the policy as a special contingency reserve to be used by such insurance company for charges under such policy only, such reserve to bear interest at a rate to be determined in advance of each policy year by the insurance company issuing the policy, which rate shall be approved by the Administration as being consistent with the rates generally used by such company or companies for similar funds held under other group life insurance policies. If and when the Administration determines that such special contingency reserve has attained an amount estimated by the Administration to make satisfactory provision for adverse fluctuations in future charges under the policy, any further excess shall be deposited to the credit of the revolving fund established under this subpart. If and when such policy is discontinued, and if, after all charges have been made, there is any positive balance remaining in such special contingency reserve, such balance shall be deposited to the credit of the revolving fund, subject to the right of the insurance company issuing the policy to make such deposit in equal monthly installments over a period of not more than two years.

"BENEFIT CERTIFICATES

"SEC. 812. The Administration shall arrange to have each public safety officer insured under a policy purchased under this subpart receive a certificate setting forth the benefits to which such officer is entitled thereunder, to whom such benefit shall be payable, to whom claims should be submitted, and summarizing the provisions of the policy principally affecting the officer. Such certificate shall be in lieu of the certificate which the insurance company would otherwise be required to issue.

"Subpart 2—Assistance to States and Localities for Public Safety Officer's Group Life Insurance Programs

"PROGRAMS OF LOCAL GOVERNMENT

"SEC. 813. (a) Any State or unit of general local government having an existing program of group life insurance for, or including as eligible, public safety officers during the first year after the effective date of this part, which desires to receive assistance under the provisions of this subpart, shall—

"(1) inform the public safety officers of the benefits and allocation of premium costs under both the Federal program established by subpart 1 of this part and the existing State or unit of general local government program;

"(2) hold a referendum of the eligible public safety officers of the State or unit of general local government to determine whether such officers want to continue in the existing group life insurance program or apply for inclusion in the Federal program under the provisions of subpart 1 of this part; and

"(3) recognize the results of the referendum as finally binding on the State or unit of general local government for the purposes of this part.

"(b) Upon an affirmative vote of a majority of such officers to continue in such State or unit of general local government program, a State or unit of general local government may apply for assistance for such program of group life insurance and the Administration shall provide assistance in accordance with this subpart.

"(c) State and unit of general local government programs eligible for assistance under this subpart shall receive assistance on the same basis as if the officer were enrolled under subpart 1 of this part, subject to proportionate reduction if—

"(1) the program offers a lesser amount of coverage than is available under subpart 1 of this part, in which case assistance shall be available only to the extent of coverage actually afforded;

"(2) the program offers a greater amount of coverage than is available under subpart 1 of this part, in which case assistance shall be available only for the amount of coverage afforded under subpart 1 of this part;

"(3) the cost per unit of insurance is greater than for the program under subpart 1 of this part, in which case assistance shall be available only at the rate per unit of insurance provided under subpart 1 of this part; or

"(4) the amount of assistance would otherwise be a larger fraction of the total cost of the State or unit of general local government program than is granted under subpart 1 of this part, in which case assistance shall not exceed the fraction of total cost available under subpart 1 of this part.

"(d) Assistance under this subpart shall be used to reduce proportionately the contributions paid by the State or unit of general local government and by the appropriate public safety officers to the total premium under such program: *Provided, however,* That the State or unit of general local government and the insured public safety officers may by agreement change the contributions to premium costs paid by each, but not so that such officers must pay a higher fraction of the total premium than before the granting of assistance.

"Subpart 3—General Provisions

"UTILIZATION OF OTHER AGENCIES

"SEC. 814. In administering the provisions of this part, the Administration is authorized to utilize the services and facilities of any agency of the Federal Government or a State or unit of general local government or a company from which insurance is purchased under this part, in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

"ADVISORY COUNCIL ON PUBLIC SAFETY OFFICERS' GROUP LIFE INSURANCE

"SEC. 815. There is hereby created an Advisory Council on Public Safety Officers' Group Life Insurance consisting of the Attorney General as Chairman, the Secretary of the Treasury, the Secretary of Health and Human Services, and the Director of the Office of Management and Budget, each of whom shall serve without additional compensation. The Council shall meet not less than once a year, at the call of the Chairman, and shall review the administration of this part and advise the Administration on matters of policy relating to its activity thereunder. In addition, the Administration may solicit advice and recommendations from any State or unit of general local government participating in a public safety officers' group life insurance program under this part, and from public safety officers participating in group life insurance programs under this part.

"PREMIUM PAYMENTS ON BEHALF OF PUBLIC SAFETY OFFICERS

"SEC. 816. Nothing in this part shall be construed to preclude any State or unit of general local government from making contributions on behalf of public safety officers to the premiums required to be paid by them for any group life insurance program receiving assistance under this part.

"WAIVER OF SOVEREIGN IMMUNITY

"SEC. 817. The Administration may sue or be sued on any cause of action arising under this part.

"PUBLIC SAFETY OFFICERS' GROUP INSURANCE REVOLVING FUND

"SEC. 818. There is hereby created on the books of the Treasury of the United States a fund known as the Public Safety Officers' Group Life Insurance Revolving Fund which may be utilized only for the purposes of subpart 1 of this part.".

(c) Section 1001 of the Omnibus Crime Control and Safe Streets Act of 1968, is amended by striking the words "part L" at the end thereof and substituting in lieu thereof the words "parts L and O".

(d) The authority to make payments under part O of the Omnibus Crime Control and Safe Streets Act of 1968 (as added by subsection (a) of this part) shall be effective only to the extent provided for in advance by appropriation Acts.

(e) If the provisions of any part of this part are found invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

(f) This part shall become effective on the date of enactment.

● Mr. CHILES. Mr. President, I am pleased to join with my Democratic colleagues today as we launch a comprehensive anticrime initiative. The Democratic Caucus' decision yesterday to unanimously support this initiative, the National Security and Violent Crime Control Act of 1983, is an extremely encouraging sign that the Senate is ready once again to go on record with a major crime-fighting effort. The fact that all Democratic Senators have joined together to endorse a far-reaching legislative package aimed at controlling violent crime in the United States represents a powerful message to the criminal element in this country that the Senate is no longer prepared to tolerate their activities and that we will exact a high price for their crimes.

We are all against crime. That statement is unquestionable. Our challenge, however, is whether we have the wisdom and spirit of cooperation necessary to make the changes in statute and establish the means to insure that law and order in this society will prevail. In introducing this crime package, we are making the commitment. I hope in the days ahead that the Senate as a whole will act to honor that commitment. We took some steps in that direction in the last Congress. We saw passed some pieces of this very same package. We acted together on a bipartisan bill, worked hard in conference with the House, but saw our efforts fail and not become law as the result of the President's veto on January 14, 1983.

The bill that is introduced today is one half of a two-part strategy which consists of a legislative attack and a

funding attack against crime. We legislatively proposed substantial reforms in the areas of bail, sentencing and criminal procedure as well as other areas important to our system of justice.

The bail reform proposal permits a court to consider danger to the community in determinations of release before trial. Penalties are increased for skipping bail and for committing crimes during pretrial release and certain due process rights are protected.

The sentencing reform section brings some rational and progmatic revisions to the present haphazard systems under which we now see illogical and unequal punishments dealt to people convicted of similar crimes. Under the bill, those who are convicted will serve an entire sentence and not have the penalty meted cutoff by parole. These provisions will bring us a more fair and efficient sentencing system.

We are strengthening our forfeiture statutes by permitting prosecutors to get the assets of drug traffickers, in effect, put these criminals out of business, and at the same time put the assets to the use of society.

We are expanding Federal jurisdiction over "murder-for-hire" cases, beefing up our abilities to prosecute organized crime, and establishing some protection for Federal law enforcement personnel and their families.

Once again, we are calling for an organized and cooperative effort by the executive branch in drug enforcement efforts. We are doing this by creating a cabinet level office for the coordination of investigating and bringing to justice those who deal and traffic in drugs. Along with the proposal, we are also addressing the problem of international drug trafficking. The bill mandates aggressive action in pursuit of mutual assistance treaties with countries whose off shore banks harbor the ill gotten gain of drug dealers and other criminals.

The other half of our initiative is in the area of programwide funding. When the Senate Budget Committee resumes its work after Easter, we will press a 5-year effort as a compliment to the proposals contained in the package introduced today. I was encouraged when the President declared an all-out war on crime during his state of the Union speech. But I am afraid his budget proposals are barely enough for a 2-year skirmish. The proposal we will put before the Budget Committee seeks to convert the skirmish into the war the President declared. It will add $500 million to the President's budget plan, and aim, first, at enhancing and strengthening law enforcement activities. The costs of crime on 1976 alone were over $100 billion including losses from organized crime, white collar crime and crimes against people and other property. So, if we want to wage a war on crime, we must have the troops to fight it.

In 1980, the retail value of illicit drugs brought into this country was between $70 and $90 billion. In 1982, the Coast Guard alone seized 3.5 million pounds of marihuana at a market value of $1.4 billion.

As part of our budget initiative, we will propose another $1.5 billion over 5 years for the Coast Guard's drug interdiction program, over and above the President's plan. The extra dollars will enable the Coast Guard to buy critical aircraft and boats to help maintain our coastal patrols against drug smugglers. The proposal will also include $200 million immigration enforcement legislation to help us contend with the continuing problem of illegal aliens.

In addition, we will support increased funding to allow the Internal Revenue Service to expand its financial investigations. Last year, Senator NUNN and I were able to steer legislation through the Congress to beef up IRS capacities to weed out the tax cheater, and find the drug traffickers. With this expanded funding, we can put real teeth in the IRS bite.

As the ranking Democrat on the Senate Budget Committee, I am as aware as anyone of the deficits and budget constraints. But as a Member of Congress and as a citizen of a State where crime is so serious a threat, I am even more aware of the risks we take if we do not spend the money to fight criminal activity. We must be as concerned about domestic defense as we are about national defense.

The crime problem is not unique to any State or to any section of the country. It is a national threat to our neighborhoods, our jobs, and our families. What we will do on the Budget Committee underscores the national dimensions as much as the crime control legislation we are introducing today.

We must find the room in our national budget to deal with this national problem. Mr. President, with the support of my colleagues here today, and with the help of Senators from both parties, I think we stand an excellent chance of beginning a full-scale assault on crime in America.●

● Mr. KENNEDY. Mr. President, I am pleased to join my colleagues in the Senate in introducing the National Security and Violent Crime Control Act of 1983. This legislation is a comprehensive Democratic package of far-reaching proposals to combat crime in America. Among its many proposals, the following are especially noteworthy:

First, a comprehensive reform of the outdated, ineffective system of money bail. For the first time, judges will be permitted to consider a defendant's dangerousness to the community in determining whether to release a person accused of a crime. Equally important, judges may no longer use high money bail as a back door device to detain defendants. Truly dangerous defendants will no longer be freed on bail to rob or mug again. And defendants who are not dangerous will not be unfairly detained because they cannot pay an exorbitant ransom for their release.

Second, a complete overhaul of current unworkable Federal criminal sentencing procedures. Under the existing system, judges have unfettered discretion to impose widely varying sentences on defendants with similar characteristics convicted of similar crimes. Parole guidelines permit a prisoner to be released after serving only a fraction of the sentence imposed. In one extreme case, a defendant sentenced to 210 years in prison was eligible for parole after 5 years. And all of us are aware of the important role of the Stephanie Roper Committee in Maryland and the courageous crusade by an aggrieved mother which has sensitized the Nation to the abuses of a sentencing system that compounds the tragedy of a brutal murder last June.

The reforms in this measure create a rational sentencing system with a Sentencing Commission to develop guidelines for sentences for all Federal crimes. A judge may sentence outside the guidelines, but such a sentence would be subject to appellate review if requested by the defendant or the Government. Finally, early release on parole would be abolished. The court, the defendant, and the victim will know that the sentence imposed will be the sentence served.

Third, a $170 million program of Federal aid to State and local law enforcement agencies. The most important role for the Federal Government in the war against crime is to provide law enforcement assistance to State and local governments. This modest proposal targets innovative crime programs of proven effectiveness and provides matching funds to duplicate them in other communities.

Fourth, reforms in the treatment of violent juvenile offenders. The problem of juvenile violent crime has reached shocking proportions, and our juvenile justice system is ill equipped to handle violent juveniles. The bill provides mandatory waiver to adult court of a juvenile charged with a violent offense who has a record of a prior violent act; it also requires that juvenile records be made available to the prosecutor prior to the commencement of proceedings. In addition, fingerprints and photographs shall be included in the records of violent juveniles.

With the exception of the troubled state of the economy and the fear of nuclear war, no issue is of greater importance than law enforcement to the

well-being of our citizens or the future of our country. Crime in our society is not a new problem. But its unchecked growth has become an increasing source of fear and alarm in every section of the country.

National security begins at home. It will do no good to arm America to the teeth against enemies abroad, while losing the war at home against enemies within.

There are no easy answers to the crime problem. We must oppose measures that infringe on civil liberties under the guise of law inforcement. But we must work tirelessly to achieve real crime-fighting reforms.

I look forward to working closely with Senators of both parties in the weeks and months to come to fashion effective legislation to deal with crime. The measure we introduce today is an excellent beginning of that effort.●

● Mr. LEAHY. Mr. President, late in the 97th Congress the Senate and the House assembled and passed a crime package. It was not perfect and it did not cover every problem that needs immediate attention. But it was an excellent start, one that raised our hopes—until the day it was vetoed.

The effort to pass significant legislation to combat crime has continued for many sessions of Congress, and in this time both the violence and sophistication of the modern criminals have etched deep changes in our society and in our sense of security and well-being. It is time to conclude oratory and opt for words in our statute books. We need a fair and comprehensive crime package in the 98th Congress, and the Democratic crime package is a good start.

It does not tackle the entire criminal law reform agenda and does not claim to. Among the areas that still need attention is the problem of rural crime—a problem left unattended in our rush to create safe streets in our urban areas. Rural crime is an issue I plan to press strongly with my Senate colleagues during this Congress.

The bill I am cosponsoring today will aim at improvements in drug law enforcement; needed changes in bail, sentencing and other criminal procedures; and will strengthen our tools in the fight against organized crime.

In the fight against narcotics we still need a Cabinet-level office to develop and pursue a comprehensive drug strategy and to coordinate the many programs that now address the problem. We need increased penalties for piloting the planes that smuggle much of the tonnage that we face annually within the United States. And we need to negotiate treaties with countries whose banking laws permit them to be used as havens for drug profits.

The bail system needs change because our understanding of the problems of the traditional bail system has improved. Judges ought to be able to consider the danger to the community posed by the accused and impose preventive detention where the need for it has been demonstrated. I am pleased that the bail legislation passed by the Senate in the 97th Congess contained my amendment giving the exclusive right to petition the court for preventive detention to the U.S. attorney and not on the motion of the judge, except where the defendant might flee or attempt to obstruct justice. I was sorry that Senator Mitchell's amendment requiring a trial in 60 days in cases of preventive detention did not pass last year, and I will strongly urge its adoption during consideration of this package. Prosecutors should have the right to ask for preventive detention where there is a danger to the community, but if the presumption of innocence is to remain strong, that right ought to be accompanied by the defendant's right to either a very speedy trial or pretrial release.

There are a number of sentencing provisions in the package being offered today, and like bail, they reflect our experience with what has and has not worked well over time. We need to enact laws to establish flat-time sentencing, to abolish parole, to provide uniform sentencing guidelines, to increase fines in many circumstances, to narrow or in some cases eliminate rehabilitation as a rationale for incarceration, and to mandate a statement on the record by a judge giving reasons for particular sentences.

In addition we need stiffer sentences for using a weapon in the commission of a crime, expanded Federal jurisdiction over juveniles who commit felonies, programs for the diversion of nonviolent offenders from the criminal justice system, and a life sentence with no parole for assassination or attempted assassination of the President, President-elect, Vice President, and other high officials of the Government.

Against the scourge of organized crime we need defined goals for implementation of a coordinated campaign by the Department of Justice, with a requirement that the Attorney General report to the Congress on the status of organized crime and the Government's efforts to combat it. The bill includes limited Federal jurisdiction over murder for hire and strengthening of the racketeer influenced and corrupt organizations (RICO) forfeiture provisions to enhance the seizure of organized crime assets as an enforcement tool. And we need a coordinated Federal antiarson program in light of the tremendous growth of this crime as a tool of organized criminals.

Not all of the package concerns Federal criminal jurisdiction. We are also proposing a $150 million grant-in-aid program for State and local criminal justice agencies. It will provide matching funds for innovative crime programs of proven effectiveness and will offer funds for training and technical assistance to enforcement personnel.

If $150 million sounds like a lot of money, I will agree that it is. But it is nothing short of hypocritical to waste words talking about the crime problem if there are no dollars to follow the words. I do not doubt the administration's sincerity in speaking out against the problems of organized crime and drugs. But I question their judgment if they think that increases in effectiveness can be realized without increases in funding. We were momentarily buoyed by the figures in the President's fiscal year 1984 budget, which does increase anticrime funding—at last. But in the outyears there are decreases that cripple the good start. The President has stressed the need for continued outyear increases in the defense budget, pointing out many times that a good foundation is wasted if there are no dollars to complete the house. The anticrime budget is our domestic defense budget, and it should be maintained at levels that are meaningful for this year, next year, and the years after that.●

● Mr. NUNN. Mr. President, I rise today in full and enthusiastic support of the National Security and Violent Crime Control Act of 1983. In urging Senate adoption of this bill, I want to initially point out that I am most encouraged by the Democratic Caucus' decision to unanimously support this response to the critical need for strong and effective anticrime legislation. It is exactly with that purpose in mind that Senator CHILES and I, almost 2 months ago, introduced S. 117, the Crime Control Act of 1983, hoping to dramatically underscore the American public's desire for clear statutory assistance to law enforcement in its never ending battle against crime.

Mr. President, there is a problem in America. There is a problem that is growing with every passing minute. It is a problem that we face whether we live in the big city or the small town. It respects no political party affiliation, no racial, sexual, or age distinction.

It is the problem of crime; a societal menace that has grown, unchecked, like a cancer, devouring the very social fabric of our Nation. This astounding growth of crime has led to changes in the lifestyle of many of our fellow Americans. Average citizens in many places feel unsafe, especially after dark, even in their own homes. They no longer shop, go for walks or otherwise socialize in the evenings. Entire sections of some major metropolitan areas have become ghost towns or worse, free-fire zones where there is no law except that of the gun or the knife because of the growth of violence and crime. Fear and despair have

replaced security and hope in some parts of America.

The growing crime rate cries out for government and citizen action at all levels—Federal, State, and local—yet very little has been done to strengthen law enforcement and our criminal justice system.

In the last Congress many of us in the Senate introduced tough legislation designed to deal with such nationwide problems as organized crime, narcotics trafficking, juvenile justice, arson and sentencing reform. Many of the proposals found in this legislation offered today were passed by the Senate in the Violent Crime and Drug Enforcement Improvement Act of 1982, which was introduced by Senators THURMOND and BIDEN, and which Senator CHILES and I cosponsored. Several of these proposals were passed by the House as amendments to H.R. 3963 in the final hours of the 97th Congress. Those proposals, however, did not become law as a result of the President's veto on January 14, 1983.

Mr. President, I am convinced that America is at a turning point. We either must effectively attack the problem of violence and crime now or we will certainly see the eventual deterioration of our Nation as we now know it. I am encouraged by the President's past support of many of the very proposals which we have today included in this crime package. Now is not the time for quibbling over bureaucratic niceties and turfdom. Now is not the time for partisan politics. Now is the time for bold and effective action against crime. Now is the time for legislation such as that proposed today.

This is not a statement that I make lightly. I have spent a large portion of my time here in the Senate attempting to deal with the Federal response to crime. As chairman and later as ranking minority member of the Permanent Subcommittee on Investigations, I have investigated narcotics trafficking, organized crime, labor racketeering, and violent crime. As a result of those investigations and hearings I have previously sponsored many of the very same anticrime measures which have now been included in the pending crime package.

As long ago as 1979, our subcommittee began to focus congressional attention on the astounding scope of the illicit narcotics industry in this Nation. We pointed out in 1979 that the retail value of drugs in this Nation stood somewhere between $65 and $89 billion. We repeatedly urged reform of our Federal law enforcement efforts in an attempt to seriously tackle that problem. After many years of effort, both the Senate and the House last year passed S. 2565, sponsored by myself, Senators GRASSLEY, CHILES, DOLE, and others. By amending the disclosure provisions of the Tax Reform Act of 1976, that legislation encouraged and enhanced IRS assistance and cooperation in criminal law enforcement efforts in the organized crime and narcotics areas. Yet this legislation was merely the first step in responding to problems the Permanent Subcommittee on Investigations uncovered in the narcotics area.

Additionally, the years that we have spent studying the problem of organized crime and narcotics have pinpointed greater coordination and cooperation as necessary for an effective Federal law enforcement response. We must develop a coordinated domestic and international approach to the drug problem instead of working through several different agencies and departments, all with their own competing interest without any kind of overall coordination. For those reasons, I am pleased that the National Security and Violent Crime Act of 1983 creates a Cabinet level office to develop and implement a comprehensive narcotics control strategy.

In response to other problems exposed by our narcotics hearings, I also sponsored strong bail provisions for such drug traffickers in S. 1253, S. 2543, and S. 117. The current crime package adopts many of the very same principles and proposals set forth in those earlier bills. Along with the bail problem, our hearings showed time and again the need for tougher and more consistent sentencing laws to combat organized crime and narcotics trafficking. In S. 1522, S. 814, S. 2543 as well as S. 117, I sponsored enhanced sentencing measures for violent offenders and major narcotics traffickers. Similar provisions have been included in the crime package now scheduled for consideration. It is indeed reassuring to see the promise of prompt Senate action on the very issues which have concerned me greatly for so many years.

Other titles of this bill, such as those devoted to witness protection, the protection of Federal officials, and criminal forfeiture have also been the subject of many of our hearings. During those hearings, the need for this type of legislation has been amply demonstrated time and time again.

In our hearings in 1980 on organized crime and the use of violence, we exposed the need for a Federal murder-for-hire statute as well as legislative action relating to the use of explosives and crimes of violence in aid of racketeering. The recent 1983 investigation of the minority staff of the Permanent Subcommittee on Investigations corroborated this problem in the mid-Atlantic region of the United States where mob related contract murders have decimated the Angelo Bruno family since 1980. During the 3 days of hearings we found that only two of these mob contract killings have been solved. I note that these same topics are similarly treated in the legislative package being considered today.

Specifically, this bill makes contract murder a Federal offense and extends statutory protections to Government witnesses and informants as well as the families of Federal law enforcement officials. As a result of our 1980 hearings on organized crime and the use of violence, I originally brought similar provisions to the Senate's attention in S. 814, the Organized Crime Act of 1981, and subsequently in S. 2543 and S. 117. It is to the credit of the drafters of this legislation that they have recognized the merit in anticrime proposals introduced in the past by many Senators on both sides of the aisle, regardless of party lines.

Mr. President, we all agree that Congress must do something to stem the rising tide of violent crime now sweeping this country. Crime continues to worsen. Statistics compiled and published by the FBI reveal that violent crime is running rampant in every section of the country. The FBI statistics indicate that over the past 30 years the number of murders in the United States has increased by 370 percent. The Justice Department has reported that nearly one out of three households has been touched by serious crime. Organized crime and narcotics trafficking still flourishes. As shown only 3 weeks ago in our Permanent Subcommittee on Investigations' hearings on the mid-Atlantic region of the United States, organized crime controls or attempts to control entire industries, illicit or otherwise.

Mr. President, I do not wish to imply, however, that this proposal, no matter how effective it is, is going to eliminate all crime. No one expects to legislate away such a massive problem overnight. Yet, we must view the crime problem realistically. We must view it just as we view our Nation's national defense posture. Just as our military security is a matter of constant effort and vigilance, our domestic security against crime and violence requires constant attention and vigilance.

If we agree that crime is a major problem facing our society, that it is an important element of our national security and that we must act together now, then I am sure we can come together and find a bipartisan solution as we did last session. I firmly believe that we can, regardless of party differences, work together for the good of our Nation and its domestic security. The legislation that we offer today can be and should be the basis of a concerted and bipartisan effort to protect our Nation's domestic security. I therefore urge the speedy adoption of the National Security and Violent Crime Control Act of 1983.●

● Mr. DECONCINI. Mr. President, today the Democratic Senators in the

U.S. Senate introduced a comprehensive proposal to deal with crime in this country. The proposal was unanimously approved by the Democratic Conference and represents a realistic and far-reaching approach to one of this Nation's greatest problems.

I have supported in the past the provisions that have been consolidated into the Democratic crime package. Last year some of the more important parts of this bill were passed by the Senate 95–1. Some of the bill's provisions were also included in a bill that overwhelmingly passed the Senate and the House last December. That bill was pocket-vetoed by the President and although I believe the votes were there, Congress unfortunately did not have an opportunity to attempt to override the veto.

The President vetoed the bill because it contained a provision that suggested to this administration how Congress, and particularly the Democrats in Congress, think it should go about carrying out this Nation's fight against illegal drug trafficking. In this regard, it was interesting to hear today that the President has told a group of State attorneys general that Vice President Bush will be the coordinator of the administration's drug enforcement effort. I think this is a step in the right direction and I hope that the President will carry out this statement.

It is my hope that Congress can act expeditiously on legislation dealing with the crime problem this year. I hope that the bipartisan spirit in which Congress was able to pass the crime bill last year will continue into the 98th Congress. I stand ready to work with the chairman and the ranking member of the Judiciary Committee to achieve the best and most far-reaching legislation that we can and to do it just as soon as possible.

I would like to congratulate and to thank the chairman of the Democratic Task Force on Crime, Senator BIDEN, and his staff for putting together this legislative proposal.●

● Mr. MITCHELL. Mr. President, I am pleased to join in sponsoring this crime control legislation. This is the continuation of a long-standing effort to improve the ability of the Federal criminal justice system to deal effectively with those areas of crime in which it has a particular responsibility and, in addition, to set an example to the States of effective sentencing reform, bail reform, and related law enforcement efforts.

Crime in the United States—particularly violent crime that costs American citizens their lives, forces our elderly to live in terror in urban areas, and makes a jungle of many inner-city neighborhoods—remains one of the most glaring defects in our society.

This package of legislation will be a valuable contribution to changing that situation. It will improve our ability to combat organized crime. It will enhance our ability to curtail the major source of financing for organized crime—large-scale drug smuggling and dealing. And it contains important revisions in sentencing and other criminal procedure which are a first step to making the punishment for crime commensurate with the crime.

As a former U.S. attorney for Maine and a Federal judge, I have first-hand knowledge of the frustration that our law enforcement officials face when criminal offenders, after receiving a fair trial, manage to escape the penalty of their actions.

Not only does this frustrate law enforcement efforts, it gives comfort to the career criminal, it serves as no deterrent whatever to juvenile offenders, and it creates a situation in which the potential victims of crimes—law-abiding American citizens—are resigned to the fact the even violent criminals rarely serve their full terms.

I am particularly pleased, therefore, that the package includes provisions to revise sentencing procedures and options to establish flat-time sentencing, abolish parole, provide uniform sentencing requirements, and justify on the record the length of a sentence handed down.

I believe, in addition, that an important and essential additional strengthening of this provision is needed in the area of bail reform. When the measure comes to the Senate floor, therefore, I will offer a bail reform proposal along the lines of the one I offered last year. The bill now allows for the creation of a preventive detention mechanism in order to protect the community from suspects who post a threat to its safety.

Preventive detention without adequate safeguards directly contradicts the entire canon of American law, whose centerpiece is "innocent until proven guilty." The principle is vital to a free society, and we should not let it be undermined if we can prevent that happening.

My bail reform provision, therefore, tightens up the requirement for a speedy trial in the case of those individuals who are judged to require preventive detention. My amendment would require trial within 45 days of detention. It seeks to strike a balance between the rights of the accused and the rights of the society. The time limitation is not absolute: Delays such as those enumerated in sec. 3161(h) of the Speedy Trial Act may be excluded, for example. This would allow time for such pretrial needs as psychiatric testing. It would mean that an individual such as John Hinckley, for instance, could not be automatically released after 45 days. That section also containes exclusions for such material causes as the absence of essential witnesses and delays created by the grant of a continuance by a judge.

The need to strengthen the bail reform provisions is clear from the fact that many crimes are now, in fact, committed by suspects on bail. The provision that will permit preventive detention should reduce the incidence of such crimes. But without the protection of a time limit, such as my amendment contains, it could well result in the lengthy and erroneous incarceration of an individual who is, in fact, innocent of the charges against him.

The other important provision in this crime package, which I strongly endorse, is the mandatory sentence for the use of a firearm in the commission of a crime. Just as our society has determined that the privilege of using an automobile is subject to certain controls when the driver is intoxicated, so also should we take the step of saying that the privilege of firearms ownership by citizens is subject to stringent punishment when it is abused. The crime package will provide an automatic 5-year sentence for a first offense, and a 10-year sentence for a second offense. Such sentences would be consecutive, not concurrent. And they would not be eligible for probation or parole.

Many in our society seek to ban firearms on the assumption that the absence of a gun means the absence of crime. That this is a confusion of ends and means is not a matter that I will discuss here.

But it is obvious that when this Nation, as a free society trusts its citizens with the ownership of firearms, it must also make certain that the right is not abused. This provision of a mandatory sentence for the commission of a crime with a firearm should be both an effective way of dealing with those who break the law and of deterring those who, today, regard the use of a gun as a small matter. Law-abiding gunowners should no longer have to put up with the insinuation that their chosen sport or hobby is a cause of crimes. The enactment and enforcement of laws that sternly punish the criminal use of guns is an essential first step to that goal.●

By Mr. SPECTER:

S. 831. A bill to amend the Internal Revenue Code of 1954 to allow home equity conversions through sale-life tenancy arrangements; to the Committee on Finance.

HOME-EQUITY CONVERSIONS

Mr. SPECTER. Mr. President, I am today reintroducing legislation to enable elderly homeowners to keep their homes while, at the same time, converting the equity in their homes into income. I introduced this bill in the last Congress and hope that the Finance Committee will hold hearings

on this legislation at an early date in this session.

Our elderly homeowners who must live on fixed incomes are often faced with a cruel choice. Confronted by ever-rising living costs, they must either reduce their standard of living or sell their most precious asset, their home, just to pay their bills.

The trauma of losing a home for which a person has worked for a lifetime is profound. But the alternative is equally dismaying: living out one's last years—the allegedly golden ones—in materially constrained circumstances. It is a choice that no elderly homeowner should have to face if an alternative can be devised.

My bill encourages sale-life tenancy arrangements. Under one arrangement, rather than having to sell for funds to meet living expenses and moving into an apartment, the elderly homeowner can sell to a financial institution but continue to live in his or her home under a lease while being paid an annuity.

Tax barriers to sale-life tenancies would be eliminated by the legislation which I am proposing. First, the elderly homeowner in the sale-life tenancy transaction would be entitled to a one-time capital gains tax exemption that is otherwise available to homeowners past the age of 55 who sell their homes. And second, the purchaser/lessor could take depreciation on the value of the property it had purchased although the seller retains life estate.

With these tax barriers removed, I am confident that the sale-life tenancy transaction will prove attractive to financial institutions.

The President's Commission on Housing has estimated that the potential market for these home equity transactions to be between $30 and $40 billion. And the Commission has said that this market can be expected to increase as the number of older Americans increases and the idea of home equity conversion gains acceptance.

Access to the rewards of home equity—which has been dearly earned—should be given to our elderly Americans during their lifetimes. It is of no value to them after their deaths. And it will go a long way toward making their last years truly golden ones.

This legislation will make sale-life tenancy feasible. It will make the arrangement attractive both to the elderly homeowner and to the purchasing financial institution.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 831

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (d) of section 121 of the Internal Revenue Code of 1954 (relating to one-time exclusion of gain from sale of principal residence by individual who has attained age 55) is amended by adding at the end thereof the following new paragraphs:

"(9) SALE OR EXCHANGE DEFINED.—For purposes of this section, the term 'sale or exchange' shall include a transaction in which the seller retains a life tenancy in the property.".

(b) Subsection (h) of section 167 of such Code (relating to depreciation for life tenants and beneficiaries of trusts and estates) is amended to read as follows:

"(h) LIFE TENANTS.—

"(1) GENERAL RULE.—In the case of property held by one person for life with remainder to another person, the deduction shall be computed, except in a transaction described in paragraph (2), as if the life tenant were the absolute owner of the property and shall be allowed to the life tenant.

"(2) SECTION 121 SALE OR EXCHANGE.—In the case of property held by one person for life with remainder to another person, pursuant to a sale or exchange under section 121, the deduction shall be computed as if the remainderman were the absolute owner and shall be allowed to the remainderman;".

(c) Section 167 of such Code (relating to depreciation) is amended by adding after subsection (h) the following new subsection:

(i) BENEFICIARIES OF TRUSTS AND ESTATES.—

"(1) BENEFICIARIES OF TRUSTS.—In the case of property held in trust, the allowable deduction shall be apportioned between the income beneficiaries and the trustee in accordance with the pertinent provisions of the instrument creating the trust, or, in the absence of such provisions, on the basis of the trust income allocable to each.

"(2) BENEFICIARIES OF ESTATES.—In the case of an estate, the allowable deduction shall be apportioned between the estate and the heirs, legatees, and devisees on the basis of the income of the estate allocable to each.".

(d) The amendments made by this Act shall apply to sales or exchanges after the date of the enactment of this Act, in taxable years ending after such date.

By Mr. HEINZ (for himself, Mr. GLENN, Mr. HATCH, Mr. PERCY, Mr. COHEN, Mr. GRASSLEY, Mr. DIXON, Mr. PRYOR, Mr. MELCHER, Mr. PRESSLER, Mr. BURDICK, Mr. HUMPHREY, and Mr. DURENBERGER):

S. 832. A bill to amend the Age Discrimination in Employment Act of 1967 to remove the maximum age limitation applicable to employees who are protected under such act, and for other purposes; to the Committee on Labor and Human Resources.

AGE DISCRIMINATION IN EMPLOYMENT AMENDMENTS OF 1983

Mr. HEINZ. Mr. President, today I introduce legislation to fulfill a long-deferred goal: The prohibition of mandatory retirement based soley on age. I am pleased that Senators GLENN, HATCH, PERCY, COHEN, DURENBERGER, GRASSLEY, DIXON, PRYOR, MELCHER, PRESSLER, BURDICK, and HUMPHREY join with me in sponsoring this bill.

President Reagan announced his support for an end to mandatory retirement nearly 1 year ago. The bill we introduce today has the endorsement of our ranking member on the Special Committee on Aging, Senator GLENN, and of the chairman of the Labor and Human Resources Committee, Senator HATCH.

My distinguished colleague, Congressman CLAUDE PEPPER and the chairman and ranking member of the House Select Committee on Aging, Congressman ROYBAL and Congressman RINALDO are introducing identical legislation in the House of Representatives.

Presently there are 1.2 million Americans over the age of 70 in our work force. Many of these people want to continue working—sometimes for reasons of self-fulfillment, but more often for reasons of economic necessity. Federal law now deprives these people of the same guarantees of equal opportunity in employment that other citizens enjoy. They are deprived of this protection not on the basis of who they are and what they can do, but soley on the basis of their age. This seems to me the rankest form of discrimination, and we should no longer tolerate it in Federal law.

In 1978, the Age Discrimination in Employment Act was amended to eliminate mandatory retirement for nearly all Federal workers and to increase to 70 the age at which non-Federal workers could be forcibly retired. This bill will abolish that age 70 "cap" and reverse a policy that implicitly sanctions arbitrary discrimination against working men and women over the age of 70. While this is a simple change in the law, it will make an enormous difference in the lives of those who will soon face the devastating effects of age discrimination.

Admittedly, Mr. President, the recent economic slowdown has created a difficult climate for the full utilization of older workers. There has been a tendency to fall back on the traditional retirement and separation procedures in order to reduce the size of a firm's work force. But the demographic projections are quite different for the near future. We need to look beyond the immediate situation and prepare for the inevitable work force changes that will occur with recovery and with time. Our Nation will need these productive older workers. As you are aware, Mr. President, the age distribution of the population will be shifting dramatically over the coming decades. The population growth of the younger working age population—ages 16 to 44—will cease sometime between now and the year 1990 and will remain static for the decade following. By that time, the Department of Labor projects that there will be approximately 90 million workers below age 45. This group comprises fully 70 percent of our total work force today.

What this means is that our standard of living is threatened due to future labor shortages unless we as a nation continue to increase the size of our work force. And since everyone who will be a younger worker during the next 20 years has already been born, we know that the only way that we will be able to grow and prosper is if able bodied, productive older workers, who are today in their late forties or fifties or even early sixties, have the opportunity and incentive to continue working. The behavior of this future group of older workers will be vital to our continued economic growth.

We also need to encourage older people to remain productive to lessen the strains on our retirement income programs. If those now forced to retire were working the overall obligation of the social security trust fund would be decreased, and the number contributing would increase. Recent figures from the Social Security Administration estimate the savings to the OASDI trust funds from prohibiting compulsory retirement at $0.7 billion for the year 2000 and $4 billion for the year 2020.

But the importance of abolishing the age 70 limit for ADEA protection lies not only in the positive shifts in behavior it will bring about. In fact, such shifts will be relatively minor. Persons over 70 now constitute just 1.2 percent of our 105 million person work force. Lifting the age cap will have a negligible impact on that figure. Rather, the importance of removing age 70 comes in its message to present and future older workers: You are to be employed on the basis of your capability, not on the basis of your birth date.

Mr. President, this is a pragmatic bill. It recognizes the special situation of academic tenure. Application of the change in law to tenured faculty professors is delayed for a peroid of 15 years. This provision is a compromise reached after lengthy negotiations with representatives of the academic community. As you know, Mr. President, tenured professors just recently became subject to the 1978 amendments which raised the retirement age to 70. The 15 year delay is designed to provide sufficient time for the educational institutions affected to examine their existing tenure practices and make the necessary adaptations before becoming subject to the new law.

Mr. President, I ask unanimous consent that a letter sent to me in support of this compromise from the American Council on Education be printed in the RECORD.

Mr. President, the problems associated with age discrimination are not new to the Congress. The first ADEA bill, enacted in 1967, stemmed from the Congress determination that age discrimination, like discrimination based upon race, religion, or sex, is inherently contrary to the principle of individual merit. The original act was designed to protect workers between the ages of 40 and 65. In 1978, the age for protection was raised to 70. At that time it was agreed that age 70 would be used until the Department of Labor could conduct a study on the impact of totally eliminating mandatory retirement. I am pleased to report that the Department has completed its study. The results of that study indicate beyond all doubt that raising the permissible mandatory retirement to 70 has had no significant negative economic or social impact. It further concludes that eliminating mandatory retirement entirely would not produce any work force dislocations. These conclusions pave the way for those of us in the Congress to remove the most visible symbol of age discrimination in the workplace. I would like to submit for the record the following highlights of that report, which specifically address the major concerns about raising or abolishing mandatory retirement. The study found that:

Lifting the mandatory retirement age from 65 to 70, as required by the 1978 amendments, is having a positive impact. An estimated quarter—million older workers are projected to remain in the labor force by the end of the century as a result of this change. This is the equivalent of a 5—point increase in the labor participation rate of men over 65. It represents a fairly dramatic and positive change in the employment patterns and aspirations of the over 65 worker, whose labor force participation has been dropping for the past 20 years.

Abolishing mandatory retirement would result in an increase of no more than 2 percent in the total population covered by the Act. Of the over 100 million persons in our workforce today, approximately 23 million are now covered by the provisions of the ADEA. The study estimates that there are 1.2 million persons now working who are over the age of seventy. Since only 70 percent of the work force works in firms large enough to be covered by the ADEA, and since the federal government, as well as eight states, now prohibit age discrimination for those over 70.

Abolishing mandatory retirement altogether would add approximately 840,000 workers age 70 and over the 28 million workers (age 40—70) now covered by the Act. In addition it will have the effect of stimulating continued employment opportunities for at least an additional 200,000 workers over the age of 70 by the year 2000. Almost half (90,300) would be in the 68—70 age group.

Abolishing mandatory retirement would have no adverse impact on women and minorities. Analysis of census data revealed that the 1978 amendments resulted in no measurable impact on younger workers, black workers, or women workers. The study projects that same result if mandatory retirement were to be eliminated entirely. This confirms findings from other surveys, which have shown that older workers do not compete for the same jobs as younger workers. Older workers desire part-time jobs, rather than full-time work. Also, they are most likely to seek work in different occupational areas from those sought by their younger counterparts.

Public opinion in this country clearly supports the bill we are now introducing. A recent Harris poll found that by a 9-to-1 margin, a majority of all ages feel that "nobody should be forced to retire because of age." By another lopsided margin, 4 out of 5 among the entire population are convinced that "Most employers discriminate against older people and make it difficult for them to find work." The poll also found that three out of four retirees wish they had never quit work. Taken together, the DOL study and the survey findings show that mandatory retirement remains an unnecessary and unjustified obstacle to older workers and, indeed, an abridgment of their right to remain contributors to the American economy.

Passage of this mandatory retirement bill will not end age discrimination. This form of discrimination has persisted in this country on the basis of misconceptions concerning the aging process and unfounded stereotypes about older people. But with this new legislation we can begin to reeducate the American public, and employers especially, about the vast reservoir of talent and expertise that older Americans have to offer to the social and economic development of our society.

Some of the legal barriers to continued employment are ironically part of the very law that is supposed to help and protect older workers. The ADEA allows employers to refuse to hire and also to terminate older workers on the basis of age if age constitutes a so-called bona fide occupational qualification needed for the conduct of a business. Thus workers such as police, firemen, pilots, and incumbents in other jobs that involve stress or relate to public safety are often refused jobs or forced to retire early simply on the basis of age. I realize, Mr. President, that these matters are complicated and that physical strength to meet rigorous job demands may well ebb as a worker grows older. But the history of litigation under this exception indicates that many employers are attempting to utilize it as a means to refuse employment to older workers.

These legal barriers are serious problems that need close examination and scrutiny. But the most serious barrier and the most insidious—is simple lack of choice. Our present system allows for Government regulation of something our Founding Fathers placed the highest value on: individual citizen choice. Our public and private employment policies are geared to either full-time work or full-time retirement. They eliminate the very choice that appeals to most older workers: part-time employment. This bill will return to business and individual citizens the freedom of choice about when to retire.

In summary, the continued use of mandatory retirement policies is both morally unsupportable and contrary to the economic interests of employers, employees and the American public. It is bad for workers, bad for business, and bad for the economy. Incalculable human talent—and spirit—has been wasted as able workers have been forced into premature idleness. Eliminating this type of discrimination will signal our recognition of the value of older workers in the workplace and will signal our intention to reject all barriers to their full participation.

I ask that the letter from the American Council on Education and the text of the bill appear in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN COUNCIL ON EDUCATION,
Washington, D.C., March 10, 1983.

Hon. JOHN HEINZ,
Chairman, Special Committee on Aging, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On behalf of the American Council on education, an association representing over 1,500 colleges, universities, and other organizations in higher education. I am pleased to convey our strong support for the 15-year exemption for tenured faculty and administrators in higher education contained in the bill that you will introduce to prohibit mandatory retirement due to age.

We have been working with interested persons in the Congress to ensure that the proposed legislation meets the needs of the entire higher education enterprise—faculty, administration, and students. After lengthy consultations, a compromise consensus providing an exemption for 15 years for tenured personnel from uncapping the mandatory retirement age has emerged. Thus, the retirement age for tenured faculty and administrators would remain 70 until 1998. This compromise acknowledges higher education's special responsibilities to the nation and the *special demographic pressures* faced by our sector.

Colleges and universities maintain that they must have a healthy representation of relatively new faculty members if they are to continue to be effective centers of teaching, learning, and scholarship. In some fields, the major contributions of an individual often are made toward the beginning of his or her career. And in all fields one needs a balance of younger faculty and more experienced faculty to stimulate students and colleagues alike by challenging old as well as new ways of thinking and by contributing varied perspectives. Unless a sufficient number of faculty positions continues to be available for new appointments, we run the serious risk of creating a "static" situation for nearly two decades ahead.

As a result of the booming expansion of the late 1950's and 1960's there is a "bulge" of faculty members now in their fifties who will not—even under the current law—be retiring before close to the end of this century. This factor, when coupled with the reductions in enrollment now beginning as the size of the traditional college-age population declines substantially, has already resulted in a situation where most new faculty openings will occur either through death or retirement. Although other sectors of the economy are also experiencing a period of limited or no growth, no other sector must adjust to such an extreme demographic model. Assuming an age 70 retirement, projections suggest that there may be only about 100,000 academic positions to be filled nationally during the entire 15-year period from 1980 to 1995. This compares with about 60,000 positions, in just the five years from 1971 to 1975, already generally regarded as a "lean" period.

A 15-year exemption would provide institutions with the opportunity to retire a substantial number of faculty members at age 70, thereby providing a reasonable number of faculty openings during and right after that period. In addition, such an exemption would provide colleges and universities with sufficient lead time to plan efficiently for future academic needs. Thus, the exemption would address the short-to moderate-term needs of the higher education community. Of course, it is impossible to predict retirement patterns and the age distribution of faculty and administrators after that period, at which time further action might be required.

We appreciate your interest in this matter and your sensitivity to our particular concerns.

Cordially,

J. W. PELTASON.

S. 832

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Age Discrimination in Employment Amendments of 1983".

SEC. 2. Section 12 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 631-634) is amended—

(1) in subsection (a) by striking out "but less than 70 years of age",

(2) in subsection (c)(1) by striking out "but not 70 years of age,", and

(3) by adding at the end thereof the following new subsection:

"(d) This Act does not prohibit the compulsory retirement of any employee who attains, before July 1, 1998, 70 years of age and who is serving under a contract of unlimited tenure (or similar arrangement providing for unlimited tenure) at an institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).".

SEC. 3. This Act and the amendments made by section 2 shall take effect on January 1, 1984, except that with respect to any employee who is subject to a collective bargaining agreement—

(1) which is in effect on April 1, 1983,

(2) which terminates after January 1, 1984,

(3) any provision of which was entered into by a labor organization (as defined by section 6(d)(4) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)(4)), and

(4) which contains any provision that would be superseded by such amendments, but for the operation of this section.

such amendments shall not apply until termination of such collective bargaining agreement or January 1, 1987, whichever occurs first.

● Mr. GLENN. Mr. President, as the ranking Democratic member of the Special Committee on Aging, I am pleased to join my colleagues in introducing legislation to lift the age 70 cap in the Age Discrimination in Employment Act. With passage of this legislation, workers will not be forced to retire solely because of chronological age. This legislation will be significant to many older persons who want to continue working, without having an adverse impact on employers or other segments of the work force.

The Age Discrimination in Employment Act of 1967 prohibits discrimination in employment because of age in such matters as hiring, job retention, and compensation. The original 1967 act protected workers aged 40 to 65. In 1978 I supported legislation which raised the upper age limit from 65 to 70. The legislation we are introducing today protects workers 70 and over from discrimination based on age by including them under the Age Discrimination in Employment Act.

It is inequitable to judge a person's qualifications for a job solely on the basis of age, without regard to fitness for a job. Chronological age alone is a poor indicator of ability to perform a job. Research shows that older workers can be equal or superior to younger workers in the areas of quality or quantity of work, dependability, judgment, human relations, attendance, and on-the-job safety. Nine out of ten employers in a 1981 study by Mercer, Inc. stated that older workers perform as well on the job as younger workers and that older workers are more committed to company objectives than younger workers.

We do not want to force anyone to continue working, but studies and polls indicate that many older persons wish to continue working after age 65 because of financial need or for personal fulfillment. During the last decade, inflation has eroded the retirement income base or many older persons and part-time or full-time work has become an economic necessity. Others wish to continue working in order to stay active or because they like their job. We must allow them to compete in the marketplace in a fair position without discrimination.

In addition, the general population supports the elimination of mandatory retirement. A 1981 survey of the general population conducted by Louis Harris & Associates for the National Council on the Aging found that 90 percent of those interviewed agreed with the statement, "Nobody should be forced to retire because of age if he wants to continue working and is still able to do a good job."

I am pleased to note that some companies are taking the lead in employing older Americans. The Senate Special Committee on Aging held a series of hearings in 1980 entitled, "Work After 65—Options for the 1980's". We received testimony from large companies that included Polaroid, IBM, and Xerox, and from small businesses and State and local government officials. They all emphasized the worth of

older workers. Mr. Gerald Maguire, vice president of Corporate Services for Bankers Life & Casualty Co., told the committee,

The real dollars are in people continuing to do that thing they are capable of doing. It is the most economical way of spending any money in this field. Those who are capable of it, who have the experience, the training, are already set up. The fact that on September 14 somebody turns 65 or 70 certainly does not change their physical or mental ability.

We must also recognize the impact of demographic trends on the labor force. The aging of the work force will create a need for older workers as early as the year 1990. The dominant part of the current work force is the younger workers, aged 16 to 44, but this group will peak in numbers around 1990 and then begin to decline. In order to continue economic growth and productivity, we must look to middle-aged and older persons to provide needed workers.

In 1978 when Congress debated legislation that raised the mandatory retirement age from 65 to 70, we heard several arguments in opposition to this extension of the act. We were told that raising the retirement age from 65 to 70 would disrupt corporate personnel systems; that eliminating mandatory retirement would cause unemployment for younger workers, women, and minorities; and that it would retard promotional opportunities for younger workers.

With these concerns from the business community in mind, Congress required the Department of Labor to study the effects of raising the mandatory retirement age from 65 to 70, and the feasibility of eliminating the mandatory retirement age altogether. The Labor Department's final report was released in February 1983. This 4-year study shows that abolishing mandatory retirement will have no significant negative impact on our Nation's work force or employers. The Labor Department's findings include the following:

Employers have not experienced major administrative difficulties or increased costs with mandatory retirement at age 70, and do not anticipate major changes in retirement patterns if mandatory retirement is eliminated altogether.

Abolishing the mandatory retirement age would have no adverse impact on other segments of the labor force, such as youth, women, and minorities.

The increase in the mandatory retirement age from 65 to 70, or a total elimination of the mandatory retirement age, would have a marginal effect on the employment of older persons and a very small impact on the total labor force. In 1980, there were about 24 million persons age 65 and over. About 3 million, or 12 percent, of these older persons were employed. The Department of Labor estimates that raising the mandatory retirement age from 65 to 70 will result in the raising the mandatory retirement age from 65 to 70 will result in the continued employment of an additional 250,000 older persons by the year 2000. This increase of about 5 percent of the older work force is significant for older individuals who want to continue working, but it represents a very small impact on the total labor force. The complete elimination of mandatory retirement would result in an additional increase in labor force participation of approximately 200,000 workers, an additional 5 percent increase in older workers. These additional 200,000 older workers would represent less than 0.2 percent of the total work force in the year 2000.

Research by the Department of Labor, the Social Security Administration, and others shows that the two main factors in deciding when to retire are health condition and availability of retirement income. The majority of the work force retires between age 62 and 65 because current social security and pension policy favors retirement at age 65 or earlier. However, workers should be able to choose to continue working, and the legislation we are introducing today to eliminate the mandatory retirement age will give them that opportunity.

This bill does contain a 15-year exemption for tenured faculty at institutions of higher learning. In the past, I have voted against exemptions for certain groups since I believe that our laws prohibiting age discrimination in employment should apply to all workers. However, our colleges and universities are suffering from declining enrollments due to demographic changes and need additional time to adjust their current tenure system. This bill will allow them to do that over a 15-year period, at which time the mandatory retirement age will be lifted for all workers.

Mr. President, next week American Legion posts, senior centers, and title V older workers across the country will be celebrating "National Employ the Older Worker Week." I sponsored Senate Joint Resolution 27, which designated this important week, and was pleased that the Senate unanimously approved it on February 24. This resolution recognizes the valuable contributions that older workers have made to our Nation in the past and highlights their great potential as part of the work force in the future. Let us further recognize the skills and talents of older persons by protecting them from age discrimination in employment. I urge my colleagues to support this legislation to eliminate the age 70 cap in the Age Discrimination in Employment Act.●

Mr. HATCH. Mr. President, I am pleased to join Senator HEINZ today in sponsoring the age discrimination in Employment Amendments of 1982, which will prohibit mandatory retirement in the private sector. All of us should be given the opportunity to be judged on the basis of our individual skills and experience, regardless of age. No one should be arbitrarily excluded from working simply because of the inexorable passage of time.

Mandatory retirement is an employment policy that discounts the performance of the individual. It fails to acknowledge the contribution that older workers have made, are making, and will continue to make in the workplace. It ignores the importance of experience, skill, and dedication. And it is a disservice to our Nation's economy by discriminating against a known resource of skilled, proven workers at a time when our country is becoming skill deficient.

In Utah, where the State age discrimination statute was uncapped in 1979, men and women who are 70 years old and more have been able to continue as active participants in the labor force. Farrell Sorenson works 40 hours a week as the administrator of Salt Lake City's Community Service Employment of Older Americans program. As he notes, "I'm not old, I've just been breathing a long time."

Helen Evans works for the Health Department in Salt Lake City, processing complaints from residents and handling their phone requests. She is 80 years old. Paul Darrell, also of Salt Lake who just celebrated his 78th birthday, works 40 hours a week as a security guard for Burns International Security. He tried retirement but decided it would be more fun beginning a new career, his third.

We should be trying to keep men and women like Farrell Sorensen, Helen Evans, and Paul Darrell in the work force instead of routinely dismissing them for no other reason than their own health and productivity. An important first step toward this goal would be for the Federal Government to follow the example of the Utah legislature and uncap the Age Discrimination in Employment Act of 1967, as amended (ADEA).

Last year, when I cosponsored similar legislation, I stated that it was important that this august body understand fully the purpose and limitations of this bill to insure that its passage does not have a significant, unintended impact on the employment patterns and policies of this country. The bill has but one purpose, the uncapping of the ADEA. In other words, it would prohibit an individual from being excluded from being hired or promoted or from being mandatorily retired solely on the basis of age. Nothing else in the act would be changed.

The bill specifically does not address recent concerns with the procedural

provisions of the statute concerning jury trials and liquidated damages. It in no way affects current judicial decisions concerning the use of age as a bar to employment in positions involving stress or public safety, such as pilots or police officers. Similarly, it does not address the issue of benefit accrual or other pension issues. It simply removes from the ADEA the existing statutory cap at age 70.

The bill also strikes what I believe is an equitable balance between the competing interests of younger and older faculty members at our schools and universities, providing these institutions with sufficient time to accommodate their rules governing tenured faculty members with the bill's provisions.

Eliminating the mandatory retirement age will help to insure that the rights of this country's older citizens are not jeopardized by unfounded restrictions and limitations. It will protect, for older men and women, an important right—the freedom to choose whether to continue pursuing their careers or if they so desire, to retire when they are ready to do so. The wisdom and knowledge that come from life's experiences are wonderful commodities, especially when they can be passed on to others and these resources should be preserved and utilized. I urge my colleagues to join me in supporting this needed, important and beneficial legislation.

● Mr. PERCY. Mr. President, as a member of the Special Committee on Aging, I am proud to join our distinguished chairman, Senator HEINZ, in reintroducing legislation to prohibit mandatory retirement. Our bill amends the Age Discrimination in Employment Act (ADEA) by removing the upper limit of protection set at age 70 in 1978. By striking this limit, our legislation extends protection against employment discrimination to persons of all ages.

Mr. President, when Congress enacted the ADEA in 1967, it determined then that our national policy should promote the employment of older workers aged 40 to 65. The ADEA's stated purpose was to "promote employment of older persons based on their ability rather than age; to prohibit arbitrary age discrimination in employment; and to help employers and workers find ways of meeting problems arising from the impact of age on employment."

The original act set the upper age limit for protection at age 65 because it was the common retirement age in U.S. industry and the normal eligibility age for full social security benefits.

At that time, little was known about the desires or abilities of older workers. We did know, however, that there was persistent and widespread use of age limits in hiring that was attributed to arbitrary discrimination against older workers regardless of ability. The ADEA of 1967 was a very important first step in addressing this problem.

In 1974 the act was amended to include under its protection Federal, State, and local government employees. Then in 1978, the act removed the mandatory retirement age for Federal employees and raised the upper limit for all others from 65 to 70. It is the age 70 limit that our legislation would eliminate.

Mr. President, during the debate on the 1978 amendments, many concerns were expressed about the impact of raising the mandatory retirement age to 70. We did not know, for example, what, if any, displacement would occur among younger workers or minority or women workers. Nor did we know if there would be any adverse effect on productivity due to the potential loss of efficiency of workers between the ages of 65 and 70.

What we knew at the time was that forced retirement was not good for older persons. Research conducted since the enactment of the original ADEA showed that there was an important link between activity and good health and that the most important and fundamental emotional need of older persons was to continue as active and contributing members of society. Studies had also concluded that chronological age alone was a poor indicator of the ability to perform work.

It was the issue of equity and an overriding concern for the welfare of older persons that led Congress to raise the mandatory retirement age to 70 in the face of some stiff opposition. The 1978 amendments represented one more giant step in our effort to guarantee the right of individuals to be treated in employment solely on the basis of their ability, not on the basis of stereotypes.

Today, with this legislation, we propose taking the final step in removing from the law the assumption that age alone can be an accurate measure of an individual's ability to work. We are simply advocating that there be no age at which one may be forced to retire.

Although the issue of fairness is most important, it is not the only reason to change the law. Mandatory retirement does not serve our country's best economic interests. It flatly ignores, and thus wastes, a source of manpower which our country can use now, but will also desperately need in the near future.

Mr President, at the beginning of 1981, the nearly 26 million Americans 65 and over made up more than 11 percent of the population. Projections show that 36 million persons will be aged 65 and over in the year 2000 or 13 percent. That number will increase to 65 million—20 percent—by the year 2030. At the same time, these projections also foresee a dwindling of the size of the youth population who will replace retirees in the labor force. The net effect of this development will be a ratio of working age population to elderly of 2.5 to 1, a decline of about 50 percent from its current level of 5 to 1.

Currently, the largest single group of people in the work force, comprising about 70 percent of those with jobs, are 44 years of age or younger. The fact is that by the end of the 1980's that group will stop growing and actually start declining in numbers. Without unprecedented increases in productivity, the only way to maintain our standard of living will be to increase the size of the work force by better utilizing the talents, skills, and experience of older workers.

These simple facts demand that we focus attention now on problems confronting older workers. Foremost among these problems is the mandatory retirement age which not only discriminates against persons who want to work, but completely disregards the value of older workers in the workplace.

Moreover, we now have new evidence which concludes that repeal of mandatory retirement will not have an adverse impact on other segments of the labor force, such as youth, women, and minorities.

A Department of Labor study on the effects of the 1978 amendments to the ADEA found that abolishing mandatory retirement would have no adverse impact on those segments. According to the study:

> The estimated additional number of comparable age-65 workers are potential competition for less than one-quarter of 1 percent of all full-time workers ages 16 to 24; less than one-half of 1 percent of all full-time black workers ages 16 to 59; and approximately one-tenth of 1 percent of all full-time female workers ages 16 to 59.

Additionally, the findings of the Labor Department study refute the idea that an increased number of older workers would significantly delay promotions for younger workers. One study reported that a 10-percent increase in the labor force participation rates of men age 65 and over (twice the projected impact of eliminating mandatory retirement) would delay, on average, promotions at the highest ranks by only one-half year while at the lower ranks individual promotions would be slowed by about 5 to 10 weeks.

Mr. President, I wish to make two final points. First, it is not the intent of our legislation to reverse the achievements of the past decades or to abridge the retirement benefits that older persons now enjoy. On the contrary, supportive employment policies which do not encourage older persons to leave the work force can only strengthen and preserve our retirement programs.

Second, our efforts on behalf of older workers have been construed by some as ignoring the needs of younger persons who are unemployed. Nothing could be further from the truth. In fact, I recently introduced S. 679, a bill to establish a program of grants to the States for projects and programs designed to increase the number of available jobs. Funds authorized under my bill could be used for a host of job-creating activities within the discretion of the Governor in consultation with the job training coordinating council as established last year by the Job Training Partnership Act.

So our goal with the legislation we introduce today is simply to insure that any person who wants to work is not denied that opportunity because of his or her age. To reach this goal we must adopt a comprehensive approach designed to promote opportunities for older workers. Ending mandatory retirement is the logical place to begin. It will signal our intention to eliminate all barriers to the full participation of older workers so that employment is an option for all ages.

I urge my colleagues to join us in pressing for early consideration and passage of this important legislation.●

● Mr. GRASSLEY. Mr. President I enthusiastically join the chairman of the Senate Special Committee on Aging in again bringing before the Senate, as we did in the last Congress, a bill to amend the Age Discrimination in Employment Act of 1967 to eliminate mandatory retirement and other forms of age discrimination in employment.

It has never been clear to me why an arbitrary age limit is used to force retirement of working, productive Americans rather than an honest appraisal of their ability, competence, and productivity. I think many employers follow the more fair and responsible criteria for retirement. Certainly this has been the findings of the Senate Special Committee on Aging in hearings held on this subject.

Even as this bill is presented to the 98th Congress we here in the Senate prepare for debate on the aspect of retirement—social security—yet we here must not lose sight of the contribution of work life and of life work to life as a whole. The need of human beings to drive and be challenged may diminish with advanced years but the cutoff point cannot be pinpointed for each of us at one specific age either by Government fiat or private pension actuaries. Older Americans like our youth have a role to play in the realization of our Nation's best interests, a responsibility from which no one retires.●

By Mr. RIEGLE:

S. 833. A bill to amend the Bretton Woods Agreements Act; to the Committee on Foreign Relations.

BRETTON WOODS AGREEMENTS

Mr. RIEGLE. Mr. President, Congress will soon consider legislation to increase the U.S. quota in the International Monetary Fund by $5.8 billion and the U.S. commitment to the general arrangements to borrow by $2.6 billion. The total increase in U.S. commitments would be $8.4 billion.

The purpose of the enlarged IMF quota and GAB is to assist countries with huge international debts to meet debt-service obligations and maintain essential imports while taking economic measures to reduce their balance-of-payments deficits. The adjustment measures which debtor countries are required to adopt in order to obtain credit from the International Monetary Fund often include actions which reduce U.S. exports to the debtor nation, at least temporarily.

The question of support for the added IMF resources cannot be divorced from the question whether IMF conditionality—the economic policies the Fund insists that borrowing countries follow—is fully consistent with the open trading system the Fund was intended to foster. The countries which are drawing major credits from the Fund impose many tariff and nontariff restrictions which hinder U.S. exports. These practices are directly harmful to the U.S. economy; they are inefficient and costly measures which are inconsistent with pledges these debtor countries have made in the General Agreement on Tariffs and Trade or in other international agreements, including the articles of agreement of the International Monetary Fund concluded in Bretton Woods, N.H., in 1944.

The United States has an enormous and growing trade deficit, which may reach as high as $100 billion this year. The trade deficit, part of which is due to foreign barriers to U.S. exports, is a peril to U.S. economic recovery. Recovery in the United States could both assist and benefit from economic resurgence in the developing countries as well as in Europe and elsewhere. But if recovery is not to be jeopardized by a new spate of import-restricting measures in the developing countries, the International Monetary Fund must be far more attentive to reducing trade restrictions. Borrowing countries should not be allowed to impose new trade barriers as part of their economic adjustment programs. In fact, the IMF ought to insist that borrowing countries establish a fixed and speedy timetable for dismantling their import restrictions.

I am introducing legislation to amend the Bretton Woods Agreement Act to insure that the U.S. vote in the IMF is cast in favor of economic policies which will lead to elimination of foreign countries' trade practices which harm the U.S. economy. If American taxpayers are expected to help pay the bills for keeping the international economy functioning, then American taxpayers are entitled to assurance that the funds will not finance foreign trade barriers which would steal their jobs.

My legislative proposal not only directs the Treasury Department to issue special instructions to the U.S. executive director of the Fund, but also directs the U.S. Trade Representative's Office, and the Department of Labor, and the Department of Commerce to report to the U.S. executive director on the policies of IMF member countries which adversely affect U.S. exports and jobs. I believe the U.S. executive director should consult regularly with those agencies of the U.S. Government with trade expertise and responsibilities.

ADDITIONAL COSPONSORS

S. 144

At the request of Mr. DANFORTH, the names of the Senator from South Carolina (Mr. THURMOND), and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of S. 144, a bill to insure the continued expansion of reciprocal market opportunities in trade, trade in services, and investment for the United States, and for other purposes.

S. 248

At the request of Mr. DOMENICI, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 248, a bill to provide merit scholarships for students who are preparing to become elementary and secondary school teachers in mathematics and science, to provide experienced teacher awards to teachers of mathematics and science, to provide a block grant for the improvement of mathematics and science education in elementary and secondary schools of the States, and to establish State Commissions on Excellence in Mathematics and Science, and for other purposes.

S. 268

At the request of Mr. MCCLURE, the names of the Senator from Oregon (Mr. HATFIELD) and the Senator from Montana (Mr. MELCHER) were added as cosponsors of S. 268, a bill to authorize the Secretary of the Interior to construct, operate, and maintain hydroelectric powerplants at various existing water projects, and for other purposes.

S. 422

At the request of Mr. JEPSEN, the names of the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Montana (Mr. MELCHER), the Senator from Mississippi (Mr. COCHRAN), and the Senator from Nevada (Mr. LAXALT) were added as cosponsors of S. 422, a bill to amend title 18 of the United States Code to pro-

vide a criminal penalty for robbery of a controlled substance.

S. 571

At the request of Mr. ROTH, the name of the Senator from Alabama (Mr. HEFLIN) was added as a cosponsor of S. 571, a bill to amend the Federal Property and Administrative Services Act of 1949 to make Federal surplus property more accessible to local emergency preparedness and volunteer firefighting organizations and to authorize and direct the Federal Emergency Management Agency to recommend available Federal surplus to the Administrator of the General Services Administration, and for other purposes.

S. 616

At the request of Mr. DURENBERGER, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 616, a bill to promote the use of solar and other renewable forms of energy developed by the private sector.

SENATE JOINT RESOLUTION 11

At the request of Mr. ROTH, the names of the Senator from Maryland (Mr. SARBANES), the Senator from New York (Mr. MOYNIHAN), and the Senator from Alabama (Mr. HEFLIN) were added as cosponsors of Senate Joint Resolution 11, a joint resolution entitled "National Safety in the Workplace Week."

SENATE JOINT RESOLUTION 35

At the request of Mr. HUDDLESTON, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of Senate Joint Resolution 35, a joint resolution designating the week beginning March 20, 1983, as "National Mental Health Counselors Week."

SENATE JOINT RESOLUTION 38

At the request of Mr. HEINZ, the names of the Senator from South Dakota (Mr. PRESSLER) and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of Senate Joint Resolution 38, a joint resolution to declare March 18, 1983, as "National Energy Education Day."

SENATE JOINT RESOLUTION 43

At the request of Mr. DOMENICI, the names of the Senator from Alaska (Mr. MURKOWSKI), the Senator from Kansas (Mr. DOLE), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from New York (Mr. D'AMATO) were added as cosponsors of Senate Joint Resolution 43, a joint resolution to declare Baltic Freedom Day.

SENATE JOINT RESOLUTION 49

At the request of Mr. PERCY, the names of the Senator from South Carolina (Mr. THURMOND), the Senator from Arkansas (Mr. BUMPERS), the Senator from North Carolina (Mr. EAST), and the Senator from Alaska (Mr. MURKOWSKI) were added as cosponsors of Senate Joint Resolution 49, a joint resolution to authorize and request the President to proclaim the week of April 10-16, 1983, as "A Week of Remembrance for the 40th Anniversary of the Warsaw Ghetto Uprising."

SENATE JOINT RESOLUTION 57

At the request of Mr. CHILES, the names of the Senator from North Carolina (Mr. EAST), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of Senate Joint Resolution 57, a joint resolution to designate the week of April 3, 1983, through April 9, 1983, as "National Drug Abuse Education Week."

SENATE RESOLUTION 72

At the request of Mr. KENNEDY, the name of the Senator from Massachusetts (Mr. TSONGAS) was added as a cosponsor of Senate Resolution 72, a resolution to assure Israel's security, to oppose advance arms sales to Jordan, and to further peace in the Middle East.

SENATE RESOLUTION 90

At the request of Mr. MATHIAS, the names of the Senator from New York (Mr. MOYNIHAN) and the Senator from Massachusetts (Mr. TSONGAS) were added as cosponsors of Senate Resolution 90, a resolution expressing the sense of the Senate that the Soviet Government should immediately release Anatoly Shcharansky and allow him to emigrate.

AMENDMENT NO. 491

At the request of Mr. PELL, the name of the Senator from Florida (Mrs. HAWKINS) was added as a cosponsor of amendment No. 491 proposed to H.R. 1718, a bill making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes.

AMENDMENT NO. 512

At the request of Mr. LONG, the names of the Senator from Montana (Mr. BAUCUS), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Illinois (Mr. DIXON), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Tennessee (Mr. SASSER), the Senator from Virginia (Mr. TRIBLE), and the Senator from Massachusetts (Mr. TSONGAS) were added as cosponsors of amendment No. 512 intended to be proposed to S. 1, a bill to implement the consensus recommendations of the National Commission on Social Security Reform. At the request of Mr. RIEGLE, his name was added as a cosponsor of amendment No. 512 intended to be proposed to S. 1, supra.

SENATE CONCURRENT RESOLUTION 18—RELATING TO THE CABINET COUNCIL ON ECONOMIC AFFAIRS

Mr. HEINZ (for himself and Mr. RIEGLE) submitted the following concurrent resolution; which was referred to the Committee on Governmental Affairs:

S. CON. RES. 18

Whereas, small business is considered to be one of the most productive sectors of our economy—comprising 97 percent of the total American businesses, employing over half of the current U.S. labor force and offering 90 percent of all new jobs in this country;

Whereas, small business represents nearly half of the total Gross National Product and controls approximately 50 percent of all business assets;

Whereas, small business tends to be highly susceptible to the fluctuations of overall economic activity;

Whereas, current high interest rates cause severe cash flow problems for small businesses;

Whereas, small business bankruptcies are at record high levels since the depression;

Whereas, small business is the greatest source of innovative productivity—accounting for at least half of all major innovations;

Whereas, the future of our economy will depend a great deal on the viability of small businesses; and

Whereas, the Cabinet Council on Economic Affairs is the principle advisory body to the President on economic, fiscal and monetary policies;

Therefore be it resolved, by the Senate (the House of Representatives concurring), That the President invite the Administrator of the Small Business Administration to participate fully in the meetings of the Cabinet Council on Economic Affairs.

Mr. HEINZ. Mr. President, today is an important day for America. Today, in my home town of Pittsburgh, over 200 of the Nation's small business leadership are in attendance at the annual meeting of Small Business United. It is the first major meeting of its kind since the economy has begun to show signs of life.

In recent years, high interest rates and the recession have taken a heavy toll on small business. Bankruptcies climbed to record levels. The slowing down of these vital engines of economic progress, jobs creation, and innovation has been felt in every community across the country.

If we are to have a strong, enduring economic recovery, we must attend to the future of small business. Every piece of legislation which passes Congress must recognize the vital role of small business entrepreneurship in our society.

In recognition of the importance of small businesses, the Senate recently elevated the Select Small Business Committee to the status of a full committee. Under the careful stewardship of its distinguished Chairman, Senator LOWELL WEICKER, the Small Business Committee has provided the full

Senate with advice and insight that is critical to our shaping of intelligent and realistic economic and regulatory policies that foster instead of discourage small business.

As one gentleman who runs his own small business said to me "We are not coming to the Government for a handout; we have come to Washington to get your hand out of our pocket, and to get your shackles off our feet." Small business is part of America's solutions, not our problems.

The concurrent resolution I am submitting today calls upon the President to invite the Small Business Administrator to participate fully in the Cabinet Council on Economic Affairs. I believe that the advice provided to the President by this important group cannot be completed without a firm understanding of the needs and viewpoints of small business.

Mr. President, I am sure that my distinguished colleagues in the House and Senate understand the importance of this measure and I look forward to their support and cosponsorship.

AMENDMENTS SUBMITTED FOR PRINTING

SOCIAL SECURITY ACT AMENDMENTS

AMENDMENT NO. 516

(Ordered to be printed.)

Mr. DOLE proposed an amendment to the bill (H.R. 1900) to assure the solvency of the Social Security Trust Funds to reform the medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes.

AMENDMENT NOS. 517 THROUGH 519

(Ordered to be printed and to lie on the table.)

Mr. QUAYLE submitted three amendments intended to be proposed by him to the bill H.R. 1900, supra.

ASSISTING THE LONG-TERM UNEMPLOYED

Mr. QUAYLE. Mr. President, I am today sending to the desk, three amendments which I plan to offer to the social security bill when it comes before the Senate.

In his State of the Union address, the President said "we must offer both short-term help and long-term hope for our unemployed." That is precisely what my amendments will do. Two of my amendments are designed to provide short-term help to the unemployed; the other provides long-term hope.

These amendments are derived from a series of hearings that the Subcommittee on Employment and Productivity which I chair held on Federal job creation programs and specifically from the provisions of S. 242 "The Employment Opportunities Act of 1983."

INDIVIDUAL RETIREMENT ACCOUNTS

The first amendment I plan to offer will allow the long-term unemployed the opportunity to withdraw contributions to an individual retirement account without tax penalty. This will help the long-term unemployed by giving access to funds set aside for retirement. When the workers are surrounded by rainy days, the thoughts of their golden years are far away. Since they have demonstrated a willingness to set that money aside, we should allow them access to it in such an emergency.

This amendment will improve the effectiveness of individual retirement accounts as a savings incentive by making them more attractive in the future to individuals most likely to be affected at the margin. I feel it is important for all of my colleagues to know that the administration supports and is sympathetic to the ideas incorporated in this amendment. The Department of the Treasury, in a letter to me, has estimated that the revenue loss from this proposal will be negligible over the next few years.

I would like to quote from that Treasury Department letter to give my colleagues an opportunity to read the comments of the administration:

> Subject to some modification of the eligibility requirements, the Administration supports the proposed exemption from the 10 percent early withdrawal penalty for dislocated workers. IRA's are intended to encourage savings for retirement. However, many individuals may be unwilling to commit their limited retirement savings if they must bear an additional tax upon withdrawal in a time of emergency, such as long-term unemployment * * * The proposed legislation would encourage these individuals to establish IRA's by allowing them to get their money without penalty in the event of long-term unemployment.

The amendment has been drafted so as to meet the objections of the Treasury to the provisions of S. 242.

REEMPLOYMENT VOUCHERS

I have a second amendment to provide a short-term help to the long-term unemployed. That amendment will allow Federal supplemental compensation recipients the option of receiving an employment subsidy in the form of a reemployment voucher. The voucher would carry a value equal to 75 percent of the maximum potential Federal supplemental compensation benefits to which the individual would have been entitled and could be chosen in lieu of Federal supplemental compensation payments. Federal supplemental compensation recipients could then present the vouchers to potential employers who then would receive the value of the voucher in quarterly installments once the individual is hired.

A new approach to promoting jobs for the long-term unemployed is long overdue. There are different classes of individuals among the unemployed who face different problems. Passage of this amendment will demonstrate our recognition that what is appropriate for the recently laid off worker does not necessarily meet the needs of those who have long been unable to secure employment—and that it is time to try new approaches to dealing with the problems faced by the long-term unemployed.

This amendment will not overcome low demand for workers. But it will target employment to the long-term unemployed. Indeed, many witnesses at hearings before the Employment and Productivity Subcommittee commented that the voucher I propose should enjoy relative success. Here are some of the reasons they gave.

First, because the voucher contains a 10-month payout period, it will promote the long-term job attachment for persons employed through the voucher program.

Second, the reemployment voucher will be attractive to small businesses as well as large ones because it can be used independently of any tax liability and without fear of IRS involvement.

Third, it is designed to assure that vouchered employees are not assigned to work for less than 30 hours per week.

Fourth, contrary to popular speculation, while employers may take employment subsidies into consideration when making hiring decisions, studies of past programs show that they do not take them into consideration when making firing decisions. Thus, the problem of displacement should not be a serious one.

Fifth, the voucher contains provisions to prevent substitution which has plagued other self-marketing employment tools.

I have my own beliefs about why employers will be attracted to the reemployment voucher. Two of the best reasons I know are that it is simple to use and provides up front money to offset employment costs while the economy is recovering.

Persons who do the hiring will be able to understand the direct advantage of the voucher without consulting an attorney or an accountant. There is positive feedback for employers too, benefits to the employer begin within 1 month of the date an individual is hired. Another reason employers will like it is that they will not have to deal with the Federal Government, but only with the State Employment Security Agency.

There are advantages for potential employees, too. For one, the voucher is broadly targeted to all long-term unemployed persons and thus will overcome the negative connotations associated with groups targeted for employment assistance under other self-marketing employment tools such as TJTC and new jobs tax credit. It

makes the Federal supplemental compensation recipient a more attractive potential employee. The worker can essentially buy a job by choosing to use the unemployment benefits to subsidize the employer's cost in hiring. In return, the employee receives a job that pays a wage which is higher than his unemployment benefits and the job will last, at least 1 year, longer than the unemployment benefits are available. Ultimately, if he is unable to find a job, he can convert the voucher back into income maintenance benefits.

If we enact this amendment, we will be helping to make the Federal general revenue funded unemployment benefit payments into a more flexible instrument and thus more useful to the unemployed. It can be only used for income maintenance now, with the amendment we can at least, give the recipient the option of using it as an employment tool.

The voucher has the potential to stimulate employment of the long-term unemployed while at the same time, saving money for the taxpayer. But most of all it is a new idea and one that we should at least try.

TRAINING

A third amendment which I plan to offer is designed to promote retraining for the Federal supplemental compensation beneficiaries.

This amendment provides long-term hope for all unemployed and rectifies an inequity in current law. Under current law Federal supplemental compensation recipients may be disqualified from benefits if they enroll in training, unless the State Employment Security Agency has first approved the training. State agencies have had very mixed records on such approvals. Under my amendment, Federal supplemental compensation recipients who enroll in training could not be disqualified from receiving benefits unless the State agency determined that the training will not improve the beneficiary's opportunities for employment.

We must encourage the long-term unemployed to take advantage of training opportunities—not require them to wait until a Government agency has found a program for them.

Mr. President, I ask unanimous consent that the amendments be printed in the RECORD.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

AMENDMENT No. 517

At the end of title IV add the following new section:

SPECIAL PROVISIONS FOR DISLOCATED WORKERS WITH RESPECT TO INDIVIDUAL RETIREMENT ACCOUNTS

SEC. 423. (a) Notwithstanding any other provision of the Internal Revenue Code of 1954, a dislocated worker having documentation issued by the Secretary under this section, may withdraw contributions to, and interest on, an individual retirement account established in accordance with the provisions of section 408 of the Internal Revenue Code of 1954, without incurring the tax penalty under section 408(f) of the Internal Revenue Code of 1954.

(b) For purposes of subsection (a), an individual is a dislocated worker if such individual—

(1) has at least twenty quarters of coverage under title II of the Social Security Act;

(2) has been employed for 26 weeks; and

(3) is certified by the appropriate local office of the United States Employment Service or by the last employer of the individual as not likely to be reemployed within six months of his termination of employment.

(c) The Secretary shall provide for the issuance of documentation to individuals identified as dislocated workers.

AMENDMENT No. 518

On page 234, after line 23, insert the following new section:

REEMPLOYMENT VOUCHERS

SEC. 404. The Federal Supplemental Compensation Act of 1982 is amended by adding at the end thereof the following new section:

"REEMPLOYMENT VOUCHERS

"SEC. 507. (a)(1) Any recipient may, not later than one month after the recipient is eligible to receive Federal supplemental compensation, elect to receive a voucher in accordance with the provisions of this section. Each recipient may receive counseling with respect to the reemployment voucher authorized by this section from the appropriate United States employment service office.

"(2) The amount of the voucher under this section shall be equal to 75 per centum of the maximum potential benefit of the recipient (less any Federal supplemental compensation that the recipient has received prior to his election to receive a reemployment voucher under this section).

"(3) The appropriate State agency shall issue a voucher authorized by this section to any recipient making an election under paragraph (1) of this subsection.

"(b) The State agency shall, subject to subsection (c), pay to each employer making a certification under subsection (d) the amount of the voucher issued under this section to each employee of that employer in accordance with the payment schedule contained in subsection (e).

"(c) No payment on account of a voucher issued under this section may be paid to any employer who was an employer of the recipient during the recipient's base period as defined under the unemployment compensation law of the State.

"(d) No payment on account of a voucher may be paid to any employer of any employee having a voucher issued under this section unless the employer certifies to the State agency—

"(1) that the employment of the employee issued a voucher under this section—

"(A) will not result in the displacement of currently employed workers (including partial displacement such as the reduction in the hours of nonovertime work or wages or employment benefits); or

"(B) will not result in hiring such an employee to fill a job opening created by the action of the employer in laying off or terminating the employment of any regular employee;

"(2) the date on which the employment of such employee began; and

"(3) that the employee has been employed by the employer for an average of thirty hours a week for the period for which the payment is made.

"(e) The State agency shall pay to the employer of each employee who is a recipient having a voucher issued under this section—

"(1) 25 per centum of the face value of the voucher within one month after the hiring of the recipient by the employer;

"(2) 25 per centum of such face value three months after the date of the payment described under clause (1);

"(3) 25 per centum of such face value three months after the second payment described in clause (2); and

"(4) the remaining 25 per centum of such face value three months after the third payment described in clause (3).

"(f) (1) Any recipient who—

"(A) is unable to use the voucher issued by the State agency under this section, or

"(B) after the voucher has been issued is laid off without cause,

may return the unused voucher to the State agency in order to qualify for payments under this subsection.

"(2) Any recipient described in paragraph (2) shall be eligible to receive the remainder of his Federal supplemental compensation reduced by—

"(A) the amount of payments made to the employer under subsection (e) of this section; or

"(B) the amount which the recipient would have received had he been receiving Federal supplemental compensation for the period.

"(g) The Secretary shall carry out a program of public information to encourage business concerns to participte in the voucher program authorized by this section.

"(h) For purposes of this section—

"(1) The term 'Federal supplemental compensation' means only compensation paid to individuals under this Act for weeks beginning after March 31, 1983.

"(2) The term 'maximum potential benefit' means an amount equal to the lesser of—

"(A) 65 per centum of the total amount of regular compensation (including allowances for dependents) payable to an individual with respect to the benefit year (as determined under State law) on the basis of which the individual most recently received regular compensation; or

"(B) the applicable limit specified in section 602(e)(2)(A)(ii), multiplied by the average weekly benefit amount of the individual (as determined for the purpose of section 202(b)(1)(C) of the Federal-State Extended Unemployment Compensation Act of 1970) for his benefit year.

"(3) The term 'recipient' means any individual eligible to receive Federal supplemental compensation.

"(4) The term 'State agency' means the agency receiving grants under title III of the Social Security Act.".

AMENDMENT No. 519

On page 234, after line 23, insert the following:

TRAINING

SEC. 404. Section 602 of the Federal Supplemental Compensation Act of 1982 is amended by adding at the end thereof the following new subsection:

"(g) The payment of Federal supplemental compensation shall not be denied to any

recipient for any week because the recipient is in training or attending an accredited educational institution, or because of the application of State law to any such recipient relating to the availability for work, the active search for work, or the refusal to accept work on account of such training or attendance, unless the State agency determines that such training or attendance will not improve the opportunities for employment of the recipient.".

By Mr. TOWER, from the Committee on Armed Services:

Benard A. Maguire, of Virginia, to be Associate Director of the Federal Emergency Management Agency.

Mr. TOWER. Mr. President, from the Committee on Armed Services, I report favorably the following nominations: Vice Adm. James R. Sanderson, U.S. Navy (age 58) to be placed on the retired list; in the Marine Corps there are 8 permanent promotions to the grade of brigadier general (list begins with Richard M. Cooke); in the Marine Corps there are 11 permanent promotions to the grade of brigadier general (list begins with John P. Monahan); and Maj. Gen. Forrest S. McCartney, U.S. Air Force, to be lieutenant general. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, in addition, in the Navy and Naval Reserve there are 24 appointments to the grade of commander and below (list begins with Jeffrey S. Huskins); in the Regular and Reserve of the Air Force there are 23 appointments/promotions to the grade of colonel and below (list begins with David G. Alexander); in the Army Reserve there are 318 promotions to the grade of colonel and below (list begins with James P. Batista); in the Marine Corps there are 302 appointments to the grade of captain and below (list begins with Robert S. Abbott); and in the Army there are 120 appointments to the grade of colonel and below (list begins with Paul M. Balson). Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk are printed in the RECORD of February 16 and March 8, 1983, at the end of the Senate proceedings.)

AMENDMENT NO. 520

(Ordered to be printed.)

Mr. BRADLEY proposed an amendment to the bill H.R. 1900, supra.

AMENDMENT NO. 521

(Ordered to be printed.)

Mr. SYMMS proposed an amendment to the bill H.R. 1900, supra.

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet on Wednesday, April 6, 1983, at 9:30 a.m., in SR-301, Russell Building, to receive testimony on the Federal Election Commission's fiscal year 1984 budget authorization request.

For further information, please contact the elections staff of the Rules Committee at 224-3449.

SUBCOMMITTEE ON AGRICULTURAL CREDIT AND RURAL ELECTRIFICATION

Mrs. HAWKINS. Mr. President, I wish to announce that the Senate Agriculture Subcommittee on Agricultural Credit and Rural Electrification will hold hearings on farm credit needs on Wednesday, March 23.

The hearing will begin at 9:30 a.m. in room 328-A, Russell Building.

Anyone wishing further information should contact the Agriculture Committee staff at 224-2035.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, March 16, at 10 a.m., to receive the Postmaster General's annual report.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL TRADE

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on International Trade of the Committee on Finance be authorized to meet during the session of the Senate on Thursday, March 17, at 2 p.m., to hold an authorization oversight hearing for the authorization of appropriations for the U.S. Trade Representative, the U.S. Customs Service, the U.S. International Trade Commission, and oversight of the firm and worker trade adjustment assistance program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Wednesday, March 16, at 10 a.m., to hold a hearing on the workfare program.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CAMPFIRE CELEBRATES ITS 73D ANNIVERSARY TODAY

● Mr. EAGLETON. Mr. President, Campfire, founded in 1910 as Campfire Girls by Luther Halsey and Charlotte Vetter Gulich, celebrates its 73d anniversary today. More than 300 chartered councils in communities all across this country bring enriching programs to half a million young people, both girls and boys.

The purpose of Campfire is to provide, through a program of informal education, opportunities for young people to realize their potential and to function effectively as caring, self-directing individuals responsible to and for themselves and others. Membership in Campfire is open to everyone regardless of race, creed, national orgin, or sex.

One of the strengths of Campfire is its flexibility in allowing local councils to tailor programs to meet local needs. For example, in Walla Walla, Wash., the council of Campfire decided to reach out to children of migrant and seasonal farmworkers who lived in an isolated, rural farm labor camp to create an informal educational and recreational program to help these children, often with limited English-speaking ability, to improve their English language usage and develop personal health and social skills. Participation in these programs increased 300 percent from 1979 to 1980. Another example of the fine programs that Campfire sponsors is in Dayton, Ohio. There, the local council has developed a Campfire program for exceptional children from kindergarten through high school. The program serves the hearing impaired, visually impaired, mentally retarded, learning disabled, and orthopedically and multiple-handicapped boys and girls by bringing a program to them in their own schools which emphasizes self-awareness, self-help, decisionmaking, and social skills. In addition, the program involves these handicapped young people with the other Campfire groups in the Dayton area through day camp and resident camp to learn outdoor skills.

A third example of what I believe to be an exemplary Campfire program is conducted in Alameda, Calif. Campfire operates a summer camp there for children suffering from cancer. Although one major benefit of the program is to give parents of these children some respite from the problems they face on a day-to-day basis in dealing with a very ill child, the program is of great benefit to the children themselves in teaching them that despite their illness, they can have fun and learn how to better cope with their illness.

A final example I wish to bring to the attention of the Senate is a Campfire program called Pride of Ottawa in Ottawa, Ill. Through this program, young people learn how merchants, police, and other law enforcement officials are affected by vandalism and shoplifting, and are helped to become more aware of the consequences of such actions. Another aspect of this program involves a group community beautification project through which Campfire members clean up parks, plant flowers, paint fire hydrants, and the like.

Mr. President, I have a parochial interest in Campfire, in that it moved its headquarters from New York to Kansas City, Mo., in 1977. It is the oldest national organization developed to address problems and issues facing young people and to advocate on behalf of youth. I want to extend my congratulations to Campfire and all its members as they celebrate another milestone in their countinuing efforts to improve the quality of life for young people and their communities.●

THE HOMELESS

● Mr. DURENBERGER. Mr. President, it has been a long time since anyone, within the administration or without, has suggested that Americans "vote with their feet" in answer to the problems of fiscal disparities; that is, the existence of widely unequal resources and tax burdens among our Nation's States and cities, causing wide variation in revenues, services, and opportunities. Yet today, for perhaps tens of thousands of Americans, homeless job searching has become a way of life. It is a fact poignantly documented by Iver Peterson in the New York Times of December 15, 1982. The sad twist to this growing national tragedy is that advance action could have, at the least, reduced its magnitude.

By refusing to address fiscal disparities we have for some time encouraged migration of industry and opportunity to resource and energy-rich States while leaving other areas, with fewer resources and lower fiscal capacity, unable to compete. We should have shown the courage and foresight to adopt effective policies aimed at reducing these jurisdictional inequities when times were good.

Now times are bad. Those resource-rich States who last year were only too happy to accept migrating businesses—attracted partially by hefty tax breaks—are reluctant to accept their share of our poor, our jobless, our homeless. America's "swelling tribe of nomads" profiled in the Times article, like James Thom and his family from the recession-plagued Iron Range in northern Minnesota, now finds itself unwelcome in Phoenix, Dallas, and Oklahoma City.

Besieged local administrators pass ordinances discouraging the jobless from seeking opportunity in their cities. One proposal is to spray garbage with kerosene to make sure the poor and hungry cannot eat it. Spraying garbage with kerosene is not the answer.

Mr. President, I have long advocated a national policy of alleviating fiscal disparities by targeting Federal funds not according to pork barrel politics, but according to jurisdictional and human needs. The recession brought the mass of migrating Americans to a critical level, but the recession did not initiate the problem. Minnesotans do not want to uproot their families and move to States where oil, gas, coal, and other natural wealth is taxed instead of property and income. Like citizens of the other fiscally "disadvantaged" States, Minnesotans want to stay home and solve their own problems. But they need their industry, their tax base, and their job opportunities to do so.

Those States and cities that now find themselves deluged with unemployed workers and their families should take note; with growth comes responsibility. If these jurisdictions are to be able to continue their pursuit of prosperity at the expense of their neighbors, they should be neither surprised nor hardhearted when their neighbors' problems wind up at their doorstep.

I ask that the New York Times article be printed in the RECORD at the conclusion of my remarks. We can draw important lessons for the future course of public policy from the American tragedy it illustrates. There is a great need for humane and sensible fiscal equalization policies that minimize the potential for economic disruption and involuntary displacement in places like the Iron Range. Clearly, we are seeing too many Americans "vote with their feet."

Thank you, Mr. President.

The article follows:

[From the New York Times, Dec. 15, 1982]

HOMELESS CRISSCROSS UNITED STATES, UNTIL THEIR CARS AND THEIR DREAMS BREAK DOWN

(By Iver Peterson)

DENVER, December 14.—Across the country, in church shelters, abandoned buildings, in broken-down cars with license plates from faraway, the tide of homeless Americans is rising.

They are the victims of darkened factories in the industrial Middle West, of cuts in welfare benefits that force them out of tenements in Chicago, of the renovation of old transient hotels on Manhattan's Upper West Side. They are migrant tobacco workers stranded in Springfield, Mass., and idled lumbermen who have lost their houses in the Northwest.

And they make up a swelling tribe of nomads, victims of an often-broken dream that a job, a home in time for Christmas, awaits them at the next city, if only they could get there.

"The problem is dire and it is getting worse," said Robert M. Hayes, head of the National Coalition for the Homeless in New York. "We've seen estimates that there are between a half million to two million homeless people in the country, but the number is irrelevant because whatever the number is, it is perfectly clear that the need is far greater than the help that is available."

On Wednesday, the first Congressional hearing on homelessness in America since the Depression will be held by the House Subcommittee on Housing and Economic Development.

Officials say there may be 36,000 homeless men and women and 20,000 homeless children on the streets of New York City alone, where the lack of affordable housing has greatly contributed to the problem. In one case on Long Island, Mr. Hayes says, the father became disabled and lost his income, forcing the family to live in a pickup truck at a shopping mall.

Mr. Hayes's group went to court last month in an attempt to force Nassau County to provide emergency shelter for homeless families, as it succeeded in doing in New York City. The city uses five or six hotels to house families who have lost their homes to fire. Armories, opened two winters ago for families whose homes had no heat, have become part of the shelter system.

The alleys and rail yards of major cities have long harbored destitute men, the hobos and derelicts that have long influenced the public's perception of homelessness.

But church and welfare workers are now talking about the "new poor" and the "new homeless." The officials say that while many of the homeless stay put in the communities where they once knew better times, an increasing number are taking to the road.

"These are families who had been fairly stable in their jobs and skills, people who may have been moving up an employee ladder and seemed to be heading somewhere," said Les Jones, head of the Denver Traveler's Aid office.

"They could be auto assemblers or steel workers or service workers used to fairly good pay who lost their jobs in the recession," he said. "At first they stayed at home, eating into their resources, waiting for the job to come back, and finally, when their money is almost all gone, they pile into the car and head for someplace else, for out here, looking for, hoping for, the $10-$12 an hour job they had before."

But, Mr. Jones said, those jobs are not here either, or in Tucson, Oklahoma City, Houston, or any of the other western cities that have lured men and women in boom times. New migrants are met by scarce minimum-wage jobs, hard-to-find and expensive housing, and few government services.

"LOOK AT WHERE WE ARE NOW"

"If you can believe it," said James Thom, lately of Ely, Minn., "last August we owned our own house and a service station on the busiest intersection in town. Owned them both, and look at where we are now."

Now the only thing Mr. Thom owns is the broken-down 1957 Chevrolet school bus parked behind the St. Vincent de Paul church center in Denver's Hispanic neighborhood.

The bus is their home. In it Mr. Thom and his wife, Bonnie Sue, and their children, 18-month-old Nicholas and six-year-old Jessica shiver through the deepening winter nights and while away the pale mountain days

trying to find the money to buy the gas and transmission parts that would get them to Tucson and the jobs they believe they can find there.

The Thoms are victims of the industrial recession. Ely lies in the Minnesota Iron Range, and as the economy slowed down, demand for steel faltered. Ely's six iron mines, along with many others on the Range, shut down. A lot of Ely businesses, including Mr. Thom's filling station, were forced to close too. "A laid-off miner isn't driving to work anymore and he sure isn't buying much gas," Mr. Thom said.

"WE WANT TO GET MOVING ON"

"We heard all about the jobs there were in Colorado and Arizona," added Mrs. Thom, who had just returned from an unsuccessful attempt to get free government surplus cheese. "But if the jobs are here, we sure can't see them. That's why we want to get moving on, only"—she smiled ruefully—"we can't do that either."

Dan Hancock, who had a factory job in Newark until last year, said: "The way we get by is I go behind the supermarkets where they throw away a lot of good fruit and vegetables, and I can get the stuff right out of the garbage dumpsters. If you get the right spices, I can make potato soup taste like clam chowder."

When he lost his job, he drifted to Texas, looking for work. There was none, but he met and married his wife Sue. With her daughter Donna they moved to California, then to North Dakota, where a janitor's job lasted until this summer, and then to a carnival job in Clackamas County, Ore., outside Portland.

But then the carnival closed for the winter, and the Hancocks live in a Portland hotel that has been made into a shelter for the homeless. They scrounge for food and worry about finding shoes for Donna who, because of their traveling, has not yet started school.

"THEY'RE CRYING AND FRUSTRATED"

"The problem is unbelievable," said Bill Lewis, housing director for Northwest Pilot Project Inc., a community service group. "Not a day goes by that I don't get a call from someone being evicted because of running out of rent.

And in Phoenix, Peggy Gearan, director of the St. Vincent de Paul Transient Aid Program, said: "It's gotten to crisis proportions. These people are going from California to Florida and from Florida to California, and they all pass through here, just like ants, moving all the time."

Ninety-two percent of the calls Mrs. Gearan gets come from stranded families, she said. "We pay for fixing up their cars, put in gas, and get them moving as fast as we can."

Phoenix has taken one of the most adamant stances against transients. At one point it closed all its public shelters and only recently, under pressure, allowed one to open.

UNWELCOME IN PHOENIX

The city also passed a law making it a misdemeanor to lie down in public. It has declared garbage public property, making it illegal to pick through it, and there have been proposals to spray the dumpsters with kerosene, making the refuse inedible, to discourage foraging.

The attitude is not unique to Phoenix. "The Bums Are Back," said a leaflet handed out by merchants near Chicago's People's Church, a shelter for the homeless.

Terry Sharp, of the Good Samaritan Shelter here, defended his homeless people. "We don't know and we don't ask what they've done in the past," he said. "If you're cold and hungry you get helped, but I suppose you might find some guys who started missing on their support payments and are running from that. But not much else."

CRIMES AND SUFFERING CHILDREN

Indeed, if crimes are committed, they are against the homeless. A young woman sleeping under a bridge here in town was found murdered last summer. Edward Langley, who said he has put 100,000 miles on his 1968 Rambler since he and his family left Michigan a year ago, said, "Getting your car broken into and vandalized is something you get used to when people know you're from out of state and have no place to go. They just figure we're bums anybody can pick on."

And the children suffer and not just from the lack of school or homes, or from the candy and sweetened cereals that seem to be a staple of charity donations at many shelters. They also suffer from the neglect of parents too preoccupied with their plight to care for them properly.

Holly Reed, seven months old, was one of those children. Last Monday she froze to death while sleeping in the car she lived in with her mother and father in the streets of Denver.●

HENRY C. COLE

● Mr. METZENBAUM. Mr. President, my hometown of Cleveland, Ohio, is a city well represented by different ethnic groups and their cultures. This diversity enriches the city and brings to it a strong sense of tradition, values, and pride. One particular stronghold of ethnic influence is the large and energetic Polish community, of which an important representative is the Cleveland Society of Poles, Inc. Founded in 1923, this group is composed of professionals and businessmen committed to fostering the traditions and cultures of Poland and to promoting principles of American citizenship. Every year this society gives a Polish Heritage Award to a deserving member of its community, selected as the "Good Joe of 1983." This year, the prestigious Cleveland Society Heritage Award will be presented to Henry C. Cole on Saturday, March 19, 1983, at a banquet in his honor.

I would like to say a few things about Henry Cole and to extend my personal congratulations to him for his contribution to promoting the cultural heritage of Poland and to upholding the principles of American citizenship. The award is in recognition of these values and one in which all members of the Polish community can take pride.

Henry Cole came to Cleveland at the age of 2, grew up there, married and in 1930 received his degree in pharmacy from Ohio Northern University. He has raised a family and established a business in Cleveland. A son and a daughter joined him in his profession and provide a tradition of their own with their family-owned drugstore, Cantius Pharmacy, located on the west side of Cleveland. Throughout his personal and professional life Henry Cole has been an upstanding citizen who deeply cares about the community in which he lives and serves.

Henry C. Cole is an active member of the Cleveland Academy of Pharmacy, Ohio State Pharmaceutical Association, the National Association of Retail Druggists, and other professional and community groups. Over his many years as a member of the Cleveland Society of Poles, he has actively and distinctively served in many capacities. His personal commitment and involvement in the affairs of the society have earned him the "Good Joe Award of 1983." This is the highest honor bestowed by the society to one of its members and I commend him for his endeavors and accomplishments on behalf of the Cleveland Society of Poles and the entire Polish community of Cleveland.●

TUITION FUND

● Mr. TSONGAS. Mr. President, over the last few years several attempts have been made to restructure our Nation's student loan and educational assistance program. Although those efforts reflect the current administration's desire to reduce Federal expenditures for funding higher education, they also reflect a lack of understanding of the basic needs of students and the difficulty many students have in accumulating the necessary resources to attend the college of their choice. While the administration offers a policy to reduce the cost of higher education to the Federal Government, they offer no real alternatives for helping needy students.

I firmly believe that this Nation has a responsibility to assist each and every student needing help in financing a college education. I do not believe we, as a nation, can afford to lose talented young people, because the cost of a college education is out of their reach. Furthermore, I believe every student that receives a federally subsidized loan has a moral and legal obligation to repay that loan as soon as is humanly possible.

John R. Silber, president of Boston University, has long supported the creation of a tuition fund. He has recently written an article which was published in the New York Times, outlining some of the features he envisions in such a fund.

Although I believe careful study should go into any plan to redefine the Federal role in funding higher education, I applaud President Silber's presentation of an alternative plan and his efforts to stimulate further discussion on this issue. I believe this

is a positive approach to looking at the problems of spiraling education costs, the future of the Federal Government's role in funding higher education, and the concept that those who directly benefit from funding assistance should help those who are in need.

Mr. President, I ask that President Silber's article be printed in the RECORD.

The article follows:

CREATE A TUITION FUND

(By John R. Silber)

BOSTON.—The United States faces a financial crisis in higher education: Tuition costs continue to rise beyond the ability of families to pay for a college education. A family with more than one child in college at the same time, or educating the second child before paying the debts incurred by the first, faces insupportable expenses. A national remedy is possible.

The average expense at an independent college was $6,000 last year. Two children in college require $12,000, or one-half the disposable income of the average family and more than the average family spends on services. While the average cost of college is $6,000, at many institutions expenses exceed $10,000. Two students at these schools consume all but $4,000 of the disposable income, and almost twice the amount the average family spends for services.

At present, the nation has a system of Federal and state loans whose future is clouded. Not only are students and parents worried about how to pay for college tuitions but also the availability of such loans is in doubt. Angry taxpayers are increasingly unwilling to foot the bill for defaulters who renege on education loans.

We can end this national larceny, while helping families—particularly middle income families—pay for the college of their choice. This can be done through a Federal program that might be called the Tuition Advance Fund.

The fund would provide tuition for any qualified student who wants it. Repayment, through the Internal Revenue Service, would be automatic and mandatory; this would build up a national endowment for education that would eventually remove the Government from the tuition subsidy business altogether.

Such a comprehensive plan is needed to remove financial barriers to higher education. If people believe, as I do, that the development of intellectual capital is essential to a free and prosperous society, then we can waste no time in establishing a system that fosters such development.

State colleges and universities have performed superbly in extending access to higher education, but we cannot look to the state sector to educate all children whose parents cannot afford the independent sector.

For one reason, we need to offer students a choice. The smallest state institutions are larger than all but the largest independent ones. For many students, education and personal fulfillment are best attained in the small colleges of the independent sector. Moreover, in many geographical areas, students lose access to variety in programs if denied access to the independent institutions. Students limited to the state sector must adjust their programs of study—thus, their life plans—to whatever is available rather than what they need. There is no moral justification for denying wide choice in higher education to all but the affluent.

There are also financial reasons why the nation cannot rely upon states to educate children priced out of the independent sector. A major migration into the state sector would force states' taxpayers to build redundant facilities and provide wasteful and overlapping operating subsidies.

Financial benefits conferred by higher education far exceed the cost of education, both to society and to the individual. The average college graduate earns over a lifetime several hundred thousand dollars more than the average high school graduate. It is entirely reasonable therefore that the greatest proportion of the cost of higher education should be borne by the person who receives it. But few students can afford to pay the cost of their education while they are receiving it, and few can afford to repay heavy loans at a high interest in a comparatively short period of time. When two graduates marry, they are burdened with a negative dowry approaching $50,000. With such debt, they might never be able to buy a house.

The solution to this problem is the establishment of a comprehensive national program for the financing of higher education through a federally initiated tuition endowment that would eventually become self-supporting.

Under the tuition advance plan, the Federal Government would set up a fund from which students could draw vouchers to cover most or all of their education expenses. Students would return these advances through payroll withholding over a fairly long period of time. There would be no interest charge in the conventional sense, but graduates would repay the loans at a small percentage of their income until they had repaid perhaps one and a half times as much as had been advanced. This excess payment would insure the Tuition Advance Fund against the actuarial certainties of premature death and unemployment. Because payment would be made through the highly efficient mechanism of the Internal Revenue Service, the possibility of defaulting would be slight.

Under this system, students would be dealt with as students rather than as children of their parents. Inevitably a certain proportion of children of affluent parents would be able to obtain advances just as they do now. But the rich, however defined, constitute only a tiny fraction of the populace and we should not deny educational benefits to the great majority of Americans merely in order to deny them to the rich. The Rockefellers, after all, are allowed to use interstate highways.

Within 15 years, repayments to the Tuition Advance Fund and investment income from it would equal the advances paid out. The endowment would then be a permanent supply of financial aid at no cost to the taxpayer. Such an endowment would meet conservatives' concern that those who receive the benefit should pay for it, in substantial part, liberals' concern that no one should be denied higher education for financial reasons, and the Reagan Administration's concern about reducing the Federal role in higher education.

Given the present state of the Federal budget, it would be naive to ask that Congress now appropriate money for start-up costs of the Tuition Advance Fund, but when prosperity returns this system for financing higher education would unravel the skein of problems in which we are enmeshed.●

150TH ANNIVERSARY OF REDFORD, MICH.

● Mr. RIEGLE. Mr. President, on March 21, the citizens of Redford, Mich., will celebrate the community's 150th year. It was founded in 1833, 4 years before Michigan became a State, by settlers who made their homes in this rich farming area adjacent to the city of Detroit.

This was a period of tremendous growth in Michigan, and the population increased from 30,000 in 1830 to 200,000 at the end of the decade. Throughout the 19th century, Redford remained a predominantly rural community whose growth paralleled that of its neighbor, Detroit.

The character of Redford changed as rural life gave way to the demands of the industrial age. Detroit became the motor city and Redford's farmers became the laborers in the factories that were begun in and around Detroit. Redford lost much of its geographical size when two-thirds of it was annexed to Detroit, but its people have never relinquished their identity nor forgotten the history of their community.

Today, Redford has a population twice that of Michigan in 1830, and it remains a vibrant, living community and I ask all of my colleagues to join me in recognizing the 150th anniversary of Redford, Mich.●

MINNESOTA! ELDERS WEEK

● Mr. BOSCHWITZ. Mr. President, on March 19, the senior citizens of St. Cloud, Minn., will open the celebration of "Minnesota! Elders Week" with a presentation of the musical "Minnesota," the result of a cooperative effort between youth at St. Cloud State University and the elderly at the Whitney Senior Citizens Center.

The spirit behind this event is noteworthy and, I think, deserves our attention and commendation. The event's producers have described their aims beautifully and I am pleased to quote them here: "In keeping with President Reagan's avowed goal of reducing government spending and government control in state and local affairs, this production provides an exciting example of people working together at the community level to 'do things for themselves' to help support their local institutions and to improve the quality of life on the home front."

Proceeds will be used for youth music scholarships and to help support the senior citizen center program for the elderly. The independence and cooperation demonstrated by those involved in this project is a fine example of the great good that can be accomplished when people work together for their community.

I hope that you will join me in saluting these good citizens.●

ALBERT KANEB: OUTSTANDING ACHIEVEMENTS FOR NEW ENGLAND AND THE NATION

● Mr. TSONGAS. Mr. President, Albert J. Kaneb will be honored on March 22 by the New England Fuel Institute for years of dedicated service and accomplishments as a corporate leader with extraordinary expertise in the petroleum industry. Al's outstanding community service is equally well known, admired and appreciated.

The New England Fuel Institute has conferred its distinguished service award on only 11 individuals in the past 22 years, Albert and John Kaneb being the most recent recipients. I ask to have printed in the RECORD the richly deserved praise contained in this citation.

The citation follows:

NEW ENGLAND FUEL INSTITUTE DISTINGUISHED SERVICE AWARD PRESENTED TO ALBERT J. KANEB, TRIBUTE AND CITATION

RESOLUTION

Whereas Albert J. Kaneb, President of Northeast Petroleum Industries, Inc., is highly regarded as one of the leading Executives of the Petroleum Product Marketing Industry, having given many years of devoted service in several capacities to Northeast Petroleum; the Industry and its Associations, and

Whereas his wise leadership and counsel helped shape local, state and even national programs of many leading Oil Trade Associations, including the New England Fuel Institute; the Independent Oil Men's Association; the National Oil Jobbers Council; the Better Home Heat Council; the Independent Gasoline Marketers Council; and others at state and local levels, and

Whereas he has devoted endless hours and unmeasured energy while contributing to many worthy causes involved with the Oil Marketing Industry and with other industries and with charities and eleemosynary organizations and institutions; through his outstanding leadership, counsel and advice, and

Whereas among his activities, he has served with considerable distinction, for many years as the President or Northeast Petroleum Inc., and as Chairman and President or Vice President on numerous associations; and as a member of the Board of Directors and Executive Committee of the New England Fuel Institute; providing thereby an unusual record of achievement for the Institute and other associations, and again

Whereas he has been a noted industry leader, advisor, producer and worker, and has helped many organization and industry programs in a remarkable manner, and

Whereas Albert J. Kaneb is a noteworthy, unique and outstanding example of an industry minded, public conscious, civic oriented representative of the Business and Association Worlds, therefore be it

Resolved That the entire Oil Heating Industry of New England and specifically the New England Fuel Institute, gratefully acknowledge his continued efforts on their behalf, over the years, and recognizes his significant contributions by bestowing upon him this Distinguished Service Award.

Mr. TSONGAS. Mr. President, it has been said that an institution is merely the lengthened shadow of one man. My colleague from Massachusetts would agree that as an institution, the New England Fuel Institute surely will always bear the lengthened shadows of two men, Albert Kaneb and his brother John Kaneb.●

PROGRAM

Mr. STEVENS. Mr. President, tomorrow the pending business will still be the Symms amendment, will it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. Is there provision for a period for routine morning business following the recognition of the two leaders?

The PRESIDING OFFICER. Under the previous order, the Senate will convene at 9 a.m. The leaders will have 10 minutes each, followed by a period for the transaction of routine morning business not to extend past 9:30 a.m.

Mr. STEVENS. So approximately at 9:30 a.m. we will be back on this bill and the Symms amendment will be the pending business?

The PRESIDING OFFICER. That is correct.

Mr. STEVENS. I thank the Chair.

RECESS UNTIL TOMORROW AT 9 A.M.

Mr. STEVENS. Mr. President, there being no further business to come before the Senate, I ask unanimous consent that the Senate recess, under the previous order, until 9 a.m. tomorrow.

There being no objection, the Senate, at 5:54 p.m., recessed until tomorrow, Thursday, March 17, 1983, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate March 16, 1983:

SMALL BUSINESS ADMINISTRATION

Mary F. Wieseman, of Maryland, to be Inspector General, Small Business Administration, vice Paul Robert Boucher, deceased.

IN THE NAVY

The following named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. James R. Hogg, [redacted] 1110, U.S. Navy.

The following named officer, under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. "M" Staser Holcomb, [redacted] 1310, U.S. Navy.

HOUSE OF REPRESENTATIVES—*Wednesday, March 16, 1983*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

For all the riches of our human experience, O Lord, we give our thanks; for all the beauties and joys of life, we offer our praise; for all the glories of creation, we speak this word of adoration. Make us aware, O Lord, of our responsibility as stewards of your divine gifts and we will faithfully and earnestly use our talents in ways that bring understanding to our world and peace to every soul. May Your love inspire us that justice will roll down as waters, and righteousness as an everflowing stream. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

REPORT ON RESOLUTION PROVIDING FUNDS FOR EXPENSES OF INVESTIGATIONS AND STUDIES BY STANDING AND SELECT COMMITTEES

Mr. ANNUNZIO, from the Committee on House Administration, submitted a privileged report (Rept. No. 98-34) on the resolution (H. Res. 127) providing amounts from the contingent fund of the House for expenses of investigations and studies by standing and select committees of the House in the 1st session of the 98th Congress, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION AUTHORIZING PRINTING AS HOUSE DOCUMENT OF REPORT ENTITLED "GIVE YOURSELF CREDIT (GUIDE TO CONSUMER CREDIT LAWS)"

Mr. GAYDOS, from the Committee on House Administration, submitted a privileged report (Rept. No. 98-35) on the resolution (H. Res. 83) authorizing the printing as a House document of the report entitled "Give Yourself Credit (Guide to Consumer Credit Laws)," which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION AUTHORIZING PRINTING AS HOUSE DOCUMENT OF COMMITTEE PRINT ENTITLED "OLDER AMERICANS ACT: A STAFF SUMMARY"

Mr. GAYDOS, from the Committee on House Administration, submitted a privileged report (Rept. No. 89-36) on the resolution (H. Res. 98) authorizing the printing as a House document of the committee print entitled "Older Americans Act: A Staff Summary," which was referred to the House Calendar and ordered to be printed.

PERMISSION FOR SUBCOMMITTEE ON ENVIRONMENT, ENERGY, AND NATURAL RESOURCES OF COMMITTEE ON GOVERNMENT OPERATIONS TO MEET TODAY DURING 5-MINUTE RULE

Mr. WISE. Mr. Speaker, I ask unanimous consent that the Subcommittee on Environment, Energy, and Natural Resources of the Committee on Government Operations be permitted to meet at 1 p.m., today for a public hearing, while the House conducts business under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. WALKER. Reserving the right to object, Mr. Speaker, can the gentleman tell me whether or not this has been cleared with the minority?

Mr. WISE. If the gentleman will yield, my understanding is that it has been cleared not only with the minority on the subcommittee but also with the minority leader's office.

The purpose of the hearing is simply that it was scheduled at 1 o'clock. The time of meeting of the House was changed. Also, there will be no markup and no votes taken. It is simply a hearing on the dependency of the United States on OPEC oil.

Mr. WALKER. But it has been cleared with the minority?

Mr. WISE. Yes.

Mr. WALKER. Mr. Speaker, in that case, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON WESTERN HEMISPHERE AFFAIRS OF COMMITTEE ON FOREIGN AFFAIRS TO MEET TODAY DURING 5-MINUTE RULE

Mr. BARNES. Mr. Speaker, I ask unanimous consent that the Subcommittee on Western Hemisphere Affairs of the Committee on Foreign Affairs be permitted to meet today while the House is proceeding under the 5-minute rule, for the purpose of holding a hearing. This request is made with the concurrence of the gentleman from California (Mr. LAGOMARSINO), the ranking minority Member on the subcommittee.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON ENERGY RESEARCH AND PRODUCTION OF COMMITTEE ON SCIENCE AND TECHNOLOGY TO SIT THIS AFTERNOON DURING 5-MINUTE RULE

Mrs. BOUQUARD. Mr. Speaker, I ask unanimous consent that the Subcommittee on Energy Research and Production of the Committee on Science and Technology be permitted to sit this afternoon while the House is proceeding under the 5-minute rule.

I understand the minority has no objection.

The SPEAKER. Is there objection to the request of the gentlewoman from Tennessee?

There was no objection.

SPACE SHUTTLE DAY

(Mr. AKAKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AKAKA. Mr. Speaker, we are indeed lucky that we live and work in Washington, D.C., especially where our space program is concerned. As some of you may know, today, Wednesday, March 16, 1983, is "Space Shuttle Day" at the National Air and Space Museum, Smithsonian. This special day begins at 10 a.m. and runs until 10 p.m., with the focus of the day devoted to the remarkable accomplishments of the Space Shuttle.

First, there will be hourly showings of the film "Hail Columbia," from 10:30 in the morning until 9:30 p.m.

For those of you who missed the special preview at the Air and Space Museum, I can only suggest that you not miss this film again—a film which is one of the most eloquent and powerful descriptions of our shuttle program I have ever seen.

Also for you and your families, there will be free planetarium lectures on the Space Shuttle at 6:15, 7:15, 8:15 p.m.; special shuttle exhibits will be on display during the course of the day. You can see a Space Shuttle update, an exhibit on the "Artist and the Space Shuttle," as well as "25 Years of Space Exploration."

You can, of course, park in the Air and Space Museum's lot. For further information, please call 357-2700.

This is indeed a day which everyone in this body interested in our Nation's Space Shuttle program cannot afford to miss. I ask that you join me in the activities at the Air and Space Museum today; you can find the answers to everything you always wanted to know about the Space Shuttle you were afraid to ask at the Air and Space Museum.

GRANDPARENT VISITATION RIGHTS

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, the CBS evening news of last night as well as this morning's Phil Donohue program on CBS focused attention on the issue of grandparent visitation rights following a divorce or marital dissolution. This is an issue which I am proud to have initiated by virtue of a December 16, 1982, hearing I held of the Human Services Subcommittee of the House Select Committee on Aging.

I wish to advise my colleagues that House Concurrent Resolution 45 which I authored last month is progressing through the House Education and Labor Committee. It has been reported out unanimously by the Select Education Subcommittee and will be marked up by the full committee later this month.

The resolution calls for all 50 States to adopt a Uniform Grandparents Visitation Act which provides grandparents "with adequate rights to petition State courts for privileges to visit their grandchildren following the dissolution of the marriage of such grandchildren's parents."

My resolution is based on two fundamental premises. Grandparent visitation should be awarded when it is in the best interest of the child but the relationship of the grandparent must be considered when determining the best interest standard. The second premise is that while Congress cannot legislate love between people—it does have the right to protect it where it exists.

THE MUTUAL AND VERIFIABLE NUCLEAR ARMS FREEZE

(Mr. SIKORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKORSKI. Mr. Speaker, the ultimate political issue confronting all humanity is an end to the nuclear arms race. Our resolution on the mutual and verifiable nuclear arms freeze, is the beginning of that end.

As we carry out our deliberations today—in a nation where 20 million are left unemployed, its economy hemorrhaging from deficits driven by defense spending—we are reminded of the words of a five-star general, Dwight Eisenhower:

> Every gun that is made, every warship launched, every rocket fired signifies . . . a theft from those who hunger and are not fed, those who are cold and are not clothed. This world in arms is not spending money alone. It is spending the sweat of its laborers, the genius of its scientists, the hopes of its children.

The continued development and deployment of nuclear weapons steals by horror the hopes of all of our children.

PEOPLE ENCOURAGING ARMS CONTROL EFFORTS

(Mr. BEDELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEDELL. Mr. Speaker, this weekend I was privileged to announce a new organization in Iowa. This organization is called People Encouraging Arms Control Efforts (PEACE). The organization is directed at the Democratic Party political caucuses in Iowa. The steering committee consists of most all of the leaders of the Iowa Democratic Party members of various organizations and others. We expect to organize groups in every one of the 99 Iowa counties. Dues will be $10 per person, and we expect to send out 12,000 letters to prospective membership this week.

We would welcome a similar effort in other States and would welcome a similar effort in the Republican Party.

We will hold a statewide peace conference on August 13, 1983, at the Des Moines Civic Center, to which all members are invited, with all Democratic Presidential candidates invited, to speak and be questioned on how they would reverse the arms race, reduce world tension, redirect our national priorities and address other issues. This is not an effort to support an individual candidate. It is an effort to make this one of the major issues in the coming campaign. This is an effort for people to be heard who oppose an escalating arms race that could result in a war that might make the planet on which we live uninhabitable for human life.

THE ECONOMY

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, the economy is sputtering, stuttering and stumbling toward some kind of a recovery. We all know in our hearts and through our experience that the recovery will neither be instant, uniform, nor without its rocky moments.

Frankly, this week's economic news of relatively weak auto sales, minimal industrial growth, et cetera, shows on just what shaky grounds our economic hopes now rest.

The key to recovery remains tied to our ability to lower interest rates. The rates were down 6 points of prime in the past year, yet real rates remain at an all-time high of about 7 percentage points. We can blame the Fed and, while their policy has been inconsistent, it has been expansionary in the past 6 months. The truth is that fiscal policy is also a culprit. The budget which we are about to debate in the next few days should send a clear signal to all money managers that we are going to bridle Federal spending, including defense, minimize and target tax increases after spending discipline has been achieved and lower the deficit, particularly in the outyears.

A strong signal on interest rates is absolutely essential to the underemployed and the unemployed. I hope we have the courage in this House to send the signal that interest rates are going to go down, not up.

A BRIEFING ON OUR STRATEGIC FORCES

(Mr. MARTIN of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARTIN of New York. Mr. Speaker, recently, I had the opportunity to visit the Strategic Air Command Headquarters at Offutt Air Force Base in Omaha for a briefing on our strategic forces. The visit was originally scheduled for January but, for various reasons, had to be delayed.

The briefing by the Commander in Chief of the Strategic Air Command was all encompassing, dealing with our deterrent objectives and the status of our forces, as well as the best intelligence available with respect to the strategic forces of the Soviet Union.

I highly recommend that Members of this body and the other body take advantage of the opportunity to receive this briefing. After all, what kind of information could be more essential

to the consideration of weighty resolutions like the one before us today?

Mr. Speaker, the information I received at Offutt Air Force Base contained many startling revelations. One such revelation came when General Davis, in response to my question, stated that a very small percentage of the Members of this body and the other body ever have availed themselves of the opportunity to get this briefing. I was flabbergasted to learn, in particular, that some Members who have had the most to say publicly in support of the immediate freeze have failed to pay this most informative visit to the headquarters of our Strategic Air Command.

We often hear a lot of criticism of fraud and waste in Government around here, but it certainly seems wasteful that we have capable dedicated people responsible for our strategic defenses who are not consulted and cross-examined by Members of Congress about to make a "seat of the pants" decision with great significance for our national security. This is surprising unless, of course, certain individuals feel comfortable placing political best interests over the security of the free world.

□ 1015

DEMOCRATIC "RICH MAN'S BUDGET"

(Mr. MORRISON of Washington asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORRISON of Washington. Mr. Speaker, you have now gone public with your budget for the next few years, and what a budget it is. Any more fairness like this, and working Americans will soon drown in their new Democratic taxes. Even repeal of indexing and the third year of the tax cut will not be sufficient to make up the new Democratic taxes of $27 billion in 1984 and $35 billion in 1985. What other surprises do you have in store for taxpayers?

President Reagan has committed himself to saving indexing and the third year of the tax cut, because that will provide both economic growth and fairness to working Americans. Repeal of those two elements of the President's program would result in a 24.3-percent tax increase for those earning under $10,000 a year, but only a 3.1-percent increase for those earning over $200,000 a year. Even the New York Times has denounced this Democratic proposal as unfair.

But the biggest problem with your rich man's budget, Mr. Speaker, is that it will lock us into continued recession. As the CBO has warned, "repeal of the third year of the tax cut could prolong the current recession or dampen any recovery."

Mr. Speaker, America wants less taxes and more jobs. That is what the President's program offers, while your budget offers only more misery.

ONE-SIDED NUCLEAR FREEZE IS UNACCEPTABLE

(Mr. HARTNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARTNETT. Mr. Speaker, history has taught us that peace and security are not easily won or maintained. They require our strong commitment to maintaining sufficient strength to protect our interests and deter aggression against ourselves and our allies. They also require our strong commitment to securing the agreement of potential adversaries to meaningful, equitable, and verifiable reductions in military forces.

The United States is resolved for continued assurances of our freedoms, rights, and a reasonable standard of living for all. To do this we must maintain a delicate balance of a credible deterrent with a reduction of the threat while enhancing world stability.

I believe that an immediate bilateral freeze with only one side reducing its weapons is unacceptable. Such an agreement would lock in or increase Soviet missile advantages. It would undercut our ability to challenge the increased foreign missile expansion. Soviet incentive to negotiate nuclear freeze reduction would be severely reduced. Finally, eliminating the U.S. weapon modernization programs would increase United States and NATO vulnerability to nuclear blackmail and potential submission.

I encourage those well intending persons who support the nuclear freeze, including that distinguished group of my fellow Members of the House and Senate, to direct their efforts into the grassroots of the Soviet Union as you have attempted to do here. Until that has been successfully accomplished, I can only support U.S. negotiations by a "peace through strength" initiative and the administration's efforts at START talk diplomacy.

DEMOCRATIC BUDGET MOST UNFAIR TO MIDDLE INCOME AMERICANS

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, the only growth that the Democratic budget would provide is growth in the Federal budget. Under the Democratic plan, which has already been labeled by Members of your party as a political document, Federal outlays would increase by more than $20 billion in fiscal year 1984 alone.

In addition, the Democratic budget calls for a tax increase of $27 billion in 1984. It is simply wishful thinking and yellow-brick-road economics to think that more Federal spending and more taxes will spur economic growth.

And let us talk about fairness. Will the American people think that a $27 billion increase in their taxes be fair? The only way that such a large revenue increase can be accommodated will be to repeal—not delay or not a cap—but to repeal the third year of the tax cut. The majority of this tax increase—more than 70 percent—will be paid by those families who earn $50,000 a year or less, in short, families of average wage earners in America. Democrat taxes are going to come out of the pocket of the little guy.

The chairman of the Budget Committee is correct. I cannot imagine that this political document will receive very many votes from this side of the aisle, because I doubt seriously that the majority of the American people want the Democratic Party reaching deeper into their pockets yet one more time to finance more Democratic big spending programs.

DEMOCRAT "POLITICAL" BUDGET

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, it is shocking to me after listening to months of the Democrat rhetoric of pious concern for the economic hardship in our Nation, that their first budget does not even try to help our country. Instead, they offer a self-proclaimed political budget. Higher taxes, higher spending, and cutting defense.

Their political document proposes to raise taxes on the American people next year by $27 billion. To raise that kind of revenue they will have to repeal the third year of the tax cut. The repeal of the third year would force those Americans earning less than $50,000 to pay 72 percent of this $27 billion tax increase.

That $27 billion tax increase is only the first year. If you look at their 5-year proposal, they want to increase taxes a whopping $113 billion.

Thus the Democrats recommend not only the repeal of the third year of the tax cut, but also a repeal of tax indexing.

The American people will not be fooled. The only reason to repeal tax indexing is as a prelude to increasing inflation.

I think the twin goals of higher taxes and increased inflation are bad economics and bad politics, and I am surprised that the Democrats would

base their political budget on higher taxes and a return to high inflation.

PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 138, CALLING FOR A MUTUAL AND VERIFIABLE FREEZE ON AND REDUCTIONS IN NUCLEAR WEAPONS

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 138 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 138

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 13) calling for a mutual and verifiable freeze on and reductions in nuclear weapons, the first reading of the resolution shall be dispensed with, and all points of order against the consideration of the resolution for failure to comply with the provisions of clause 2(1)(6) of rule XI are hereby waived. After general debate, which shall be confined to the resolution and to the amendments made in order by this resolution, and which shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the resolution shall be considered for amendment under the five-minute rule. It shall first be in order to consider the amendment in the nature of a substitute to the resolution recommended by the Committee on Foreign Affairs now printed in the resolution as an original resolution for the purpose of amendment under the five-minute rule, and said substitute shall be considered as having been read. After the disposition of said amendment, and any other amendments to the resolution, it shall be in order to consider the preamble of the resolution for amendment, the preamble shall be considered as having been read, and all points of order against the first amendment to the preamble recommended by the Committee on Foreign Affairs now printed in the resolution for failure to comply with the provisions of clause 7, rule XVI are hereby waived. After the disposition of all amendments to the preamble of the resolution, it shall be in order to consider an amendment in the nature of a substitute for the preamble and for the text of the resolution consisting of the text of the preamble and the text of the resolution contained in H.J. Res. 4, by and if offered by, Representative Broomfield of Michigan, and all points of order against said substitute for failure to comply with the provisions of clause 7, rule XVI are hereby waived, and it shall be in order to consider said amendment even if the resolution and the preamble have been amended in their entirety. At the conclusion of the consideration of the resolution for amendment, the Committee shall rise and report the resolution to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the resolution, to the amendment made in order as original text by this resolution, or to the preamble. The previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Mississippi (Mr. LOTT), pending which I yield myself such time as I may use.

Mr. MOAKLEY. Mr. Speaker, the resolution provides for consideration of the resolution (H.J. Res. 13) calling for a mutual and verifiable freeze on and reduction in nuclear weapons.

The rule is completely open and, to the extent that it is somewhat complicated, that is largely a result of efforts to protect the rights of individual Members and of the minority in an unusual parliamentary situation.

The rule provides 3 hours of general debate, divided in the customary manner and controlled by the committee having exclusive jurisdiction over the joint resolution.

Mr. Speaker, the rule contains only three waivers of points of order and I am not aware that any are controversial.

During committee markup, a clause was added to the preamble commending the administration initiatives in the area of arms control, and we have provided a waiver of clause 7 of rule XVI, the germaneness rule.

A similar waiver is provided for the minority amendment in the nature of a substitute, consisting of the text of the resolution (H.J. Res. 4) proposed to be offered by the gentleman from Michigan.

The rule also waives the requirement of clause 2(1)(6) of rule XI, the 3-day layover for committee reports. The committee saw little difficulty on that, since the resolution and the minority substitute have both been available for some time and the nature of the issues are well understood in the House.

The rule provides for the amendment in the nature of a substitute, reported by the committee, to be considered as original text for purposes of amendment. It contains the normal provisions included in rules when a committee reports a substitute. They are technical and simply insure that the minority has the same rights which would be available if the committee had reported a clean bill. They are: First, that the rule permits instructions in the motion to recommit, otherwise precluded by adoption of a substitute; second, that the rule permits a separate vote to be demended in the House on amendments to the substitute as well as the substitute itself; and third, that the rule permits the substitute to be considered as original text, since amendments to amendments would otherwise be ruled out of order as being in the third degree.

And the text made in order, Mr. Speaker, is open to any germane amendment.

After all amendments to the text of the resolution are disposed of, it will then be in order to consider all amendments to the preamble. The rule provides a technical waiver, previously discussed, of the germaneness rule for a committee amendment to the preamble.

At the conclusion of all other amendments, the rule makes in order the minority substitute, consisting of the text of the resolution (H.J. Res. 4), to be offered by the gentleman from Michigan (Mr. BROOMFIELD). The rule provides waivers of points of order for that amendment under the germaneness rule and the principle of estoppel. That provision of Jefferson's Manual operates as a rule of the House and provides that neither the House nor the Committee of the Whole can go back and reamend matter it has already changed by amendment. Because we are operating under an open rule, there is no way to be certain that the substitute might not have been limited or precluded by the adoption of a substitute to either the preamble, the resolution, or both. So this provison of the rule protects the minority's rights.

After that amendment is voted on, the matter is reported back to the House for final action, including a motion to recommit which may include instructions.

Mr. Speaker, the decision on this resolution has been made by the American people. I do not think there is a Member in the Chamber who fails to appreciate the national sentiment on this subject.

The American people demand, and are prepared to pay for, a strong defense as the best deterrent to war.

But, at the same time, there is a growing national perception that the United States and the U.S.S.R. are now gripped in a mindless spiral of military spending that is eroding our quality of life and components of our national educational and industrial base, that are at least as important to a strong America.

The Committee on Foreign Affairs, and particularly the committee's able chairman, the gentleman from Wisconsin (Mr. ZABLOCKI) is to be commended for coming forward with a resolution that balances these concerns in a straightforward manner. Mr. Speaker, the resolution (H.J. Res. 13) is a responsible plea for sanity in the setting of national priorities.

It accepts, as a cornerstone, that no brakes can be applied to the current spending except in the framework of a bilateral and mutually verifiable

freeze, followed by negotiated arms reduction.

If the Russians spurn this congressional initiative, there will be no freeze or reduction. Nothing in the resolution can be construed to require or even to suggest any unilateral action.

But the enactment of the joint resolution places the issue squarely before the Soviet Government and, no matter what the Soviet response, the respective positions and responsibilities of the two Governments will be laid out in a way the court of world opinion can hardly misunderstand.

Mr. Speaker, at the very least, the total failure of the bold initiative proposed by the joint resolution gives the United States a significant opportunity to make our desires and intentions clear, with no danger to our strategic military strength.

But, at best, it offers this Nation, the Soviet Union, and the entire world an opportunity to break free of the yolk of runaway defense spending which threatens the survival of the human race and erodes the chance to build the kind of world we owe to our next generations.

Mr. Speaker, this afternoon this Chamber faces one of the most important votes of this Congress and the rule provides a fair and open method for the House to deal with the matter. I urge the adoption of the rule and of the joint resolution.

□ 1030

Mr. Speaker, I reserve the balance of my time.

Mr. LOTT. I thank the gentleman for yielding me this time.

Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the resolution before us makes in order consideration of House Joint Resolution 13, the so-called nuclear freeze resolution, as already pointed out by the gentleman from Massachusetts. The rule provides for 3 hours of debate divided between the chairman and ranking minority member of the House Committee on Foreign Affairs. I think it should be noted at this time that the Committee on Armed Services requested an hour of this general debate time, even though it can be argued perhaps that it does not share the legislative jurisdiction over the resolution, the Committee on Armed Services does have oversight jurisdiction in this area and has issued a report on the nuclear freeze resolution entitled, "The Dicey Impact of a Nuclear Freeze on the Defense Posture of the Free World." In view of this interest and contribution I felt that the Armed Services Committee should have been entitled to some controlled time during general debate.

I supported an amendment by the gentleman from Missouri (Mr. TAYLOR) to give the Armed Services at least 30 minutes of the 3 hours. That did not pass the Rules Committee. But the chairman of the Committee on Foreign Affairs has promised to delegate ample time to the gentleman from New York (Mr. STRATTON) as a representative of the Armed Services Committee and also to other Armed Services Committee members so that they can have an opportunity to participate in this general debate. I think that is vital.

Following general debate the resolution will be considered for amendment under the 5-minute rule and the committee substitute printed in the resolution will be considered as an original resolution for the purpose of amendment. After all amendments to the resolution have been disposed of the preamble will be open to amendment with the committee amendments in order first. Following the disposition of all amendments to the resolution and preamble it would then be in order to consider a substitute consisting of the preamble and text of House Joint Resolution 4, by and if offered by the gentleman from Michigan (Mr. BROOMFIELD). The rule waives the germaneness rule against the substitute. This is necessary because a matter in the second resolve clause would be subject to a point of order without this waiver.

Mr. Speaker, I do personally regret that the rule relegates consideration of the Broomfield resolution to the tail end of the process. Ordinarily, a substitute can be offered either at the beginning or at the end of the amendment process. And this should be left to the discretion of the offeror. I want to state for the record now that I do not consider this a precedent for dealing with minority substitutes. But this particular peculiar situation is brought on by the fact that we are proceeding in effect on two tracks; first with amendments to the resolution, then with amendments to the preamble. So the Broomfield substitute is being given special treatment by permitting it to be considered as a single substitute for the preamble and the text of the resolution.

There is also permitted under the rule a motion to recommit with or without instructions.

Two other amendments were offered in the Rules Committee. One was offered to permit the gentleman from New York (Mr. SOLOMON) to offer an amendment which would have prohibited the commencement of negotiations on a nuclear freeze until the President has certified that the Soviets are in compliance with all other international agreements.

I felt like that was a legitimate amendment that should have been considered or should have had the opportunity to be considered in the whole House. It could involve agreements on chemical and biological warfare and I think it relates to this whole issue under debate. Unfortunately, it was defeated in the Rules Committee.

The other amendment that was offered in the Rules Committee was one that I offered, which would have said that it would have been possible after final passage of the joint resolution, whether with the Zablocki or the Broomfield language, to change the resolution from a joint resolution to a concurrent resolution.

I feel this is very important. It was discussed in the Rules Committee yesterday. It was brought up on the floor of the House last year when this issue was debated and the Senate has spoken about their concern of going forward with a joint resolution instead of a concurrent resolution.

Ladies and gentlemen, this is not just a sense of the Congress resolution. Joint resolutions do have the force of law. Let me make a few points on this. I think this is vital. If you look in the House precedents you will learn that joint resolutions have the force of law and are reserved for such things as constitutional amendments, special appropriations, abrogating treaties, welcoming foreign dignitaries, and incidental legislation including declarations on military policy.

Concurrent resolutions, on the other hand, corresponding to the precedents, are used as a vehicle by which both Houses may express certain facts, opinions, principles or purposes or sense of Congress propositions.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I appreciate the gentleman yielding.

Mr. Speaker, I am asking this time, because I am afraid when we get to the general debate and amendments, not being on the Foreign Affairs Committee I would not have this opportunity. I thank the gentleman for explaining what happened to the Stratton amendment in the Rules Committee. I know Chairman PRICE certainly felt very strongly, the chairman of our Armed Services Committee, that we be permitted to have an hour's debate on the Stratton amendment which the amendment in effect says that we could continue updating and modernization of our nuclear weapons. There is some doubt that this cannot be done under H.R. 13. So certainly I appreciate the Stratton amendment was considered; I am sorry we did not get the hour's time to debate it.

I would say I certainly rise in support of the Stratton amendment. It should be adopted and then we should adopt the Broomfield substitute.

The bottom line is what is best for our country and that is to defeat the nuclear freeze.

I thank the gentleman for yielding.

Mr. LOTT. I appreciate the gentleman's comments. I certainly agree with the distinguished gentleman from Mississippi who serves on the Armed Services Committee. This issue certainly involves the jurisdiction, in my opinion, of the Armed Services Committee. I am sure the gentleman will participate in the debate as the day goes along.

Returning to the question of joint versus concurrent resolution, in my opinion House Joint Resolution 13 is a confusing hybrid of joint and concurrent resolutions. On the one hand the resolution says that an immediate nuclear freeze "should" be the "overriding objective" of the START negotiations.

This seems like it is advisory or discretionary language. Yet the joint resolution would have the full force of law, in fact, and the committee report on the resolution states in several places that the objectives listed in the resolution are mandatory. To quote from just the first sentence of the "purpose" section of the report it says:

> The purpose of the resolution is to mandate objectives for the conduct of the strategic arms reduction talks (START), between the United States and the Soviet Union.

The Speaker this morning in a local paper was quoted as saying the resolution only expresses the will of the Congress and does not bind the President. I wish the Speaker would get together with the Committee on Foreign Affairs on this, since the committee report seems to be making it very binding and it does have to go to the President, I remind you, for his signature or veto.

So, I think we are really treading in an area where we should be very careful. I think the Congress is trying to get into an area that could be binding on the executive and it is clearly a mistake.

Now, the distinguished chairman of the Foreign Affairs Committee said in the meeting that this was very similar to what was done a few years ago with regard to the SALT language. I think clearly there is a difference. I would be glad to discuss this later on with the chairman if he would like to take it up again because I think there is a difference and there is a real danger here in terms of the precedents of the House.

I would like to just conclude my remarks on the rule by saying that I think it is fair to the minority, it gives us a shot with the substitute. It is an open rule which will allow several amendments to be offered.

But I have to question the joint resolution and do not understand why—if we were going to be open—we did not allow the Stratton amendment, the Solomon amendment and we did not at least allow the House an opportunity to vote on the question of a joint resolution versus a concurrent resolution. This is not an issue that will end with this vote today. It will affect other votes later on this year.

It will be heard around the world. The perception of what we are doing here today will last way beyond just the vote of the House and the Senate in the next month or so.

I hope my colleagues will weigh this very carefully, not just the substance of the language of the resolutions but how it is going to be interpreted across America and how it will be interpreted by the Soviet Union.

I have no requests for time. I will not oppose the rule but I do reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as always the gentleman from Mississippi presents to the House an idea which is both intriguing and ingenious.

The gentleman offered an amendment in the committee to provide a procedure by which the House could convert the joint resolution into a concurrent resolution. I urged the rejection of that amendment on grounds which I will defend, but admit to be largely political.

In the modern context, a committee chairman has few remaining prerogatives. But one of them is to decide the paper on which action will be taken—the type of bill, bill number, and sponsor. And, to be completely candid, it is not a prerogative I am particularly willing to take away.

The gentleman from Wisconsin could have brought in a simple resolution by which the nuclear freeze could be made the stated policy of the House of Representatives. He could have brought in a concurrent resolution by which the nuclear freeze could be made the stated policy of the Congress.

But the gentleman from Wisconsin chose to bring in a joint resolution by which the nuclear freeze could be made the stated policy of this Nation.

Now, of course, there are other prerogatives, like the minority's motion to recommit and legislation always remains subject to the will of the House.

A Member from the gentleman's side could bring in a motion to recommit the resolution to the Committee on Rules—if not with instructions, at least with a clear understanding that the committee's obligation under the referral was to report a special order that would enable the House to act on a different form of resolution.

But, unless overruled in that fashion, I am inclined to protect the rights of the gentleman from Wisconsin, the bipartisan majority of his committee, and the resolution's 163 cosponsors to decide the form in which the question will come before the House.

I also, Mr. Speaker, felt compelled in committee to oppose the request for a special allocation of time to the Committee on Armed Services on a number of grounds.

First, the committee's previous request for a sequential referral was examined by the Speaker, who is advised in such matters by a nonpartisan parliamentarian, and the committee was found to have no basis under rule X on which to assert legislative jurisdiction. An allocation of general debate time, however, would imply a jurisdiction already found not to exist.

Second, the committee reviewed the record of the prior debate on a similar joint resolution. During consideration of that resolution, 21 of the 45 members of Armed Services sought recognition. All obtained time and consumed not less than 58 minutes.

Based on that record of evenhanded treatment by the members of the Committee on Foreign Affairs who managed the matter for the majority and the minority, the justification did not seem strong for such an extraordinary departure from the rules of the House—one for which the committee is aware of no precedent.

Mr. Speaker, the committee system of the House is a morass and, when a rare situation comes up in which jurisdiction is undoubted, it seems very inappropriate for this committee to muddle that question.

Nevertheless, Mr. Speaker, I commend the gentleman from Mississippi for his effective advocacy of the minority's concerns, in committee and on the floor, and I thank him for his customary kindness and cooperation in the handling of this matter.

If the minority has no further requests for time, there are no requests on this side.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 372, nays 35, answered "present" 1, not voting 25, as follows:

[Roll No. 27]

YEAS—372

Ackerman	Annunzio	Bartlett
Addabbo	Anthony	Bateman
Akaka	Applegate	Bates
Albosta	Archer	Bedell
Alexander	Aspin	Bennett
Anderson	AuCoin	Bereuter
Andrews (TX)	Barnes	Berman

Bethune	Gephardt	McCurdy
Bevill	Gibbons	McDade
Biaggi	Gilman	McEwen
Bliley	Glickman	McGrath
Boehlert	Gonzalez	McHugh
Boggs	Goodling	McKernan
Boland	Gore	McKinney
Bonior	Gradison	McNulty
Borski	Gray	Mica
Bosco	Green	Michel
Boucher	Gregg	Miller (CA)
Bouquard	Guarini	Miller (OH)
Boxer	Gunderson	Mineta
Breaux	Hall (IN)	Minish
Britt	Hall (OH)	Mitchell
Brooks	Hall, Ralph	Moakley
Broomfield	Hall, Sam	Molinari
Brown (CA)	Hamilton	Moody
Brown (CO)	Hammerschmidt	Moore
Broyhill	Harkin	Moorhead
Burton (CA)	Harrison	Morrison (CT)
Burton (IN)	Hatcher	Morrison (WA)
Byron	Hawkins	Mrazek
Campbell	Hefner	Murphy
Carney	Heftel	Murtha
Carper	Hertel	Myers
Carr	Hightower	Natcher
Chandler	Hiler	Nelson
Chappell	Hillis	Nielson
Chappie	Hopkins	Nowak
Clarke	Horton	O'Brien
Clay	Howard	Oakar
Clinger	Hoyer	Oberstar
Coats	Hubbard	Obey
Coelho	Huckaby	Olin
Coleman (MO)	Hughes	Ortiz
Coleman (TX)	Hyde	Ottinger
Collins	Ireland	Oxley
Conable	Jacobs	Packard
Conte	Jeffords	Panetta
Conyers	Jenkins	Parris
Cooper	Johnson	Pashayan
Corcoran	Jones (NC)	Patterson
Coughlin	Jones (OK)	Pease
Courter	Jones (TN)	Penny
Coyne	Kaptur	Pepper
Craig	Kasich	Perkins
D'Amours	Kastenmeier	Pickle
Dannemeyer	Kazen	Porter
Daub	Kemp	Pritchard
Davis	Kennelly	Pursell
de la Garza	Kildee	Quillen
Derrick	Kogovsek	Rahall
DeWine	Kolter	Rangel
Dickinson	Kostmayer	Ratchford
Dicks	LaFalce	Ray
Dixon	Lagomarsino	Regula
Donnelly	Lantos	Reid
Dorgan	Latta	Richardson
Dowdy	Leach	Ridge
Downey	Lehman (CA)	Rinaldo
Duncan	Lehman (FL)	Ritter
Durbin	Leland	Roberts
Dwyer	Lent	Robinson
Dymally	Levin	Rodino
Dyson	Levine	Roe
Early	Levitas	Roemer
Eckart	Lewis (CA)	Rogers
Edgar	Lewis (FL)	Rose
Edwards (AL)	Lipinski	Rostenkowski
Edwards (CA)	Loeffler	Roth
Edwards (OK)	Long (LA)	Roukema
English	Long (MD)	Rowland
Erdreich	Lott	Roybal
Erlenborn	Lowery (CA)	Russo
Evans (IA)	Lowry (WA)	Sabo
Evans (IL)	Lujan	Sawyer
Fascell	Luken	Scheuer
Ferraro	Lundine	Schneider
Fiedler	Lungren	Schroeder
Fish	Mack	Schulze
Flippo	MacKay	Schumer
Florio	Madigan	Seiberling
Foglietta	Markey	Sensenbrenner
Foley	Marlenee	Shannon
Ford (TN)	Marriott	Sharp
Forsythe	Martin (IL)	Shaw
Fowler	Martin (NC)	Shelby
Frank	Martinez	Shumway
Franklin	Matsui	Shuster
Frost	Mavroules	Sikorski
Fuqua	Mazzoli	Siljander
Garcia	McCain	Simon
Gaydos	McCandless	Sisisky
Gejdenson	McCloskey	Skeen
Gekas	McCollum	Skelton
Slattery	Taylor	Whitehurst
Smith (IA)	Thomas (CA)	Whitley
Smith (NE)	Thomas (GA)	Whittaker
Smith (NJ)	Torres	Whitten
Smith, Robert	Torricelli	Williams (MT)
Snowe	Towns	Williams (OH)
Snyder	Traxler	Wilson
Solarz	Udall	Winn
Spratt	Valentine	Wirth
St Germain	Vander Jagt	Wise
Staggers	Vandergriff	Wolf
Stangeland	Vento	Wolpe
Stenholm	Volkmer	Wright
Stokes	Vucanovich	Wyden
Studds	Walgren	Wylie
Sundquist	Watkins	Yates
Swift	Waxman	Yatron
Synar	Weaver	Young (AK)
Tallon	Weber	Young (MO)
Tauke	Weiss	Zablocki
Tauzin	Wheat	Zschau

NAYS—35

Badham	Hartnett	Paul
Barnard	Holt	Petri
Crane, Daniel	Hunter	Price
Crane, Philip	Hutto	Rudd
Daniel	Kindness	Smith, Denny
Dreier	Kramer	Solomon
Emerson	Leath	Spence
Fields	Martin (NY)	Stratton
Gingrich	McDonald	Stump
Gramm	Montgomery	Walker
Hansen (ID)	Nichols	Wortley
Hansen (UT)	Patman	

ANSWERED "PRESENT"—1

Andrews (NC)

NOT VOTING—25

Beilenson	Dingell	Neal
Bilirakis	Fazio	Owens
Boner	Feighan	Savage
Bonker	Ford (MI)	Smith (FL)
Bryant	Frenzel	Stark
Cheney	Hance	Washington
Crockett	Livingston	Young (FL)
Daschle	Mikulski	
Dellums	Mollohan	

□ 1100

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON CRIME OF COMMITTEE ON THE JUDICIARY TO MEET THIS AFTERNOON DURING 5-MINUTE RULE

Mr. HUGHES. Mr. Speaker, I ask unanimous consent that the Subcommittee on Crime of the Committee on the Judiciary be permitted to meet during the 5-minute rule this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON READINESS OF THE COMMITTEE ON ARMED SERVICES TO SIT THIS AFTERNOON DURING 5-MINUTE RULE

Mr. DANIEL. Mr. Speaker, I ask unanimous consent that the Subcommittee on Readiness of the Committee on Armed Services be permitted to sit during the 5-minute rule this afternoon to take testimony only.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I do so only to inquire of the gentleman whether this has been cleared with the minority.

Mr. DANIEL. Yes; it has.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection on the assurance that this has been cleared with the minority.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

POINT OF ORDER

Mr. WALKER. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman will state the point of order.

Mr. WALKER. Mr. Speaker, I make a point of order against consideration of House Joint Resolution 13 on the grounds that it is not before the House in a form required by the procedents and I ask to be heard on my point of order.

The SPEAKER. The Chair will hear the gentleman.

Mr. WALKER. Mr. Speaker, the resolution before us is clearly a sense of the Congress resolution on its face, expressing those objectives which the Congress feels should be pursued in a nuclear arms negotiation.

Obviously, this cannot be meant as legislation having binding effect on the President and his negotiators, since under article II, section 2, clause 2 of the Constitution, the President, not the Congress, has the sole power to make all treaties subject to the advice and consent of the Senate.

Mr. Speaker, this resolution as a joint resolution would have the full force of law and a binding effect on those responsible for our arms negotations. It is clear from the precedents that a joint resolution is a bill so far as the processes of the Congress are concerned. All these resolutions are sent to the President for approval and have the full force of law (Procedures in the House of Representatives, 97th Congress, chapter 24, sections 1 and 2).

It is also clear from the precedents that concurrent resolutions are used by the two Houses to express certain facts, principles, opinions, or purposes and to express "the sense of the Congress on propositions."

As I already indicated from the nature of the pending resolution, it can only be taken as a sense of the Congress resolution and, therefore, cannot be properly before us as a joint resolution.

To further support my case, I quote from this morning's Washington Post,

page A-2 in which the Speaker of the House is quoted as saying of the pending resolution: "It only expresses the will of Congress and does not bind the President."

Mr. Speaker, I can think of no higher authority on this matter than the Speaker of the House. I therefore rest my case in the Speaker's hands.

The SPEAKER. Does the gentleman from Wisconsin desire the floor?

Mr. ZABLOCKI. Yes, Mr. Speaker; very briefly.

It is true that House Joint Resolution 13, if it is passed by the House and the Senate and is signed by the President, would be legally binding.

The fact, Mr. Speaker, however, is that it is neither unprecedented or unusual, this procedure.

House Joint Resolution 13 establishes general policy guidelines for the START negotiations. Congress provides such guidelines for implementation by the executive branch on virtually all domestic and foreign policy issues. With specific reference to arms control policy in the legislation approving the SALT I agreement, the Jackson amendment in the other body provided detailed policy guidelines for the future negotiations of SALT II. Thus, there is the precedent.

House Joint Resolution 13 does the same for START.

Therefore, I submit, Mr. Speaker, it sets no precedent.

House Joint Resolution 13 does not attempt to negotiate START on a day-to-day basis. It cannot, of course, do this; but it does establish general policy and broad parameters for START. It is, therefore, consistent with the exercise of legislative power in providing direction to the executive branch on matters affecting foreign policy. Therefore, it is fully constitutional.

The SPEAKER. The Chair appreciates the fact that the gentleman from Pennsylvania brought his point of order to the Chair previous to making it and has had an opportunity to examine it.

The committee has reported to the House a joint resolution which was properly introduced and referred to that committee.

No point of order lies against the consideration of this report. No rule is violated by its consideration, since consideration has been made in order by the Committee on Rules.

Whether the joint resolution is the appropriate legislative form for the aims intended is for the House to decide by its vote on the proposition itself, after it has been considered and perfected. It is not a matter for the Chair—but for the House to determine by its vote on passage.

Paraphrasing from page 49 of Deschler's Procedure in the House, chapter 6, section 2, relating to the authority of the Chair, the Chair notes: "It is for the House and not the Chair to determine the legal significance of House actions;" and the Chair does not anticipate what interpretation the House may later give to a pending amendment or measure.

Consequently, the point of order is not well taken, and is overruled.

Pursuant to House Resolution 138 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 13).

The Chair appoints the gentleman from New York (Mr. McHUGH) to preside over the Committee of the Whole. The gentleman from Illinois (Mr. SIMON) will take the chair temporarily.

COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 13) with Mr. SIMON (Chairman pro tempore) in the chair.

The Clerk read the title of the joint resolution.

The CHAIRMAN pro tempore. Pursuant to the rule, the first reading of the joint resolution is dispensed with.

Under the rule, the gentleman from Wisconsin (Mr. ZABLOCKI) will be recognized for 1½ hours, and the gentleman from Michigan (Mr. BROOMFIELD) will be recognized for 1½ hours.

The Chair recognizes the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of House Joint Resolution 13, legislation calling for a mutual and verifiable freeze on and reductions in nuclear weapons. This is a compromise resolution to the resolutions that have been introduced that, on the one hand, would call for reductions after a nuclear buildup and then a freeze, and, on the other hand, those resolutions some have been supporting that would call for a unilateral freeze.

This resolution (H.J. Res. 13), Mr. Chairman, is a compromise. It is substantially the same resolution that was considered in the last Congress and failed approval by only two votes.

This resolution is one of the most critical pieces of legislation with which the Congress will deal this session.

□ 1115

That fact is more than amply reflected in the 200 cosponsors who have joined me in offering House Joint Resolution 13.

This resolution is in response to the overwhelming support and demand by the American public that something must be done about the nuclear buildup. There were 11 State legislatures, 9 States and the District of Columbia by referendum, 63 county councils, and 321 city councils, that have by an overwhelming margin voted in favor of a mutual and verifiable freeze. In my own State of Wisconsin a nuclear freeze referendum was endorsed by 75 percent of the voters.

The people have spoken. We, as their representatives, have a duty to carry out their will. We have an obligation to bring about some kind of an action and extend every effort to see that a nuclear holocaust will not come upon us.

I am proud of the thorough and effective job done by the Committee on Foreign Affairs in formulating this sensible, coherent, and meaningful strategy for U.S. nuclear arms control negotiations. In view of this responsible record, it is particularly disappointing to hear so many misrepresented claims about what House Joint Resolution 13 provides. It is, therefore, important to make it absolutely clear at the very outset what this resolution does not do.

It does not provide for a unilateral freeze. It calls for a negotiated freeze which will be mutual and verifiable.

It does not provide for a freeze unless it is mutual.

It does not provide for a freeze unless it is verifiable.

It does not negate or in any way undermine the ongoing START talks in Geneva, or the INF talks.

Let it also be clearly understood that the supporters of House joint resolutions are not puppets of the Soviet Union, as some unfortunately have charged. The supporters are not attempting to undercut the U.S. negotiators at START or undercut the unity of the NATO alliance.

Mr. Chairman, the purpose of this resolution is to set objectives for the START negotiations. These objectives are comprehensive and complementary and advance U.S. national security interests.

Let me very briefly spell out what these objectives include.

First, pursuing the negotiation of an immediate mutual and verifiable freeze. Pursuing negotiations, I underline.

Deciding when and how to achieve a mutual and verifiable freeze on testing, production, and further development of nuclear warheads, missiles, and other delivery systems.

The objectives include giving special attention to destabilizing weapons, especially first-strike weapons.

Pursuing substantial, equitable, and verifiable reductions after a freeze has been negotiated.

Preserving present limitations and controls on nuclear weapons and nuclear delivery systems.

And lastly, incorporating ongoing negotiations on intermediate range nuclear missiles into START.

Let me make it absolutely clear. This resolution does not—and I emphasize does not—endorse any type of unilateral freeze; rather, it recognizes what both Democratic and Republican administrations have confirmed; namely, that there is essential equivalence in the nuclear balance between the superpowers.

This is the time to move in the direction of disarmament by negotiations. This may be the last time we have this opportunity. In the final analysis, the national security of the United States is really what this resolution is all about. By way of advancing our security and world peace, it says we should go to the START negotiating table and hammer out such issues as when and how to implement a freeze and methods of verification.

Since President Reagan's negotiators will be at that negotiating table, can anyone doubt that the United States will sell out to the Russians? All that House Joint Resolution 13 tells those negotiators to do, or attempt to do, is negotiate with the Soviet Union and do so in the best national security interests of the United States.

Mr. Chairman, we have heard charges that this resolution sends the wrong signal to our allies and makes the negotiator's job impossible. Nothing could be further from the truth.

Congress has a responsibility to help formulate the START negotiating strategy, since it will be asked to approve its final product. During the negotiation of SALT II, many Members of Congress and even the current START negotiator criticized and questioned our negotiating strategy well before the SALT II agreement was in place. These same people now want the Congress to remain silent and blindly support President Reagan's arms control policy, a policy which now includes adhering to that same SALT II agreement which in the past they criticized.

As we approach the key vote on this issue of the nuclear freeze later today, I would remind my colleagues to keep in mind this important consideration: Our action here today in approving House Joint Resolution 13 is going to tell the world, and especially our Western European allies, that the United States is sincere in seeking arms control. It will also tell the Soviet Union that we are determined yet sincere in seeking arms control.

We have had enough talk about "hit lists." We have had enough speeches which impugn the patriotism of honest Americans. We have had enough talk of impugning the motives of those who are sponsoring arms control. Our European allies must know that this Government is honestly interested in and committed to reducing the horrible threat of nuclear war through responsible arms control agreements.

Your vote in support of this resolution will assure them of that fact more than anything else you can do.

Mr. Chairman, in my 34 years in the House, I have been one of the most consistent advocates of a strong national defense. Therefore, my credibility on the position I take on arms control should not be questioned. I have also opposed the advance of communism and the growth of Soviet influence at every opportunity. Under no circumstances would I support any initiative that would either weaken our national security or strengthen the Soviet Union. The action that I support today does not do either. What it does is strengthen the chance for peace and, in my judgment, that will strengthen us all and give security to the United States and to the world.

Now, there will be some questions, as there were in the debate on the rule, why is this proposal a House joint resolution rather than a House concurrent resolution? In a ruling on the point of order of germaneness, this was clearly spelled out. This is not a precedent, and I might say further to the gentleman from Mississippi who raised the point that there are 14 resolutions on this issue introduced in this session of Congress, 4 House concurrent resolutions, 1 simple House resolution, and the remainder are House joint resolutions.

Mr. Chairman, I must, then, ask why does the gentleman from Mississippi question the form under which the proposal is being considered? Why does he only question House Joint Resolution 13; why does he not question House Joint Resolution 4 nor any of the others?

During the debate on the rule there was also, a question as to allocation of time. Mr. Chairman, I am sure from your observation and that of my colleagues, a charge that the chairman of the House Foreign Affairs Committee would ever be unfair is unfounded on my past record.

I advise the gentleman from New York (Mr. STRATTON) that allocation of time would be available to him and to members of the Committee on Armed Services or to those who are opposed to House Joint Resolution 13. I understand that the ranking Republican member of the House Committee on Foreign Affairs in charge of the time on the Republican side will also give sufficient time.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. Yes, I will be glad to yield to the gentleman from New York.

Mr. STRATTON. The gentleman indicated yesterday when he left the Rules Committee room that he would not extend to this Member any time. If the gentleman now says that he is going to extend some time, would the gentleman indicate to me just what time is going to be allocated to the Committee on Armed Services?

Mr. ZABLOCKI. Let me just respectfully correct the Member.

At no time did I say the gentleman would be denied time on this resolution, or on his amendment.

Further, the gentleman knows, since this is an open rule, on the gentleman's amendment he could have as much time as he desires under the 5-minute rule in debate on your amendment.

Mr. STRATTON. Would the gentleman answer my question as to what time if any he is going to extend to me under general debate and to other members of the Committee on Armed Services?

Mr. ZABLOCKI. Well, I am tempted to say, Mr. Chairman, since the gentleman from New York anticipated that I would not give him any time, an unfair conclusion I might say, I am almost tempted to agree with him. But I am a gentleman, really, and I am fair.

We have about 45 Members who have requested time. We are going to recognize them in the order in which they asked for time.

The gentleman from New York, if he will come to the desk after I get there, if there is some remaining time it will be allocated to him. The gentleman did not request time until now.

Mr. STRATTON. The gentleman knows perfectly well that the Committee on Armed Services requested an hour in the Committee on Rules, and the majority of the Committee on Rules denied that request. The gentleman was quoted by the Rules Committee members who were denying the request in the Committee on Rules that Mr. ZABLOCKI says he will be very generous in his allocation of time to the Committee on Armed Services.

I am asking the gentleman how much does the gentleman propose to give to the Committee on Armed Services? I do not care about myself, but we have other Members who are concerned about this matter. If the gentleman wants to be fair, it would seem to me that he could answer the question unequivocally by giving me the number of minutes that will be allocated to the Committee on Armed Services.

□ 1130

Mr. ZABLOCKI. Mr. Chairman, as the gentleman from New York well knows, when we as Members are allocating time and are in charge of time, we will give time to the Members in the order in which they ask for it. If there is a limitation and we have an hour and a half on our side and the Republicans have an hour and a half on their side; that is, in opposition to House Joint Resolution 13, the gentleman, I am sure, could get time from the opponents.

Mr. STRATTON. Could the gentleman answer the question as to how much time, or is he just going to filibuster and end up by saying that nothing is available because he has 45 other Members who want time?

Mr. ZABLOCKI. Mr. Chairman, as a demonstration of my fairness, even knowing that the gentleman would ask for time in opposition to House Joint Resolution 13, I had advised him that if he asked for time and there is time remaining, he would be given that time.

Mr. STRATTON. How much?

Mr. ZABLOCKI. I do not really know how much time would be given, and I do not really know how many Members who have at the present time requested to be recognized are in opposition. I, as a rule, do not ask them from the Democratic side, "Are you for me or against me?"

What the gentleman wants me to tell him is that regardless of how many Members have asked for time ahead of him, I should now guarantee him a certain amount of time. I cannot do that, in fairness to the Members who are already listed.

Mr. BROOMFIELD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, before I begin, I want to pay tribute to the chairman of our committee. He has always been very fair, but particularly on this very controversial issue he made sure that both sides had an opportunity to be heard in committee. We did not come to the same conclusion, regarding the issue but we understand why.

I want to say, Mr. Chairman, that the implications of our vote today will truly be significant. Congress final decision on arms control will impact on the future security of America. It will also directly affect the prospects for peace in the world.

I want to make this observation: Today the media reports state that many Members believe that this vote is a "free ride." Well, I do not know where such a myth originated. I do know that today's vote has gravely important meaning, both legislatively and symbolically. Legislatively, this resolution has the force of law because it requires the President's signature; symbolically, it sends our allies and our adversaries a message most of us would not want to send. There is no such thing as a "free ride." This vote counts.

Whether we realize it or not, the outcome of our vote today will send a clear and important message to the Soviet Union. Our decision today will either show our Nation's support for the negotiators in Geneva or it will reverse the administration's presently successful efforts.

I believe there is a sane and moral option. That option was already passed by the full House last year. What is essentially the same resolution is before us today. The right choice should be obvious to us all.

The Broomfield-Carney-Stratton-Price resolution, which, by the way, is supported by the administration, nightmare of mankind's ultimate destruction by either miscalculation or by accident. In our haste to prevent the possibility of nuclear war, we must be careful that our actions do not increase the odds of its happening.

Our resolution reduces the existing level of nuclear terror. It protects America's security interests. It supports the ongoing arms reduction negotiations in Geneva, and it supports our allies in Europe.

House Joint Resolution 13 ignores the current Soviet strategic advantage, especially in the European theater. It reverses the direction of American strategy in the arms talks in Geneva. It undermines two of our most professional and dedicated negotiators, Ambassador Rowny, and Ambassador Nitze.

Ambassador Rowny is very disturbed about the negative effect that House Joint Resolution 13 would have on the current discussions. He recently cabled me from Geneva and said in part, and I quote:

> Negotiations on reducing strategic arms will be made immensely more difficult, if not impossible, by passage of a freeze resolution.

Ambassador Rowny went on to explain, and I quote:

> An immediate freeze on research, development * * * and deployment of all nuclear systems would make it virtually impossible to achieve the reductions we seek. In short, the Soviets would have no incentive to negotiate.

Now, Ambassador Nitze also cabled me from the INF talks and said, and I quote:

> Continuation of NATO preparations for deployment of U.S. longer range INF missiles in Europe and the prospect of the deployment are the strongest incentives the Soviets have to negotiate seriously * * *. It was the 1979 decision (by NATO to deploy Pershing and cruise missiles) which brought the Soviets to agree to INF negotiations in the first place."

No useful purpose can be served by stopping the direction of the ongoing talks and undermining our negotiators. The position these men represent was taken after serious deliberations within the American Government, drawing on the formidable resources and expertise in many agencies within our Government. The House itself commended the administration's peace initiatives at the INF talks. A large segment of the American public supports the President's arms reduction strategy.

Just recently the commander in chief of the Veterans of Foreign Wars wrote to me and said, and I quote:

> The VFW supports President Reagan's START proposal which calls for a sharp, mutual reduction of nuclear weapons to equal, balanced and verifiable levels.

He also noted that his organization was opposed to those who would freeze now and count later.

The national commander of the American Legion has told the members of that organization that he supports the President's current negotiating position in Geneva. He also noted that, and I quote:

> The dangers of an immediate nuclear freeze are clear; the advantages nonexistent.

The committee resolution will make our Ambassadors' task far more difficult. First, it will lessen the possibility of ever reducing the superpowers' nuclear arsenals, and, second, it will certainly drive the Soviets away from the bargaining table.

Passage of the Broomfield resolution will make our negotiators' task easier and continue the already encouraging talks to really substantially reduce nuclear arms.

In the INF talks, the Soviets recently made offers to reduce the number of medium-range missiles already targeted on Western Europe. Other serious counterproposals to the "zero option" will certainly be considered by the U.S. team. Encouraging progress has also been made in the START negotiations.

The vote that we as Members cast today reaffirms our Nation's support for the German people. Their recent vote is testimony to their support of arms reductions and their concern about the strategic imbalance in Europe. Chancellor Kohl recently stated that the vote was a mandate to deploy U.S. medium-range missiles. The vote strengthens the position of the alliance in dealing with the Soviets. Let us not throw away this advantage. Do not signal our willingness to ignore their votes and abandon them to nuclear blackmail by freezing the existing Soviet missile superiority.

It is unfortunate that House Joint Resolution 13 sends that message quite clearly to friend and foe alike. Let us not let the Soviets win in the Congress what they failed to win in the German elections.

Our resolution restates our continuing support for a strong NATO alliance backed by U.S. nuclear resolve. We believe that our resolution is the best way to provide for Western security—through a "dual track" approach of modernization and arms reductions. This approach has been embodied in the historic 1979 NATO decision on intermediate range nuclear missiles.

Finally, Mr. Chairman, we in this Congress must support an alternative which initially reduces the vast number of nuclear weapons, both here in America and in the Soviet Union. This is the real heart of the matter. It

is the major difference between the two proposals before us.

The Broomfield-Carney-Stratton-Price resolution is for reductions in the weapons of terror, first and foremost.

□ 1140

We believe that the achievement of initial nuclear arms reductions can decrease the danger of nuclear war.

House Joint Resolution 13 proposes to immediately freeze the quantity of nuclear weapons of both sides at their present high levels, then seeks reductions at a later time.

Our resolution (H.J. Res. 4) is designed to initially achieve substantial, verifiable, equitable and militarily significant reductions in the nuclear arsenals of both superpowers.

And for these reasons, Mr. Chairman, I strongly urge my colleagues to choose the sound and sane way to achieve peace. I ask for your support of the Broomfield-Carney-Stratton-Price resolution.

Mr. DANIEL. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to my dear friend, the gentleman from Virginia.

Mr. DANIEL. I thank the gentleman for yielding.

Mr. Chairman, let me say at the outset that I do not question the motives of the chairman. I know of no finer patriot in the Congress than CLEM ZABLOCKI. Neither do I question the motives of any of those who support this resolution. I simply believe they are misguided in their facts and their judgment.

The gentleman mentioned the German elections. Is it not true that the Prime Minister of the Netherlands said earlier today that it was his judgment that the passage of a freeze resolution would undermine the position of both of our negotiating teams? Is that not correct?

Mr. BROOMFIELD. That is my understanding.

Mr. DANIEL. Did he also not say yesterday, when he left the meeting with the President, that the Netherlands would continue preparation for the deployment of our theater nuclear weapons?

Mr. BROOMFIELD. That is also my understanding.

Mr. DANIEL. Let me make one further point.

Mr Chairman, I believe that the passage of this resolution has the greatest potential, for mischief of any resolution or bill which has been before this House since I became a Member 14 years ago. And I believe that primarily because, in my judgment, it undermines the position of our negotiators. And I think the President would be perfectly justified in recalling our negotiators if this resolution completes its legislative journey. In truth, there will be really nothing left to negotiate after a few years except the Trident submarine because of the age of our nuclear arsenal. They are deteriorating rapidly.

Mr. Chairman, let us begin with the facts as I view them.

It is alleged by some that this Nation, over the past decade and more, has been engaged in a nuclear arms race with the Soviet Union. "Arms race" has a catchy sound to it; it implies that both parties have moved ahead over a period of time concurrently developing nuclear weapons. And this simply is not the case.

In the past 15 or so years, the United States has unilaterally reduced its strategic forces, so that we now have 8,000 fewer nuclear warheads today than we had in the late 1960's. Let me emphasize this was a unilateral action; no similar reduction was demanded or requested on the part of the Soviets. And it is just as well. None has been forthcoming.

What has the Soviet response been?

Since 1962, we have deployed a dozen strategic nuclear weapons systems; the Soviet Union has deployed 42.

Since 1972, we have deployed 4 of those 12 systems; the Soviet Union has deployed 28.

The year 1972 was not an arbitrary choice; it was the year in which the strategic arms control agreement was signed, an agreement which was supposed to have brought stability to nuclear arms development.

I remember the period quite vividly. We were told at that time by supporters of that agreement that we had achieved not a balance of power but a balance of terror. Each side had made concessions, we were told, which resulted in a standoff. Neither side, we were told, could afford the risk of initiating a war. Peace, we were told, would be the result.

Today, the balance is gone. Only the terror remains.

Then, the United States was ahead in almost every area; now we lag behind. And this terrible imbalance has not been the result primarily of violation of the treaty. It has been instead the result of exploitation of loopholes in the treaty. It would seem the lesson here is that when good faith is employed by only one party, bad consequences is the result.

Citing just one example: We have not yet been able to agree upon a basing mode for the MX missile, and in fact there are those who claim that the MX would be a violation of the strategic arms treaty. Yet in each of the last 3 years, the Soviets have deployed a force equal to the entire MX force we seek to put in place. Illegal? No. Unethical? Beyond question. A demonstration of good faith? Let any who can make the claim make the case.

Perhaps I should point out for the benefit of some of the Members who were not in Congress then that SALT I was described at the time it was worked out as a freeze in the momentum of the Soviet buildup. Not only did it not freeze anything but our own initiatives. In the years following, the Soviet Union actually spent more on strategic arms than it had planned to do prior to the treaty.

And let us not delude ourselves: The money the Soviets have spent has bought a lot of potential destruction for ourselves.

Since 1967, the Soviets have deployed over 60 ballistic missile firing submarines in five new or improved classes. In the same period we have begun to deploy our first ballistic missile firing submarines since 1967. The Soviet Union therefore has a modern, recently built SSBN force; we have an aging one, with all elements save one built prior to 1967.

And the Soviet advances have not stopped there. Since SALT I, they have replaced over half their inventory of intercontinental ballistic missiles with variations of three entirely new systems. We have modernized Minuteman III, but have deployed no new types of ICBM's. In fact, the last deployment of new ICBM's was in 1970, 2 years prior to SALT I.

Since 1972, the Soviets have built and deployed over 100 Backfire bombers with intercontinental range. We have deployed no new intercontinental bombers in over 20 years.

Antique weaponry may have appeal to certain collectors, but it is a sorry substitute in the area of national defense.

If I were a negotiator for the Soviet Union I would welcome a freeze at this time, for from this point onward and for all time, I would have secured strategic superiority for my country.

Hopefully, the foregoing is sufficient to put into perspective the relative age and conditions of the strategic weapons systems of each country. Much more detailed information is available for those who will take the time to examine it.

It is important to recognize as well, as we debate this resolution, that there are other serious flaws in its drafting.

The resolution is not just inconsistent with other laws such as the Arms Control and Disarmament Act; it is inconsistent within itself. On the one hand, we are told that the resolution will bring into being a freeze on the testing, production, and further deployment of nuclear warheads, missiles, and other delivery systems. Yet in a hearing before the Committee on Foreign Affairs, one of the sponsors of the resolution terms, we could not continue building Trident submarines. Nor does the resolution offer any guid-

ance as to which weapons systems are destabilizing, and which are acceptable.

Mr. Chairman, I cannot urge strongly enough that our colleagues consider the seriousness of what we are doing today. We are not talking about a domestic program which can be amended or abandoned if it is found not to work. We are not talking about the provision of military or economic aid to some foreign nation which can be canceled if it is found to be improper. We are talking about an irreversible course on which we would set this Nation in its dealings with another nation whose good will and good faith are in question.

I wish with all my heart that we might enjoy peace for all time to come. I have two grandsons who are of an age that they would surely be called for service in the event of war, and a third one who is not much younger. I want them to have the same chance at a good and peaceful life that all those who have contacted each of us want for their own children. I believe that the passage of House Joint Resolution 13 will increase the chances of conflict. This vote, coupled with deep cuts in the defense budget and denial of aid to countries literally at our back door which are threatened by Marxist guerrillas, could indicate that we are in a pacifist posture.

Every war in this century, it has been said, has been preceded by a strong pacifist movement which sought peace at whatever the price.

Peace is better than war. I wish there were no need for nuclear weapons or for any other instrument of violence and destruction. But this is not an option available to us if we are to remain a free and independent nation.

Basic to deterrence is the need to build the tools of war to maintain peace. That is a paradox, for it depends upon the nonuse of those tools for its success.

The weapons of deterrence are enormously expensive.

But the cost of peace is never as high as the cost of war.

Mr. BROOMFIELD. I thank the gentleman for his contribution.

Mr. ZABLOCKI. Mr. Chairman, I yield 7 minutes to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. I thank the Chairman for providing the leadership to make it possible for us to bring this resolution to the floor here today. I would also like to thank Speaker O'NEILL and Representative CONTE, Representative LEACH, and former Representative Jack Bingham, who have worked long and hard over the past year to make this moment possible, and also Senators KENNEDY and HATFIELD. Without their personal imprimatur on this issue 1 year ago, it would have never been raised to the issue of national significance which it has in the past year.

Mr. Chairman, 53 weeks ago we introduced the nuclear weapons freeze and reduction resolution in Congress. In that year, from every corner of this great Nation, there has been a public debate, the likes of which we have not seen during more than three decades when nuclear weapons have been on this planet. Business executives, blue collar workers, ministers, teachers, people from all walks of life by the millions have reawakened to the danger of nuclear war. They have begun to study the arcane details of nuclear weaponry. They have begun to analyze the strategic doctrines that will bring us to peace or megadeaths. And they have begun to ask questions—questions that have heretofore been the property of that elite group of nuclear theologians who have conrolled the fate of this Earth, questions that have left our leaders stammering to explain why they have presided over this insane buildup of nuclear arms, questions that have cut to the very heart of the issue.

And from these questions has come what I think has been a very sane conclusion: The arms race must be halted now.

From these questions has come the call from town meetings in New England to State referendums in the West, the call to freeze.

Why has the freeze caught on across this country? Why do three out of every four Americans in this country support the freeze? Has it been a response to bumper sticker politics, to slogans or easy-to-understand symbols? I do not think so. The freeze has caught on simply because it makes good sense.

The experts and the administration have been astonished. But as the poet Emerson once said, "Nothing astonishes men so much as commonsense."

Our freeze and reductions resolution, which passed the Foreign Affairs Committee by a bipartisan majority of 27 to 9, calls for a mutual, verifiable freeze between the United States and the Soviet Union.

Now, I ask you: What can possibly be wrong with halting the nuclear arms race on both sides in a way that can be verified to prevent cheating, and what can possibly be wrong with having major mutual and verifiable reductions in both sides' nuclear arsenals? I have not heard a good answer to that question yet, and I do not think that there is one.

What I have heard from the White House and other critics of this resolution is that the freeze movement in this country is simplistic, misinformed, irrational and naive.

Well, I ask you: Who is being simplistic, the freeze movement, or ads like this, from Jerry Falwell, that seem to accuse the freeze of promoting atheism? This ad says that the Soviet regime is likely not to recognize freedom of religion.

I ask you: Who is providing the misinformation the freeze movement or the Pentagon charts like those out in the lobby that conveniently leave out figures that show where we lead the Soviet Union in nuclear systems? Or ads like this, from Reverend Falwell, that say that the Soviet Union has an almost 2 to 1 advantage in nuclear weapons, when, in fact, we lead the Soviet Union in overall number of strategic warheads.

I ask you: Who is being irrational, the freeze movement, or the President of the United States, who has accused the 11 million Americans who voted for the freeze this past November of being manipulated by the KGB?

I ask you: Who is being naive, the freeze movement, or the administration that beleives that we can continue the arms race and the Soviet Union will not race with us?

The latest antifreeze argument the administration has come up with is that the Congress has no business telling the President, who has sent his negotiators to Geneva, what kind of arms control treaty the Congress wants. The American people have no right to speak out on their own survival if they disagree with the administration. The Congress and the American people must rally around the President's START and INF proposals at Geneva, they must not undercut our negotiating team. To do so would be unpatriotic. Of course, it was perfectly patriotic for Ronald Reagan to lead the charge to undercut SALT II which, incidentally, was a signed treaty and not just a proposal like START is.

The administration says that it has a problem with the Congress and the American people. I do not see it that way. I say the Congress and the American people have a problem with this administration. The American people want a halt to the nuclear arms race, and this administration is clearly not pursuing that objective.

The words and the phrases of these gutting amendments and substitutes can be confusing. The Broomfield substitute is a cleverly worded document that looks like it was crafted by Madison Avenue. In fact, the substitute uses the words "freeze" and "reductions."

We will also today consider many weakening amendments to the freeze amendment designed to open loopholes big enough to drive MX missiles through.

□ 1150

But when you cut through all of the details, here is what we will be voting on today. The freeze and reductions resolution recognizes that the United

States and the Soviet Union are at overall nuclear parity. Both have the capacity to destroy the other under any nuclear war fighting scenario.

Now is the best time to halt the arms race, before both sides produce more destabilizing weapons that lead us closer to the threat of nuclear war. The resolution thus calls on the United States to negotiate a mutual and verifiable freeze and to begin mutual and verifiable reductions between both countries.

The Broomfield substitute calls for modernization. In the eyes of the Broomfield supporters modernization means construction of the MX and the Trident II and all of the rest of the first-strike nuclear weapons that are on the design board of the Pentagon.

Ultimately I can tell you one thing. The arms race will end one day.

That day will come when the people who are fed up now get their political leaders to say "Stop the arms race." Or that day will come when both sides begin firing their nuclear weapons. Not only will the arms race end but so will civilization as we know it.

As Bernard Baruch once said, "We are here today to make a choice between the quick and the dead."

Are we going to remain the slaves of fear that fuels the nuclear arms race? Or do we have the courage to say, "Enough is enough."

Are we going to let the atomic age return us to the Stone Age? Or are we going to sieze our destiny and work toward world peace?

Are we condemned to die together or can we choose to live together?

That is our choice today. This is our final option.

During the past year this country has seen a remarkable public debate over the threat of nuclear war. People by the millions have begun worrying about living with the bomb. And all across the country people began to study the issue and they began to organize and mobilize. And from this national reawakening has come the nationwide nuclear freeze movement. The freeze gained its strength, not on college campuses, but in grassroots America, in community centers, town halls, church basements, and living rooms all over the country. Business and community organizations, professional groups, labor leaders, educators, doctors, lawyers, ministers, and scientists began to grapple with the issue of nuclear war. We had Ground Zero Week when people all over the country gathered together to talk about life—or the lack of it—after nuclear war. Freeze groups have been organized in every State in the Union. One million people gathered in New York to rally against nuclear war. More than 500 town meetings, city councils, and county commissions across the country passed freeze resolutions. One hundred and thirty-five Catholic bishops endorsed the freeze.

On August 5, 1982, the House held a historic vote on the freeze resolution. Unfortunately, the freeze lost by a very close 204 to 202 vote to a substitute resolution that backed the Reagan administration's nuclear arms buildup. The freeze movement in this country, however, was far from defeated. On November 2, 1982, in what was the closest this country has ever come to a national plebiscite on arms control, more than one-fourth of the Nation's voters cast ballots in State and local freeze referendums. The result was a solid victory: Over 11.5 million people, or 60 percent of those voting in the referendums, voted for the freeze.

Much has been said and written about the freeze during the past year. A lot of charges and countercharges have been made. I would like to take this opportunity to explain some facts about the freeze and tell you why I think the freeze makes the most sense.

THE STRATEGIC BALANCE

Most military experts agree that the United States and the Soviet Union are presently at nuclear parity—that is, both have the capability to destroy the other under any nuclear war fighting scenario. President Reagan claims that our nuclear forces are inferior to the Soviets. However, none of his generals or admirals in the Pentagon would trade our forces for the Soviet forces. For example, when Gen. John Vessey, Chairman of the Joint Chiefs of Staff, was asked at a congressional committee hearing last May whether he would swap our overall military capability for the Soviet's, he answered, "I would not trade." When Defense Secretary Caspar Weinberger was asked a month earlier whether he would rather have at his disposal the U.S. nuclear arsenal or the Soviet nuclear arsenal, he said, "I would not for a moment exchange anything because we have an immense edge in technology."

Mr. Reagan, nevertheless, continues to stick to his claim that we are inferior to the Soviets. This belief rests largely on what he has called the window of vulnerability, which supposes that the Soviets could launch a preemptive attack to destroy our land-based missiles and up to half our strategic bombers and submarines. An American President may then accept the initial losses and capitulate rather than retaliate and face devastation from a second Soviet strike.

Our freeze resolution recognizes that this theory stands on three shaky assumptions: First, that the Soviets could launch a near perfect attack, which most military experts believe is not possible, second, that a President would accept up to 20 million casualties and not fire the remaining 3,000 warheads tucked away in our submarines underwater, and third, that the Soviets would gamble on a first strike, not knowing whether we would launch on warning.

The freeze resolution, on the other hand, recognizes that asymetries exist in the nuclear balance with each side holding advantages over the other. For example, while the Soviets lead us in launchers, 2,500 to 2,000, we lead them in warheads 9,500 to 7,700. While the Soviets lead us in total numbers of ballistic missile submarines 62 to 32, we lead them in the total number of nuclear warheads deployed at sea at all times, 3,000 to 300. While three-fourths of the Soviet strategic nuclear arsenal is concentrated in vulnerable land-based missile silos, about one-half of our nuclear arsenal is based in invulnerable submarines.

Overall, however, a balance of imbalances exists between the superpowers, with the overkill both sides have accumulated rendering the imbalances meaningless. The superpowers have stockpiled a total of 50,000 nuclear weapons. No more than 600 would destroy every major city in both the Soviet Union and the United States.

The Reagan administration, however, insists that we must build more and has therefore committed this country to a major nuclear arms buildup. The administration wants to spend $222 billion over the next 5 years for nuclear weapons. Its plans call for eventually building up to 100 MX missiles, 500 Trident II missiles, 100 B-1 bombers, 5,000 cruise missiles, and 17,000 nuclear warheads.

Clearly the arms race is getting out of control. Both the United States and the Soviet Union are producing more accurate and more powerful first-strike nuclear weapons, like the MX, which are designed to start nuclear wars, not deter them. Furthermore, technological developments in both sides weapons systems are advancing so far and so quickly that it may become impossible in the future for diplomats to negotiate any type of verifiable treaty.

Clearly, enough is enough. The time to freeze is now.

CAN A FREEZE BE IMPLEMENTED?

Yes; it can. Utilizing the verification and accounting procedures we have established with the Soviets through previous nuclear weapons treaties, a freeze could take a relatively short time to negotiate.

The Reagan administration has claimed that the freeze is an unverifiable "leap into the unknown" that would preclude reductions because the Soviets would have no incentive to reduce after they freeze, this is not true.

A freeze could be more than adequately verified through current national technical means, which presently include spy satellites, aircraft, and ship- and shore-based listening posts

and through onsite inspections, which the Soviets are not as adverse to as they once were. Presently, our verification capabilities are extensive. As former Undersecretary of Defense William Perry has testified, "We monitor the Soviet activity at the design bureaus and production plants well enough that we have been able to predict every ICBM before it even began its tests."

As for the administration's second claim, a freeze would be a disincentive for Soviet reductions if the Soviets were ahead. But, the Soviets are not ahead and there is no credible evidence that the Soviets would not reduce after a freeze.

It turns out that the freeze would be much easier to negotiate than the Reagan administration's START proposal. Because the administration mistakenly believes that the United States is inferior to the Soviet Union, the Reagan START proposal envisions a treaty that allows for more buildup on our part and more cutting on the Soviets' part. Because the Reagan START proposal is so stacked against the Soviets, it will take years and years to negotiate, thus allowing more time for both sides to deploy more weapons that make reductions more difficult to negotiate. For example, in order to verify a strategic arms control treaty, you have to be able to count the other side's weapons. The Reagan proposal allows both the United States and the Soviet Union to build the ground- and sea-launched cruise missile. Because these missiles are so small they are easy to hide. They would thus be difficult to verify because we would never know if we were counting all the Soviet cruise missiles or double counting others. A freeze, on the other hand, would stop these missiles from ever being built. We would not have to worry whether we were counting all the missiles or double counting; the detection of just one Soviet cruise missile would clearly show a treaty violation.

WILL THE FREEZE MAKE THE WORLD SAFER?

This is the acid test. Would we sleep easier at night under the Reagan START proposal or with the freeze?

While the Reagan proposal would reduce land- and submarine-based ballistic missiles, it would still allow the United States to build more destabilizing first-strike weapons like the MX and the Trident II missiles. It would also allow the Soviets to improve the destabilizing aspects of their nuclear forces. That, clearly, is not stopping the arms race. Furthermore, the world would not be left safer. While both sides would have fewer long-range missiles, the ones remaining would be the deadly first-strike variety that are used to start nuclear wars.

The freeze, on the other hand, would bring the arms race to a grinding halt. Testing, production, and deployment of nuclear weapons would be halted. Think of the arms race as an elevator moving up a building. You have to stop the elevator first before you bring it down. This is what the freeze does—stops the arms race first, so both sides can begin major and mutual reductions. Only then, will the world be a safer place in which to live.

BEYOND THE FREEZE

A nuclear weapons freeze and reductions treaty should not be the only agreement we negotiate with the Soviets. Both sides have been energetically pursuing destabilizing nonnuclear weapons technologies, such as antisubmarine and antisatellite warfare. The United States and the Soviet Union must begin negotiating agreements that put a lid on these dangerous weapons so that neither sides deterrence from submarines underwater or its eyes and ears from satellites in outer space ever become vulnerable.

The threat of nuclear war also has another dimension. The superpowers' nuclear arms race has received the most publicity because of the unimaginable destruction that would result if the United States and the Soviet Union fired their missiles. But the more immediate danger might well be nuclear proliferation—that is, the spread of nuclear weapons to other nations, such as unstable Third World countries, which would not be to hesitant to use weapons of mass destruction in a regional conflict. Argentina, for example, could have the capability to build a nuclear device within 5 years and has stated that it is keeping its nuclear option open. If Argentina had the bomb during the Falkland Islands crisis, can anyone say for sure that it would not have used it?

Six nations are now members of the nuclear club—the United States, the Soviet Union, Great Britain, France, China, and India. But about 30 more nations have the technical capability to build the bomb within a decade. Pakistan appears to be secretly building a bomb. Iraq was headed toward the bomb until the Israelis destroyed its research reactor near Baghdad. Lybian dictator, Col. Muammar Quaddafi, has a bid on the world market to buy a Moslem bomb.

By the end of the decade, the question we may be asking ourselves is not who has the bomb, but who does not?

The United States must adopt a much stricter nonproliferation stand than the current administration is willing to take. The Reagan administration has been vigorously promoting dangerous nuclear technologies overseas that will enable countries to move closer to acquiring the bomb. The administration, for example, has loosened up restrictions on the production of plutonium from the spent fuel of civilian nuclear reactors. Plutonium is the fuel of nuclear bombs.

The United States plainly must halt the spread of dangerous nuclear materials and technologies. In that context, a nuclear freeze would help in our efforts to stem nuclear proliferation. Why? Because the nuclear arms race the United States and the Soviet Union have engaged in has left both countries with little credibility to persuade other nations not to build nuclear weapons.

The superpowers, for example, were shocked when India exploded an underground nuclear device in 1974. So far, however, the weapons states have conducted about 1,300 nuclear test explosions. In 1968, the United States and the Soviet Union signed the Nonproliferation Treaty, which, among other things committed the nonweapons states to not acquiring nuclear weapons. The treaty also committed the United States and the U.S.S.R. to halt the nuclear arms race and to begin disarmament. A freeze would go a long way toward having both superpowers live up to their end of the bargain.

In summary, the freeze and reductions resolution is a sound proposal to halt and reverse the nuclear arms race. A freeze does not ask us to trust the Soviets, it does not ask us to approve of their form of government, it does not ask us to condone their brutal invasion of Afghanistan. A freeze simply recognizes that it is in both sides, interest to stop building more nuclear weapons.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore. The Chair will state that while we are pleased to have guests in the Gallery, under the rules of the House they are not permitted to applaud or take part in the activities of the House.

Mr. BROOMFIELD. Mr. Chairman, I yield 10 minutes to the ranking member on the Armed Services Committee, the gentleman from Alabama (Mr. DICKINSON).

Mr. DICKINSON. Mr. Chairman, this is a very solemn and important moment, I think, in the history of the country and of the activities of the House. My concern is that we are making a judgment here and will soon be asked to vote based to a very large extent on misinformation.

Many people who are proponents of the so-called freeze resolution would have the public believe that if you do not support their particular resolution then you are against all freeze, that you are for escalation of the nuclear arms race, and it has either got to be their way or no way at all. That is, you are either for them or you are against them, which means that you are, by inference I suppose, ultimately for the holocaust that would follow a nuclear exchange.

Nothing could be further from the truth.

Later today there will be an amendment offered by the ranking member on the Foreign Affairs Committee, the gentleman from Michigan (Mr. BROOMFIELD). Stripped of all its verbiage, you have two choices. Will we freeze where we are, which puts us in a position of less than parity, really a position of inferiority, and then negotiate? Freeze and then negotiate.

Or do we continue to negotiate to try to reduce the missiles the Soviets are deploying and at least give us an opportunity to negotiate by threatening to at least deploy as many or a part of the number that the Soviets have in place now?

This is not just all rhetoric, because to those who are watching on the other side of the Atlantic, it has a very real and meaningful purpose.

The statement is made that there is rough parity, rough equivalence between the Soviets and the United States. When it comes to ICBM's, this is not true. When it comes to intermediate range nuclear weapons, this is not true.

The Soviets, with their SS18's and SS19's—and we have announced a no-first-strike policy—if they should attack first they could destroy 90 percent of our Minuteman force in their silos today.

We have tried negotiation and we have tried to convince the Soviets by our actions, by our not being provocative, by delaying, that we are in good faith trying to negotiate with them and get them to the negotiating table.

What have we done? After the mid-1970's the United States cut back on the cruise missile program. When Mr. Carter was in office we unilaterally canceled the B-1 program. We delayed the *Ohio* submarine with the Trident SLBM. We slowed the MX development.

Since 1972, the Soviets have introduced three new ICBM's, the SS-17, 18, and 19, all MIRV'd with multiple independent targeted reentry vehicles.

They have introduced four new SLBM's, three *Delta* class submarine types, the *Typhoon* ballistic missile submarine, which is the largest submarine ever built by anyone, and two types of bombers—the Backfire and now the Blackjack. The Blackjack has flown, is being tested, and it is larger and probably more capable than our B-1 which is still not even into production yet.

These are things that the Soviets have gone forward with and done while we continue to talk.

Last week we had Admiral Long, who is CINCPAC—or commander in chief of the Pacific—before our Committee on Armed Services. I would like to read you a part of his statement given to us in open session.

This steady buildup of the Soviets has not been limited to conventional forces.

He was talking first about conventional forces. He continued:

Modern and capable SLBM submarines regularly patrol the Pacific providing an impressive strategic nuclear threat. Also Soviet theater nuclear capability was markedly improved this past year—

Now, listen to this because most people do not know this—

by the continued deployment of the SS-20 mobile IRBM's to the Far East. There are now approximately 100 SS-20's with a total of 300 warheads targeting targets in the Far East.

This means not only China but Japan, South Korea, Taiwan, all within range of the SS-20 deployed in that section of Russia.

The Soviets have gone forward with deploying of the SS-20 on an average of one per week—one per week since 1977. They have over 350 of these missiles in place that have been deployed since 1977, each with three independently targeted warheads, each with a 3,000-mile range. They have over 1,000 sites targeted while we continue to talk and have not deployed the first Pershing or the first GLCM or the first ALCM.

What we are concerned with today is, are we going to tie the hands of our negotiators. Our committee has met several times with General Rowney and Ambassador Nitze to discuss what would be the impact of such a freeze resolution as proposed by the gentleman from Wisconsin (Mr. ZABLOCKI).

The answer was, it would totally tie their hands; there would be nothing to negotiate. There would be no inducement to the Soviets to come and negotiate anything if we announce in advance by an official act of this Congress that we are not going to build or deploy.

As a matter of fact, until we went forward recently—within the past couple of years with the proposed GLCM and ALCM deployment—we could not even get the Soviets to come and seriously negotiate with us.

Only after we had agreements with the Germans, with the English, with our NATO allies, did they come and seriously negotiate with us.

□ 1200

We are at that point now where we are sitting down and talking, negotiating—not just a freeze, but a drawdown, a lessening of the number of weapons. The President has proposed a zero option—no weapons. This is what I would prefer. Those of us who do not support this particular amendment would rather see zero; certainly a drawing down rather than freezing us in a position of inferiority.

I think probably the most telling argument that one could make is one that General Rogers made before our committee last week. Gen. Bernie Rogers is CINC/EUR (commander in chief, Europe) who is in charge of, commanding officer of all our NATO forces in Europe. He testified before our committee and made a very salient point in my opinion.

He said we have tried negotiating, we tried to show good faith by slowing down what we intend to deploy, but to no effect.

He said, "You cannot wish away nuclear weapons. The only way that you are going to reduce nuclear weapons is to negotiate them away."

If we do not maintain our options, if we do not offer inducements to the Soviets to come and negotiate in good faith, if we lock ourselves in the position where we are now with 350 SS-20's intermediate range missiles in Europe, aimed at Europe and Southwest Asia, while we have zero deployed, then why should they come and talk to us? What do we have to trade? In any negotiation there has to be a give and take. They take; we have nothing to give.

If I may—in the short time remaining I would like to clear up one thing if I might have the attention of the Chairman.

Might I have the attention of the Chairman.

There has been some question here. If the Chairman and the offeror of the resolution would respond, I have here in my hand a piece of paper that says the "economic benefits of the freeze," which is a paper published by the Coalition for a New Foreign Military Policy in support of the freeze, and it says that among the weapons that will be frozen, that cannot be either produced or deployed, are the Trident missile, the ALCM, the ground-launched cruise missile, the Pershing II, or even nuclear warhead production. Would these things be covered in your amendment?

Mr. ZABLOCKI. Will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. I thank the gentleman for yielding.

Only and until a mutually verifiable freeze has been negotiated and not before; the deployment or the research, testing could go on until a freeze would be negotiatied.

The CHAIRMAN pro tempore (Mr. MCCURDY). The time of the gentleman has expired.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from New Mexico (Mr. RICHARDSON).

Mr. RICHARDSON. Mr. Chairman, I rise in support of House Joint Resolution 13.

Mr. Chairman, I bring perhaps a unique perspective to this debate on the nuclear freeze—for high up in the mountains in my district in New

Mexico sits the Los Alamos Scientific Laboratory. For over 40 years our Nation's preeminent scientists have labored successfully to insure the survival and security of our country and the free world.

This nuclear freeze resolution does not force us to beat our swords into plowshares—for the defense of our Nation and our allies should always be our supreme concern.

But in private conversations with a number of these top scientists who are engaged in nuclear weapons production and research, they have voiced their fears to me that the arms race is out of control. We are going too far. Too fast. And we must find a way to step back from the edge.

There are 100 million people on this planet involved in military activities. Last year world military expenditures totaled nearly $700 billion. Last year the arms race consumed nearly $150 billion—ranking it in size just below the world's 14 largest national economies.

If we continue on this same treadmill at the same rate we have since 1960, then by the end of this century the arms race will have consumed an additional $15 trillion—and we will end up with 7 tons of TNT for every living person on Earth.

I remember just a few short weeks ago all of the children of the Members of Congress gathered in this Chamber—all filled with the fun and energy and love of life of little children—I find myself wondering if they will one day vanish in a cloud of radioactive dust. I must tell you with sadness in my heart that unless the Soviet Union and the United States agree to change their course I believe these children and millions of others across the United States and around the globe—that all of these will die in nuclear holocaust. There are some who believe that the Soviets are indifferent to that outcome. I do not accept that. I believe that Soviet mothers and fathers weep for their children the same as we. And I do not believe that Soviet planners are any more eager for a nuclear Armageddon than we are. No sane person can accept such a holocaust.

So I urge my colleagues to support House Joint Resolution 13. Let us take this first step back from the brink. Let this be an important signal to the world that there is a growing powerful force in the United States which reflects the views of the majority of us who wish to reverse the arms race.

Their message is simple, but not simplistic—if this Government is unable to control the arms race, then the citizens of this country will change this Government.

We can yet save ourselves. We can press for a mutual freeze to halt and then reverse the march toward death.

Many centuries ago the Biblical prophet wrote:

> I have set before you two choices: Life or death. Therefore choose life that thou and thy seed may live.

This is God's commandment to our generation. Turn away from war and killing and death. Let us choose as we did at the beginning, "life, liberty and the pursuit of happiness"—so that America will be the great and good land we can be when we are faithful to the ideals that gave us birth.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as be may consume to the gentleman from Colorado, (Mr. WIRTH).

Mr. WIRTH. Mr. Chairman, I thank the gentleman for yielding, and I rise in support of House Joint Resolution 13.

Mr. Chairman, today we are again considering one of the most humanly compelling pieces of legislation ever put before a U.S. Congress: House Joint Resolution 13, the nuclear weapons freeze and reductions resolution.

The language of House Joint Resolution 13 is concise and clear. It calls for the United States and the Soviet Union to immediately pursue "a mutual and verifiable freeze on the testing, production, and further deployment of nuclear warheads, missiles, and other delivery systems," and to follow this freeze with an effort to "pursue major, mutual, and verifiable reductions in nuclear warheads, missiles, and other delivery systems."

This resolution is not only a logical and practical complement to our national security, but also is an obvious moral imperative. However, as we are all aware, much of its true sense has been needlessly obscured by intense political efforts on both sides. Therefore, I would like to take this opportunity to briefly discuss the real implications of House Joint Resolution 13, and show why the facts—in addition to the slogans and platitudes—render the resolution so eminently sensible.

Perhaps the single greatest point of contention surrounding the nuclear freeze is the question of timing. In the opinion of the Reagan administration and other critics, any freeze implemented now would lock our Nation into a position of strategic weakness—a "window of vulnerability." To be sure, certain specific figures can be cited to support this assertion. But on the complex and largely theoretical reality of nuclear arms, an emphasis upon such narrow comparisons is largely meaningless, and indeed, is dangerously misleading. The fact is that for perhaps the first time since the beginning of the nuclear arms race, our two countries are at a rough, but real strategic parity. This parity is not one of across-the-board numerical equivalence; it is rather the more realistic and meaningful parity of overall balance and deterrent capability. Each nation has advantages in different areas.

In overall terms—ICBM's, SLBM's, and bomber-based missiles—while the U.S. deploys approximately 20 percent fewer missiles than the U.S.S.R., our more extensive use of MIRV's gives us an approximate 30 percent advantage in the number of deliverable warheads. Furthermore, U.S. missiles are less vulnerably based than Soviet missiles. Nearly one-half of all American warheads are based on submarines—compared to less than a fourth of the Soviet force—and are largely invulnerable to a Soviet first strike. Moreover, the United States also enjoys a huge advantage in the number of bomber-based warheads, which are also much less vulnerable than the immobile ICBM's. Not only does the U.S.S.R. deploy less than half as many heavy bombers as does the United States, but their bombers are also less technologically advanced, and carry less than 10 percent of the total number of warheads that ours do.

The Soviets, on the other hand, lead in the number and size of their missiles, particularly ICBM's. The Soviets deploy nearly 350 more ICBM's than the United States, which carry over 2,500 more warheads than our ICBM's do. The Soviet ICBM's have, in general, larger throwweights; that is, payload capability, than their U.S. counterparts, and this helps account for the large difference in warheads.

In short, each side currently has a significant enough combination of relative strengths and weaknesses to assure the impossibility of a successful first strike by the other side. Both the United States and the U.S.S.R. would have enough surviving warheads after such an attack to still destroy huge proportions of the industrial, military, and population centers of its adversary.

The "window of vulnerability" concept, upon which the current U.S. strategic buildup is philosophically based, is very shaky. Even though both sides are impervious to a completely disarming preemptive attack, the differences in basing which I have described have made U.S. Forces significantly less vulnerable than Soviet forces. Randall Forsberg, writing in the November 1982 issue of Scientific American, projects that the United States would have nearly three times the total number of surviving warheads as would the Soviets after such an attack.

Given such a situation, it simply does not make sense to continue to develop new weapons whose progressively more advanced engineering will contribute to an enhanced first-strike capability on the part of either nation. Insofar as such weapons will only work to further destabilize the current strategic parity, I believe that they

will decrease, rather than increase, our national security. Moreover, the huge expenditures required to develop and produce these exotic systems have the added effect of robbing our more legitimate defense needs, such as workable conventional weapons, trained manpower, spare parts, and readiness. Clearly, the real and imminent threats posed by a continued nuclear buildup undersocre the need for an immediate freeze.

The astronomical nuclear buildup outlined in the Reagan administration's proposed fiscal 1984 budget accentuates this fact. Not only does the President's $28 billion request for strategic forces exceed last year's request by over 25 percent, but it is also almost double the amount authorized for fiscal 1982. Such a rapid escalation is not only unnecessary, it is also reckless and highly destabilizing.

I oppose, for example, the request of $6.6 billion for procurement of 27 MX missiles and more MX research. By going ahead with the production of the costly MX—and the Trident II, its SLBM counterpart—we will be arming ourselves with an ICBM which has much more offensive capability, but roughly equal vulnerability, as its predecessors. It is not a "peacemaker," but rather a dangerous and antagonizing first-strike weapon which we do not need, and should not want. A freeze will block the implementation of this program, and will thus help prevent the creation of a mortally dangerous imbalance.

Furthermore, I believe that a freeze will also provide badly needed momentum on arms reduction negotiations. Although detractors assert that a freeze resolution will inhibit such negotiations, I heartily disagree. By passing such a resolution, I believe that Congress will immeasurably improve the atmosphere for negotiations with the Soviets, by impressing upon them—as well as our own negotiators—our seriousness in pursuing the cause of world peace. The resolution itself specifies that a freeze is intended only as a first step toward real arms reductions, and I believe that it is a very solid first step, indeed.

Of course, to be really meaningful, a nuclear freeze must also be verifiable. We must recognize that verification will never be a wholly exact science in any context. But a nuclear freeze is inherently easier to verify than any other type of arms limitation agreement. It is extremely unlikely that the activity required to produce and store additional weapons could go unnoticed, as a freeze would ban any new activity—certainly, testing and deployment would be impossible to conceal. It is my opinion that an intelligence community which could intricately detail top-secret Russian military production in the brochure Soviet Military Power could certainly monitor any new strategic weapons production. Indeed, former CIA Director William Colby echoed this sentiment when he told the Senate Foreign Relations Committee in May, 1982 that "a mutual and verifiable freeze * * * would be feasible to negotiate."

Mr. Chairman, no one is saying that the nuclear freeze will be a panacea for the real and mortal danger posed by nuclear armaments. But I believe that House Joint Resolution 13 is a logical and necessary place to start—and that the time to act must be now. Moreover, I feel that it is important to emphasize the inadequacies of the alternative resolution supported by the Reagan administration. This resolution is based on the flawed assumption that the United States is strategically inferior to the Soviet Union. It requires that any freeze initiative must be prefaced by a correction of this imagined imbalance. As such, enactment of its provisions would do nothing to arrest the immediate threat posed by the accelerating arms race. Indeed, passage of this bill would serve as a type of endorsement of the dangerous and destabilizing strategic increases proposed by the Reagan administration.

An immediate nuclear freeze, such as the one outlined by House Joint Resolution 13, enjoys the support of millions of our constituents, and each day their numbers swell. According to a December 1982 Gallup poll, such a proposal is favored by 71 percent of all American adults. In the 2 years since my own constitutents in Boulder, Colo., endorsed a freeze resolution, similar resolutions have been passed in 11 State legislatures, 321, city councils, 444 New England town meetings, 61 city councils, 140 Catholic bishops, 10 national labor unions, and 109 national and international organizations. As elected representatives of the people, we cannot ignore this overwhelming grassroots movement. Let us affirm the good sense and popular support of House Joint Resolution 13 by voting in favor of it today.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. McCLOSKEY).

Mr. McCLOSKEY. Mr. Chairman I rise today in support of House Joint Resolution 13, this freeze and reduction resolution is in the immediate and long term strategic interests of the United States. At a place called Trinity nearly 38 years ago the mind of man unleashed the forces of mass destruction on a scale that threatens our existence and the existence of the planet. At that time the father of the atomic bomb, Mr. Robert Oppenheimer recalled a Hindu verse saying, "I am become death, the destroyer of worlds."

Today the House of Representatives has an opportunity to become the force for hope to the hundreds of millions on this planet who are haunted by the specter of nuclear destruction. We now must become messengers of hope that the arms race can be brought to an end through a mutual and verifiable freeze which neither precludes deep reductions nor prevents us from undertaking necessary decisions to maintain our defenses. The Reagan administration seems fixated with the idea that our military might is substantially inferior to the Soviets. I do not believe this is the case. Many military experts I have talked to do not believe this is the case. Few on our side really would exchange forces. I would note also that this Chamber's leadership is important to untold millions worldwide and for generations to come. I urge your support of the freeze resolution.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. HYDE), a member of the Foreign Affairs Committee.

Mr. HYDE. Mr. Chairman, I regret having to sound a dissonant note in this fiesta of Reagan baiting but I would like to remind some of our friends that the negotiators at Geneva are representing America; they are representing our Government and our people and they are trying to do as good a job as possible. Now, I look at this resolution and frankly I am bewildered. What is it? It is incoherent. Let us look at a few of the phrases here, "Whereas the greatest challenge facing the Earth is to prevent the occurrence of nuclear war by accident or design." Well, I would have hoped the imagination of the draftsman might have included "within the framework of freedom and justice and dignity." I would say the greatest challenge is not just to prevent the occurrence of nuclear war, we can do that today, just disarm, just lay down our arms and get on our knees and face east. But to do it within a framework of freedom and justice, to do it within the framework of our oath of office which requires us to uphold the Constitution, which says, in addition to "provide for the common defense," it also admonishes us to "secure the blessings of liberty for ours and for our posterity."

So, I gently impeach the language of the very first sentence in this "Resolution".

Then we move on to "whereas a mutual and verifiable freeze and reductions in nuclear weapons and nuclear delivery systems would reduce the risk of a nuclear war." Well, that to me is a melting freeze, that is kind of a thaw. The two ideas are mutually inconsistent. How do you freeze, which means no motion whatsoever? That means you stand in place. And once frozen, how do you reduce, which is motion in a particular direction.

First of all, it will take years to negotiate a freeze unless we give in to their terms. It will take years to negotiate inventories, vertification, what actions will be permissible in terms of maintenance, that sort of thing. And while we do that, what do we do with the reductions? We put them on hold because reductions are the opposite of freeze. This is to me as I once described it, a carnivorous vegetarian, it is freeze or reductions. I do not see how it can be both. But then perhaps that will be left to further debate. Then we have another interesting line, "consistent with the maintenance of essential equivalence."

You know, everyone has a right to their opinion, but nobody has a right to be wrong in the facts. There is not essential equivalency in overall nuclear capabilites.

Now you have your experts, your retired admirals, your former generals. Some subsidized by Stewart Mott and the liberal community, distinguished people all, but we have the classified briefings, we have the CIA, the Department of Defense, we have our allies in Europe. Here you ought not to guess, to throw the dice. You ought to give the benefit of the doubt to the people who have the up to date, accurate information. It is factual that 75 percent of the United States' weapons are on launchers 15 years or older, 75 percent of Soviet weapons are on launchers 5 years or younger; 70 percent of Soviet weapons are on intercontinental ballistic missiles, 25 percent of ours are on intercontinental ballistic missiles.

Now "pursuing the objective of negotiating an immediate and verifiable freeze," but then the next line states "deciding when and how to achieve a mutual verifiable freeze," I thought immediate meant immediate. "When" kind of dilutes, adulterates the word "immediate."

□ 1210

So it is difficult to understand just what this means, "consistent with pursuing the objective and negotiating an immediate mutual and verifiable freeze, giving special attention to destabilizing weapons."

Well, now, is this Markey-Kennedy; is this Gore; is this Zablocki; is it a transvetite; what is it? You cannot figure it out. I mean are you going to freeze these destabilizing weapons or are you going to reduce them, or are you going to do both, freeze and reduce at the same time?

Dealing with arms control is too important, it seems to me, to have our views embodied in this semantic mess that is called House Joint Resolution 13. I will tell my colleagues one thing, though, it is not policy, it is politics. The chief protagonist of this in the other body abandoned his crusade for comprehensive national health insurance which in his repeated declamations was the greatest challenge facing western civilization for generations.

The CHAIRMAN pro tempore. The time of the gentleman from Illinois (Mr. HYDE) has expired.

Mr. BROOMFIELD. I yield 4½ additional minutes to the gentleman from Illinois.

Mr. HYDE. Seeing that political profit were not there on that one why now we have just discovered the nuclear weapon, which we have had since August 6, 1945.

Now my analysis of this freeze, a flaw and I hope it is not a fatal flaw, is that it is a disincentive to reduce, a disincentive. I said to one of my respected colleagues in the Foreign Affairs Committee, "if we freeze, if we lock in place, where is the incentive to the Soviets to reduce?" And he said, "the Soviets want to live in a nuclear-free world in peace."

It is a mistake in my judgment to assume that the Soviets approach the negotiating table with "peace" in mind. They want victory. They are a revolutionary society. They are an anti-status quo society. We are a status quo society. We want peace. They want victory. And they are prepared to win a nuclear war. They have an operative civil defense program. We say, "Hey, there is no way anyone is going to win," so we do not bother to defend our people. We mirror image ourselves. We look at ourselves when we sit down to negotiate and that is a terrible mistake.

Five minutes before our Pershing II's go into Europe, 5 minutes before our ground-launched cruise missiles go in, the Soviets will get serious about reduction.

Now we hear so much about the polls. Everybody wants a nuclear freeze. That is an expression that the people want an end to the arms race, but if you ask the average American what is a Trident, he thinks it is a stick of gum. If you ask the average American what a Minuteman is, he thinks it is an ad for an insurance company. The complexities of arms control are really not a part and parcel of the average American's conventional wisdom.

But ask him the second question. If we freeze and we are left at a nuclear disadvantage to the Soviets, are you still for a freeze? And the numbers are reversed. But that second question is seldom asked.

Overkill, we have got enough to bomb them to hell, they have enough to bomb us to hell. That is not the question. I have two fists, so has Larry Holmes got two fists. You do not equate my fists and his.

Let me just suggest that it is not how many you have, it is how many will you have after the Soviet first strike and how many are survivable and deliverable.

Therefore the modernization and the quality of your arsenal is much more important than the numbers.

Let me just say one more thing. We are going to obey a freeze, this country, if we ever get into it. Jack Anderson will see that we do, the Village Voice, Mother Jones, and Rolling Stone, they will all see that we obey. The problem is the Soviets have no counterpart. They have no investigative journalists over there.

Mr. Chairman, the gentleman from Massachusetts, my dear friend wearing the shamrock, talked about Reagan opposing this freeze as simplistic. Let me quote to my colleagues from one of the leading journals in Western civilization, if not the globe.

And it says:

> The freeze remains a simplistic, sloganeering response to a complex issue * * *. The political effect is to put relatively greater pressure on the United States than the Soviet Union, which suppressed its own freeze movements.

That is from, let me see if I can make it out, the New York Times, October 24, 1982.

Last, to my dear friend from Massachusetts, I hold in my hand a "Dear Colleague" and I save all of the gentleman's "Dear Colleagues," and it is signed by the gentleman and the gentleman from Massachusetts (Mr. FRANK), another gentleman from that great Commonwealth of Massachusetts, and it says:

> Dear Colleague, an article in the New York Times on August 11 indicates that the Soviet Government is forcibly administering depressant drugs to Sergei Batovrin, one of the founders of Moscow's only independent disarmament group. According to Mr. Batovrin's wife, Sergei Batovrin is being given pills four times a day and has been threatened with electric shock treatment if he resists taking the drugs which the authorities are forcing upon him.

Now, I say to the gentleman, he wanted us all to write a strong letter to President Brezhnev. Has the gentleman gotten an answer?

I yield to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. The answer to questions of that nature are unrelated to our ability to negotiate and verify a strategic arms treaty with the Soviet Union.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Chairman, I rise in support of House Joint Resolution 13.

Mr. Chairman, my first priority since coming to the Congress has been to put Americans back to work. But an even more imposing issue, reducing the risk of nuclear war, has at times slid dangerously in the background.

Yet the jobs question is moot, if we do not halt the escalating nuclear arms race. This arms buildup has

pushed us close to nuclear war, by accident or by design.

From the standpoint of employment we cannot ignore that the massive buildup of nuclear arms is eroding not only the military stability of the United States and the Soviet Union, but also the economic stability of the superpowers.

Excessive military spending contributes to declining productivity here at home. Concentrating scientific work on military projects reduces innovation in other sectors and ultimately affects productivity.

With so much money and skilled labor diverted to military programs and not civilian production, U.S. competitiveness is bound to suffer.

Every dollar spent on military programs creates far fewer jobs than the same dollar spent in other sectors. Also defense industry jobs are more highly skilled than in other sectors, so open to fewer workers.

From another economic perspective, the Congressional Budget Office has estimated that a freeze could save at least $84 billion over the next 5 years. And the Pentagon says it may save more, due to underestimated costs of planned military buildup.

Mr. Chairman, more significant than even these budgetary savings directly are the indirect economic effects of a freeze on our economy. It will stimulate East-West trade and expand foreign markets. It will improve national productivity as resources, capital, and skilled workers are diverted to civilian industrial research and development.

A freeze can help rebuild domestic competitiveness while expanding exports.

A freeze is the first step in achieving true national security by halting the escalating arms race so that major reductions can begin and by creating jobs for the unemployed through revitalization of basic industries.

At stake is our planet and our human family.

We need a strong defense, second to none—but we need nuclear arms control. And this freeze is a useful first step.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. STRATTON), a senior member of the Armed Services Committee and sponsor of the resolution (H.J. Res. 4).

□ 1220

Mr. STRATTON. Mr. Chairman, I would like to address a question to the acting chairman of the Foreign Affairs Committee, in keeping with the commitment that was mentioned in the Rules Committee.

Would the gentleman yield an additional 5 minutes so that I can speak on behalf of the Armed Services Committee?

Mr. FASCELL. I was not party to whatever the negotiation was; but I understand that the gentleman has already used up his time in a colloquy with the chairman, so until he gets back, I cannot say anything; so the gentleman can go right ahead.

Mr. STRATTON. We were assured by the chairman of the Foreign Affairs Committee a moment ago that we have nothing to fear with a nuclear freeze because we have "overall nuclear parity," we have "essential equivalence". Unfortunately, the Speaker did not deem it proper to refer a resolution which has a very great deal to do with the status of our military forces, our nuclear deterrent, to the Committee on Armed Services, which, under the rules of the House, has primary responsibility for those weapons. Since the Speaker did not refer this resolution to the Armed Services Committee, the Rules Committee determined that it would be inappropriate to provide any time for the Armed Services Committee to address the consequences and the impact on our defense structure of the resolution proposed by the gentleman from Wisconsin (Mr. ZABLOCKI).

It is unfortunate that the chairman of the Armed Services Committee could not explain to the American people and to the Members of the House exactly where we do stand with the Soviets and just where this alleged "nuclear parity" and "essential equivalence" exists.

Take a look at these charts. This first one shows, for example, in the red area, the area in which the Soviet SS-20's can be effective against Western Europe.

The blue lines, on the other hand, show where the Pershing II and the GLCM could reach into the Soviet area. Neither of them can even reach Moscow.

The second chart shows what some people might imagine is essential equivalence. But that would be a pretty strange equivalence.

The red missiles are the missiles of the Soviet Union. See how many there are? See how big they are?

The blue missiles, and there are only a few of them here, these are our American missiles. Notice how small they are in comparison with the Soviet missiles. This is the Titan missile. But, also it is well overage, and is soon to be retired.

This missile over here—this little fellow—is the MX, which some of our people tell us is going to blow us to kingdom come, because it is so terrible and so large. Look at how it stands along the SS-19 of the Soviet Union.

But the most destructive bit of information with regard to "essential equivalence," Mr. Chairman, is this chart which indicates not only the size of the nuclear deterrent, the United States compared with the Soviet Union, but also the comparative ages.

This ban represents the Soviet Union's basic nuclear deterrent, composed of SS-17's, SS-18's and SS-19's. The average age is 5 to 10 years.

America's nuclear deterrent is shown over here. The average age here is between 20 years and 25 years. So notice that if we were to freeze, as the resolution of the Foreign Affairs Committee would have us do, because of this sharp age differential; the Soviets would not have to do anything, because in about 3 years, this deterrent of ours, with no opportunity for improvement, would simply disappear.

Here are the B-52-B's. They are over 45 years of age.

Here is the Titan. It is very much overage.

Here are the Poseidon submarines which are scheduled to be phased out in a couple years. And the freeze resolution will, of course, prevent us from bringing in the new Trident submarine to modernize our nuclear deterrent.

Here are the B-52-H's. They have even been blowing up as they land. Surely these contain a minimum of deterrent.

The only other weapon we have in our deterrent is the Minuteman III. And the Minuteman III is already vulnerable to a Soviet first strike. So if we and the Soviets were to freeze their nuclear deterrent and we were to freeze our nuclear deterrent into place, without modernization in the United States we will soon have no deterrent at all. That is the frightening position that the nuclear freeze resolution would put us into if, God forbids, if it were to be actually carried out and implemented.

Mr. FASCELL. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio (Ms. OAKAR).

Ms. OAKAR. Mr. Chairman, the other gentlewoman from Ohio is pleased to join her colleagues in supporting this resolution.

Let us not lose sight of what this is. This is a suggestion that superpowers get together and end what is a very, very immoral issue, the possible destruction of our global community. That is what we are really talking about. I cannot think of anything that is more prolife than being for the nuclear freeze resolution.

I would just like to commend the chairman for this resolution and all who have been courageous enough to sponsor it. It is unbelievable to me that a resolution so simple, so civilized, could be opposed. We are a superpower and how we use this status throughout the global community will be judged historically and morally. Will we use our superpower abilities to provide dialog for peace and harmony among not only our own people, but people throughout the world, or will

we use our superpower status in an uncivilized fashion? That is really what it is all about, an uncivilized fashion that promotes warfare and ultimately destruction and violence and, indeed, a nuclear holocaust.

We are a key player in this civilization and what this resolution is suggesting is that the two superpowers get together and have dialog on this issue and freeze the production of more nuclear weapons; we have hundreds and hundreds of them and so does the Soviet Union already.

Let us look at why this movement, the nuclear freeze movement, began. It began because of the irresponsible talk of the administration about limited nuclear war, demonstration blasts to show that we mean business.

The nuclear freeze movement came in response to that kind of speculation and it demonstrates the clear rejection by the American people of an arms race and it delivers a mandate to the administration to negotiate meaningful arms control.

I do not want the other side to kid themselves. This is not just the super liberals or one group or another. These are the old, the young, the middle class, the rich and the poor, who have joined together on this issue because we are civilized.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. LEACH).

Mr. LEACH of Iowa. Mr. Chairman, perhaps the most mischievous notion in modern politics is that the United States may be in a position of nuclear inferiority with the Soviet Union and that American security is somehow jeopardized by a "window of vulnerability."

As Dickens might have said: "This is humbug." When American forces have the capacity to destroy the Soviet Union many times over, there is no such conceptualization as inferiority. Death is death. A human being cannot die twice.

The problem with the logic of those who would reject a freeze in favor of unrestrained weapons development until an idealized treaty is negotiated is that their position hinges on the assumption that more nuclear weapons really matter. This is nonsense. In a world of nuclear overkill and redundance, the United States and the Soviet Union are like two rivals locked in a small room in a duel to the death where one has 1,400 pistols and the other 1,200. The one with 1,400 has no advantage when one or both of the parties are likely to be killed or maimed with the first pistol used.

The nuclear arms freeze resolution is not intended to undercut this administration's negotiating position vis-a-vis the Soviets. Rather, it is intended to bolster administration resolve and make it clear to political leaders in both parties that speaking out for issues where survival of the species is at stake is not only a moral, but a political, imperative. Presidents need not fear political reprisal for pursuing responsible arms control.

That, rather than the subtleties of semantics, is the message that this nuclear freeze resolution is intended to record.

In this regard, let me stress, as a Republican and a supporter of the freeze, that arms control is not a partisan issue. Neither the Republican nor the Democratic Party is a "war party." Peace is a commonly shared goal.

In this context, I feel compelled to register more than a little concern with the rhetoric of liberals who lambast gratuitously the President himself instead of simply registering responsible differences with his policies. Likewise, some conservatives who imply that freeze advocates are influenced, gullibly or otherwise, by Communists or, more extraordinarily, by the Devil himself, should be responsibly chastised.

It is true that implicit in the freeze resolution is criticism of this administration's approach to arms control. But it would be unfair to consider those who support a freeze any less patriotic in their opposition to this administration's negotiating position than those who, like our President, opposed the negotiating position of former President Carter in the SALT II debate or former President Kennedy in his desire to negotiate a comprehensive test ban.

Recognizing that there are elements of the freeze issue which are not highly emotive, it is imperative to look at the constellations of political groupings supporting one approach or another, but at the precise words of the resolutions before us and the ideas that underpin their crafting. In this regard, I challenge serious students of arms control to find objection to the nuclear freeze approach passed by the House Foreign Affairs Committee.

The resolution includes changes from last year's approach which are subtle but which are sufficiently significant to warrant the close attention of those Members who went on record against the freeze in the last Congress. This year's resolution gives greater emphasis to the mutual and verifiable nature of the freeze and to the particular problem posed by the first-strike weapons.

Another element of difference with the freeze resolution this year is an amendment I introduced in committee to the preamble of the resolution. The language states:

> Whereas the United States and the Soviet Union have signed the Joint Statement of Agreed Principles for Disarmament Negotiations, known as the McCloy-Zorin Agreement, enumerating general principles for future negotiations for international peace and security.

This preambular language is not intended to commit the House or any Member to any particular arms control approach. In the profoundest sense, however, there are two issues before this body. One is the merits of the freeze. The second is the desire of many Americans to give new impetus to arms control discussions.

The amendment I authored to the preamble deals with the second issue. It is self-explanatory, referring to the McClory-Zorin agreement which was negotiated in the summer of 1961. What distinguishes McClory-Zorin from all other arms control agreements is that it sets forth a series of principles and goals, as distinct from specific weapons restraints, which have been agreed to by both the United States and the Soviet Union. The agreement established an atmosphere that led to the "hotline" and the Limited Test Ban of 1963, the Nonproliferation Treaty of 1968, and gave impetus as well to the establishment of the SALT process.

Apart from the nuts and bolts of any specifics of an arms control agreement, the milieu in which talks take place is crucial. The McClory-Zorin agreement led to a milieu which resulted in modest arms control progress in the 1960's. It is a milieu I think should be returned to in the 1980's.

At a recent luncheon in which Ambassador Dobrynin was the principal speaker, he was asked what type of confidence-building measures would be necessary from the Soviet perspective to break the current arms control impasse. He said—I think, profoundly—that first we have to stop calling each other names.

It is my hope that this historical reference to McClory-Zorin will help establish a milieu that is cooperative rather than confrontational, one that recognizes mutual responsibility without rancor. In addition, it must be stressed that the call in McClory-Zorin for staged, mutually verifiable reductions is consistent with the President's goal of numerical reductions rather than maintenance of a nuclear status quo.

Finally, it should be stressed that the nuclear freeze movement is not a fad. A fad in American politics might be defined as an idea without an institutional base. The monumental difference between the arms control movement today compared to a year ago or 26 years ago is that it has become quintessentially middle class. It is not a liberal movement, nor a youth movement, nor a partisan undertaking.

For the first time in American politics, arms control initiatives are grassroots; they are pushing energetically from the bottom up, from the hamlets and cities of America to our Government here in Washington.

Arms control activists for too long could be listed on two hands: a few professionals at State, the NSC, and Defense, with the fate of any agreement hinging on the temper of several senior Senators.

But just as someone once observed that war is too important a business to be conducted exclusively by generals, the American people are saying today that arms control—that is, survival—is too vital a concern to be left exclusively to a few politicians.

Middle-class America is taking a stand. In no uncertain terms, the American people are telling elected officials at all levels that issues of survival cannot be allowed to stultify in the demagogery of Presidential campaign rhetoric. Expressions of concern have become institutionalized in churches, synagogs, businesses, unions, professional associations of doctors, lawyers, scientists, and teachers. Representatives in Congress ignore the heedings of educated America at political peril for themselves and for their political parties if arms control is allowed to become an issue of partisanship rather than individual judgment.

The surprise is not how rapidly the arms control issue has materialized as a popular national movement, but how late it has been in blooming.

It is not enough to say to the American people that Executive prerogative in treaty negotiations prevents Congress from going on record in favor of a more forthcoming approach to arms control.

We are the people's House. It is right and proper to reflect the concerns of American families to the world-at-large. We have a duty in whatever small way we can express the concerns of the people of the most awesome democracy ever created on this, the most important issue of our age.

It has been said by some that the position of our allies would be undercut by House passage of this freeze resolution. The opposite is actually the case. As former CIA Director William Colby noted yesterday: "I think the general reaction in Europe will be, 'Well, thank God.' "

Like the shot heard at Concord, the call for a freeze on nuclear arsenals has spread from the town meetings of New England to peoples around the world. Pressure for a freeze is growing at the United Nations, in national parliaments, and at the grassroots level in Europe and elsewhere.

At the United Nations, in November 1982, a resolution for a nuclear freeze was introduced by Mexico and Sweden. Its principal sponsor was Ambassador Alfonso Garcia Roblez of Mexico, winner of the 1982 Nobel Peace Prize. On December 14, the resolution passed overwhelmingly: 122 votes for, 16 against, with 6 abstentions. The United States voted no.

On March 11, 1983, leaders of 100 nations and organizations attending the Non-Aligned Summit in New Delhi unanimously gave their backing to the freeze movement, calling on both superpowers for an immediate halt to the testing, production, and deployment of nuclear weapons.

The freeze has received particular attention in the Parliaments of U.S. allies. In the Netherlands, at the time of the U.N. vote, a resolution was introduced calling on the Government not to vote against the freeze, despite strong pressure from the Reagan administration to do so. The resolution, sponsored by Chairman Relus Ter Beek of the Foreign Affairs Committee, came within three votes of passage.

In Denmark, the new Conservative government stated its intention to join the United States in opposing the freeze. A majority in Parliament disagreed, and within 2 weeks, former Prime Minister Anke Jorgensen (now in opposition) had informed Prime Minister Hartling that if Denmark opposed the freeze at the United Nations, there would be a no confidence vote in Parliament, precipitating new elections. Denmark abstained.

At the same time, in Iceland and Norway, vigorous debates were in progress as to what position their governments should take at the U.N. When the vote came, Iceland joined Denmark in abstaining. Greece, in its turn, voted for the freeze, The message was clear: The NATO allies are far from unanimous with respect to the assertion of administration spokesmen that the freeze is a fraud.

In the Canadian Parliament, the freeze is gaining momentum, In December 1982, a group of 26 MP's issued "A Statement of Concern on Nuclear Arms," which has received wide attention. The statement appeals to the Canadian Government "to support the new global call to the Soviet Union and the United States to stop any further increase in their awesome nuclear arsenals, which already have ample retaliatory power and a frightening overkill capacity."

In Australia, New Zealand, Jamaica, and the European Parliament, resolutions have recently been introduced supporting the freeze. Others are expected to follow.

In addition to these moves at the government and legislative level, citizens' groups have begun to mobilize themselves in parallel with the American Freeze Campaign. The British United Nations Association has brought together a freeze coalition in the United Kingdom, and a new Danish coalition of peace groups has taken up the freeze as one of its main proposals. European political parties have begun to include the freeze in their platforms.

All over the world, legislators, government officials, and ordinary people are sensing that the freeze proposals offers a chance to stop the nuclear arms race before it is too late. All over the world, people are looking to the U.S. Congress for a signal that restraint rather than further escalation of the arms race will hallmark modern politics.

Arms control discussions hold a precariously brief place in mankind's history. The maintenance of SALT obligations and conclusion of a bilateral nuclear weapons freeze are not an end but a beginning—a direct, dramatic, and essential means of launching a new period of fruitful negotiations across the entire range of arms control issues. Such talks, to be truly successful, must cover not only strategic weapons systems but also aim at a comprehensive nuclear test ban, the complete abolition of chemical and biological weapons, the creation of nuclear free zones, greater controls against nuclear proliferations, and mutual reductions in the maintenance and transfer of conventional weapons.

Arms control talks must ultimately involve a broad range of nations other than the superpowers, since all nations have a stake in the prevention of the global holocaust that would undoubtedly follow a nuclear exchange between either the superpowers or mid-level powers in territorial disputes in areas such as the Middle East.

In order to make real progress toward arms control, it is necessary, then, to move beyond expressions of concern to engage national leaders in a practical quest for a reduction of armaments. The outcry against nuclear weapons must be wedded to a commitment on the part of national leaders and strategic experts to practical steps designed to achieve their reduction and hopefully elimination.

At the risk of trivializing the peace issue, it is clear that no annoucement would be more likely to turn the economy around than that associated with successful completion of arms freeze or reduction talks. The fundamental concern of arms control is survival, but an important premise of those seeking mutual weapons restraint is the prospect of reorienting Federal spending from defense to economic and social development. Prudent arms control may well be a prerequisite to revived economic activity in America in the 1980's.

The nuclear freeze movement is more than a protest. It is a profound plea from concerned Americans for a basic change in our approach to global security. It is not a fad, but it will produce nothing but frustration unless concern can be translated into action on the part of our national leaders.

The American people are now thinking hard about the unthinkable. They are demanding leadership from their leaders.

The significance of this new recognition of the perils that more than three decades of nuclear weapons competition have brought us cannot be overstated. The very fate of humanity is at stake. The fundamental distinction between this generation of citizens of the world and all previous ones is that we have the capacity to destroy ourselves.

The American people are thus demanding that their leaders live up to their responsibilities so that citizens of the Earth can continue to live and breathe on a planet suddenly and incomprehensibly prone to extinction.

This is what we are talking about today. Admittedly, there is some risk in any specific approach to arms control. But there is far greater risk in doing nothing at all. Now is the time to negotiate, not escalate.

□ 1230

Mr. FASCELL. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. TORRICELLI).

Mr. TORRICELLI. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I, too, rise in support of the resolution. I do so because today means several things.

First, today 12 million Americans in 34 States are being heard. That is important because this resolution is theirs. It belongs to no government. It is a message from the people of the United States to the people of the Soviet Union. It is a message that entails no risk for our country because our people understand that a freeze is both mutual and verifiable before it is a freeze at all.

It is not in any way an attempt to tie the hands of those who would negotiate for the United States. It is, rather, an attempt to twist their arms and to substitute the commonsense of our people for the simplicity of this administration.

Second, it is a message to the administration that before we commit billions more for arms, before we ask sacrifices from our people and the most vulnerable in our society, that we make this statement of hope.

Third, the nuclear freeze has a very important personal message for each of us because twice in this century this body has met to bring our Nation to war. Twice this institution has met to declare war. Before we ever do so again, before we ever meet on such an occasion again, let us be able to answer to ourselves, to our country, and to God that we led the race to peace before we answered the call to war.

That is what the nuclear freeze is all about. I urge its adoption.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. ROTH), a member of the Committee on Foreign Affairs.

Mr. ROTH. I thank the gentleman for yielding this time to me.

Mr. Chairman, first of all I wish to compliment the chairman of our Committee on Foreign Affairs and our ranking Member for their fairness and their diligence in this matter, and I am sure we are all very proud of them. While we may not always agree, I think that we can see that good faith has been brought, especially in this particular case.

All of us share a mutual goal. We all want to assure peace and make certain that we reduce the threat of a nuclear holocaust.

The issue that divides us is: How do we achieve our goal? We are offered two alternatives: The unilateral approach—as proposed by advocates of a nuclear freeze; or the negotiated approach—as proposed by former President Carter, accepted by all members of the NATO Alliance, and implemented by President Reagan.

The freeze campaign has mobilized millions of Americans and has brought arms control to the forefront. The idealism represented by this movement should be recognized, encouraged, and channeled into realistic directions that will enable us to secure peace and security.

We stand now at an important threshold. This year, the NATO Alliance will begin deployment of new, modernized theater nuclear forces unless the Soviets enter into a binding, verifiable reductions agreement. This is a unique opportunity. Failure must be due to Soviet intransigence, rather than lack of will on behalf of the West.

Passage of this resolution will tell the Soviet Union that we are not serious in our arms control negotiations. It will remove all incentive and pressure that we might bring to bear on the other side. They will recognize that the West is returning to a path of unilateral disarmament. There will be no incentive for the Soviets to reduce—and the buildup of armaments by the Soviet Union can and will continue, while we waste valuable, irreplaceable negotiating time in trying to persuade them to accept a "freeze."

A freeze will not achieve the goals of our Nation nor those of the Western Alliance. A freeze will not reduce the threat of nuclear holocaust, for that can only be obtained through a negotiated reduction in armaments. Through the START and INF negotiations, which are already in progress, we can obtain our objectives. Congress therefore must lend whatever support possible to attainment of success in these negotiations.

Passage of a freeze resolution will seriously harm these arms control negotiations. It will damage the credibility of our Ambassadors and undercut their ability to engage in meaningful negotiations.

Ambassador Rowny, our representative at the START negotiations, has told us that "* * * negotiations on reducing strategic arms will be made immensely more difficult, if not impossible, by passage of a freeze resolution * * *"

Ambassador Nitze, who represents America at the INF negotiations, has said that he would "* * * have virtually no bargaining leverage with the Soviets * * *" if the freeze resolution is adopted. Ambassador Nitze points out that under a freeze, the Soviets "* * * would have every reason to draw out the negotiations * * * without result * * * as they then would be assured of the indefinite continuation of their existing monopoly over the United States in longer range INF missiles * * *"

We here in Congress must have confidence in our arms control ambassadors—if we do not, they should be recalled and replaced.

The arms control path that we are pursuing now has bipartisan appeal, has been developed by a Democratic President and implemented by his Republican successor; reviewed and approved by a series of Congresses.

We stand today on the brink of success. Yet failure of will by this Congress can force us into a new armaments race and eliminate our best hope for bringing about reduction of nuclear armaments.

There is no more noble dream than the dream for a comprehensive peace without the threat of nuclear war. But, we must deal with reality. This Congresss must reject the "freeze in place" proposal, which will put a stop to negotiated reductions. Congress must exert leadership and direction. We must take the courageous, albeit unpopular step and do what is right. Congress must accept and endorse the idea of "reducing now"—so that we can continue to negotiate toward eventual, total elimination of nuclear weapons.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. WOLPE).

Mr. WOLPE. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of House Joint Resolution 13 introduced by the distinguished chairman of the Foreign Affairs Committee and reported out of our committee overwhelmingly last week.

It has been 7 months since the House debated and narrowly defeated a resolution calling for the negotiation of a bilateral and mutually verifiable freeze on the testing, development and production of nuclear weapons. In the past 7 months the support for a nucle-

ar freeze has grown enormously. Last November millions of Americans voted for freeze resolutions, sending a strong message to Washington that they wanted an end to the nuclear arms race. The chorus of endorsements of the freeze among distinguished scientists, academics, and former defense and foreign affairs officials has grown in a resounding crescendo.

Today the Members of this House have the opportunity to reflect the views of the vast majority of our constituents and pass a resolution which is remarkable at once for its practicality and its broad scope. In its essence this resolution will urge on the administration a negotiation to prevent the development of an entire new generation of destabilizing nuclear weapons. In comparison with their predecessors, these new weapons will provide greater accuracy, contain more warheads and assure more certainty of delivery. As Dr. Randall Forsberg, the author of the nuclear freeze, has pointed out, these new weapons will increase the incentive for commanders on both sides to use their tactical and strategic nuclear forces in attacks on their opponents' nuclear forces and other military targets. In short, these weapons will increase the war-fighting capability of both the United States and the Soviet Union. These weapons will move us perilously closer to a nuclear conflagration.

Opponents of the nuclear freeze resolution often dismiss this legislation as idealistic pie-in-the-sky rhetoric. I submit, Mr. Chairman, that this resolution is one of the most hard-headed, practical measures ever suggested in the arms control field. The sad truth is that the history of arms control negotiations for the past 20 years has, as Congressman GEORGE BROWN told the Foreign Affairs Committee, only been tinkering around the edges. SALT I, the nuclear test ban, the ABM treaty, and the nonratified SALT II treaty were all steps in the direction of limiting the potential use of nuclear weapons. They were unfortunately too quickly eclipsed by the new technological developments which added to rather than diminished nuclear instability. All of us know how the MIRVing of nuclear missiles has undermined so much of the work of the SALT I negotiators in the early seventies. A negotiated nuclear freeze would stop this ascending spiral of nuclear weapons development at essential parity and then allow a negotiated reduction in weapons.

This is in fact the heart of the question this House is facing today, voting for this resolution is an affirmation that we can and should freeze the nuclear arms race at current levels and then move to reduce. A vote against this resolution is simply permitting the development of even more destabilizing weapons and ushering in a new and perhaps fatal round in the arms race. Our choice I think is as simple as that. The responsibility we bear is also as awesome as that.

During the debate on the nuclear freeze resolution opponents have often argued that a freeze will lock us into nuclear inferiority vis-a-vis the Soviet Union. Much is often made of the alleged massive arms buildup of the Soviet Union during the 1970's and our own inferiority to the Soviets. During our Foreign Affairs Committee hearings on this bill, Ambassador Raymond Garthoff, now of the Brookings Institution and a distinguished analyst of Soviet arms control and military policy, made a very telling rebuttal of this argument which I would like to share with my colleagues today.

Dr. Garthoff argued that the Soviet defense buildup in the 1970's was certainly significant. It was not unprecedented, however, Between 1963 and 1968 the United States had built up its strategic forces by 1,060 new ICBM and SLBM launchers. The Soviet buildup in the seventies was in large measure a response to our initial nuclear advantage. Lest we be confused, the United States had 4,000 independently targeted warheads and bombs in 1970 while the Soviet Union had 1,850. By the time SALT II was signed in 1979, the United States had 9,200 warheads and the Soviet Union 5,200. So in fact, during the precise period of Soviet buildup, the United States increased not only its absolute lead but its relative lead in the number of warheads as well.

The bottom line, Mr. Chairman, is that the United States and the Soviet Union have reached an essential equivalence in the field of nuclear destruction. The balance of terror contains a number of asymmetries. But we can live with those asymmetries. Our national security is not now in jeopardy, and it is misleading for the administration to tell the American people that we are inferior to the Soviets.

To put this issue in perspective perhaps it is useful to recall once again that even if the Soviet Union launched a first strike against the United States—a strike so extraordinarily successful that it totally eliminated our land-based nuclear force, our airborne nuclear fleet, and all the nuclear submarines that are in port at any one time—there would remain at sea at least 20 nuclear submarines, each carrying 16 missiles, each missile carrying 8 to 10 warheads, each warhead having an average explosive power several times that of the bomb that fell on Hiroshima. These 20 subs would be sufficient to destroy every industrial, defense, and population center in the Soviet Union three times over. Indeed, the explosive yield contained in only one of these subs exceeds the combined force of all the munitions exploded in World War II. Given the strength of the American counterforce, a Soviet first strike would be an act of total irrationality.

In conclusion, Mr. Chairman, I would like to comment briefly on several of the arguments used by the administration and its supporters against the nuclear freeze movement. First of all, I believe that the administration's campaign to slander the nuclear freeze movement as unilateralist and unpatriotic and to depict freeze advocates as tools of the Soviet Union is simply outrageous. These charges are an insult to the millions of loyal Americans who have supported the freeze as a practical and responsible arms control initiative.

I believe it is equally outrageous for the administration to argue that the freeze proponents are undercutting the arms control negotiations now underway in Geneva. This argument is tantamount to saying that the American people have no right to speak out for the foreign policy they support. For the President and many of his arms control advisers to advance this argument after they destroyed the SALT II Treaty smacks of the cruelest hypocrisy. The fact of the matter is that the nature of our democratic system requires that our people speak out. The congressional and legislative branch must reflect the views of our people. It is the highest arrogance for the administration to tell the American people in effect: "Do not interfere with our arms control policy, we know what is in your best interests."

Is it any surprise then with this arrogant disregard of the views of the American people that our vote today has become in many respects a vote on the credibility of this administration's arms control policies? The reason we are here today is that the American people have simply heard enough from administration spokesmen about the need for our country to develop nuclear war-fighting capability. The American people have lost confidence in an administration which nominates a Kenneth Adelman for its highest arms control poistion. The American people are shocked that one of our principal arms control negotiators should be spending his time putting together hit lists of his own delegation members. The American people no longer trust an administration which states that it is negotiating genuine reductions in nuclear weapons, but is in fact proceeding apace with the production of a new and infinitely more unstable generation of weapons. Finally the American people want to stop the expenditure of unnecessary billions on nuclear weapons when we have so many pressing domestic needs and conventional defense requirements.

The time has come for this House to demonstrate to the administration and

to the American people that we have heard the voices of our constituents. I strongly urge my colleagues to vote in favor of this resolution and begin reducing the threat of a nuclear holocaust.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Mrs. BOXER).

Mrs. BOXER. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of the nuclear freeze. The analogy which speaks best to the freeze is this one: Two people standing in a gasoline puddle, one with 10 matches and one with 9, arguing over which one could start a fire.

No one, including the military, denies that the Soviet Union and the United States can destroy each other, over and over, and within 30 minutes. The nuclear freeze is commonsense. Stop now, while each side has power enough to annihilate the other in a nuclear war. Freeze that deterrent into place and proceed with further progress, ultimate commonsense.

The people are crying out through the ballot box for us to pass this freeze. Let us not turn a deaf ear.

Did you know that 70 percent of Jesuit high school students said they expect to die in a nuclear war? What an incredible indictment of our leadership. We have let this nuclear arms race get away from us. Today we can take the first step toward taking it back.

Military people are technicians, and rightly so. Their job is to fight a war; ours is to prevent it. Today, if we vote for this freeze, our people will begin to feel a new sense of confidence in us, in the future.

Last night I asked my 15-year-old daughter how she would convince you to vote for the freeze. She said, "I would tell them to do it for the kids." Today, let us proudly pass this mutual, verifiable, commonsense freeze.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. SILJANDER).

Mr. SILJANDER. I thank the gentleman for yielding this time to me.

Mr. Chairman, the main question in this debate is, Do we freeze and then reduce, or do we reduce and then freeze. Many well-meaning people in this body support the idea of a freeze now, because they hear the words mutual and verifiable. And why not? They sound like reassuring words.

I have five points to make on why we should not approve this freeze. If we freeze at this time, when we are obviously not at parity with the Soviet Union, there will be no incentive for the Soviets to negotiate reductions.

We have heard today, in earlier remarks that the strategic forces of the United States and the Soviet Union are not equal, that parity does not exist.

The Soviets have a 2-to-1 edge in strategic missiles. They have a nearly 4-to-1 advantage in megatonnage. In Europe, where President Reagan has proposed the first real arms negotiations with the Soviets ever at the INF talks, the Soviets have 2,000 warheads—1,000 with another 1,000 reloadable—compared to our zero.

During the last 10 years the Soviets have introduced 28 new or improved weapons systems and has upgraded or expanded every element of its nuclear arsenal. For example, the Soviets have developed 10 variants of 3 new types of ICBM's and now has 4 new ICBM's under development, 2 of which were recently test fired. They have added 60 missile-firing submarines in 4 new or improved classes and began to deploy 2 new types of missile submarines, the Typhoon and the Delta III. The Soviets have also produced 250 Backfire bombers, and have just produced an entirely new long-range bomber, the Blackjack.

During the same 10 years, the United States has not deployed any type of new ICBM and only one variant of the Minuteman. In 1986, the MX missile is scheduled to be the first new U.S. ICBM in 16 years.

We have built only four prototype B-1 bombers. When the B-1 becomes operational in 1985, it will be our first new bomber in a quarter of a century.

This is certainly not parity, Mr. Chairman.

Reason No. 2: If we ignore all the facts, and defy all logic and assume that we are at some form of parity, we still should not freeze at present levels. If we did, we would be freezing ourselves into obsolescence. This is indeed unilateral disarmament. Our submarines are 15 years old, our land based missiles are 17 years old, our bombers were designed for President Eisenhower. Fully 75 percent of the strategic weapons of the United States are 15 or more years old. At the same time fully 75 percent of the Soviet strategic weapons are less than 5 years old.

Reason No. 3: The United States must modernize its forces with the new weapons systems that have been proposed by the administration. If we do not, and we freeze at the present levels then the Soviet Union will just wait us out until our weapons are too untrustworthy or unreliable to work effectively.

Reason No. 4: Verification. How do we verify this mutual freeze? How do we verify stockpiling and throw weights? The only way that we can verify, Mr. Chairman, is by onsite inspection. I think we are kidding ourselves if we think that without onsite inspection that we can actually implement any trustworthy type of verification mechanism.

Last, reason No. 5: We have given a charge to our negotiators in Geneva to negotiate the strategic arms reduction talks. We have given them the solemn duty of beginning arms reduction talks, not strategic arms freeze talks, but reduction talks. These men are the ones who sit eyeball to eyeball with the Soviets over the negotiating table. They feel, based on their personal experience, that this resolution would undermine their efforts to bring about reduction.

As a member of the Committee on Foreign Affairs, we have met over the last several months with many ambassadors, chancellors and presidents from Europe. They have said, time and again, that we are out of our minds to be giving the Soviets such a propaganda initiative. They believe that only the Soviets would introduce language such as the one in this resolution. They wonder why we are doing it, they wonder why we would give the Soviets the edge in propaganda and in the INF talks.

This freeze would lock us into nonmutually assured destruction. This is ridiculous. We need to look toward the goal of reducing and then freezing. We should not deliberatly cut the legs out from under our President by passing a resolution favored more by Chairman Andropov, than one favored by President Reagan.

Mr. ZABLOCKI. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL. Mr. Chairman, each time I fly to the west coast of America, I am struck by the genius of mankind. Now, we cross the continent in a matter of a few hours; in the past it took the pioneers long months of tortuous, hazardous travel.

Each time I make a long distance call, I marvel at the genius of mankind. The ability to communicate verbally across thousand of miles is almost miraculous.

A man this Nation admires, continues to live because the genius of mankind was able to fashion an artificial heart to sustain his life.

The genius of mankind should be directed solely and exclusively to making life better for people—for enhancing, sustaining, enriching, and extending the lives of human beings.

Today, we debate an issue, the nuclear freeze resolution, because the genius of mankind turned away from sustaining, extending, enhancing, and enriching life. It turned to the potential for the destruction of human life on this planet—human life as we now know it.

Some of you in this Chamber have witnessed the mass destruction of life. I have. I saw almost a whole platoon of American troops killed in Italy by German 88 shells. I saw scores of Italian civilians and American troops

killed when the marble roof of a building, weakened by prior bombardments, collapsed on them, flattening some of them so that their bodies looked like grotesque caricatures of the gingerbread man. I have witnessed, tragically, other incidents in which scores of people have been killed instantaneously.

I have seen these things, yet my mind cannot begin to comprehend the mass killing, the mass maiming that took place at Hiroshima and Nagasaki. My mind cannot even begin to comprehend the holocaust of a nuclear war, if, in the awful event, two great world powers would engage in the madness of a nuclear war.

The genius of mankind, which should be used to preserve and protect life, has become perverted and defiled, and, as a result, civilization, life on Earth as we know it, stands in grave jeopardy.

In 1968, Martin Luther King, Jr., offered these prophetic words.

> We have played havoc with the destiny of the world and have brought the whole world closer to nuclear confrontation. We must make it clear that we are concerned with survival of the world in the days . . . when no nation can ultimately win a war. It is no longer a choice between violence and nonviolence. It is either nonviolence or nonexistence . . . the alternative . . . will be civilization plunged into an inferno the mind of Dante could not envision. We have to see that and work diligently and passionately for peace.

As nations have pursued a paranoiac passion for further nuclear arms escalation, the words Dr. King take on an added, sobering dimension.

If my thoughts about the absolute, devastating horror of a nuclear war are correct, then many of the questions raised by diplomats, military men, and politicians, become meaningless words and phrases. Who should take the first step? Who has the greater vulnerability? Who has the most of what kinds of weapons? Meaningless words.

If we have the power to obliterate, or make uninhabitable, vast portions of this Earth on a first-strike capability, then there is no question who should take the first step. This Nation, this America, must take the first step. This Nation must move today, not next week, not next year, to halt the dreadful escalation in the nuclear arms race.

If two superpowers now have the capability on a nuclear first strike, to massively destroy human life; and plants; and trees; and animals; and insects, thus destroying an ecological balance imposed by nature, then the question of which nation is more vulnerable is a foolish, specious question. In a nuclear war it is impossible to determine degrees of vulnerability, just as it may be virtually impossible to measure the extent of destruction, maiming, and death. The issue is not vulnerability. The issue is survival.

The question of which type of nuclear weapon is superior to another, borders on the ridiculous. A bullet from a .22-caliber pistol takes human life in the same fashion as a fragment of mortar shell.

I, for one, am prepared here today to support a unilateral freeze. I have no great concern about strategic balances. I do not want to get caught up in arguments about numerical ceilings and annual percentage rate reductions. Does it matter that America has 1,100 new warheads? Does it really matter that the Soviets deployed three new type ICBM's? My fear for human life on this Earth looms larger than those concerns.

This House, this Congress, will not accept my position. I know this. Therefore, as a first step, as the first measured move toward a world of peace, we must, we shall, support House Joint Resolution 13. It is not enough, but it is a start on the road leading away from nuclear madness. I beseech you to support it. I plead with you, my colleagues, to do so.

My God, how passionately so many of our people seek a world of peace. Are we fools? Are we dreamers?

Yesterday, Clarence Bishop, my administrative assistant, shared the words of a song with me.

> Imagine no possessions
> I wonder if you can
> No need for greed or hunger
> Or brotherhood of man
> Imagine all the people
> Sharing all the world
> You may say that I'm a dreamer
> But I'm not the only one
> And maybe someday you'll join us
> And the world will be as one.

Today, let us start to create a world with all the people living in peace.

Do you dare not to try?

Mr. ZABLOCKI. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Illinois (Mrs. COLLINS).

Mrs. COLLINS. Mr. Chairman as an original cosponsor of House Joint Resolution 13, I rise to express my unequivocal support for the House Joint Resolution 13, and welcome this opportunity to help remove the threat of nuclear annihilation from our lives.

The nuclear arms race is presently out of control. Everyone acknowledges that there is no such thing as victory in a war fought with nuclear weapons. Yet the United States and the Soviet Union continue to stockpile billions of dollars in hardware they dare not use. Not only does a tension-filled arms race increase the risk that the unthinkable could happen, but it is an expensive diversion of resmurces that seems to be all the more ridiculous in light of our social security financing problems, the current 12-percent unemployment rate and the ravenous cuts made in many of our Nation's social programs under the Reagan administration. Nevertheless, the administration has proposed a $1.7 trillion defense budget over the next 5 years.

There is now sufficent nuclear parity between the United States and the Soviet Union to institute a nuclear freeze. Measured by accuracy and the total number of warheads, the United States seems to be out front. Judging by delivery systems and explosive force, the Soviet Union would appear to have the upper hand. It is obvious that these strengths and weaknesses work to balance each other.

In calling for a nuclear freeze, the Congress is not initiating any ideas. We are, however, responding to the loud clamor of the American people. Nuclear freeze referendums have been enacted in 12 countries, 9 States, and 22 cities. Additionally, nuclear freeze resolutions have been endorsed by 125 city councils, and 13 State legislatures.

We have the opportunity before us today to take a positive step toward ending the nuclear arms race. This is one of the most important issues this Congress, or indeed any Congress, has had to deal with. Our choice is clear. We must move America and the world a step closer to a safer and brighter future.

I urge passage of this resolution.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut (Mr. RATCHFORD).

Mr. RATCHFORD. Mr. Chairman, I rise in strong support of the joint resolution.

This debate, without a doubt, is the most significant foreign policy debate that we as Members will participate in 1983. I would suggest that it is the most significant foreign policy of this decade, and some would say, yes, indeed, of the century.

Let us think back, Mr. Chairman. It was 1945 when the nuclear arms genie was let out of the bottle. It is now 1983, 37 years later, and that genie is no longer a genie or a genius. That genie has become a monster, and the arms escalation has continued uninterrupted for 37 years.

That is 37 years, Mr. Chairman. In 1945 I was 11 years of age. I am now 48. I am married. We have been married for 25 years. We have three sons. Sadly, these sons have grown up totally under the nuclear cloud. One has become a teacher, one is now in college, the other is a junior in high school, and in each of these three instances they have known nothing but the cloud that overshadows their entire lives.

Now, Mr. Chairman, is the time to begin to remove that cloud. Now is the time, Mr. Chairman, to begin to put this genie back into the bottle, and now is the time, Mr. Chairman, to say to our children and to their children and to the world that the United

States, the country that let the genie out of the bottle, is finally prepared to lead our people and to lead our children and their children out from under the nuclear cloud.

The adoption of this bilateral verifiable freeze resolution today is the first small step toward leading the world out from under the nuclear cloud. It is a step we must take, and we must take it, Mr. Chairman, willingly and strongly today.

Mr. PRITCHARD. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DREIER).

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. DREIER of California. I am happy to yield to my friend and neighbor, the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Chairman, I rise in support of the resolution.

Mr. Chairman, today this debate has been frequently illuminating and instructive. Too frequently acerbic and lacking in objectivity.

Serious minded people have grave concerns for the outcome of this vote, quite soberly reflecting the concern for adverse consequences that may accrue to our negotiating posture in the Geneva talks.

However, I have concluded again that the overriding considerations for decision must be to view this resolution as an instrument of moral suasion, a symbol of our aspirations as the creatures of God, made in his image and for the sanctity of human life.

This is not a repudiation of sincere negotiating strategies nor is it impuning the motives of the administration.

Admittedly, the call for immediate freeze is simplistic sloganeering—dangerously so if there were no qualifying language in the resolution which there is:

> Consistent with pursuing the overriding objective of negotiating an immediate, mutual and verifiable freeze, nothing in this resolution shall be construed to prevent the United States from taking advantage of concurrent and complementary arms control proposals.

The sense of this resolution articulates deeply held aspirations for a future less fearsome. There are three basic reasons to vote for it:

First. To express the urgency which the Congress—the people's house—feels on this seminal issue of our time. We can not tolerate a decade of stalemate at Geneva.

Second. We stand at the brink of yet another escalation in technological advancement that will bring forth a new generation of nuclear weapons more devastating and more accurate than anything the mind of man has yet conceived.

Third. When our friends the Europeans informally request a new approach to Theatre Arms Control and the Commander of NATO, Gen. Bernard Rodgers, in an analysis of our military capability, suggests that we have mortgaged our defense in Europe to the nuclear response while our conventional weapons are inadequate to respond to a challenge.

Then it is time to say, "enough."

Mr. DREIER of California. Mr. Chairman, I rise in strong support of the Broomfield substitute.

If the House of Representatives approves a freeze at current levels, we are sending a clear message to the Soviet Union that we do not support the current negotiations being conducted in Geneva.

Every American shares the goal of a safe and stable world with fewer nuclear weapons. I do not believe, however, that the Zablocki resolution is the right approach. It is not verifiable. It will not result in either equal or reduced arsenals on both sides. And it does not enhance American or Allied security by reducing the risk of war. I support the Broomfield substitute because it addresses these points.

It is obvious that the Soviet economy can no longer afford the arms race. They desperately need a military freeze at current levels to take the pressure off of their economic system, and leave them with the superiority they now enjoy. If we freeze our weapons at current levels, what incentive will the Soviets have to continue to negotiate arms reductions?

During the 1970's the United States imposed on itself a unilateral nuclear freeze. In that same period of time the Soviet Union introduced an array of strategic weapons. Where were the freeze proponents back then? This becomes very apparent when you examine our triad defense system.

On land since 1972 the Soviets have developed and deployed at least 10 different variants of three new types of ICBM's (SS-17, SS-18, SS-19). In the same period the United States deployed no new types of ICBM's and only one variant of the existing Minuteman. The MX, if it is ever finished, will be our first new ICBM in 16 years.

With the commissioning of the first U.S. Trident submarine last year we ended a 15-year period in which we did nothing with the sea leg of our triad. In the same period the Soviet Union added over 60 missile-firing submarines in 4 new improved classes. The Soviets are now deploying two types of missile submarines, the Typhoon and the Delta III. We only have the Trident.

In the air, our B-1 is the first new addition to the strategic long-range air command in 25 years. The Soviets, however, have produced more than 250 modern Backfire bombers that have intercontinental capabilities. The Soviets have also improved their large air defense system designed to counter our bomber force.

And finally, the Soviets have continued to build and equip the largest and strongest conventional force in the world. They have also maintained an elaborate civil defense system for their population—something the United States does not have.

With all this in mind, I ask my colleagues, if we give the Soviets their goal of a freeze right away, what keeps them negotiating toward the total reductions we seek?

The Soviet Union's record must be reexamined. In 1944 the Soviet Union signed the Yalta agreement providing for free elections in Eastern Europe after the war. Current events in Poland are just one example of the failure of that agreement. In 1945 the Soviet Union signed the United Nations charter condemning foreign intervention and the use of force in diplomacy. Today, 90,000 Russian soldiers are in Afghanistan. They are a signatory of both the 1925 Geneva protocol and the 1972 Convention on the Prohibition of Development and Stockpiling of Bacteriological Weapons. And yet, here is proof that they are using it in Afghanistan and Indochina. In 1975, they signed the Helsinki Accords on Human Rights. Nothing has changed. Are we to believe that the Soviets will change overnight?

The current START negotiations are the only rational hope. The Reagan administration has made a number of dramatic proposals, all with the support of our allies.

In November 1981 President Reagan announced the zero option in which the United States offered to cancel deployment of the Pershing II and other ground launched cruise missiles if the Soviet Union would eliminate its SS-20, SS-4, and SS-5 missiles. This proposal would effectively eliminate an entire class of nuclear weapons. The Soviets rejected this offer. Then on June 29, 1982, the United States and the Soviet Union finally began the strategic arms reductions talks that the President had proposed the preceding spring. Our stated objectives are to reduce the number of ballistic missile warheads on each side by at least one-third, to about 5,000. No more than half of these are to be based on land—the most accurate leg of the triad. The most important fact is that new levels will be equal for both sides. In the second phase the President hopes to achieve reductions in the overall total destructive power of each side's arsenals, including an equal ceiling on ballistic missile throw weight. This would be below current U.S. levels.

Meanwhile in Vienna, both nations continue the mutual and balanced force reduction talks that have been going on since 1973. This deals with the conventional forces both sides have deployed in Europe. While in

Germany last summer the President announced a new initiative: Total ceilings of 900,000 men each for Warsaw and NATO pacts. No more than 700,000 are to be ground forces.

We owe it to the President to back him with these proposals. They are aimed at achieving the goal we all seek. Let us not hinder the delicate process by strapping our team in Geneva with a nonbinding vote of no confidence.

During the past several weeks, we have all had the opportunity to talk with constituents who feel deeply about this issue. Everyone is sincere, everyone wants to see the world with fewer nuclear and conventional weapons. We all share the goal of peace—but it must be a peace with security. It must be a peace which guarantees our freedom and allows all nations to participate in genuine arms reduction. The Broomfield substitute meets these goals and I urge my colleagues to support it.

□ 1250

Mr. PRITCHARD. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. BADHAM).

Mr. BADHAM. Mr. Chairman, for over 2 years I have been trying to get the Pentagon and the administration to explain to the people of this country whether or not there is a threat that exists and if there is a threat that truly does exist; finally last week it was published: Soviet Military Power.

I find it hard to believe that two of our distinguished Senators who are obviously as busy as House Members; who could have not had time to read the report called it bunk. Well, I would like to publicly ask those charming colleagues from the other body: What one word in this report would they call bunk; that is not factual? This is fact, Mr. Chairman. Since SALT I the Soviet Union has produced 26 nuclear weapon systems, all brand new. The United States, 3, maybe, if we can ever get them off the ground or into the ground.

We have removed over 1,000 nuclear devices from Europe. The response of the Soviet Union? They have added 1,000 nuclear warheads, multiple reentry vehicle SS-20 warheads.

We say in the resolution that we want to figure out how and when to achieve a mutual verifiable freeze on nuclear warheads, missiles, and other delivery systems, whatever that is; is it A-6, F-14, F-15, F-16, F-18, F-4, B-1, ATB M-1 tank? You bet it is.

I think the people who most want to avoid war are the people who have seen war and have experienced war. I, like many others, am one of those people. The way we have avoided war since 1945 on a global scale is to be prepared. No one ever worried about arms race and accidental nuclear war when the United States had a monopoly.

A nuclear mutually verifiable freeze is anomalous and it is impossible semantically and politically. Our President wants to reduce nuclear arms, and this cannot be done if we freeze them, as we would do unilaterally by the adoption of this. We would unilaterally disarm the deterrent capability of this country.

I suggest to the Members that they have their constituents find out what the threat truly is as that now has been made available.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. HARRISON).

Mr. HARRISON. Mr. Chairman, it is beyond dispute that we and the Soviets and, to a much lesser extent, the mainland Chinese, have nuclear weapons enough to blow up the world many times over. And yet, for years, the mad race has gone on, and still it continues. A mad race in pursuit of an impossible nightmare: A winnable nuclear war. It is a nightmare based on the impossible premise that there can be a limited exchange of nuclear weapons. That, at some point in the conflict, one side would have totally destroyed the other's ability to retaliate or that one side would willingly accept defeat rather than escalate the conflict to the next, or the ultimate, level of nuclear exchange. Merely to state such a premise ought to be enough to disprove it. But, for the moment, let us accept it as true. Let us accept the fantasy that one nation might defeat another in a limited nuclear war.

The undisputed fact is that nuclear blasts give off radioactive fallout; that the fallout seeds the clouds; that clouds will not stand stationary over the vanquished nation but will float around the globe; that clouds make rain; that rain falls to Earth and so is absorbed into the ground, and the watershed and, ultimately, into the food that we all eat and the water that we drink. And so even a nation that survived the blast could not survive the fallout.

An independent committee of retired military officers has recently estimated that even a limited nuclear exchange would produce enough radioactive cloud cover to dim the Sun for 60 days and that the rodent population of the Earth would increase dramatically.

And so if we have enough nuclear firepower to destroy the world, and if a lesser nuclear war would render it uninhabitable, what, then, is the purpose to this never-ending race for more sophisticated nuclear weapons and faster delivery systems? Is it not, at long last, time to stop the race—to freeze our unusable nuclear stockpiles where they are? Not a unilateral freeze, for nothing at all would be gained if we were to stop and our enemies were to continue the quest. Not a freeze based on trust, for we know we cannot trust them. But a mutual, verifiable freeze—one that binds both sides, that can be policed by both sides and that recognizes the one basic fact which both sides undeniably have in common—the desire to go on living, and the knowledge that in a nuclear war there will be no winners and no losers but only the corpses of humanity on the wreckage of a planet afloat somewhere in the galaxy.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. LUKEN).

Mr. LUKEN. Mr. Chairman, I rise today in support of House Joint Resolution 13, calling for a mutual, verifiable freeze between the United States and the Soviet Union on the testing, production, and deployment of nuclear weapons.

Middle America, in my district of Cincinnati and all across this great Nation, has stood up and said: "Enough is enough!" It is time that this Congress heed the cries of our citizenry and halt this mad race toward nuclear buildup and world annihilation.

The main industrial base of this country is dying; 11½ million people are unemployed, and yet, we continue to spend one-third of every budget dollar on defense. This ever-increasing buildup of nuclear arsenals in pursuit of nuclear superiority at the cost of intellect, resources, and human need, is a sad commentary on the priorities of this deliberative body and our contemporary world.

Imagine the difference in our economy if we expended half the money and effort on the development of jobs rather than the development of more and sophisticated weaponry. If we could spend half the time, and effort, and resources now spent on nuclear weapons and technology on programs for education and housing, for programs for the elderly and the handicapped, maybe then we would be achieving a truly civilized world.

We bicker ceaselessly over a few dollars to retrain our unemployed or finance the education of our young people or feed our hungry. Yet, we plan to spend $1.7 trillion over the next 5 years on the defense budget, primarily on our strategic nuclear forces.

For the first time in American politics, arms control initiatives stem from grassroots efforts. They are pushing from the bottom up, from the cities of America, to our Government here in Washington. Middle-class America, from Cincinnati and all across our Nation, is taking a stand. As the people's House, it is our duty to seize the initiative and do something to achieve peace and to lessen the danger of nuclear war.

In my opinion, House Joint Resolution 13 embodies the most promising approach to arms control which has been proposed to date. It lays out an orderly process for bringing a rational halt to the arms race. At the same time it gives us the ability to negotiate with the Soviets from a position of strength. I believe that it is a balanced and reasonable approach we can take to bringing order into international nuclear affairs.

Every day that we delay a solution to the arms race we are really closer to the day that we can no longer turn back and start on the road to peace. I urge my colleagues to join me in supporting House Joint Resolution 13 for a mutual freeze in nuclear weapons.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from North Carolina (Mr. MARTIN).

□ 1300

Mr. MARTIN of North Carolina. Mr. Chairman, our spiritual and humane ideals naturally rebel against the madness of a nuclear arms race, for it carries our human weaknesses and engineering prowess to their ultimate, apocalyptic end. In looking for a way out of this madness, however, we will never succeed if we let our hopes blind us to the grim realities of the world as it is.

Sadly, the nuclear freeze movement is based on such an error. The posters I saw 2 weeks ago outside the Capitol, passionately demanding that we "Abolish Nukes" and "Freeze Now," conveyed the strongest desire for a noble goal we all share. But close examination of the realities demonstrates the folly of the freeze panacea.

I shall discuss the following salient issues: First, the practical effect of the freeze resolution on the current arms talks; second, the myth that we are spending excessive amounts on defense; third, the current strategic balance; and fourth, the obsolescence factor, which would undermine the survivability of our deterrent earlier than the Soviets' if a freeze were imposed.

First, the practical effect of enactment of the Zablocki freeze resolution would undermine the strategic arms reduction talks now being held in Geneva, as the gentleman from Illinois (Mr. HYDE) pointed out. President Reagan has put forward a far-reaching proposal for deep reductions in strategic weapons; this would stabilize the arms race and further the security of the two superpowers. It is noteworthy that deep reductions proposed by former President Carter were rejected by the Soviets early in 1977, but because we now have a more resolute leader, the Soviets are instead bargaining seriously.

We must speak with one voice to our adversaries. Only President Reagan, not Representatives ZABLOCKI or MARKEY, not Senators KENNEDY or HATFIELD, nor anyone else, can negotiate for our country. The tradition of bipartisanship in foreign policy that characterized postwar American politics until the Vietnam war reflected the widespread understanding of this fundamental principle.

I ask my colleagues to consider the freeze resolution in the situation where a company president is in negotiations with a very tough, uncompromising competitior, one probing for every weakness. Company shareholders march into the conference room, interrupt the talks, repudiate their own president's position, and demand that he adopt theirs instead. What does this do to the president? Obiously, he is discredited. The shrewd adversary will be emboldened to sit back and stick to his offer, or even toughen it, in the reasonable belief that divisions in the company will eventually force it to come round to his side. The freeze resolution nowhere expresses support for President Reagan's efforts, which have produced the most far-reaching arms control proposals in our history. The resolution amounts to a vote of no confidence in the person duly elected to conduct the negotiations and its enactment by Congress would doom the arms talks.

Second, U.S. budgetary priorities. The most plaintive refrain that we hear over and over in this debate is the one about how, with $1.5 trillion budgeted for defense over the next 5 years, we are therefore cruelly denying funds to all the thousands of worthwhile social programs upon which so many good Americans have come to depend. This earnest appeal to our most compassionate feelings would have us cut back sharply on all spending on military bases, hardware, and pay. By doing so, part of the resulting savings could transfer to greater generosity to the needy—who seem to have increased, not decreased, after all the largesse so far—and the rest of the savings could be used to balance the budget.

Until 3 years ago, defense had been successfully cut to where it was only 5 percent of GNP. Historically, that is the level at which potential adversaries have been emboldened to conclude that our country lacked the ability and the will to protect our interests. We do not get challenged into war when we are strongest, but when we relax our strength. We risk war when we are weakest, and when we are perceived to be unable and unwilling to defend our interests and stand with our allies. We sustain peace best when we are perceived to be ready, able, and willing to defend our interests.

Some of my colleagues, however, believe that there is always one place, and only one place, to cut Federal spending: the military, or else we are being cruel to our needy. They would have us believe that military spending—not just the waste, fraud, and inefficiency in it, but its entirety—is also the culprit mainly responsible for inflation.

Well, it is just not true. Military spending has not been the cause of inflation these last two decades, because it barely kept up with inflation. And it has not caused any deprivation of funds for social spending to sustain that compassionate coalition of dependent constituencies, because such programs have soared in cost much faster than inflation—for defense.

Here are the facts. Transfer payments to individuals—entitlements—grew by 119 percent in constant dollars and by three-fifths as a portion of the gross national product from 1970 to 1980. Defense spending dropped over the same period from 8.2 percent of GNP to 5.2 percent. Under President Reagan's program, entitlements would still go up from 9.5 percent of GNP in 1980 to 9.9 percent in 1988. Defense would go from the historically low level of 5.2 percent to 7.8 percent, which is comparable to or lower than the levels of the 1950's and 1960's. Even with the President's buildup, defense spending from 1970 to 1988 would rise only 1.7 percent a year. Assuming adoption of the President's domestic spending cuts, this still is less than one-half the 3.7-percent annual increase in nondefense spending over the same period. The President's defense program represents a reasonable reordering of priorities in the face of the Soviet Union's unprecedented military buildup of the past 15 years. From 1972 to 1982, the Soviets spent 40 percent more than the United States on defense, exceeding us by $140 billion on strategic weapons alone. Clearly, the hard facts present the defense budget issue in a different light than portrayed by certain freeze proponents.

Third. Strategic balance.

Let me set forth the strategic situation as I see it, and describe what I believe to be the best course for controlling nuclear weapons. I believe this goal is necessary, because I do not believe anyone can win a nuclear war or survive it as a nation. I doubt any military use can be limited, although it would be sheer folly not to have a capability and contingency for limited response, for that would only invite the U.S.S.R. to contemplate a limited nuclear assault if they could do so without risking nuclear retaliation. Again, a weakness could predispose us to receive a nuclear attack.

It is clear that two decades ago the United States held a clear and decisive superiority of such monstrous weapons. Over the last 10 years, before this administration, however, we have rested on our sword, neglecting to

modernize our force, while the Soviet Union made a determined, successful push to catch up and even establish superiority in some weapons. For example, they have achieved an unsettling advantage in intercontinental ballistic missiles (ICBM's), the one system with potential range, accuracy, and delivery speed to pose a threat of a surprise, preemptive first strike. Their new Backfire bombers have intercontinental range, while our own B-52 force is no longer reliable for penetrating their new antiaircraft defenses.

We, in turn, are not without some advantages. We have more warheads, though that edge is lost if you discount the gravity bombs on our unreliable bombers. We have quieter submarines, so far. While our submarine-launched missiles carry more of the smaller warheads, that also means theirs have greater range.

In short, they have a much stronger ICBM force with over twice our destructive power overall, all of which is better suited to a strategy of arming a preemptive first strike to eliminate our retaliatory capacity. We have put greater emphasis on the ability of our retaliatory systems to survive such a first strike—the only affirmative sense in which I use that word in this presentation. Existentially, it is not a matter of being equal. Our mission is to deter them from any contemplation of a massive first strike. We have succeeded for 35 years, amidst some 130 wars around the globe; it can be said that this deterrent has worked. We cannot afford to lose our deterrent either through neglect or miscalculation.

The trends have been against us; they must be reversed either by modernizing our own systems or by prevailing upon the Soviet Union to change its policies, or both.

The freeze movement has come along at a time when the Soviets are just completing a massive modernization cycle and ours, after 15 years of neglect, is merely getting underway. The freeze would reward the Soviets' huge buildup and penalize us for 15 years unilateral restraint. Since the ratification of SALT I in 1972, half the Soviet ICBM force has been replaced with 10 variants of three new systems; the United States has deployed no new ICBM's since 1970. In the past 10 years more than 200 Soviet Backfire bombers—with intercontinental range if refueled—have been deployed; the United States has not deployed a new intercontinental bomber in more than 20 years. The Soviets have added in this period 60 new ballistic missile submarines in five new or improved classes and about half their submarine-launched ballistic missiles have been replaced by three new, vastly better types; we have just begun to deploy the Trident submarine, our first new ballistic-missile submarine since 1967. We have also deployed only one new type of submarine-launched ballistic missile since SALT I.

In effect, we adopted a unilateral freeze on new missiles, submarines, and bombers during the seventies, to which Moscow responded with the greatest buildup in history. The result is a sizable Soviet numerical advantage in strategic delivery vehicles, ballistic missile warheads—by far the most powerful and destabilizing of strategic systems—and intermediate-range nuclear systems in Europe. This asymmetry gives the U.S.S.R. increasing advantages in using its strategic power for political leverage. The prospects for political confrontation are heightened by these trends.

Even more serious, the Soviets have a substantial capability to destroy our Minutemen ICBM's in a first strike. They have about 5,000 accurate and powerful warheads on only part of their ICBM force, the SS-18's and SS-19's. This is more than enough for a reliable capability to destroy our ICBM force, which numbers 1,047. By contrast, we have only 1,650 modern Minuteman III warheads, far less than we would need to threaten the Soviets' roughly 1,400 ICBM's, not even taking into account the hardening of their silos. The Soviets have a virtual first-strike capacity against our ICBM force. Who, indeed, has the war-threatening weapons? With the SS-18 and SS-19, the Soviets now have two MX missiles, yet certain freeze proponents accuse the Reagan administration of destabilizing the nuclear balance by pushing the MX.

Another invidious comparison involves intermediate-range nuclear forces (INF), deployed in Europe. There is a clear Soviet policy to intimidate Western Europe with mobile launchers with rockets capable of striking anywhere in Europe. In 1977, they began to deploy their highly accurate three-warhead SS-20. Today, they can target 1,200 warheads to destroy every city and military installation in NATO/Europe.

What have we done to match this? Nothing. Did this forbearance inspire the Soviet Union to similarly forego their SS-20 program? Absolutely not.

Not until NATO finally overrode the antinuclear demonstrators and agreed to deploy the Pershing II mobile rockets and the new ground-launched cruise missiles (GLCM) as a counterforce, did the Kremlin take any interest in restraint.

The Soviet's position on INF arms limitation is instructive on the reality of the hard business of achieving arms control. Their initial position on limiting deployment was that if NATO deployed any intermediate-range missiles, they wouldn't even participate in negotiations. As NATO moved toward a decision in favor of deployment of a deterrent missile force, the Soviets advocated a freeze: they would keep their new, more powerful SS-20's, and NATO would not deploy its new deterrent force. But that ploy did not work, and NATO went ahead and agreed in December 1979 to deploy Pershing II and cruise missiles starting late in 1983, and to open talks with the Soviets on limiting or eliminating both sides' intermediate-range missiles. The Soviets then refused to talk at all. Subsequently they agreed to open negotiations and insisted again on the freeze as the only solution. That still did not work, and last December they offered to limit their intermediate-range missiles to the same number of British and French missiles, 162. This is progress, but it comes only when the Soviets are confronted with Western determination, resolve, and commitment to deploy the weapons necessary for our security.

Fourth, obsolescence factor. Finally, there is the fact that our significantly older strategic weapons will become obsolete before the Soviets' forces. While there may be rough equivalence today, there will not be in the future unless we modernize our forces.

What obsolescence means is that: First, America's nuclear retaliatory deterrent is based on older delivery systems; second, since a quick freeze would not allow us to replace our aging weapons, nor obligate the Soviet Union to any timely offsetting reductions, there could soon come a day when the Soviets would have a decisive nuclear advantage; third, the temptation for the Soviets to use it would be far greater during the decade or more before their own weapons would lose their capability; fourth, consequently, a freeze would increase the probability of Soviet nuclear extortion and perhaps even a preemptive strike.

I shall discuss this issue in depth later today when I offer an amendment to preserve the right of the United States to modernize its strategic forces unless there are timely offsetting reductions by the Soviets in order to insure the maintenance of essential equivalence now and in the future.

CONCLUSION

While predicated on a genuine desire for peace, the Zablocki, quick-freeze proposal instead risks a much greater probability of confrontation and war.

As in a careless chess game, the freeze gambit can only win us temporary benefits by removing a few pawns from the opponent's side of the board, while in the end, inadvertently, of course leaving us in checkmate: game, match, and tournament—and civilization—to the Soviet Union.

The President and others whose responsibility is to tell us about the grim mechanics of national security and

peace, such as force modernization and survivability, are subjected to harsh criticism. Throughout history—most recently in the 1930's—those few who have told the truth to the people have become unpopular for doing so. This is intensely human. Rather than listen, we prefer simply to go about our lives, raising our families and pursuing our careers, or, as in the case of the freeze, indulging in simplistic, wishful thinking. It takes a deliberate act of imagination to think about war and death. And it requires an understanding of history to know that peace is not the natural condition between nations.

The unthinkable can happen; it cannot be wished away by a freeze or any other nostrum. The question is whether we will recognize the truth and maintain the strength which has kept the peace for so long, or whether we will reject the prophets of truth and fall victim to wishful thinking, self-delusion, and fear.

Mr. ZABLOCKI. Mr. Chairman, I yield 2½ minutes to the gentleman from New York (Mr. MRAZEK).

Mr. MRAZEK. Mr. Chairman, I would like to begin my remarks on the matter of nuclear arms control with a statement by former President Dwight D. Eisenhower. The statement requests a foreshadowing of the events across this Nation which have led to the debate we carry on today.

In a 1959 televised conversation with British Prime Minister Harold Macmillan, President Eisenhower said:

> I like to believe that people in the long run are going to do more to promote peace than are governments. Indeed, I think that people want peace so much that one of these days governments had better get out of their way and let them have it.

The bilateral nuclear freeze movement in the United States is a direct manifestation of the desire for peace found in all civilized human beings. For more than 2 years, the people of this country and other free societies have been saying to their governments, in essence, "If you're not going to be serious about arms control, then get out of the way."

It is not stretching credibility to believe that the same thoughts and the same passions are loose in closed societies. For this movement, this idea has become the preponderant political issue of our times. As long as morality has a role in human endeavor, this movement shall not pass.

In 1947, Albert Einstein addressed a letter to fellow atomic scientists on the nuclear threat. He wrote:

> Through the release of atomic energy, our generation has brought into the world the most revolutionary force since prehistoric man's discovery of fire. This basic power of the universe cannot be fitted into the outmoded concept of narrow nationalisms. For there is no secret and no defense, there is no possibility of control except through the aroused understanding and insistence of the peoples of the world.

Today, in mothers with infants and in World War II veterans, in college students and in blue-collar workers, in Catholics and in Jews, in Democrats, and in Republicans, in all sectors of American society, we are seeing the realization of the aroused understanding and insistence prescribed by Einstein. The people of this movement are not concerned with statistics of relative strategic power. They are not swayed by a President who labels their cause "simple-minded appeasement." They are not intimidated by efforts to induce paranoia through slick Pentagon publications.

These tactics are not working against a movement that shall not pass. They know that relative strategic capabilities are immaterial when so much destructive force is at hand. They are not calling for one side or the other side to disarm independently of the other. They are expressing outrage that any generation of world leaders could have such callous disregard for human accomplishment and for humankind's future on this Earth.

This generation, of course, did not ask for the role of stewards over the fate of humanity. But the crucible is with us forever, and we must meet the test. Unborn generations depend on us to act responsibly. As the situation now exists, 6 minutes stand between our hopes for the future and doomsday—6 minutes for a computer to determine whether a first strike is in the air or whether our detection system has malfunctioned.

Mr. Chairman, I harbor no illusions that passage today of House Joint Resolution 13, a nonbinding resolution, will lift the nuclear curse from our shoulders. At best, this is a first step on a long and difficult procession to a safer, saner world. There is genuine doubt that the Soviet Union would join us in this first step.

But the people of the world will know. They will see that the most powerful nation in the world is standing on the side of peace. At last, we will have advanced the notion that we can overcome scientific fact with a triumph of the human soul.

One of our greatest warriors, the late Omar Bradley, saw the forces we discuss today and said, "The world has achieved brilliance without conscience. Ours is a world of nuclear giants and ethical infants." Today, our moral maturation can advance; tomorrow, perhaps we can stand as ethical adults and say to ourselves, to history, and to the future: We have chosen, and our choice is to grow. If you are not with us, then get out of the way.

□ 1310

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut (Mrs. KENNELLY).

Mrs. KENNELLY. Mr. Chairman, the historian, Barbara Tuchman, in a recent article points out that disarmament in this century has been a long painful, repeatedly frustrated, always futile effort. This fact makes some wonder why we try again to bring about disarmament in the form of a nuclear freeze. She asks what change can be expected in a process that has accomplished nothing in 80 years. Ms. Tuchman answers her own question by saying that change is possible because a new factor has intervened. Before the advent of nuclear power, war, however devastating and brutal, had limits of destruction. The Mongols may have left pyramids of skulls; and the Nazis the equivalent in their gas chambers, but this capacity was not global.

A vote for the nuclear freeze is not a vote for good against evil; it is not a vote for guns versus butter; it is not a competition between liberal and conservative. It is definitely not a vote on disarming America. It is a vote for sanity.

It is time to stop acting as if more weapons will make us more secure. Weapons and security are not equivalent terms. The freeze is a beginning. The 12 million people who voted for the freeze in State and local referendums last November know it. They are depending on Congress to carry out their will. As an elected official, a mother, and a concerned citizen, I know it.

My colleagues, we are supposed to be the leaders of this Nation. If we cannot say to the world that its most democratic government is capable of passing a resolution demanding a sane nuclear arms control policy, then we are in trouble.

Today we will prove, in this House, by this vote that we understand and can deal with this insanity.

Mr. BROOMFIELD, Mr. Chairman, I yield 3 minutes to the distinguished gentleman from South Carolina. (Mr. CAMPBELL).

Mr. CAMPBELL. Mr. Chairman, we are here today debating a nuclear freeze and though the term "freeze" sounds simple it is not. It is a very emotional and very important issue that we are discussing on the floor of the House. Because I believe the issue is important, I think it is time to lower the rhetoric and to cool the emotions a little bit. Secretary of State George Shultz has said it is time for each of us to ask ourselves some hard questions and I agree.

Does this resolution contribute to the security of the United States? I would say no.

Will this resolution contribute toward helping us formulate and conduct foreign policy? Again I would say no.

Does this proposal help us in trying to aid the heroic efforts of the Polish people and the people of Afghanistan? Once again I would have to answer no.

Does this help us reduce arms? Again I would have to answer no.

You know, a freeze proposal is just as hard to verify as a reduction.

So, why is it that people who advocate a freeze are so opposed to resolutions to reduce? How will this resolution affect our posture with our allies? I do not think there is any question it will hurt.

And what would our passing this resolution say to the people of West Germany who stood up and were counted in an election not long ago? It is a slap in their face.

Will this resolution cause the Soviet Union to advance human rights or change their behavior? No way.

Mr. Chairman, I ask my colleagues: Who keeps a strong military force on the face of this Earth and for what purpose? We keep a force in America, but we keep it to defend freedom. Others keep forces to destroy. They are out to destroy the freedoms we hold dear.

It is not the United States which is the aggressor in the world today; it is we who are the defenders of freedom, a fact that some people choose to overlook when they debate matters such as this.

Ask yourself further, would this resolution contribute to a lessening of the danger of nuclear war? I would say no, for I would also ask are not wars usually started when there is an imbalance between two powers? Does not the perception of a disadvantage by one party generally invite aggression by another when the other is aggressive by nature? And is that not the case in the world today?

And finally, as we decide what we will do, let us think about sincerity. Who is sincerely seeking to reduce armaments in the world? Who is seeking to end the threat? Who has engaged in the arms buildup over the last decade?

If you can answer these questions and in good conscience vote for the Zablocki resolution then I say do so, that is your privilege, thank God we have that right in this country. If you cannot, as I cannot, then ask yourself these final questions: In voting for this resolution am I not pulling the rug from beneath our negotiators? Am I not pulling the rug from beneath our allies? And, yes, beneath the possibility of freedom for some of the people of the world. Ask yourself those questions before you vote on this matter.

If your answer to any one of these final questions is yes, or even if you are in doubt, I suggest that you vote for the Broomfield substitute requiring reductions to balance before we freeze.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. LEVINE).

Mr. LEVINE of California. Mr. Chairman, I thank the gentleman for yielding.

I am pleased to rise to speak in support of House Joint Resolution 13, the House resolution calling for a mutual and verifiable nuclear freeze. I would like to compliment the gentleman from Wisconsin, the able chairman of the House Foreign Affairs Committee, for his leadership in bringing this issue to the floor as well as the gentleman from Massachusetts (Mr. MARKEY) for his leadership on this issue. I am proud that I was the author of a similar freeze resolution last year in the California Legislature as part of the grassroots movement sensibly calling for a bilateral and verifiable nuclear freeze.

This national movement, Mr. Chairman, in support of the bilateral nuclear freeze is one of the most exciting and important movements in America. It has forced this administration to at least begin to look at arms control issues. Even despite this movement, the Reagan administration's record on arms control issues has consistently been deplorable, but at least the message is being delivered through activities such as this, that Americans are determined to make their leaders accountable on this issue. This administration, incidentally, which insists that Congress and the American public leave arms control to the President, is led by a man who consistently opposed SALT II and whose rhetoric and actions have forced other Americans to take the lead on this issue.

Opponents of the freeze resolution have contended on this floor that the proposed freeze will reduce our security and jeopardize our defense and that the resolution calls for unilateral action by this country.

All these assertions are false. The freeze will enhance our security by calling for a halt to the arms race at a time when we have an undisputed ability to deliver a retaliatory second strike which, under deterrence theory, is a more than adequate deterrent to Soviet aggression.

Our defense posture would be enhanced, not impeded, by a freeze in the arms spiral in which we are now engaged.

And this is clearly a proposal for bilateral, not unilateral, action as has been emphasized by the language in the resolution itself and by debate.

I am not advocating that we blithely and naively give up our capability to defend ourselves, and the resolution before us does not ask us to do so. It specifically provides that the objective of these negotiations be "consistent with the maintenance of essential equivalence in overall nuclear capability ***." This resolution would not lock the United States into a position of nuclear inferiority. To the contrary, no one doubts that our strategic nuclear forces are superior to those of the Soviet Union.

Albert Einstein was once asked with what weapons he thought the third world war would be fought. He replied that he did not know exactly, but that he was certain that the fourth would be fought with bows and arrows.

I for one want to be among those who are trying to insure that civilization is not reduced to the state signified by Einstein's reply—or worse. The concept of deterrence—that weapons are designed to obviate the need for their own use—may be a valuable one. But how many of these weapons do we need? How much destruction do we need to be able to wreak on each other?

It is time to call for a stop to the never-ending spiral of nuclear madness in which the United States and Soviet Union are caught up. It is time to reflect upon and acknowledge the fact that life—all life—the life of every human being and that of all other forms—is valuable and sacred and should be cherished. It is time to think about and find ways to protect and preserve life instead of searching for ever more sophisticated ways to destroy it.

House Joint Resolution 13 gives us the opportunity to take the first steps toward that goal. I strongly support its passage, and I urge my colleagues to do so.

Thank you.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. ECKART).

Mr. ECKART. Mr. Chairman, nothing has intrigued me more than through the course of this debate to hear those who rise in support of the nuclear freeze have their patriotism questioned, their loyalty to the Government cast in doubt, in effect their motives impugned by the opposition.

Yet was it not Ronald Reagan who consistently opposed and questioned any and all attempts to bring sanity to the nuclear arms race?

□ 1320

Was it not Ronald Reagan who in 1958 opposed the Eisenhower administration's initial attempts? Is Ronald Reagan not the same person who in 1963 opposed President Kennedy's attempts to negotiate a nuclear test ban treaty? Was not Ronald Reagan the same person who in 1967 tried to scuttle the Johnson nuclear nonproliferation talks and in 1972 opposed Nixon's efforts at the original Strategic Arms Limitation Treaty? And did not this same person make a political issue and campaign against the previous President for the ratification of SALT II? Were Ronald Reagan's motives sus-

pect? Was he unpatriotic? Was he acting inimical to the best interests of the United States? I submit to my colleagues that that was not the case for Ronald Reagan and it is not the case today for those of us who support a mutual, verifiable nuclear freeze.

Yet, now we are told to trust this same man, the same man who under every administration of every political persuasion has unqualifiedly opposed limiting the horrors to which we will expose ourselves and our children.

It is not unpatriotic; if anything, it is the highest sense of patriotism to pay homage to the so many millions of Americans who have spoken out on this issue in the largest single referendum ever conducted in the course of this country during the 1982 elections. During a recent questionnaire in my 11th District of Ohio almost four out of five people who responded said they support a mutual verifiable nuclear freeze. The people in the Nation and my district have spoken. Today they must be heard.

The simple truth is we can no longer worship at the altar of nuclear superiority and we must act today to insure that the playground we leave our children is not in reality a nuclear wasteland.

Support the freeze, support it today.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. KASICH).

Mr. ZSCHAU. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from California.

Mr. ZSCHAU. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of House Joint Resolution 13. I find myself doing so reluctantly because, as presently written, this resolution has some imperfections and inconsistencies which I hope will be removed as it progresses through the Congress. My enthusiasm for the resolution has also been diminished by some groups and individuals using it merely as a vehicle for attacking the current administration and its current arms control efforts. Despite these weaknesses, House Joint Resolution 13 reflects most nearly my concept of the appropriate approach to arms control and therefore gets my support.

It is a fundamental responsibility of our Government to preserve our national security. In this age, preserving our national security requires a combination of maintaining appropriate levels of responsive military strength with arms control treaties that will preserve the mutual deterrence that makes it unlikely for a nuclear war to be initiated.

Arms control is not the antithesis of national security. It is an essential component. If the arms race is allowed to go unchecked, asymmetries can develop which would result in one side or the other having a clear or perceived advantage making a first strike more attractive. If that situation develops, the other side—realizing it is at a disadvantage—would be motivated to employ a "use 'em or lose em'" philosophy, anticipating such a first strike with one of its own. Arms control agreements, limiting changes in the nuclear force structures of the United States and the Soviet Union, are the only way to assure that mutual deterrence and a stable situation are maintained.

Today, there is considerable debate over who is ahead in the nuclear arms race. The answer depends upon what measures are used. By some, the Soviets clearly have the advantage. By others, the United States has the upper hand. However, "who's ahead or who's behind" is not the right question to ask. Rather, we should ask, "Is there mutual deterrence today?" I believe the answer is "Yes." However, that state may not continue unless comprehensive arms control agreements are reached.

Since we have mutual deterrence today, I regard a bilateral, verifiable freeze on nuclear weapons—one which would preserve the current state—as a satisfactory outcome of arms control negotiations. However, I do not feel a freeze goes far enough. Today we have too many nuclear weapons of various capabilities and of various useful lives. We need appropriate reductions of nuclear weapons to eliminate the risk of nuclear war. Such reductions would be preferable to just settling for a freeze at today's levels.

I supported House Joint Resolution 13 in the Foreign Affairs Committee. After that vote many of my colleagues questioned me about its wisdom. They asked, "Would this resolution not be contrary to our national security interests?" I think not. As indicated earlier, freezing and reducing nuclear weapons are essential to maintain national security.

Some of those who argue against this resolution point to the rapid Soviet nuclear buildup and the immense resources the Soviets have accumulated and appear willing to devote to more nuclear weapons. I recognize those facts but feel that they argue even more strongly for a comprehensive arms control agreement immediately. If we feel uncomfortable now with the state of strategic balance, we may feel far more uncomfortable in just a few years if the current trends are allowed to persist. We should not just be looking at the relative strength of both sides; it is more important to understand its rate of change. Those who are opposed to a freeze at this time assume that time is on our side and that if given the opportunity we will improve our strategic position vis-a-vis the Soviet Union. That may be so, but I doubt it. I have a hunch that given the relative rates of the United States and Soviet buildups, strategic balance today could look pretty good 5 years from now unless a comprehensive arms control agreement is negotiated soon.

Some colleagues have asked me, "Won't the passage of the resolution force us to abandon our current weapons systems programs?" My answer is, "Only if and when a bilateral and verifiable agreement is negotiated." This resolution sets out the objectives for arriving at an agreement, but in the meantime we cannot sit still. We have to do what is necessary to maintain mutual deterrence and stability. We cannot freeze unilaterally.

The passage of this resolution should not be interpreted as a mandate to reduce our defense efforts. Rather it should be viewed as an increase in our sense or urgency in arms control that will help preserve national security.

Finally, my colleagues have asked me, "Won't the passage of this resolution repudiate and undermine the current arms control talks aimed at real reductions?" In answer to that question, let me say first that, contrary to some of the people who have spoken in favor of this resolution, I believe the Reagan administration deserves credit for taking the initiative that has brought the Soviets to the bargaining table at both the START and INF talks. We are making progress there toward true reductions. We are making progress that has probably surprised the administration's critics. Proposals by the Soviet Union in response to the administration's initiatives have indicated a new willingness to seek real reductions in nuclear weapons, a result that I suspect the originators of the freeze concept did not anticipate. If this possibility had been anticipated, I am sure that emphasis on stabilizing reductions would have played a more substantial role in the nuclear freeze resolution language.

Recognizing now that reductions may be possible, the House Joint Resolution 13 was amended specifically in the Foreign Affairs Committee so it would not prevent our arms control negotiators from taking advantage of opportunities for reductions. Specifically, "freeze first, reductions later" language was deleted in one place in the resolution and a section was added which says:

> Nothing in this resolution shall be construed to prevent the United States from taking advantage of concurrent and complimentary arms control proposals.

In conclusion, although the resolution can be improved and I hope it will be, its passage should be in the best interests of national security. It does not force us to curtail current weapons systems programs, and rather than repudiating or undermining the arms

control initiatives of this administration, it compliments them.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from New York.

Mr. GREEN. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of House Joint Resolution 13, the Zablocki nuclear freeze resolution. As one who voted for a nuclear freeze last year, and who is an original cosponsor of House Joint Resolution 2, the Conte-Markey nuclear freeze, I urge my colleagues from both sides of the aisle to support House Joint Resolution 13, and to oppose weakening amendments.

This resolution calls on the administration to incorporate into the strategic arms reduction talks (START) the following objective: A mutual, verifiable, bilateral freeze on testing, production, and deployment of nuclear weapons and their delivery systems, to be followed by mutual and verifiable reductions in weaponry. The resolution specifies that such action must be bilateral, must be verifiable, and must take into account this Nation's obligations to our NATO allies. The freeze is an imminently sensible means of bringing the nuclear arms race to a halt. It will reduce the risk of nuclear war, enhance stability, provide a workable framework for disarmament, and save billions in defense expenditures.

Those who oppose a freeze have argued that it would harm U.S. security by blocking the administration's strategic modernization programs aimed at restoring strategic balance. This assertion is unrealistic since much of the administration's strategic modernization program has little or nothing to do with strategic balance between the superpowers. Deploying a vulnerable field of MX missiles and a fleet of B-1 bombers unable to penetrate Soviet airspace after a few years will not affect the strategic balance in any material way.

The modernization program referred to is actually more a Pentagon "wish list" than a rational approach to our defense needs. What the United States is now undertaking is the creation of at least a "pentad" rather than the restoration of the traditional triad on which our deterrent has rested for decades. Far from creating a more stable strategic balance, the administration's programs will create instability by fueling the arms race. Moreover, decisions such as the administration's plan to deploy vulnerable MX missiles degrade stability. Such systems can only be used for a first strike, making them inviting targets for a Soviet preemptive strike.

Opponents of the freeze also argue it will codify Soviet superiority. The Soviets are not superior to the United States and it is irresponsible to claim they are. The confusion over this fact is due probably to confusion over the various means we have to measure nuclear strength, some of which put the United States at an advantage, others of which show the Soviets possessing the lead. The U.S.S.R. has more missiles than the United States: They have 1,398 land-based intercontinental missiles to our 1,052, and 950 sea-launched missiles compared to our 520. The Soviets are also ahead in what is known as throw weight. However, the United States has more actual warheads, since our SLBM's have more warheads per missile than do Soviet SLBM's, has a larger bomber force with greater payload capacity, and a technological lead in submarine detection and evasion and cruise missiles.

These differences in our strategic forces are the result of the differing technological paths our two countries have taken. Clearly there are disparities in our deterrent forces if one compares them "leg-to-leg." But such a comparison is invalid. The structure of our strategic deterrent must be determined by the need to have multiple means of responding to a Soviet attack, so that if any one system is wiped out, another is available for retaliation. (This need for redundancy in no way mandates a deterrent force structure with equivalent land-, air-, and sea-based "legs." The United States has merely institutionalized these legs through the current Armed Forces bureaucracy.) The very purpose of having redundant response capabilities is that it enables us to multiply adequately the uncertainties facing a Soviet planner, to whom the whole is necessarily more important than any of the parts. We expressly should not compare legs of the triad independently. We must compare our deterrents in their totality. If one does this, one will see that we are at least equal to the U.S.S.R. today.

Those who disagree with the notion of current parity are also misled by the so-called window of vulnerability. This phrase expresses the theory that a Soviet first strike could destroy our land-based ICBM strategic deterrent. Even assuming that this unlikely scenario is realistic, claims that the "window of vulnerability" will force the United States to surrender to the U.S.S.R. ignore the fact that in addition to our land-based force we also are armed with cruise missiles with great accuracy, a bomber force superior to the Soviets, and a submarine force fielding much of our total stock of warheads that is virtually invulnerable.

If the U.S. land-based deterrent is vulnerable it is because all land-based ICBM's, including the Soviets, are at risk due to the advent of MIRV'ing and accuracy improvements. Foreseeing this years ago, the United States decided to allocate more of its strategic resources to sea-based weapons, which are essentially invulnerable and will be for years to come. (I would mention that I believe any negotiated freeze must include restrictions on Soviet antisubmarine warfare techniques. A Soviet breakthrough in this area would destroy the current parity on which a nuclear freeze must depend.) The Soviets chose a different path, and allocated their resources to the land-based leg of their deterrent. These decisions to a great extent generated what is called the window of vulnerability. Given the growing obsolescence of the land-based ICBM, and the fact that the Soviets have invested most of their defense resources in this area, it is conceivable the window of vulnerability is more of a problem for the Soviets than for us.

Critics of the freeze also claim it is unverifiable. Clearly the resolution insists on verifiability: No verification, no freeze. Yet does House Joint Resolution 13 call for negotiation of a treaty that cannot be verified? Responsible military and scientific opinion disagrees with that suggestion. A group of seismologists wrote in Scientific American last year that a ban on nuclear testing can be adequately monitored and verified with umanned seismic stations and other types of data exchange. We have for years been able to monitor Soviet deployments through satellite surveillance and other "national technical means." Admittedly, production is somewhat more difficult to verify. Today our intelligence experts have gathered very detailed knowledge on Soviet production capabilities, despite almost total Soviet secrecy in this area. We know a great deal about how the Soviets make weapons and could monitor with satellites whether their nuclear weapons production path was being retraced after a freeze was in force. More importantly, during negotiations on a comprehensive test ban the Soviets indicated a greater willingness to allow onsite inspections under certain conditions, and other types of verification measures.

Former Central Intelligence Agency Director William Colby has said of verification:

> Our intelligence today provides general estimates of such matters as the production of nuclear weapons, but a freeze might call for more precise assurances that production fully stops. The problems of obtaining such assurances, however, can be negotiated and additional monitoring arrangements made to provide them. . . . Any program which offered the prospect of a strategic advantage to the Soviets by definition would have to be of a size and consequent visibility that we could identify it long before it became a direct threat and take defensive action against it. We could also in the interim raise it through the channels of an agreed procedure for reassurance or for change in Soviet behavior.

Arguments against the freeze are misguided, and the rationale for a nuclear freeze is clear. We have a nuclear deterrent today that can destroy the world many times over, and it is growing. A nuclear freeze would shut off the arms race and the dangers and costs it entails. I am confident the freeze will pass today, and I hope it does so with the substantial and bipartisan support of my House colleagues. Thank you, Mr. Chairman.

Mr. BLILEY. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Virginia.

Mr. BLILEY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the debate we are engaged in today is potentially a most serious blow to Western security and the future of freedom and liberty in the world. I do not take a back seat to anyone in my sincere desire for a reduction in nuclear arsenals and a lessening of the risk of a nuclear exchange; but the underlying assumption of the advocates of House Joint Resolution 13 is wrong.

The people who are pushing so intensely for an immediate freeze frequently attempt to brand nuclear weapons themselves as immoral. Nuclear weapons are inanimate objects that have no innate moral characheristics. The morality of nuclear weapons and their possession comes from the purpose for which they are built and the intentions of those who build them. The result of implementing House Joint Resolution 13 would be to equate the moral intention of the Soviet Union with that of the United States.

I do not believe that there is an equality of morality between the United States and the Soviet Union. I do not wish to vote to recognize such an equality in this House. The Soviet Union has developed the largest arsenal of nuclear weapons in the world to further their aims of world conquest. Every opportunity that they can manufacture is used to display their power and threaten the world with annihilation if they are not appeased. The SS-18 missile and the new Typhoon submarine are not defensive weapons intended for the protection of the Soviet Union—their only possible use is as offensive weapons to be used for blackmail or for an actual attack on the United States.

There is incontrovertible evidence that the Soviet Union has broken almost all—if not all—of the treaties and agreements that they have ever signed. This fact does not bode well for any future agreements that are not supported by methods that insure verifiability and compliance by all parties.

The Soviet system of terror and secrecy does not respond to or comply with public attitudes and pressures the way the free societies of the West do. Morality has no meaning to the Soviet dictators. I believe we are arguing a moral issue here today, and I cannot support a measure that would recognize a moral equality that does not exist.

Mr. PORTER. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Illinois.

Mr. PORTER. I thank the gentleman for yielding.

Mr. Chairman, no issue is of greater importance at this moment than the issue of nuclear warfare. Few would disagree that the stockpile of nuclear weapons present a freighteningly real threat to the survival of mankind. With both sides at rough parity there is no better time to forcefully address the issue of nuclear arms reductions.

While there is general bipartisan agreement that our country must do everything possible to stop and reverse the momentum toward escalation of the nuclear arms race, it is crucial that we in the Congress keep our eyes firmly fixed on the true objective we seek.

The ultimate objective lies beyond a freeze—that of nuclear arms reductions. There is no question that the establishment of a mutual and verifiable limited nuclear weapons freeze would be in the direct military interest of the United States as well as world safety. But freezing at dangerously high levels for an indefinate period would not significantly increase the world's margin of safety. It would in fact remove an important incentive to the Soviets to agree to future reductions.

Today I plan to offer two amendments to the Zablocki resolution. The first amendment would explicitly state that the freeze is not an end in and of itself but is a logical first step toward achieving nuclear arms reductions. Along this same line of reasoning, I propose to delete the word "overriding" which is used in the resolution to describe the freeze as the "overriding objective." Clearly, the freeze is a step toward reductions, and reductions, not a freeze, is our ultimate and overriding goal. The second amendment that I plan to offer calls for the freeze not to exceed 18 months during which time parties would pursue negotiations toward nuclear arms reductions.

Mr. Chairman, in the past 7 months the focus of the freeze debate has shifted unfortunately from the objective of nuclear arms reductions to that of achieving a freeze. Last August, the House overwhelmingly supported my amendment that specifically stated that the freeze was not an end in itself but a first step toward arms reductions. Today, the Zablocki resolution calls the freeze the "overriding objective." I simply and plainly disagree with the resolution; a freeze in my judgment is not and should not be the ultimate and overriding goal and the resolution should not reflect this distorted view.

The resolution also leaves the duration of the freeze undetermined which reduces the incentive for both sides to seriously negotiate to reduce their nuclear arsenals. If a freeze is unlimited in duration it becomes the objective itself, rather than a means of moving us to verifiable reductions. By offering a freeze of limited duration, we will be setting the stage to pressure the Soviets to negotiate and agree to arms reductions.

Throughout this debate we must keep in mind the relevancy of this resolution. Our Constitution places the responsiblity for our Nation's foreign affairs in the hands of the executive branch. This resolution is therefore not binding, but rather serves as an expression of the great concern of the American people for our security, for our children's security, and for the security of tomorrow's children. Nevertheless the resolution must express in special terms the will of the Congress and the American people that this issue be addressed seriously, sincerely, and with the objective of stepping back from the nuclear abyss and protecting the survival of mankind. I believe that the amendments that I will offer today will enchance this approach and this objective.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Iowa.

Mr. TAUKE. Mr. Chairman, I rise in support of the resolution.

Mr. Chairman, our Nation and the world are at a critical crossroads in history. The possibility of controlling the continued buildup and spread of nuclear weapons is still at hand, but for a short while.

Less than 10 countries in the world currently possess offensive nuclear weaponry. However, experts suggest that by the beginning of the next century, 70 nations will be able to unleash the terrible firepower found in nuclear arms. If substantive efforts by the United States and the Soviet Union are not initiated at this time, history may not have the opportunity to record this critical error in its annals.

To most Americans, the concept of a freeze makes sense. They cannot conceive of the possibility that our Nation would not stop the testing, production, and further deployment of nuclear weapons if the Soviet Union agreed to do so. They do not understand how we can honestly argue that we should halt any agreement to freeze until our Nation has strategic nuclear superiority; if both sides take that position, we will never get anywhere, they rightly conclude. Certainly these Americans do not support unilateral disarmament, and they understand that this

resolution calls for mutual action by the Soviet Union and the United States, not unilateral action by our country.

Frankly, I do not understand the basis for some of the arguments offered by those opposed to this resolution. They suggest that the resolution means more than it says—that it is part of a hidden agenda for those who are out to undermine the cause of freedom in the world. I understand their concern, but I do not believe it is fair or intellectually honest to reject a forthright proposal simply because some of its backers support other views which are in fact clearly rejected in this resolution.

This resolution must be considered for what it is, and for what it is not. It is an expression by the Congress of our Nation's willingness to meet the Soviets halfway in an attempt to reduce, and eventually eliminate, the weapons which may lead our world to Armageddon. It is not an exhaustive consideration of the relative threats of all nuclear weapons and delivery systems in our respective arsenals. And it is not a call for unilateral disarmament by the United States. It simply reaffirms our Nation's position on nuclear disarmament by saying to the Soviets—if you will, we will.

Therefore, I support House Joint Resolution 13, the nuclear weapons freeze and reductions resolution and urge my colleages to do likewise.

Mr. KASICH. Mr. Chairman, I find it very difficult to understand the arguments, both on an emotional and an intellectual level, which are used to support the nuclear freeze, particularly when you look at the sobering facts that have revolved around this question over the period of the last two decades.

The Soviet Union has engaged in an unprecedented military buildup in all types of weapons. In fact, the United States has not deployed a new land-based missile since 1970, while in the last 10 years the Soviets have introduced 10 types of three new ICBM's. From 1966 to 1981, the United States did not build a single new ballistic missile submarine. However, in that same period, the Soviets built 60 such submarines. The newest deployable Soviet submarine, the Typhoon, is able to hit with its new SS-20 missiles the North American continent from Soviet waters. The Soviet Union has produced over 200 Backfire bombers since 1974 and continues to produce them at a rate of 30 per month. They are also developing, of course, the Blackjack bomber which is similar to but bigger than our B-1 bomber. The Blackjack is expected to be operational by 1986. The U.S. inventory consists of three prototype B-1's, as well as our aging force of B-52's.

A nuclear freeze would also undermine our efforts to change the balance in Europe where the Soviets now have deployed 350 SS-20's. And I remind my colleagues that former President Brezhnev said years ago in the beginning of the INF negotiations, that the Soviets would not add any more SS-20 missiles. But since that time we have seen the Soviet Union increase their deployment of SS-20 missiles from 300 to 350.

The CHAIRMAN pro tempore (Mr. EDGAR). The time of the gentleman from Ohio (Mr. KASICH) has expired.

Mr. BROOMFIELD. Mr. Chairman, I yield 1 additional minute to the gentleman from Ohio (Mr. KASICH).

Mr. CARNEY. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from New York.

Mr. CARNEY. I thank the gentleman for yielding.

The gentleman said just now that the Soviet Union has deployed 350 SS-20 missiles. Is that correct? I think that the gentleman said 350?

Mr. KASICH. Yes.

Mr. CARNEY. Well, that is awfully ironic because it was just 1 year today, on March 16, 1982, that the then President Brezhnev said that in a unilateral gesture to show their good intent they would freeze their SS-20 missiles at a level of 300.

Is the gentleman saying that the Soviet Union has not complied with that gesture made by President Brezhnev?

Mr. KASICH. The gentleman is certainly correct.

Additionally, I say to the gentleman, if I may continue for a second, as the President told a small group of us yesterday, if we are to have any effect in Geneva, if we are to carry forward with strong negotiations, if we are able to get a reduction in nuclear weapons as the gentleman from Michigan (Mr. BROOMFIELD) suggests, there is no question that we must continue to be strong, that we must give the Soviet Union the incentive to reduce their nuclear weapons to lower equal and verifiable levels. This is the only way such reductions can be achieved.

Mr. CARNEY. I must say I am shocked that they have not kept that commitment made exactly 1 year ago today to freeze their SS-20 missiles at a level of 300.

Mr. KASICH. No one should be surprised by the growth of these kinds of weapons and the lie that the former Chairman Brezhnev said to the American people.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana (Mr. HAMILTON).

Mr. HAMILTON. Mr. Chairman, I rise in strong support of House Joint Resolution 13, a resolution calling for a mutual and verifiable freeze on and reductions in nuclear weapons.

Mr. Chairman, the nuclear freeze movement has organized itself around a single view: Now is the time to halt the arms race. It is based on the feeling that the arms race is out of control, and the time to stop it is now. It recognizes that reducing the risk of nuclear war is the paramount issue of our day.

WHY HOUSE JOINT RESOLUTION 13 SHOULD BE SUPPORTED

The original proposal should be supported both for what it is and for what it is not.

It is not a proposal to disarm unilaterally. The freeze will be mutual if it happens at all.

It is not a proposal to trust Moscow to keep its side of the agreement. If the freeze is ever negotiated, it will be verifiable to our satisfaction.

It is not a proposal setting forth a detailed negotiating position. It does not say when the freeze should take effect, or at what levels nuclear arsenals should be frozen. It gives flexibility to the negotiators to determine such things.

The positive merits of the proposal are that it would control the arms race and facilitate arms reductions. Reductions cannot happen until an agreed limit has been put in place. This is what a freeze is—an agreed limit.

This resolution before the House, calling for a mutual and verifiable freeze, should be supported for several reasons:

First, it is the best vehicle now available for the people to put pressure on the Government to control the arms race.

Board support for this resolution will help establish a stronger national constituency for arms control. That support will enhance the prospects that a genuinely worthwhile arms control treaty will be ratified.

The freeze resolution is a comprehensible statement in an extremely obscure field. It is certainly true that the issue of arms control is enormously complex. But this fact has tended to breed a clique of experts—a nuclear "priesthood," in effect—who have left the general public out of the discussion. This can be harmful. One of the reasons we build nuclear weapons systems in the first place is to oppose a political regime which would stifle the public. The nuclear freeze movement is composed of many different people with many different views, some of them dangerous. But it has seen the central truth that the arms race is out of control.

The administration delayed working out its arms control positions, and gave the impression of talking loosely about the use of nuclear weapons. The public movement started in reaction, and the administration responded with a so-called freeze of its own, a freeze to go into effect after the ad-

ministration's START position has been negotiated and its modernization program completed. But the administration is still behind the curve on arms control. One-third of the American electorate had some form of freeze on the ballot, and a large majority voted in favor. A December 1982 Gallup poll shows that 71 percent of all American adults favor an immediate nuclear freeze between the United States and the U.S.S.R.

Second, the strategic balance is one of rough parity, and now is a good time for both sides to stop the buildup.

The central fact of the strategic balance today is that neither side can start and win a nuclear war. The Soviets are ahead in some areas, most notably in land-based missiles. But the United States is ahead in the number of warheads on missiles and bombers together. With respect to submarines, the United States is ahead in the accuracy and reliability of its missiles, in its antisubmarine warfare capability, and in the ability of its submarines to escape detection. The United States is also ahead in the number of strategic bombers, and in its cruise missile technology.

The existence of parity has been confirmed by previous administrations; and even acknowledged at times by this administration: None of the present Joint Chiefs of Staff have expressed their willingness to trade overall U.S. capabilities for those of the U.S.S.R.

In terms of the tendency of the balance, there is cause for alarm. The Soviet buildup is relentless. That makes now a good time to stop.

The situation in Europe is a special case. The balance between United States and Soviet forces there is heavily against us. The balance between Warsaw Pact and NATO is also in favor of the pact, but not by a very large margin. House Joint Resolution 13 states as one of the objectives of START a common position with our NATO allies; they are not going to agree to our negotiating a regional imbalance against them.

Third, the nuclear arms race absorbs enormous resources that we need elsewhere.

If the freeze is negotiated successfully, a huge amount of energy, money, time, and natural resources will be released for more constructive purposes. At a time when our Nation faces great domestic hardship, it is important that we use our wealth to strengthen the economy and generate jobs as well as to protect ourselves against foreign threats.

Fourth, House Joint Resolution 13 gives flexibility to the negotiators to determine when and how to implement a freeze, while it calls on them to do this as soon as possible.

Negotiating a freeze will take time. The negotiators must have the flexibility in their position to determine just which levels should be frozen. We should not be trying to tie their hands before they start. But this flexibility is in the context of the urgency of getting a freeze in place.

Fifth, House Joint Resolution 13 will encourage other nuclear and potentially nuclear powers to stop proliferation.

The world will be a safer place if the superpowers negotiate a mutual and verifiable freeze and then reductions. We are committed to slowing the race by the nuclear nonproliferation treaty. The rest of the world will be much more likely to control their programs if they see us controlling ours.

ARGUMENTS AGAINST HOUSE JOINT RESOLUTION 13

Mr. Chairman, several arguments are advanced against House Joint Resolution 13, and they should be rebutted.

First, opponents of this resolution contend the freeze would perpetuate Soviet superiority in most measures of the balance.

I have seen the figures, and my judgment is that we are in a situation of rough parity, a balance of imbalances. This was the view of all administrations prior to this one. Most important, in total numbers of warheads on missiles and bombers, the United States is ahead.

Second, opponents contend a freeze could not be verified.

There are problems with verifying by national technical means the production of warheads and fissionable material. But the resolution calls for a mutual and verifiable freeze. If a satisfactory verification procedure for production cannot be negotiated, then that part of the freeze could not take effect. Without the negotiation of satisfactory verification procedures, there will be no freeze.

Third, some opponents contend that the freeze resolution calls for unilateral disarmament.

There are some unilateralists in the freeze movement, and they should be resisted.

But there is nothing unilateralist about House Joint Resolution 13. The word "mutual" occurs six times.

The resolution is not calling for any kind of freeze that is not binding on both powers alike.

Fourth, opponents suggest the START proposal goes further than the freeze; it does not just freeze, it reduces.

House Joint Resolution 13 calls for a freeze and reductions.

The administration argues that reductions should precede a freeze. But you cannot have reductions before you have an agreed limit on the totals from which the reductions can then take place.

A freeze is an agreed limit.

As former Congressman Bingham said last year: An express train has to be stopped before it can be put in reverse.

Fifth, some opponents of House Joint Resolution 13 argue the freeze weakens the hands of the U.S. negotiators in Geneva.

There are three points to make in response:

First, the effect of the administration's point is to give it carte blanche to conduct relations with our main adversary as it thinks fit without inputs from the Congress, or, for that matter, the American people. But surely our democracy is designed to give the people a role in the most important issues affecting them. When Congress debates and discusses policy, it may make the role of the negotiator more difficult but that process of debate is one we avoid at the risk of rejecting the democratic process. The United States will often be engaged in negotiations with the Soviets; and the American people and the Congress have a right and duty in our system to try to improve our policy.

Second, the argument that criticism weakens the negotiators' hand suggests that criticism of the American position is akin to disloyalty. To the contrary, we believe that through the process of criticism, debate, and discussion there will emerge sounder policy and a stronger America.

Third, we should recall, too, that many who now made this argument took every opportunity to undercut previously arms control policies including the SALT II Treaty. Defense Department officials have argued before the Foreign Affairs Committee that this was all right because the criticism was from the hard line point of view, thus giving then President Carter extra leverage. But the effect was the same—to weaken the administration in the eyes of our opponents.

The point is that this criticism of policy is a price we pay for democracy.

House Joint Resolution 13 allows negotiations for reductions to proceed alongside negotiations for a freeze. If the administration really wants reductions in significant capacity for both sides, then nothing in House Joint Resolution 13 undercuts its position. The freeze resolution gives emphasis to destabilizing weapons, just as the administration ways it wants to.

Sixth, opponents of the freeze resolution argue that a freeze would stop us modernizing our nuclear forces.

This misconstrues the resolution:

First, the resolution specifically says that the goal of negotiating a freeze must be consistent with maintaining essential equivalence. It is my view that we now have essential equivalence. But the Soviet Union has consistently been spending a larger por-

tion of its budget on strategic modernization than we have. If they continue to modernize, the freeze resolution not only allows us, but requires us to modernize to the same degree.

Second, the resolution is carefully worded to avoid saying that the present levels are those to be frozen. It says that the freeze, when negotiated, should be immediate; the levels to be frozen should be frozen immediately. But what these levels are or at what point in time the freeze is to take effect are up to the negotiators to determine.

Third, even when the freeze is in place, a lot of modernization will need to continue. For example, the Trident submarine program will continue (though not the Trident II D5 missile). Under the freeze, silos can be modernized and hardened, and more survivable basing modes can be developed. Better command, communications and control mechanisms can be put in place. The process of making the nuclear arsenal safer and more secure will go on; but not the process of making it larger, deadlier, and more destabilizing.

CONCLUSION

Mr. Chairman, in conclusion I want to commend you for bringing this resolution to the floor at this time. I urge my colleagues to support this important resolution.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. FEIGHAN).

Mr. FEIGHAN. Mr. Chairman, 9 States, 340 cities and counties, and 400 New England town meetings have adopted freeze resolutions. Nearly 12 million Americans voted for the freeze last November and a January Harris poll found 76 percent of the public in favor of a U.S.-U.S.S.R. freeze agreement. Never before have Americans been so unified behind an arms control proposal.

Chairman ZABLOCKI's freeze resolution answers their hopes by calling for negotiations in pursuit of a mutual and verifiable freeze on and reductions in the nuclear weapons arsenals of both superpowers. In my opinion, this comprehensive, balanced, and workable solution offers the most effective means for enhancing United States and global security through arms control.

The freeze proposal offers a way out of the current impasse in arms control negotiations because it reflects the existing balance of imbalances between the nuclear forces of the United States and the Soviet Union. Although asymmetries do exist in the strategic balance, the freeze recognizes that each side holds advantages over the other. For example, while the Soviets lead in the number of launchers, 2,500 to 2,200, we lead in total warheads, 9,500 to 7,700. Moreover, over one-half of our arsenal is based in "invulnerable" submarines, while 75 percent of the Soviets strategic arsenal is concentrated in vulnerable land-based missile silos. A freeze would lock this rough parity into place, while allowing for development of less vulnerable and more stabilizing basing modes.

The Broomfield substitute would heighten insecurity by precipitating a new and dangerous spiral in the nuclear arms race. This "build now—reduce later" approach would allow both sides to build accurate and destabilizing first-strike weapons, in addition to concealable and unverifiable cruise missiles. It will not be cheap either—the MX missile alone will cost at least $15 billion over the next 5 years.

The proposed build-down strategy, whereby two old nuclear warheads are dismantled with the deployment of each new warhead, is equally undesirable. Under this proposal it would be possible to replace old gravity bombs, which are already slated for removal, with new, powerful, and accurate MX warheads. Thus, while the build-down proposal addresses the problem of warhead totals, it does little to solve the more vexing questions associated with improvements in accuracy, range, speed, and throw weight.

Reversing the arms race is today's greatest and gravest challenge. Technological developments are advancing so far and so quickly that it may become impossible to negotiate verifiable arms control treaties in the future. The people have grasped this truth that eludes our strategists. We must act on their wisdom.

I support the freeze as an integral first step in the fight to achieve real arms reductions and reduce the ever-growing threat of nuclear war.

NUCLEAR FREEZE PROPOSAL (TEXT OF A LETTER BY REPRESENTATIVE LEVITAS)

There is a growing concern throughout this country and Western Europe about the threat posed by the ever-spiraling arms race and the lack of an overall framework to bring about meaningful progress toward arms control. Clearly there is no sane or rational person who does not wish to achieve the goal of making this world a safer place.

Unfortunately, merely freezing the number of warheads and weapons will not make this world a safer place. Instead, a freeze would leave the United States with a deteriorating bomber force, a highly vulnerable land-based missile system, and no strategic system comparable to the Soviet Union's ICBM force targeted on Western Europe. For these reasons, a bilateral nuclear freeze that is unlimited in duration would give the Soviets little or no incentive to continue negotiations to bring about meaningful reductions in nuclear arsenals.

I am convinced that the U.S. needs to pursue a different approach to arms control—a fresh approach that will get us off the arms race treadmill. Thus, I along with my colleague from Illinois, Rep. Porter, have introduced legislation which proposes that whenever the United States or the Soviet Union adds a new nuclear weapon to its strategic force, two older, less stabilizing weapons must be eliminated. This so-called build-down approach allows us and the Soviets to modernize forces, which will reduce the tendency for a "hair-trigger" response to a perceived threat. It will enable us to maintain a credible deterrent, while achieving meaningful reductions in the total number of nuclear warheads.

The guaranteed build-down concept is compatible with, and, in fact, complimentary to, our ongoing arms control negotiations with the U.S.S.R. Moreover, unlike the freeze, the build-down proposal gives our military planners and arms control negotiators some much-needed flexibility. The precise elements of the "2 to 1" formula could be crafted to focus exclusively on one type of weapons mix or broadened to encompass a wide range of nuclear armaments.

Unquestionably, this flexible approach to nuclear arms control can bring about a cessation of fear and hostilities—and a fair mechanism for achieving a safer world.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentlewoman from Maryland (Mrs. BYRON).

Mrs. BYRON. MR. Chairman, I rise in opposition to the freeze resolution.

I have great concern with this resolution. I am extremely concerned about the message that we are going to send to our allies. I am extremely concerned about the message we are going to send to the German public that went to the ballot box last week with one single issue foremost in the minds of the public. That issue was the deployment of the Pershing II missiles and their continued support of the NATO alliance.

I think that if we pass this resolution we will be sending to the world a message that we have doubts in our own strength.

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I think we have a team that is now in Geneva with a strong mandate, a strong concern to address this issue. I would not like to have it on my conscience that I had tied their hands with this resolution. Therefore, I am in opposition to this resolution.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. SCHEUER).

Mr. SCHEUER. Mr. Chairman, the question of a mutual and verifiable nuclear freeze is not some intellectual exercise, some ivory tower academic exercise; we are talking about the very existence of our planet and the future of human life.

There can be no question that the current nuclear arms race between the United States and the Soviet Union is a competition of lunacy; the only real debatable point is how high each side can make the rubble bounce.

Put simply, we are faced with two clear choices, two alternatives, in voting on this crucial issue today.

The first approach, embodied in the various amendments offered in the House today, seeks to subvert and sabotage the nuclear freeze movement's objectives. Opponents of the freeze, including the Reagan administration,

would have us believe that we can only afford to continue with negotiations toward an eventual reduction in nuclear armaments.

These amendments, effectively undermining the thrust of the nuclear freeze movement, completely ignore the clear signal sent by the people of this Nation last November.

The second approach, embodied in House Joint Resolution 13, calls for a verifiable and mutual freeze in nuclear weapons production and deployment, followed by immediate negotiations to achieve mutual and verifiable reductions in nuclear arsenals. This approach makes abundant sense and has clearly captured the support of one of the most broadly based grassroots movement in American history.

By calling only for continued negotiations, both the United States and the Soviet Union will continue in their unbridled escalation of their respective nuclear capability with no assurance that this suicidal race will ever be brought under control.

We have civilized constraints in our country on the percentage of our gross national product which we are willing to channel out of civilian society and into the military.

There are thoughtful, credible leaders throughout the land and in this House who insist that we have gone far enough in reducing social services to the poor, the elderly, and the needy, far enough in starving our cities for the capital needed to maintain their physical infrastructures and the level of human services we have developed over a half century of progress.

Mr. Chairman, these constraints and the public opinion which supports them are virtually absent in the Soviet Union. Their leaders are oblivious if not utterly contemptuous of any perceived domestic opinion.

While the military has unlimited claim on resources, Soviet civilian society is starved, the economy is in shambles, and there are widespread shortages of consumer goods of even modest quality.

So, in this competition of insanity, the Soviets are in a fair position to operate unmindful of any of these restraints.

Mr. Chairman, the nuclear freeze is not some new, radical idea, it is not some new movement in its infancy.

A nuclear freeze was first proposed in Geneva in 1964 by U.S. Representative Adrian Fisher—at a time when the U.S. strategic buildup of Minutemen missiles and Polaris submarines was nearing completion and the Soviet buildup was not yet underway.

A nuclear freeze resolution introduced by former Senator Edward Brooke of Massachusetts was passed by the Senate in 1970 by a vote of 73 to 6.

And it is hardly necessary for me to remind my colleagues that a genuine nuclear freeze was defeated in the House by a margin of just two votes last August.

What has dramatically changed since 1964?

What has changed is that the nuclear arms race has taken on a deadly life of its own in reaching new heights of potential destruction.

What has changed is that we have seen several more nations joining the once exclusive nuclear club.

What has changed in our country is that an administration has come into office with notions such as a "winnable nuclear war" and a "limited nuclear war which can be fought in Europe," as stated by President Reagan and other administration officials.

All of these developments are deadly threats to peace and to the achievement of an orderly reduction in mankind's ability to destroy himself and his planet.

The argument regarding relative superiority by the Soviets, or by ourselves, ignores the crucial fact that both the Soviets and the United States have already achieved sufficient firepower to make any nuclear exchange a simple case of planetary suicide. That is the reality that drives the engine of the nuclear freeze movement. That is the reality that has caused the American people, the peoples of Europe and of Asia to cry out for an end to this madness.

Mr. Chairman, we have the opportunity once again to send a clear and unequivocal message to the Soviets, and to the world.

The message is this: We have enough nuclear weapons to destroy you and you have enough to destroy us. Continuation of this escalation can only escalate the chances that one or the other of us, by design, accident, or miscalculation, might precipitate a horrifying nuclear exchange.

Our message is simple. Our military experts already agree that they would never consider exchanging our nuclear deterrent for the Soviet's nuclear capacity. Why? Because regardless of the arguments over numbers of missiles, deployment of weapons or even the size of warheads, the fact remains that our nuclear capacity is more than sufficient to do the job of protecting our Nation and its strategic interests around the world.

Must we wait until it is too late before we come to our senses and put a halt to this nuclear nightmare?

The answer is "No."

We can take the first step without jeopardizing our security. We can take the first step, all the while maintaining our insistence that any freeze and any subsequent reductions in nuclear weapons be mutual and verifiable. We can take the first step on the road back to sanity.

The vehicle is the nuclear freeze resolution. The engine is the nuclear freeze movement.

I urge my colleagues to reject any weakening amendments and adopt House Joint Resolution 13, the Zablocki resolution for a nuclear freeze.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. PANETTA).

Mr. PANETTA. I thank the gentleman for yielding.

FEARS OF WAR: INITIATIVES FOR PEACE

Mr. Chairman, we are assembled here today to consider for the second time in less than a year whether we will endorse the policy that American security can only be assured by the unending development and deployment of new and increasingly lethal nuclear weapons, or whether we will answer the urgent appeals of our constituencies and step forth with new resolve to halt the ever-quickening buildup of nuclear arms.

Today we have come to a critical crossroad in our attempt to turn the world away from threat of nuclear self-destruction. Right now progress on nuclear disarmament is stalled. Neither the Soviet Union nor the United States has offered proposals indicating an awareness of this grave danger. From leaders in the Kremlin and the White House we get only rhetorical posturing and unrealistic options. But while the highest leaders of the world's most powerful nations have been shortsighted, the people have not. Throughout the country we find a grassroots movement that discerns the gravity of the situation and the promise of a stable future, free from the threat of nuclear war. This promise is embodied in the nuclear freeze resolution—House Joint Resolution 13—as reported by the House Committee on Foreign Affairs.

We are all familar with events that have marked the spectacular passage of the nuclear freeze idea from a readily dismissed fantasy advanced by only a handful of ardent supporters to a compelling mandate of a national movement. Both the speed and depth of this ground swell have forced immediate reactions across the spectrum of political opinion. The very success of the freeze idea stems largely from its understandability, providing a steadfast point of reference around which a consensus has coalesced despite the blizzard of statistics and projections of relative balances that have obscured other points in nuclear arms debates.

Public concern over the issue of nuclear arms control has left an indelible mark on the American political landscape. A point borne out in the November 2, elections in which over a quarter of the Nation's electorate took

part in State and local referendums calling for a freeze on the introduction of new nuclear weapons. Never before have Americans been so unified behind an arms control proposal. The inescapable conclusion to be drawn from this remarkable democratic experience is that millions of Americans, fearful of the threat of oblivion whether by accident or design have refused to accept the specter of nuclear war as an inevitable part of their lives and their children's futures.

Despite this unusual display of direct democracy the Reagan administration persisits in maintaining that adoption of a nuclear freeze as an arms control objective would weaken our position in the ongoing Geneva arms talks, thereby diminishing the prospects for eventual reductions in nuclear weapons. Clearly the President has misread what the American people want. I am convinced the people of this country are genuinely concerned about the very survival not only of America, but of the human race and are demanding immediate action from our Government not only to restrain the growth of nuclear weapons, but to stop that growth altogether.

From the moment he assumed office, President Reagan has sought to assure the American people that no foreign policy issue was more pressing and important than efforts to reduce the risks of war and decrease nuclear and conventional arsenals. Yet I find it impossible to reconcile such statements with the administration's record on arms control. How is it that the administration took 16 months just to present a strategic arms control proposal? With what justification can the administration present a 5-year defense plan which includes a $180 billion strategic modernization program? Perhaps the greatest shock came with the release of statements from Defense Secretary Caspar Weinberger and other administration officials to the effect that not only must the United States be prepared to fight a protracted war involving nuclear weapons, but that we must arm our Nation to the point where we can win a nuclear conflict. In short, we are being told that only by pressing forward with the development and deployment of new nuclear weapons can we assure the eventual success of negotiated arms controls and American security. When taken in the context of almost four decades of continuous arms buildups, such statements are tragically absurd.

Mr. Chairman, each of us assembled here today was charged with the awesome responsibility of representing the particular needs and concerns of our constituencies. To convey in no uncertain terms the message imparted to me at countless town meetings and rallies, in sessions with farmers, union members, business groups, high school and college students—Americans from all walks of life are fearful that the survival of the human race is at stake and are demanding the Government act now to bring an end to the arms race. I am certain that I am not alone, nor is my district unique in this respect. The nuclear freeze movement has developed as a spontaneous expression of deep and genuine concern by the American people in response to what all of us recognize as a most serious threat to the existence of mankind: nuclear weapons proliferation.

Since the time of the Manhattan Project, our Nation's nuclear defense and arms control policies have been virtually the exclusive domain of Executive Office and Pentagon officials. In short, we have entrusted our security in the hands of experts whose every solution to perceived vulnerabilities has been to develop and deploy new weapons. Today we find that millions of Americans across the country have gathered to discuss what for years was considered undiscussible, to think about something said to be unthinkable: The horrifying prospects of nuclear war. An essential part of this awakening has been the growing awareness that 37 years of steadily increasing our nuclear inventories has not brought us any closer to security or peace, but has instead served only to fuel the growing uncertainty. The message from the American people is direct and to the point: Enough is enough.

The nuclear freeze proposal has taken hold as a grassroots spontaneous expression of people telling the President and the Congress that they want action to end the relentless and senseless buildup of nuclear weapons. We must never lose sight to the fact that the nuclear freeze movement is not, nor should it be seen as, a politically partisan issue. The fears over the continued esclation of nuclear weapons are expressed by Democrats and Republicans alike, by Americans of all walks of life whose commonsense and sound moral judgment lead them to the inescapable conclusion that the United States and the Soviet Union put an end to this mad competition. This is what the American public is telling their Government in supporting a nuclear freeze.

Adoption of today's resolution must not be construed to be an end in and of itself, but rather as a logical first step toward achieving meaningful nuclear arms controls. We must act now to develop comprehensive, workable steps to bring meaning and purpose to our words and to insure that the administration takes action necessary to carry out the spirit of the resolution before the House today. Without question negotiating an acceptable nuclear weapons freeze presents a formidable short-term challenge, but in view of the consequences, it is imperative that progress begin today. I am convinced that a necessary first step toward real security is the bilateral freeze proposal sponsored by Representative ZABLOCKI.

I strongly urge my colleagues to join me in voting for House Joint Resolution 13 calling for an immediate and verifiable freeze on the introduction of new nuclear weapons, and to reject anything less as unacceptable.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN of Michigan. Mr. Chairman, I support this resolution.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. LEHMAN).

Mr. LEHMAN of California. Mr. Chairman, we have arrived at a critical juncture in world history. As citizens of one great Nation we have responsibility for our national security and the maintenance of peace in a tumultuous, yet delicately balanced world. Now is the time to strive for our own national security and for peace for every citizen of every nation.

Before us today is a resolution that seeks a mutual verifiable freeze of all nuclear weapons. It is the product of our instinctive awareness that we are perilously approaching a nuclear maelstrom. It is the product of grassroots Americans from all over the United States calling for an end to the spiralling nuclear arms race. My own State of California voted for a nuclear freeze just 5 months ago.

Mr. Chairman, opponents of the nuclear freeze resolution raise the question: If the United States freezed nuclear weapons production now, will we permanently lock our country into strategic inferiority? This is a legitimate question, and I respectfully suggest that the answer is a strong "No." Most of our military experts indicate that the United States and the Soviet Union each have roughly 7,500 missile warheads deployed on land, air, and sea.

In two of these three areas—air-based and sea-based ballistic missiles, U.S. forces are conceded to be superior to the Soviet Union. I believe no one in the Pentagon or the Congress would be willing to exchange U.S. forces for Soviet forces on an overall basis.

Yet, the administration continues to adhere to the philosophy that more and bigger missiles must be produced and deployed regardless of the cost in dollars or in human safety. The Pentagon has proposed a 5-year defense budget of $1.7 trillion. This is a nuclear budget, Mr. Chairman, which emphasizes the MX, the Trident II, the B-1 bomber, and the cruise missile. The focus of this defense budget is quantity, not quality, conventional weapons, operation and maintenance

funds and adequate training for the men and women of our armed services are shunted aside in favor of more exotic nuclear weaponry.

Mr. Chairman, new vision and new alternatives are in order for the defense of this Nation. The nuclear freeze resolution is simply the road sign to point our arms negotiators down a new path. I am convinced that the nuclear freeze resolution will signal a resoundingly clear message to other nuclear powers that we must all work together for a comprehensive, verifiable and mutual solution to the massive nuclear buildup going on today. We must continually demonstrate to our allies our unfailing commitment to peace as well as preserve our unflinching support for our mutual freedoms. I see no conflict of these interests and am heartened by the specific language in this resolution stating these goals.

As members of humanity, let us seize this moment for controlling our destiny. As Members of this distinguished House, let us be comforted by the knowledge that we have initiated a realistic overture for peace and have shaken ourselves awake from the fitful sleep of nuclear nightmare.

The CHAIRMAN pro tempore (Mr. EDGAR). The Chair wishes to announce that the gentleman from Michigan (Mr. BROOMFIELD) has 29 minutes remaining and the gentleman from Wisconsin (Mr. ZABLOCKI) has 29½ minutes remaining.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from South Dakota (Mr. DASCHLE).

Mr. DASCHLE. Mr. Chairman, I rise in support of House Joint Resolution 13.

Mr. Chairman, none of us here today have any illusions with regard to either the resolution we are debating or the nature of the Soviet Government with whom any freeze must be negotiated.

We know this resolution is nonbinding and cannot force the administration to do anything.

We know, too, that even a maximum, good-faith effort by our Government to negotiate a mutual, verifiable freeze with the Soviet Union would not guarantee such a freeze could be achieved.

We know these things, yet I am convinced that, knowing them we must still adopt the resolution before us.

We must adopt it as a signal, as a warning to an administration which has lost its perspective where issues of security are concerned.

We must signal this administration that the immense costs of an ongoing arms race—costs in both tax dollars and reduced security demand a maximum effort to see whether this race can be slowed—or terminated.

We must signal this administration that the firing of arms negotiators, the fumbling of their replacement, the leaks and confusion that look for all the world like a deliberate attempt to sabotage disarmament so as to justify massive defense spending—that these things do not constitute a maximum effort to achieve a responsible disarmament agreement.

This Congress has a mandate, a mandate delivered last November by the American people, to remind our Government that throwing dollars at defense is no wiser today than throwing dollars at social programs has been in the past.

We do not demand successful negotiation with the Soviet Union. Nobody can promise that.

But we do demand serious negotiation.

We demand it because a responsible freeze agreement would save our own Nation and the Soviets alike from an immensely costly, dangerous investment in a whole new generation of nuclear weaponry and delivery systems.

We demand it because true security for our Nation lies in the education of her people, the vigor of her economy, in leadership in the new age of high technology, and because massive military spending steals desperately needed dollars away from all these objectives.

We demand it because the claim our Nation could not now respond with crippling effect to any Soviet first strike is ludicrous on its face and because we believe a responsibility negotiated freeze would increase, not decrease the likelihood that this parity will continue.

Most of all, Mr. Chairman, we ask with this freeze resolution that the administration stop for a moment, take stock of its disarmament policy and ask itself in all honesty whether it pursues the route of security through serious disarmament negotiations with the same vigor it pursues security through endless defense spending.

Surely when billions upon billions of taxpayer dollars are at stake we owe the American people the certain assurance every possible effort to render the expenditure of those dollars unnecessary has been made. Between its lines this resolution asks simply whether we can offer that assurance so long as we refuse to place on the negotiating table an offer to seek a mutual, verifiable freeze on the development and production of nuclear weaponry.

I do not believe that we can and so I urge you to join me today in voting for this freeze resolution.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Chairman, this resolution embodies and expresses the profound conviction on the part of millions of Americans that unless we bring the arms race and nuclear weapons to an end, the arms race will end us.

There is a growing consensus among Americans from all walks of life, from all political parties. It is registered in the churches and synagogues; it was demonstrated through the passage of numerous referendums on election day last year. Their message is simple and crystal clear: Stop building weapons for destruction, and begin negotiations that are aimed at mutual preservation.

This urgent message has been conveyed not only through popular expressions by men and women of good will but by the experts as well.

The Bulletin of Atomic Scientists recently published a magazine bearing a cover with a doomsday clock set at 4 minutes to midnight. It represents the judgment on the part of those most knowledgeable about the consequences of nuclear war that we are only 4 minutes away, in metaphorical terms, from a nuclear holocaust that could mean the end of our civilization.

To be sure, there are elements of the nuclear balance in which the Soviet Union is ahead of us. They have more ICBM launchers. They have more SLBM launchers. They have greater megatonnage. And they have more throw weight than we do. But there are other elements of the nuclear balance—expressed in the terms of the Strangelovian esoterica by which we measure our capability to destroy Soviet society—in which we have substantial advantages over them.

We have more warheads. We have more than twice as many bombers. We have substantially more SLBM launched reentry vehicles. And we have a number of significant qualitative advantages as well.

The bottom line is that just as the Soviet Union has the capacity to destroy us, we have the capacity to destroy them. In effect, we have the kind of essential equivalence in strategic balance which the former head of the NSC, Dr. Brzezinski says we had; which the former Secretary of Defense, Harold Brown says we had; which the head of the Air Force, General Allen says we had, and which many other experts say we have as well.

In the words of Winston Churchill, the size of the Soviet and American arsenals are so menacing they can both "bounce the rubble."

Consequently, if this resolution is adopted and if we agree to a mutual and verifiable freeze with the Soviet Union on the further production, deployment, and testing of nuclear weapons, we would share an entirely adequate nuclear balance of power. At this point, with adoption of the resolution, we can then move onto real and substantial reductions and, hopefully,

the eventual elimination of these weapons from the face of the Earth.

We can no longer continue squandering our precious resources on weapons of destruction we plan never to use, when so many crucial Federal programs geared to feed the hungry, provide for the elderly, and heal the sick, have endured such devastating budget cuts.

It is my fervent hope that we honor the profound convictions of the millions of Americans who care—who care about their children, who care about the future, and who have prayed, marched, and voted for peace—and pass this important resolution.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. SHUMWAY).

Mr. SHUMWAY. Mr. Chairman, I rise today in opposition to House Joint Resolution 13. While I commend the members of the committee for taking the initiative to bring this critical issue before Congress for its consideration and support the resolution's ultimate objective of arms reduction, I am deeply troubled by the resolution before us. I believe that an immediate freeze would lock the United States into a position of military inferiority, would undermine our Nation's negotiators in Geneva, and would eliminate all Soviet incentives to seek meaningful reductions. Consequently, a freeze would not lead to the very reductions which its supporters seek. The most effective way to reach that goal is through negotiations aimed at achieving substantial, verifiable, and equitable reductions.

While this body cannot overlook the growing concern among the public regarding the global proliferation of nuclear arms, we must not succumb to simplistic solutions to this complex problem. It is a misplaced hope of the supporters of a freeze that a freeze is the surest way to prevent a nuclear war. What is needed is a realistic, durable policy that enhances our Nation's ability to deter aggression.

Since World War II, the U.S. policy of deterrence has been the most effective guarantor of world peace. Its basic premise has been that as long as we can retaliate against foreign aggression, hostile nations will have reason to refrain from using strategic arms against us. Until recently, because the U.S. strategic capability was considered superior to the Soviet Union, our policy of deterrence has been effective in assuring peace. However, during the past decade, the United States has lost that strategic superiority, thereby diminishing the credibility of our deterrent capability. If our armed might is frozen at existing levels, Mr. Chairman, I submit that the chances for continued peace and survival in the world would be seriously jeopardized.

Yet the freeze resolution before us ignores recent trends in the nuclear balance. Whereas the Soviet Union during the past decade has steadily and rapidly built up and modernized its nuclear arsenal, particularly in the destabilizing land-based intercontinental ballistic missiles, the United States has just begun to modernize its strategic forces.

According to the Department of Defense, the Soviet Union has outpaced the United States in investment in military forces by 80 percent over the past decade, concentrating its buildup on strategic forces. The Soviet Union during the 1970's introduced 24 new or substantially upgraded Soviet strategic systems to just 3 by the United States during the same period. The Soviet Union has deployed three new classes of intercontinental ballistic missiles since 1975, including the giant SS-18, two new classes of ballistic missile submarines with improved missiles, and the new Backfire bomber.

As indicated in the recently published DOD report on Soviet military power, the Soviet Union has continued its efforts to upgrade its strategic force capability. The report states that the Soviets have begun test flights on two new land-based ICBM's while continuing modernization of the deployed SS-17, SS-18, and SS-19 ICBM force. The Soviet Union has also developed a new stategic manned Blackjack bomber which is larger than the U.S. B-1. Furthermore, the Soviets have been developing a new generation of ground-, Sea- and air-launched cruise missiles which the DOD states will significantly expand the flexibility of Soviet strategic options.

While the Soviet Union continues to pursue an aggressive policy to achieve relative superiority in terms of strategic weapons, the weapons which comprise our Nation's strategic triad are in danger of becoming obsolete. The United States has not deployed a new ballistic missile in 16 years and the MX, which is to replace the aging Titan II and Minuteman. is still being debated. The Trident submarine represents the first new missile-firing submarine in 15 years and the B-1 bomber, when ultimately deployed will replace B-52's first produced in the early fifties. The Reagan administration's strategic forces modernization program seeks to redress this situation by strengthening their capability as a deterrent.

An immediate freeze would therefore preclude our ability to modernize our forces and would maintain existing military imbalances between the United States and the Soviet Union. These imbalances would be particularly significant in Western Europe where a freeze of the type contemplated here would be detrimental to NATO security by undercutting NATO's ability to deter Soviet aggression in Western Europe.

Mr. Chairman, as we debate the resolution before us, the existing European balance tilts dangerously against the Western alliance. Whereas the Soviet Union has over 300 mobile, accurate SS-20's deployed and targeted at Western Europe, NATO has no direct counter to the threat posed by these missiles. A freeze would lock into place the Soviet preponderance in intermediate nuclear forces by preventing the scheduled deployment in Western Europe of the Pershing II, capable of offsetting Moscow's force of similar SS-20's, and the ground-launched cruise missiles (GLCM's). Without the deployment of these strategic missiles, the Soviet Union will be able to maintain a substantial strategic advantage in Western Europe. Mr. Chairman, we must not allow the Soviet deployment of SS-20, SS-4, and SS-5 missiles targeted at Western Europe to go unmatched as a result of a freeze which would preclude the necessary deployment of the Pershing II and GLCM's.

It must therefore be clear to freeze proponents and opponents alike that the United States is at a military disadvantage to the Soviet Union. I submit, Mr. Chairman, that passage of a freeze resolution would further weaken our military posture. If our Nation is to enter into negotiations, as we have done in Geneva, history dictates that good-faith bargaining comes only from positions of equality.

The on-going START and INF negotiations are a constructive answer to the problems of nuclear arms control. The objective of these negotiations is real and substantial reductions in the Soviet and United States intermediate-range and intercontinental missiles, the most destructive classes of weapons. It is thus imperative that Congress not undermine our negotiators. Ambassadors Rowney and Nitze, at this critical point in the negotiating process by supporting a freeze which would limit the flexibility of the U.S. position in negotiations. Our START and INF negotiators would be frozen into a position of accord to Soviet superiority, eliminating any incentives for the Soviet Union to take U.S. proposals seriously and to bargain in good faith for meaningful, equitable, and verifiable reductions. Consequently, the freeze would inhibit progress toward the very reductions its supporters seek.

Mr. Chairman, let us dedicate ourselves not to repudiating the positions of our negotiators through a freeze resolution. Rather, let us send a clear signal to the Soviet Union through this body that the American public seeks not only to freeze United States and Soviet nuclear arsenals but to take one step further toward meaningful reductions in strategic weapons.

While the threat of nuclear war can never be entirely eliminated, we can take steps to reduce the threat through effective and mutual verification of arms control agreements. Although President Reagan supports the need for effective means of verification, the Soviet Union has steadfastly refused to allow foreigners on its soil to inspect its missile silos, factories, warehouses, and other storage spaces. It is therefore reasonable to conclude, Mr. Chairman, that in the absence of inspection measures, verification in the context of a freeze would be extremely difficult if not impossible.

Mr. Chairman, we must proceed on the established course of negotiations toward the objectives which we all seek—reductions in the Soviet-United States nuclear arsenals. I therefore encourage my fellow colleagues to support House Joint Resolution 4, the Broomfield-Carney-Stratton bipartisan resolution which expresses the support of Congress for the START and INF negotiations that seek to achieve substantial, verifiable, and equitable reductions in United States and Soviet nuclear arsenals. This resolution recognizes that a balance of nuclear weapons is the key to peace and must be reduced to equal levels before a freeze. House Joint Resolution 4 accomplishes the objective of a continuing reduction of nuclear stockpiles, thereby diminishing the threat of nuclear war. Given a situation of strategic equality between the Soviet Union and the United States, there will be little advantage to be gained by either country taking the first step that might lead us down the road to a nuclear holocaust.

I recognize, Mr. Chairman, the divisiveness that this issue has created among our constituencies from Maine to California. There is not a man, woman, or child in America demonstrating for a nuclear holocaust. But there are 230 million Americans firm in their resolve to avoid a nuclear conflict. Unfortunately, there is not a consensus on the means to achieve a lasting peace, but I am convinced that by adopting a policy of military disadvantage, we will do more to threaten our national security than to lessen the possibility of nuclear war.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Louisiana (Mr. LIVINGSTON).

Mr. LIVINGSTON. Mr. Chairman, I rise in opposition to the resolution and to insert into the RECORD a recent memorandum, dated March 14, 1983, by Spencer Warren, Deputy Director, House Republican Research Committee.

The article is as follows:

11 POINTS AGAINST THE ZABLOCKI FREEZE RESOLUTION, MARCH 14, 1983

(By Spencer Warren)

1. The freeze resolution's only practical effect will be to limit our government for, as some freeze proponents do not seem to understand, there is no public opinion in the Soviet Union. (Witness the arrest of Sergei Batovrin, leader of the Soviet freeze movement.) Peace since 1945 has been maintained by one factor above all others—the strength of the United States. It is not and never has been endangered by our nuclear arsenal. Enactment of the freeze resolution would amount to a vote of no-confidence in President Reagan's far-reaching arms reduction proposals made at the Geneva START talks. It would make the Soviets more intransigent and would embolden them in their effort to use the freeze movement as a lever to try to reduce U.S. military strength while their own climbs steadily upward. It would torpedo the START talks.

2. The freeze would prevent us from maintaining the survivability of our retaliatory second strike capability, which is the key to our security and to world peace. The issue is obsolescence of our strategic weapons systems. Our land-based Minutemen ICBMs are significantly older than Soviet SS-17s, SS-18s, and SS-19s, the heart of Soviet strategic power; our Poseidon submarines are 15-20 years old; the key vessels of the Soviet submarine fleet are less than 10; and our strategic bombers were designed for President Eisenhower. Unless they are replaced, the next two decades will find our systems' rates of failure rising rapidly due to normal aging, while the Soviets' most important systems will still be in prime condition. Seventy-seven percent of Soviet strategic nuclear weapons are on launchers less than five years old; seventy-seven percent of ours are on launchers 15 years or older.

3. The freeze would not prevent development of effective anti-submarine warfare techniques or improved anti-aircraft defenses. This loophole, particularly with the increasing obsolescence of our forces, could enable the Soviets to develop the capability to destroy our sea-based deterrent, which most freeze supporters concede is vital to our security, as well as to defeat our bomber deterrent. The freeze would not prevent the Soviets from developing an anti-ballistic missile system using conventional explosives or lasers. These factors, coupled with the vulnerability of our Minutemen to more powerful Soviet ICBMs, could give the Soviets reasonable grounds to believe they could win a nuclear war. While this would not necessarily lead them to make an attack, it would make them more aggressive and would make confrontations, like that over Cuba in 1962, more likely. In the next crisis, however, it might be the U.S. which would have to back down.

4. The freeze is not verifiable without widespread on-site inspection, which the Soviets have never permitted. Here are three examples:

The Soviets have tested the launch of more than one missile from the same silo. We cannot verify how many missiles they may have in storage. Such missiles in reserve can also be launched from surface sites.

More generally, we cannot verify Soviet nuclear weapons production and thus keep an accurate count of Soviet stockpiles of strategic and tactical weapons.

The Soviets have a mobile intercontinental missile, the SS-16, which consists of the SS-20 intermediate range missile plus another stage. We cannot verify the supplies of this additional stage.

5. The nature of the Soviet regime makes the prospects for negotiating a halt to the arms race extremely problematic. The arms race merely reflects the underlying conflict between our two countries; it is not a cause of the conflict. War is the central feature of the Soviet state, which has been waging one against its own people since the day of its founding. Up to 60 million Soviet citizens have perished in this war. The war continues today, albeit in less intensive form than in Stalin's heyday (though this is of no comfort to those being subjected to the latest technique of control, psychiatric torture). The reason for this war is that the regime knows it lacks legitimacy in the eyes of the people. Once central tool for maintaining its tight control is to picture the Soviet Union as literally besieged by a hostile world, ready to destroy the country at the earliest opportunity. Thus, world tension is vital to the regime's survival.

6. The freeze proponents want us to negotiate a complicated agreement with a regime which is in clear violation of treaties banning the use of chemical and biological weapons (Afghanistan and Indochina).

7. In order to reduce the risk of nuclear war, the freeze proponents should favor increasing our conventional strength. As a result of Soviet conventional superiority in Europe, it is generally understood that the U.S. would have to fall back on its nuclear forces in the event of a Soviet conventional attack. (The U.S. capability to deter a conventional attack with nuclear weapons has lost some credibility in recent years, as the Soviets have reached nuclear parity and even pulled ahead in important measures of nuclear strength.)

To reduce our reliance on the nuclear deterrent, the freeze proponents should favor improving our conventional deterrent. The movement generally is silent on this issue, and has opposed the Reagan administration's initiatives in this as in most defense areas.

8. Mutual and Balanced Force reduction talks on conventional forces in Europe have gone nowhere since they began in 1972. The reason is the big conventional advantage held by the Soviets. Here is one area where we have not "built-up in order to negotiate," as freeze proponents charge. The result? Negotiations have been fruitless.

Similarly, the Soviets' initial position on limiting deployment of intermediate range missiles in Europe was that if NATO deployed any, they wouldn't even participate in negotiations. As NATO moved toward a decision in favor of deployment of a deterrent missile force, the Soviets advocated a freeze: they would keep their new, more powerful SS-20s, and NATO would not deploy its new deterrent force. But that ploy didn't work, and NATO went ahead and agreed in December 1979 to deploy Pershing 2 and cruise missiles starting late in 1983, and to open talks with the Soviets on limiting or eliminating both sides' intermediate range missiles. The Soviets then refused to talk at all. Subsequently they agreed to open negotiations and insisted once again on the freeze as the only solution. That still didn't work, and last December they offered to limit their intermediate range missiles to the same number of British and French missiles, 162. This is progress, but it comes only when the Soviets are confronted with Western determination, resolve and commitment to deploy the weapons necessary for our security.

9. In 1972, the U.S. and the U.S.S.R. agreed on a treaty sharply limiting antiballistic missile systems (ABM). This was made possible because Congress, in 1969, had narrowly approved funding of an ABM system, Safeguard. The Soviets negotiated the treaty because they were behind in ABM development and feared we would build one unless a treaty was reached. Without a clear U.S. commitment to maintain and upgrade our strategic forces, the Soviets will not agree to arms limitation and reduction. The incentive just won't be there, and the Soviets make decisions based on calculations of power, not noble sentiments.

10. The freeze would allow the Soviets to retain their 350 SS-20 missiles (and more than 300 intermediate range missiles), most of which are aimed at Europe. But it would prevent us from deploying our Pershing 2 and cruise missiles in Western Europe, thereby removing any incentive for the Soviets to reduce their missile force. Thus, the freeze would undermine our negotiations in Geneva on intermediate range forces in Europe. The freeze proponents talk about equal forces between the U.S. and the USSR, but they don't seem to care about leaving a huge imbalance in Europe. The result would serve to weaken confidence in the U.S. guarantee to NATO and jeopardize the future of the alliance, which has kept the peace in Europe since 1949.

11. Shortly after the Cuban missile crisis in 1962, the Soviets embarked on the greatest military build-up in history, which continues to the present day. From 1972 to 1982, they spent 40 percent more on defense than the United States, exceeding us by $140 billion on strategic weapons. As a result, we are now behind in important measures of strategic strength. Having outspent us by such a huge margin, it is only natural that the Soviets have pulled ahead in key areas. Many in the freeze movement never took an interest in defense while we were falling behind. Only now, when we are trying to redress the imbalance, do they find an interest—to limit our build-up. We are responding to the greatest military expansion in history, one far in excess of legitimate needs of self-defense, yet certain freeze proponents accuse us of accelerating the arms race.

Mr. BROOMFIELD. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. WORTLEY).

Mr. WORTLEY. Mr. Chairman, I rise in opposition to the committee resolution and in support of the Broomfield substitute.

No man or woman in this body has a greater desire for peace than I. Moreover, I, too, have grandchildren and I long for an easing of tensions and for progress on nuclear disarmament so that their future will be protected.

But I would urge my colleagues to think carefully about whether or not an immediate freeze on the production and deployment of nuclear weapons will really advance the cause of peace and disarmament.

Will the Soviets have any incentive to reduce their forces if we demonstrate an unwillingness to counter their continuing buildup?

Our negotiations at the START and INF talks say no.

Can deterrence be maintained if we are prevented from modernizing our aging bomber force and our increasingly vulnerable land-based missiles?

I think not.

Many of my colleagues here today have asked why any further production of nuclear weapons is necessary. Do we not, after all, have enough nuclear weapons to blow up the Soviet Union several times over? Certainly we do. But the question remains whether or not our aging delivery systems, specifically the B-52 bomber and the Minuteman missile, could actually deliver their payload if they were ever called upon to do so. And if they could not, can they continue to deter an attack against ourselves and our allies. The plain fact is that 90 percent of this Nation's nuclear warheads are on weapons that are more than 15 years old. In contrast, more than half of the weapons in the Soviet nuclear arsenal were built after 1975. A nuclear freeze that barred U.S. strategic modernization would soon leave us with obsolete weapons systems. Deterrence would be shattered and war or nuclear blackmail made more likely.

Advocates of an immediate nuclear freeze have argued that it is a necessary first step to a comprehensive reduction of nuclear arms. However, the history of arms negotiations with the Soviet Union is clear on one point; the Soviets will not agree to any treaty banning or reducing armaments unless we show a firm willingness to deploy those same armaments if a treaty is not reached. My colleagues will recall that the Soviets did not agree to limit antiballistic missiles until the United States was actually ready to deploy an ABM system. Likewise, the Soviets refused to come to the table to discuss an agreement on intermediate range ballistic missiles until NATO agreed to deploy the Pershing II and the ground-launched cruise missile. As the day of deployment nears, I suspect they will be negotiating more seriously.

In conclusion, I would submit to my colleagues that the nuclear freeze resolution we are now considering will accomplish none of the things it purports to. By barring a modernization of our defenses, it will weaken deterrence and make aggression more likely. By showing the Soviets that we do not have the will to counter their buildup, it will provide them no incentive to negotiate seriously, and in so doing will make a worthwhile arms control treaty harder to achieve.

□ 1340

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. COYNE).

Mr. COYNE. Mr. Chairman, I rise in strong support of House Joint Resolution 13, the nuclear weapons freeze and reductions resolution.

I was proud to be among those in the last Congress who worked for the passage of a similar resolution. Much has happened since we suffered the narrow defeat of that measure on the floor of this House.

More than 11 million people voted for the nuclear freeze measures in the November 1982 elections. This is in addition to the 125 city councils, including that of my own city of Pittsburgh, which have endorsed the freeze.

This body can now take similar action. By adopting House Joint Resolution 13, we can establish objectives for the strategic arms reduction talks which I believe a majority of Americans favor.

Specifically, this resolution would direct our negotiators to pursue an agreement on an immediate, mutual, and verifiable freeze on production of nuclear weapons. Moreover, they would be asked to negotiate when, and how, to bring about a mutual, verifiable freeze on testing and deployment of nuclear warheads, missiles and other delivery systems. Special attention would be given to those weapons which give either the United States or the Soviet Union a hypothetical advantage in a first strike.

Once a freeze was achieved, the negotiators would work toward substantial, equitable, and verifiable reductions in nuclear weapons through such measures as numerical ceilings on systems.

This resolution also mandates that current limitations and controls on nuclear weapons and delivery systems be continued, and that ongoing Geneva negotiations on intermediate-range nuclear systems be incorporated into the START negotiations.

This reasonable approach was put to the test in referenda last year in which more than 30 percent of the population had a chance to vote on the issue. Sixty percent of those voting supported the nuclear weapons freeze. The notion continues to draw the opposition of those who suggest that to reduce our nuclear stockpile, we must first add to it.

Such an approach shows little commonsense. We do not add fuel to a fire when it theatens to spread out of control. We attempt to limit the existing flame in the hope that it can eventually be controlled. So should it be in our approach to nuclear arms control.

When history judges the greatness of our Nation, I believe that we will be measured not by our capacity to make war, but by our efforts to prevent war.

No one is suggesting that the process of preventing a nuclear war through negotiations with another heavily armed superpower will be easy. It will not. Nor will results come about overnight.

It is worth remembering the observation by the Irish playwright, George

Bernard Shaw, on this subject. He noted that:

Peace is not only better than war, it is infinitely more arduous.

I believe this House should take up Shaw's arduous task by voting in favor of the nuclear weapons freeze and reductions resolution.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama (Mr. NICHOLS).

Mr. NICHOLS. Mr. Chairman, once again the House of Representatives debates what is generally referred to as nuclear freeze. Perhaps it is ironic that were we to take a vote on the ultimate priority of this issue—the prevention of nuclear war—a unanimous vote for avoiding such a conflict would result. Not one of us here would stand in favor of a nuclear engagement.

So therefore, let us not mistake a vote against the Zablocki proposal as a vote standing in favor of the use of nuclear weapons. Our strategic weapons are intended for defensive purposes only. They stand as a warning, an explicit threat, that the United States is prepared to take whatever measure that is necessary to protect our precious democracy.

In dividing those voting for this resolution and those voting against it, we are not separating the good from the bad. Instead we are clearly demonstrating that there is a difference of opinion on what means should be used to achieve a common goal.

But let us not be so naive as to assume that the risks and dangers of following either path are the same. They are not.

We all recognize the dangers of maintaining arsenals of nuclear weapons. The use of a nuclear weapon can result in the killing and maiming of military personnel and innocent civilians accidently caught in a fallout area.

The expanded use of nuclear weapons would result in devastation that cannot be properly imagined. Scores of cities destroyed, tens of millions of people killed, and scores of millions permanently maimed.

This is the reality of using strategic weapons.

Over the past week, I have visited with many of my constituents who asked me to support the Zablocki proposal. A nuclear freeze on the part of the United States, they argued, would place known limits on our present American/Soviet nuclear inventory—if the Soviets agreed.

A bilateral agreement would begin to reduce the number of nuclear weapons and would significantly diminish the threat of nuclear war, if the Soviets agreed.

The freeze should be verifiable, even if the Soviets do not agree to onsight inspections.

Those supporting the nuclear freeze resolution before us today, are well intended. Their fears of nuclear holocaust are shared by us all. The success of the nuclear freeze movement, however, is predicated on the concept that the intentions and motivations of the Soviets are similar to our own.

Unfortunately, the actions by the Soviets in the real world in no way support the speculation that they will follow our leadership in limiting, and then reducing nuclear weapons. Herein lies the dangers and the risks that I am not willing to accept.

To restrict the further development and deployment of America's nuclear arsenal leaves this Nation at a relative disadvantage in terms of strength.

To depend on the good will of the Soviets to agree to our plan for mutual reduction totally ignores the expansionist policies of the U.S.S.R.

To anticipate that a nuclear freeze will result in a reduced threat for conventional and nuclear war, ignores the known increase of the Soviet's military capabilities, both in the area of nuclear and conventional weapons. This is the greatest peacetime buildup in mankind's history.

Also let us not forget that this expansion of world influence and increase in military power by the Soviets has come during a period when America has expressly limited military growth.

To me the message is very clear. While America has followed a path toward peace and coexistence, the Soviets have demonstrated their intentions to expand their control and spheres of influence far beyond traditional regions. Their motivation is for peace but only on Soviet terms.

Our present policy of nuclear deterrence has worked. The known result of nuclear war has so scared the world leaders that we have successfully avoided world conflict.

This is reality, not speculation. There are no ifs, or maybes. Why then support this resolution when the known result is greater danger and increased risk?

Let us continue down the path that has given us world peace for almost four decades and continues to work toward that goal of a permanent peace we all support.

Mr. BROOMFIELD. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. GEKAS).

Mr. GEKAS. I thank the gentleman for yielding this time to me.

Mr. Chairman, one who listens very objectively to the debate as it is pursued today can come to several conclusions, one of which is that every Member of Congress has as his objective in public service to do his part to attain lasting peace on Earth. The second is that every Member of Congress wants to see come about a freeze on nuclear weapons.

The distinction that must be made and the choice that must be made, however, and that is the issue at hand, is which way to obtain these two objectives?

On the one hand, the Zablocki approach is for a freeze under his dimensions of time.

On the other hand is the Broomfield request for a freeze at another time in the sequence of negotiations.

That is the choice that we have to make. Each one entails a gamble. To support the Zablocki version of the nuclear freeze means that we must gamble on the integrity and the goodwill and the intention of world peace on the part of the Soviet Union. On the Broomfield, we went to gamble, if we must, on the goodwill of the negotiators that we have empowered to work for us in the Geneva talks.

I, for one, have to come down in that kind of a gamble on the side of gambling on the goodwill and intent of our negotiators in Geneva.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. I thank the gentleman for yielding this time to me.

Mr. Chairman, first of all, I think we should point out that when one of the Members from the other side indicated that the leadership on this side was not recognizing anyone who was in opposition to this amendment, the previous speaker on this side was in opposition. The reason we only have one is because it is so overwhelming on this side as to this amendment.

Mr. Chairman, the previous speaker in opposition to the amendment also said, in effect, that the people of our country do not understand the issue or they would not be crying out in support of this resolution and demanding an end to this arms race.

I submit, Mr. Chairman, that the people do understand this issue better than many of the politicians.

Mr. Chairman, we can have all sorts of charts and figures and everything else, but my people understand. My people understand that if you can kill me, no matter what I do to you, and I can kill you, no matter what you do to me, it does not matter very much whether you can kill me 5 times or 15 times or whether I can kill you 5 times or 15 times. Once is enough.

That is exactly the situation that exists today between ourselves and the Soviet Union. The Soviets can destroy us no matter what we do to them, and we can destroy them no matter what they do to us, and each of us can do it many times over.

The gentleman also said that the question is how many nuclear warheads we would have left if they had a first strike. We have 31 nuclear submarines, any 2 of which can clearly destroy the Soviet Union, any 2 of which would be available after a first strike.

This does not count the cruise missiles and the bombers that we have.

My people understand that, Mr. Chairman. Maybe it is time for us to start to represent the people. Maybe it is time for us to admit that they are right; that the escalation of this arms race has brought us greater insecurity rather than greater security. Maybe it is time to listen to them when they say they want their children to grow up in a world of reduced rather than increased likelihood of our making this planet uninhabitable for human life. Maybe it is time to listen to them when they say it is time to put an end to this madness.

Surely it must be time for us to take this one small first step, which is the passage of this resolution.

Mr. Chairman, as an original cosponsor of this important concept and author of a proposal that may well serve to be the first step in implementing such an agreement—a measure to prevent nuclear testing in all environments for all time (H.J. Res. 3)—I believe congressional approval of the freeze to be in the best national security interests of the United States. Formal adoption of the freeze will demonstrate clearly to the American people and, indeed, the peoples of the world, the sincerity of our commitment to ending the nuclear arms race before this race ends civilization. Moreover, passage of the freeze will once again reestablish American preeminence in the area of nuclear arms control, strengthen American leadership of the Atlantic alliance and, truly better the prospects for greater world peace and prosperity.

Critics of the freeze have argued that a freeze locks the United States into a position of strategic inferiority, precludes the replacement of older U.S. strategic systems and is nonverifiable in nature. They argue a freeze represents a reward to the Soviet Union for their enormous military buildup in recent years and prevents the President from closing the so-called window of vulnerability. This is simply not the case.

Support for the freeze is grounded upon a consensus view that a state of nuclear parity now exists between the United States and Soviet strategic nuclear arsenals. Certainly, this balance is asymmetric in nature but a balance, nevertheless, does exist. The existence and acceptance of this state of parity has been confirmed by high ranking officials in both Republican and Democratic administrations. Even officials of the Reagan administration have acknowledged this fact. And, in this regard, I find it most ironic that none of the present members of the Joint Chiefs of Staff have expressed a willingness to trade the U.S. arsenal and its capabilities for that of the Soviet Union.

While it is certainly true that the Soviet Union does possess more intercontinental ballistic missile (ICBM) and submarine launched ballistic missile (SLBM) launchers, the United States retains more heavy bombers, more nuclear warheads and a more diverse strategic force structure. Each society can deter the other; neither could prevail in a nuclear conflict. Clearly, this balance dictates that the time to freeze is now.

I also find it noteworthy that House Joint Resolution 13 does not in any way preclude the replacement of older U.S. strategic systems. It does, however, seek the negotiation of limits on destabilizing weapons systems, especially first-strike weapons. House Joint Resolution 13 specifies that issues such as when to implement a freeze and how to deal with the replacement of older nuclear systems must be carried out within the context of the START negotiations. A freeze agreement would come after negotiations which will be mutual, bilateral, and verifiable in nature.

Obviously, verification becomes the linchpin under which any such freeze agreement could be negotiated or subscribed to. In this regard, I believe the freeze to be wholly verifiable through a full gamut of present U.S. national technical means that are now employed to measure Soviet compliance with other previously negotiated arms control agreements. Testing on and the deployment of any Soviet system can be verified through these national technical means and U.S. abilities to monitor Soviet activities at the design and production stage have permitted the United States to predict every Soviet ICBM test before it has occurred. Finally, I find it essential to note that in both the Threshold Test Ban and Peaceful Nuclear Explosion Treaties, the Soviets have agreed to several measures that strengthen U.S. verification efforts and procedures.

Most notably, these concessions include an agreement to the placement of unmanned, tamper proof seismic stations on their territory, as well as an acceptance of onsite inspection procedures within the context of negotiations aimed at the conclusion of a comprehensive test ban treaty.

Finally, I would like to direct some remarks at the concept of the window of vulnerability. During his campaign and since entering office, President Reagan has been quick to point at U.S. weaknesses and our vulnerability to a preemptive Soviet attack upon our land-based strategic weapons systems. In this regard, it is important to mention that given current and ongoing improvement in U.S. land-based and sea-based missile accuracies and a preponderant Soviet reliance upon land-based missile forces, the so-called window of vulnerability will open equally to both the United States and the Soviet Union throughout the 1980's. Indeed, many experts believe that while the United States is confronted with a window of vulnerability problem, the Soviet Union is faced with a wide open door of vulnerability problem. Clearly then, adoption of the freeze (H.J. Res. 13) preserves the current balance in the nuclear arsenals of the superpowers, prevents a renewed and even more destabilizing round of nuclear arms race and, creates a climate in which real reductions in these awesome arsenals can be negotiated.

In assessing the advent of the nuclear age, Albert Einstein commented that, "The unleashed power of the atom has changed everything except our way of thinking." Approval of House Joint Resolution 13 represents the first step in changing our way of thinking. For these reasons, I urge you all to vote in favor of its passage.

Mr. BROOMFIELD. Mr. Chairman, I yield 1½ minutes to the gentleman from Kentucky (Mr. HOPKINS).

Mr. HOPKINS. Mr. Chairman, if I could get the attention of the chairman of the Committee on Foreign Affairs, I would like to ask him a question.

First of all, I want to remind my colleagues here that perhaps only in this country can we really debate the issue at hand. I think that both sides, and everybody who has spoken, is speaking with conviction and for what they really believe to be in the best interest of America as they see it.

I would like to ask the gentleman from Wisconsin (Mr. ZABLOCKI) a question because I want to do the right thing here today and I think the majority of the people in this body want to do the right thing here today.

In 1979 we entered into an agreement with our allies in Euorpe and we said that we were going to deploy Pershing II and cruise missiles.

Will this resolution in any way prevent the deployment of those missiles?

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. In no way would it prevent deployment of the Pershing II.

Mr. HOPKINS. Could you show that to me in the resolution? Where does it say that? I need some kind of assurance that we are not going to break our word with our allies in NATO.

Mr. ZABLOCKI. It does not say it in specific terms. What the resolution does call for is a mutual and verifiable freeze on and mutual and verifiable reductions in nuclear weapons, all of which would have to be negotiated.

As I said in my statement, it does not in any way hamper or negate our negotiations in Geneva on START or the INF.

□ 1350

Mr. HOPKINS. Mr. Chairman, I wonder if the gentleman from Michigan (Mr. BROOMFIELD) would agree with the statement that the chairman of the committee just made.

Mr. BROOMFIELD. Mr. Chairman, if the gentleman will yield, I would merely indicate that if a freeze were achieved obviously we could not put in the Pershing or cruise missile. That is the effect of a complete freeze.

Mr. HOPKINS. Mr. Chairman, I thank the gentleman.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon (Mr. AUCOIN).

Mr. AUCOIN. Mr. Chairman, I rise in strong support of the resolution and commend the committee for bringing it before the membership.

This resolution is before us because the Committee on Foreign Affairs and the supporters of the resolution are responding to a powerful grassroots movement among the people of this country. That movement is calling for a freeze, a mutual verifiable freeze. Why? Not because these Americans are dupes of the Kremlin, but rather because they feel there is in the arms race a basic irrationality. The people believe, at a time when both sides have a surplus capacity to wipe out the other side, that enough is enough.

Mr. Chairman, I believe the freeze movement was born because the American people believe that this Government is doing much too much to prepare for war and not nearly enough to avoid it.

Look at the plans by the IRS to track down Americans after a nuclear holocaust to try to find some way to tax them. Look at the Postal Service's change-of-address cards which they are prepared to pass out around the country to find people to deliver the mail after the war. If that does not suggest that we are planning for one, I do not know what does.

But if the Members are still not convinced, I think a couple of quotes by members of the administration are revealing. One is by T. K. Jones, the Deputy Under Secretary for Defense. He said on July 5, 1978:

> By moving our people and sheltering them, we can protect them from a nuclear war. By protecting our machinery, we can get our recovery time down to where we can restart production in something like 4 to 12 weeks, and we can be back at the present levels of production in about a year

What a remarkably sanguine view of the effects of nuclear war. We are to believe that all we would have is a 1-year nuisance.

Then there is the view of William Shipman, the Director of Civil Defense of FEMA, said, in talking about how nuclear war might be:

> It is very depressing and horrible, on the one hand, but if worse came to worse, I think people would be miserable, but they would in all probability rise to the occasion and restore some kind of country that would fairly be called the postattack United States.

My colleagues, the freeze responds to this thinking by saying the moment has arrived to take the issue out of the hands of the geniuses and experts.

House Joint Resolution 13, calls on the United States and the Soviet Union to negotiate a mutual, verifiable freeze on the testing, production, and further deployment of nuclear warheads and missiles, and then to begin major, mutual, and verifiable reductions in both of our arsenals.

This resolution does not seek unilateral disarmament. It does not ask us to stop current negotiations with the Soviet Union. It asks that we change the course of arms control policy, rather than staying the course. That adds ever more horrible weapons to the superpower arsenals that are already too large.

The freeze resolution failed in the House by two votes last year. Some people thought that would be the end of it, that the life would go out of a spontaneous grassroots movement which started in small towns all across this country.

Last year President Reagan tried to convince the American people that the nuclear freeze movement was being motivated by the Kremlin. That backfired. Last week he tried the Gospel. In a speech to the National Association of Evangelicals gathered in Florida, he said:

> The Soviet Union is the focus of evil in the modern world * * * an evil empire * * * we are enjoined by Scripture and the Lord Jesus to oppose it with all our might.

He also said:

> * * * that communism is another sad, bizarre chapter in human history whose last pages even now are being written.

Mr. Speaker, on that very same day, the President hailed the publication of the second edition of "Soviet Military Power," a Pentagon booklet analyzing the size and shape of Moscow's defense buildup over the past 2 years, and accused the Soviet Union of trying to "extend their influence and enforce their will in every corner of the globe."

The President cannot be faulted for trying to make us carefully examine whatever policy steps we recommend in the face of historic Soviet aggression in Hungary, Czechoslovakia, Afghanistan, and Poland. But he cannot have it both ways. And he should not twist the Scripture around our heads to hide the inconsistencies he has presented to the American people.

Which is it? Is the Soviet Union on its last leg, or is it an all-powerful menace that causes us to plunder our Treasury in order to deal with them?

The answer is somewhere in between.

The Pentagon's booklet presents convincing evidence that the Soviet Union has indeed built a formidable military machine over the last few years. That much is clear.

The irony here is that the Soviets are following our lead—embarking on new weapons to match ours and on some that we have foregone. The booklet fails to mention military areas in which the Soviet Union lags far behind the United States.

Militarily, we are ahead in some areas. The Soviets lead in others. Economically and socially, we are far ahead. Far ahead. And this has an immeasurable impact on our national security.

There was a fascinating article in the Atlantic Monthly last month called "Watching the Russians."

It is the story of one American, and also about the Soviet Union. Murray Feschbach, a scholar, economist, and demographer, was employed at the Bureau of the Census for a quarter of a century in the Foreign Analysis Division. He collected every piece of data about Soviet life and cross-referenced it daily. He created a library of 50,000 volumes of Soviet materials. He is an expert on the Soviet Union.

The author of the article, Cullen Murphy, writes that:

> Feschbach treats the Soviet Union the way James Joyce treated Dublin, as if he might be asked someday to put it all back together again, down to the signs of the zodiac on the clock at Moscow State University.

Mr. Feschbach has a lot to tell us about the quality of life in the Soviet Union—the nutrition of its people; the availability of housing and education; the rising mortality rate; available medical services. He can tell us about potential disabling factors—energy shortages; restless Moslem minority groups; serious health and labor problems; inefficiency and low productivity; low morale. As Mr. Murphy points out, these are things Defense Secretary Harold Brown used to cite as "major internal handicaps," "something that should be considered, in other words, alongside those comparative charts with their lines of little tanks, ships, missiles, and men."

An article from this month's Harper's magazine, "Ivan the Terrible Soldier," details some horriffic accounts of life as a Soviet soldier and which suggests its impact on the readiness of the Soviets to actually fight a war. Soviet soldiers have little or no opportunity to see their families, read newspapers, or even leave their bases. Food is bad and undernourishing. Vitamin-related diseases like night blindness and running sores are common. Stealing is prevalent. Alcholism is epidemic. Many soldiers steal military equipment to buy alcohol. The parts are not replaced.

Consider this information against the fact that our troops brought ice cream machines along with them to recent joint exercises in Egypt.

The author concludes that:

The arms race thus appears a logical, if unfortunate, development, each side attempting to counter the new weapon, or the new buildup, of the other. Step back, however, and the rationality of the process becomes far more elusive. What appears instead are two large bureaucracies, each of which is inefficient and wasteful, each of which inflates the "threat" posed by the other for its own internal purposes, each of which helps drain the economy of its own nation, but neither of which is especially impressive at doing the job assigned to it. They may lead us into war, but we shouldn't expect either of them to be able to fight it very well.

So we need to look at more than how many bombs the Soviets have, and how many we have. Our security depends on a lot more than a numbers game. I believe that this country's leadership, both Congress and the administration, has been piddling around at the margin of the problem and has been unwilling to address the central issue which is an unrestrained arms race which is bringing us closer to war rather than taking us away from war.

That is why the freeze movement started. As I said earlier, it was spawned by a growing perception that President Reagan and his administration are doing too much to prepare for war and not enough to avoid war. That these leaders believe nuclear war is survivable, that the United States can win a limited nuclear war, that we need incredibly expensive first-strike weapons in order to disarm.

Where did the American people get this idea? Well, the answer is: from statements by the President and his officials, and from the budget. Here are a few examples:

U.S. defense policies ensure our preparedness to respond to and, if necessary, successfully fight either conventional or nuclear war.—The President's 1983 Budget Request.

We have revamped the training command in order to teach our people to think nuclear. We are extending to where all of our war exercises are into a nuclear phase.—Rear Admiral Powell F. Carter at a hearing 2/20/81, Senate Armed Services Committee.

Dig a hole, cover it with a couple of doors and then throw three feet of dirt on top . . . It's the dirt that does it . . . if there are enough shovels to go around, everybody's going to make it.—T. K. Jones, Deputy Under-Secretary of Defense for Strategic and Nuclear Forces, L.A. Times 1/15/82.

Then look at the budget—$1.6 trillion in the next 5 years in defense spending, at a time of record deficits and when domestic programs are being cannibalized.

And according to an estimate by the Center Defense Administration, planned administration spending for the next 5 fiscal years—through 1988—on the total nuclear weapon program, is estimated to be as much as $405 billion.

We have 30,000 nuclear weapons today. Current plans call for 17,000 new ones over the next 10 years, retiring 11,000, a net gain of 6,000 and a total of 36,000 nuclear weapons. The public sees this. And they see billions being spent on the three C's as they are called—command, control, and communication. All critical for fighting a nuclear war, not deterring one. An attempt for superiority—not balance, not deterrence.

Remarkable things have been proposed for funding in civil defense. President Reagan asked for a $4.2 billion, 7-year program in the event of fighting and surviving a nuclear war. It covered crisis relocation of two-thirds of the population, fallout protection, blast shelters, industrial protection, and continuity of government by protecting important Government officials. What an illusion.

I was stunned to find that FEMA has actually stockpiled 70,000 pounds of morphine to be distributed to the citizens of this country in the case of an outbreak of nuclear war. We have already heard about the plans for taxing people and finding some way to get withholding statements and so forth to the public in the event of nuclear war. Forget the Postal Service's nuclear change of address cards. When you get to the point of storing morphine, I think you have come up with a significant amount of evidence the public sees as preparation for war rather than steps to avoid war.

On that foundation, the nuclear freeze movement has not abated. It has grown stronger. And more diverse. Nine States, 340 cities and counties, 400 New England town meetings, 12 million Americans, and finally—202 Members of the House—voiced their support for a nuclear weapons freeze last year.

And today, the House of Representatives is again considering the nuclear freeze and reductions resolution. We must take this new step toward a rational arms control policy.

It asks that we stop an enormous arms race that is becoming increasingly destabilizing with each technological advance, while we still have an opportunity to prevent the next lap in the race. A lap where we may run ahead for awhile with the Soviets not far behind, but with no finish line in sight.

A negotiation begun more than a decade ago to enhance stability and reduce vulnerability is in danger of achieving the opposite. Arms control is heading for an intellectual dead end . . . All the remedies that have been tried are vulnerable to technology . . . sometimes an impasse can be broken only by a daring departure.

These are not the words of a liberal democrat, or of the Kremlin, or of a Soviet dupe.

They are Henry Kissinger's words excerpted from an essay on arms control in Time magazine this week. I could not agree with Mr. Kissinger more. I do not presume to suggest that he supports a nuclear freeze. But his point should be well understood. We need a new approach to arms control—perhaps even a radical departure from the past.

If deterrence is our goal, then this arms race we are running at full sprint is not leading to that finish line. It's leading us to a full-scale nuclear disaster.

Our new generation of ground, air, and submarine launched missiles threaten the Soviet Union. If the arms races continues apace, the Soviets will soon have new submarines, strategic bombers, cruise missiles, and ICBM's similar to ours.

This edge in technology is destabilizing the deterrent capability we now have. It is a qualitative destabilization rather than a quantitative one.

Our weapons are increasingly more complex. Miscalculation, error, the escalation of a smaller conflict, terrorism, or madness, could launch a nuclear war.

If we do not change our course, we will end up with a world even more dangerous than it is today, because the arms race has brought us to the brink, with an arsenal on both sides which has the destructive capacity to annihilate all forms of life in the world.

Mr. Speaker, I want my colleagues to understand that nuclear weapons freeze is an excellent deterrent weapon. We must begin to look at it in that way, as the gentleman from New York, TOM DOWNEY, has suggested. If we freeze testing of new weapons then we also slowly, over time, reduce their reliability. There is no utility in launching a counterforce first strike with weapons of questionable reliability. Reliability is not a critical factor if your aim is to deter a nuclear war. It is, however, very critical if you want to start one. And it is better than searching for yet more possible technological solutions to the survivability of our ICBM or bomber-basing modes because any technological fix is rendered ineffective over time because of further advances in technology. The Soviets will counter whatever we come up with.

Unlike weapons systems, the freeze gets better, and provides more security, the longer it is in existence. And, it is infinitely cheaper.

Mr. Speaker, our country is faced with unprecedented current and future Federal budget deficits which, if not brought under control quickly, will damage the economic backbone of America so severely that we may not recover. If this happens, our national security will suffer. A defense budget of $1.6 trillion over the next 5 years is a big part of these deficits. And of that

amount, one of the fastest growing elements is procurement and research on strategic weapons systems.

It took us more than 40 years to appropriate $2 trillion for our Nation's defense and now we are planning to spend that much during the next 5 years. That is twice the trillion dollar national debt which President Reagan has called "a figure that is literally beyond our comprehension."

Our economy simply cannot stand this kind of deficit spending. We must use our financial resources wisely, and we must examine defense spending as exhaustively as we have domestic spending. We must find a way to get the strongest national defense we can for the fewest dollars. We should remember the advice of President Eisenhower, who once said:

If we put one more dollar in a weapons system than we should, we are weakening the defense of the United States.

The emphasis on strategic nuclear weapons in this budget is dangerous—economically, and militarily. Just a few days ago, Gen. Bernard Rogers, Commander of the North Atlantic Treaty Organization told the House Armed Services Committee that:

The plain fact is that if war comes we will simply be unable to sustain ourselves for long with ammunition and war reserve stocks to replace battlefield losses and expenditures. Therefore, we face the serious risk of having no recourse other than the early use of nuclear weapons to defend the alliance (NATO).

Not only are we neglecting our most basic conventional force requirements and shooting the deficit skyhigh, we are also mortgaging the future of the people of this country by giving up houses, student aid, nutrition and immunization programs, and investment in our industrial base for more and more nuclear weapons.

Now let me detail a few examples of the kinds of tradeoffs I am referring to.

If we eliminated the MX missile program, and I believe there are strong military reasons for doing so, we could use the savings to eliminate poverty for every single child in the United States with enough money left over to send all female heads of low-income families to college for a year. (Children's Defense Fund.)

We could give up 12 B-1 bombers and fund a housing production bill that would provide jobs for 400,000 people.

Martin Luther King once said during the Vietnam war that:

A nation that continues year after year to spend more money on military defense than on programs of social uplift is approaching spiritual death.

We cannot afford to prepare for nuclear war. We cannot afford to destroy the great spirit and strength of the American people. We cannot afford not to change the course of the arms race.

I cannot help but think of Orwell's book, "1984," where we learned about "doublespeak" and "doublethink"—that "war is peace"; "love is hate"; "freedom is slavery."

An arms race is not arms control. And if the President or anyone else says so, he is wrong.

Someone must take the first step. Someone must try to stop this mad course we are on. We can do so with the freeze resolution. We can propose an end to further testing of nuclear weapons. We can propose an end to new production, to future deployment. We do not have to do this in a vacuum built in serious negotiations with our allies and the Soviet Union. It will be difficult. It will require our best minds, and our best faith efforts. But we must take the step.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. WOLF).

Mr. WOLF. Mr. Chairman, I rise in opposition to House Joint Resolution 13.

I was just listening to the last Member as I was waiting to speak. I do not question the integrity of the people who came into my office to ask for the nuclear freeze, but I take issue with any inference that this administration thinks that there can be a winnable nuclear war.

I believe in the sincerity of the people who are on your side of the aisle asking for the freeze but, on the other hand, I think you owe it to the President of the United States and the leaders of this country to recognize that they believe very deeply that they have an opportunity to negotiate a freeze.

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. WOLF. I will not yield now.

Mr. AUCOIN. Mr. Chairman, the gentleman made a reference to me, and I am sorry that the gentleman will not yield. Will the gentleman yield?

Mr. WOLF. I will not yield now.

Mr. Chairman, I do not question the compassion and the integrity of the President of the United States. I believe very deeply that he wants a nuclear freeze. Like President Nixon who was able to break new ground by going to China, President Reagan is operating from a position of personal and national strength. He is recognized as a strong, but compassionate, leader with bargaining power at his disposal. In this case, that power can be used to renegotiate on arms freeze reduction with other world leaders who are equally strong and determined. I think this President has the capability and the ability to not only negotiate a freeze, but a reduction.

Last, I happened to have an opportunity for the last eight nights or Sunday evenings to watch Winston Churchill's "The Wilderness Years," the book by Gilbert. I think there is a message there, again not questioning what people believe.

I respect the gentleman from Oregon for his views, but I do not think the way to argue this issue is to ridicule the intentions of our leaders.

Mr. AUCOIN. Mr. Chairman, will the gentleman now yield?

Mr. WOLF. I will now yield to the gentleman from Oregon.

Mr. AUCOIN. Mr. Chairman, I appreciate the gentleman's yielding.

I want to make clear to the gentleman that I in no way questioned the sincerity or the integrity of the President or any member of his administration. It is just that when they believe that an arms race is arms control, I question their intelligence.

The CHAIRMAN. The time of the gentleman from Virginia (Mr. WOLF) has expired.

Mr. BROOMFIELD. Mr. Chairman, I yield 30 additional seconds to the gentleman from Virginia (Mr. WOLF).

Mr. WOLF. Mr. Chairman, I believe very deeply that this President cares very deeply about negotiating a nuclear freeze and a reduction. I think he has the capability to do that. I understand the concerns of the Members on that side of the aisle who offered the resolution, but I think we should give the President every opportunity to negotiate this reduction and give him that opportunity without tying his hands.

Mr. Chairman, the point I want to make is, just as I do not question the sincerity over there of those who disagree with my position, I do not think anybody should question the sincerity of President Reagan.

Mr. Chairman, many people have ben working recently to promote a nuclear arms freeze and to bring an end to the nuclear arms race. I understand and share the concerns of everyone who has been working toward this goal. Few would dispute the desirability of putting an end to the nuclear arms race. No one can dispute the horror of nuclear war.

It is incredible to think what could be done both in this country and throughout the world if the resources devoted to mass destruction were instead devoted to helping people and solving problems like mass transportation, health care, housing, hunger, education, and many others. All could be solved if it were not necessary to spend the incredible amounts of money on the arms race.

I believe we, in the Congress, should engage in a committed effort to make peace while preserving our country's ability to maintain peace and defend our freedom.

If it were up to this Nation alone to determine whether or not the nuclear arms race continued, there is no doubt

in my mind that there would not be an arms race and there would never have been such a race. Every American President since World War II has tried to put a limit and an end to weapons of mass destruction.

But it is not just up to the United States. Negotiations for equitable and verifiable arms reductions will also require a serious commitment and effort on the part of the leadership of the Soviet Union. Unfortunately, I do not think the Soviet's track record and their commitment to arms reductions is very good. When President Carter unilaterally canceled weapons systems such as the neutron bomb, the B-1 bomber, and others, the response of the Soviet Union was not arms restraint but an unprecedented increase in military weapons and nuclear arms. As a result, many people feel that the Soviets have surpassed the United States in both conventional and nuclear defenses.

The difficulty I have with a freeze on nuclear weapons at present levels of force is that it eliminates any incentive for the Soviets to negotiate an arms reduction—and a genuine reduction is what we all really want. I think that until we have a bilateral framework for reduction of weapons to equal levels, neither the Congress nor the President can responsibly endorse a measure that could possibly endanger our national security. A reduction would be safer than a freeze because it would put the United States and the Soviet Union on fairly equal ground.

For this reason, I am supporting a bi-partisan effort in voting for House Joint Resolution 4, the Broomfield-Carney-Stratton resolution, which resolves that the United States should propose to the Soviet Union a long-term, mutual, and verifiable nuclear arms freeze at equal and sharply reduced levels of force.

Unquestionably, this resolution and approach to nuclear arms control—a reduction of forces to equal levels, than a freeze—provides a better way to achieve the results we all desire: the preservation of peace, the strengthening of our freedoms and national security, and the elimination of all nuclear weapons from the world's arsenals.

Mr. Chairman, I would like to take this opportunity to include in the RECORD a thoughtful and inspiring sermon by my minister, Dr. Richard G. Hutcheson of the Vienna Presbyterian Church, which addresses many of these issues.

NUCLEAR MORALITY

(Sermon by Dr. Richard G. Hutcheson, Jr., delivered April 25, 1982)

A newspaper article last week, on the nuclear freeze movement, said: "the Reverend Jan Orr-Harter, 27, a Presbyterian minister in New York City and freeze activist, was asked where the freeze movement had come from. 'Jesus,' she replied." I want to begin this second sermon in the series by personally repudiating that viewpoint, utterly. No one position can make that claim. Sincere Christians differ as to how to live out the demands of Jesus in the nuclear age. Perhaps the Rev. Ms. Orr-Harter had a vision telling her this, in which case I would respect her personal conviction that what she was saying had been revealed to her by Jesus. But apart from personal revelations, it does no good for Christian activists in any cause to claim that theirs is the only Christian position. And this is particularly true with regard to nuclear morality, which is one of the most complex moral issues Christians have faced in our times.

Moral choices for Christians are made on the basis of what we believe to be the will of God, as we understand the scriptural revelation. But on nuclear morality there is no clearcut scriptural guidance. We have to apply what we understand to be scriptural principles, to a situation with which scripture doesn't deal directly. In this case, we begin with scriptural guidance about war itself, and then we ask whether the same teachings apply with regard to nuclear war. Even on the underlying issue of war itself, biblical guidance is subject to different interpretations. For this reason there have been sincere and conscientious Christian pacifists, and sincere and conscientious Christian realists, who have served in armies and fought wars, not only since the time of the New Testament church, but since Christ himself. One of his followers was a Roman centurion—a military officer—to whom Christ made no suggestion that he leave his profession.

The New Testament lesson which is our text this morning is part of the Sermon on the Mount, and it catches up the paradox—the contradiction—within Christian moral choices about war and peace have to be made. On the one hand, the perfection of the Kingdom of God; on the other hand, a sinful world in which perfection cannot be achieved. We begin in the middle of the Beatitudes, with that beautiful verse, "Blessed are the peacemakers, for they shall be called the sons of God." In the ethic of the Kingdom of God—love for our fellow human beings based on our love for God—peace, obviously, is the Christian relationship between people. If you love your neighbors, and even your enemies, then of course you live with them in peace.

But the other half of the Christian moral context is revealed in the next two beatitudes that immediately follow—human sin. "Blessed are those who are persecuted for righteousness sake; blessed are you when men revile you and persecute you and utter all kinds of evil against you falsely." You see, this Christian love ethic of the Kingdom of God, which is expressed as peace between people, has to be lived out in the kingdom of this earth, where sin reigns, and where there is, inevitably, persecution, and reviling, and all kinds of evil, and falsity. And nothing in the New Testament implies that we human beings are ever going to get rid of that kind of sinful world, and wipe out that persecution and evil and falsity. Rather, we try to be peacemakers within it. As a matter of fact, the images that Christ goes on immediately to use—Christian salt, which flavors the world around it; Christian light, which shines in the darkness around it—make it clear that Christians, living a Kingdom of God ethic, are a minority, in a larger, sinful world.

What the Kingdom of God calls for in this sinful world is perfection. "You have heard that it was said to men of old, 'You shall not kill,'—and this, obviously is the basic commandment that teaches us that war is sinful. But that isn't enough for the kingdom of God, said Christ. I say to you that even getting angry with someone else, or insulting someone, or calling someone names, is just as bad. And he concludes the chapter by making the perfectionism quite explicit. "You must therefore be perfect, as your heavenly Father is perfect." But always, as he said again just before this verse, in a world made up of the evil as well as the good, the unjust as well as the just—a world of sin. The call for moral perfection and the recognition that this is a sinful world in which moral perfection will never be achieved, are both here.

This is just one brief passage, but the same context is quite consistent throughout the Bible. The two poles between which biblical moral choices are worked out are the Christian imperative of love, which certainly means living in peace, but the human reality of a sinful world in which that perfection is never fully achieved, in which even Christians continue to sin. Our salvation comes through grace, and our living of the ethic of love through the power of the Spirit. At our Session meeting Monday night, the Bible Study was on the 5th chapter of Galatians, in which Paul contrasts the works of natural sinful man—a list including anger and dissension—with the fruit of the Spirit, a list including love, peace and self-control. But earlier in that same chapter, Paul himself had lost his self-control and shown his anger by lashing out at his opponents, saying, "I wish those who unsettle you would mutilate themselves!" And incidentally, no one was more aware of his own sin than Paul.

Nowhere in the Bible, as it deals with the issue of peace, is there the implication that human beings, even Christians led by the Spirit, will ever be able to eliminate sin, or to eliminate war from the sinful world. Passages like that great one from the prophet Isaiah, which was our Old Testament lesson, make it clear that the time when "men shall beat their swords into plowshares, and their spears into pruning hooks, when nation shall not lift up sword against nation, neither shall they learn war any more," will come not by human effort but by God's triumph, at the end of time. Peace will come "in the latter days when the house of the Lord is established" and "the Lord comes to judge between nations." This is an apocalyptic event, of God's doing, not a utopian event, of human building. Evil will continue to reign, as the context in which the Christian life of love has to be lived out, until, as we noted last Sunday, God overcomes it at the end of time.

But don't let that lull you into thinking we don't have to work for peace. Remember the first half of the equation that we started with. We have to keep striving for that perfection of the Kingdom of God, even in this sinful world. We *must* be peacemakers, because we love God and that makes us live our neighbors. Now how do we carry out this difficult task of being peacemakers in the reality of a sinful warring world?

One way Christians have tried to do it is the pacifist way—striving for the perfection of peace by refusing to take part in wars: turning your back on that sinful world. And of course, if you take that all the way, you refuse even to pay taxes used for war, as one Roman Catholic bishop is doing right now. And you can find warrant in the Bible for this kind of Christian withdrawal from the world. Christianity, I believe, needs the witness of the perfectionists, the pacifists.

But most Christians have interpereted the Bible, rightly, I believe, as requiring us to involve ourselves with that sinful world—trying to be the salt of the earth, rather than isolating ourselves off somewhere in a Christian saltcellar; the light of the world, rather than hiding our light under a Christian bushel. And this Christian realism means doing the best you can with the hard moral choices, as *part* of this world of sin. One way such Christians have devised is the so-called "just war" doctrine. It's a very complex doctrine that we can't go into in detail now, but it's a way Christians have said, "Yes, we live in a society in which wars are a reality." In fact, it recognizes that human life itself is not the highest Christian value, that there are times when one must in love "Lay down his life for his friend." But we try to live out the requirements of love by making the fighting of those wars as just as possible. It means supporting wars that are fought in what we believe to be a righteous cause, to combat great evil and achieve justice and peace. And it means fighting those wars as humanely as possible, with respect for noncombatants and protection for innocent civilian populations. The Australian movie "Breaker Morant" deals with moral issues related to just war.

Now, I'm two-thirds through this sermon, and I'm just getting to that second issue, nuclear morality. The basic question for Christians, with regard to nuclear morality, is whether nuclear weapons are to be regarded as simply another form of warfare, to be looked at the same way Christians have always regarded the knotty ethical issue of war and peace, or whether nuclear warfare is so terrible as to be different in kind, not just degree. It seems to me, personally, that there are dimensions of nuclear warfare which are not just quantitatively but qualitatively different from earlier weapons—not just a bigger bang, but a totally different issue. Nuclear weapons of mass destruction, designed to wipe out entire populations, go beyond any conceivable moral limits that might be placed on the waging of warfare, with reference to non-combatants, civilian populations, and a just and peaceful outcome. This puts us into a whole new context, making us rethink the kind of Christian realism that in the past led us to accept the inevitability of war, but try to make moral choices, based on love, that make war as just and humane as possible. There just isn't any way that total annihilation could be humane, or lead to a just outcome. If it were possible, we would outlaw nuclear weapons.

And yet, we don't have the luxury of making moral choices from scratch. We are already in a situation in which nuclear balance, based on Mutually Assured Destruction, is what exists. The only real choices we have are some form of unilateral nuclear disarmament, or continuation of the standoff. Faced with that choice I personally would have to reject unilateral nuclear disarmament. I would have to make a moral choice to continue nuclear defense, in light of a whole cluster of moral values which this nation upholds, and in light of what I believe to be realistic estimates of what the Soviets would do without the restraint of American nuclear power. But because that moral choice is to continue a massive evil, I believe it can be morally justified only if it is coupled with vigorous and untiring efforts to negotiate limitation, and reduction, and ultimately elimination of the MAD system of Mutually Assured Destruction.

And that brings me, finally, to my personal interpretation of the morality of a nuclear freeze, and to the necessity of confessing to you that I'm going to waffle on it. On the one hand I believe this movement is serving a morally useful purpose, in forcing our country to move toward negotiations, which is the only way I believe we can morally justify continuing our nuclear arsenal. But at the same time, we must be aware that while this movement is putting real pressure on our government—that's its whole purpose—we have no way of putting similar pressure on the Soviets to meet us half way, and we may therefore be weakening our government's bargaining position in such negotiations, and thus making it less likely that they will be successful. I believe we must also be aware that this movement could force us toward unilateral disarmament—for many of its organizers, the classic pacifist groups, that is the desired outcome—but it is an outcome I believe would be morally disastrous.

But though we may differ on methods (and some of us may waffle), the end is clear. One of my prized possessions is a Japanese scroll in beautiful classic calligraphy, saying "Blessed are the peacemakers." It was presented to me some years ago by an elderly Christian, himself a former captain in the World War II Japanese Imperial Navy, who believed, as I do, that the American Navy in Japan, in which I was serving as a chaplain, was engaged in peacemaking. Peacemaking is Christ's commandment to us, as a requirement of Chrisian love. Nuclear peacemaking is especially urgent. But we do it in a sinful warring world. The utopianism which expects to eliminate that sin, and the resulting war, is neither realistic nor biblical. So the moral choices before us are extremely complex. Simplistic answers are dangerous, the nuclear freeze movement is simplistic; that its both its virtue and its danger. And I think I would have to close on the same note I did last Sunday, confessing that in light of all this, it is extremely comforting to believe strongly in the sovereignty of God. He is in control.

Mr. BROOMFIELD. Mr. Chairman, before I yield time to the next gentleman, I want to commend the gentleman from Virginia (Mr. WOLF) for his fine statement and support.

Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. RITTER).

Mr. RITTER. Mr. Chairman, I know it is a little out of fashion today to look at history and look at what history shows us, but, as said by the philosopher, Santayana, those who do not pay attention to the past are doomed to relive its mistakes.

I urge my colleagues to consider what some of this history is telling us. There have been successes. In 1969 we did arrive at an ABM Treaty, and an antiballistic missiles treaty, with the Soviets, but only after the U.S. Congress narrowly decided to go ahead with an ABM program. Current discussions with the U.S.S.R. on theater nuclear weapons in Europe only were accepted by the Soviets once the United States and its allies decided to forge ahead with Pershing and cruise deployment.

In 1976 we unilaterally did away with the B-1 bomber. The result was not Soviet restraint. The Soviets went hell bent for leather on producing their Backfire and their latest generation, bigger than B-1, type monster called the Blackjack. Two hundred Backfires are deployed and 30 per month are being produced. We have aged, band-aided B-52's with which we can't negotiate our way out of a paper bag.

I would like to point out that the Helsinki accords, signed in 1975, have been violated consistently by the Soviet Union, particularly in the use of chemical and biological weapons and in a war of terror against the people and the civilian population of Afghanistan and by their proxies in Southeast Asia as well.

The use of chemical weapons is not an area where international law is vague. The 1925 Geneva Protocol, one of the oldest arms treaties in force, outlawed chemical and biological warfare. In 1972, the Biological and Toxic Weapons convention banned the development, production, stockpiling, transfer, and possession of biological and toxic weapons. The United States and the Soviet Union are both parties to this treaty.

Now we ask, what went wrong in the B-1 situation where they went ahead and we did not? Why was it not mutual, and how can one arrive at a mutual situation? It is by negotiation. What we are saying here today is that we should set the recognition of history aside: We should eschew hard-nosed negotiations on reductions and instead pursue a freeze, leaving vastly overpopulated nuclear arsenals, leaving European allies hanging, leaving the very meaning of "mutual" and "verifiable" undefined.

Should not the methods of verification, including onsite investigation be settled prior to a freeze given the experience of history. Should not there be some incentive left for the Soviets who have shown themselves to be open to incentives in the past.

Mr. ZABLOCKI. Mr. Chairman, I yield 30 seconds to the chairman of the Committee on the Judiciary, the gentleman from New Jersey (Mr. RODINO).

Mr. RODINO. Mr. Chairman, today I rise to reaffirm my commitment to achieving a mutual, verifiable freeze on the testing, production, and further deployment of nuclear warheads, missiles, and other delivery systems.

The issue before us dwarfs all others in its urgency and magnitude. There is simply no more important question for us, as lawmakers, than to seek a halt to the senseless escalation of nuclear weapons.

Some 30 years ago, as a young Congressman, I witnessed the testing of a hydrogen bomb at Frenchman's Flats

in the Nevada desert. That test of what was to be our ultimate weapon of national defense also opened up a limitless potential for destruction. The air, the animals, the plants, the sea, the atmosphere above us, and the Earth itself, all could be destroyed by these weapons. It is no wonder that we have come to call nuclear war unthinkable.

Just as there is no such thing as limited nuclear war, there can be no compromise in our commitment to prevent the total destruction that would surely result from a nuclear confrontation.

I am deeply disturbed by the rhetoric of the Reagan administration, which seems to suggest that nuclear war could be a viable option in our foreign policy. Scientists and doctors agree that after a nuclear war, life on Earth as we know it would cease to exist. It is a cruel hoax to portray civil defense as an alternative to arms control and to even consider the possibility of waging a limited nuclear war.

The resolution before the House today gives us the opportunity to assure the future of the human race. We cannot leave the decisions of nuclear weapons strategy to military technocrats. We, as political leaders, and as fathers and mothers, must make the choices that will affect the generations to come after us.

This resolution is a bold first step to reverse our current course toward disaster. A freeze is imperative because experience has taught us that arms control negotiations without the firm objective of freezing weapons will only lead to new weapons systems that are used as bargaining chips in future talks. The bargaining chips of today become the standard weapons of tomorrow—and thus nuclear proliferation continues.

A freeze can work, for military experts have told us that verification of Soviet testing and deployment of nuclear missiles is possible. This resolution in no way will jeopardize the ability of the United States to defend itself.

The world now stands on a dangerous precipice of nuclear arms buildup, where one false step could mean the obliteration of mankind. We must act to move the world back from the edge of this precipice, for nuclear war is a war without winners.

A mutual, verifiable nuclear weapons freeze can bring us back from the brink of humanity's third and last world war. Adoption of this amendment will tell the world that the American people and their Government are willing immediately to begin a meaningful program of nuclear arms reduction with the Soviet Union, and that we refuse to continue down the road of nuclear extinction.

I urge my colleagues to support this resolution and act for life, not death.

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Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut (Mr. MORRISON).

Mr. MORRISON of Connecticut. Mr. Chairman, obviously, no one wants a nuclear war. The death and destruction of a nuclear war would be beyond any of our comprehensions. But the question and the challenge before the Nation is: How do we prevent a nuclear war from occurring?

We cannot win the arms race. We have watched over the past decades as the Soviet Union has pursued every development that we have made in our nuclear arsenal and now has reached the point of nuclear parity.

It makes no sense to continue the arms race, to create new weapons of even greater danger and destruction as a way of preventing nuclear war. The freeze resolution provides us with a mechanism to stop the arms race by proposing that we negotiate with the Soviet Union. It is not the last step in preventing nuclear war but the first step. It is a step we must take quickly if we are not to move down the road to the dangers of first-strike weapons which will only make the situation more dangerous.

Right now, prevention of nuclear war rests on a concept of deterrence. The nuclear arsenals of the United States and the Soviet Union are sufficiently protected to assure retaliation against nuclear attack.

The next generation of nuclear weapons will change all that. Without a freeze, the United States and the Soviet Union will build nuclear weapons with first strike capability. These weapons will be swift and accurate enough to wipe out the other's nuclear weapons and end the threat of retaliation. They will cut warning time, making a nuclear accident more likely.

No issue is more important than preventing nuclear war. We must stop this insane escalation of the arms race before it is too late. An immediate bilateral freeze is an absolutely critical first step toward achieving that goal.

I urge the House today to adopt this resolution and the President to follow it so that our negotiators in Geneva will move us toward an end to the arms race and the beginning of an end to nuclear holocaust as a threat to all of the people of this world.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. MILLER).

Mr. MILLER of California. Mr. Chairman, I join in support of House Joint Resolution 13, which calls for a mutual and verifiable freeze on the testing, production, and deployment of nuclear weapons, and for major reductions in the nuclear arsenals of the United States and Soviet Union.

This resolution answers a growing mandate of the American people to end the dangerous and costly charade that we can achieve peace and security through the accumulation of the largest stockpile of weapons in history.

Our current arms policy is based on the theory that there is no nuclear parity between the superpowers. The administration hopes to intimidate the Soviets into compromise while pursuing a massive buildup which will add 17,000 nuclear weapons to our arsenal, bringing the total number close to 50,000. Whether or not such a dangerous policy strikes fear in the hearts of the Soviets, it certainly terrifies the American people and our allies abroad. I am reminded of the words of an 11-year-old girl in Pinole, Calif., who recently wrote to me, "What happens if something goes wrong and the world goes berserk?"

Indeed, what would happen if the world went berserk? We know that a 1 megaton bomb would immediately kill 75 percent and injure another 20 percent of the 300,000 residents of the greater Concord, Calif., area. In San Francisco, that same sized bomb would mean the instantaneous death or injury of 1.6 million citizens. And according to Jonathan Schell, in his sobering book on the effects of nuclear war, "The Fate of the Earth," the possible consequences of a nuclear exchange include:

> The blinding of insects, birds and beasts all over the world; the extinction of many ocean species, among them some of the base of the food chain; the temporary or permanent alteration of the climate of the globe, with the outside chance of "dramatic" and "major" alterations in the structure of the atmosphere, the pollution of the whole ecosphere with oxides of nitrogen; the incapacitation in ten minutes of unprotected people who go out into the sunlight; the blinding of people who go out into the sunlight; a significant decrease in photosynthesis in plants around the world; the scalding and killing of many crops; the increase in cancer and mutation around the world, but especially in the targeted zones, and the attendant risks of global epidemics; the possible poisoning of all vertebrates by sharply increased levels of Vitamin D in their skin as a result of increased ultraviolet light; and the outright slaughter on all targeted continents of most human beings and other living things . . .

So let us put to rest the absurd notion of a "survivable" nuclear war.

The nuclear freeze is a unique expression of popular dissatisfaction with our Government's policies. It emanates not from politicians, but from the people—from Vermont to California. That is why in 1982, 11 million Americans seized the initiative from the so-called experts by voting for a mutual, verifiable freeze. In my home county, Contra Costa, Calif., 134,000 citizens went to the polls this past November to call for an end to the nuclear madness. Like millions of other Americans of every age, race, and political persuasion, the citizens of

Contra Costa united in a grassroots effort to demand that the political leadership of the United States and Soviet Union halt an arms race which endangers our security far more than it enhances it.

Today Congress has the profound opportunity and responsibility to begin to end the arms race before it ends us. This is a moment we cannot let pass. Unlike past human conflicts, when individuals and nations could negotiate political differences, the nuclear conflict would not allow diplomacy, but would be the swift end of it. There will be no treaties, no pacts, no talks, no words, not a breath, but silence: no winners, but a planet of losers.

As rational beings, we must realize that peace ultimately cannot emerge from arms buildups and mutual distrust. It is only wrested from an ongoing struggle for cooperation and tolerance. Today we can take an enormous step toward establishing this atmosphere of cooperation and tolerance. And lest we forget that we are also acting today on behalf of an entire population that cannot articulate its views in the public forum, our children, let me close by quoting an 8-year-old named Mike from Contra Costa, Calif., who recently wrote to me: "Please do not make more nuclear missiles. Little children want to be happy."

Mr. Chairman, big people want to be happy too. Let us act today on behalf of peace for all generations by voting for a mutual and verifiable arms freeze.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri (Mr. GEPHARDT).

Mr. GEPHARDT. Mr. Chairman, I rise in support of this resolution. No goal is more vital to our country than agreement with the Soviet Union on arms control. The current nuclear arms race is suicidal. It poses a more serious threat to our national security than any weapon our Soviet adversaries may deploy.

The resolution before us today is designed to move us further toward achieving the goal of arms control and arms reduction. It goes far beyond the proposal for a mutual and verifiable freeze on nuclear weapons. It lays out a negotiating posture for the United States in the strategic arms reduction talks, thereby, providing a framework for negotiations that can be productive and effective.

After more than 2 years, this administration has little to show for its arms control effort. Its actions demonstrate virtually no commitment to reaching an agreement.

The President has rejected the SALT II agreement as unworkable and dangerous to our strategic interest and national security. Yet, we are supposedly living within the guidelines of this unratified treaty. The anomaly is beyond my comprehension and merely confuses the American people, our allies, and our adversaries across the bargaining table.

At the same time, although publicly floating proposals for an arms agreement, our negotiators have yet to put a specific draft on the table. Without this first step, there is nothing to negotiate, nothing for the START talks to address in any meaningful way.

The total picture of the administration's statements and actions in this area has only caused frustration among a broad cross section of the American public. Their frustration is evident from the growth of the nuclear-freeze movement and its intensity was clearly demonstrated in election returns last November.

This debate today makes it clear the Members of the House, like their constituents, are also frustrated. We are tired of waiting and disappointed with an administration that has accomplished nothing toward reducing the threat of nuclear weapons.

With this resolution, we can spur some action. We can make a constructive contribution toward laying out objectives for the crucial START talks and offering a framework in which they can go forward. We are saying, in essence: "We must stop this destructive and dangerous nuclear arms race, and here is how we can do it."

This resolution does not require a nuclear freeze to the exclusion of all other steps toward an arms treaty. That is one of a whole set of options available if we can begin serious negotiations. This resolution merely says we must begin those negotiations in a committed fashion. It says we have to achieve the overriding objective of an arms-control agreement. Until our Government makes a serious commitment to that goal and engages in constructive negotiations with the Soviet Union, everything else we do is meaningless and a waste of time, for ultimately we are committing ourselves to self-destruction.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. FIELDS.)

Mr. FIELDS. Mr. Chairman, I have been listening to the speeches on this issue and am chagrined, surprised, perhaps hurt a little, and even angry at the focus of this debate.

And, let me say at the outset that I have some very good friends who favor House Joint Resolution 2 and House Joint Resolution 13—some people who are well intentioned and who are motivated in a pure sense.

However, I think the focus of this discussion is wrong. We should not be talking about a unilateral arms reduction, because that is exactly what a nuclear freeze does: Insuring that America will be inferior in arms to the Soviet Union, giving up our peace and security to a nation which does have a history, a history that we should remember. In addition, to remembering, I think perhaps there is other subject matter of which we should draw a resolution or resolutions.

Should we not draft and pass a resolution again condemning the Soviet Union for the invasion of Hungary in 1956 and the continual occupation and subjugation of its people since that time?

Or draft and pass a resolution condemning the Soviet Union for its invasion of Czechoslovakia in 1968 and the continual occupation and subjugation of its people since that time?

Or draft and pass a resolution condemning Soviet genocide in Afghanistan where people are fighting and dying against an aggressor who wants to subvert their freedoms and exterminate them from this world?

Or a resolution condemning the Soviet Union in its oppression of the solidarity labor unions in Poland?

Any of these would be good alternatives to the resolutions currently being debated because in every example, the Soviet Union has and had not only conventional but strategic superiority.

I think these are lessons and examples of how the Soviets treat those who are weaker than they, a clear example of no morality when that morality comes into conflict with the state purpose or objective of the Soviet Union.

This can best be summarized by the famous Russian dissident Alexsandr Solzhenitsyn's words:

> The main goal of Communism is an irrational and fanatical urge to swallow the maximum amount of external territory and population with the ideal limit being the entire planet. Under Communism, a country is never prepared for a long and healthy economic existence. But it is always ready to strike, to seize and to expand militarily * * * that is an indispensable mode of communist existence.

Mr. Chairman, I urge that we defeat this simplistic, ill-advised resolution and begin the work of real, long-term arms reduction with the Soviet Union. While this process will be long and certainly less glamorous than this resolution, it alone will insure our children and grandchildren peace and security in the years ahead.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from South Carolina (Mr. SPENCE).

Mr. SPENCE. Mr. Chairman, I am reminded of the dramatic and forceful testimony recently given before the House Armed Services Committee by Gen. Bernard W. Rogers, Supreme Allied Commander, Europe, and Commander in Chief, U.S. European Command. General Rogers has the responsibility for the successful defense of NATO in the event of war. It is an

awesome responsibility to our NATO allies and to American servicemen stationed in Europe.

He expressed dismay with the freeze initiative in Congress which would leave him, as the military commander in Europe, in a dangerously inferior position to Warsaw Pact forces. He denounced any action that would leave his forces open to nuclear blackmail as criminal, and a clear signal to our allies that we have abandoned the protection the U.S. nuclear umbrella has afforded them since World War II.

General Rogers points out that the United States and NATO have no equivalent capability to the Russians SS-20 missiles. These SS-20 missiles, depending on the number of warheads, have the capability of reaching U.S. soil. So at once these highly accurate, modern, and deadly weapons have both a tactical and strategic capability for which we now have an inadequate response.

These mobile SS-20's can hit targets in Western Europe in 5 or 6 minutes. The U.S.S.R. has over 200 of these missiles aimed at Western Europe. Another 100 or so are aimed at the Chinese, but because they are mobile, hard to find, and virtually unverifiable, they could also be moved quickly toward Western targets. The U.S.S.R. has over 350 of the mobile SS-20's with more coming, and the Europeans have none; no comparable weapon system.

General Rogers asks: "Doesn't anyone worry about the flight time of SS-20's against us?" We will not have 30 minutes warning time as the U.S.S.R. would have if an ICBM were launched against them. The existence of the SS-20's throws the balance of military options in Western Europe in favor of the U.S.S.R.

General Rogers reminds us that the Soviets are the ones that put SS-20's on their soil. The Soviets are the ones that are threatening Western Europe and the Soviets are the ones who want to dominate Western Europe. Why is the U.S. House of Representatives so willing to help them? I am confounded by this question. Why are we helping the Russians dominate Europe through intimidation with massive military might.

General Rogers wants to stop the nuclear arms race. So do I. He wants to put a cap on the nuclear arms race through arms-reduction talks and then push them down and reduce them. So do I. Add verifiability, and there exists the ingredients of a more predictable military situation and a more predictable military situation leads to arms stability, and I am for that too.

General Rogers reminds us that following the Cuban missile crisis in 1965, the U.S.S.R. began an unprecedented peacetime military buildup and continues to do so. At the same time that we were unilaterally disarming, the U.S.S.R. did not. It is ironic to me that there are those in Congress who still want us to unilaterally make concessions to the Soviets. They apparently are willing to have the United States play Russian roulette, with the options favoring the Russians.

General Rogers concludes that if the objective is to decrease the chances of war, which he believes are the objectives on both sides of the freeze issue, the first thing that must be done is to place tactical missiles in Western Europe to provide incentives for serious negotiations at Geneva and Vienna. He believes that until the Russians see us putting the Pershing II on European soil, they will continue to exploit propaganda and disinformation to essentially veto the kinds of weapons NATO can use and cloud the fact that the Soviet Union has already deployed a new, modern, destablizing weapons system.

General Rogers has informed the Congress that the Zablocki nuclear freeze resolution places American and European soldiers in jeopardy of nuclear blackmail; unable to defend themselves except by escalating the threshold of nuclear war. His warning deserves careful attention. He is the military commander responsible for the defense of the Western Alliance. Politicians are not.

Let us at a later date elevate the debate and resolution for a freeze or even elimination of nuclear weapons. But let us do it in an informed and scholarly atmosphere. Members should take time to thoroughly analyze the sensitive information that is available to them before voting on issues of such magnitude.

Vote no on Zablocki. Vote yes on Broomfield as an interim measure.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the gentleman from Colorado (Mr. KRAMER).

Mr. KRAMER. Mr. Chairman, I do not think anyone in this Chamber or listening on television can really question the soundness of trying to do something to contend with the terrors and potential calamity inherent in nuclear weapons and to try and free the world from the fear and threat of nuclear weapons.

Today, however, we are revisiting history because, for all intents and purposes, we are already engaged currently in what almost amounts to unilateral freeze. In fact, SALT I and its follow-on agreement, SALT II, were implemented with the hope that the arms race would be frozen. And I think these charts, perhaps more than any other rhetoric, point out very vividly and very painfully what the result of the SALT agreements have been. Who has been arms racing since those SALT agreements were put into place? Here is the record since 1970. The red represents the efforts of the Soviet Union. The blue represents the efforts of the United States. And I think that there can be no question, when you trace these charts across that timeframe, that it is the Soviet Union who has been engaged in unilateral arms racing while we have been engaged in unilateral restraint. In fact, since SALT, the Soviets have deployed five new types of ICBM's, at least three of which have first-strike or counterforce capability with three to four more in development, plus deploying four brandnew SLBM's, with two new classes of SSBN submarines.

I believe that the time has come for us to rethink our strategic posture, in light of the tremendous Soviet threat. The time has come to employ comprehensive strategic defenses as a backup for any arms control agreements that we might enter into, because only in this way can we be sure that we will not simply be relying on the good faith of the Soviet Union to honor those agreements.

You can see from these charts what has happened in terms of the "good-faith" effort on the part of the Soviets to honor nonarms racing during the 1970's.

So I would hope that arms agreements can be entered into which will have a defensive backstop in place. With such a backstop we will be able to enforce arms agreements, bringing down the offensive capabilities of both this country and the Soviet Union. Our arms control techniques which we have used thus far, have not served us very well, as these charts sorely indicate.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. MOODY).

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Mr. MOODY. Mr. Chairman, I rise in support of House Joint Resolution 13, both as a cosponsor of this measure and as a cosponsor of the resolution in the Wisconsin statehouse which put the nuclear freeze question on the ballot in that State. I urge my colleagues to reject any substitute that may be offered and to vote for this legislation without amendment.

This resolution is the product of strong grassroots support nationwide for an end to nuclear weapons escalation. In my home State of Wisconsin, for example, the nuclear freeze moratorium on last November's ballot received over 70 percent of the vote.

So many inaccurate charges have been leveled against the freeze movement in general and this resolution in particular, that it is important to state clearly what the resolution does not do.

First, House Joint Resolution 13 does not call for unilateral action; it calls for bilateral action. All terms of the agreement will be negotiated mu-

tually by the United States and the Soviet Union.

Second, a nuclear freeze is not an action based on blind faith, nor on the belief of good intentions by the Soviet Union. Adequate verification must be assured to both sides before beginning nuclear reductions.

Third, this resolution does not lock the United States into a position of increasing inferiority because obsolescence gradually limits our ability to retaliate against a first strike. This is the argument that has been made most frequently by the opponents of this resolution. The obsolescence bogeyman can be overcome by negotiating a treaty permitting the rehabilitation and maintenance of existing weapons without forcing us into higher levels of more dangerous and more destructive weaponry.

Finally, House Joint Resolution 13 does not detract from the Strategic Arms Reductions Talks (START) or the Intermediate Range Nuclear Forces (INF) negotiations now underway in Geneva. Indeed, it appears that President Reagan is not really serious about nuclear arms negotiations as witnessed by his continuing use of cold war rhetoric, the nomination of Kenneth Adelman to head the Arms Control and Disarmament Agency, and the administration's unwillingness to consider alternatives to the zero-option plan for the cruise and Pershing II missiles in Europe. It is precisely this sort of action by the Congress which can help get real arms negotiations underway.

Mr. Chairman, what the administration will not do, the Congress must act upon.

Einstein once said that the fourth world war will be fought with sticks and stones. Let us in this House today take the first step toward preventing a nuclear holocaust by voting in favor of House Joint Resolution 13.

Mr. BROOMFIELD. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. SOLOMON), a member of the Foreign Affairs Committee.

Mr. SOLOMON. Mr. Chairman, I just heard the previous speaker and others talk the fact that the Zablocki amendment does not freeze anything as far as obsolescence is concerned.

I want to show you a picture that was in the Chicago Tribune yesterday. For all of you that have gotten up and spoken and said we would not be locked into an inferior position, just look at this headline and this picture. it says, "Oops, bomber's wing falls off."

Do my colleagues know what that bomber was? That bomber was a B-52 bomber built 25 years ago. Two months ago another one crashed on takeoff killing all nine members aboard.

That is the kind of inferior position that we are going to be locked into by enacting the Zablocki resolution which has the force of law.

The enactment of this resolution means we will not be able to replace those B-52's with B-1's. We will not even be able to replace the old B-52's with new B-52's. We will not even be able to repair or modernize the old B-52's that are falling apart and unfit to fly.

What kind of national defense would we have?

If you love this country, if you love your freedom, please, please vote the Zablocki resolution down and pass the Broomfield substitute which will give all of us what we really want—meaningful nuclear arms reductions.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, every time we get into a serious issue involving arms control or the defense budget we usually get the same kind of one-sided statistical presentation from the Pentagon about the Soviet threat.

Here is the latest version entitled "Soviet Military Power, 1983," with all kinds of frightening information, and it is frightening, about the Soviet Union's military power.

I was with a congressional group in Moscow in January and while there I picked up in the Kremlin the Soviet counterversion of the same thing. It is a one-sided presentation of the terrible threat of American military power to the Soviet Union, and it is indeed frightening, if you were a Soviet citizen, to see this enormous power amassed against them.

The fact is that both of these are basically correct. Each side has the power to destroy the other. The American people are finally saying they are tired of the experts arguing and figuring out ways to avoid progress on arms reduction. They are saying, "Let us freeze the nuclear arms race. Let us stop building more weapons and start getting rid of them"

You cannot start getting rid of them until you stop building them. This resolution does not tell the negotiators how to do it. It simply sets down some objectives and some goals. But I submit to you that until the negotiators have this kind of specific goal, they will continue to fuss and fidget and the arms race will go on.

Each side will continue to be a terrible threat, even if there is a freeze on new weapons, until the negotiators work out agreements to get rid of these weapons. But in the meantime, for God's sake, for the sake of our children, let us stop this madness and let us quit piling weapons upon weapons and start negotiating them down.

That is all this resolution does. It does not jeopardize our safety or our security in any way. It merely sends a message to the President and his negotiators that the people of the United States want an end to talk and want action to bring a halt to the nuclear weapons buildup on both sides.

The CHAIRMAN. The Chair would advise that the gentleman from Wisconsin (Mr. ZABLOCKI) has 15 minutes remaining, and the gentleman from Michigan (Mr. BROOMFIELD) has 17 minutes remaining.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. PAUL).

Mr. PAUL. Mr. Chairman, in the nuclear arms debate there have been two options offered: First, continue the arms buildup in order to reach parity with the Soviets; and second, a negotiated treaty with the Soviets with the expectation of achieving a mutual and verifiable freeze agreement. I believe both sides of this debate miss the key point. The problem is not a weapons problem; it is a policy problem. A third option should be offered to the American people.

The number of weapons held by the Soviets and the United States is not the problem. The problem is the policy which prompts the production of these weapons and allows confrontations between the two great powers.

The nuclear freeze people are correct when they insist that it is insane to perpetually increase the number of nuclear bombs in our arsenal. We are no more secure with 40,000 nuclear bombs than we are with 30,000 nuclear bombs. And the corollary to this is we are no less secure with 10,000 nuclear bombs than we are with 20,000 nuclear bombs. We are probably not even less secure if we retain only 500 nuclear bombs that can be used as a potential deterrent.

Those who advocate parity and strength are also correct when they insist that defense comes from strength, and when they argue that verifiable treaties with the Soviet hoodlums are not worth the paper they are written on.

If we are no more secure with doubling the number of nuclear bombs, then neither are the Soviets. Are we threatened more when the Soviets increase their arsenal to 80,000 bombs instead of 40,000? Is it just not possible that we are stronger if the Russians double their nuclear strength since this will all be done at the expense of their economy and other weapons? Of course, it is crucial that they pay for their weapons and are not subsidized by the West and especially by the United States.

Our defenses are literally diminished if we accumulate excessive number of offensive weapons. This offensive buildup must be done at the expense of defense. Building antiballistic mis-

siles and other space technology is prevented when we sign treaties like SALT I, which prohibits us from building the very weapons that could be used in defense. By ignoring our defense, and spending money for things we do not need, we literally contribute nothing to our defense and yet contribute significantly to weakening our economy.

The Soviets aggressiveness is hardly diminished by a freeze or even a reduction of weapons. It is their policies and philosophy that are our enemy, not the nuclear arsenal that they hold.

If we fail to see that we create economic hardships and do nothing to contribute to our defense by pursuing the arms buildup, we will eventually destroy both our defenses and our economy.

The Soviets choosing to spend excessive amounts on increasing the number of weapons in their arsenal is a benefit to us since it will eventually destroy their economy. This implies that we cannot continue to subsidize them, nor allow them the use of our technology. But it seems that we are obsessed with subsidizing the Soviets directly and indirectly. The West now has loaned nearly $100 billion to the Eastern bloc nations. This is not directly given to the Soviets, but certainly is beneficial to them since their economies are tied together. We continue to grant loans to Communist nations at discounted rates through the Export-Import Bank and other banking facilities, thus assisting in holding communism intact. Unfortunately, assistance to Communist nations through subsidized loans has not decreased in this administration. Recently the administration asked for the passage of legislation that would classify Red China as a non-Communist nation so that it can receive aid without a special declaration that the aid is granted "in the national interest" each time it is given. We have recently extended similar loans to Romania, China, Poland, and Yugoslavia.

So, in one breath we hear talk about toughness and parity with the Russians with their missiles; yet this is not matched with toughness in the negotiations when it comes to allowing them special subsidies at the expense of the American taxpayer. These policies are totally inconsistent and must be reconciled. An arms race does not even address the problem.

Adequate defense for our Nation is absolutely required. Until we have true defense we can sustain ourselves and deter an attack with the present weapons that we have. The amount of nuclear power that is contained in our submarine fleet and the present land-based missiles, as well as our air-based missiles, are adequate to keep any foreign nation from considering an attack on the United States.

The real problem is the policies of all administrations during the 20th century. These policies have led to confrontation and have allowed us to live in daily danger of armed conflict. The constitutional responsibility of the U.S. Government is to protect America's security, not to police the world. Our insistence on being the world's policeman has done nothing more than to nearly bankrupt ourselves and get us involved in conflicts such as Vietnam and Korea where the wars are neither declared nor won.

To do our job right, we must first clearly define our role. That is, American security and peaceful relations with all nations. Our role in foreign policy cannot be so vague as to be stated as Woodrow Wilson once did: "making the world safe for democracy." The world is neither safe nor democratic since we have endorsed that policy.

A reasonable balance of power can be better achieved in Europe, the Mideast, and Asia, by Europeans, by Mideasterners, and by Asians. The ones who fight must make the decisions as to what weapons should be used and what policies should be followed. We cannot decide for the world nor can we finance the world. It is not for us to impose Pershing missiles or the neutron bomb on Germany. It is up to Germans to decide whether M-1 tanks are good tanks, and if they are, they can build them themselves. If it is proper to defend Japan from any possible outside threat, it seems to me that the wealth of Japan should be used to pay for this, not the dwindling wealth of the American taxpayers who are now no longer able to continue this massive subsidy. For all of our efforts we provoke anger in Europe and frustration in this country, along with recession and severe economic hardship. It does nothing to neutralize the arms race; it only perpetuates the arms race and raises the probability of war. These commitments provide no militarty advantage to us; they serve only to increase our vulnerability. With no evidence that they serve peace and absolute evidence that they contribute to our economic difficulties, it is time to reassess the policies. We cannot achieve this reassessment by directing the debate to counting missiles. This has nothing to do with the problem. Everybody is concerned, everybody seems to want to change the conditions, but it is absolutely necessary that we talk about policy and not about the number of bombs that each great power holds.

Peace is not a consequence of weaponry. Excessive weaponry is a consequence of poor policy, and war is a consequence of both bad policy and the weapons it breeds. To talk about weapons and not policy is useless, and both sides of this debate are talking only about weapons. How many submachine guns the mob has versus how many the police have has nothing whatsoever to do with law and order. The doubling of police weapons will do nothing to bring harmony to the community. The policy of law and order is more important. How the courts react, the attitudes of the people, the tactics and skill of the policemen are all much more important than making sure each policeman has three pistols instead of two.

We do not feel we need the same number of infantry to protect ourselves against the Chinese infantry. Similarly we do not need the same number of nuclear bombs as do the Soviets. We do not need unilateral disarmament, we do not need to insist on building up to parity, we need to insist on sanity, an adequate defense, and a policy which well reduce confrontation. Our troops in Eruope and the weapons we insist on stockpiling around the world serve to expand our exposure. This is not to say that the Soviets are not a threat. It is to say that those who live next door to them must assume the responsibility for this threat more so than we. Our responsibility is to make sure that the Soviets could never attack us, which means that we have to have some defense against a missile attack. We do not need to be building more tanks and more nuclear bombs and insist that countries take them when they do not really want them to begin with.

The key to the nuclear debate is the acceptance of the policy of nonconfrontation and a policy of nonintervention in the affairs of other nations. Such a policy would work as along as it is not associated with pacifism, weakness, unilateral disarmament, and a naive belief that the Soviets are not capable of bringing havoc to the world as they have to Afghanistan. A strong defense and a proper foreign policy would serve to reduce tensions throughout the world and at the same time eliminate the need to continue the arms buildup. If the Soviets continue to do it as long as we do not subsidize them, this cannot be seen as a threat to us.

Additional bombs can never be a substitute for good policy. Weapons cannot overcome the disadvantages of bad policy. It is critical that the debate be shifted away from weapons and bombs, and into the arena of policy. Until that time comes, nothing positive will come from this very important and valuable discussion.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Mr. Chairman, to begin with I think the gentleman referred to American statistics and Soviet statistics, and I think we have the best track record in terms of credibility.

I would like to say a couple of things. One is that we have had a freeze essentially since 1972. I do not think anybody has spoken in quantitative terms about what we have done in comparison to what the Soviet Union has done, in the strategic area.

Since 1967, in the ICBM's and particularly the SS-17's, SS-18's, and SS-19's, the Soviets produced 708 and we have produced no counterpart to those missiles.

In bombers, long-range bombers, the Soviets have produced over 200 Backfires. We have produced no counterparts to those bombers.

In ballistic-missile submarines, the Soviets have produced 28 ballistic-missile submarines. We have produced only 2 ballistic-missile submarines in the subject period.

So we have essentially had a freeze and in real terms, a further freeze, and a lack of modernization, would amount to disarmament.

The reason it would is very simple. In 1990, our bombers are going to be 30 years old, Mr. Chairman. The Soviet bombers will be modern. The Soviet bombers will be 10 years old. Our ICBM's will be 20 to 30 years old and theirs will be 10 to 12 years old. Our submarines will be 25 to 30 years old and theirs will be 15 years old.

In other words, Mr. Chairman, our systems will be antique and theirs will be modern.

The gentleman referred to a couple of the B-52 problems we have had. We have had a string of B-52 crashes in the last several years. That attrition, through accident or through old age, amounts to disarmament if we do not replace those machines, Mr. Chairman.

Mr. MARKEY. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I am happy to yield.

Mr. MARKEY. I think it is somewhat, however, a misstatement to leave the misimpression that during the 1970's that the United States froze while the Soviet Union raced ahead. In fact, during that period of time we modernized our triad including the Poseidon.

Mr. HUNTER. I will take back my time. I will agree with the gentleman that we developed warheads, but that means nothing if you cannot get the launchers out of the silos, and essentially we had no modernization on the launchers.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Georgia (Mr. FOWLER).

Mr. FOWLER. Mr. Chairman, 600 years ago a chronicler in the Italian town of Siena wrote:

> And no bells tolled and nobody wept no matter what his loss because almost everyone expected death. And people said and believed, "This is the end of the world."

The writer was referring to the black plague which killed an estimated one-third of the population of Europe, or 20 million men, women, and children, during the 14th century.

The people of the Middle Ages were unable to understand the cause of their horror, or to treat or prevent the great epidemic. The perhaps natural reaction to this inestimable evil which was visited upon them, and which was evidently totally outside of their control, was to turn away and to block out thoughts of the tragedy. Of the major contemporary writers, Froissart refers to the plague only once and Chaucer gives little more attention to the greatest calamity of his era.

The great plague of the latter half of the 20th century is the threat of nuclear war, only today we must contemplate casualties ranging from a low of 20 million—in the extremely unlikely event of a limited nuclear conflict—to a high of 160 million in the United States alone. And those are just the immediate deaths. No one knows, or can know, what the long-term consequences would be but at least some reputable scientists believe that all-out nuclear war would lead to the extinction of all higher forms of life on Earth.

The thought is staggering, and the people of our era have shown the same reluctance to confront the awesome danger displayed by medieval Europeans toward the black plaque.

Yet we have to confront it. The one major difference between the plague of the Middle Ages and that of our time is that they truly lacked the knowledge of the cause and cure of their malady, which were not to be discovered for another 500 years. We know all too well the reasons for our predicament: The existence of scientific discoveries unlocking the secret of the power of the atom and the absence of the moral and political will to prevent the diversion of that knowledge into the weapons of war.

As John F. Kennedy said at the United Nations in 1961:

> Unconditional war can no longer lead to unconditional victory. It can no longer serve to settle disputes. It can no longer be of concern to great powers alone. For a nuclear disaster, spread by winds and waters and fear, could well engulf the great and the small, the rich and the poor, the committed and the uncommitted alike. Mankind must put an end to war or war will put an end to mankind.

Today we are considering the nuclear freeze resolution, which is designed to place an immediate halt in the development and production of all new nuclear weapons systems in the United States and the Soviet Union. If this objective is less lofty than that which President Kennedy presented to the U.N. 20 years ago, it is not because our danger has grown less. At that time the United States had a near monopoly on strategic nuclear weapons systems, possessing over 6,000 compared to the Soviets less than 500. Today our arsenal has grown to where we can now explode more than 12,000 nuclear warheads over the Soviet Union, but the Soviets can now hit the United States with some 8,000 nuclear weapons. Today we have more arms but less security than we had when President Kennedy spoke.

If the nuclear freeze falls short of our fondest hopes for world peace, it is nonetheless an important endeavor. John Kennedy likened the original limited nuclear test ban treaty to the ancient Chinese parable which observed that a journey of a thousand miles must begin with a single step. Peacemaking in the nuclear age is long, agonizing, unquestionably difficult, but absolutely vital. A mutual and verifiable freeze on nuclear weapons, followed by actual reductions in the nuclear stockpile, offers us the opportunity to take another step on the road to peace.

Much has been said, both pro and con, about the freeze resolution but I think that some of the rhetoric has tended to obscure the basic facts about the proposition itself.

As a congressional sponsor of the nuclear freeze resolution I urge you to consider what that document actually says:

> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That, consistent with the maintenance of essential equivalence in overall nuclear capabilities, the Strategic Arms Reduction Talks (START) between the United States and the Soviet Union should have the following objectives:
>
> (1) Pursuing the objective of negotiating an immediate, mutual and verifiable freeze.
>
> (2) Deciding when and how to achieve a mutual and verifiable freeze on the testing, production, and further deployment of nuclear warheads, missiles, and other delivery systems.
>
> (3) Consistent with pursuing the objective of negotiating an immediate, mutual and verifiable freeze, giving special attention to destabilizing weapons, especially those which give either nation capabilities which confer upon it even the hypothetical advantages of a first strike.
>
> (4) Proceeding from this mutual and verifiable freeze, pursuing substantial, equitable, and verifiable reductions through numerical ceilings, annual percentages, or any other equally effective and verifiable means of strengthening strategic stability.
>
> (5) Preserving present limitations and controls on nuclear weapons and nuclear delivery systems.
>
> (6) Incorporating ongoing negotiations in Geneva on intermediate-range nuclear systems into the START negotiations.

Those are the exact words. Nowhere is there any mention of unilateral disarmament. Nowhere is there any suggestion that the United States would be compelled to enter into an agreement that cannot be adequately verified.

The nuclear freeze does not proceed from native notions or unattainable ideals. Rather, it is based on three straightforward, and testable, premises: That the current nuclear forces of the United States and the U.S.S.R. are essentially equivalent and that therefore an immediate freeze would place neither side at a disadvantage; second, that any nuclear freeze agreement must and will be mutual; and finally, that compliance with a freeze can be adequately verified.

Clearly, a bilateral nuclear freeze could not work if parity did not exist between the two parties. No country, including both the United States and the Soviet Union, could be expected to agree to an arms control arrangement that conferred significant advantages on the other party. Some have attacked the freeze on these grounds, contending that it would permanently lock into place Soviet nuclear superiority.

While there are some areas in conventional forces where we do need to improve our position vis-a-vis the Soviets, it is patently untrue that overall our strategic nuclear forces are inferior to those of the Soviet Union. The major reason for the existence of the myth of Soviet strategic superiority is that United States and Soviet forces are different, owing to the differences in defense establishments and technological capabilities of the two sides. Thus, because the Soviets have placed a greater reliance on certain forces, such as large land-based ballistic missiles, figures can be found that show a Soviet lead in these individual aspects of nuclear weaponry. However, it is the overall balance that is important, not that each side has certain advantages in individual weapons systems.

The U.S.S.R. leads in intercontinental ballistic missiles (ICBM's) 1,398 to 1,052 and submarine-launched ballistic missiles (SLBM's) 950 to 520. The United States has a big edge in long-range bombers 376 to 145, and in total number of nuclear warheads 9,500 to 7,800.

The Soviet ICBM's carry more and larger warheads but the United States SLBM's carry more warheads and possess greater accuracy than their Soviet counterparts. The United States has a 5- to 10-year lead in the emerging technology of cruise missiles.

However, in addition to these raw numbers several other factors must be borne in mind in evaluating the strategic balance from the American perspective. While the United States converted all of its ICBM force, except the oldest element (the 52 Titans) from liquid propulsion to the more reliable solid propellants, 95 percent of the Soviet ICBM force is powered by liquid propulsion.

While the Soviet Union has 62 strategic submarines to our 32, because of maintenance and other problems they can keep only an average of 10 of these—with a total of 225 warheads—at sea at any one time compared to 16 U.S. strategic submarines—with 2,400 warheads—always on sea patrol. Furthermore, while U.S. surveillance capabilities allow us to routinely monitor the whereabouts of Soviet submarines, from all evidence that we have the Soviets have never successfully tracked a U.S. strategic submarine on normal sea patrol. Thus the U.S. submarine force is far more survivable than the Soviet force.

None of this is to suggest that we possess a usable strategic superiority over the Soviets. Clearly their strategic arsenal is capable of inflicting a devastating blow to U.S. society. But neither are our strategic forces inferior to those of the U.S.S.R. We now possess the capability to destroy the Soviet Union as a functioning society, even after absorbing a full-scale first strike.

An immediate nuclear weapons freeze will preserve this balance, in which neither side can hope to obtain any meaningful advantage by triggering a nuclear war. Once such stability is established, we can then get on with the negotiations to mutually reduce nuclear weapons systems.

Strategic parity is the necessary precondition for the second major premise of the nuclear freeze resolution: That any freeze agreement must be mutual. With essentially equal forces, it is possible to reach an agreement between the two sides. Without an agreement based on mutual limits no accord could possibly be ratified by both the Kremlin and the U.S. Senate.

The nuclear freeze resolution is not a unilateral directive to freeze American nuclear forces. Rather it is an instruction to United States and Soviet arms control negotiators specifying the objectives for the negotiations. The details of when and how to implement the freeze will be worked out in the negotiation process. No freeze agreement can or will be entered into by the United States that does not provide for mutual restraint by the Soviets.

The third fundamental principle of the nuclear freeze resolution is that it can be verified. As a member of the House Intelligence Committee, this is an area of particular interest to me.

The testing and deployment of Soviet nuclear delivery systems has been and continues to be effectively monitored by our sophisticated array of reconnaissance satellites, ground- and air-based radar, and photographic and radio sensors.

For example, when nuclear missiles are tested by the Soviet Union, the United States employs at least five different methods to monitor such tests.

First, line of sight radar located near the Soviet border can detect the type of missile being tested. Second, over the horizon radar probe the interior of the Soviet Union and identify any missile by the pattern it makes upon entering the Earth's ionosphere. Third, early-warning satellites equipped with infrared sensors can identify a missile by its exhaust trail. Fourth, we have a wide assortment of photographic and radio sensors on ships and planes that routinely monitor missile test areas on the eastern edge of the Soviet Union and in the Pacific. Finally, through large radio antennas located within the United States and allied nations we are able to listen to Soviet radio communications, including messages transmitted to and from Soviet missiles, Soviet bombers, and submarines.

U.S. surveillance of the actual deployment of strategic nuclear weapons by the U.S.S.R. relies primarily on satellites. These satellites photograph the entire Soviet Union at frequent intervals. If suspicions are aroused by the regular wide-area photographs, close look cameras, capable of obtaining a clear image of a 1-foot object from an altitude of 100 miles, can focus on the area in question to obtain more detailed information. Furthermore, infrared sensors on our surveillance satellites can penetrate certain types of camouflage and can observe nighttime activities.

These various intelligence-gathering methods, and others which are classified, provide us with multiple and duplicative sources of information about Soviet military activities. Thus, the loss of any one source does not irreparably harm our ability to scrutinize Soviet actions.

U.S. intelligence methods have also given us a good picture of the production phase of Soviet nuclear weapon development. Nuclear warheads are put together at fewer than 10 facilities in the Soviet Union and all of these locations have been known to us since the 1950's. A former Under Secretary of Defense recently testified before a Senate committee that—

> At the nuclear weapons production stage, the United States has been able to monitor Soviet activities at the design bureau and production plants so that every Soviet ICBM test has been predicted before it occurs.

In addition, during negotiations on the Comprehensive Test Ban Treaty the Soviets indicated that they would be willing to accept unmanned seismic monitoring stations and other onsite verification measures. I would commend to your attention to a recent article in the widely respected journal Scientific American which provides a good unclassified version of how improved equipment and better understanding of seismic activities have significantly increased the ability of seismic devices, even if located outside of Soviet borders, to detect underground and clandestine nuclear testing.

Finally, with regard to the freeze and verification, the absolute nature of the freeze actually strengthens our capacity to monitor compliance. As last year's House Foreign Affairs Committee report on the freeze resolution stated:

> A freeze would mean a stop to all activities in any weapons program to be included so that the detection of even one new missile or aircraft would be evidence of a violation. This simplifies the verification over that required for monitoring a ceiling.

I believe that these facts demonstrate that a mutual and verifiable nuclear freeze is both possible and desirable for the United States. But we must get on with the task right away.

As has already been observed, United States and Soviet strategic forces are now essentially equal. However, mutual suspicions, the march of technology, and the sheer momentum of the nuclear arms buildup will continue to threaten this stability, in the absence of an agreement to stop the accumulation of ever-more dangerous nuclear weapons.

The present time is a particularly crucial one in the history of humanity's efforts to check the nuclear danger. We are on the brink of a new and particularly threatening round in the arms race. A new generation of American and Soviet weapons are to be deployed which will place even more of a hair trigger on the nuclear button and will seriously undermine the verification of, and hence the prospects for, future arms control agreements.

We are also nearing a point when a number of nations may acquire nuclear weapons. Each additional country that develops a nuclear capability complications arms control negotiations, and increases the chances for accidental nuclear war. A major part of the Nuclear Nonproliferation Treaty of 1970, and therefore of the effort to check the spread of nuclear arms, was the promise of the nuclear weapons states to reduce their own stockpiles in exchange for nonnuclear states not developing such weapons. A nuclear freeze by the United States and the Soviet Union would give crucial impetus to the cause of international antiproliferation. If we do not act now to halt, and then to roll back, the growing nuclear stockpiles we may not have a similar opportunity in our lifetimes.

Ladies and gentlemen, I am no starry-eyed idealist and I have no illusions about the threat posed by the massive Soviet conventional arms buildup. I support the calls for improving NATO's conventional force readiness. Achieving stability in conventional forces, by pursuing both readiness improvements and conventional force reduction agreements, would lessen the chances for conventional war, which in our era would itself cause unprecedented death and destruction, and allow us to remove the hair trigger from NATO's nuclear deterrent.

By itself, a nuclear freeze is not enough. In addition to limiting numbers of weapons we must also seek to promote crisis stability so that we do not stumble into nuclear annihilation by accident or miscalculation.

With this in mind, I urge the President and our START negotiating team to give serious consideration to each of the following measures:

Update and expand the various United States-Soviet agreements for preventing nuclear war by accident, miscalculation, or miscommunication—hot line agreement, accident measures agreement, prevention of nuclear war agreement.

Establish a joint United States-Soviet crisis control facility to monitor all nuclear weapons-related activities including missile tests, as suggested by several Members of Congress.

Negotiate a strong and verifiable antisatellite warfare treaty to head off weapons competition in this particularly destabilizing field because of its threat to the reconnaissance and communications satellites which provide the major breathing space for leaders in nuclear crisis.

Negotiate limitations on the operating areas for strategic submarines to prevent launchers from occupying the coastal waters of the other country because such positions—with the short flight-time to potential targets—changes the basic nature of the strategic submarines from being a stabilizing, deterrent force into a destabilizing, first-strike threat.

Give additional priority to U.S. nonproliferation efforts by strengthening current controls on the export of nuclear weapons-related technologies and materials.

Reinvigorate the current round of mutual and balanced conventional force reduction negotiations in Vienna.

Without sufficient defense forces, of course, no arms control agreement could be trusted to insure our national security. But without mutual and verifiable arms control, which brings stability and some measure of limitation to nuclear competition, no amount of weaponry can insure our survival.

When he was accepting the Nobel Peace Prize in 1964 Martin Luther King, Jr. said:

> I refuse to accept the cynical notion that nation after nation must spiral down a militaristic stairway into the hell of nuclear destruction. I believe that unarmed truth . . . will have the final word in reality.

Are we up to the challenge posed by Dr. King, or will we sit helplessly by as did the doomed victims of the black plague of the Middle Ages?

In the Book of Deuteronomy the Lord proclaims:

> I have set before you life and death, blessing and cursing; therefore choose life that both thou and thy seed may live.

I urge you to support the nuclear freeze resolution.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. FORD).

Mr. FORD of Michigan. Mr. Chairman, I rise in support of House Joint Resolution 13, sponsored by Chairman CLEMENT J. ZABLOCKI, which calls for the negotiation of a mutual and verifiable freeze on the production, deployment, and testing of nuclear weapons by the United States and the Soviet Union. We are all aware of the devastating effect which a nuclear war would have on our people and our planet. I am sure no one in the House of Representatives wants a nuclear war, however, there are Members of this body who do not want this freeze as our national policy for arms control.

When this resolution is carefully read, it can be viewed as what it actually is—a sound and rational foreign and defense policy. First of all, House Joint Resolution 13 calls for a mutual and verifiable freeze. No Member of Congress is naive enough to believe that the United States should unilaterally freeze its nuclear forces and that then the Soviets would follow in kind. This freeze requires that both the Soviet Union and the United States freeze nuclear weapons.

Second, House Joint Resolution 13 would not require that the United States trust the Soviets to uphold their obligations under a freeze. Rather, the United States would use its present verification capabilities to insure that a freeze is observed by the Soviet Union. Former CIA Director William Colby recently concluded that our intelligence system is sufficiently accurate in the area of weapons hardware to verify a freeze on Soviet nuclear weapons.

Third, the Zablocki resolution requires a freeze on deployment of nuclear weapons. Freeze opponents, including the Reagan administration, maintain that a freeze would lock the United States into a position of permanent nuclear inferiority. I believe, and many arms control experts concur, that basically a nuclear parity exists between the Soviet Union and the United States. For example, the number of Soviet land-based ICBM's exceeds that of the United States, but the United States has relied on a balanced triad nuclear strategy and has a distinct advantage in invulnerable submarine-launched missiles. This pattern is repeated in almost every measure of nuclear weapons—either the United States or the Soviets are superior in a particular area, but, taken as a whole,

our nuclear forces are equal to those of the Soviets.

Fourth, House Joint Resolution 13 calls for a freeze in production of nuclear weapons. The ever-increasing arms race must be halted. For fiscal year 1984, the Reagan administration is seeking an increase of 36.4 percent for funding of nuclear weapons programs over the fiscal year 1983 level. Experience has shown us that the Soviets will match this spending level and produce new and more powerful weapons. In addition, a halt in the production of nuclear weapons would both benefit the U.S. economy and help eliminate the mammoth deficit. It is obvious that defense spending is one area in which the budget should and must be reduced, since spending for social programs has already been cut to the absolute bone. Many studies have proven that the shifting of funds from defense spending to other Federal projects would create far more employment opportunities in the United States.

In addition, this resolution would freeze the testing of nuclear weapons. If testing were halted, neither the United States nor the Soviet Union would know the exact reliability of a particular weapons system. Preventing the Soviets from testing their missiles will decrease the reliability of these missiles. This substantially reduced reliability would minimize the threat of a Soviet first strike since the Soviets could not be sure of the ability of their missiles to destroy our missile silos.

Finally, the freeze would be negotiated by the United States and the Soviet Union at the current START talks. There are serious doubts about the Reagan administration's commitment to arms control. Passage of this resolution would relay to President Reagan's negotiators in Geneva the feelings of both the Congress and the American people that serious efforts should be made to halt the spiraling arms race.

It is more than abundantly clear that the American people want a freeze, not a buildup of nuclear forces. They do not want their children to live under the threat and fear of an impending nuclear war. In my home State of Michigan, 58 percent of the voters supported a freeze on the November general election ballot. Their voices and those of other Americans should not fall on deaf ears. I urge the House to pass House Joint Resolution 13 without any weakening amendments.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. KOSTMAYER).

Mr. KOSTMAYER. Mr. Chairman, I rise in support of House Joint Resolution 13 calling for a mutual and verifiable freeze between the Soviet Union and the United States in the deployment, testing, and production of nuclear weapons. When the House last debated this issue on August 5, 1982, I was not a Member of Congress. The freeze that day lost by a single vote. If one Member of Congress had voted for the nuclear freeze instead of against it, the House would have passed a nuclear freeze resolution. Had I been here last August 5, I would have voted for this resolution.

What last year's vote demonstrated, is how important one vote is not only to the passage of a single bill, but in this case, the passage of a resolution that could mean the continued survival of civilization, as we know it. The nuclear freeze is the basis from which we can begin the reduction of our nuclear weapons arsenals and bring the escalating arms race to a halt.

The nuclear freeze is supported by a strong grassroots constituency. Nine States, 340 cities and counties, and 400 New England town meetings have adopted freeze resolutions. Nearly 12 million Americans voted for the freeze last November, and a January 1983 Harris poll found 76 percent of the public in favor of a U.S.-U.S.S.R. negotiated agreement.

Mr. Chairman, I know firsthand what the people of my district in Bucks and eastern Montgomery Counties feel about this issue. As I campaigned throughout the Eighth Congressional District, there were two issues that were of the highest urgency—peace and jobs. The people in southeastern Pennsylvania are no different than people all over the United States. In my district, I heard the call for peace, for a nuclear freeze, from women and men; from Republicans, Democrats, and Independents; from all income levels, and from the children, too. Many of these same people voted for me because of one issue, the nuclear freeze. Today, Mr. Speaker, I vote for them.

Although the urgings of my constituents are of prime importance to me, I could not and would not support this resolution if I thought it would freeze the United States at an inferior level to the Soviet Union, or if I thought it would jeopardize the national security of the United States.

One important basis for the nuclear freeze is that there is parity now between the Soviet Union and the United States in nuclear capabilities. This fact has been spoken to by U.S. military experts. Gen. John Vessey, Chairman of Joint Chiefs of Staff, and Secretary of Defense Caspar Weinberger have both testified that they would not trade the nuclear capabilities of the United States for that of the Soviet Union. This underscores the belief that our nuclear capability is every bit as strong as the Soviet Union.

I am, of course, aware that the nuclear forces of the Soviet Union and the United States are not identical. The nuclear freeze resolution recognizes assymetries exist in the nuclear balance with each side holding some advantages over the other. For example, the Soviets lead in launchers—2,500 to 2,000; we lead in warheads—9,500 to 7,000. While the Soviets lead us in ballistic missile submarines—62 to 32—we lead them in total number of nuclear warheads deployed at sea at all times—3,000 to 300. Three-fourths of the Soviet strategic nuclear arsenal is concentrated in vulnerable land-based missile silos, but about one-half of our nuclear arsenal is based in invulnerable submarines. The bottom line is that this is the proper time to negotiate a freeze, because both forces are essentially equivalent.

As a member of the House Foreign Affairs Committee, I joined 26 of my Republican and Democratic colleagues to pass this bill out of committee. Prior to passage of House Joint Resolution 13, I successfully offered an amendment in the committee. This amendment strengthened the nuclear freeze resolution by declaring it to be "consistent with the maintenance of essential equivalence in overall nuclear capabilities." This language reaffirms that the nuclear capabilities of the two superpowers are equivalent. This was not explicitly stated previously and is in contrast to this administration's belief that we must deploy several new weapons, including the MX and Trident II missiles, to attain parity with the Soviets. The time to freeze is now, not after further rounds of weapons deployment.

There are several specific issues that I would like to address. First, there is continued concern that a nuclear freeze would be difficult to verify. Of course, intelligence experts have testified that weapons treaties are verifiable and that the United States has always been able to verify any new deployment of weapons by the Soviets. I believe the freeze resolution addresses this problem. The point of the freeze is that we must negotiate the details of an arms control agreement. Not only will we negotiate the numbers and types of weapon allowed, but we will also negotiate the manner in which we can verify these levels of weapons. Verification procedures must be worked out or there will be no agreement.

More importantly, a freeze would greatly assist verification. Any new testing, production, or deployment—any arms development activity—would be a violation of the treaty. On the other hand, escalation of the arms race is allowed then it will be extremely difficult to keep track of Soviet military activity.

Finally, Mr. Chairman this resolution of the Congress does not call for unilateral disarmament. I am opposed to this and so are, I believe, my colleagues who voted for this freeze resolution last year and again today. Let us not belabor this point. The phrase "mutual and verifiable" is emphasized over and over throughout House Joint Resolution 13.

Last, I urge my colleagues to reject the Broomfield or administration resolution. This amendment calls for a policy of further arms production and then freeze. This "build now—reduce later" approach would allow both sides to build destabilizing first-strike weapons, in addition to concealable and unverifiable cruise missiles. An escalated arms race will be tragically expensive. President Reagan has already proposed a $1.6 trillion defense buildup over the next 5 years and a fiscal year 1984 budget of $239 billion. Not only is an escalated nuclear weapons race not necessary, but it would be very damaging to our already crippled domestic economy.

I urge my colleagues to support House Joint Resolution 13 because the American people want it and because rarely has the Congress had an opportunity to choose a direction so clearly in the national and international interest.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY of New York. It is often said of war that its first casualty is truth. I suspect when it comes to arms control debates that the first casualty of our discussion is accuracy.

The fact is that we have not frozen in place armaments as the gentleman from Massachusetts pointed out or attempted to point out but, rather than build promiscuously new weapons and waste money on new land-based systems, we improved the existing solid fuel missiles—Minuteman II and III—that we have in the ground which are more accurate and reliable in many respects than the Soviet weapons.

Mr. Chairman, the people of this country have been thinking about the unthinkable. They have spent the last 2 years discussing among themselves the consequences of nuclear war, attempting to appreciate the strategy of nuclear war, and attempting to fit in with what they have learned would be good arms control policy for this Nation.

They have recognized that with 9,200 warheads on our side and 7,000 on theirs that the ability of one side or the other to deter is more than sufficient, that in the event that a war was started, both sides would be losers.

What the American people are saying is very important and very fundamental. They are saying that not only do we believe that we are politically correct by supporting the freeze, but we believe that the freeze is good military policy and good arms control policy, that the freeze says to the leaders of both countries who apparently have been unwilling to listen in our country to the people that we desire that there be a reduction but that before the reduction happens that we stop building up.

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That is all the freeze says. The people understand that we are not in a position of inferiority; the people understand that you cannot fight and win a nuclear war. The people understand the essential lunacy of the arms race and they want it stopped. This resolution will be a small step in that direction but a vital one.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas (Mr. BETHUNE).

Mr. LEWIS of Florida. Mr. Chairman, will the gentleman yield?

Mr. BETHUNE. I yield to the gentleman from Florida.

Mr. LEWIS of Florida. Mr. Chairman, living under the threat of a nuclear war is a terrible thing. And I do not wish to keep this cloud over future generations. However, I also believe a bilateral nuclear freeze should only be enacted at equal and verifiable levels. To freeze now will jeopardize U.S. national security, given the present Soviet nuclear advantage.

The Zablocki joint resolution—House Joint Resolution 13—calls for an immediate, mutual, and verifiable freeze, and then urges substantial and equal arms reduction by both nations.

The crucial question is: How does our nuclear defense capability stack up against the Russians'?

Based on the classified and unclassified information available to me, an immediate freeze would give the Russians a considerable advantage in nuclear weapons. Given this disparity, the Russians would have no incentive to negotiate reductions in nuclear arms.

The Broomfield resolution—House Joint Resolution 4—supports ongoing arms reduction talks between the United States and the Soviet Union. In addition, the Broomfield resolution urges both nations to negotiate a nuclear weapons freeze at equal and substantially reduced levels. Under this resolution neither nation would have a nuclear advantage.

I support the Broomfield resolution because to freeze now would put the United States at a serious strategic disadvantage—a position from which we might never be able to regain our strength and power as the defender of the free world.

Mr. BETHUNE. Mr. Chairman, this is one of those interesting days in the Nation's Capital. Out in the Budget Committee where I serve as a member of the minority we discovered today that our friends on the Democratic side are embracing a budget proposal which calls for 4-percent real increase in defense spending. While those "mean old Republicans" over in the other body, the Senate, are calling for an increase in defense spending, a real increase of 5 to 7 percent. So, what this means is that at a minimum, when we get through with all the work here this year, we will have an increase in defense spending by 4 to 5 percent.

On the very same day, at the very same time that that is taking place out in the committees and which is going to occur here in this Congress just as surely as we are sitting here today, we have this resolution on the floor, conveying the impression to the people, not just in this country but around the world, that we are going to freeze nuclear spending and not have any increases at all.

It is only in the Congress that this sort of thing can occur, where you tell the people one thing, but you actually do another.

When I was a student of the law I remember a law professor there named Judge Merriweather. When we would try to understand those rules of law that had to do with claiming ownership of property, we studied that you had to have a deed to prove ownership. If you did not have a deed then you had to prove that you had "color of title." Judge Merriweather used to boil all that down and cut through the clutter by saying, "Color of title is something that looks like title but ain't." Well House Joint Resolution 13 is something that "looks like a freeze but it ain't."

We are not going to deliver what was promised here today; you know it, I know it, everyone in this Chamber knows it.

The people are going to come to realize it when we finish our work here. What we are doing is what we always do, shoveling smoke, never mind it may undermine our negotiating position.

Mr. Chairman, I support the Broomfield position; I think it is the honest approach.

Mr. ZABLOCKI. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Chairman, I rise in opposition to H.R. 13 and support the Broomfield substitute. I think you have to use some commonsense here today and you have to ask yourself some questions. You have to ask yourself will this resolution help our national security if it is passed. The answer is "No", it will not help. You have to ask will this resolution help our negotiators in Geneva? The answer would be "No".

You have to ask yourself will this resolution please our friends and allies

around the world? The answer would have to be "No".

Yes; I guess the Soviets would like for us to pass a resolution such as this, but if we put the commonsense to the resolution, the vote is no.

Mr. BROOMFIELD. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. CONTE).

Mr. ZABLOCKI. Mr. Chairman, I yield 2 additional minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, the nuclear freeze is an idea that had its beginnings in western Massachusetts. In many respects it is another of our Massachusetts Boston tea parties because the people are displaying their dissatisfaction with years of nonrepresentation by so many past administrations in bringing an end to the nuclear-arms race.

As you know, I took the lead from my constituents and introduced the original freeze legislation in the last Congress. And, although that resolution was narrowly defeated, it did pave the way for a national debate on the issue of what to do about nuclear weapons. In that regard, I was proud to reintroduce the legislation in the 98th Congress and have it incorporated in the Zablocki resolution, House Joint Resolution 13, which is before us today.

There is a lot of emotion connected with the debate on nuclear weapons. There are movies which show all manner of horror. There are groups foretelling the end of all mankind. There are predictions of cannibalism, tribalism, mutation, sickness, disease, deprivation on a grand scale as a result of a nuclear exchange. No birds, no flowers, just giant cockroaches and contaminated land and water. It is no pretty thought to contemplate a nuclear exhange. Certainly there is very good reason for great fear. But as terrible as we may fantasize the nuclear holocaust, fear should not be our guide today in this debate.

So, I would like to address as rationally and logically as possible the reasons why it is in our best interest to vote in favor of the Zablocki resolution. There is so much mumbo-jumbo connected with the freeze movement that I would like to focus on two things: What is the freeze and why do we need it?

The freeze is simply the offering of a proposal to try to break the nuclear arms talk deadlock. It is not—I say again—not a unilateral action. In this resolution we are urging the President to include a proposal to the Soviets to negotiate a mutual and verifiable freeze as part of the START talks. We would hope the Russians would accept the proposal and negotiate an acceptable freeze. But nothing at all will happen until the agreement is negotiated. The passage of this resolution will not stop production. It will not stop deployment. Nothing will happen until the President has negotiated an agreement. So all of this nonsense about the fact that this resolution will put us behind the nuclear eight ball is pure and unadulterated hooey.

If you do not believe that we and the Russians should halt, then you should certainly vote against this measure. But, if you are in favor of making an offer that might break the ice, you should vote for this resolution.

Obviously, there is much discussion on verification. But there is little contention that we have the national technical means and other methods to verify a great deal. Where the argument comes in is that we cannot verify everything. Testing and deployment is relatively easy to verify; production tougher. But the salient point is—how many times do you have to catch someone's hand in the cookie jar to verify that cookies are missing—just once.

The purpose of verification is to determine if someone is cheating and then take action, such as going to the consultative committee. I do not trust the Russians, but they do not trust us either. Look at their dilemma. How do they verify cruise missiles? How do they verify our production? How do they assure themselves that we are not making violations? The answer is embodied in whether you want to catch every violation or enough to know there is something wrong. I, nor anyone else, can assure you that we do. But if you want total and complete verification, you will never be able to approve any arms agreement—none can be totally verified.

If you are willing to accept that we can catch the Russians in many or most, you can in clear conscience vote for this resolution.

So, that is what the freeze is: a generally verifiable proposal for a mutual freeze which will do nothing until it is accepted through negotiation by the President. Now let me shift to why we need a freeze.

The primary reason we need a freeze should be very near and dear to everyone in this Congress. And that is because our constituents want it. More and more people everyday want to make a statement that something must be done about the threat of nuclear war. That is what the freeze movement is all about. It is a statement. The doctors, priests, scientists, housewives, workers, actors, farmers, and so on, and on, are not Communists or conspirators who are seeking the unilateral disarmament of this Nation. They are not dupes of the Soviet Union.

Sure the Russians are trying to manipulate the movement. They try to manipulate everything we do. It is their way. But the Russians do not manipulate the mainstream of American thinking any more than they did the West Germans in their recent election. So this Communist bit is way overblown.

And if anyone thinks this movement will go away, he or she has misread what it is all about. If we do not get on with the grassroots statement, the freeze will haunt us. It is sensible, it costs nothing to try, and our constituents will think that we are all goofy in the long run if we do not make the offer.

The next reason we need a freeze is that nuclear weapons are militarily useless and waste our scarce resources. We have had overwhelming superiority for years. Did it help in Korea? How about Vietnam? What could the British have done in the Falklands? In fact can they be used anywhere? The answer is "No." Oh, I know we have had advocates for use, but better heads prevailed. We could have made the whole Indochinese peninsula uninhabitable but it would not have given us a victory we could talk about. Does anyone here believe that we have the option of making radioactive sand out of Libya just because Qadhafi is a screwball? Again, the answer is a resounding "No."

Nuclear weapons have no military advantage. They are well poisoners. The great military writer von Clausewitz would roll over in his grave if he could see the strategic thinking behind our nuclear armaments. Every nuclear war game the Pentagon plays is either a last-ditch employment in defeat or has to be cut off by some rather weird assumption in order to prevent escalation to a complete central exchange.

Deterrence is the only use these weapons have, but deterrence is more a political idea than a military one. Why just this Monday in the Washington Post, there was an article pointing out that the Army is beginning to have misgivings about the use of many of its tactical nuclear weapons.

The question is, Do we have enough to deter? The answer is "Yes," many, many times over. But what about a breakthrough or a preemptive strike? Well, we are presently breaking through all of the time with Pershing, B-1, Stealth, D-5, cruise, et cetera. Do you think those systems give us a desire to preempt? Nonsense. But one might argue, we are not the Russians, they think differently. If that is so, why does Soviet doctrine say essentially the same as ours, that nuclear war is unacceptable. The answer is simple—because nuclear war is in fact unacceptable—to them, to us, and everybody else. I could take another day discussing how we got to this nutty stalemate, but it is immaterial. We are now far beyond any sensible need or want for these weapons. The problem,

of course, is an accident or a miscalculation.

But, frankly, in the final analysis, freezing in place is not the answer. It is not even an acceptable goal. The reduction and hopefully the elimination of the risk of nuclear war is the final goal—one that is very long way away at the present stalemate. With some 17,000 strategic and 30,000 tactical warheads, we could freeze in place and not reduce the risks to the world one whit. I am not certain if there is a survivable level of nuclear weapons. But be that as it may, the real truth is that we must move in a downward direction. In that respect, I applaud the President for his recognition that reduction is what we are after, but I would also advise all of the opposition of this resolution that to start down the nuclear mountain, you must first recognize that you have reached the top. A freeze recognizes that we do not have to climb any higher and in that sense it is a monumental step. I urge all of you to come to this recognition and support this legislation.

Mr. Chairman, before I sit down, I want to leave you with a very old Italian story which I think illustrates better than any speech the dilemma of nuclear weapons.

It seems that Joe came walking down the street with a huge bulge in his back pocket and under his shirt. Toni saw the bulge and stopped him to ask what it was. Joe replied: "Why it's twelve sticks of dynamite with a pressure blasting cap."

Tony was astonished and asked: "What are you doing that for?"

Joe answered: "You know that dirty so in so of a Luigi is always sneakin' up behind me and kickin me in the rear. The next time he does it, he'll blow his fool foot off."

Let us hope that good sense prevails whether it is the American Pat or the Russian Luigi who wants to do the kicking because the bang from 1 trillion tons of equivalent dynamite plus the leftover radiation will get most, if not all, of us eventually.

The CHAIRMAN pro tempore. The Committee will rise informally in order that the House may receive a message.

MESSAGE FROM THE PRESIDENT

(The SPEAKER resumed the chair.)

The SPEAKER. The Chair will receive a message.

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

The SPEAKER. The Committee will resume its sitting.

CALLING FOR A MUTUAL AND VERIFIABLE FREEZE ON AND REDUCTIONS IN NUCLEAR WEAPONS

The Committee resumed its sitting.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to one of the cosponsors of the substitute resolution, the gentleman from New York (Mr. CARNEY).

Mr. CARNEY. Mr. Chairman, I would like to take this opportunity to clear up three misconceptions that we may have at this time, or that the American public might have at this time. The first one is motivation—the motivation of the Members of this body. I clearly state today that the chairman of the Committee on Foreign Affairs, Mr. ZABLOCKI, is motivated the same way the Member in the well is, that the ranking minority member of the committee, Mr. BROOMFIELD, is motivated the same way the Member in the well is. In fact, the 435 Members of Congress are motivated in the same way and in the same direction, a direction to reduce the fear of nuclear war.

□ 1430

What we have today is a debate as to how we want to accomplish a mutual goal. For anyone to come to this well to indicate one way or another that the motivations of any Member of Congress on this vital issue are wrong would be a great mistake and a disservice.

The second misconception is that there is an arms race, a bilateral arms race. The truth of the matter is there is an arms race, however, it is a unilateral arms race. We only have to look back to 1972 when we entered the SALT I agreement. President Nixon then said we had a "sufficiency" of nuclear power. In 1975, President Ford said we had "rough parity" and in 1979 President Carter described the situation as "essential equivalence".

But let us look at what happened since 1972. In 1972, the United States had 1,710 ICBM and submarine-launch ballastic missiles. In 1983, 11 years later, we have 1,590, 120 fewer missiles. In 1972, the Soviets had 2,027. They enjoyed a superiority of 317. Today, March 16, 1983, they have 2,348, enjoying a superiority of 758 missiles.

I ask how we could have had essential equivalence in 1972 and still have that same essential equivalence today?

We heard today on the floor of the House that precisely 1 year after President Brezhnev said the Soviet Union would freeze the number of SS-20 missiles deployed in Soviet Europe, that in fact they have added 51 of them, 51 missiles, 153 warheads.

So I would have to conclude that indeed we have an arms race, an arms race that is unilateral in nature.

But I think what is generally misunderstood and thus is so important that we set the record straight is the fact many people believe that absolutely nothing is going on to stop the arms race. That, my friends, is a mistake. Because today we are at a historic point in time for our great Nation. Today we have two negotiations going on in Geneva, one dealing with the strategic nuclear arms, the other dealing with the INF, the intermediate nuclear forces, or the forces that we have deployed in Europe.

Not only are these negotiations going on, but we have made concrete offers to reduce weapons. The President of the United States offered to reduce our ICBM forces by 50 percent. The Soviet Union countered that offer by saying let us look at reducing them by 25 percent. Mr. Chairman, we are beyond the freeze, we have movement in Geneva. It is movement that everyone in this body desires and we should continue to support those negotiations producing this movement. We should back those negotiations in a single voice. When policy leaves the shores of our Nation, it should go with one single voice. It is not a Republican President that is negotiating, it is not a Democratic President that is negotiating, I say to my colleagues, it is an American administration that is negotiating in Europe. And we as Representatives of this body should be supporting that effort to reduce the nuclear armaments of both the United States and the Soviet Union.

I think to let the belief stay alive that we are not doing anything along this line would be the greatest injustice we can pay to the 230 million American people, the greatest injustice we could pay to the entire world. We should speak in a unified voice, we should continue to try to reach an accommodation, we should continue to try to move downward the numbers of nuclear weapons. The effort is out there. The effort is real.

We are not only negotiating the reduction of nuclear weapons, let us not overlook the fact that we have the MBFR negotiations going on in Vienna. The United States and the Soviets are negotiating the reduction of conventional forces in Europe. If we could reduce those forces we certainly would reduce the tensions and the probabilities of having some type of outbreak in Europe that eventually could lead to a nuclear war.

So let us get behind our President. Let us go out and support the Broomfield substitute, a substitute that clearly says we support START, we support the INF negotiations, and we support mutually verifiably reduced levels of nuclear weapons and then a freeze.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to

the gentleman from New York (Mr. GARCIA).

Mr. GARCIA. Mr. Chairman, I rise in support of the nuclear freeze.

Mr. Chairman, "In the nuclear era the major powers bear a special responsibility to ease * * * sources of conflict and to refrain from aggression." This is a quote from President Reagan from an address he made to the United Nations in June 1982. It would be difficult to dispute the President's statement, but how we live up to that responsibility of easing sources of conflict is where the difficulties begin.

I fully agree with the opening clause of House Joint Resolution 13 that: "the greatest challenge facing the earth is to prevent the occurrence of nuclear war by accident or design * * *," I also believe that this would be the best way to begin to meet our special responsibility. The threat of nuclear war provides a common thread of fear for all Americans; we all have a will to survive.

Our survival is to a large degree dependent on our ability to avoid nuclear conflict. Such conflict would be terminal. There is no turning back once a nuclear holocaust begins. The world would be changed utterly.

This need not occur. Perhaps I am too much of an optimist, but I have faith that through vehicles such as House Joint Resolution 13 sanity, and the will of the people, will prevail. This resolution makes a definite statement without tying the hands of our arms negotiators. It states objectives, it does not offer ultimatums.

There will always be disagreements between nations. There will always be conflicts. Compromise and negotiations help us to defuse those conflicts and lessen tensions. The American people through their elected Representatives not only have a right, but they also have a responsibility to let the administration know that they are concerned about the arms build up and that negotiations must move forward.

House Joint Resolution 13 is an expression of that concern. It brings us together to fight not only for our Nation but for our very existence. I urge my colleagues to support this most necessary resolution.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Georgia (Mr. RAY).

Mr. RAY. Mr. Chairman, I rise in opposition to House Joint Resolution 13.

Mr. Chairman, we are gathered on the floor of the House today to deliberate on a matter of ultimate importance to the entire human race.

We come here prompted by a sense of deep and urgent concern. Many other things that we do in this body will impact on the future of our children and grandchildren. What we do here today may well determine whether they even have a future.

The seriousness and gravity of this question demands our best efforts.

Why are we here today? Those Members who support some form of nuclear freeze resolution feel that our movement toward nuclear disarmament is not progressing rapidly enough. I wholeheartedly agree with that proposition.

But, having said that—what do we do about it? It is clear that the principle, and perhaps the only actors in this drama are the United States and the Soviet Union. The path we choose will be followed by the rest of the world.

Therefore, if we are not moving with sufficient speed toward a resolution of this matter, who is principally at fault? There may be many in this Chamber who believe that the Reagan administration and the arms negotiators whom it has appointed are not moving with sufficient speed and resolution. But, can there really be anyone here who believes that the Russians are sincerely striving for peace with greater effort, concentration and dedication than are the Americans? I submit that the recorded history of human events simply does not support such a proposition.

If we accept the fact that the Russians are proving to be a greater impediment to these negotiations than are the Americans, we must next focus on what can be done to change or resolve their attitude.

For that answer, we must look to history. It was not too many years ago when the primary focus of nuclear disarmament was the ABM missiles. The Soviet Union steadfastly refused to enter into serious negotiations on this question until the Congress—by one vote—actually authorized the construction and installation of those missiles. At that point, the Soviet Union did enter into negotiations and a meaningful step toward arms control was accomplished.

Mr. Chairman, I submit that what we are doing here today is sending the Russians a signal. It is doubly important because they have already received the right kind of signal. The people of West Germany have elected a Chancellor who is committed to the eventual deployment of the Pershing missile in NATO if the Russians insist on maintaining their arsenal of SS-20 missiles.

We can undo much of what was accomplished in that election by enacting a nuclear freeze resolution today. For we will be telling the Soviet Union that the American people—through its elected Representatives—do not believe that their arms negotiators are moving quickly enough or negotiating hard enough.

Supporters of the freeze claim that we need to move negotiations off of dead center. Negotiations are moving. INF talks are in progress. START talks are in progress.

Let us assume for a moment that both Houses of Congress enact a freeze resolution. Attention will then be diverted from talks which are geared toward reducing arms levels and redirected toward talks and complicated negotiations designed to freeze arms at existing levels. Mr. Chairman, where do we really want to be spending our time and our energies? I submit that we are already moving in the right direction.

Like many of my colleagues, I stand in the well today as more than a Congressman. I am perhaps even more aware of my role as a parent and a potential grandparent.

Those of us who are parents can recall many instances when our children looked up at us with deep emotion and feeling and asked us to do something which we knew was not in their best interest. As badly as we may have wanted to do it, we did not.

I am not saying that our constituents are children; and we are not wiser than they are. But simply because of the job we do, we have access to more facts than they do. We must act on that knowledge, rather than on emotion.

I urge my colleagues to weigh seriously what we are doing here today. Let us not send Moscow the wrong signal. Let us not encourage them to believe that our negotiators will give up more because of public pressure.

I yield to no man or woman in my desire for world peace. I encourage a vote against House Joint Resolution 13 because I simply do not believe it is the right way to get there.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia (Mr. RAHALL).

Mr. RAHALL. Mr. Chairman, today we are faced with an opportunity to take a crucial first step toward a removal of the threat of a nuclear war which has been hanging over the heads of mankind, bringing its threat of total devastation to the doorstep of every American home. It is up to Congress to send the message and take the lead. Congress can lead the way by taking this first step today with the passage of House Joint Resolution 13. This legislation will establish guidelines for a reduction of nuclear weapons systems by both the United States and the Soviet Union. This must be done mutually and must be verifiable in a manner acceptable to this country. In order to reduce the nuclear arsenals of the United States and the Soviet Union, the levels of weaponry must be frozen, the weapons race must come to a halt.

During the recent elections in November, more than 30 percent of the electorate had the opportunity to vote on a nuclear freeze referendum; 60 percent of those voting supported a nuclear weapons freeze. Nuclear freeze resolutions have been endorsed by 13 States legislatures, including my home State of West Virginia, and 125 city councils, including the city councils of Beckley, Huntington, Charleston, and Oak Hill in West Virginia. The nuclear freeze proposal has enjoyed such widespread support due in part to the American public's lack of confidence in the Reagan administration's commitment to meaningful arms control. The massive increases in defense spending in the past and the proposals in the fiscal year 1984 budget all point to a buildup of nuclear weaponry, not a reduction. How long can this insane, unbridled, and unleashed rush continue?

The woefully slow progress of the START talks have shown that the proper commitment and dedication to a reduction in nuclear weaponry have not been achieved.

The adoption of this resolution would establish congressional guidelines for arms reduction talks. The success of these negotiations is crucial in order to eliminate the threat of nuclear war and the United States must show its commitment to the reduction of nuclear arsenals in the United States and the Soviet Union. I urge my colleagues to adopt House Joint Resolution 13 as reported without any of the weakening amendments. A freeze means halt-stop with no ifs, ands, ors, or buts about it. Let us stop this insanity. Our nuclear freeze resolution must establish the United States as willing to negotiate a mutual and verifiable freeze of nuclear weaponry arsenals with the Soviet Union and eliminate the threat of nuclear holocaust from our society.

Mr. ZABLOCKI. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. McHUGH).

Mr. McHUGH. Mr. Chairman, I rise in support of the nuclear freeze resolution—House Joint Resolution 13—as reported by the House Foreign Affairs Committee, and in opposition to the substitute that will be offered by the gentleman from Michigan (Mr. BROOMFIELD).

As you know, Mr. Chairman, this is the second opportunity that Members of the House have had to deal with this issue. Last August, by a vote of 204 to 202, the House rejected a nuclear freeze resolution reported by the committee and adopted a substitute offered by Mr. BROOMFIELD. Clearly, there was substantial support for the resolution at that time, and there have been important developments in the last 8 months.

Last November, for example, more than 30 percent of our Nation's voters had the opportunity to vote on State and local freeze referendums, and more than 60 percent of those who voted supported the call for a nuclear weapons freeze. To date, nuclear freeze referendums have been adopted in 9 States, 12 counties, and 22 cities. In addition, nuclear freeze resolutions have been endorsed by 125 city councils and 13 State legislatures.

Moreover, public doubts about the Reagan administration's commitment to achieving arms control agreements have grown in the months since we last considered this issue. The nomination of Kenneth Adelman, a man with little experience in nuclear arms control negotiations, to head the Arms Control and Disarmament Agency has generated intense controversy among both Democrats and Republicans as to whether this administration is serious about arms control, a concern that also seems to be shared by our European allies who have begun to pressure the United States to present new proposals to the Soviets before the INF talks recess this month.

Yet, in a very real sense, Mr. Chairman, the choice before us today is essentially the same choice we faced last August. Do we want to halt the nuclear arms race during the extended negotiations which will be necessary to reach agreement on substantive arms reductions, or do we want the arms race to continue unabated while negotiations proceed? Do we want a mutual freeze now, or at some undefined date in the future?

As you know, House Joint Resolution 13 as reported seeks to halt the nuclear arms race. It recommends specific objectives for the conduct of the START negotiations, including as a first step the pursuit of an immediate mutual and verifiable freeze on the testing, production, and further deployment of nuclear warheads, missiles, and other delivery systems. Following such a freeze, it calls for the negotiation of an agreement to achieve substantial, equitable, and verifiable reductions in nuclear weapons.

By way of contrast, the Broomfield substitute would strip the resolution of any meaning by merely endorsing the ongoing talks. While it implies that the eventual objective of those negotiations should be a freeze at equal and substantially reduced levels, it does not establish a nuclear freeze as the first objective of the talks. It would thus encourage a continuation of the arms race while negotiators haggle over the terms of future reductions.

This is the choice we face, Mr. Chairman, and it is a critical one. We know from experience that negotiations dealing with arms reductions take years to conclude. SALT II took 7 years to negotiate. Without a freeze in the nuclear arms race, the Soviet Union and the United States will procure and deploy new and more sophisticated weapons systems during the protracted negotiations. If both sides are free to proceed pell-mell with the arms race while negotiations go on, complex and destabilizing weapons systems will be introduced. The threat to both sides will increase, and the negotiations to achieve mutual and verifiable reductions will become more complex, making it more difficult to reach an agreement.

This would be the effect of the Broomfield substitute. It is, in essence, empty rhetoric and would send a clear signal to the Reagan administration that the arms race should proceed apace. The resolution as reported, on the other hand, would recommend a nuclear freeze as a first objective of the START talks, thus enabling the more difficult and protracted negotiations on arms reductions to go forward without the introduction of new weapons systems on either side.

Beyond the substance of these competing proposals, Mr. Chairman, there is also the question of Congress appropriate role in these matters. We all recognize that under the Constitution the Senate must ratify any arms control agreement reached between the United States and the Soviet Union. In today's debate we must also ask whether Congress has a role to play in recommending the objectives to be pursued by the U.S. negotiating team at the START talks.

Proponents of the Broomfield substitute apparently believe that arms control is a subject best left to the discretion of the President. This is why their proposal is devoid of any real substantive content. Indeed, in taking this position they can argue that Congress has never before gone on record so specifically regarding the objectives to be pursued in arms talks with the Soviets.

In this regard, Mr. Chairman, I think there are two important points to be made. First, a significant number of Americans have called upon Congress to adopt a nuclear freeze resolution. In my judgment this reflects a growing anxiety about the President's commitment to meaningful arms control. Our citizens have heard high officials in this administration contemplate the possibility of a limited nuclear war and even a winnable nuclear war. They have heard cold war rhetoric accompanied by unprecedented increases in the military budget. They are apprehensive and they want their Government to make a meaningful commitment to mutual and verifiable arms control. The test of this commitment, proposed by grassroots America itself, is adoption of the nuclear freeze resolution.

In short, it is appropriate for Congress to act in this matter because the people are calling upon us to act.

While Congress cannot mandate negotiating objectives on the President, in adopting this resolution we can formally recommend to the President those objectives in which millions of Americans have expressed their fervent belief. In so doing, we can increase the possibility that the President will pursue those objectives at the bargaining table. On the other hand, if we reject this resolution we will at the same time reject the pleas of our people for congressional action and signal the President that he should continue to rapidly escalate the arms race.

There is a second reason for congressional action, Mr. Chairman, and it is to give the President a clear expression of congressional intent. As the history of the SALT II negotiations makes clear, the prospects for eventual ratification of an arms control agreement rest in some measure upon bipartisan support for the President's objectives during negotiations. Therefore, to the extent that Congress can define its own thinking on negotiations, the more sure a President can be that his negotiating objectives conform to congressional thinking and will thus produce an agreement which can secure Senate ratification.

For these reasons, Mr. Chairman, I believe it is appropriate for Congress to act at this time, and I further believe that the negotiating objectives recommended in the committee's resolution are sound and workable. As reported by the committee, the resolution recommends that the START talks should have six objectives:

First, pursuing the objective of negotiating an immediate, mutual and verifiable nuclear weapons freeze;

Second, deciding when and how to achieve a mutual and verifiable freeze on the testing, production, and further deployment of nuclear warheads, missiles, and other delivery systems;

Third, giving special attention to destabilizing weapons, especially those which give either nation capabilities which confer even the hypothetical advantages of a first strike;

Fourth, pursuing substantial, equitable, and verifiable reductions in nuclear weaponry following an agreement on a mutual freeze;

Fifth, preserving present limitations and controls on nuclear weapons and nuclear delivery systems; and

Sixth, incorporating ongoing negotiations in Geneva on intermediate-range nuclear missiles into the START negotiations.

As I said, Mr. Chairman, I believe that these objectives represent a reasonable and sound approach to the pending arms control negotiations. They are consistent with our Nation's interests, and are based upon three fundamental premises.

First, these objectives are premised on the view that the strategic power of the United States and the Soviet Union is in approximate parity. While that view is apparently not held by certain officials of the Reagan administration, including the President himself, the report of the Foreign Affairs Committee is clear in recognizing the consensus view that nuclear parity exists. This premise is crucial, of course, for if the Soviet Union enjoys a significant lead in strategic power a mutual freeze would not be in our Nation's interest. While this is the position the President has taken to justify his opposition to a freeze, his view is not consistent with the facts or with the weight of expert opinion presented to Congress over the years.

Second, the objectives embodied in the committee resolution have as a premise that a freeze must be mutual, that is, it must apply to the Soviet Union as well as the United States. In this connection, I would stress that House Joint Resolution 13 would not unilaterally preclude any defense program proposed by President Reagan. Only when and if the Soviets agreed to a freeze would we be bound. The terms of a freeze are subject to negotiation and will not be imposed by this resolution.

This resolution would simply put Congress squarely on record in favor of a mutual and verifiable freeze as the first objective of negotiations with the Soviets. It is nonetheless significant for it would indicate that Congress and the American people are serious about wanting to halt the arms race, and that we reject the notion of arming more now in order to discuss disarmament later.

Finally, an underlying premise of this resolution is that any freeze or reduction in nuclear weapons must be verifiable. Those of us who support House Joint Resolution 13 believe that this is possible now through U.S. national technical means. However, we recognize that the Reagan administration must be satisfied on this count and thus we welcome any additional means for enhancing verification that it may choose to implement or negotiate with the Soviets.

Mr. Chairman, the American people want a mutual, verifiable nuclear freeze now. They do not want an escalating arms race with only the vague promise of a freeze someday in the future. Yet, this is the approach of the Broomfield substitute, and it should be rejected today.

The only resolution which calls for the negotiation of a nuclear freeze and recognizes the need to halt the nuclear arms race now is House Joint Resolution 13. I urge my colleagues to support this resolution.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I yield to the gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding.

Mr. Chairman, I just wanted to point out that the gentleman from West Virginia (Mr. RAHALL) commented about the number of people who had voted last fall for the nuclear freeze resolution. The fact of the matter is that only 22½ percent of the voting age population of the nine States involved in those votes actually supported the resolution; 16½ percent voted against it. This is hardly an overwhelming "nationwide" referendum in favor of the nuclear freeze resolution.

□ 1440

Mr. BROOMFIELD. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore (Mr. AUCOIN). Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 1450

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Chair recognizes the gentleman from Michigan (Mr. BROOMFIELD).

Mr. BROOMFIELD. Mr. Chairman, I am happy to yield the balance of our time to the minority leader of the House, the gentleman from Illinois (Mr. MICHEL).

The CHAIRMAN. The distinguished minority leader, the gentleman from Illinois (Mr. MICHEL), is recognized for 7 minutes.

Mr. MICHEL. Mr. Chairman I appreciate the gentleman from Michigan yielding to me to wind up the general debate time on our side and I want to make it clear that I support the Broomfield substitute.

I am convinced a freeze would leave us in a position of strategic vulnerability that could lead to war.

Such vulnerability has less to do with numbers of warheads or launchers than it does with perceptions on the part of our adversaries and our allies.

To give the appearance of vulnerability is an actual form of vulnerability in the world of nuclear arms.

A nuclear weapon does not have to explode in order to be effective. Its mere existence, given certain political

and strategic facts, can be enough to gain its possessor great victories.

Referring to the reliance on numbers alone in assessments of Soviet and American forces, a recent study of the U.S. Strategic Institute says:

> The numbers have been bandied about both erroneously and indiscriminately with little comprehension of what they mean for real military capabilities . . . (There is) a pervasive popular lack of knowledge about nuclear weapons and their roles in the military strategies of the two opposing alliances.

This is why I despair when I hear freeze advocates tell us, for the thousandth time, there is already enough nuclear power to blow up the world any number of times as if this settles the argument.

The sheer number of weapons has no meaning unless it is seen in some strategic, political and military context.

The nature of the Soviet buildup, the kinds of weapons they build, the military doctrines that govern their strategies and the philosophy of the men in the Kremlin, all have to be taken into consideration.

Our military forces, both nuclear and conventional, are wedded to a doctrine of defense and deterrence. Soviet forces, by the very way they are configured are wedded to a doctrine of offense and exploitation of weakness.

And yet the freeze movement treats both forces as if they were interchangeable pieces on a chessboard.

They always ask the question: Would you exchange our forces for the Soviet forces? They then quote American generals and admirals as saying they would not make such an exchange.

Of course they would not. Our forces are geared to our strategy and our national purpose. But that does not mean the Soviet forces are inferior. It simply means the Soviet forces meet the offensive-minded requirements of the Soviet national purpose.

The relevant question to ask is: How does each side's present capabilities fit into its strategies? When you ask that question you see that a freeze disregards such crucial questions as motivation, military doctrine, and ideological imperatives.

The freeze movement seeks to reduce the complexities of nuclear arms to a simplistic "either-or" statement as the gentleman from Alabama (Mr. DICKINSON) said earlier "Either you are for a freeze or you are for nuclear war".

Such simplicity, aside from being insulting to opponents is naive and dangerous.

Freeze leaders in their recent convention openly stated the freeze resolution is only a first step in a political master plan.

They will also ask the Congress to pursue legislation that would ban funds for testing of warheads of delivery systems—bombers and well as missiles—by the United States. And they threaten political retribution against those who refuse to go along.

They come to us with the dove of peace in one hand and a political club of retaliation in the other.

Forty-five years ago the Western World faced a situation quite similar to the one we face today.

In those days they did not have a freeze movement. But they had their own allegedly certain method of insuring peace. This method also attracted many well-meaning, decent people concerned about peace, just as the freeze does.

It was called the Munich agreement.

Prime Minister Chamberlain "called upon" Herr Hitler to be peaceful just the way the freeze leaders would "call upon" Comrade Andropov to follow our lead in eliminating weapons after Congress had voted to stop the funding.

But Churchill knew what was coming. He told his colleagues who were cheering the Munich agreement:

> This is only the first sip, the first foretaste of the bitter cup which will be proffered to us year by year, unless, by a supreme recovery of moral health and martial vigor, we arise again and take our stand for freedom as in the olden time.

Let me for a moment speak to those who are thinking of voting for a freeze but who are not part of the movement.

This freeze resolution is only the first sip of the bitter cup that will be proffered to you. Again and again you will be told to cut funds for one weapon and then another and then another.

If you hesitate you will incur the self-righteous wrath of the moralistic minority of national freeze leaders. They will say: "You have taken the first step. You must take another and another."

When will you say "No" to them?

On the B-1? On the MX? On the Trident? On the Pershing II's? On cruise missiles?

Somewhere along the line if you love peace and freedom you are going to have to say "No" to this well-planned, well-financed movement toward unilateral disarmament.

If you are going to have to say "No" sometime, why not now?

So I ask you to resist this freeze. Help our Nation recover its moral health and martial vigor.

As Churchill said: Let us take a stand for freedom, as in the olden time.

Mr. Chairman, I yield to the gentleman from Arizona (Mr. RUDD.)

Mr. RUDD. I thank the gentleman for yielding.

Mr. Chairman, the resolution before us, House Joint Resolution 13, asks this body two fundamental questions: What are we intending to freeze and why?

The danger that his resolution brings is that the answer to the "what" involves not only hardware, but strategic, theater, and tactical policy, and historical and current national security policy. The answer to the "why" involves, in many cases, assumptions based on misunderstandings of global politics, national intent, and more importantly, national will in the nuclear age.

What are we going to freeze? In one simple sentence, this resolution will freeze in place a strategic and theater imbalance between the United States and the Soviet Union which has been the result of a policy of virtual unilateral disarmament by the United States, and a parallel massive, unprecedented, arms race on the part of the Soviet Union. Furthermore, this freeze will have a deadly effect on our ability to respond in a conventional manner to threats to our interests and the interests of freedom throughout the globe.

In examining just what will be frozen, we are being told that this freeze will simply stop production of nuclear weapons and allow the stockpile of the massive overkill potential that each nation has to remain at today's level. Without going into the naivete of the loosely tossed around term, "overkill," this interpretation of the freeze resolution is, at best, a dishonorable piece of sophistry, and at worst, sheer criminal negligence to the facts of life in the real world today. What are the facts of our comparable force structures and strategies?

Our strategic forces are composed of a triad of land-based ICBM's, bombers, and submarine-launched ballistic missiles. Since 1960, our strategic land forces have been composed of three different generations of ICBM's: The Titan II, the Minuteman II, and the Minuteman III. Since 1968, over 14 years ago, we have frozen the number of ICBM launch vehicles. Since 1974, we have frozen the number of re-entry vehicles on those ICBM's. On the other hand, the Soviets, since that time, have deployed nine separate versions of ICBM's, and their force now consists of numerous SS-11's, SS-13's, SS-17's, SS-18's, SS-19's. That is many hundreds of launch vehicles and thousands of warheads, a steadily increasing land-based, ICBM force. In addition, the Soviet Union is currently testing and developing four fifth-generation ICBM's; the United States is developing, and has not yet tested one new ICBM, the MX missile.

The sea-based strategic forces are comprised of submarine-launched ballistic missiles and cruise missiles. The United States has, under the SALT agreements, 544 sea-launched ballistic missiles, comprised of Poseidon SLBM C-3's, and Trident SLBM C-4. The total number of re-entry vehicles is

over 5,500. The Soviet Union has 950 sea-launched ballistic missiles, comprised of three generations of missiles, the SS-N-6, the SS-N-8 and the SS-N-18, with over 1,500 re-entry vehicles. While the United States has an advantage in quantitative re-entry vehicles, it should be noted that the accuracy, range, and yield of the Soviet SLBM's significantly diminishes any quantitative advantage. It should be noted here that a freeze on nuclear weapons would leave the United States with a quantitative advantage in sea-launched ballistic missiles, but would not prevent increasing Soviet effort in antisubmarine warfare, a potentially lethal threat to the sea-based leg of our nuclear deterrent triad.

The Air Component of the Strategic Forces of the United States under the SALT agreements is comprised of 347 aging B-52 bombers, a plane introduced operationally under the Eisenhower administration. In addition, that force is augmented by 56 FB-111 bombers, but that is offset by retirement of a like number of B-52D model bombers. Currently, the United States has under development, and will soon have in production the B-1 bomber, a plane originally designed to be in production over 8 years ago.

By contrast, the Soviet Union Strategic Force under the SALT agreements is composed of 356 heavy bombers, including three generations of bombers, the Bear, Bison, and Backfire. The current Backfire production line turns out 30 new bombers per year. In addition, the Soviets are testing a superior new generation heavy bomber, the Blackjack, which is expected to enter the operational force and is superior to the nonexistent B-1.

In the deployment of long range-intermediate range nuclear forces, the Soviet buildup and advantage is awesome. Right now, the Soviets have hundreds of long range-intermediate range launch vehicles comprised of SS-4's, SS-5's, and the highly mobile and accurate SS-20's. They have the current capability of launching well over a thousand independently targeted nuclear warheads in the western theater. The United States has planned to deploy the Pershing II missile system and the ground-launched cruise missile in response, but none are deployed at this time.

The disparity in hardware is clear, not necessarily overwhelming, but visible and visibly growing. That is the seductive feature of this freeze resolution. A glance at the numbers of warheads in stockpile seems to indicate that a freeze would not be catastrophic in terms of strategic or theater nuclear balance between the United States and the Soviet Union.

However, the "what" we are freezing in this resolution is not just hardware. In fact, a simple freeze of the numbers of warheads or hardware is the least worrisome aspect of this "freeze" resolution. The most disruptive effect of this resolution is on the trends of comparable force structure growth, and on the underlying political and military policies of the two nations.

The United States has assumed a veritable "freeze" on its strategic forces for the past many years. The deployment figures bear this out. On the other hand, the Soviet Union has pursued an incredible policy of expansion and upgrading and modification of its nuclear forces. The United States has pursued a halting, sometimes almost random upgrading, policy for its strategic forces. The key to nuclear deterrence is accuracy, survivability, and consistent and determined policy with regard to the use of that deterrence. The overwhelming disparity between the two nations' commitment to this aspect of its strategic and theater nuclear forces is painfully obvious. In each of the "legs" of the strategic and nuclear force—air, sea, and land—the Soviet Union has pursued a policy of expansion, and multigenerational improvement, while the United States has frozen its force levels, and pursued a relatively slow upgrade and modification of its forces. Furthermore, the Soviet policy of integration of nuclear and conventional forces shows a dangerous trend toward use of those forces, something that is not reciprocated in the United States.

It is clear that the so-called "strategic nuclear arms race" has been one-sided: the United States has been walking on a treadmill while the Soviet Union has been "burning up the track."

Finally, an assessment of the "what" we would freeze with this resolution must include an analysis of the context in which the strategic forces of both nations operate.

Since 1917, the goal of the Soviet empire has been the political, economic, and military hegemony of the globe. Anyone failing to understand that simply has not understood what has been articulated and practiced by the Soviet leadership for many decades. The Brezhnev doctine of "wars of liberation" is simply the latest articulation of that policy. More importantly, the concept of the integration of strategic and conventional forces, combined with the Soviet philosophy of use of military power as a prominent tool of foreign policy, should shed some light on the ineffectiveness of a "freeze" resolution.

The most illustrative description of the impact of Soviet military policy lies in the recent developments of the Soviet Navy and its concerted effort to gain the ability to threaten the unhindered use of the world's sealanes.

Twenty years ago, the Soviet Navy was a coastal defense force. Now, it is a blue ocean navy second to none. In its development, that navy has pursued a calculated policy of domination of strategic land and ocean areas in concert with Soviet adventurism in areas such as South Africa, the Caribbean, and Afghanistan.

In the Middle East, the invasion of Afghanistan signals the revitalization of the age-old Russian desire for warm water ports. In addition, Soviet Backfire bombers, 100 of which are allocated to the navy, will be 500 miles closer to the Arabian Sea when based in southern Afghanistan. The object of concern here is the Gulf of Oman, and the Straits of Hormuz. The strait is the vital "choke point" for the ships carrying close to 60 percent of the needed oil for Western Europe. About 77 ships a day pass through this strait.

In Africa, Soviet adventurism in Ethiopia, Mozambique, and Angola threaten the security of the sealanes of the Suez, the Persian Gulf, the Gulf of Aden, and the Cape of Good Hope. The sea routes along the Cape of Good Hope have the third highest concentration of shipping in the world and that rate is increasing.

In our own backyard, in the Caribbean, the Soviet conventional and nuclear presence has risen alarmingly in the past 20 years. In Cuba, at Cienfuegos Bay, nuclear submarines are based and prowl this vital region. It is estimated that over 50 percent of our energy requirement will pass through the sealanes around Cuba by 1985.

In Asia, the Soviets have inherited an excellent deepwater port in Cam Ranh Bay, which sits astride a major shipping route linking the Sea of Japan and the Indian Ocean, and it is clear that nuclear-powered submarines have begun to patrol this area.

Clearly, the global strategy pursued by the Soviets is aimed at the vital chokepoints controlling the ties of commerce and security in the free world.

Again, the obvious must be stated. Given the philosophical and operational integration of Soviet strategic and conventional forces, a freeze resolution which sets in concrete a strategic imbalance, can do nothing but undermine our ability to preserve not only a nucear deterrent, but a conventional one as well. When one takes into account the historical and universally acknowledged imbalance between conventional NATO and Warsaw Pact forces, combined with the growing threat by the Soviet Navy to our vital choke points, it is painfully obvious that a freeze resolution would undermine our nuclear deterrent capability, and also undermine and even cripple our conventional response capability.

If we are committed to deterring agression at strategic locations on the globe, including the Western theater, and our ability to do so is undermined by a freeze, then a conventional force

buildup of colossal proportions is required. I would ask my colleagues: "Are any of you prepared to allocate the enormous sums needed to build up conventional forces to compensate for a weakened deterrent brought about by this "freeze resolution?" I think not.

Now, we turn to the "why" of this freeze resolution. Why are we going to freeze?

The answer is simple: "To reduce the threat of nuclear war and bring about peace."

That answer begs an obvious question: "Will the freeze reduce the threat of nuclear war and bring peace?" The answer is a resounding "No."

First, the "freeze" resolution would have an impact only on one nation's nuclear arsenal—ours. Enactment of this resolution would undermine our ability to construct meaningful arms limitations and reductions agreements because of its unilateral nature. This freeze eliminates any incentive for the Soviets to slow down or stop their alarming growth in military power and be used as a lever to decrease our military strength. Second, this freeze would keep the United States from modernizing its strategic forces, which grow more vulnerable each year. Seventy percent of the Soviet strategic weapons are on launchers less than 5 years old, over 70 percent of U.S. launchers are 15 years or older. Keep in mind here that possession of nuclear warheads alone is not a deterrent; the key is survivability and accuracy. Third, the freeze resolution would undermine whatever quantitative or qualitative advantage the United States has in air-and-sea-based legs or our triad. This freeze would do nothing to stop the growing Soviet ASW capabilities, or stop the comprehensive strategic air defense or civil defense programs in the Soviet Union. The Soviets have over 13,000 surface-to-air missiles for continental defense, over 7,000 air defense radars, over 600 modern defense interceptors, and the world's only operational ballistic missile defense program. In addition, the Soviets have a comprehensive civil defense program costing the equivalent of $3 billion annually. By contrast, the United States has less than 120 defense radars, including the AWACS planes, relies on 300, mostly 1950's vintage, defense interceptors, has no ballistic missile defense system, and no civil defense program. In short, the "freeze" would allow the Soviets not only to capitalize on strategic offensive capabilities, but would also further weaken our deterrent by cementing in a decided advantage in strategic defense capabilities.

Fourth, the "freeze" resolution assumes a policy of "verification" which is virtually technically impossible, and historically improbable. In addition, it assumes good will on the part of a negotiator who has blatantly violated existing treaties banning the use of chemical and biological weapons. Fifth, the "freeze" resolution makes no mention, much less a commitment, to fill the nuclear deterrent vacuum with a conventional force buildup.

Clearly, the fears and concerns that form the "why" of this "freeze" resolution are not addressed by the resolution. In fact, the effect of this resolution would lead to increased destabilization of the world scene, and have the opposite of the desired effect.

It has been said that this resolution represents a simple step toward a goal we all seek: Reduction or elimination of the threat of nuclear war and enhancement of the prospects of peace. This resolution is indeed simple: Simply naive and simply dangerous.

There is an old Chinese saying which goes: "The more you sweat in peace, the less you bleed in war." I would say that "the more you sweat in peace, the less chance you have getting into war."

I urge my fellow Members to vote against this resolution and vote for a resolution that supports a strategic nuclear policy which will bring effective and mutual reductions in nuclear arsenals which will truly help us deter war, not invite it.

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Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin (Mr. KASTENMEIER).

Mr. KASTENMEIER. Mr. Chairman, I rise in support of the nuclear freeze resolution.

Mr. Chairman, it should be clear to all that eliminating the threat of a nuclear holocaust is the most acute and urgent task facing civilization.

We, here in the United States, have been warned time and time again about the prospects of self-extinction brought by the existence and the stockpiling of nuclear weapons. Every President, from Eisenhower to Carter, has tried to remind us that there could be no such thing as victory in a war fought with such weapons. Yet, when we look back over all these years, the competition between the United States and the Soviet Union in the development of nuclear weaponry has proceeded steadily, relentlessly, without the faintest regard for the future of the human race. Both the United States and the Soviet Union have gone about the business of piling nuclear weapons upon nuclear weapons, missiles upon missiles, new levels of destructiveness upon old ones. Today, it is estimated that the United States, the Soviet Union, and the other nuclear weapons states possess more than 50,000 nuclear warheads. It is obvious that the vast resources of this planet are being devoted more and more to the means of destroying, rather than enriching, human life.

The world, however, was not meant to be a prison in which humanity awaits its execution. The choice is clear. We must either stop the nuclear arms race and proceed to reach an agreement with the Soviets and the other nuclear weapons states for nuclear disarmament or, some day, I fear that vast portions of our planet will face thermonuclear annihilation.

There is now strong public support in our Nation for a mutual freeze and verifiable nuclear arms reduction agreement between the United States and the Soviet Union. This sentiment was expressed rather dramatically in public balloting on state referendums last fall on the nuclear arms freeze issue.

My own State of Wisconsin led the way when it approved, last September 14, a referendum that stated "it is the desire of the people of Wisconsin to have the government of the United States work vigorously to negotiate a mutual nuclear weapons moratorium and reduction, with appropriate verification with the Soviet Union and other nations" by a vote of 641,514 to 205,018. It is obvious that the people of Wisconsin and those citizens in other States who voted for similar referendums last November are repudiating the nuclear arms race and are demanding the achievement of a real nuclear weapons disarmament treaty between the United States and the Soviet Union.

We, in the House and, in particular, the President, who, on many occasions, has expressed his opposition to a mutual freeze and verifiable nuclear arms reduction between the United States and the Soviet Union, should pay close attention to that powerful message cast by millions of Americans.

Mr. Chairman, the stockpiling of nuclear weapons constitutes much more of a threat than a protection for the future of the human race. The time has come for us to seek an agreement repudiating these nuclear weapons and to seek security in nuclear disarmament. The ending of the nuclear arms race and the achievement of real nuclear disarmament are tasks of primary importance and urgency. To meet this historic challenge is in the political and economic interests of all nations and peoples of the world as well as in the interests of insuring their genuine security and peaceful future. We must have the will and the faith to make a supreme effort to break the logjam on nuclear disarmament. We must view this challenge as an opportunity which time and history may not once again allow us.

We, here, now in the House of Representatives have the opportunity to go on record as favoring negotiations for a mutual freeze and verifiable nu-

clear arms reduction by voting for House Joint Resolution 13. Let us take this step which I hope will move us forward to what has to be the ultimate goal of banishing nuclear weapons from the arsenals of all nations. Let us look forward to the day when the threat of a nuclear holocaust no longer exists and when we can devote our common skills and full resources to the improvement of human life.

Mr. Chairman, as a cosponsor of House Joint Resolution 13, I urge the House to give its approval to this resolution.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. PEASE).

Mr. PEASE. Mr. Chairman, I rise in support of the nuclear freeze resolution.

Mr. Chairman, the most remarkable aspect of the nuclear freeze movement is its broad base of popular support. A Gallup poll taken in the last year shows that 72 percent of Americans questioned favor a United States-Soviet nuclear freeze. We would do well to listen to the commonsense of the American people today.

There is more widespread fear of nuclear war throughout the country now than at any time in the past 30 years. Americans from every town and village, Americans of every occupation, Americans of all political persuasions, Americans of every age properly question how a further buildup in nuclear weapons on both sides can possibly increase the security of either the United States or the Soviet Union.

Why does President Reagan feel it is necessary to spend more than $222 billion in the next 5 years on nuclear weapons programs alone before beginning to reduce them?

Why does President Reagan believe the Soviets will stand still in their weapons development, while we embark on a massive buildup of our nuclear arsenal to catch up with them or to exceed them.

Who wants to live in a world laid barren by nuclear warfare between the superpowers, presuming any of us will be around to make that choice?

Despite President Reagan's scare tactics, it is instructive to keep in mind that former Secretary of State Alexander Haig last April acknowledged that the much ballyhooed window of vulnerability relates to trends and not to contemporary reality. With unusual candor and clarity, he stated:

> In a contemporary sense, the United States is very, very strong and very, very capable, especially in the strategic area. Our stytems are both more sophisticated and reliable and more technologically sound.

We and the Soviets share a common, awsome responsibility for the survival of civilization. Surely that is reason to abandon posturing and to get down to serious, hard-headed negotiations for nuclear arms control. A mutual and verifiable nuclear freeze would be a significant step in the right direction For once let us vote our hopes and not our fears. I urge support for the resolution as reported from the House Foreign Affairs Committee.

Mr. ZABLOCKI. Mr. Chairman, I yield 1½ minutes to the gentleman from Kansas (Mr. GLICKMAN).

Mr. GLICKMAN. Mr. Chairman, it is said that a vote of the nuclear freeze resolution is pulling the rug out from under our negotiators. I submit that it does the opposite—it calls all nuclear powers on the carpet to begin the process of freeing the world from the very real possibility of nuclear devastation.

Even before it comes to a vote, this resolution is starting to have an impact. It has made the administration take the whole arms control question at least a bit more seriously than it had earlier. That progress is by no means enormous, but it is beginning.

We should pass this resolution so that the pressure stays on the administration to take arms control seriously and to have some flexibility.

If this resolution—which came so close to passage here in the House last year—is defeated, the message it will send to the administration is, I am afraid, that they have gone far enough and that their present posture is sufficient. It is not.

Mr. Chairman, there are good arguments on both sides of this question. For those who think that the resolution we are considering is radical or dangerous, I would point out three key words in the resolution: bilateral, mutual, and verifiable. We are not proposing in this resolution that the United States stop in its tracks while the Soviets go ahead with nuclear buildup. But we are saying that we should move toward a bilateral, mutual, and verifiable freeze as a meaningful and constructive first step toward arms reduction.

I would hasten to add that, until we agree to the concept of a freeze, we are going to be hard pressed to start the process of reducing nuclear stockpiles.

Finally, Mr. Chairman, I would urge my colleagues to think of this in the context of our overall defense and foreign policy framework. It is high time that we look at decisions we made in this body not as separate and unrelated, but instead as they relate to one another. I am now in the process of developing a proposal to establish a National Commission on National Security policy which will help us put these decisions and decisions on the other side of this coin with regard to what weapons systems we do need into perspective. Let me assure you that I, for one, am convinced that such a Commission would come to the conclusion that we can achieve our stated national security objectives within the guidelines that would be brought into play under this resolution.

I hope this resolution will be adopted and that we will go ahead to put our overall defense policy into context so that decisions that will be made in the future will recognize real defense needs without throwing money haphazardly at military objects.

Mr. Chairman, I support the Zablocki resolution and urge my colleagues to vote for it.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Chairman, I thank the gentleman for yielding this time to me, and I rise in support of the resolution and urge the Members to give expressions of the sentiment of the House on this day as a message to the people of our Nation so that they will understand we are terribly concerned about peace and the potential holocaust.

Mr. Chairman, as I did last August 5, I rise as an original cosponsor and ardent supporter of House Joint Resolution 13 the so-called nuclear weapons freeze and reductions resolution.

I view this as something far beyond a simple piece of legislation. It is in some respect a document which may determine our destiny—a statement of survival if you will. Our approval of this joint resolution will symbolize this Congress commitment to reducing the suicidal nuclear arms race—but in a fashion which will not jeopardize our own national security.

It is imperative that we consider this legislation in advance of the convening of the strategic arms reduction talks (START) scheduled to begin in Geneva in June 1983. It is vital that we go on record in support of specific objectives which we would want to see our negotiators pursue at these vital negotiations.

These would include negotiating for an immediate mutual and verifiable freeze. Proceeding from this base—the objective would then be to pursue substantial, equitable and verifiable reductions through numerical ceilings, annual percentages or any other equally effective and verifiable means of strengthening strategic stability.

Since last August—the national movement in favor of a mutually verifiable nuclear freeze has intensified. It began in the small town meetings in New England and spread like a raging brushfire to larger muncipalities all across the Nation. Perhaps the apex of this movement was achieved with a massive and peaceful rally in my home city of New York where more than 500,000 persons gathered in Central Park to show their support for an end to the nuclear arms race. Everywhere you examine this movement in this Nation you find it to be intergenera-

tional—old and young marching side by side with a unity of purpose—their future survival.

It is estimated that nuclear freeze resolutions have been adopted by 125 city councils by one or both houses in 13 State legislatures. Nuclear freeze referenda have been adopted in 9 States, 12 counties, and 22 cities. More significantly—in the past election in November more than 30 percent of the Nation's electorate had the opportunity to vote on State and local freeze referendums. Of those voting—60 percent supported the freeze concept. I venture that a number of my newer colleagues were in fact aided in their elections by taking a strong stand on this issue.

One harkens back to last August and remembers the vote by which the freeze initiative was defeated by a scant two votes. Rather than that development setting back the freeze movement—it produced something quite different—it allowed it to develop even further. Seizing on the impetus which led to the freeze movement in the first place—massive increases in defense spending—Congress late last year voted to delete some $988 million in research and development funds for the MX missile project. One does sense at this time that the climate has changed sufficiently to permit this resolution to gain House passage today.

I remain a supporter of this resolution because it strikes the necessary balance we must have if we are to make a substantive initiative in the arms control area. As I have stated in the past, a nuclear freeze cannot be considered a viable option unless it is strictly and mutually verifiable. A unilateral freeze is tantamount to compromising our national security. I would be no party to this resolution without the verifiable feature clear and visible throughout.

The nuclear freeze we seek in this resolution is critical to slowing the arms race now before either our Nation or the Soviet Union embark on a massive increase in existing nuclear arms. One estimate indicates that the United States would have to spend over $50 billion simply to keep pace with the Soviets. To institute a nuclear freeze would finally put an end to the dangerous obsession of both of the superpowers to achieve "nuclear strategic parity."

Let us give consideration to one staggering number. According to a new book "World Military and Social Expenditures" in 1982 military expenditures totaled about $600 billion with an additional $50 billion for research and development and $35 billion in arms trade. Since 1945 we have seen some 1,300 nuclear test explosions, and by the year 1981 they were averaging one a week. A freeze is vital if we are to slow the fiscal side of the arms race as well.

The resolution calls for a mutual reduction in existing stockpiles of nuclear warheads missiles and other delivery systems is equally as important. In 1960, the United States and the Soviet Union together had a total of 2,500 nuclear weapons—today just more than 20 years later the number is closer to 50,000. In addition to the astronomical growth in actual weapons over the past two decades we have also witnessed a rapid improvement in technological breakthroughs which has resulted in the development of even more sophisticated and consequently more dangerous nuclear weapons on both sides.

In the cases of both the freeze in future weaponry and the reduction in existing weapons—the key elements must be bilateralism and verifiability. It is clear that no one was watching the nuclear store when the massive inventories of weapons possessed by the two superpowers were accumulated. Unless there is a strict and mutual verification process accompanying a freeze resolution it will produce a far more ominous result—namely, a dangerous imbalance in nuclear weapons—under which case a freeze would result in the United States being reduced to a position of perpetual inferiority.

It is naive to have a discussion about a freeze in future nuclear weapons without a candid assessment of current strategic balances. From the prospective of myself and other proponents of this resolution—the United States and the U.S.S.R. have reached a point of rough parity in terms of our nuclear forces by virtue of us having numerical advantages in some areas and the Soviets a similar advantage in others. Our advantages are in the number of missile warheads—missile accuracy, cruise missile technology, and in the number of bombers and accuracy of bomber weapons.

Assuming this rough parity, it is entirely proper for us to pursue a nuclear freeze at this time—for in fact were we to delay this freeze it is likely that the balance would vanish as the Soviets have plans for massive buildup of their nuclear capacities and it would take an enormous commitment of U.S. funds to keep pace. If we assume that a freeze is in order—then it should be pursued with intensity with corresponding attention being directed at reducing existing stockpiles. I assure my colleagues as one who has traditionally voted for the strongest possible national defense—I would not lend my name to this nuclear freeze resolution if I thought the Soviet Union was in a superior military position to us and that a freeze would aggravate this imbalance.

Let me add to my comments that my support for this resolution does not translate into support for the position advocated by some that we should renounce first strike capacity in the event of a nuclear conflict. I find this to be an uncomplimentary position to the nuclear freeze and does work to our Nation's worst security interests as well as those of Western Europe.

Let us go back in history—the date was July 16, 1945—the place—Alamagordo, N. Mex.—the event—the detonation of the first atomic bomb in world history—named Trinity—the culmination of the Manhattan project. Fathom if you will the nuclear phenomenon is less than 40 years old—but look at the threat it poses to our very survival. Since that fateful day in 1945 we have seen the horrors of Hiroshima. We have seen the world brought close to nuclear confrontation several times in the past two decades. Today more than 30 nations have the capacity to build a nuclear bomb and too many of them are far too unstable to be vested with this awesome responsibility.

This world was warned by men like Einstein and Eisenhower about the growth and spread of nuclear weapons. Bernard Baruch in the year 1946 when he presented a U.S. plan to control nuclear weapons made a very simple statement "We are here to make a choice—between the quick and the dead. Let us not deceive ourselves we must elect world peace or world destruction." These are relevant words today as much as they were 36 years ago.

To me the choice is clear—existence or extinction. It is my fervent hope that as a nation and a world the nuclear arms race is abandoned and arms reduction becomes its replacement.

For 23 years I was a police officer in the streets of New York City. This means that for thousands upon thousands of days I faced death in the course of my daily duties. The nuclear arms race frightens me—for it poses the same risk of death for me as did my work on the streets of New York. Yet there is a major difference—as a police officer I had little control over those who might kill me—in the case of nuclear arms we have the resources to stop it before it kills anyone. This resolution is such a step.

The debate today is as important as any I have witnessed over my 14 years in this body. I stand for my position because I believe it is the best road for us to follow in the future. I support the nuclear freeze because I firmly believe that our only hope for future survival is to control the spread of nuclear arms now. I shudder when I think of the alternatives. Many of us have wives and children and even grandchildren. Let us consider them as we debate the pending resolution. Do we through our abdication today present them with a more dangerous tomorrow? Do we choose to live our remaining years in fear of a nuclear holocaust? I refuse to accept this premise

and therefore support the nuclear freeze.

Mr. ZABLOCKI. Mr. Chairman, I yield 1 minute to the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Chairman, I think this has been a marvelous debate. I just want to say that the very interesting thing I have seen happening all over the country is that women are saying that "historically men have been leaving home to wage war, and we are now leaving home to wage peace." And it is beginning to happen all over the world, not just in the United States.

Many of the women legislators here have been working very hard as we look at the budget alternatives which we will be working on next week. We see how huge military budgets crowd out essential items for human needs.

I think one key word in the freeze resolution is "verifiable," and the other key words are "mutual" and "bilateral." Everybody must realize that is what we are talking about. No one is talking about putting this country in a position that would jeopardize it. We are talking about turning it around and getting it moving in another direction, and polls show the women in this country feel deeply about that, as do many of the men.

I will be very happy to engage further in the debate as we get into the amendments. It is a very good thing that the Congress begins this session with this resolution because hopefully it will shape a new focus and a new direction that is long, long overdue by Americans and everyone else in the world.

Mr. Chairman, the following is a statement supported by many of the Congresswomen:

Mr. Chairman, as women legislators elected to use the power of public office to promote the security of our country and the welfare of its citizens, we are profoundly concerned about the escalating worldwide nuclear arms race. We believe a strong America is crucial to protecting our national security. However, we do not think the escalating worldwide nuclear arms race is an effective means toward achieving true national security.

We speak today because we care about the future of our children and our grandchildren. Women and children know the urgency of halting the arms race. Already, women and children feel the economic drain of bloated military budgets. Children bear the brunt of budget decisions that fuel the nuclear arms race and cut programs vital to their health, education, and welfare. Children feel the arms race in every health service that is cut back and in every school lunch that is not funded.

Continuing the nuclear arms race at its current breakneck speed, however, may do our children and grandchildren ultimate harm—deny them their right to have a future. We must make the decision to pursue the arms race or to stop it now. Our children must live by the consequences of our decision.

The cycle of confrontation, fear, and competition for worldwide influence between the two superpowers has escalated for over three decades and has now reached an unprecedented level of danger for the United States and the world. Nuclear overkill capacity has long since been reached on both sides. Technological advancements by the United States and the U.S.S.R. about to be put in place, push us dangerously close to nuclear war by accident or by design. No step upward in the arms race can bring greater security. We must look toward other creative paths to achieve that security.

We call upon our colleagues in the House of Representatives to take a rational, modest, and effective first step in achieving security and pass House Joint Resolution 13, an immediate, verifiable bilateral freeze on the testing, production, and deployment of new nuclear weapons by the U.S.S.R. and the United States.

At stake is America's children—our future.

Mr. ZABLOCKI. Mr. Chairman, I yield the balance of my time to the gentleman from Maryland (Mr. BARNES).

The CHAIRMAN. The gentleman from Maryland (Mr. BARNES), is recognized for 3½ minutes.

Mr. BARNES. Mr. Chairman, first of all, on behalf of my colleague on the Committee on Foreign Affairs, I want to salute our chairman, the gentleman from Wisconsin (Mr. ZABLOCKI), for his outstanding leadership on this issue and for bringing this resolution to the floor.

We are poised this afternoon at what can only be called an historic moment in the history of the Congress because I am convinced that we are today going to go on record in this body in favor of a resolution that expresses the finest values of the people of our Nation and expresses in large measure the reason that many of us were sent here by our constituents. There is no more important issue facing mankind than the effort to end the insanity of the arms race, and that is what the nuclear freeze movement is all about.

It is an expression of the concern of the people of America, indeed the concern of the people of the world, that we are in a headlong, inevitable race toward destruction if we do not find a way to get off of it. That is why so many of us have decided that the responsible and indeed the only patriotic thing we can do is to support every possible effort to reach agreements with our adversaries that are mutual, that are verifiable, that do not constitute in any way a unilateral disarmament on the part of the United States, but that give us a hope, the only hope that I know of that exists right now that is tangible, a hope that we can in fact find a way to bring an end to the insanity of the arms race.

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I have had a lot of privileges in my time in Congress, a little over 4 years, but I have never had a greater honor than being permitted this afternoon to close the general debate on the issue of the nuclear freeze resolution. I know how great the concern of my constituents is on this issue. It is reflected, as it is by your constituents, in the mail, in the calls, in the votes that they have taken in the towns in my district, town after town, city council, county council has voted in Montgomery County, Md., as they have voted in Vermont, as they have voted in New Hampshire, as they have voted in Colorado, as they have voted in California, as they have voted all across America for a nuclear freeze by the United States and the Soviet Union.

It is time, our constituents have said, for us to recognize the insanity of the path that we are on. It is time for us and the Soviets and every country in the world that has the capability of mass destruction through nuclear weapons to recognize the insanity of the continuation of the arms race and take every step we can take rationally, responsibly, as patriots, to bring an end to the arms race.

I would reject, and I am saddened, frankly, by the innuendo that we have heard today that those who support a nuclear freeze resolution are somehow un-American or somehow not concerned about the defenses of this country or somehow naive about the concerns that others have about the defense posture of the United States. It is really very unfortunate that that kind of debate has been entered into by some here today. Those of us who support the freeze recognize the need for mutuality, recognize the need for a bilateral treaty on this issue and recognize the need for verification; but we also recognize a fundamental requirement of public servants in a nation that has a nuclear capability; that is to work in every way conceivable to find the means to reduce the likelihood that that capability will ever be used. Our constituents are demanding it. The people of America are demanding it. And we have the opportunity this afternoon to respond in a positive and in a responsible way. I hope we will.

Mr. McCURDY. Mr. Chairman, I will reluctantly vote against House Joint Resolution 13 because I believe the evidence indicates that it represents a step backward from significant arms reduction.

Let us examine in realistic terms, what this nuclear freeze resolution will do:

First, it will place a leash and collar on our arms control negotiators in Geneva; and

Second, it will undermine U.S. leadership in the NATO alliance because it amounts to a unilateral breach of the 1979 agreement with the alliance to deploy Pershing II missiles this December.

On point No. 1, the freeze will make arms control more difficult because the Soviet Union would have little incentive to agree to any reductions once they are assured of a mutual freeze at existing levels of nuclear weaponry.

Point No. 2—regarding our commitments within the NATO alliance—becomes even more critical in light of recent public elections in West Germany. Our German friends demonstrated their intent to pursue the 1979 agreement until an equitable arms reduction accord can be reached. In fact, as of this day, no allied government has supported an immediate weapons freeze.

History has shown that negotiating an equitable arms control accord can be a very sensitive, emotional and time-consuming process. I hope our ongoing efforts will soon be rewarded with an agreement acceptable to both sides.

Mr. Chairman, I am particularly concerned that the administration is hampering arms reduction efforts with nominations like Kenneth Adelman and inflammatory rhetoric in the press. And, Congress is damaging the possibility of significant arms reduction by subscribing to media events like today's vote on House Joint Resolution 13 that speak to emotions and headlines rather than realities.

Mr. Chairman, I believe House Joint Resolution 13 has the votes to pass and it would be easy to jump on the bandwagon. I pray that this action sends the proper signal to the administration to negotiate in good faith. I also hope our allies do not perceive this as a weakening of our support for their efforts to provide for NATO security.

● Mr. RATCHFORD. Mr Chairman, I rise today in support of House Joint Resolution 13, the nuclear weapons freeze and reduction resolution. When the nuclear movement was in its infancy 2 years ago, I was approached and asked to lend my name to this cause. The case for a nuclear freeze was as compelling then as it is now, and I joined a number of my colleagues and thousands of Americans in calling for a bilateral, verifiable, nuclear arms freeze.

Two years later, the freeze concept has gained the attention and support of millions of Americans. These committed, concerned citizens have compelled the administration to the bargaining table in Geneva and the Congress to again debate the proposal.

The resolution before us today, Mr. Chairman, represents a commonsense approach to a problem that threatens the very survival of the human species. The mutual, bilateral, and verifiable approach to the nuclear freeze proposal allows us to call a halt to this insane and endless buildup with the concomitant flexibility to allow our arms negotiators to incorporate the freeze principles most effectively in the START and INF talks.

To those in the Chamber who would argue that a mutual, bilateral, and verifiable freeze would lock the United States into a position of vulnerability, let me say that a freeze on testing would lower confidence in the reliability of existing weapons on both sides. The end result would be that neither side would have the necessary confidence to launch a successful first strike. A freeze on testing and deployment could be easily verified by technical means available to both countries. Indeed, it would be easier to monitor a freeze than an agreement like START, as proposed by the administration, because any activity, detected would constitute a violation. Certainly, there are imbalances among segments of the triad between the United States and the Soviet Union, however, there is overall parity between our two nations.

There can be no winners in nuclear war. My three sons, and indeed, a whole generation of Americans, have lived their entire lives under a mushroom cloud. Further escalation of the arms race can only be more destabilizing. I do not want my sons' children and future generations of Americans living under this cloud. To even discuss the concept of limited nuclear war is ridiculous. I believe America can be strong without being gold plated. Americans can be tough without being insensitive and Americans can have a strong national security without insanity.

Mr. Chairman, the resolution before us today is a fresh, innovative approach to a most serious problem. It is supported by millions of concerned and conscientious Americans. We can either seize this opportunity here today to make a concerted effort to halt the arms race and send a message to the world that the United States is committed to peace, or, Mr. Chairman, we can reject this resolution and signal the world that the United States will continue to squabble over relative strengths and weaknesses which may never be resolved. Let us have the courage and conviction to take this very real step toward halting the nuclear arms race and enhancing global security.●

● Mr. WASHINGTON. Mr. Chairman, it is both a priviledge and a moral obligation to lend my support to House Joint Resolution 13. This resolution which simply calls for a negotiated freeze on and reductions in the number of nuclear weapons produced, maintained and deployed by the United States and the Soviet Union enjoys a broad base of public support. In the November 1983 elections, more than 30 percent of the Nation's electorate had the opportunity to vote on State and local referendums calling for a nuclear freeze in one form or another. It is significant that 11.6 million people, or 60 percent of those voting, supported a freeze on nuclear weapons of the sort which we now consider. Comparable resolutions have been adopted by numerous States, counties and cities. Many more have endorsed the proposition. This body, last year, narrowly defeated, by a vote of 204 to 202, a resolution calling for mutual reductions in nuclear weapons by the United States and the Soviet Union.

Recent actions by the administration regarding our arms reduction negotiations with the Soviet Union have generated renewed public doubt as to this Nation's commitment to serious arms reductions. Concern also exists among our Eueopean allies regarding the administration's inflexible negotiating stance at the intermediate range nuclear force talks. The administration's arguments that our nuclear forces are inferior to those of the Soviet Union have been reviewed by numerous knowledgeable and credible individuals whose stake in the survival and security of this Nation is as great as that of any other American including the President. American leaders like McGeorge Bundy, George Kennan, Robert McNamara, Gerard Smith, and Paul Warnke have endorsed the proposition that "there is not current or prospective Soviet 'superiority' that would tempt anyone in Moscow toward nuclear adventurism," and that the United States is "not inferior in its capacity to deter nuclear war"; and that "it should now be apparent, nuclear weapons are good for nothing else." Beyond that, most military experts agree that the United States and the Soviet Union are presently at nuclear parity. Both have the capability to destroy the other under any nuclear war scenario. And the situation grows worse. In his position paper on this issue, Representative MARKEY indicates that the arms race is getting out of control; that both the United States and the Soviet Union are producing more accurate and more powerful first strike weapons; and that technological developments on both sides are advancing so far and so quickly that it may become impossible in the future to negotiate any verifiable treaty.

The nuclear arms race has present as well as prospective negative conse-

quences for all Americans. Budget proposals developed by the administration call for huge, unprecedented military expenditures. There was $280.5 billion in budget authority requested for defense in fiscal year 1984, of which more than $44.2 billion is for nuclear arms and strategic forces. In order to pay for this buildup, all other domestic social programs have been cut drastically. Thus, even assuming that we avoid nuclear warfare, the nuclear arms race may nevertheless doom us to severe domestic hardship and budget deficits of unprecedented magnitude.

We must recognize that a bilateral nuclear freeze is the single most positive step we can take at this time toward ending the nuclear arms race, halting nuclear proliferation and initiating the process of reducing the world's nuclear arsenals. Our actions here today must reflect a determination to take decisive steps likely to achieve this goal. We dare not adopt any resolution here today which is less than certain as to objective, less than decisive in terms of its mandate and less than positive as regards our commitment as a nation and our confidence that the United States and the Soviet Union can agree on an end to the nuclear arms race.

Nuclear arms control is very important to us on another level. Nuclear warfare promises to destroy, not just the United States, but all the other nations of the world. It threatens to destroy nations like the United States and the U.S.S.R. who would perhaps start a nuclear war. And, it threatens to destroy other smaller nations, including many developing nations who are not parties to the conflict, but sit downwind from the fallout.

No conflict between the governments of northern Europe and the United States can justify the destruction of all mankind. No nation, nor any group of nations, in pursuit of their own goals, has the right to threaten the rest of the world with nuclear destruction. Nuclear warfare is simply not feasible as a method of conflict resolution. We must renounce its use in our foreign policy. To base a foreign policy on the threat of nuclear destruction is unrealistic. It is morally and intellectually bankrupt. It is time we stopped pretending.

The Members of this Congress are part of a generation which has witnessed the horror of nuclear warfare. We have seen the enduring devastation which it can inflict upon a Nation and a society. Thus we can act with a specific knowledge which future generations may not possess. No one can state with certainty what will come of our passage of this resolution. But, as one freeze advocate notes, the policy of seeking security through more nuclear weapons has been tested now for too much time. We know where that policy is headed. It is time to do what we can to end the nuclear arms race. For these reasons, I urge each of you to join me in support of House Joint Resolution 13.●

● Mr. BEILENSON. I would like to express my strong support for House Joint Resolution 13, which calls for a mutual, verifiable freeze on the testing, production, and further deployment of nuclear weapons. Halting the buildup of nuclear weapons is the most fundamental and immediate problem we face today. The United States and the Soviet Union have a common, overriding interest in national survival and the prevention of nuclear war, and nothing would more effectively reduce the threat of nuclear war than a bilateral nuclear weapons freeze.

By capping the nuclear arsenals of both sides, a mutual freeze would halt the quantitative nuclear buildup. With over 9,500 and 7,000 strategic nuclear weapons respectively, the United States and the U.S.S.R. now possess roughly equivalent strategic arsenals, and neither side is going to allow this situation of parity to be changed. The past 40 years have shown that any nuclear arms buildup undertaken by one side will be quickly and ably matched by the other. When the missiles carried by just one of our nuclear submarines are capable of destroying every large and medium-sized city in the Soviet Union and a fraction of Soviet strategic forces likewise holds us hostage, concepts such as achieving "nuclear superiority" or building a "strategic advantage" are completely meaningless. An arms freeze recognizes that our security is not enhanced by procuring more and more nuclear weapons.

A bilateral nuclear weapons freeze would stop technological advances in the arms race as well. It would prevent both sides from going ahead with the next generation of increasingly dangerous and destabilizing new weapons systems. For the Soviet Union, a freeze would mean that the 10-warhead, solid-fuel ICBM they are now testing will not be deployed, and that a new bomber they are reportedly developing never joins their fleet. It means the Soviets will not be able to test or put into operation depressed-trajectory, submarine-launched ballistic missiles that could knock out our bombers in a surprise attack. For the United States, a freeze would mean that destabilizing new systems such as the MX missile, Trident II D–5 missiles, and Pershing II missiles—which will be able to reach Soviet territory in just 6 minutes—will not be deployed. The increased speed and accuracy of these new Soviet and American systems push us both closer to a precarious "launch-on-warning" strategy and greatly increase the risk that nuclear war will be started by computer malfunction or electronic error. By restraining technological advances in the arms race, a freeze would add to the stability and security of both sides.

A nuclear freeze would ease the way for further arms reductions. We urgently need to enter serious discussions with the Soviet Union and negotiate deep, equal reductions in our arsenals—such as an overall 50 percent cut as proposed by Soviet specialist George Kennan. Taking a more realistic approach to the ongoing talks at Geneva would be a good place to begin; building on SALT II and negotiating a SALT III agreement which achieves substantial reductions would be another constructive step. Progress on a host of other arms control initiatives would be encouraged by a freeze.

A nuclear freeze would result in substantial cost savings for us. The administration's 1984 budget proposes a 36-percent increase in funding for strategic weapons over last year, as compared with an 8.6-percent increase for conventional forces. Going ahead with new strategic systems such as the MX missile and the B–1 bomber, in the absence of any serious efforts at arms control, is not only dangerous to our security, but will aggravate our economic and budgetary problems as well. Canceling these two systems alone would save $13.5 billion in 1984 and a total of $46.8 billion over 5 years. In fact, this administration proposes to spend $220 billion on new nuclear weapons of all kinds over the next 5 years, with the objective of producing 17,000 additional U.S. nuclear warheads in the next decade. At a time of unprecedented budget deficits, deep cuts in domestic programs, and legitimate conventional force needs, fiscal constraints alone should make us think twice before embarking on an enormous buildup of new strategic forces.

The American public has overwhelmingly voiced its support for a bilateral nuclear weapons freeze. Such a freeze would dramatically reduce the threat of nuclear war and increase the security of our Nation. I strongly support the nuclear freeze resolution Congress is considering today.●

● Mr. BURTON of California. Mr. Chairman, the people in California and across our country have given their votes and their voices to the extraordinary grassroots campaign for a nuclear weapons freeze. The goal of this citizens' campaign is nothing less than to preserve the future of the human race. The nuclear freeze movement is a movement of simple wisdom which surpasses the wisdom of the experts who have created the nightmare of nuclear weaponry.

Now it is time for the House of Representatives to hear and heed the heartfelt call of the American people for an end to the insane nuclear arms

race. It is time for us to consider that all we have done here for human progress, in all the years of the Congress, could be wiped out forever in minutes in a nuclear war. It is time for President Reagan to hear this message as well, and to negotiate seriously with the Soviet Union for a mutual and verifiable freeze and then a reduction in the enormous nuclear arsenals on both sides.

The American people understand that the United States and the Soviet Union now possess the capacity to destroy each other's society many times over. Our people understand that further escalation of the dangerous and destabilizing nuclear arms race will only undermine our national security and divert billions of dollars away from vital human needs into weapons production.

Today we can take an historic first step in making our world free of the terror of nuclear war. I urge my colleagues to adopt the nuclear freeze resolution.●

● Mr. BROWN of California. Mr. Chairman, last August Congress failed to pass a strong, immediate, and verifiable nuclear freeze. Since that time, the American people through public referendums, demonstrations, correspondence, lobbying, and other forms of democratic action have reiterated their support and endorsement of a nuclear freeze. As one of the two main builders of nuclear weapons, it is time for the United States to heed the desires of its citizens, and take steps to halt the arms race.

For nearly 40 years, since World War II, we have adhered to the theory that arms are the best way to prevent war, that force is needed to control force. Now there are 50,000 nuclear warheads in the world. We have not achieved peace in that time, but merely the absence of nuclear war.

The nuclear threat will never again be totally eliminated; we cannot turn back the clock. But we can move the clock forward toward true and lasting peace. I am convinced that we should begin with a bilateral freeze on nuclear weapons. But it should not end there. The United States and the Soviet Union are not alone in nuclear capability. Secure peace requires the participation of all nations. In 1961, John McCloy and Valerian A. Zorin negotiated the U.S.-U.S.S.R. Joint Statement of Agreed Principles for Disarmament Negotiations, which outlined a multilateral framework for disarmament. The preamble of House Joint Resolution 13 recognizes the contribution of the McCloy-Zorin agreement, and its correlation to the freeze.

Some will argue that 40 years of tension and confrontation show that the United States must continually increase the numbers and destructive power of its weapons. I believe that if we fail to resolve our differences and reduce our nuclear stockpiles, we shall have no second chance.

What we are doing with our present START and Intermediate-Range Nuclear Force (INF) negotiations, and have been since World War II, is tinkering at the fringes of an ever more perilous situation. We have got to stop this tinkering, this negotiating for some marginal advantage, and get down to the fundamental question of global security for all people.

I have great faith that the American people will eventually decide the proper course. They have become more knowledgeable about nuclear arms, and more insistent in demanding arms control. The American people realize, even if their leaders do not, that the nuclear arms race is insane; they realize that sane people must get together and reverse it. Americans, I think, are smarter than their representatives, and they know what the real problem is.

Plutarch recognized that we cannot deal with political problems in an episodic way: "They are wrong," he said, "who think that politics is like an ocean voyage or a military campaign, something to be done with some end in view, something which levels off as soon as that end is reached. It is not a public chore, to be gotten over with; it is a way of life." If we are serious about the most important problem of modern politics, the problem of peace, we must make it a lifetime concern. As individuals, we must devote a lifetime of effort to it. As representatives of the American public, we must begin today by endorsing House Joint Resolution 13, and make our world a little saner.●

● Mr. RANGEL. Mr. Chairman, I rise today in strong support of the nuclear freeze resolution—House Joint Resolution 13—and in strong opposition to the administration's substitute.

The nuclear arms race threatens all civilization. The very devices originally designed for our protection may become the tools of our own destruction. The Soviet Union and the United States together have the nuclear firepower to end civilization as we know it. All the great victories of civilization—from the Greeks to our own great Republic—can be swept away in a giant nuclear fireball. In all recorded history, never has man had such a power as we do today.

Perhaps this is mankind's most difficult test. Will we rise to it, or will our foolhardiness lead us to end history by ending man? That is our choice; there is no in between. Those who speak of winnable nuclear wars are deluded. In a nuclear war, all mankind will lose, and it is useless to debate whether we or the Soviet will rule over the hundreds of thousands of square miles of nuclear rubble that was once the Earth.

Yet this administration, but its words and by its actions, has lobbied continually for more and more nuclear weapons while demonstrating a disdain for serious arms limitation talks, a policy which can only lead us closer to a nuclear conflict.

The President has proposed a $1.7 trillion military budget over the next 5 years, the emphasis of which is on the development, production and deployment of new, unproven and unnecessary nuclear weapons.

He has shown an almost theological obsession with nuclear hardware. He continues to insist that we deploy the MX missile although not one of the many experts he or the Congress has consulted can suggest a way that the missiles could possibly be protected from a Soviet strike. That means that he wants to deploy missiles that are obsolete before they are even in the ground.

He has nominated a man to be our chief arms control negotiator who has no experience in nuclear arms negotiations and who has referred to negotiations as a sham. Not even the appropriate committee in the other body—which is controlled by the President's own party—would go along with him on that one.

Finally, the President's intransigence in negotiating intermediate range controls has deeply concerned our European allies, who have been urging American flexibility in the talks. This is the record of a man disdainful of arms control, a man whose dedication to a nuclear buildup seems unrelated to a rational purpose.

This is also the record of a man with the gall to suggest that proponents of the freeze proposal are either Soviet sympathizers or have been taken in by Soviet propaganda. This is an insult to the millions of patriotic Americans who have lent their well-considered and thoughtful support to the freeze. These Americans understand, as the President does not, that too high a level of nuclear arms is as dangerous as too low a level, that overkill threatens us as much as weakness.

Today, our nuclear arsenal is strong enough to sustain a full first strike from the Soviet Union, and still retain the capability of destroying their nation in a counterattack. It is in this ability to counterattack that our safety lies. A freeze would maintain that ability and protect our security. A freeze would preserve the rough parity that exists between the United States and the Soviet Union.

Finally, I would like to say a word about the administration substitute to the freeze. The substitute would permit the United States to continue to build nuclear weapons in order, they say, to better pursue an arms reduction policy. To me this is "Voodoo Arms Control", trying to reduce nucle-

ar arms by building more of them. Two years ago, the House of Representatives went along with President Reagan's "Voodoo Economics" plan, and the result has been economically disastrous. We cannot afford to go along with his "Voodoo Arms Control" plan, as the stakes are simply too high.

I was proud to cosponsor the freeze last year, I am proud to cosponsor it this year, and I urge a vote in its favor.●

● Mr. FRENZEL. Mr. Chairman, I rise in support of the Broomfield substitute to the Zablocki nuclear freeze resolution. I rise not in opposition to the Zablocki resolution, but instead in favor of arms reductions, and for the greater chance for reductions offered by the Broomfield resolution.

The whole issue of arms control has evolved and expanded at a very rapid rate over the past few years. More and more Americans are becoming aware of the risks of nuclear war, and of the necessity to find alternatives to continued expansion of nuclear arsenals. The freeze proposal has become a rallying point for those who want to put an end to the dangers of an arms race.

It is important to emphasize, though, Mr. Chairman, that the debate today is not one for or against arms control. Instead, it offers a choice between two arms control policies. In my judgment, a policy of reductions followed by a freeze, embodied in the Broomfield resolution, offers the best arms control alternative.

Mr. Chairman, I do not oppose a nuclear freeze treaty—I believe instead that reductions offer a more positive course. The United States and the U.S.S.R. hold awesome nuclear weapons capacity in which civilian populations, cities and economic capacity would be devastated in even the most limited of conflicts. A freeze treaty would not eliminate weapons, or limit the risk of nuclear war. A freeze treaty resolution, even if passed by Congress, would not end the expansion of nuclear arsenals. A freeze treaty must be negotiated, a process which could take years, as did the SALT treaties in their attempts to cap nuclear capacity.

Eventually, the United States and the Soviets must face the difficult task of reducing nuclear arms through mutual agreement. Only after reductions will we have acheived a worthwhile arms control agreement. These reductions should not be delayed, yet the initiation of freeze talks would postpone reductions for at least the duration of freeze negotiations. Moreover, I am concerned that a freeze treaty, rather than being a first step toward reductions, might put off the desire to negotiate reductions.

At the same time, Mr. Chairman, I believe that we are now offered a reasonable chance for success in strategic arms reductions talks (START) and in the intermediate-range nuclear force talks (INF). The time is particularly appropriate to pursue a reductions treaty. I believe that the United States and the Soviet Union recognize that it is in their best interests to negotiate real reductions in nuclear arms. Neither nation can afford the cost, or the risk, of a new arms race. Currently, we are near strategic parity, a critical precondition to meaningful negotiations. Moreover, we do not need the huge nuclear stocks held by both nuclear superpowers—they must be reduced radically.

It is almost universally recognized that reductions are the only way to reduce nuclear tensions—in fact, that is the objective of the freeze resolution as well. Some question, though, the administration's support of nuclear arms control and of reductions. The early rhetoric at some levels of the administration did not help. Fortunately, the President's position is now in support of arms control. In the last year and a half, the President has initiated the START and INF talks, in which the United States has taken the lead in negotiations. Some elements of our strategic improvements have been scaled down or foregone. Most recently, there have been indications from the President of new flexibility in INF talks, to find an interim agreement in dealing with European nuclear weapons. It is entirely appropriate, however, for Congress to continue to remind the President of our deep concerns about our arms control policy and, hopefully, the support his initiatives.

It is also important to recall that reductions treaties have been successful in the past. The Anti-Ballistic Missile Treaty, ratified in 1972; the Geneva Protocols on Chemical and Bacteriological Warfare, and the Biological Agents Convention, both ratified in 1975; were successful in strictly limiting or eliminating whole classes of weapons. As in the times of those negotiations, I believe that the United States and the U.S.S.R. have the political and diplomatic will to make the same reductions in nuclear arms. I do not believe we can miss this chance. Mr. Chairman, tough negotiations lie ahead, but I think that reductions are a step in the right direction.

The Foreign Affairs Committee and its able chairman deserve our congratulations for dealing with a difficult issue and reporting a good bill. I particularly applaud the inclusion in the Zablocki resolution the language of the Gore resolution—House Joint Resolution 61—a resolution which I strongly support. This resolution, now a part of the Zablocki resolution, calls for special emphasis in reducing the risk of first-strike nuclear attacks. I believe that reducing this risk should be our top-most objective in arms negotiations, and I hope we have an opportunity to add the Gore language to the Broomfield substitute. Some have suggested that a flaw in the START process is that it mandates quantitative reductions, but does not address qualitative improvements which could be potentially destablizing. I believe that this is a legitimate concern, and is addressed by the Gore resolution.

Despite the good work by the Foreign Affairs Committee, Mr. Chairman, I regret that they did not go far enough. An amendment was offered in committee which would have allowed a two-track approach, allowing concurrent negotiations on both a freeze and reductions. It is very unfortunate that the amendment was not accepted—in my judgment, the ability of the United States to pursue both objectives simultaneously would have made House Joint Resolution 13 acceptable. Had the committee included the amendment, I would have supported the Zablocki resolution. As it stands, however, it blocks prompt reductions negotiations while we engage in freeze talks.

I regret that this body could not have avoided the apparent conflict between House Joint Resolution 13 and the Broomfield substitute. My colleagues on both sides of the issue have pointed out that a vote for or against the freeze resolution is not a vote for or against nuclear warfighting. Others have pointed out the terrible risk of nuclear war, and called for prompt negotiations. We are in agreement about the necessity to act promptly and sincerely. We differ in beliefs as to how we can best decrease nuclear risks. I am compelled to support the Broomfield substitute, and urge my colleagues to also support prompt reductions in the superpowers' nuclear arsenals as the best course for meaningful arms control.●

● Mr. BOLAND. Mr. Chairman, we have too few opportunities on the floor of the House of Representatives to discuss matters that may be said to genuinely affect the future of the world. Today, in the debate on House Joint Resolution 13, the nuclear weapons freeze and reduction resolution, we have that kind of opportunity.

I am pleased to be a cosponsor of this year's freeze resolution and I urge my colleagues to support it. Last year, as a result of a tremendous national outpouring of concern about the nuclear arms race, a freeze resolution was brought to the floor of the House. Although that resolution was narrowly defeated, its defeat did not, as it could not, silence the call for a new approach to arms control. Our vote today on the freeze resolution can put the House on record in favor of a new direction in our strategic arms negotiations.

The freeze campaign has at times degenerated into a series of charges and countercharges calling into ques-

tion the patriotism of those who support or oppose the approach to arms control embodied in House Joint Resolution 13. I do not question anyone's motives. Regardless of the way in which they vote on the matter before us today, I believe that all of my colleagues in this House desire to end the nuclear arms race. What divides us is not a question of the need to end the arms race, it is a question of how to end that race while preserving the security of our country. The President would negotiate a reduction in nuclear arms levels first, and then implement a freeze at the reduced levels. House Joint Resolution 13 calls for the negotiation of a mutual, verifiable freeze on the testing, production, and further deployment of nuclear weapons first, and then continued negotiations to achieve reductions in the numbers of nuclear arms. We have tried for years to negotiate arms control agreements, with only mixed results. I believe that our mixed record of success is, at least in part, a product of the fact that the arms race continued as past negotiations were taking place. In my judgment, it is time to try a new approach. Why do we not see what kind of arms reduction agreement we can achieve in an atmosphere free from the frenzied scrambling for advantage which characterizes the nuclear arms race?

House Joint Resolution 13 does not call for unilateral American disarmament. It calls for a mutual and verifiable agreement to be achieved through negotiations. If the pursuit of a freeze agreement became the top priority of our Government, it should not take long to measure the reaction of the Soviet Union to it. If the Soviets are not interested in the freeze concept, that should become evident to the people of the world in a very short time. While that would be a regrettable development, at least it would be clear to all that the people of the United States were not afraid to bring new and challenging arms control initiatives to the bargaining table.

Both the United States and the Soviet Union have a responsibility to develop negotiating positions which seek to facilitate rather than impede nuclear arms negotiations. I believe that the freeze proposal is a promising approach to arms control that deserves to be presented to the Soviet Union. The potential consequences of continued efforts by ourselves and the Soviets to achieve a nuclear advantage should compel a serious exploration of any reasonable alternative. The American people, and I believe the people of the world, want an end to the nuclear arms race and they expect their governments to work toward that goal. I believe that the freeze proposal can contribute to that end and I urge that we take the steps necessary to find out.●

● Ms. MIKULSKI. Mr. Chairman, the issue we address today is the most basic matter facing humankind, survival. This resolution springs from the knowledge that all life on this planet is in imminent jeopardy from the madness of the arms race. This resolution is committed to the most basic of values—the desire to keep life going.

Unfortunately, the current administration fails to understand or appreciate these values. While we continue to debate this resolution, our present administration continues on an ever-increasing program of escalation—building and deploying deadlier and more sophisticated nuclear weaponry. Moreover, the efforts that have been made by the administration at arms control have been without real effect. They continue to insist that we must be allowed to add more weapons to our arsenal before real negotiations can take place. This sounds to me like more of the same talk that adds fuel to the arms race. In a never-ending contest for superiority, each side tries to gain an advantage—never recognizing that both are losers and that the fate of the world is the stake in their insane game.

The nuclear freeze issue is a middle America issue which came to public prominence from the realization by an increasing number of people that nuclear war must be prevented. Those who support the idea of a nuclear freeze understand that we need schools, not bomb shelters; highways and harbor dredging, not evacuation plans or delivery systems.

Efforts by the administration and its defense Brahmins to convince the public that nuclear war is survivable, even manageable, is a cruel deception of the American public. The idea that a more secure world can be obtained by adding more fuel to the arms race is simply a lie. What we are being sold by the administration is not security, but the image of security; not safety but the illusion of safety.

The Congress has a unique opportunity today—to strike a blow for peace and to take a step toward a safer and saner world. I urge my colleagues to support this resolution.●

● Mr. WAXMAN. Mr. Chairman, I rise in wholehearted support of House Joint Resolution 13, calling on the United States and the Soviet Union to negotiate a mutual and verifiable nuclear weapons freeze and major nuclear arms reductions.

I am deeply concerned about the possibility of nuclear war and believe its prevention should be our highest national priority. There must be a bilateral halt in the production and deployment of more nuclear weapons. Approval of this resolution would be a major move toward this goal. Failure to pass House Joint Resolution 13 would be to ignore the message we have received from the people of our country.

Never before have Americans been so unified behind an arms control proposal. They are not asking for unilateral disarmament, they are not asking us to weaken the United States. They are saying that enough is enough. They are demanding that we, the people they elect, act now to stop the nuclear arms race and proceed quickly toward reductions in nuclear stockpiles.

Today the nuclear stockpiles of the United States and the Soviet Union are extraordinary in their size and their capacity for destruction, and yet both nations continue to amass more. If we do not pursue a nuclear freeze and a reduction of nuclear arsenals, we only increase the possibility of a nuclear war starting by accident or design.

We will not damage our national security if we vote to adopt House Joint Resolution 13. In fact the time is now for a nuclear freeze, when the United States and the Soviet Union have equivalent nuclear destructive capacity.

A freeze, of course, is not the end and does not by itself offer any guarantee of avoiding nuclear war. We still must negotiate agreements leading to a reduction of nuclear weapons.

But at least a freeze will stop the spending the billions and billions of dollars in a nuclear arms race that provides us only with an excess of weapons and warheads that serve no purpose other than to push us closer to the precipice of world destruction.

It is the now up to us to act, to tell the President that we want him to increase his efforts toward fair, equitable, and mutually verifiable nuclear arms reductions.

As an early supporter of this concept and a cosponsor of the resolution last year and this year, I urge my colleagues to vote for the passage of House Joint Resolution 13. It is a responsible and constructive step toward meaningful progress.●

● Mr. STARK. Mr. Chairman, we are considering today the nuclear weapons freeze resolution for the second time in less than a year. And we are only here today because of the overwhelming grassroots support the freeze measure has generated. The American people are speaking. Last year the freeze resolution came within two votes of passage in this body, and due to the continued interest and support of the American people we are again considering this historic resolution.

We are a body dedicated to preserving this country by allowing the will of the people to be heard through legislation. In this instance it is clear: The American people want a nuclear weapons freeze. They want to live in a world safe from the threat of nuclear destruction. But more importantly, I

believe, they want their children to live safe from this threat, too. Our actions here today have a great significance for each and every one of us, but they have a greater significance for the children of this country.

The President warns us that we can only find safety through strength. But what has the attempt to increase our strength gotten us; relations with the Soviet Union have not been worse in over a decade. That "strength" threatens our very existence.

This resolution does not compromise our national security; it does cut off what has become a renewed nuclear arms race. This resolution does not place us at the mercy of the Soviets; it calls for a "mutual and verifiable" nuclear weapons freeze. This resolution does not send a signal that we are soft on communism; it shows the Soviets and the world, that we are committed to mutual nuclear arms control and reduction.

The passage of this resolution is critical to international stability, and will in fact, make the world a safer place to live. I ask you not to vote with yourself in mind, but think only of what is best for our children and grandchildren, and support the nuclear weapons freeze.●

● Mr. LIPINSKI. Mr. Chairman, today, the House will debate House Joint Resolution 13, which calls for a mutual and verifiable freeze and reductions in nuclear weapons. While I am a supporter of nuclear disarmament and the need to reduce tensions between the East and West I have some strong reservations about this proposal. Since the end of the Second World War this country has been in a race with the Soviet Union to achieve military superiority. Supporters of the freeze point out that each year billions and billions of dollars are spent on defense, and that both sides have the capability of blowing up the world many times over—so why do we need any more arms?

To begin with, the Soviet Union has a very poor track record when it comes to sticking to its treaty commitments. Time and time again the Soviets have reneged on their promises. They have violated the Helsinki accords, invaded Afghanistan, and continue to maintain their iron grip on Eastern Europe. A freeze at existing levels would lock this country and our allies into a position of military disadvantage. The freeze would prevent us from correcting existing dangerous deficiencies in our nuclear forces caused by the sustained Soviet buildup. Defense Secretary Weinberger, has stated that the Soviet Union holds a destabilizing advantage in strategic ballistic missiles, and that a freeze would lock the United States into a position of vulnerability. If both sides' nuclear forces are frozen at current levels, the Soviets will have no incentive to take our proposals for reductions seriously.

Before any freeze is negotiated I feel that the United States should insure four main principles. First, a substantial reduction in the number and destructive potential of nuclear weapons of both sides, must be agreed upon. The "reduce first" approach is essential before a freeze is imposed. We must seek agreements that will lead to mutual reductions to equal levels in both sides' forces. History has shown us that an unequal agreement, like an unequal balance of forces, can encourage coercion or aggression. Third and most important is verifiability. Arms control agreements with a highly secretive adversary like the U.S.S.R cannot be based simply on trust. The U.S. Government must have effective means of verification that enable us to know with confidence whether agreements are being honored. In practice, this means we must be able to monitor activities in the areas covered by such agreements in order to detect any violations; we must be able to do so early enough to permit us to assure Soviet compliance and take steps to offset the effects on any noncompliance. Finally, we seek agreements that will enhance United States and allied security and reduce the risk of war.

Because of all these concerns, I am compelled to support the Broomfield substitute to House Joint Resolution 13. This substitute would urge the United States and Soviet Union to work toward achieving a freeze on strategic nuclear forces at equal and substantially reduced levels, and to negotiate effective verification measures. House Joint Resolution 13, as reported out of the Foreign Relations Committee, would put this country into a position of military disadvantage and vulnerability and would frustrate negotiations to achieve nuclear arms reductions. Passage of this resolution, without adoption of the Broomfield amendment would dangerously and unnecessarily expose this country to Soviet aggression. Therefore I urge my colleagues to support the substitute.●

● Mr. ALBOSTA. Mr. Chairman, the nuclear arms race has reached a critical growth stage in our world today. The United States must recognize that action needs to be taken to reduce the threat of nuclear war and preserve our society for the future.

During the past year, millions of Americans have shown their strong support for this important freeze initiative. In the recent November elections, more than 30 percent of the Nation's electorate had the opportunity to vote on State and local freeze resolutions. All told, 11.6 million people, or 60 percent of those voting, supported a nuclear weapons freeze. This strong support represents the true feelings of the American people and demonstrates the far-reaching commitment to this cause.

Some believe we must build up our forces in order to be able to win a nuclear war. There can be no winners, only losers in a nuclear exchange. The Reagan administration is going ahead with its planned buildup. This strategy is more likely to stimulate the arms race because the Soviet Union will seek to offset any new weapons on our side with new deployments of their own. This policy will not bring global peace and stability to the world.

House Joint Resolution 13 represents the first step in reducing the threat of nuclear war. This resolution will send a clear signal to the administration and to the world that the United States is committed to reducing each side's nuclear arsenals and going ahead with further negotiations. We in the Congress have the responsibility to the people of this Nation to promote a mutual and verifiable freeze on nuclear weapons and reductions in the nuclear arsenals of the United States and the Soviet Union.

I urge my colleagues in the Congress to support House Joint Resolution 13, the nuclear weapons and reductions resolution, so that we can reduce the threat of nuclear war and preserve a future for our children.●

● Mr. GUNDERSON. Mr. Chairman, the present debate on defense issues may have far-reaching consequences for the West. If unhappily it were to compound misunderstandings and embitter mutual criticism, the discussion might unsettle public opinion, introduce profound divisions between the United States and the European countries and weaken security all around. Such were the summary introductory remarks of the French Foreign Minister, Claude Cheysson, in a New York Times editorial opposing, not supporting, the nuclear freeze. Unquestionably, it is enlightening that the French, normally extremely independent and, under De Gaulle, the advocate of a reduced American role in Europe, now state that "proposals for a nuclear freeze, however well intentioned they might be, seem to us dangerous for they could appear to many to be a first step toward American withdrawal."

Once again the House of Representatives will consider the Zablocki nuclear freeze resolution. Despite a two-vote margin of defeat last August, its passage is now apparent. I have been a supporter and cosponsor of this resolution for the last year and it is clearly a statement of the hope of the American people that arms control negotiations and reductions agreements be emphasized in this Nation's strategic foreign policy.

With the passage of the nuclear freeze in the House, but in light of the French reaction, we must all recognize

that differences in strategy and policy abound. Honorable people with honorable intentions can truly disagree on this issue. Americans' call for a nuclear freeze is a far cry from President Mitterand's statement before the West German Bundestag that, "The nuclear weapon, instrument of deterrence, whether one likes it or deplores it, remains the guarantee of peace."

This French reliance on the nuclear guarantee, coming at a time when that nation faces economic and budgetary constraints similar to our own, must not be ignored. They perceive Soviet defensive and political activities—the deployment of the SS-20's and the recent propaganda against NATO's Pershing II and ground-launched cruise missiles—as an attempt to undo the transatlantic link and to separate the defense of Europe from that of the United States. The French response to such a potential security loss, just as it has been for the last 20 years, is the improvement of its own independent nuclear force, the force de frappe, to maintain a nuclear capability at the minimum level necessary to make any power understand that France's capacity to respond is greater than the stake France represents.

This emphasis on the nuclear deterrent and, in fact, reduction in stature of the conventional capability, comes in the face of strong budget limitations. The United States currently faces similar economic difficulties, yet the reduction of our own conventional capability has played but a minimal role in the defense budget reductions debate. While I do not advocate a reduction in this area, this difference in defense policy between the United States and some of its allies further serves to illustrate the differing circumstances nations and people confront.

We must also recognize that a freeze does not currently exist, by ourselves or the Soviet Union, and that our true objective—mutual, equitable, and verifiable nuclear arms reductions—is, unfortunately, beyond our immediate grasp. Such reductions, if they are to be truly mutual, equitable, and verifiable in terms which both we and the Soviets can accept, must be included in an agreement negotiated by our two nations. The history of such negotiations, painstaking as they are, is not marked with rapidity.

As such, the Zablocki resolution presents a fair and honest expression of the American people that efforts to control the arms race and achieve reductions be expanded and emphasized. But the realities of the international climate and world political situation still mandate that a negotiated treaty be achieved. Clearly, the security concerns of both our own Nation and our allies must be attended. With this in mind, a unilateral freeze is unacceptable as it would serve neither our own interests nor those of the Atlantic alliance.

What, then, should our course be?

The Zablocki resolution clearly states that the United States shall make every effort to reach a common position with our North Atlantic Treaty Organization allies on any element of an agreement which would be inconsistent with existing U.S. commitments to those allies. In this spirit, and in view of the numerous European calls for a new American initiative, we should work with our allies toward a workable nuclear arms control agreement for the European continent. Admitting that any such proposal may receive Soviet rejection, the proverbial ball would at least be in the Soviet court, for what must be a workable counter offer.

This, then is the reason we should support the passage of this resolution today. Such action would send a message to Europe, the Soviets, and throughout the world, that the United States is committed to reductions in nuclear weapons and seeks positive results from present negotiations.

Yet, it is important to understand that this resolution protects the interests of America. It does not call for a unilateral freeze. I would oppose such action. It simply calls on the United States, in concert with our allies, to negotiate a freeze of the nuclear weapons buildup as a first step in our efforts to achieve the weapons reductions agreement advocated by President Reagan. This resolution calls on both Washington and Moscow to incorporate the START negotiations into this process.

As such, the passage of this resolution does not undermine our President and his foreign policy. Our resolution recognizes that any achievements in this area must be accomplished through negotiations with the final agreement being acceptable to both sides.

The concern of the American people must clearly be recognized. But, at the same time, those who are calling for a nuclear freeze must realize that an alternate, and equally plausible opinion exists on arms control issues of this nature. The French position on the freeze and nuclear weapons clearly bears this out. Since the goal of all concerned is similar—a guarantee of security for our nations, the alliance, and the world—our purposes will be better served through compromise and cooperation.

An acceptable solution to the immediate problem of arms control, on a limited nature, in Europe would provide a strong stepping stone for a comprehensive agreement between the Soviet Union and the United States. Such a reduction in tensions in a theater where a jump in the arms race appears imminent would establish momentum and a precedent for arms control agreements leading to mutual, equitable, and verifiable nuclear arms reductions.●

● Mr. BOUCHER. Mr. Chairman, today, this House will act on one of the most significant legislative initiatives of this session, a resolution to encourage the negotiation of a bilateral and mutually verifiable treaty with the Soviet Union halting the further development and deployment of nuclear weapons. In view of the essential parity in nuclear strike force capabilities which today exists between the United States and the Soviet Union, and in view of the urgent need to avoid an unaffordable reentering of the arms race by both nations, I am pleased to rise in support of the resolution.

We are all familiar with the arguments, both pro and con, surrounding this resolution. From coast to coast, the matter has been debated in town meetings, union halls, churches, and the halls of State legislatures. Last fall voters spoke with a resounding voice in referenda throughout the Nation in support of a halt to the increasingly dangerous arms race. The ground swell of support for this measure is an understandable public reaction to an administration which has failed to exhibit a sense of urgency in pursuing arms control and reductions.

An escalation of the arms race will produce devastating economic consequences for all nations involved. We in Congress can no longer justify an excessive nuclear weapons defense budget. We can no longer tell the unemployed coal miner or factory worker that the billions of dollars spent on new nuclear weapons systems make him more secure. The resolution before the House would enable the administration to reduce its $200 billion deficit while enhancing our Nation's security. I believe that this resolution recognizes the inherent link between a stable world economy and military security, and I urge its adoption.●

● Mr. STOKES. Mr. Chairman, I rise in strong support of the Zablocki nuclear freeze resolution (H.J. Res. 13) calling for a mutual and verifiable freeze and reduction in nuclear weapons of the United States and the Soviet Union.

Mr. Chairman, I would first like to take this opportunity to compliment the citizens of Ohio and those of the entire Nation for their grassroots effort to demonstrate to the Congress their earnest and sincere desire for a nuclear freeze. It was not the Congress who began this essential movement to put an end to the madness of the nuclear arms race but the people of America who had the courage to voice their concerns about the ever increasing threat of nuclear war.

The time is propitious for a bilateral freeze on nuclear weapons. Today, the

United States and the Soviet Union possess far more than enough nuclear warheads to destroy each other many times over. It would not matter who attacked first or who retaliates. Both sides would be destroyed.

Mr. Chairman, the first step in ending this nuclear arms race and the safest way of reducing any threat from the Soviet Union would be to support House Joint Resolution 13. By the same directness that has given the nuclear freeze movement wide popular appeal, House Joint Resolution 13 responds immediately to the ominous turn in the nuclear arms race. Logic dictates that the first step in reducing nuclear weapons is to stop building more. Any addition to the already enormous arsenals of the United States and the Soviet Union can only increase the risk of nuclear war.

Mr. Chairman, the President says he wants peace, but he budgets more for defense than anyone in history, at the expense of the economy, suffering Americans, and the environment. In addition, he is exporting more than $25 billion in arms to other nations. Further, he is increasing exports of nuclear technology, bringing nuclear capabilities to many small nations. The President speaks of retaining freedom for Americans but supports governments like El Salvador and South Africa that oppress their own people. He does not seem to understand the contradiction in this. As for the peace movement, he discounts it as orchestrated by the Soviet Union.

Rather than offering the people of this Nation a reduction in nuclear arms, the President's defense policies would permit the MX missile, the B-1 bomber, and an entire generation of new and modernized weapons to proceed apace in both the United States and the Soviet Union.

Mr. Chairman, the American people should be aware that the President, through his defense policies, is jeopardizing our first real hope for lasting peace and survival in this world—a nuclear freeze. The administration and the Members of this body must recognize, as a majority of Americans do, that a bilateral nuclear weapons freeze is the only hope for peace.

Citizens have again and again in the past year voted in favor of a nuclear freeze resolution. Can we, in Congress, do any less? If we are to avoid the unthinkable consequences of a nuclear confrontation then we must act now and show the world that rational minds still prevail in this land.

Moreover, the Congress, by seeking an agreement with the Soviet Union to achieve a mutual and verifiable freeze on testing, production, and the further deployment of nuclear warheads, missiles and other delivery systems, would be restoring the faith of the American people that our government is earnestly striving to deter nuclear war.

Mr. Chairman, I urge my colleagues to put aside all excuses that would prevent them from supporting House Joint Resolution 13 and I implore them not to be misled by the illusion of the Broomfield substitute. I beseech the House to reject the Broomfield substitute and cast their votes in support of House Joint Resolution 13, the nuclear freeze resolution.●

● Mr. MINETA. Mr. Chairman, today we have the opportunity to support a crucial step in the grassroots drive to end the nuclear arms race and reduce the threat of nuclear war. We must provide that support.

This legislation culminates the efforts of people throughout our country—efforts to inject sanity into the armament policies of two superpowers. Americans want their government to withdraw the modern sword of Damocles which now hangs over their heads. They want to be freed from the threat of nuclear annihilation.

Americans are driven by a hope that their children and grandchildren will someday live outside this omnipresent shadow of death. Unfortunately, the administration is unable to understand this laudable motivation, and instead of listening to pleas for sanity, administration officials question the integrity of their critics. They crassly and inaccurately assert that Soviet manipulation lies behind this movement.

The administration's callous approach to nuclear arms control increases the urgency of the movement to end the evil cycle of an upward spiraling nuclear arms race. We must help end this tragic, costly contest by voting for the nuclear weapons freeze and reductions resolution. I urge all of my colleagues to vote for House Joint Resolution 13 and reject all amendments that would weaken this resolution. It will show our solidarity with a sincere movement for a more secure world.●

● Mr. EDGAR. Mr. Chairman, humans have harnessed a cosmic force, the energy of stars, yet we are caught in our parochial arguments. To protect our perceived national interests we would risk destruction of civilization and even risk the extinction of humankind. We must take a broader view in our defense debate—including not only the well-being of all Americans, but of people all over the world, and generations of men, women, and children yet to come. We must ask ourselves: What is national security? What are we hoping to protect? Our system of government, our economy? Our friends and loved ones? In our preparations for nuclear war we risk sacrificing everything our Nation holds dear.

Nuclear war would be fundamentally different from other wars—not only in the numbers of casualties and the magnitude of the social deterioration. Following a major nuclear exchange the world might never recover from the damage to plant and animal systems, the meteorological changes, and the damage to the Earth's ozone layer. We do not need to be nuclear physicists to understand that these weapons have unprecedented power. And we do not have to be military strategists to understand that these weapons have totally different military significance. Nuclear weapons are fundamentally different from other weapons.

There can be no defense against a nuclear attack. It is very unlikely that a nuclear war could be limited. And it is preposterous to say that a nuclear war can be fought and won. In any nuclear exchange there is substantial risk of escalation into general nuclear war, with the resulting deaths of hundreds of millions of people and the possible destruction of civilization.

In light of these facts, it seems clear that nuclear weapons cannot be used for any rational military purpose. Many people have reached this conclusion. Still, we debate these weapons as if they are just more tanks or ships. We can improve and modernize our tanks and ships, but modernization will not help us out of our nuclear predicament. There is no technical or military solution to our nuclear problem.

Einstein said: "The unleashed power of the atom has changed everything except our way of thinking." He said that we need a substantially new manner of thinking if humankind is to survive.

We must redirect our debate about national security. Nuclear weapons do not contribute to our military strength. There is no rational use for them except to deter the use of other nuclear weapons. The irony is that even as we argue here we already have assured deterrent capacity. We have missiles on submarines that are invulnerable and will be invulnerable for the foreseeable future. One or two U.S. submarines can fire their missiles to destroy every major Soviet city and most military installations. The United States has adequate deterrence now and for the foreseeable future. Secure deterrence does not require more nuclear weapons systems. Indeed, the freeze does not go far enough. We need substantial reductions in the number of nuclear weapons.

If our nuclear arsenal cannot be used for military purposes, then it must exist for political purposes. Why do we proceed with the arms race? So that we will not be perceived by the Soviets or anyone else to be flagging in our resolve. That is a political motivation. I would strongly argue that in the area of political decisions we in Congress should not defer to the experts over at the Pentagon. This is where we debate politics. And in our

system of government it is ultimately the people who make the political decisions. Well, the people of our Nation have spoken, and they have spoken strongly and unequivocally. They say: "Stop!"

International competition in nuclear arms cannot be productive. We have other ways to display our national strength and resolve. We have other ways to counter Soviet atrocities and expansionism. We gain nothing and risk losing everything by threatening to use nuclear arms. In the area of nuclear-arms reduction, let us work with the Soviets. Let us not fall victim to the argument that if the Soviets want a nuclear freeze then we automatically do not want it.

Today, I join my colleagues in calling for a bilateral, verifiable, and immediate freeze on the nuclear forces of the United States and the U.S.S.R. This is what we call for:

First, suspension of underground nuclear tests. Tests in the atmosphere, underwater and in space are already banned.

Second, a freeze on testing, production, and deployment of missiles and new aircraft which have nuclear weapons as their sole or main payload. A specified number of flight tests of existing missiles and aircraft could be allowed to maintain confidence in their reliability.

Third, a freeze on the number of land- and submarine-based launchers for nuclear missiles. Replacement submarines could be built, but with no overall increase in missile launchers.

Fourth, no further warheads added to existing missiles.

Fifth, a halt to the production of nuclear weapons.

Sixth, a ban on the production of fissionable material for weapons purposes.

Beyond these things I call on my colleagues to work with me for substantial reductions in our nuclear forces.

Cynics laughed when Jimmy Carter said he was talking with his daughter, Amy, about the threat of nuclear weapons. Why was he not talking with the experts, they asked. Why do advocates of the freeze listen to children, and mothers, and fathers, and ministers, and doctors? It is because these people are displaying something that has been missing in the complex national security debates of the experts—commonsense. The people of our Nation are asking some simple, but critical, questions. If everyone knows that a nuclear war would be horrible, why are we preparing to fight one? They are saying that the best way to stop the arms race is to stop, not to stop after one more stage of deployment or after more weapons modernization. There is ample expert support for the nuclear freeze, but what has happened in the past year is that the public has decided that the country's nuclear weapons policy has lost any basis in commonsense and that the decisions should no longer be left entirely to the experts. The public is saying that fundamental decisions about their survival and the survival of their children are to important to hand over to the experts.

I am sure that some of my colleagues can produce expert testimony that procurement of this weapon or that weapon would lead to greater strategic stability. I am sure that they can produce expert testimony that modernization of this weapon or that weapon is advisable. I assure you that I can produce expert testimony saying that just the opposite is true, that the weapons would lead to greater instability. Where does that leave us? It leaves us with an arms race out of control.

Of course, we need detailed discussions of the capabilities of specific weapons held or planned by our side and the other side. But technical analysis is not a substitute for moral direction. Let us not lose our moral compass in debating which side has more megatonnage or missiles with greater throw-weight.●

● Mr. OTTINGER. Mr. Chairman, as a cosponsor of House Joint Resolution 13, the nuclear-freeze resolution, I rise to strongly support passage of this resolution. House Joint Resolution 13 is an important step in reversing an insane and wasteful nuclear arms race and is one of the most vital measures we will deal with in this Congress.

A bilateral nuclear weapons freeze would be in the interests of both sides. The United States already has far more than enough nuclear firepower to deter a Soviet attack. A Soviet first strike on the United States would be followed by retaliation so devastating that it would return the Soviet Union to the stone age. Indeed, 2 Poseidon submarines alone, representing a fraction of U.S. nuclear force, could obliterate over 160 Soviet cities, killing 30 million people. The Soviets are clearly aware of this and are deterred from attacking. The United States simply does not need more nuclear weapons.

Yet the Reagan administration is planning a massive expenditure over the next 5 years on nuclear weapons. If the administration gets its way, the United States will build 17,000 new nuclear warheads, new sea- and land-based ballistic missiles, cruise missiles, nuclear submarines, and strategic bombers. Apparently the administration has abandoned our long-held policy of deterrence and is seeking the ability to fight and win a nuclear war while stubbornly resisting genuine arms control. The administration has refused to push for the ratification of SALT II, abandoned negotiations for a Comprehensive Test Ban Treaty (CTB), sought major changes in the Peaceful Nuclear Explosions (PNE) Treaty and the Thresh-Test Ban Treaty (TTB), proposed abrogation of the treaty limiting space-based weapons, and is considering abrogating the Antiballistic-Missile Defense Treaty (ABM). In addition, the administration has proposed $4.5 million for civil defense, including ludicrous plans for delivering mail to the survivors of a nuclear holocaust. President Reagan's nomination of Kenneth Adelman to head the Arms Control and Disarmament Agency (ACDA) is the latest in this series of events that has distressed the American people and our European allies. Mr. Adelman has no experience in arms-control negotiations and has consistently opposed this Nation's arms-control efforts. His nomination confirms suspicions that this administration is not interested in arms control.

These policies will decrease, not increase, our security by fueling the arms race, heightening tensions with the Soviet Union, and wasting precious human and material resources that could be used for more socially useful purposes. Millions of Americans have rejected these senseless and dangerous policies and joined the grassroots disarmament movement. The nuclear-freeze resolution is an expression of this widespread public support for arms control and has the following major objectives:

First, the resolution calls on the United States and Soviet Union to negotiate a mutual and verifiable freeze in the testing, production, and deployment of nuclear weapons. This would halt the senseless expansion of Soviet and American nuclear arsenals. The resolution places priority on eliminating the most destabilizing weapons, particularly those with high accuracy, multiple warheads, large explosive force, and short flight time. Such weapons have the appearance—if not the actual capability—of first-strike weapons and could force the United States and Soviet Union to adopt launch-on-warning policies, greatly increasing the chance of accidental nuclear war.

Second, the resolution calls for the freeze in the growth of nuclear arsenals to be followed by substantial and equitable reductions. This would be done in a way that maintains U.S. security. The resolution explicitly states that any agreement between the United States and Soviet Union must be consistent with the maintenance of essential equivalence in overall nuclear capabilities. The resolution also emphasizes that adequate guarantees of verification and compliance are essential to any arms control agreement with the Sovet Union. A freeze would not in any way lock the United States into a position of military inferiority.

In addition to increasing our military security, a freeze would greatly

enhance our economic security. The estimated $90 billion that would be saved over the next 5 years as a result of a freeze could be used to rebuild our social, political, and economic structures, which are essential to our national security.

Millions of Americans have voiced their concerns over the nuclear arms race and have called for a nuclear freeze in a number of State and local referendums. I join them in this effort and will do everything in my power to insure passage of the nuclear freeze resolution in this Congress. I urge my colleagues to support House Joint Resolution 13.●

● Mr. FAUNTROY. Mr. Chairman, I rise in support of House Joint Resolution 13, the nuclear arms freeze, for three reasons:

First, the physical survival of our planet and its people are in immediate danger due to the threat of nuclear war.

Second, the global neglect of human needs caused by the billions we spend on nuclear weaponry versus the millions we spend on human needs conditions a world in which hunger, poverty, and ill health are the defining reality for two-thirds of the people in this world. Our world is in danger of exploding because of this human misery which leads to instability and conflict that can all too easily lead to conflict between the superpowers.

Finally, and most immediately, on the domestic level the escalating development and deployment of nuclear weaponry is destroying our economy and causing us to neglect our people and their basic human needs.

Mr. Chairman, the danger to our planet is real and it is immediate. The United States, under this administration, has moved far beyond deterrence to preparing to fight, survive, and win a nuclear war.

When he was Secretary of Defense in the Kennedy administration, Robert McNamara defined deterrence as the capacity to destroy 30 percent of the Soviet society's population and 70 percent of its economic infrastructure. He felt that this objective could be achieved through the use of approximately 400 strategic nuclear warheads. Today, the United States possesses more than 10,000 strategic warheads in its nuclear arsenal, plus another 15,000 more of intermediate range for theater nuclear use. But, for the Reagan administration, even that is not enough. They have ordered the production of an additional 17,000 nuclear weapons by the end of this decade.

The second major consequence is even more ominous. This administration is committed to developing nuclear weapons that go beyond our capacity to verify or control. In past years, the necessity for verifiability and control have been integral elements of all previous arms control agreements and negotiations. The development of first-strike nuclear weapons, such as the MX missile, the Pershing II missile, and ground-, sea-, and air-launched cruise missiles, usher us into a new era of the nuclear arms race, one which threatens to destroy our planet.

Second, what we are witnessing today is the neglect of human needs on a global scale. This neglect fuels an already dire situation created by social, economic, and political injustices.

The political instability that arises from these injustices, the neglect of human needs, and the lack of food, health care, and employment threatens in many places to bring the United States and the Soviet Union into conflict, a conflict that could result in a nuclear holocaust.

The expenditures on nuclear weaponry does not buy us security. Rather, it accentuates global insecurity by structuring misplaced priorities that intensify the misery that defines the lives of the overwelming number of human beings on our planet. This misery, which remains unaddressed because of the billions we spend for nuclear weaponry, is capable of igniting regional conflicts which can all to easily escalate into nuclear warfare between the superpowers.

Finally, this misplaced emphasis on nuclear weaponry also mandates tragic and dangerous outcomes in domestic priorities. The misplaced priorities associated with the escalating development and deployment of nuclear weaponry leads to the same neglect of basic human needs in our own communities.

This buildup in nuclear weaponry is the fuel of an undeclared but real war against the most vulnerable and needy in our society.

As dangerous and destabilizing as the arms race is to allies and enemies abroad, it is equally destabilizing and destructive of people in our own communities. The distorted budget that results from the apocalyptic presumption of nuclear war is one that continues to increase defense spending by 12 to 17 percent per year, while assistance—in a recession—is cut to families needing food stamps, or AFDC, or unemployment benefits. How can we invest in human capital—in education programs, or comprehensive and meaningful job training or health and nutrition programs—while vast and disproportionate sums of money are invested in war materials?

In 1953, Dwight David Eisenhower warned:

> Every gun that is made, every warship launched every rocket fired, signifies * * * a theft from those who hunger and are not fed, those who are cold and are not clothed.
>
> This world in arms is not spending money alone. It is spending the sweat of its laborers, the genius of its scientists, the hopes of its children.

The escalating development and deployment of nuclear weapons poses a danger to our planet, creates misery on a global scale which threatens world order, and deprives our people at home of basic human needs. It is for those reasons that I support the passage of House Joint Resolution 13, the nuclear weapons freeze.●

● Mr. ACKERMAN. Mr. Chairman, there is no more important issue, no more important function of government, than the protection of its citizens from the devastating consequences of nuclear war.

Mr. Chairman, I rise in full support of House Joint Resolution 13, which I proudly cosponsored as one of my first official acts. I urge my colleagues to join me in supporting this resolution of peace.

Six months ago the House almost passed such a resolution. Six months may not seem like a significant delay, considering the momentous impact of our actions. But in that time, the Soviet Union and the U.S. technological machines have been racing foward. If we delay this resolution any longer, weaken it with debilitating amendments, then next year or the year after it could be too late.

For as soon as one of the superpowers is able to knock out another country's retaliatory ability, the race—nuclear and human—is over. At present whichever country would initiate a first strike could be certain of a devastating retaliation. Once that deterrent is removed, the country without the ability to retaliate would be forced into a first strike with nothing to lose.

National support for immediate action by Congress could not be delivered in a clearer manner. Last November, nearly 12 million Americans voted in favor of a freeze in various referendums.

In addition—

Ten States have had freeze resolutions on their referendums; 9 have passed them;

In 18 States, at least 1 house of the legislature has passed the freeze;

Forty-three towns, cities, and counties have voted on the nuclear freeze issue and 40 have voted for a freeze;

Three hundred and forty city councils, at least 60 county councils, and 444 New England town meetings have adopted freeze resolutions; and

A January Harris poll showed 76 percent of the public is in favor of a mutual, verifiable freeze.

In my 2 weeks as a U.S. Congressman, I have received numerous urgent pleas from individual constituents, from freeze organizations, from various religious orders and professional organizations.

During the March 8 visits to my office by nuclear freeze activists, I met with Gray Panthers, with college stu-

dents, with young couples intent on offering a safer world to their offspring.

I think we owe them an answer by passing House Joint Resolution 13 now.●

● Mr. ROYBAL. Mr. Chairman, I rise in support of House Joint Resolution 13. I am proud to be a cosponsor of this measure. It was not a difficult decision for me to make—the mood of my constituents and of people across the country is quite clear and corresponds with my own view on the issue. We are sick and tired of spending billions upon billions of dollars on an arms race—the final result of which can only be the annihilation of all mankind. We must begin to address this no-win situation. The nuclear freeze resolution would be an excellent vehicle.

It is obvious that the administration will make no real effort to reach an agreement with the Soviets on arms control. President Reagan is much too committed to his own military goals to be able to compromise on them. He has made that quite clear in his dealings with Congress—imagine his intransigence with the U.S.S.R. His lack of commitment to arms control is reflected in the attitudes of those he chose as "negotiators."

The President is afraid that if we pass this bill, it will send the wrong kind of signal to the Soviets and make it difficult for his "negotiators" to do their jobs. In a sense, the President is right on this point. However, I do not think these "negotiators" are doing their jobs right now, and I do not believe the signal this bill sends is "wrong." It is just different from the signal the President is currently sending. Passage of House Joint Resolution 13, undiluted by amendment, would clearly signal our desire for peace.

It is also important to note that we would not be taking a unilateral action. The freeze this resolution calls for would be mutual and verifiable, or it would not be enacted at all. We would follow the freeze with mutual and verifiable reductions in both our nuclear arsenals. What could be undesirable about that?

Nor do I believe we would be operating from a position of weakness. After reviewing all available facts and figures, it appears to me that we are in a position of rough nuclear parity with the Soviets. While they have outdistanced us in some areas, we remain superior in others. Our missiles, while perhaps not as powerful as the Soviets, are more numerous and are based in much more survivable modes. Also, our technology remains superior to that of the Soviet Union. If imitation is the sincerest form of flattery, the U.S.S.R. has been paying the greatest of compliments to U.S. military capabilities and innovations for a number of years now. No matter which way you look at it however, the bottom line remains the same—both sides have the capability to destroy the other under any nuclear war scenario.

The people of the United States have spoken and I will echo their views here—enough is enough. We want an end to this insane arms race, we want a vision of peace rather than a vision of holocaust. Our priorities should lie in strengthening our people, not strengthening our power to destroy. I urge all of you to join with me in voting for House Joint Resolution 13—without weakening amendments.●

● Mr. EDWARDS of California. Mr. Chairman, I rise today in support of House Joint Resolution 13, the resolution calling on the United States and the Soviet Union to negotiate a mutual and verifiable freeze on the testing, production, and deployment of nuclear weapons, and to begin serious discussions for the reduction of the nuclear arsenals of both sides.

I would like to complement Congressman ZABLOCKI, Congressman MARKEY and Congressman CONTE for their inspirational leadership in initiating such a resolution. I would also like to commend the members of the Foreign Affairs Committee for their overwhelming support of this fine resolution.

The administration's proposals for military spending in fiscal year 1984 serve to more than double the military budget over the past 5 years. The amount of the increase alone, is more than the combined total budget requests for the Departments of Commerce, Education, HUD, Interior, and the Departments of Justice and State. Alarmingly, the amount of money being spent on nuclear weapons in the 1984 budget request amounts to almost 43 percent of the total military budget.

In the November elections, people all across America went to the polls and said, "Enough." In cities and towns where the nuclear freeze proposal was on the ballot, it passed by an overwhelming average of 70 percent. Yet the current administration refuses to take notice. The President continues to offer the "zero-option" plan as his major initiative for the negotiations—a plan that Soviet President Andropov has flatly rejected. Andropov has proposed a plan calling for the Soviets to remove all but 162 medium-range missiles from European Russia. This equals the number of missiles that both France and England have aimed at Russia, at this time. The President has yet to respond with a viable alternative.

President Reagan has surrounded himself with advisers who think as he does. Richard Pipes, White House Soviet expert, has stated:

> Soviet leaders would have to choose between peacefully changing their communist system * * * or going to war.

In the eyes of Ronald Reagan and his advisers, nuclear war does not mean the end of humanity. To quote Deputy Under Secretary of Defense, T. K. Jones:

> Everyone's going to make it if there are enough shovels to go around. It's the dirt that does it.

As representatives of the American people, it is time for those of us here in Congress to stand up to this administration and say, "No more." It is time to demand—yes, demand—serious negotiations with the Soviets. It is time to stop courting national bankruptcy with military outlays soon to exceed a billion dollars a day, with our security diminished—not enhanced—by each new round of weapons systems. I urge you to truly represent your constituency and vote for House Joint Resolution 13, as well as to oppose any amendments which would seek to weaken it.●

● Mr. LEHMAN of Florida. Mr. Chairman, I strongly support the Zablocki resolution and oppose all amendments that would weaken the language adopted by the House Foreign Affairs Committee.

The nuclear freeze movement has grown in this country, not because of some sinister Soviet plot, but because the people of America genuinely believe that the current arms race is leading us toward nuclear conflict and that the present administration is unwilling to put a stop to it.

Administration statements suggesting that a nuclear war is winnable and the development of absurd civil defense evacuation plans have contributed to the public's loss of faith in President Reagan's commitment to reducing the threat of nuclear war. The recent disarray at the Arms Control and Disarmament Agency and the controversy surrounding the appointment of Kenneth Adelman as ACDA Director has further weakened the public's perception of this administration's ability to achieve a significant arms control agreement.

Opposition to a nuclear freeze is based primarily on the argument that the Soviet Union is stronger than we are militarily. Mr. Chairman, I find it incredible that the administration would down play our military might to such a degree. We are not inferior. While the Soviet Union has made a number of improvements in their nuclear forces, we have offsetting advantages. We have more warheads and more MIRV'd launchers, for example, and we have modernized each leg of our strategic Triad over the past decade.

Some citizens have come to me and said that they think the idea of a nuclear freeze is great, but they are afraid we just cannot trust the Russians. My response to their concern is simply, "We do not have to trust the

Russians and we probably should not." The freeze resolution takes this into account by specifying that the freeze must be verifiable. Any significant violations of a freeze would be detectable through technical monitoring. Experts in the intelligence field, such as William Colby, a former CIA Director, have concluded that a freeze would be verifiable.

Mr. Chairman, as Members of the House of Representatives, we are the body closest to the people of this country. Through their votes in numerous referendums through the Nation, the people of the United States have expressed their desire for an end to the arms race. They want the Soviet Union and the United States to stop the insanity of building more and more weapons with more and more destructive power. They want us to reduce the number of weapons that we already have.

We as their representatives in Congress can give greater force to their demands for arms reductions. The first step is to stop future production, testing, and deployment of nuclear weapons. The passage of House Joint Resolution 13 will signal the commitment of the American people to the pursuit of peace and it will provide an impetus to negotiations for genuine bilateral arms reductions.

I urge my colleagues to vote in favor of the committee resolution.●

● Ms. FERRARO. Mr. Chairman, last August this House grappled for the first time with one of the most important questions facing the United States and the world today: Can mankind survive in the age of nuclear weapons?

I used our debate as an occasion to discuss this momentous issue with my constitutents in Queens and solicit their views on the nuclear freeze and our national security.

The residents of my congressional district spoke out, and spoke out clearly.

More than 83 percent of the men and women who responded to my questionnaire said they support a mutual and verifiable freeze between the United States and Soviet Union on first-strike nuclear weapons.

Fifty-nine percent said they do not believe that the United States trails the Soviet Union in nuclear weapons and 64 percent said they do not believe the United States needs a major buildup of nuclear forces before agreeing to a freeze.

If the results were surprising, they became less so after the November elections. At that time, almost a third of the Nation's voters had a chance to express their views on nuclear weapons in State and local freeze referendums. Unfortunately, the people of Queens did not have that opportunity.

What was the result? Some 11.6 million Americans, 60 percent of those voting, supported the nuclear weapons freeze.

Now there are those who have been claiming that these millions of Americans were scared, or naive, or deluded. But I believe these people showed a grassroots grasp of the real issue—which is, what can we do to reduce the threat of a world-destroying nuclear war.

I do not claim to be a military expert. But it is clear to me that the United States and Soviet Union between them have nuclear weapons capable of destroying the world 12 times over.

It is also clear to me that our military experts themselves cannot agree on the relative nuclear might of our country and the Soviet Union. I cannot understand, though, why this administration wants me to believe its experts but discount the testimony of people like James Schlesinger, former Defense Secretary and CIA Director, who said last year "Neither side has superiority. It's a standoff."

I support House Joint Resolution 13 because it is mutual. The United States will not permit the Soviet Union to achieve superiority but will be armed with a new tool to negotiate parity.

I support House Joint Resolution 13 because it insists on verifiability. This resolution is not a matter of trust but a tough, fair approach to international arms control.

I support House Joint Resolution 13 because without it the nuclear arms race will lead us on to bankruptcy and mutually assured destruction. And I believe the people of the Ninth District of Queens support this resolution, too.●

● Mr. WYDEN. Mr. Chairman, I rise today to express my support for House Joint Resolution 13, calling for a mutual and verifiable freeze on the testing, production, and deployment of nuclear weapons by the United States and the Soviet Union.

I am convinced that the vote on House Joint Resolution 13 will be a crucial test of this body's responsiveness to the American people who are crying out for an end to the nuclear arms race.

The call for a nuclear freeze defies partisan politics; it can be heard from working people, doctors, lawyers, church leaders, literally Americans of all walks of life. Nuclear freeze referenda and resolutions have been passed by counties, city councils, and State legislatures across the country. A whopping 60 percent of the voting electorate has supported a nuclear weapons freeze. Finally, this resolution has the overwhelming endorsement of numerous civic organizations.

Today the United States is poised to deploy a whole new generation of destabilizing nuclear weapons—weapons that exceed by far the bounds of those needed for the purpose of nuclear retaliation.

We cannot hope to gain any conceivable military advantage from building these weapons systems. We can only expect the Soviet Union to respond in kind.

And with each additional warhead, our Nation—and our world—becomes less secure. The greatest threat to our security arises from the current trend in weapons systems toward increased accuracy, yield and range, a trend that promises to shake the very foundations of deterrence and place life on our planet on a virtual hair trigger.

We can also expect the continuation of this deficit-financed race toward a nuclear Armageddon to cripple our economy for years to come.

The only way to halt this senseless race lies in the negotiation of a bilateral and mutually verifiable freeze. We need to reverse the momentum that is propelling each side toward global destruction so that we can begin the process of meaningful reductions.

We have today the opportunity to demonstrate that the U.S. Congress is serious about bringing a halt to nuclear proliferation and the nuclear arms race. I urge my colleagues to vote in favor of House Joint Resolution 13, and to reject any weakening amendments.●

● Mr. DYSON. Mr. Chairman, the House today addresses the controversial nuclear freeze issue; something which has, is, and will be addressed by many citizens and officials at all levels of American society. I, too, wish to address this issue.

What sprang from a grassroots movement has now blossomed into a House joint resolution. And a particularly attractive one, at that. House Joint Resolution 13, the nuclear freeze resolution, calls for a mutual and verifiable freeze on nuclear weapons and reductions in the nuclear arsenals of the United States and the Soviet Union. The simplicity this resolution entertains is radily apparent. As a consequence, this resolution's attractiveness is enhanced. However, it is worth remembering that attractiveness is sometimes only a veneer. What may initially seem simple and clear could nevertheless result in contributing to more complications than initially thought possible. This is the context in which I see House Joint Resolution 13; it is essentially a simplistic response to an extremely complex issue.

It is easy for all of us to support a cessation and reduction in the nuclear arms race. And as responsible humans, it is only befitting that we do so. However, we must be wary of supporting just any freeze resolution. We must be assured that provisions in any initiative to effectively halt and reduce nuclear arsenals are workable and achievable. Otherwise, we risk, at best,

disappointment and, at worst, the furtherance of nuclear proliferation. It is therefore imperative that we scrupulously evaluate House Joint Resolution 13.

I believe House Joint Resolution 13 is unworkable, unobtainable, and should be found unacceptable by this House. My primary objections to this resolution are threefold.

First, I have strong doubts that conditions for the necessary "verification" component are, in fact, realizable. Verification is, of course, an indispensable ingredient of any effective arms control agreement. Adequate verification demarcates an effectual from a noneffectual agreement. House Joint Resolution 13 falls short of the mark on this matter. This resolution is unverifiable, despite its assertion of being "an essential, verifiable first step * * *." For example, it is extremely difficult for one side to verify the other side's production of nuclear weapons without on-site inspection. However, the Soviet Union would never agree to on-site inspections of the type that would be required to verify a freeze, and it is doubtful that the United States would deem it in its best interest to agree to such verification procedures.

Second, I have serious reservations whether the resolution's implementation will acutally achieve a true arms reduction. In fact, I feel that by adopting House Joint Resolution 13, we will be frustrating negotiations to achieve arms reduction. The committee resolution calls for a freeze on existing levels of nuclear weapons, then followed by a mutual reduction of these weapons by both sides. However a feeze now would lock the United States into a disadvantage military position, relative to the Soviet Union. Because of a considerable Soviet advantage, were this resolution to be implemented, the incentive to negotiate an effective arms reduction in earnest would be lacking on the part of the Soviets. Moreover, House Joint Resolution 13 would undermine ongoing arms control negotiations. The resolution would require a radical change in the ongoing START and INF negotiations in Geneva. Consequently, current arms reduction talks, and the progress yielded to date, would have been to no avail.

Third, I feel that this resolution could have the detrimental effect of contributing to irreparable damage of the NATO Alliance. Pursuant to an agreement established in December 1979 between the United States and other NATO countries, the United States has an obligation to begin its modernization deployment commitment should the Soviet's fail to conclude an agreement to dismantle its intermediate-range missile threat. House Joint Resolution 13 would clearly prevent the United States from honoring its commitment to NATO and would remove any nuclear weapons. This resolution would therefore result in decreasing European stability.

For these reasons, at least, I have to conclude that House Joint Resolution 13 constitutes an unacceptable initiative for an effective arms control and reduction negotiations for nuclear weapons. Mr. Chairman, this resolution is a red herring which does not deserve the attention it receives.●

● Mr. MOAKLEY. Mr. Chairman, I rise in support of House Joint Resolution 13, the nuclear weapons freeze and reductions resolution.

At the present time, both the United States and the Soviet Union have the nuclear capability to destroy each other—many times over. Most defense experts agree that there exists a parity in the nuclear capabilities of the superpowers—with the United States having a slight edge. It makes sense, at this crucial moment in history, that we begin negotiations with the Soviet Union aimed at a freeze and eventual reduction of nuclear weapons in both our arsenals. Let me remind my colleagues that such a freeze and such reductions would be bilateral—not unilateral—and would be verifiable.

Mr. Chairman, those of us gathered here today have a terrible responsibility—that is, to insure that centuries of human culture and the hopes and dreams of billions of souls are not destroyed in a few short minutes of a nuclear exchange. Bearing this responsibility in mind, we can only wonder at the sensibility of those who speak of a "winnable or controllable nuclear war." If nuclear war ever occurs, there will be no winners—only losers. Instead of contemplating limited nuclear war, let us work to eliminate the possibility of any nuclear war whatsoever. House Joint Resolution 13 is a constructive step in this direction.

Aside from the strategic drawbacks of the arms race, we should also keep in mind the costs that such a race has on our society. I firmly believe that nothing has weakened America more in recent decades than the waste of precious human resources and talent on military overkill. It is important for us to remember that national security includes the quality of life for all our citizens—as well as the size of our nuclear arsenal. I would suggest that President Reagan heed the words of another Republican President, Dwight Eisenhower, who said:

> Every gun that is made, every warship launched, every rocket fired, signifies, in the final sense, a theft from those who hunger and are not fed, those who are cold and not clothed.
>
> The world in arms is not spending money alone. It is spending the sweat of laborers, the genius of scientists, and the hopes of its children . . .
>
> This is not a way of life at all, in any true sense. Under the cloud of threatening war, it is humanity hanging from a cross of iron.

These words are more relevant today than when they were first spoken back in 1953. We are blindly spending billions of dollars on the current arms race. This represents a tremendous cost to both our security and economy.

The time has long since come that we must, despite our many differences with the Soviet Union, indeed because of these differences, take every step we can to put limits on this expensive and dangerous arms race. Millions of Americans have already raised their voices in support of a freeze. They can no longer tolerate living with the fear of a nuclear holocaust. We should act now to remove that fear.

In conclusion, let me again urge my colleagues—from both sides of the aisle—to support House Joint Resolution 13. What we do today will have a profound effect on future generations.●

● Mr. PATTERSON. Mr. Chairman, as a consistent supporter of a rational arms control policy, I rise to reaffirm my commitment to the bilateral nuclear weapons freeze resolution currently under consideration.

Citizens across the United States have become increasingly alarmed over the escalating arms race and ominous threat of nuclear war. This widespread concern is a direct response to the administration's defense policy—a policy that proposes an unprecedented $1.7 trillion defense budget and a massive buildup of 17,000 new nuclear warheads over the next 5 years. In addition, the administration has repeatedly demonstrated an unwillingness to pursue meaningful arms control negosiations and has asserted that a nuclear war is both survivable and winnable.

With our Nation's leadership advocating such frightening policies, the American public has due cause to be alarmed. Citizens throughout the United States realize there can be no winners in a nuclear war, and they carried this awareness and their concerns to the voting booth last November. Voters across the country, including my own home State of California, overwhelmingly supported referenda on the ballot calling for a mutual, bilateral and verifiable weapons freeze between the United States and the Soviet Union.

I take this opportunity to urge my colleagues to respond to this public mandate and sound judgment by voting in favor of House Joint Resolution 13, as an essential first step toward arms reduction. This resolution embodies the hopes of millions of Americans to halt the nuclear arms race—an insane race that threatens our very survival.●

● Mr. OWENS. Mr. Chairman, before us today is what may well be this session's most important piece of legislation. A bill calling for the United

States and the Soviet Union to negotiate a mutually verifiable nuclear weapons freeze.

Not only is the freeze perhaps our best chance to avoid nuclear holocaust, but it should help put an end to the nuclear arms race's enormous drain on our domestic economy. We have paid dearly in recent decades for this country's preoccupation with increasingly grand and expensive weapons systems. The cost to the United States has been felt in devastated urban areas, in depressed agricultural communities, wherever government has abdicated its role as a force for economic and social justice.

The nuclear freeze is a step—an important step, but nonetheless only one step—toward reordering our Government's basic priorities. We must take this large step today with the understanding that we still have much further to go.●

● Mrs. SCHNEIDER. Mr. Chairman, today we are witnessing an unprecedented amount of concern about the accelerating arms race and the very real possibility of nuclear war. Recent demonstrations indicate that the desire for arms control against arbitrary increases in nuclear war is alive and well.

It was our general-President, Dwight D. Eisenhower, who warned us clearly of the disastrous cost of choosing an inappropriate path to the legitimate goal of national security, and I quote:

> There is no way in which a country can satisfy the craving for absolute security—but it can easily bankrupt itself morally and economically, in attempting to reach that illusory goal through arms alone. The Military Establishment, not productive of itself, necessarily must feed on the energy, productivity and brain power of the country, and if it takes too much, our total strength declines.

One cannot dispute that the more nuclear weapons one side builds, the other side will also build. The result guarantees less security in the world. In fact, nuclear superiority is not only a meaningless term in this age of multiple overkill, it is a hindrance at the bargaining table. By the end of this century it is estimated that 60 nations will have the bomb.

We as the decisionmakers must wake up and realize that we are laying the groundwork to the ultimate destruction of this planet. This is no light matter. The town governments, churches, students, doctors, and the American people overall are crying out to their elected officials to provide the backbone, to provide the trust and faith necessary to take the first step toward bilateral arms freeze. We have a chance today and I am asking you, my colleagues, to support House Joint Resolution 13, a call for nuclear weapons freeze and reductions and approval of the SALT II agreement.

I believe we must seek meaningful reductions in the overall numbers of nuclear warheads and their delivery systems—strategic and tactical. Most arms control analysts recognize that a smaller force of reliable, survivable weapons systems, tightly controlled, would constitute the best deterrent for the United States and the Soviet Union. The numerical limits and qualitative constraints contained in the Salt II Treaty represent an excellent starting point for future negotiations.

I as an elected official refuse to sit idly by as the rhetoric and the actions escalate. This body is all too often too inclined toward crisis management. I am not willing to accept that approach. I see the road that lies ahead, and there is no question in my mind that our nuclear arms course must be reversed.

I am willing to provide that enthusiasm, that energy and leadership to work closely with my colleagues and to join with other nations so that we might bring pressure to bear on our leading governments to reduce the nuclear arms race.●

● Mr. HUGHES. Mr. Chairman, I rise in support of the resolution, and urge my colleagues to support this call to commonsense in an increasingly out-of-control arms race.

Twenty years ago, President John F. Kennedy quoted a Chinese proverb—"A journey of a thousand miles must begin with a single step." Today, we have the opportunity to take a single step in the journey toward substantial reductions in the world's nuclear arsenals.

I strongly believe that our Nation should not allow itself to fall into a position of strategic inferiority to the Soviets. Passage of House Joint Resolution 13 today will in no way endanger our military capability, nor will it endanger our negotiating position with the Soviets. House Joint Resolution 13 calls for a bilateral, mutual, and verifiable freeze on nuclear weapons—it may be the most significant foreign policy initiative we will have to vote on this year.

This resolution is nonbinding—if the need is demonstrated, we will not, as some have said, "have our hands tied." The resolution does not endorse a unilateral freeze, but simply and clearly sets objectives for the START talks. House Joint Resolution 13 endorses essential equivalence between the superpowers. It does not limit the United States in any way from protecting itself or its interests: A vote for this measure is a vote for a mutual freeze, and only a mutual freeze which can be verified.

The resolution we are debating today has the support of a growing number of Americans—in last November's elections, 37 of 39 freeze resolutions were adopted by voters in 9 States, the District of Columbia, and 29 cities and counties. All told, 9 States, including my home State of New Jersey, 12 counties, and 22 cities have adopted nuclear freeze referenda. A vote for this resolution demonstrates to the American people that we hear their concerns.

While figures on the nuclear arsenals vary, several facts are clear: The United States and the Soviet Union both have the capacity to explode thousands of nuclear weapons on each other, each weapon being many times more powerful than the bomb that devastated Hiroshima at the end of World War II. Over 70 percent of the Soviet Union's nuclear arsenal is land based, hence vulnerable to a "first strike." About 25 percent of U.S. missiles are land based.

Over 50 percent of the U.S. nuclear arsenal is based on submarines, while about 25 percent of the Soviet Union's missiles are submarine based. U.S. nuclear submarines are considered to be invulnerable to a first strike effort at least into the nineties.

Finally, most authorities agree that neither the United States nor the Soviet Union could launch a first strike on the other nation with any certainty that it would not be subject to massive retaliation.

Given these facts, neither the United States nor the Soviet Union has a practical strategic advantage over the other. A mutual and verifiable freeze at this time would thus maintain this balance. It would help to stabilize an increasingly out-of-control arms race and allow for balanced, long-term negotiations to reduce the arsenals of the superpowers.

Indeed, the President's endorsement of START talks and of our continued observation of the guidelines set forth in SALT II are consistent with the goals of such a mutual freeze.

I urge my colleagues to support this measure, and take this single step which begins the journey of a thousand miles toward world peace.●

● Mr. LELAND. Mr. Chairman, I rise in support of House Joint Resolution 13, the nuclear freeze resolution reported by the Foreign Affairs Committee.

It is high time that this body seriously debated and questioned the long-standing technocratic myth that our security is enhanced through nuclear strength. Of what use is the nuclear device? I believe the words of George Kennan rang true when he said:

> The nuclear explosive is not a weapon. It is a reflection of the vast misunderstanding of the true purposes of warfare and the true usefulness of weaponry.

It is clear from the public debate of the last 2 years, that the American public no longer accepts the myth of security through nuclear strength. It is also clear that the American people demand that we take immediate steps toward nuclear disarmament.

The resolution before us is a responsible proposal for beginning the process of mutual and verifiable reduction in United States and Soviet nuclear arsenals, and in so doing, decreasing the likelihood of "a holocaust that would be humanity's final war." House Joint Resolution 13 does not unduly constrain the administration's negotiators. Rather, it sets as a policy goal the freeze which has been mandated by the American people, and gives the administration the latitude to "decide when and how to achieve a mutual verifiable freeze * * *." I believe that this resolution is balanced, responsible, achievable, and responsive to the demands of our people.

I hope my colleagues will support House Joint Resolution 13. This vote is a test of the accountability of the U.S. Congress to the American people.●

● Mr. AKAKA. Mr. Chairman, I rise in strong support of House Resolution 13, the nuclear freeze resolution. I do so at the strong urging of many of my constituents and because of my very deep concern with the need to cut back on the Soviet naval buildup in the Pacific ocean. My convictions regarding this buildup were confirmed upon reviewing the recent DOD report, "Soviet Military Power." According to the report, the U.S.S.R. has made impressive improvements in the Pacific submarine force with over 30 ballistic missile submarines and over 90 attack submarines—including substantial numbers of modern Victor III nuclear-powered cruise missile submarines (SSGN). It is likely that the U.S.S.R. will eventually deploy the second unit of the 23,000 ton *Kirov*-class cruiser—the first Soviet nuclear-powered surface warship in the Pacific.

The Department of Defense report makes clear the alarming increase of Soviet military presence throughout the Pacific region. In view of these facts, it is clear we need a nuclear armament freeze immediately and eventually negotiations leading to an equitable and verifiable arms reduction.

CINCPAC headquarters has constantly warned the Congress of the creeping influence of the U.S.S.R. in the Pacific. This freeze is necessary right now if we are to put an end to the alarming increase of the Soviet sphere of influence in the Pacific. I support the nuclear freeze resolution and urge my colleagues to join me.●

● Mr. FOGLIETTA. Mr. Chairman, I rise today in strong support of the Zablocki nuclear freeze resolution. This is an important moment in the nuclear debate that has surrounded us for almost 40 years. We are poised on the edge of a new chapter in that debate, for we move closer to deployment of yet more nuclear bombs, delivery vehicles and weapons systems. Each generation expands geometrically the destructive capabilities of its predecessors, and makes nuclear destruction more of a science, but not less of a horror. We can now land warheads launched on missiles outside Little Rock, Ark. in the bleachers of Leningrad Stadium. The Soviets have the same technological skills.

There are more nuclear arms in existence today than ever before, and the number is expanding daily. Currently that number exceeds 17,000. One Trident nuclear submarine equipped with the C-3 Trident I missile has eight times the destructive force expended during the Second World War. The bomb that destroyed Hiroshima would now be a battlefield nuclear weapon. One trillion tons of equivalent TNT sits in the arsenals of the United States and the Soviet Union. We have reached, and far exceeded by any rational measure, the number of nuclear arms needed to deter attack by another nation. It makes no sense to add to the stockpile. Indeed, the only thing that makes sense is to freeze it, and to reduce it.

Mr. Chairman, there are many who will take the well here today to oppose the freeze on the grounds that freezing the arms race is not the answer. They claim, rightfully, that the answer to the tensions and the unprecedented dangers of the arms race lie in reduction and elimination of the nuclear threat. None of us who speak for House Joint Resolution 13 think of the freeze as the answer either. But while it is not the solution, it is a critical step toward one. You have to stop going forward before you can go back. You have to stop adding before you reduce. Clearly now is the time to stop going ahead with the arms race. We are at a stage where verification works, and where verification is more possible than it will be after deployment of the next generation of weapons. We are at a stage where we can realistically claim that parity exists within the bounds of our national security needs.

Mr. Chairman, there are several arguments being advanced to defeat this resolution. One is that we cannot verify a freeze. Another is that we will freeze ourselves into a position of strategic inferiority. A third, and perhaps the most insidious argument is that a freeze will eventually produce unilateral disarmament in the United States by virtue of the fact that our arms are older than theirs, and thus will wear our first. Critical inspection disproves each of these arguments. Let me address each argument individually.

First, to the claim that we cannot verify a freeze.

The refutation to this argument comes from several areas, nearly all of them within the administration and from the Secretary of Defense. The Defense Department's showpiece, Soviet military power is chock full of rhetoric on the myth of Soviet superiority. It is also filled with charts, tables, graphs, paintings, and pictures detailing every aspect of Soviet strength which it uses to support its defense budget. This book counts, with apparently remarkable accuracy and specificity, every Soviet system by number of weapons, deployment dates, capabilities, range and specification. It seems that we have little, if any, difficulty counting and verifying what the U.S.S.R. has when it comes time to promote the budget.

Second, the President of the United States, an outspoken opponent of the SALT II Treaty, has pledged to adhere to this "fatally flawed" treaty as long as the Soviets do. The President has told us that the Russians are observing SALT II. Proof of such adherence could come only from our national technical means—our "eyes on the Soviets." This President, this Secretary of Defense, would not hesitate to call the Soviets on a violation of SALT II. Nor would he fail to break the treaty if he lacked confidence in our ability to verify their observance of SALT II. This same argument applies to the SALT I Treaty, the ABM Treaty and the Test Ban Treaty. Obviously the President is satisfied with our verification capabilities. What we are discussing here today is a freeze, at current levels, of the nuclear arms of the United States and the Soviet Union. We are clearly able to verify and identify the contents of the Soviet arsenal—that is a fact, borne out by the behavior of this administration.

The freeze resolution calls for the termination of testing, production and deployment of nuclear weapons. Testing is the easiest element to verify. Deployment is only slightly more difficult. Production is harder. But there are several elements related to production that must be considered. The first is that the Soviets have agreed in principle to onsite inspection of nuclear facilities to prevent production of weapons grade uranium and plutonium. Second is the very nature of a comprehensive freeze. If it is impossible to test, evaluate or deploy nuclear weapons, there will be no way to prove a weapon. There will be no place to store it, no place to put it. In short, there will be no way to remove it from the production site. If the Soviets allow onsite inspection, it will be impossible to violate the freeze in any significant way.

The danger in the area of verification arises not today, but in the very near future, with the deployment of the new generation of nuclear weapons that is upon us. This next generation consists of weapons like the cruise missile. The cruise and systems like it are small, easily hidden systems that can carry nuclear or conventional

weapons. Verification will grow ever harder with the increase in numbers of weapons like these on ships, airplanes, submarines, trucks and virtually every military platform. Mr. Chairman, the question of verification is no question today. We can do the job. It will become much more of a question in the future unless we freeze the arms race now.

The second argument against the freeze is that we will be freezing ourselves into strategic inferiority. The answer to this argument is simple. Try and find one member of the U.S. Military Establishment who will tell you that he would trade our forces for theirs. You will not find one because there are not any. In fact, at a press briefing this month, General Williams of the Defense Intelligence Agency stated that the United States has a strategic superiority over the Soviets—a statement the Pentagon made him retract the next day with a garbled list of denials about how we were actually behind in the arms race.

The myth of U.S. inferiority is dispelled, again, through "Soviet Military Power," and through the statements made by the military before the Armed Services Committee. The facts are that the United States may well be behind in the number of deployed ICBM's. But we are ahead by the Pentagon's own bean counters, in the total number of nuclear weapons; in sea forces; in strategic bombers; in submarine launched ballistic missiles; in the number of nuclear bombs carried on our bombers—in fact, we enjoy a 4-to-1 advantage in SLBM warheads, and a 7- or 8-to-1 advantage in the number of bomber weapons. So where is the inferiority? Opponents of the freeze will tell you now that it is in age—the age of our systems versus theirs, and that it is in accuracy. Which brings us to the third argument against the freeze: That a freeze would end up forcing us to unilaterally disarm by attrition as our weapons fall apart with old age.

Secretary Weinberger said, in October of 1981:

> The simple fact of the matter is that we have not done any strengthening or any modernizing of our strategic systems since they were built—Minuteman in the 1950's and some of the submarines in the last years.

The facts could not be more different. In 1970 the number of strategic U.S. warheads stood at approximately 4,000. In 1980 they numbered over 9,200. That is more than a 100-percent increase in only 10 years.

Secretary Weinberger said we have not done any strengthening or modernizing of the ICBM's—like Minuteman, since the fifties—the fact is that between 1965 and 1975 we replaced—not modernized, replaced—the Minuteman I with the Minuteman II. From 1970 to 1975 we replaced—again, not modernized but replaced—the Minuteman II with the Minuteman III. Between 1970 and 1975 we MIRV'ed 550 Minutemen III's with 1,650 Mark 12 warheads. Between 1971 and 1976 we replaced the Polaris SLBM's with new C-3 SLBM's. Between 1966 and 1976 we added 76 FB-111 Strategic Air Command bombers and 356 F-111 nuclear capable bombers to the U.S. Air Force. Between 1979 and 1983—this year—we retrofitted 900 Mark 12A warheads on 300 Minuteman II ICBM's. Between 1978 and 1982 we retrofitted 192 Trident missiles on 12 Poseidon submarines. The list goes on.

Mr. Chairman, this hardly sounds like a program designed for unilateral disarmament, as the administration claims. It is only a disarmament when compared to the Reagan buildup, which surpasses any in history. In fact it is an active modernization program that has kept this vast deterrent current, and fully capable of defending this Nation. We fear the growing accuracy of the Soviet Union, that in the near future the U.S.S.R. will be capable of destroying, by first strike, all our land based ballistic missiles. That is why, they claim, we must modernize, deploy the MX, deploy the D-5, deploy the B-1B. We must do so before the fifth generation of Soviet ICBM's come on line. Does this not ignore the fact that once those systems are deployed, and once the MX and all our other weapons are deployed, that the world will be far more vulnerable to nuclear attack.

Mr. Chairman, the time to get out of the whirlwind is now.●

● Mr. CHANDLER. Mr. Chairman, I rise in support of House Joint Resolution 13 after having given the matter my most serious consideration. I believe that passage of this resolution will send an important message to the world that the citizens of the United States value life and want peace. We are, as a Congress, suggesting to the administration that we want to negotiate a mutual, verifiable freeze with essential equivalence in overall nuclear capabilities.

It should be understood that even passage of this resolution does not mean that the United States can unilaterally reduce its ability to respond. The message that we are sending to the Soviet Union must be one that indicates a willingness to negotiate. At the same time, our negotiators must be able to inform the Soviets that unless an arms freeze and reduction occurs, we will regrettably have to respond with corresponding increases in weapons development and deployment. I believe that House Joint Resolution 13 does recognize that the negotiation of a nuclear arms agreement is the responsibility of the President and gives him sufficient flexibility in conducting arms talks and making decisions about our defense systems.

Mr. Chairman, I think we need to let the world know that if tension exists, it is not because the United States has caused it. If as a result of our actions here today, the Soviets are willing to join us in a mutual reduction of arms, we will have accomplished a noble aim.●

● Mr. LAFALCE. Mr. Chairman, I rise in strong support of the nuclear freeze resolution. The resolution calls for a mutual, verifiable freeze on the testing, production, and further deployment of nuclear weapons by the United States and the Soviet Union, and equitable and verifiable reductions in the nuclear forces of the two superpowers.

If we cut through the rhetoric of those who argue that the United States is strategically inferior to the Soviet Union, we find that a rough parity exists in the overall nuclear balance between the United States and the Soviet Union. A freeze now will prevent a continued buildup of destabilizing nuclear weapons adding to the threat of nuclear war and the destruction—by accident or design—of our world.

Let us understand what the freeze is not; it is not unilateral; it is not nonverifiable; and it is not going to occur simply by passing the nuclear freeze resolution. The resolution instructs the negotiators at the Strategic Arms Reduction Talks (START) to decide "when and how" to achieve a mutual freeze.

Opponents of a mutual, verifiable freeze have raised the specter of Soviet cheating as they lead the rhetorical charge against the freeze resolution. The big, bad bear has been alluded to by opponents of all arms control agreements; those that we have sought and those that we have achieved. It is time we put the verifiability issue to rest: We have the national technical means to verify Soviet compliance. Indeed, it is easier to monitor a freeze than an agreement like SALT or START since any detected activity would constitute a violation. Although production activities are harder to verify, our monitoring of Soviet production plants in the past has been good enough to predict every new Soviet ICBM before it was tested.

During the past year, millions of Americans have shown their strong support for a nuclear freeze at the ballot box, at town meetings, and through a host of civic, religious, labor, and business organizations. The freeze is supported by such groups as the National Education Association, the U.S. Conference of Mayors, the Newspaper Guild, the American Jewish Congress, and the National Council of Senior Citizens.

Former CIA Director William Colby has voiced his strong support for the freeze, as have several former high

ranking officials from the Nation's defense, diplomatic, and intelligence communities.

Opponents of a nuclear freeze have attempted to discredit the nuclear freeze movement here in Congress and throughout the country by questioning the motives of those who support a mutual, verifiable nuclear weapons freeze. They have embarked on a strategy of telling freeze supporters that they are ill-informed, and misguided in their support for a mutual, verifiable freeze.

How ironic it is that those who appealed directly to the people for support of budget and tax cuts—and credit the massive outpouring of letters, calls, and telegrams to congressional offices with helping pass these measure—are so willing, so insistent that the American people should stay out of the arms control debate.

Mr. Chairman, the American people will not and must not stay out of the arms control debate. Nuclear disarmament is the paramount issue of our age, and if we take pride in our democracy, we must encourage, not discourage debate on the nuclear freeze issue.

Last week, I met with several delegations from western New York who came to Washington with a simple message: Make a commitment to world peace; make a commitment to a reduction in the threat of nuclear holocaust; have the courage to stand up and say enough is enough; and stand tall and proud in support of a mutual, verifiable freeze on nuclear weapons.

Today, I have the opportunity to once again join them in their efforts, to cast my vote for the nuclear freeze resolution. I urge all of my colleagues to do the same. It is not too late to put an end to nuclear madness and provide the leadership that will be necessary to move the United States and the Soviet Union toward sanity, toward meaningful arms reductions, and toward the elimination of the hair-pin triggers that threaten human survival.

No issue means more to this generation of Americans and all people of the world and our descendants, for we hold the future in our hands. Let us not drop it.

To all those Americans who voted, demonstrated, signed petitions, and came to Washington to voice their support for the nuclear freeze, I offer my hearty thanks. This has been an issue where the people have been far, too far ahead of the policymakers. As we prepare to vote on the nuclear freeze resolution, we owe a great debt to the American people. They have provided us with the wisdom that must, in a democracy, come from them.

Our vote today can be the first step on the road to peace and preservation—for us and future generation spaceship Earth. It has taken God and man centuries to reach where we are today. But we survive beneath the specter of instant annihilation.

The disaster that we court is not a lengthy decline of civilization; it is a swift and horrible end to our world. This tragedy, this Armageddon, could occur through accident, miscalculation, or design. With the amazing speed of ICBM's—taking less than 20 minutes to span the globe—and submarine launched missiles—as few as 5 minutes from our shores—there will be no time for cool, rational decisionmaking. Our scientific advancements have made it impossible for us to plan on anything but chaos should nuclear war erupt.

Mr. Chairman, a yes vote on the resolution before us would give direction and commitment to America's floundering arms control effort. It will set goal 1: A mutual, verifiable freeze on the testing, production, and deployment of nuclear weapons. The alternative to a nuclear freeze followed by substantial reductions should frighten every Member of this body. The Pentagon is preparing to build 17,000 new hydrogen bomb warheads in the coming decade to add to the 26,000 we already have. Over $200 billion is to be spent on nuclear weapons alone over the next 6 years. MX missiles, Trident submarines, B–1 bombers, cruise missiles, Pershing II's, and neutron bombs stand on the horizon. Let us not be fooled into believing that the Soviets would stand idly in the face of this projected buildup. They will attempt to match us weapon for weapon, warhead for warhead, escalating the current balance of terror to unimagined heights.

It is not too late to halt this rush to oblivion, but we must start today. We must send our START negotiators to Vienna with a new mandate and a new proposal to make to the Soviets: A nuclear freeze.

The American people want it. Let us not let them down. Our children and grandchildren are looking to us for leadership. Let us not let them down. And the people of the world are looking to us for imagination and commitment to their, as well as our own survival. Let us not let them down.

I urge my colleagues to vote for a freeze now.●

The CHAIRMAN. All time has expired.

Pursuant to the rule, the amendment recommended by the Committee on Foreign Affairs is considered as an original resolution for the purpose of amendment under the 5-minute rule, and said substitute is considered as having been read.

After the disposition of said substitute and any other amendments to the text of the resolution, it shall be in order to consider the preamble for amendment, and the preamble shall be considered as having been read.

After the disposition of all amendments to the preamble, it shall be in order to consider an amendment in the nature of a substitute for the preamble and the text of the resolution consisting of the text of the preamble and resolution contained in House Joint Resolution 4 by and if offered by Representative BROOMFIELD.

The Clerk will now designate the committee amendment in the nature of a substitute.

The text of the joint resolution (H.J. Res. 13) is as follows:

H.J. RES. 13

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That, consistent with the maintenance of essential equivalence in overall nuclear capabilities, the Strategic Arms Reduction Talks (START) between the United States and the Soviet Union should have the following objectives:

(1) Pursuing the objective of negotiating an immediate, mutual and verifiable freeze.

(2) Deciding when and how to achieve a mutual verifiable freeze on testing, production, and further deployment of nuclear warheads, missiles, and other delivery systems.

(3) Consistent with pursuing the objective of negotiating an immediate, mutual and verifiable freeze, giving special attention to destabilizing weapons, especially those which give either nation capabilities which confer upon it even the hypothetical advantages of a first strike.

(4) Proceeding from this mutual and verifiable freeze, pursuing substantial, equitable, and verifiable reductions through numerical ceilings, annual percentages, or any other equally effective and verifiable means of strengthening strategic stability.

(5) Preserving present limitations and controls on nuclear weapons and nuclear delivery systems.

(6) Incorporating ongoing negotiations in Geneva on intermediate-range nuclear systems into the START negotiations.

In those negotiations, the United States shall make every effort to reach a common position with our North Atlantic Treaty Organization allies on any element of an agreement which would be inconsistent with existing United States commitments to those allies.

SEC. 2. Consistent with pursuing the overriding objective of negotiating an immediate, mutual and verifiable freeze, nothing in this resolution shall be construed to prevent the United States from taking advantage of concurrent and complementary arms control proposals.

The CHAIRMAN. Are there amendments to the Committee amendment in the nature of a substitute?

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have done something which is probably unforgivable in this body. I have read the resolution. And, believe me, once you read the resolution, you become somewhat disturbed. You become disturbed not only because of the form, which is not advisory in nature, as some have contended here on the floor today, but is actually a mandate. It is mandatory

that certain actions be taken as a result of what we would pass here. That was the reason for my point of order earlier today, because this resolution does more than simply give advice.

But the language is even more disturbing than the mandates it proposes. The language suggests that the Soviet Union and the United States are coequal partners in evil in the matter of nuclear armaments. Right up at the top of this resolution there is a holding that the Soviet Union and the United States are jointly culpable for the arms race.

Now, you might think that that is just my interpretation of what that language says, but I would say to you that if you go ahead, then, and read the report, you will find that that opinion is even amplified by the report language.

Now, let me suggest that this expressed position and that attitude as reflected in the resolution and in the report is a key point of division between those who support this resolution and those who do not.

Many of those who support the resolution before us see our defense as unwanted and, yes, even unnecessary. I am somewhat amazed to see that the freeze leaders from my district who come in to see me, at least some of them, are the same people who write me and tell me that they do not want to pay any taxes to pay for our defense. Now, it seems to me that that says something very clear.

As one who opposes this resolution, I see our defense as necessary and as contributing significantly to the preservation of our freedom and the freedom of others in the world. The difference between the committee resolution and the Broomfield substitute is a difference in passing a mandate which accuses your own country of wrongdoing and one which recognizes the need to preserve freedom with an adequate defense.

I do not think the Soviet Union and the United States can be compared, even roughly, in the way in which we use our military might. There is an accusatory element to the committee's approach which I find unwelcome and I find unseemly.

By and large, the American people are proud of their country and the way in which it has conducted itself in foreign affairs; by and large the American people are proud of those who have manned our defense and stood in the fight to preserve freedom; by and large the American people are proud of the nuclear policy which has provided a defensive umbrella for freedom; by and large the American people think their Nation has acted with honor and that the Soviet Union, on the other hand, cannot be trusted; by the large the American people believe that we should not do anything which weakens us relative to Soviet strength; by and large this resolution ignores those sentiments.

This resolution, to its lasting discredit, makes no mention of U.S. efforts to preserve freedom. This resolution equates the United States actions with Soviet actions. This resolution suggests that U.S. nuclear policy has destabilized the world. This resolution binds us to policies which could significantly weaken our posture in the world vis-a-vis the Soviet Union.

That is what you find when you really sit down and read this bill. You find language that holds America guilty for the arms race and translates that guilt verdict into action which could be detrimental to our defense and to our freedom. Those who claim that such a resolution has significant support among the American people have not been listening to the American people.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I want to commend the gentleman. He makes a very sound point, because, on page 2 of the resolution, it says:

> Whereas the increasing stockpiles of nuclear weapons and nuclear delivery systems by both the United States and the Soviet Union have not strengthened international peace but in fact have enhanced the prospect for mutual destruction.

What about the protection of this country provided by our nuclear missile force at the time of the Cuban missile crisis? What about the case of getting the Soviets out of Azerbaijan? And since early 1950 our nuclear power has preserved the peace of Europe because we provided our nuclear umbrella over NATO: and we have also provided a nuclear umbrella for Japan to maintain peace in the Pacific. And under this resolution we are likely to lose both of those nuclear umbrellas unless we amend this confusing and contradictory resolution.

Mr. WALKER. I thank the gentleman for his contribution. The gentleman is very perceptive. The language to which he points is specifically the language which this gentleman found in the resolution which I say equates the United States and the Soviet Union as equally culpable of what has taken place in the world. That to me is disgusting and unseemly.

Mr. ROSE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the speech that you just heard by my dear colleague from Pennsylvania I believe characterizes the old way of viewing this issue. And I suggest that those of us in the House who have cosponsored and will speak today in support of this resolution and against the amendments that will cripple it argue that a new time has come in the history of this Congress and the history of this country when we should put beside us the old way of viewing this problem.

I suggest that to look at the third paragraph of this resolution and say that you are somewhat disgusted by the insinuation that nuclear armaments might be bad for people is a characterization of the old view of this issue. But, my friends, a new vision has arisen in America, a new vision and a new hope in this world has come about. It has spread across this country and it is spreading through this House. It has spread from town to town and from legislature to legislature.

□ 1520

My own general assembly in the State of North Carolina passed a resolution asking me and my colleagues in the House and our governor to support this resolution in the form that it is in today.

It has been my privilege since 1977 to serve on the House Intelligence Committee. In that capacity I think I have seen the secrets, I have seen the missile systems and the armament systems. I have been out to New Mexico and visited the Sandia Corp., and up to Los Alamos. I have seen the bang power.

I know that there is a word in this resolution that we are going to pass today, and I say we are going to pass it overwhelmingly, there is a word in this resolution, that if it were properly looked at, to me is a safety valve for all of the country. That is the word "verifiable."

It is not going to be easy for this country to negotiate a totally verifiable arms reduction agreement. But that is what I am voting, and I hope my colleagues will vote to let us do, because we are not committing to an unverifiable freeze or reduction.

We are going to have to have for some extent of this verification some onsite inspection.

I say to my colleagues that is not going to be easy to achieve. So why is it, why is it that such a large group of this body is so upset about such a harmless resolution as this?

I would submit to you that I had a little clue to that the other day when John Nesbitts, the author of the best-seller "Megatrend," spoke to a group of us there in the House. He talked about the way of this country and the future and how our industrial base was changing and how we had a choice to either follow Great Britain in trying to prop up dead industries or follow Japan and go with the trends and the new industries in this world.

He said there is one thing that America is first in, unequivocally, throughout all of the world. This Nation is the No. 1 arms merchant of all times.

That is a great history and a great legacy for us to leave to our children. I believe in good defense. I have seen the national intelligence estimates. I know what our strength is like and I know what the Soviet strength is like. I know that this resolution puts no burden on the Chief Executive of this country that is not consistent with the safe future of you and your children and your grandchildren.

But this represents a strong message that is filtering through this place that says, "We want a new vision of world peace. We want a change in the voices. We are tired of the hawks and the doves who consistently parade themselves before the American public as if they are some high priest or high priestess of the security of this country."

There is a higher vision involved in this resolution that has not been present in the traditional security discussions that have taken place in this Congress.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. ROSE) has expired.

(By unanimous consent, Mr. ROSE was allowed to proceed for 2 additional minutes.)

Mr. ROSE. We ought to change. This country deserves a better discussion of our armament capabilities than we hear in this body. The same old, wornout cliches get rolled back and forth, the same old faces time and time again tell us how weak we are.

We are a strong nation. But we have a new vision for the future and that vision wants us to look at this resolution and to adopt it for the future of a secure world.

I implore my colleagues to defeat any amendment that will cripple what the chairman of the Foreign Affairs and his gallant staff and committee have done, and I urge its adoption and yield back the balance of my time.

AMENDMENT OFFERED BY MR. LENT

Mr. LENT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LENT: Page 5, insert the following after line 3 and redesignate succeeding paragraphs accordingly.

(4) Providing for cooperative measures of verification, including provisions for on-site inspection, to complement National Technical Means of verification and to ensure compliance.

Mr. LENT. Mr. Chairman, this is a simple amendment to the Zablocki resolution (H.J. Res. 13) that addresses a problem which according to all polls a majority of the American people express concern about in any consideration of a mutual nuclear freeze. The problem is verification. It is virtually impossible to verify a freeze on production, as the Zablocki resolution provides, without provision for on-site inspection.

My amendment addresses this point by simply adding the requirement of "on-site inspection" to verify compliance with any nuclear arms freeze negotiated by the United States and the Soviet Union.

The American people desperately want to put an end to the arms race. Polls do indicate a majority do say they want a freeze. They would like to see that freeze accompanied by a reduction in strategic stockpiles. But the polls also show that the sine qua non of any agreement negotiated with the Russians is that it must be verifiable.

The CBS/New York Times poll of May 1982 found that 80 percent of Americans would oppose a freeze if either side could cheat on the number of its nuclear weapons.

The Soviet track record of treaty violations—whether we look at their violations of test ban treaties of 1973 and 1974, or their buildup of forces in Cuba by deploying long-range, missile-carrying submarines and bombers, or their violations of SALT I and II, or their production of toxic "yellow rain" used in Afghanistan and Indochina in violation of the Biological Weapons Convention, or their flaunting of the human rights provision of the Helsinki accords—that track record of concealment, duplicity, and betrayal make it abundantly clear that any agreement to a nuclear freeze must be verifiable through onsite inspection by either the parties to the agreement or a third party.

When our national security is at stake, agreements based merely on trust, or even on cameras in the sky, especially with the Soviets, are simply not good enough.

Without onsite inspection there is no way our space satellites can have X-ray vision to peer through the roofs of warehouses or into the tunnels in the Urals to see hidden extra boosters to convert Russian SS-20's into SS-16's.

Without onsite inspection there is no way our electronic intelligence can counter the deliberate biasing or doctoring of Soviet missile transmissions that have consistently duped our most sophisticated spying devices and antennas.

Without onsite inspection there is no way a spy satellite can effectively verify a freeze prohibition on increased megatonnage or on the improved throw weight of missiles or on the deployment, testing, and production of warheads, missile and other delivery systems.

If you choose to ignore the Soviet record of concealment, duplicity, and treachery, then you can in good conscience vote against this amendment. But if you believe, as I do, that we owe our children greater certainty that our agreements with the Russians will be strictly adhered to you can strengthen the Zablocki resolution by adopting this amendment.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. LENT. I would be pleased to yield to the ranking Republican on the committee, the gentleman from Michigan (Mr. BROOMFIELD).

Mr. BROOMFIELD. Mr. Chairman, I wish to compliment the gentleman from New York on this amendment. I think it is one of the key amendments that will be considered today.

I would like to ask the gentleman a question. Did not the House accept the gentleman's amendment last year?

Mr. LENT. The gentleman is correct. On August 5, 1982, this amendment to the Zablocki resolution (H.J. Res. 521) was offered and it was debated and it was adopted by a voice vote.

Mr. BROOMFIELD. I would also point out that in the Christian Science Monitor recently they had an article about Paul Warnke, the former Arms Control Director.

Apparently he also supports the fact that it would be necessary to have onsite inspection if we are going to properly verify the actions of the Soviet Union. Is that not true?

Mr. LENT; Yes, it is true. The gentleman is correct. Paul Warnke, the Carter administration's arms negotiator at SALT, noted the fatal flaw in the Zablocki resolution with respect to a freeze and said that "Procedures that would be necessary to verify a production freeze have not yet been developed."

That is a direct quote from Mr. Warnke.

Mr. BROOMFIELD. We strongly support the gentleman's amendment.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. LENT. I am happy to yield to my colleague from New York.

□ 1530

Mr. SOLOMON. As the gentleman knows I appeared before the Rules Committee to make sure that his amendment was going to be made in order today. In addition to the remarks that have been made by our respected ranking member on the committee I would also point out to Members of the other side of the aisle that a very respected Member of the other House, a member of the Democratic Party, and a Presidential aspirant in 1984, and a former astronaut also shares the view of the sponsor of the legislation; he thinks it is absolutely essential that we have onsite inspection. Therefore we ought to have bipartisan support and pass this amendment again overwhelmingly.

(On the request of Mr. FISH and by unanimous consent, Mr. LENT was allowed to proceed for 2 minutes.)

Mr. McGRATH. Would my colleague yield?

Mr. LENT. I yield to the gentleman from New York.

Mr. McGRATH. Mr. Chairman, I rise in strong support of the amendment offered by my colleague from New York. A review of Soviet abrogation and manipulation of treaties and their own laws indicates a complete disregard for the spirit and intent of many international agreements as well as the Soviet Constitution itself. I am not at all confident that a freeze or reduction agreed upon by our Nation and the Soviets, without the benefit of onsite inspection, will guarantee the protection of the American people and our allies from the threat of Soviet nuclear blackmail.

On numerous occasions before this body I have cited flagrant examples of the disdain of the Moscow government for the Final Act of the Conference on Security and Cooperation in Europe, better known as the Helsinki Final Act. The House Foreign Affairs Committee repeatedly reports resolutions practically begging the Soviets to comply with the terms of that agreement, which pledges respect for human rights, and fundamental freedoms, including freedom of thought, conscience, religion, or belief.

Ask Lithuanian Catholic or Russian Jewish schoolchildren how their government respects the terms of the Helsinki accords as they are ridiculed in school for attending worship services. Ask those who monitor compliance with the Final Act if they are permitted to pursue violations by the Soviet Government. You are certain to find them in prisons throughout the U.S.S.R. and Eastern Europe in nations such as Romania, Ukraine, and the Baltic States. In addition to the Helsinki accords, the Soviets have violated the terms of the U.N. Universal Declaration of Human Rights, the U.N. Declaration of Decolonization, chemical and biological warfare agreements and a very disturbing list exists, containing many more blatant examples of the Soviet's disregard for agreements they have signed. Even the agreements supposedly forged between the Soviet Government and its people in the Soviet Constitution are overlooked with impugnity.

Article 50 of the Soviet Constitution guarantees freedom of speech, print, assembly, and street demonstrations. Ask thousands of prisoners of conscience how their government protected those freedoms. Article 72 of the constitution states that each Soviet Republic has the right of free secession from the U.S.S.R. Ask Latvians, Estonians, and citizens of more than a dozen other Soviet Republics if they feel free to declare their independence tomorrow. Better yet, ask the same question of nations supposedly outside the Soviet Union, such as Poland, Hungary, and Afghanistan. I am not willing to rely on the demonstrated trustworthiness of the Soviet Government to maintain an international balance of power under the terms of an arms freeze or other agreement unless we have the opportunity to actually conduct physical inspections of Soviet facilities. My case for onsite inspection rests on hundreds of thousands of individual instances of the refusal to comply with international agreements by the Soviets.

I do not want to stand on this floor at a future date and beg the Soviet leadership to abide by an agreement affecting our national security. Like it or not, our freedoms over the past two decades have been based on a defense system heavily dependent on our nuclear arsenals for their deterrent effect. I am convinced by past and present Soviet conduct that we cannot insure our security without the ability to fully inspect each location where Soviet nuclear weapons are deployed.

Mr. FISH. Will the gentleman yield?

Mr. LENT. I yield to the gentleman from New York.

Mr. FISH. I thank the gentleman. I compliment the gentleman on his amendment. It seems to me that a central theme throughout what I have read in the past couple of months on the whole issue confronting us is that nobody believes and trusts in the Soviet Union. You are addressing one of the main qualms before us. The amendment does not rely solely on onsite inspections as I read it, but it emphasizes it and I urge the acceptance by the majority because I think the gentleman is very close to the view of most of the people in the United States.

Mr. LENT. I thank the gentleman.

Mr. SOLARZ. Would the gentleman yield?

Mr. LENT. I yield to the gentleman from New York.

Mr. SOLARZ. I thank the gentleman for yielding.

I may want to speak a little bit later to the substance of the amendment but there is one aspect of it I would hope the gentleman could clarify. As he understands it, does the amendment require onsite inspection as one of the methods of verification, should we be able to reach agreement with the Soviet Union to freeze the further production, testing, and deployment of nuclear weapons or does it simply express the hope that on-site inspection would be part of the verification procedures?

Mr. LENT. In response to the gentleman, I would say first of all, the provisions of the amendment speak for themselves. But responding more completely, the entire resolution of course is nothing more than a statement of objectives. As I understand it, one of the objectives is that there must be a negotiation leading to a nuclear arms freeze; another objective is that the negotiation must be mutual, it must be bilateral. There is another objective that the agreement should be effective immediately once it is negotiated.

There is provision in the resolution giving special attention to destabilizing weapons. There is a provision for verification. My amendment requires that if there is verification as the resolution calls for, that onsite inspection would be part of that verification process.

(On request of Mr. WALKER and by unanimous consent, Mr. LENT was allowed to proceed for 2 additional minutes.)

Mr. WALKER. Will the gentleman yield?

Mr. LENT. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Let me see if I understand what I have heard thus far. Do I understand that this is the amendment which passed this House on voice vote in the previous session of the Congress, is that what the gentleman said?

Mr. LENT. As I indicated to the gentleman from Michigan, that is correct, August 5, 1982.

Mr. WALKER. Despite the fact that the House had already expressed its will on this amendment, when this resolution came to the floor it did not include this language even after that debate; is that what I understood?

Mr. LENT. I share your surprise and chagrin that it did not. Yes; that is the case.

Mr. WALKER. Do I understand from some of the language that we have heard earlier today that this may be a crippling amendment and that may be the reason why it was not included in the resolution? Is it regarded by some as a crippling amendment?

Mr. LENT. I understand in response to the gentleman from Pennsylvania, there may be some who deem this as a crippling amendment. From my point of view I see it as an amendment which strengthens the Zablocki resolution which needs quite a bit of strengthening.

Mr. WALKER. I thank the gentleman because his amendment is extremely important as witnessed by what we did on this House floor just a few months ago. It is extremely important we have onsite inspection. Verification without on-site inspection is no verification at all. I congratulate the gentleman. I am only disappointed the resolution we have before us did not include the language this House previously adopted.

Mr. COURTER. Will the gentleman yield?

Mr. LENT. I yield to the gentleman from New Jersey.

Mr. COURTER. I congratulate the gentleman for having this amendment. As the gentleman knows had the gentleman decided not to proceed with his

amendment I would have proceeded with one which did the exact same thing. So, we are thinking of the same thing. I think it is important to point out that on-site inspection, verification utilizing onsite inspection, is much more relative and much more important in a freeze resolution than it has heretofore been important in strategic arms reduction or limitation talks. It is one thing using the technology of the day, satellite photography or electronic devices, to be able to look at and examine and take pictures of test flights or of silos. But the freeze resolution that we are debating today talks in terms of "production," freezing production. There is no possible way that this country can ever be satisfied, can ever be sure, can ever know that production ceases unless there is on-site inspection. I think that is why the gentleman's amendment is so relevant to the freeze resolution whereas perhaps it was not so important in START or SALT negotiations.

Mr. LENT. I thank the gentleman for his contribution. I would add that the verification of research activities in the nuclear field would be almost impossible even with onsite verification.

Mr. O'BRIEN. Would the gentleman yield?

Mr. LENT. I yield to the gentleman from Illinois.

Mr. O'BRIEN. I thank the gentleman for yielding. I support his amendment. I would like to point out that his amendment is clear and quite specific. He does not attempt to limit the significance of the term "verification"; in the resolution itself, however, the words "Whereas adequate verification of compliance," are used. The word "adequate" to me is a limiting word, and I think the language of the amendment by the gentleman from New York is clear and unmistakable in meaning.

(On the request of Mr. ZABLOCKI and by unanimous consent, Mr. LENT was allowed to proceed for 2 additional minutes.)

Mr. ZABLOCKI. Will the gentleman yield?

Mr. LENT. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. In listening to the debate on this amendment and why House Joint Resolution 13 does not include it in the version reported out of the Foreign Affairs Committee, I might add that to my understanding, neither does House Joint Resolution 4 include the provision that the gentleman, Mr. LENT, is proposing.

I would like to ask the gentleman if he would agree to include the words, "as appropriate" in the second line following "on-site inspection". Then the chairman of the Committee on Foreign Affairs is prepared to accept your amendment.

Mr. LENT. I do not know what "as appropriate" means. I know that my amendment was drafted by legislative counsel. It expresses my intent.

Mr. ZABLOCKI. Then I will have to oppose the amendment.

The CHAIRMAN pro tempore. The time of the gentleman from New York has again expired.

Mr. ZABLOCKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in the spirit of compromise I have offered the proposed language because I believe the language as proposed by the gentleman merely would add confusion. It certainly would add some problems to the executive branch and the President in making a determination. House Joint Resolution 13 already has verification as a central objective. It states specifically that any freeze and reduction agreement that is negotiated must be verifiable. If it cannot be verified, there is no freeze. I cannot imagine the gentleman on the other side would have so little faith in his President that he believes the President would not negotiate a verifiable agreement.

The amendment prejudges what will be required to verify a freeze. Testing and deployment can be effectively verified by U.S. national technical means as we have been advised by the former Director of the CIA, Mr. Colby, Further, a freeze would mean a stop to all activities in any weapons included in the freeze agreement. Therefore, the detection of even one new missile or aircraft would be evidence of a violation and the freeze would stop.

□ 1540

Furthermore, former Under Secretary of Defense Perry has stated and I quote:

At the nuclear weapons production stage, the United States has been able to monitor Soviet activities at the design bureau and production plants so that every Soviet ICBM test has been predicted before it occurs.

In assessing the verification the threshold that should be established is confidence that any violation that would significantly affect our security would have a high probability of being detected.

The Reagan administration has not called for onsite inspection whether it is to verify its START proposals or the INF proposals and therefore, Mr. Chairman, I submit it should not be required in this resolution. The President has not requested onsite inspection.

As I said before, since experts like former CIA Director William Colby have testified that onsite verification only marginally contributes to the national technical means of verification the United States currently has at its disposal with satellites, radar, and listening posts. Therefore, I had suggested and offered to the amendment proposed that the words "as appropriate" should be added. Then we would give the President a sufficient amount of leeway and would not lock him in.

Again, I repeat, the executive branch did not request onsite inspection as part of its negotiations.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from New York.

Mr. SOLOMON. I thank the gentleman for yielding.

Mr. Chairman, I certainly am glad that the gentleman from Pennsylvania withdrew his words because the Chairman always, usually always, makes good sense. And although we disagree on his resolution, the gentleman is well respected.

I would just like to know from the chairman what has changed since 3 months ago when the gentleman accepted the same amendment identically to the gentleman's resolution of last year? Had something changed that would make the gentleman change his mind and not support it?

Mr. ZABLOCKI. I might say to the gentleman from New York that House Joint Resolution 13 tracks House Joint Resolution 521 the resolution of the gentleman from Wisconsin that had passed the Foreign Affairs Committee last Congress.

That resolution did not have the amendment that was adopted on the floor during the consideration. As the gentleman knows, I was prepared to accept the gentleman's amendment with an amendment and will vote for the amendment if my amendment that I will now offer to the amendment offered by Mr. LENT will be adopted.

AMENDMENT OFFERED BY MR. ZABLOCKI TO THE AMENDMENT OFFERED BY MR. LENT

Mr. ZABLOCKI. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ZABLOCKI to the amendment offered by Mr. LENT: In the text proposed to be added to the resolution, immediately after "inspection", insert "as appropriate".

Mr. ZABLOCKI. Mr. Chairman, I believe that the amendment to the amendment is self-explanatory. The amendment of the gentleman from New York (Mr. LENT), would put constraints on the President. I believe that we should give the President this leeway. President Reagan has called for equivalent megatonnage as part of his START proposal. Most verification experts believe that this requires onsite inspection, yet the President has not proposed onsite inspection. I believe we should leave it to the President when and under what conditions and under what circumstances onsite inspections should be required.

Mr. SEIBERLING. Mr. Chairman, will the gentlemen yield?

Mr. ZABLOCKI. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman for yielding.

Mr. Chairman, the author of the previous amendment stated that Paul Warnke, the former chief arms control negotiator in the Carter administration, took the position that onsite inspection was necessary to verify a freeze.

So I went to the phone and called up Mr. Warnke and I asked him. And he said that that was a gross oversimplification of his position, which is that you do not need onsite inspection to verify the testing or the deployment of new weapons, but you might need it to verify whether production facilities had been dismantled, and to that extent it would be appropriate.

It seems to me that, now that the record is clear as to what Mr. Warnke said, it ties in perfectly with the amendment offered by the gentleman from Wisconsin.

□ 1550

Mr. MARKEY. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I am glad to yield to the gentleman.

Mr. MARKEY. I thank the gentleman.

I have in my hand a letter from Mr. Warnke to the Foreign Affairs Committee, dated yesterday. If I might read it, Mr. Chairman, it says as follows:

WASHINGTON, D.C., *March 15, 1983.*

Hon. CLEMENT J. ZABLOCKI,

Chairman, Committee on Foreign Affairs, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: It has come to my attention that a member of your Committee has quoted me in support of his contention that the nuclear weapons freeze contemplated by the Joint Resolution under consideration by the House of Representatives may not be verifiable.

That is not my position. I strongly support a negotiated mutual freeze followed by major reductions of nuclear weapons as called for by the Kennedy/Hatfield/Markey/Conte Resolution that is incorporated into H.J. Res. 13 which you have sponsored. And I believe that the major elements of such a freeze can be verified completely adequately and satisfactorily with means of the kind already negotiated during the SALT II and Comprehensive Test Ban negotiations, during which I served as Chief U.S. Negotiator.

I strongly support your nuclear freeze resolution, and I urge members of the House of Representatives to vote for H.J. Res. 13 as in the best interest of the national security of the United States.

Very truly yours,

PAUL C. WARNKE.

Might I add also parenthetically that I also support the amendment of the gentleman from Wisconsin that has been tacked on to the amendment of the gentleman from New York. I think it perfectly clarifies the position of the nuclear freeze movement with regard to the role that onsite inspection should play in an overall freeze negotiation.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the amendment and the amendment to the amendment of the chairman of this committee.

I just want to say that it is regrettable that onsite inspections, whether as appropriate or is appropriate, has been left out of the resolution. I think that is an omission that was probably nothing more than an oversight because the report of our committee says on the bottom of page 4:

Beyond national technical means, the Soviet Union has agreed to unmanned seismic stations and onsite inspection procedures in the negotiations for a comprehensive test ban treaty.

Well, that is what Mr. Warnke just said. He is for the same provisions here as in the Comprehensive Test Ban Treaty, and that is onsite inspection; but I know of no greater authority, other than the chairman himself, than the gentleman from Massachusetts and I have his statement that he made before our committee and he says, this is at the top of page 3:

And through onsite inspections which the Soviets are not as adverse to as they once were.

So he supports onsite inspections.

Jonathan Bingham, who was a leader in the fight for the freeze, told us that onsite inspections were necessary, and the U.S. News & World Report of March 21 at the bottom of page 16 says that a Pentagon report contained a tacit admission that the Russians managed to conceal several hundred of their new T-80 tanks from the vaunted U.S. spy satellites for more than a year before cameras could snap their picture.

Now, as to Mr. Colby, we have gotten different versions of his testimony. There was one that went around today with a "Dear Colleague" that left out a sentence that was in an earlier statement of his that was sent around from the Council for a Livable World:

A nuclear freeze can be verified. William Colby.

And on the bottom he says:

Electronic sensors implaced in appropriate places, inspection visits to suspected areas, arrangements for third party or neutral determination of questions raised.

So he is for onsite inspections.

Now we have Randall Forsberg, who indeed is the godmother of this movement. She wrote an article in the Scientific American which we have been—I will not say inundated with, but I have had three copies sent to me, and on page 6 she says:

A variety of nonintrusive onsite verification measures can supplement satellite observation.

And last we have Zbigniew Brzezinski, who talked about the verification problems of SALT II would look like a very simple living room game compared to what would be required to verify the freeze on production.

So all of these authorities speak out for onsite verification and why it was left out of the original resolution boggles the mind.

Mr. MARKEY. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to my dear friend, the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Chairman, I will agree with the gentleman. This is probably one area where the mother of the freeze, Randall Forsberg, and Helen Caldicott agree with the father of the freeze, without which all this would not be possible. Ronald Reagan would agree on this issue.

I would hope that we could end the debate here and just accept it and move on to the other amendments.

Mr. HYDE. I thank my friend, the son of the freeze.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman from Illinois yield?

Mr. HYDE. I yield to my beloved chairman.

Mr. ZABLOCKI. I want to take this opportunity to extend my appreciation to the gentleman from Illinois for his kindness to the gentleman from Wisconsin and his remarks on the amendment to the amendment.

I wonder if the minority is prepared to accept the amendment so we can move on.

Mr. BROOMFIELD. Mr. Chairman, if the gentleman will yield, we accept the amendment on this side also.

Mr. HYDE. Mr. Chairman, I yield to the chief sponsor of the initial amendment, the gentleman from New York (Mr. LENT).

Mr. LENT. Mr. Chairman, first of all, I am happy to yield to the gentleman for the purpose of making that amendment.

I have in my hand the Christian Science Monitor issue of February 10, 1983, and to set the record straight, this is a direct quote from Mr. Paul Warnke:

Procedures that would be necessary to verify a production freeze have not as yet been developed.

He says this in an article quoting Mr. Warnke's views in relation to the freeze movement.

Mr. Chairman, I withdraw any objection I had to the gentlemen's amendment to my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. ZABLOCKI) to the amendment offered by the gentleman from New York (Mr. LENT).

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. LENT), as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 426, noes 0, not voting 7, as follows:

[Roll No. 28]

AYES—426

Ackerman	Courter	Goodling
Addabbo	Coyne	Gore
Akaka	Craig	Gradison
Albosta	Crane, Daniel	Gramm
Alexander	Crane, Philip	Gray
Anderson	D'Amours	Green
Andrews (NC)	Daniel	Gregg
Andrews (TX)	Dannemeyer	Guarini
Annunzio	Daschle	Gunderson
Anthony	Daub	Hall (IN)
Applegate	Davis	Hall (OH)
Archer	de la Garza	Hall, Ralph
Aspin	Dellums	Hall, Sam
AuCoin	Derrick	Hamilton
Badham	DeWine	Hammerschmidt
Barnard	Dickinson	Hance
Barnes	Dicks	Hansen (ID)
Bartlett	Dingell	Hansen (UT)
Bateman	Dixon	Harkin
Bates	Donnelly	Harrison
Bedell	Dorgan	Hartnett
Beilenson	Dowdy	Hatcher
Bennett	Downey	Hawkins
Bereuter	Dreier	Hefner
Berman	Duncan	Heftel
Bevill	Durbin	Hertel
Biaggi	Dwyer	Hightower
Bilirakis	Dymally	Hiler
Bliley	Dyson	Hillis
Boehlert	Early	Holt
Boggs	Eckart	Hopkins
Boland	Edgar	Horton
Bonior	Edwards (AL)	Howard
Bonker	Edwards (CA)	Hoyer
Borski	Edwards (OK)	Hubbard
Bosco	Emerson	Huckaby
Boucher	English	Hughes
Bouquard	Erdreich	Hunter
Boxer	Erlenborn	Hutto
Breaux	Evans (IA)	Hyde
Britt	Evans (IL)	Ireland
Brooks	Fascell	Jacobs
Broomfield	Fazio	Jeffords
Brown (CA)	Feighan	Jenkins
Brown (CO)	Ferraro	Johnson
Broyhill	Fiedler	Jones (NC)
Burton (CA)	Fields	Jones (OK)
Burton (IN)	Fish	Jones (TN)
Byron	Flippo	Kaptur
Campbell	Florio	Kasich
Carney	Foglietta	Kastenmeier
Carper	Foley	Kazen
Carr	Ford (MI)	Kemp
Chandler	Ford (TN)	Kennelly
Chappell	Forsythe	Kildee
Chappie	Fowler	Kindness
Cheney	Frank	Kogovsek
Clarke	Franklin	Kolter
Clay	Frenzel	Kostmayer
Clinger	Frost	Kramer
Coats	Fuqua	LaFalce
Coelho	Garcia	Lagomarsino
Coleman (MO)	Gaydos	Lantos
Coleman (TX)	Gejdenson	Latta
Collins	Gekas	Leach
Conable	Gephardt	Leath
Conte	Gibbons	Lehman (CA)
Conyers	Gilman	Lehman (FL)
Cooper	Gingrich	Leland
Corcoran	Glickman	Lent
Coughlin	Gonzalez	Levin
Levine	Obey	Smith (FL)
Levitas	Olin	Smith (IA)
Lewis (CA)	Ortiz	Smith (NE)
Lewis (FL)	Ottinger	Smith (NJ)
Lipinski	Owens	Smith, Denny
Livingston	Oxley	Smith, Robert
Loeffler	Packard	Snowe
Long (LA)	Panetta	Snyder
Long (MD)	Parris	Solarz
Lott	Pashayan	Solomon
Lowery (CA)	Patman	Spence
Lowry (WA)	Patterson	Spratt
Lujan	Paul	St Germain
Luken	Pease	Staggers
Lundine	Penny	Stangeland
Lungren	Pepper	Stark
Mack	Perkins	Stenholm
MacKay	Petri	Stokes
Madigan	Pickle	Stratton
Markey	Porter	Studds
Marlenee	Price	Stump
Marriott	Pritchard	Sundquist
Martin (IL)	Pursell	Swift
Martin (NC)	Quillen	Synar
Martin (NY)	Rahall	Tallon
Martinez	Rangel	Tauke
Matsui	Ratchford	Tauzin
Mavroules	Ray	Taylor
Mazzoli	Regula	Thomas (CA)
McCain	Reid	Thomas (GA)
McCandless	Richardson	Torres
McCloskey	Ridge	Torricelli
McCollum	Rinaldo	Towns
McCurdy	Ritter	Traxler
McDade	Roberts	Udall
McDonald	Robinson	Valentine
McEwen	Rodino	Vander Jagt
McGrath	Roe	Vandergriff
McHugh	Roemer	Vento
McKernan	Rogers	Volkmer
McKinney	Rose	Vucanovich
McNulty	Rostenkowski	Walgren
Mica	Roth	Walker
Michel	Roukema	Watkins
Mikulski	Rowland	Waxman
Miller (CA)	Roybal	Weaver
Miller (OH)	Rudd	Weber
Mineta	Russo	Weiss
Minish	Sabo	Wheat
Mitchell	Savage	Whitehurst
Moakley	Sawyer	Whitley
Molinari	Scheuer	Whittaker
Mollohan	Schneider	Whitten
Montgomery	Schroeder	Williams (MT)
Moody	Schulze	Williams (OH)
Moore	Schumer	Wilson
Moorhead	Seiberling	Winn
Morrison (CT)	Sensenbrenner	Wirth
Morrison (WA)	Shannon	Wise
Mrazek	Sharp	Wolf
Murphy	Shaw	Wolpe
Murtha	Shelby	Wortley
Myers	Shumway	Wright
Natcher	Shuster	Wyden
Nelson	Sikorski	Wylie
Nichols	Siljander	Yates
Nielson	Simon	Yatron
Nowak	Sisisky	Young (FL)
O'Brien	Skeen	Young (MO)
Oakar	Skelton	Zablocki
Oberstar	Slattery	Zschau

NOT VOTING—7

Bethune	Crockett	Young (AK)
Boner	Neal	
Bryant	Washington	

□ 1610

Messrs. COELHO, MORRISON of Connecticut, and OWENS changed their votes from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I have two amendments at the desk, and, first, I offer the amendment dealing with unilateral disarmament.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLOMON:

Page 5, after line 23, insert the following:

SEC. 3. This resolution does not endorse any type of unilateral disarmament on the part of the United States.

Mr. HEFTEL of Hawaii. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Hawaii.

Mr. HEFTEL of Hawaii. Mr. Chairman, today the House of Representatives will make an important moral choice—whether or not to approve a resolution calling on the United States and the Soviet Union to negotiate an "immediate, verifiable, and mutual freeze" on nuclear weapons. The resolution expresses the sense of Congress that the United States and the Soviet Union pursue a complete halt to the nuclear arms race; decide on a timetable for achieving a mutual verifiable freeze on testing, production, and further deployment of nuclear warheads, missiles, and other delivery systems; and finally, incorporate negotiations on intermediate-range nuclear missiles into the strategic arms talks (START). Although the resolution does not have the force of law, the President and his advisers are expending a considerable amount of energy in attempting to defeat the proposal in the House. The President is well aware of the power of public opinion in a democracy and of the inevitable tendency of moral commitment to evolve into public policy. Unfortunately, the administration has chosen to couch its arguments against the freeze with rhetoric which applies to the facts of a former decade. However, I am convinced that a new era of public awareness is upon us and that the grassroots concern sweeping across America and Western Europe will not be silenced. I intend to support the nuclear freeze resolution, and I commend those concerned citizens in Hawaii and across the country who have forced this critical reappraisal of America's defense and foreign policies at this pivotal stage in our history.

Mr. Chairman, we have reached the point where neither the United States nor the Soviet Union controls its own destiny in the nuclear game. We have long since passed the time when either of our nations can dominate the other militarily, or shape unilaterally the course of human events. For all our efforts to enhance the security of our respective nations, the United States and the Soviet Union have achieved overall quantitative equivalence in their nuclear arsenals. President Nixon referred to "nuclear sufficiency," President Ford to "rough parity," and President Carter to "essential equivalence." What we have reached is a stalemate and a point of diminishing returns if we go much further in our

quest for a nuclear superiority neither of us can ever hope to achieve.

The rough parity in the nuclear arsenals of the United States and the Soviet Union can be illustrated thusly. The United States possesses a defense structure with three main elements known as the triad: Land-based intercontinental ballistic missiles, sea-based ballistic missiles, and strategic bombers. The triad has approximately 1,630 missiles and 412 long-range bombers containing some 9,000 warheads. These warheads and weapons yield on the order of 4,100 megatons of explosive power—2,000 times the destructive force heaped on Germany during World War II.

The Soviet Union, on the other hand, deploys a defense network heavily dependent on land-based intercontinental ballistic missiles with less emphasis on sea-based missiles and strategic bombers. These combined forces include some 2,350 missiles and 150 long-range bombers packing a total of 7,000 nuclear warheads with a destructive force of 7,100 megatons.

There are apparent strengths and weaknesses in the nuclear arsenals of the United States and the Soviet Union. These differences tend to even out, however, thereby accounting for the rough equivalence of each arsenal. The United States, for example, possesses more nuclear warheads than the Soviet Union. However, the Soviet Union possesses greater explosive power in its fewer warheads. The Soviet Union has concentrated its nuclear forces in land-based missiles while the United States has staked its military future on the flexible force of the triad-land-, sea-, and air-based missiles, making it virtually impossible for the Soviet Union to compromise our total military structure in a first strike. Hence, the Soviets apparent superiority in land-based missiles is offset by the overall strength and versatility of the triad.

The stalemate in comparative United States-Soviet nuclear strength should be sufficient to force both sides to the conference table. Beyond that, the arms race has left us a legacy of very grim statistics to be pondered.

The atomic bomb dropped on Hiroshima almost 40 years ago had an explosive power of 15,000 tons of TNT. By 1950, the United States had developed and successfully tested a hydrogen bomb with an explosive power of 1 million tons of TNT, more than 60 times more powerful than the Hiroshima weapon. We have since tested bombs with explosive power measured as high as 50 megatons (50 million tons of TNT), a single weapon with 25 times the explosive power of all the bombs rained down on Germany during World War II. At the end of 1981, the combined explosive power of all nuclear weapons of all nations added up to 10 tons of TNT for every man, woman, and child on the face of the Earth.

Does anyone seriously believe that civilization could survive unscathed from a nuclear exchange between the United States and the Soviet Union? Is anyone willing to accept the consequences of the destruction and suffering which would follow such an exchange? I think not.

The time is right, then, for a full-scale national debate on the nuclear arms race. As we begin this debate, what are our policy options? In my opinion, it is incumbent upon the United States to vigorously pursue bilateral negotiations with the Soviet Union on meaningful arms control. Talk of a freeze on new nuclear weapons production will promote lasting peace and security only if both superpowers are involved seriously in these negotiations. However, a freeze on new weapons production will only be a first step, albeit an important one in putting the nuclear genie back in the bottle for good.

The freeze option is a promising step because it would represent a dramatic change in the status quo. But a freeze alone would not eliminate the clear and present danger posed by nuclear weapons. What we as a nation must do is approach the nuclear issue along several dimensions. A resumption of the old SALT talks aimed at limiting the unchecked growth of arms is perhaps the option which should be studied first. Parallel talks on the European Theatre Nuclear Force should also be undertaken in addition to a serious effort aimed at balancing and ultimately reducing the conventional military forces in Europe. If we are successful with arms limitation, Theatre Nuclear, and European conventional force reduction talks, the way may be paved for the strategic arms reduction talks (START) which are now moving along at a cautious pace. However, we must build an atmosphere of moderation, and determination with the Soviet Union before we can negotiate a meaningful reversal of the arms race.

Mr. Chairman, the freeze movement will be successful if it compels our world leaders to look seriously at meaningful arms control and at all the options available to prevent the destructive ends of unbridled nuclear proliferation. By bringing this issue before the world community, the American people have demonstrated great wisdom and courage. We still have time to reduce the awesome threat posed by nuclear weapons. However, there is little time for idle talk. The time has come for our world leaders to perceive the consciousness of the people, to debate, and to act.

Mr. SOLOMON. Mr. Chairman, my amendment regarding unilateral disarmament simply states that this resolution does not endorse any type of unilateral disarmament on the part of the United States.

Clearly, the freeze movement has now shifted into high gear, and has embraced two well-publicized goals: First, the approval of a freeze resolution, which would be a one-sided victory for the Soviet Union, and second, the unilateral disarmament of the United States.

When the leaders of the freeze movement recently came to my office they first wanted to know how I was going to vote on the freeze resolution, and second, they demanded that I vote against funding for all of the major strategic weapons systems which are so critical to out efforts to modernize our forces and meet the challenge of Soviet strategic superiority.

I agree with my distinguished minority leader—the freeze movement is now openly placing its considerable talent and energies in the cause of what is in effect a two-step strategy of unilateral disarmament by the United States.

First, they want the passage of the freeze resolution and then pressure to end our essential military modernization program—with absolutely no equivalent concessions from the Soviet Union.

At their annual meeting in St. Louis, the leaders of the Nuclear Freeze movement adopted a resolution advocating unilateral American Disarmament. They also approved a resolution urging Congress to suspend funding for the testing, production, and deployment of U.S. nuclear weapons. And equally important, they defeated a motion to make U.S. actions contingent on the Soviet response.

The nuclear freeze leaders and the movement itself have moved from a premise of a bilateral and verifiable freeze to actively working for American unilateral disarmament and a flat rejection of verification.

My amendment simply rejects any notion that this resolution is to be construed as condoning unilateral disarmament on the part of the United States—a goal which I sincerely believe every patriotic American and Member of this House supports.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I am pleased to yield to the chairman of the committee.

Mr. ZABLOCKI. Mr. Chairman, I thank the gentleman for yielding.

I have asked to be recognized for the purpose of inquiring as to what amendment the gentleman has before us. Is this the amendment which, on page 5, after line 23, inserts a new section 3: "This resolution does not endorse any type of unilateral disarmament on the part of the United States"?

Mr. SOLOMON. Yes, Mr. Chairman; the gentleman is correct. I assume that that is the intent of the gentleman's resolution, but we wanted to have this specifically spelled out so that there would be absolutely no question about it.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield further?

Mr. SOLOMON. I am glad to yield to the committee chairman.

Mr. ZABLOCKI. Mr. Chairman, on this side we have no problem with the amendment. We have no problem with it and are prepared to accept the gentleman's amendment.

Mr. SOLOMON. Mr. Chairman, I thank the gentleman for his reasonableness.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, we are very pleased to accept this well crafted and well thought out amendment.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. Mr. Chairman, I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. Mr. Chairman, I rise in support of the Solomon amendment.

It is one thing to propose a mutual, bilateral freeze in the nuclear arsenals of the United States and the Soviet Union. It is quite another to use that concept as a basis for a unilateral freeze by the United States while we wait—again—to see what the Soviets might do.

Many of those who endorse the call for a mutual, verifiable freeze would reject that idea if they thought it actually would mean a unilateral freeze. They desperately want to believe it is a two-way proposition; that the United States and the Soviet Union will both be bound by the freeze at the same time.

That is not, however, what many of the leaders of the national freeze movement have in mind. Once the bilateral freeze resolution is agreed to, it is there intent to press for the United States to halt the testing, production, and deployment of our nuclear weapons alone without waiting for the Soviet Union to agree to anything. That is most certainly not a mutual, but a unilateral freeze.

At its national convention in St. Louis on February 6, the nuclear weapons freeze campaign, the chief backer of the Zablocki resolution, voted to urge the U.S. Congress to suspend funding for the testing, production, and deployment of U.S. nuclear weapons. But they voted only to call upon the Soviet Union to exercise corresponding restraint. They even voted down a bilateralist motion to make U.S. actions contingent on the Soviet response. Further demonstrating their unilateralist intent, the convention voted to oppose the deployment of cruise and Pershing II missiles in Europe and only to favor substantial reductions in Soviet intermediate range missiles. They did not even say please.

I doubt that any responsible Member of this House is in favor of unilateral disarmament or a unilateral U.S. freeze. Such actions would endanger the survivability of our retaliatory deterrent, on which the peace of mankind has relied since the end of World War II. That bloodiest of all conflicts was directly caused by the unilateral restraint of free peoples in the face of a massive military buildup by a totalitarian power. But a clue to the hidden strategy of some freeze advocates is revealed in an article last October in the magazine Rolling Stone. I ask unanimous consent to include this article in its entirety. The sympathetic analysis by the famous investigative reporter William Greider, Rolling Stone had this to say based on a revealing interview with our colleague from Massachusetts:

> The movement's political objective is not simply to pass a congressional resolution urging the President to negotiate a bilateral freeze with the Soviets on all testing, production, and deployment of nuclear weapons systems. The freeze supporters in the next Congress, Markey explains, must go after each of the dangerous new weapons systems Reagan intends to build—the MX missile, the Trident II, the Guise and others. If a new majority can kill or postpone deployment of these, it would take away Reagan's beloved 'bargaining chips', and force him to re-think arms-control strategy.

Wow! That is not a bilateral strategy; that's a unilateral strategy.

My amendment would make clear that the mutual freeze of the resolution does not mean that our country should take unilateral steps in deferring or canceling deployment of weapons needed to modernize our aging deterrent. This is what the freeze movement now wants; they believe unilateral acts by the United States would produce restraint by the Soviets and lead to a mutual freeze. Congress must repudiate this absurdly naive and dangerous view, which contradicts the history of United States-Soviet relations.

We must reject any idea of a unilateral freeze or unilateral disarmament. To avoid such a misuse of this historic resolution, my amendment makes clear that this bilateral freeze resolution imposes no obligation on the United States or on the Congress to halt any weapon's testing, development, or deployment as a unilateral gesture in order to induce similar action by the Soviets. We should halt such weapons development only upon reaching a mutual agreement with the Soviet Union for a bilateral freeze.

My amendment is consistent with and makes clear the intent of the Zablocki resolution. It rejects the call of other well-intended quick freeze advocates who publicly view the Zablocki bilateral freeze resolution as a springboard for justifying another unilateral freeze as a ploy to somehow induce Soviet actions favorable to peace. The history of Soviet arms buildup during the last decade should convince you that if you really want a bilateral freeze to happen, unilateral action will not advance that objective, but undermine it. Vote with me to make abundantly clear: "Bilateral" does not mean nor justify "unilateral."

The CHAIRMAN. The Chair will inquire, does the gentleman from New York (Mr. SOLOMON) yield back the balance of his time?

Mr. SOLOMON. Mr. Chairman, I yield back the balance of my time and will offer my other amendment next.

Mr. SIMON. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Illinois (Mr. SIMON) is recognized for 5 minutes.

PARLIAMENTARY INQUIRY

Mr. ZABLOCKI. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ZABLOCKI. Mr. Chairman, may I ask, was the amendment offered by the gentleman from New York (Mr. SOLOMON) adopted?

The CHAIRMAN. The Chair will state that the Chair has not yet put the question. The gentleman from Illinois (Mr. SIMON) was seeking recognition, and he has been recognized.

Mr. SIMON. Mr. Chairman, I have no objection to this amendment. I simply take this opportunity to speak for just a few minutes about the resolution itself. I will take just a few minutes to describe the situation in the world right now and why it is important that we act on this resolution.

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Chairman, if the gentleman will yield for a parliamentary inquiry, may I inquire, has the Chair put the question on my amendment, or are we now debating my amendment?

The CHAIRMAN. The Chair has not put the question on the gentleman's amendment. The gentleman from Illinois (Mr. SIMON) sought recognition, and the Chair recognized him. The Chair will seek to put the question following the remarks of the gentleman from Illinois.

Mr. SIMON. Let me say again that I have no objection to the amendment offered by the gentleman from New York (Mr. SOLOMON). I simply moved to strike the requisite number of words in order to dismiss the resolution.

To my colleagues, particularly those who are freshmen, let me say that

they may be interested in an experience I had 2 years ago last September. The Members may remember reading about an Air Force sergeant in the State of Arkansas who walked along, dropped a wrench, broke a little aluminum tube, and a Titan II missile went up in the air and landed in a wooded field, and fortunately it did not explode. Newspapers reported that was a 9-megaton warhead. You know, I have heard this term "megaton" all of the time and I realized that I did not really understand what a megaton is. So I asked for research to give me an example so that I can understand what we are talking about. They gave me two examples.

□ 1620

One, if you take all of the bombs of World War II including Nagasaki and Hiroshima, they totaled 2 megatons.

Second, if you read in El Salvador or Lebanon or some place about a car blowing up, ordinarily that is 1 to 5 pounds of TNT. In TNT equivalency terms a megaton is a railroad freight train loaded with TNT 300 miles long. Nine megatons is 2,700 miles long or almost from Los Angeles to Washington, D.C.

The largest warhead tested in underground testing by the Soviets was 60 megatons.

That is the world in which we live, and every day we do not contol those nuclear warheads we move, however slowly, we move a fraction of an inch closer to disaster.

In that world we face these realities:

First, we fear the Soviets and they fear us. However irrational it may be on both sides, that is the reality.

Second, you can make your own scenario on Soviet versus United States military strength. I can give you a factual account that looks like they are ahead or I can give you a factual comparison that looks like we are ahead.

In fact, we can both destroy the other many times over, and to assume that we should not have a freeze so we can build up our military strength on the assumption that the Soviets are going to sit by and twiddle their thumbs—that is totally irrational.

Third, here there may be some disagreement. My impression is that this administration is not nearly serious enough about arms control. My impression is they would like to have it, kind of like the icing on the cake, but it is not a high priority.

What this resolution says is we want control of the arms race to be a high priority with this administration.

What we do here today if we adopt the resolution, is we send a message to the rest of the world that the United States has leaders who are concerned about this arms race. No. 2, and even more important, we send a message to this administration that arms control is important.

We have to improve the atmosphere in which negotiations are taking place.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. SIMON) has expired.

(By unanimous consent Mr. SIMON was allowed to proceed for 2 additional minutes.)

Mr. SIMON. The real problems are not the technical problems. It is not easy negotiating with the Soviets. We know that.

But what we have to do is to create the kind of atmosphere where we can do something. That atmosphere is bad now.

I agree with my colleague who said let us move beyond freeze, let us reduce weaponry. I would love to see it. But I served in the Illinois General Assembly with some of my colleagues here from Illinois. When I first went there I introduced resolutions that would have reformed the State of Illinois overnight, and those resolutions were overwhelmingly defeated.

Then I started learning that you move step by step by step. Then I was able to achieve change. That is what we have the opportunity to do today, move step by step by step. This is one step that can be taken.

Never before in all of human history has it been so important that two nations not miscalculate, that they understand each other, and those two nations are the United States and the Soviet Union.

It is vital that we create the atmosphere, that we take some initial steps, and this resolution moves us in that direction.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I will be pleased to yield to my colleague from Illinois.

Mr. HYDE. I thank my dear friend for yielding. I have the utmost respect for him and his judgment.

May I just suggest we have had nuclear weapons at least since August 6, 1945. To ascribe to this President a lack of sincerity in wanting to control them, while we have had years of Lyndon Johnson, we have had years of Jimmy Carter, we have had some years with John F. Kennedy, why is it suddenly the burden of this President in 2 years to clean up a dangerous situation which has persisted for years?

This President, as all our Presidents, is very sincere in wanting to control the arms and I know my friend did not mean to impugn his sincerity. I just note that.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. SIMON) has again expired.

(By unanimous consent Mr. SIMON was allowed to proceed for 2 additional minutes.)

Mr. SIMON. I do not suggest that this administration alone bears the responsibility. Clearly that is not the case.

I do not suggest, either, that the President is not sincere in wanting arms control.

I do suggest that it is not the kind of high priority that it must be. At least that is what I sense.

Mr. HYDE. I respectfully disagree.

Mr. CARNEY. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from New York.

Mr. CARNEY. I appreciate the gentleman yielding because he brings up a very important point. He brings up the Titan II missiles. They are rather old, they have devastating warheads of 9 megatons. They are very, very large, the largest in fact that we have in our arsenal today.

But it is this administration who is removing the Titan II from our inventory and they are doing that unilaterally, I might add. We are now down to 48. It is the intention to take at least one a month out of the inventory until we have zero Titan II's.

The gentleman clearly indicated how destabilizing these Titan II's are. They are in themselves, inside of their silos, a danger to the men and women who operate them.

So this administration has recognized that and they are moving, and I must insist unilaterally, to withdraw those Titan II's from the inventory, the largest missile with the largest warhead that we have in our inventory.

Mr. SIMON. I would simply reply that wherever we move—and I am not for much unilateral movement, and this resolution does not call for that—we have to move rapidly because it is not only the United States and the Soviet Union that have weapons today, but more and more other countries have them, too.

It is vital that we move, now.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my colleague from New York (Mr. WEISS).

Mr. WEISS. I thank the gentleman for yielding to me. I want to commend my distinguished friend from Illinois for the statement that he has made, as I do the gentleman from Wisconsin (Mr. ZABLOCKI) for the leadership that he has demonstrated in having this resolution brought to the floor again for debate, and this time for adoption.

I think that the gentleman's point is quite right. It is not an accident that the American people have suddenly mobilized in an effort to bring a halt, to slow down this nuclear arms race. Ronald Reagan, through his words, through his acts, has scared the wits out of the American people.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. SIMON) has again expired.

Mr. WEISS. Mr. Chairman, I ask unanimous consent the gentleman be allowed 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. STRATTON. Reserving the right to object, Mr. Chairman, we have had 3½ hours or 3 hours of debate on this subject. Very few of the Members were here when they had an opportunity to express these philosophical views on these subjects.

We now have a number of amendments that are pending to this resolution and to the substitute resolution, and I must insist that we not extend these discussions any longer. Somebody is going to ask for a limitation on debate before very long and then none of us will have an opportunity to have our amendments considered.

The CHAIRMAN. Does the gentleman object?

Mr. STRATTON. I object.

The CHAIRMAN. Objection is heard.

The question is on the amendment offered by the gentleman from New York (Mr. SOLOMON).

The amendment was agreed to.

□ 1630

Mr. WEISS. Mr. Chairman, I move to strike the last word.

I thank the Chairman.

Mr. Chairman, I rise in strong support of House Joint Resolution 13, the nuclear freeze resolution. I commend the gentleman from Wisconsin, the distinguished chairman of the Committee on Foreign Affairs for his leadership in bringing this vital issue back to the full House for debate.

This is probably the most significant issue that this body will be considering this year, perhaps this Congress. The fact is that the American people have been scared out of their wits by President Reagan, his administration, his so-called arms control negotiators, who have taken every occasion to indicate that they are more concerned about expressing their fear of the Soviet Union than of sitting down in a sincere effort to negotiate a treaty or an arrangement which will begin perhaps the process of taking humanity away from the brink of nuclear disaster.

There has been reference by our friend from Illinois on the other side of the aisle (Mr. HYDE) about the fact that there was a bomb dropped over Hiroshima in 1945, another at Nagasaki and there have been Presidents since then and the problem still has not been solved, so it is not just Ronald Reagan's fault or problem. I agree with that, it is not just Ronald Reagan's fault or problem. But I think that Ronald Reagan in recent years has been the first President not to understand the urgency of this problem and how close to annihilation all of humanity is.

Mr. Chairman, there have been suggestions by spokesmen for this administration about how nuclear bombs ought to be exploded, perhaps, to give an example or demonstration to the other side as to how serious we would be in a military confrontation.

There have been arguments by them about how winnable a nuclear war would be. There have been propositions set forth about how survivable a nuclear war would be.

What this Congress, what this House is trying to do today, is to send a message to the President of the United States and to this administration, and to the Russians as well, that as far as the House is concerned we do not believe that a nuclear war is winnable, or survivable and that steps ought to be taken by the Soviet Union and the United States to start moving toward a mutual, verifiable freeze of the nuclear arms race.

Mr. HYDE. Would the gentleman yield?

Mr. WEISS. I yield to the gentleman from Illinois.

Mr. HYDE. I thank my friend.

Much of what the gentleman from New York says, I certainly agree with. I just think this administration has a different approach which is perhaps a newer one from previous administrations which have, in my judgment, counted too much on trusting the good will of the Soviet Union. And I think a negotiation from strength is not an unreasonable way to approach this. But I just want to say this: I never forget the words of Franklin Delano Roosevelt and I would commend those words to my friend, "we have nothing to fear but fear itself." Thank you.

Mr. WEISS. I thank the gentleman for his comments. I am not sure I understand what the gentleman means when he suggests that we have trusted the Russians too much.

As far as this resolution is concerned, it does not rely on trust; it relies on a negotiated settlement, a mutual settlement, a verifiable settlement, not faith or trust at all but agreement that is satisfactory to both sides because of its iron-clad nature.

It occurs to me that we have something to fear beyond fear, itself. We have to fear the extinction of humanity.

There was an article in the New York Times a few weeks ago, in which it was asked, of someone who was taking the position that nuclear war is survivable, as to what he meant by "survivable"? He replied by analogy, that in the 14th century Genghis Khan set out to destroy the entire Persian people, every man, woman, and child, but he was able to destroy only 90 percent of them; 10 percent lived. Therefore the Persian people survived.

I suggest to you that if in fact 10 percent of humanity survives it will not have "survived" in the sense that you and I think of survival. Indeed there is question as to whether even 10 percent of humanity would survive a nuclear conflict.

So, there is an urgency, there is something beyond fear. Survival of the human race is what we ought to be thinking about. And if we do nothing more than to let the administration know that we are beginning to follow the American people.

The CHAIRMAN. The time of the gentleman has again expired.

(On the request of Mr. HYDE and by unanimous consent, Mr. WEISS was allowed to proceed for 1 additional minute.)

Mr. WEISS. I will finish my sentence and I will yield to the gentleman from Illinois.

If we do nothing more than to demonstrate that we are beginning to follow the American people because they are way ahead of us in expressing their commitment to slowing this arms race, then we will have achieved something. I yield to the gentleman.

Mr. HYDE. I thank the gentleman. When I talk about trusting the Russians, I refer to Yalta, I refer to Helsinki, to treaty after treaty where in good faith we lived up to the treaties but they have not. Elliott Roosevelt wrote a great book called, "As He Saw It" about his father negotiating at Yalta. He said, "Dad can we trust the Russians?". The response was "we are, aren't we?" That is what I am referring to.

Mr. WEISS. I must say I do not understand that argument, because if the gentleman believed its logic, then what he ought to be doing is demanding that we, the United States of America, withdraw from the START talks right now. The fact is if we want to talk about who has been acting in best faith, it seems there is enough doubt of both sides' credibility to go around.

We negotiated a treaty called SALT II; but it has not been ratified by the Senate. Although it is being adhered to so far by both sides, to the best of my knowledge, our good faith as to those negotiations could be questioned.

Since we last debated the freeze on the House floor, millions of Americans have made it unmistakably clear that they support a reversal of the Reagan administration's massive arms buildup. In November, more than 11 million people voted for local freeze initiatives. We have heard from hundreds of national organizations, grassroots groups and individual citizens expressing support for the freeze.

This demonstration of support for a congressional freeze initiative is truly a remarkable accomplishment. Two years ago, most Americans—including many Members of this body—had not even recognized the phrase "nuclear weapons freeze." Yet, today, due largely to the commitment of millions of Americans who exercised their rights to speak and act against the dangerous defense buildup of the Reagan administration, we are debating this most important issue for the second time.

Still, the risk of nuclear war is the gravest threat we face today. We live now in a time when any one of many international conflicts could escalate rapidly into nuclear confrontation. Unfortunately, massive nuclear overkill seems to have blurred the minds of our policymakers as well as those of the Soviet Union.

We must put an end to this madness. It is long past time to move beyond the technical arguments of Pentagon strategists and adopt a sane, rational approach to stopping the arms race. "Kill ratios," "strategic balance" and "survivability" apply to weapons systems, not people. Yet, we can only insure the survivability of human life when we eliminate the probability of nuclear war.

Establishment of a verifiable, immediate and bilateral freeze goes a long way toward achieving that end.

The freeze would bypass the endless arguments over who is ahead. Indeed, the administration's allegations of Soviet superiority are questionable. While we debate the relative strengths and weaknesses of existing arsenals, we overlook the absolute force of each. Clearly the United States and the U.S.S.R. are secure only in the capacity to obliterate every existing Soviet and American city. Small numerical advantages are unimportant since use of just a fraction of existing nuclear capabilities would spell doom for millions.

The freeze would prevent deployment of a new generation of weapons. Deployment of new Soviet ICBM's, intended to render American ICBM's vulnerable, and the MX missile, would undermine parity of capabilities, spur a new round of escalation and blur the division between conventional and nuclear forces.

The freeze would halt planned production of cruise missiles, which are small, easy to conceal, and present a threat to verification procedures. Cruise missiles are designed to fly at low altitudes, avoiding radar, and cannot be detected by satellites. The Soviet Union already has a rough cruise prototype under development; so, without passage of a freeze, we risk entering a period of unverifiable arms buildup.

The freeze would preserve European security, which is now in a state of deterioration. The decision to place 572 missiles in Europe this year already has caused strains in the NATO alliance. Neutron weapons, which would make a battlefield out of Europe, are being produced by the United States. Already, the Euromissiles controversy is serving as a major obstacle to Soviet-American arms control talks.

The freeze is the most verifiable form of arms control we could possibly enact. Indeed, a freeze would be easier to monitor than agreements like those proposed in the Reagan administration's START, since any production activity would constitute a violation.

Finally, the economic impact of a freeze on the U.S. economy would be positive. In a study conducted last year, the Congressional Research Service estimated that enactment of the freeze would have reduced the Federal deficit by as much as $6.67 billion for fiscal year 1983. In addition, the study concluded that backlogs and bottlenecks in high-technology industries would be relieved by a freeze, and that the temporary decline in the GNP, as is touted by many freeze opponents, would be less than 1 percent.

One need not be a scientific researcher to realize that the economic impact of a freeze would be even greater this year, given the increased deficit and worsened economic plight of our Nation.

The Reagan administration's proposal, the Broomfield substitute, actually prescribes no arms control at all. With administration plans for the expenditure of $1.6 trillion in defense spending for the next 5 years, Mr. Reagan's intent is clear. However, the landslide of public opinion in support of a freeze demonstrates clearly that American citizens do not share the President's outlook. They want a freeze, and they want it now.

I urge support of House Joint Resolution 13 as reported. Passage of this crucial resolution is a signal of our commitment to ending the arms race and ultimately bringing lasting and secure peace to the world.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. WEISS. I request 1 additional minute.

The CHAIRMAN. Is there objection?

Mr. STRATTON. Objection.

The CHAIRMAN. Objection is heard.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLOMON: Page 4, line 18, immediately before the period, insert the following: ", except that negotiations for a nuclear freeze should not commence until President makes a full report to the Congress on Soviet compliance with existing strategic arms agreements".

Mr. SOLOMON. Mr. Chairman, my amendment requires the President to make full report to the Congress on Soviet compliance with existing strategic arms agreements before negotiations for a nuclear freeze can commence.

The Congress needs to know if the Soviets are in violation of strategic agreements and the House, by passing the Zablocki resolution will go on record as trusting the Soviets on the issue of verification. Are we also expected to simply trust the Soviets—to take their word—that they are not violating these arms agreements? We need the facts.

My amendment would require the President to give the Congress the facts about Soviet violations of the strategic arms agreements before any negotiations concerning a freeze can get underway.

In a recent letter to the President, cosigned by many of my colleagues in the House, we asked the President to give the Congress and the American people the facts about these violations.

In the 1983 edition of Soviet Military Power, Secretary of Defense Weinberger reported that the Soviet Union has tested two new ICBM's and that they have two others ready for testing later this year.

In addition, that publication reports that the Soviets have expanded their ABM deployment around Moscow to include new missile interceptors. These actions may be a violation of existing agreements.

These incidents have been reported in the press as possible violations of existing international agreements, and on February 23 the President said, "this last one comes the closest to indicating that it is a violation."

There is, without a doubt, an expanding pattern of Soviet activities that are contrary to existing agreements. The issue of Soviet compliance with existing arms control agreements is vitally important to this continuing debate. If the Soviets are in violation of existing arms control agreements, it is imperative that we announce these violations in order to have an open and thorough debate. My amendment insures that we are provided with vital information regarding Soviet violations before we are asked to trust Soviet statements. We need to see Soviet activities in the area of arms control.

□ 1640

Mr. ZABLOCKI. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, before I address myself to the amendment offered by the gentleman from New York (Mr. SOLOMON), I would like to ask the gentleman whether he has any inside information regarding the President's intentions for 1984. During his statement in support of his amendment, he

expressed a concern that in the future President Reagan may not be the President and the gentleman is very concerned that after 1984 the provisions of House Joint Resolution 13 would not be maintained by anybody succeeding him.

My question, before addressing myself to the gentleman's amendment, is: First, does the gentleman have any information that President Reagan is not going to run in 1984? And, second, is the gentleman fearful that if he does run, he may not be reelected? I would appreciate an explanation of the gentleman's concern.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from New York.

Mr. SOLOMON. I thank the gentleman for yielding.

I would like to answer the chairman's question.

The gentleman knows that of all the Members of this House, I am one of the strongest supporters of Ronald Reagan and I feel that he is going to run for reelection and he is going to win by a landslide.

Mr. ZABLOCKI. Mr. Chairman, that is why I was shocked that the gentleman mentioned 1984.

But, as to the amendment, I believe we should read the amendment as it fits in the resolution. On page 4, line 17, House Joint Resolution 13 reads: Pursuing the objective of negotiating an immediate mutual and verifiable freeze—then the gentlemen's amendment would follow—except that negotiations for nuclear freeze should not commence until the President makes a full report to the Congress on Soviet compliance with existing strategic arms agreements.

I am sure the gentleman knows that there is an amendment which apparently will be considered that would amend the resolution, House Joint Resolution 13, which would include after the words freeze in line 1, page 4, line 18, "and/or reductions."

Of course, I hope that amendment will not prevail. But should it prevail and the gentleman's amendment prevails, what the gentleman would be doing is preventing the President from entering into any negotiations on reductions.

So I submit, Mr. Chairman, this amendment sets another precondition on implementation of a mutual and verifiable freeze after negotiation and therefore only delays progress in arms control. It is an impractical amendment. The gentleman is indeed tying the hands of the President. In my opinion, it shows little confidence in our Commander in Chief. The amendment is designed to deny the President the flexibility needed to negotiate with the Soviets.

We are now adhering to SALT II, although we have not ratified SALT II agreements. We are adhering to it so long as the Soviets adhere to the provisions of that agreement.

In essence, the President has already determined that the Russians are adhering to SALT II.

With the proposed report on Soviet compliance it would be, in my opinion, a verification issue which to which I am sure the President will pay special attention. The stipulation of House Joint Resolution 13 on verification is crystal clear; there will be no freeze if it is not verifiable. Verification is a built-in requirement in the resolution which our negotiations at START must extract before a freeze is implemented.

Therefore, the report would not be relevant to the START negotiations, the INF negotiations and the amendment, Mr. Chairman, should be defeated.

Mr. FRANK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it seems to me, as I read this amendment, that it states not that we ought not to trust the Russians, but that some people do not trust the President. It is not addressed to the House, it is addressed to the President. Apparently, it says the President should not start negotiating for a freeze—since he is the one who has control of it—until he reports to Congress on Soviet compliance with strategic arms agreements.

Now, there is nothing preventing the President from doing that right now. Apparently the gentleman from New York is worried that Ronald Reagan on passage of this resolution will rush headlong, pell mell, and helter skelter, into a negotiation before he has told us what terrible things the Russians are doing.

I find that fear a little bit misplaced. I think the gentleman is being unfair to Ronald Reagan. The fact is that he is not the kind of person to rush off helter skelter, willy nilly into negotiations without first telling us terrible things about the Russians. Indeed, he will probably invent a few more terrible sayings and attribute them to Lenin.

Mr. SOLOMON. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from New York.

Mr. SOLOMON. I thank the gentleman for yielding.

I say to the gentleman it was worth it just offering this resolution just to get the gentleman to say that.

Mr. FRANK. I would say to the gentleman if he would promise not to offer amendments in the future, I will say nice things privately. It would greatly expedite the business of the House if the gentleman would find other ways to get me to say things. It is not that hard.

The point, Mr. Chairman, is that what this amendment says, let us be very clear, is that Ronald Reagan should not do anything about a nuclear freeze until he tells us what is going on with strategic arms agreements; which leads me to believe that it was not of the highest seriousness of purpose which which is was offered. That is, it was offered basically to kind of slow things down and spew a few obstacles in the way.

□ 1650

We do not have to instruct Ronald Reagan to tell us what is going on with compliance. He is free to do it. If it is meant to suggest that somehow President Reagan is going to rush off without adequate preparation and sign an agreement, I think it is unnecessary.

It is an example, I think, of efforts to divert this very serious debate from the point about which it ought to be conducted.

Mr. ECKART. Mr. Chairman, will the gentleman yield?

Mr. FRANK. Yes; I yield to the gentleman from Ohio.

Mr. ECKART. I commend the gentleman for his remarks. I find it a bit ironic that this amendment will seek to turn over to the President, a man who has not shown any inclination at any time in his political career since 1958 to even begin the most rudimentary talks with the Soviets for limiting this nuclear horror.

I think what they fail to understand is that we are not here in spite of Ronald Reagan. We are here because of Ronald Reagan and his intransigence on this issue. For a President who has already called the Soviets a bunch of liars and cheats, I fail to understand how a certification process which is already preordained in this administration will contribute anything at all to this freeze debate.

Mr. FRANK. Mr. Chairman, there is clearly no necessity for this amendment. There is, I think, a necessity for us to debate the thrust of this question. Should we or should we not endorse the principle of the freeze?

Efforts like this divert people's attention. I think that kind of tactic really has no place in this debate.

Again to reiterate what the amendment says, if you take it seriously, is, let us be careful and let us restrain Ronald Reagan before he signs a freeze agreement without telling us about cheating. He is free to tell us about cheating now. He is clearly going to set the pace for negotiations.

An amendment which has as its purpose preventing Ronald Reagan from excessive speed in negotiating an agreement is not really a serious one. Obviously it was not intended to be and I hope it would be rejected and let

us get back to the more serious fundamental purposes of this debate.

Mr. CARNEY. Mr. Chairman, I move to strike the requisite number of words.

I would just like to point out the facts. It is this administration that has initiated the START talks. It is this administration that has initiated the INF talks. To me that is a commitment to the reduction of nuclear weapons both of the intercontinental variety and the intermediate range variety in Europe and it is this administration, as I said before, that has moved to reduce the largest most fearful weapons out of our arsenal unilaterally.

It is this President who is taking down the Titan II missiles. Now, that to me is a commitment for reductions in armaments and that to me is a commitment for a stabilization in today's world in the area of nuclear weapons.

Mr. FRANK. Mr. Chairman, will the gentleman from New York yield to me?

Mr. CARNEY. I would be glad to yield to the gentleman.

Mr. FRANK. I am glad to hear the gentleman say that. I think the gentleman should be joining me in opposing the Solomon amendment, because the President has done all these things without first giving us a report on Soviet compliance.

The gentleman from New York (Mr. SOLOMON) is worried that the President will negotiate a freeze without first reporting on compliance. He ought logically to tell the President not to negotiate START, not to negotiate the intermediate weapons matter.

I agree with the thrust of the remarks of the gentleman from New York (Mr. CARNEY) about what we should be trying to do. My point is that the amendment on the floor which says to the President, if you are logical about it, "Hey, knock it off until you give us a report on compliance," would apply not just to the freeze, but to all arms negotiations.

I do not want to see these things stopped. I do not want to order the President to stop the efforts he is making. I want him to go ahead unencumbered by any amendment that says to the President, "We don't trust you. You might make the wrong deal."

Mr. CARNEY. May I have my time back?

If the gentleman agrees, I would hope that the gentleman would instruct his colleague, the Member from Ohio, of the efforts that this administration has put forth in the area of arms control.

Mr. FRANK. I cannot instruct the Member from Ohio.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. SOLOMON).

The amendment was rejected.

AMENDMENT OFFERED BY MR. SILJANDER

Mr. SILJANDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SILJANDER: On page 4, line 18, after the word freeze strike out the period and insert "and/or reduction."

On page 4, line 20, after the word freeze strike out the word "on" and insert "and/or reduction of".

On page 4, line 24, after the word freeze strike out the comma and insert "and/or reduction,".

On page 5, line 5, after the word freeze strike out the comma and insert "and/or reduction, emphasis should focus on".

On page 5, line 21 after the word freeze, strike out the comma and insert "and/or reduction,".

Mr. SILJANDER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SILJANDER. Mr. Chairman, many of us want to support a resolution of some kind. This amendment can really allow us to either put up or shut up. If we are out for prevention of a nuclear holocaust, if we are truly supportive of a freeze and a reduction, let us give the full flexibility to this resolution that this amendment would allow.

Who here can stand up and tell us that they oppose reduction, true reduction?

This is not a binding law that we are discussing. This is basically a sense of Congress urging the START talk negotiators in Geneva to consider objectives in their negotiations.

An objective ought to be not only freeze with reductions, but also in equality with freezes and reductions on an equal level.

We are suggesting to these negotiators that if they want to freeze and reduce first, that is fine. If they want to reduce and then freeze, that is fine also. We should give them the latitude to do as such.

I say that if we can reduce first, why not? Why should we regress on 2 years of START talks and go back to a principle of reduction to a principle of freeze.

SALT I took 5 years. SALT II took 6 years. Time is of the essence for America. Time could very well be of the essence for the entire world.

I stand here and ask to give this due consideration. Are we ideologs or are we demagogs?

Mr. ZABLOCKI. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know that the gentleman from Michigan is sincere in offering this amendment, which actually gives the President a choice on whether priority would be given to a freeze or to a reduction.

The amendment supposedly would call for a simultaneous freeze and reduction; however, I submit that the gentleman's amendment really guts the intent of House Joint Resolution 13. We have given very close and sincere and thorough attention to the various proposals that were considered in Committee.

The gentleman's amendment puts the objective of negotiating a mutual and verifiable freeze, and reductions on an equal plane.

The gentleman's amendment has the effect of giving equal priority to a freeze and reductions. The decision on priorities would be left to the President. Even though this may be the gentleman's intention, it is my understanding the executive branch is not supportive of this amendment.

I believe House Joint Resolution 13 is structured in the proper way. The momentum of the arms buildup on both sides must be given full consideration; but the gentleman would do just the reverse. Therefore, the emphasis in House Joint Resolution 13 on the priority of a freeze is the most effective arms control strategy.

Therefore, I must oppose the gentleman's amendment.

Mr. SILJANDER. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I am glad to yield.

Mr. SILJANDER. The gentleman does not oppose a reduction, does he?

Mr. ZABLOCKI. I certainly do not and, therefore, House Joint Resolution 13 provides for and calls for a mutual and verifiable freeze on and reductions in nuclear weapons.

Mr. SILJANDER. Mr. Chairman, if the gentleman will yield further, if I am not mistaken, the preamble does talk about a freeze and reduction; is that correct?

Mr. ZABLOCKI. That is correct.

Mr. SILJANDER. All we are trying to do is emphasize throughout the "whereas" clauses that not only are we after a freeze, but also true reductions.

This only carries on the spirit of the gentleman's resolution, as indicated in the preamble. It does as he indicates support a two-track approach to freeze and reductions. It gives a balance to the idea of supporting reductions, as well as simply freezing.

The whole argument, as I am hearing it after 4 hours, and I have been here all that time, is that if we simply freeze, we will never thereby reduce.

This gives us the option of freezing and then reducing or reducing and then freezing. It makes an equal emphasis on not just freezing us into what some would consider annihilation, but gives us an opportunity to begin true reductions as well as freezing, no matter which may come first or which may come second.

□ 1700

Mr. ZABLOCKI. Mr. Chairman, if I may retrieve my time, the gentleman from Michigan knows that the negotiations on reductions are going on at the very moment. They are going on now. I must point out to the gentleman that he must know that in House Joint Resolution 13, on page 5, section 2, the resolution accomplishes exactly what the gentleman wants to do with his amendments. I do not believe the amendments are necessary. They are only confusing.

I believe, as I said before, the amendments should be opposed.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I yield to my colleague, the gentleman from Wisconsin.

Mr. ASPIN. I thank the chairman of the committee for yielding.

Mr. Chairman, I understand, I guess, the kind of sentiment behind what the gentleman from Michigan is offering with his amendment, but I think two things: First of all, what we are talking about here and what the chairman of the committee said is correct. The emphasis is on the freeze, but we are not ruling out reductions. Ultimately, we do want to get to reductions, whether we get there by a freeze or whether we go to reductions directly. Reductions are important and the freeze is important.

Right now the way the language of the resolution reads, it does allow for both freeze and reductions, but it does give a little bit more emphasis to the freeze. What we have about reductions is section 2, which was added in the committee and which I would like to read, and I think it takes care of anything that the gentleman from Michigan might be concerned about. It says:

Consistent with pursuing the overriding objective of negotiating an immediate, mutual and verifiable freeze, nothing in this resolution shall be construed to prevent the United States from taking advantage of concurrent and complementary arms control proposals.

In other words, reductions is a possible proposal. It seems to me that the balance has already been struck in this resolution. It is a well-worded resolution the way we have it now. It takes care of both the freeze and the reductions part, and I say this as a person who was interested in the problem of how do you marry up the freeze and reductions, but I think that the language in the resolution that the chairman has reported, and it was an amendment by the gentleman from New York (Mr. SOLARZ) which made the correction.

Mr. ZABLOCKI. I thank the gentleman for his contribution.

Mr. LUNGREN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in responding to what was just said by the distinguished gentleman from Wisconsin, it is true that the original preamble spoke about verifiable freeze "followed by reductions", and those three words were taken out and replaced by "and reduction". But unfortunately, in section 1, subsection (4) on page 5, it says, following the language about a freeze:

Proceeding from this mutual and verifiable freeze, pursuing substantial, equitable, and verifiable reductions through numerical ceilings, annual percentages, or any other equally effective and verifiable means of strengthening strategic stability.

A literal reading of that means that this directs the President, to the extent that it can direct the President, to move to a freeze first, and only once he has established a freeze, then to reduce. But it is my understanding that the intention of the amendment of the gentleman from Michigan is to not box in the President that he must move to a freeze and then go to reduction.

Now, I understand what the gentleman talks about in section 2. Unfortunately, these two sections are internally inconsistent. One thing we ought to be concerned about in this place is meaning what we write and writing what we mean.

I suggest that since you have that internal contradiction, it ought to be cleared up one way or the other. If you read only section 1, it clearly states that we are directing the President to move toward a freeze. Once having established that freeze, the President is allowed to pursue a negotiation for reduction.

Some of us believe that may not be possible; that you must move toward reductions first and then a freeze, and unfortunately, the reading, the literal reading of section 1 of this amended resolution leaves us in that quandry.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I yield to the gentleman from Wisconsin.

Mr. ASPIN. I think that if the gentleman believes that the only way we are going to do this is to have reductions first, and then follow it by the freeze, that is the Broomfield substitute.

What we have in the resolution as it came out of the committee, by the chairman, Mr. ZABLOCKI, is a resolution that says we will have a freeze; that what we want to do is move to a freeze. However, if there is an opportunity to go to a reduction immediately, the freeze resolution should not stand in the way.

Mr. LUNGREN. I understand what the gentleman says.

Mr. ASPIN. It is the difference between the two. I do not think you can marry up the Broomfield resolution and the Zablocki resolution by putting in this language.

Mr. LUNGREN. I understand. If I might reclaim my time, I would just suggest to the gentleman that what comes across is that it commands the President very clearly to move to a freeze and then reduce; oh, and as an afterthought, if you cannot do that, maybe you ought to try to reduce first and then go to a freeze.

Some of us believe that that type of direction, which really is telling our negotiators what they ought to do and which I do not believe under the Constitution we can precisely do, nonetheless gives a clear signal to many people involved in the process that it, in essence, hamstrings our President's negotiating team. It directs them to pursue a negotiating stance that some of us feel, unfortunately, is not workable.

I accept what the gentleman said. I just do not think it was clear in the gentleman's earlier comments that that, in fact, is the case.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I will be happy to yield to the gentleman from New York.

Mr. SOLARZ. I thank the gentleman for yielding.

Mr. Chairman, I followed closely his textural analysis of the alleged inconsistencies in the resolution. As the author of the amendment in the committee which placed section 2 in the resolution, let me say with all due respect to my friend from California that I really do not think there is an insurmountable inconsistency here.

In section 1, what the resolution calls for, if you look at the words very closely, is that we should pursue the objective of negotiating an immediate, mutual and verifiable freeze. In other words, that is set forth in the resolution as an objective we should pursue, the objective being an immediate, mutual and verifiable freeze.

We then go on to say in section 2 that:

Consistent with pursuing the overriding objective of negotiating an immediate, mutual and verifiable freeze, nothing in this resolution shall be construed to prevent the United States from taking advantage of concurrent and complementary arms control proposals.

Now, what that means in plain language is this: The primary objective should be the pursuit of a mutual and verifiable freeze. At the same time that that is our primary objective, and the word to be underlined here is "objective," there is nothing in the resolution which precludes us from taking advantage of complementary or concurrent proposals which may be put on the table which would not be inconsistent with the freeze and which would provide for real reductions.

The CHAIRMAN. The time of the gentleman from California (Mr. LUNGREN) has expired.

Mr. SOLARZ. Mr. Chairman, I ask unanimous consent that the gentle-

man be allowed to proceed for 2 additional minutes.

Mr. STRATTON. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words.

I yield to the gentleman from California (Mr. LUNGREN).

Mr. LUNGREN. I thank the gentleman for yielding.

Mr. Chairman, the only point I was making is that if you look at the next section in part 1, it says that proceeding from the freeze, we then move toward reductions. It is very clear what it is. All I am saying is that the gentleman says we cannot have our cake and eat it, too, that is, say we want reduction and a freeze. We are suggesting you cannot have your cake and eat it, too, saying you are for a freeze, but you are also for a reduction.

It is very clear textually what is says here. You say it is our effort to get a freeze at current levels. Once we have achieved that, then let us see if we can go ahead and see if we can reduce. That is what section 1 says, in spite of what section 2 says.

Mr. HYDE. Let me reclaim my time and let me ask the gentleman what his explanation is for subsection 2 that says "deciding when and how to achieve a mutual, verifiable freeze." What if that is after reductions? This is a square circle. It is for a freeze first, then reduction, but maybe we do them together but we are going to decide when to have an immediate freeze.

□ 1710

Mr. LUNGREN. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I want to yield first to the gentleman from New York (Mr. SOLARZ) for his explanation of this jigsaw puzzle.

Mr. SOLARZ. I thank the gentleman for yielding.

I think the gentleman ought to be proud of our linguistic ingenuity here, because let me explain what we have done.

Mr. HYDE. I am bewildered, not proud. I am proudly bewildered.

Mr. SOLARZ. Well, Mr. Chairman, as a member of the committee, I think the gentleman can take pride in the product we produced, because it is the last section which is the governing section in the resolution, and that section makes it clear that while the primary purpose is to achieve a mutual and verifiable freeze, nevertheless if it should prove possible to reach an agreement involving reductions because offers to that effect are put on the table, then there is nothing in the resolution which precludes us from taking advantage of it. I think that is very simple, and it is very clear.

Mr. HYDE. Mr. Chairman, the gentleman is indeed ingenious.

Mr. LUNGREN. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to my friend, the gentleman from California.

Mr. LUNGREN. Mr. Chairman, if I can understand what the gentleman just said, then the second section is the controlling section. If the second section is the controlling section, this is not a freeze resolution. I suspect that is not what the gentleman wants to do. What we are attempting to have here is a marriage of convenience, and oftentimes, as we know, marriages of convenience end in divorce court.

Mr. SILJANDER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. Mr. Chairman, let me say this, and then I will yield to my friend, the gentleman from Michigan.

Mr. Chairman, I think we are all bothered by some foolish requirement for consistency and logic and rigorous thought, and we should know that has no place in this type of resolution.

Mr. Chairman, I yield to my friend, the gentleman from Michigan.

Mr. SILJANDER. Mr. Chairman, I do not want to speak for the honorable chairman of the Committee on Foreign Affairs, but if I recall correctly, he was supporting a simultaneous effort; freeze and reduction.

Mr. Chairman, I wonder if I might yield for a response by the chairman so we can find out if that is what he is saying.

The CHAIRMAN. The Chair will state that the gentleman from Illinois (Mr. HYDE) controls the time.

Mr. HYDE. Mr. Chairman, I yield to my friend, the gentleman from Wisconsin, to answer the question of my friend, the gentleman from Michigan. The Midwest is dominating this discussion. I yield to my friend, the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Chairman, I would be delighted to respond to my colleague, the gentleman from Michigan (Mr. SILJANDER).

What the gentleman from Wisconsin has repeatedly said during the discussion, during the hearings, in the markup, and today on the floor, is that the negotiations for a mutual and verifiable freeze and negotiations for a reduction could be conducted simultaneously.

Mr. SILJANDER. Mr. Chairman, I thank the gentleman very much.

Mr. Chairman, if the gentleman will yield further, I would just like to say if that be the case—and I certainly would concur in that statement—what we are hearing from the other side is that this can be a freeze or reduction, and it is not certainly a freeze first. That is what we are hearing.

So what is the objection to what we are attempting to do here? What we are trying to do is very simple. We are trying to give the opportunity to reduce first. If it requires a freeze first, fine, let us do that. If this is what it says, then what is the objection?

Mr. MARKEY. Mr. Chairman, will the gentleman yield?

Mr. HYDE. Mr. Chairman, I have the time, and let me say that the more I read these competing sections, the more I am convinced that this resolution is a mystery inside a riddle wrapped in an enigma.

Mr. Chairman, I yield back the balance of my time.

Mr. STRATTON. Mr. Chairman, I have an amendment at the desk.

Mr. SILJANDER. Mr. Chairman, we have not finished this amendment yet.

The CHAIRMAN. The Chair will advise the gentleman from New York (Mr. STRATTON) that there is an amendment offered by the gentleman from Michigan (Mr. SILJANDER) pending.

Mr. MARKEY. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Massachusetts (Mr. MARKEY) is recognized.

Mr. SILJANDER. Mr. Chairman, I make the point of order that I could not hear the gentleman.

The CHAIRMAN. The gentleman from Massachusetts (Mr. MARKEY) has just been recognized for 5 minutes, and he moves to strike the requisite number of words.

Mr. MARKEY. Mr. Chairman, I would like to clarify once and for all what this debate is all about.

The gentleman from Michigan (Mr. SILJANDER) has offered an amendment which basically reflects the point of view of the President of the United States. What the President has been calling for since the moment he got in office is that he is in favor of reductions, but, at the same time, a buildup of the new weapons systems that modernize the nuclear strategic force of the United States.

So what we have on the table right now is President Reagan's plan, which the Broomfield substitute embodies, and which calls for reductions accompanied by modernization so that they can take down the old missiles and replace them with fewer but much more deadly and accurate, 1980 generation weapons. That is one side.

On the other side we have the nuclear freeze resolution, which calls for a freeze on nuclear weapons and, proceeding from that, a reduction in the existing stockpiles of nuclear weapons after the freeze is consummated, but, at the same time, if negotiations on collateral arms control agreements can be had, fine. That can happen as long as it is consistent with the overall objective of the nuclear freeze as the

overriding negotiating position of the United States.

We set forth in this resolution a set of directions for the President. The amendment from the gentleman from Michigan sets forth a set of options for the President. We do not want the President to have options. We want the President to have a direction, a policy which we want him to implement.

When we take away all the red herrings and all the concern with the wording, we get right back down to the fundamental debate which brings us here. Are we equal, or are we inferior? We are saying that we can freeze now and reduce from there.

This is nothing more than a clouded attempt to give the President the additional option of continuing on ad infinitum with the arms race.

That is the fundamental debate we are talking about here.

Mr. SILJANDER. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from Michigan.

Mr. SILJANDER. Mr. Chairman, let me say, No. 1, that this does not necessarily reflect the administration's point of view. The honorable committee chairman mentioned that, that he had heard the administration does not in fact support this.

No. 2, the amendment we have offered—and let the record so show—does not imply that we must have reductions first, as was suggested earlier by the gentleman. We can have under my amendment a freeze and then reductions.

Let me make one last point. If we are not willing to give a multioption program to the administration, we do not need a resolution at all, especially one which has no impact of law. It simply urges the START negotiators in Switzerland to consider various objectives. If the sole intent is to give very precise criteria or in fact demands on foreign policy to the President, you should introduce a law rather than a resolution and deal with it in that manner.

I am trying to make this resolution more flexible so that when objectives are flexed we will be as open as possible for reducing the inevitable threat of world annihilation, especially if unprecedented nuclear stockpiling continues. I believe that is the best way to accomplish world peace and security.

Mr. MARKEY. Mr. Chairman, I will take back my time and just say again that we do not want to give the President and all his negotiators the option of continuing the arms race. The arms race has gone on for 30 years.

The freeze movement in this country believes that the only way we are going to end the arms race is by freezing it now and then try to gain those reductions in the aftermath. If collateral reductions cannot be had during the freeze negotiations, then so be it; they will be willingly accepted but not at the cost of not having a freeze.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield for a question?

Mr. MARKEY. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. Mr. Chairman, it appears that what the gentleman from Massachusetts is saying when he states that he wants to prevent the President from negotiating arms reductions, before he later deleted it is in contradiction with an earlier statement on the part of the principal sponsor of the resolution. What I want to do is ask the gentleman from Massachusetts if he would clarify another point that has been raised by his comments.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. MARKEY) has expired.

(On request of Mr. MARTIN of North Carolina, and by unanimous consent, Mr. MARKEY was allowed to proceed for 2 additional minutes.)

Mr. MARTIN of North Carolina. Mr. Chairman, I would ask that the gentleman yield further to me in order to complete my question.

Mr. MARKEY. I am glad to yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. Mr. Chairman, if this resolution were to be enacted and were to become law, then during the interval before agreements were reached with the Soviet Union, would our Government still be entitled under this law to develop and test and deploy new weapons, or would this law require us not to do that? This gets back to the question of whether this is indeed bilaterial or unilateral.

Mr. MARKEY. Yes. Mr. Chairman, it is the intention of the freeze resolution to see the President of the United States and the Soviet Union consummate a freeze negotiation within the first 2, 3, and 4 months after the resolution passes and the President adopts that negotiating position. We do not anticipate any necessity of deploying a Trident II or MX missile or seeing those counterpart weapons developed on the other side, because we want to stop the arms race competely and totally in its tracks.

Mr. MARTIN of North Carolina. Mr. Chairman, if the gentleman will yield further, there are some Members—and I think that includes the gentleman from Massachusetts—who want to take away each of the bargaining chips from the President. I think that is the position which the gentleman took in an interview with Mr. William Greider in Rolling Stone magazine. The idea he expressed in that article was to deprive our President of each of the beloved bargaining chips, the MX missile, the neutron bomb, the Stealth aircraft, the B-1, the Trident, and so forth.

At this point in the RECORD I wish to include articles from the Rolling Stone magazine and the New Republic:

[From the Rolling Stone magazine, Oct. 14, 1982]

THE WILD CARD IN U.S. POLITICS

(By William Greider)

WASHINGTON, D.C.—Politicans don't give a damn about how many thousands turn out for celebrity rock concerts in behalf of world peace and nuclear disarmament. Rock concerts can be important for political fundraising, and the celebrants come away with the warm feeling that they have done something worthwhile. But politicians don't care.

Deep down, they care only about one type of citizen: those they are sure will vote. For them or against them. Those who participate in the electoral process constitute a shrinking minority of Americans these days, but their political influence increases as others decline to participate in elections. Those "others" constitute a gray area, a vacuum of Americans who have forfeited their input into the democratic process. This political vacuum, particularly among non-voters from eighteen to thirty-five years old, is the wild card in American politics. Nobody controls it; nobody can be sure of its future direction.

For the nuclear-freeze movement, its allied causes, women's rights, the environment and others, this vacuum represents enormous potential for political influence. If the freeze movement, still in its infancy, can develop the political skills to pull millions of new voters into the electorate, it could change the face of American politics.

That sounds grandiose, I know, but the stakes are that large. As voter participation has declined over the last two decades, the vacuum has produced an unstable political center in America. The middle-of-the-road senators and congressmen who used to follow obediently the dictates of party and traditional power blocs are now much more skittish—likely to lurch any which way a new wind is blowing. This helps explain why so many Democrats, as well as Republicans who know better, panicked and capitulated to the loony nostrums of Reaganomics and the orgy of rearmament. Elections are decided on the margins, and any group that can scare the center with a burning new popular issue will be treated with instant respect. Any cause that mobilizes new voters, even in rather modest numbers, will exert a disproprotionate influence.

Off-year congressional elections like this November's have been drawing declining turnouts—only thirty-eight percent voted in 1978—which automatically magnifies the influence of those who do vote. In 1980, notwithstanding the presidential landslide, thirty-three House seats were decided by less than four percent. That means any single issue that could have produced a swing of 2000 or 3000 votes in those races would have changed the outcome. That's what scares the centrist pols these days—getting blind-sided by small groups of strongly motivated voters who care intensely about their issue, who will not settle for watered-down compromises or the usual flimflam answers.

The new right understood this electoral arithmetic when it began ten years ago to build its own elaborate political-action structure independent of the Republican party—direct-mail networks, Washington-based lobbyists and propaganda fronts, coa-

litions of grass-roots organizations and phone banks to alert the troops back home and turn up the pressure on Washington. It organized around a handful of simple but powerful issues, from the Panama Canal Treaty to school prayer, and began targeting congressional victims. With a few key victories, first in 1978 and, more spectacularly, in 1980, the New Right scared hell out of the political center and pulled it rightward. Certainly, its electoral influence has been exaggerated and its nostaligic social agenda will probably never be fully realized, but no one can deny the New Right's accomplishment: it created power from the vacuum.

For the Eighties, the question is: will new popular movements like the nuclear-freeze campaign be able to do the same? I believe they will, though they are only beginning to raise money and organize networks of activists and voters for the 1982 campaign and the political battles beyond. It won't take ten years to turn around the congressional consensus that supports the nuclear-arms madness, but it won't be quick and easy, either.

Richard Viguerie, direct-mail wizard of the new right, doesn't really think the antinuke forces can sustain popular support, but he looks upon the coming struggle with relish. "By 1984," he predicts, "we will pretty much know who's going to be the dominant force for the rest of this century. Conservatives do have the lead, but it's not set in concrete." The secret, according to Viguerie, is simple: "With a small group, you can accomplish an awful lot. It just depends on the talent of the people involved."

Ironically, in terms of political action, one of the best things that's happened to the nuclear-freeze movement is that its resolution lost in the House of Representatives on August 5th by 204-202. First, this was a moral victory—collecting 202 supporters after only a few months of actively lobbying Congress (the original goal for 1982 was a modest 135 cosponsors, with no hope that the resolution would actually pass this year). Second, the narrow defeat should mobilize the grass-roots campaigners to work harder this fall, while a narrow victory might have sapped energy. Finally, the House roll call has provided a good list of vulnerable hawks whom the freeze movement can target for defeat this fall (see box).

At the top of everybody's target list is James Coyne, a Republican from the Philadelphia suburbs who was especially sleazy in that he first supported the freeze resolution, but then not only voted against it but denounced the campaign as "an ultraliberal left-wing movement that wants to relinquish responsibility for maintaining our strength in the face of Soviet aggression." (Actually, the freeze movement, while it has its cadre of old peaceniks and lefties, draws its core strength from the middle-class citizens of both parties. Catholic and Protestant church groups are focusing not on left-right ideology but on national morality.) Coyne's opponent this fall is former representative Peter Kostmayer, an early freeze supporter with a strong record as an environmentalist during his two-terms in Congress. He lost to Coyne by less than 4,000 votes in 1980. "The freeze was not an issue up until now, because we agreed on it," Kostmayer said. "Now it is, not just in itself, but for the way Coyne handled it. He crumbled under political pressure from the White House."

So did others. John LeBoutillier, the young Vanderbilt heir from Long Island with the big mouth, promised his vote, then double-crossed the freeze supporters in his district. He has already had trouble over the way he shuffled his campaign finances last time out. His opponent supports the freeze resolution. Le Boutillier is regarded as beatable.

One of the juciest targets is Robert Michel of Illinois, the Republican floor leader in the House and an old hawk who would never vote against the Pentagon. His Peoria district is ravaged by unemployment, and redistricting has thrown Michel in with a lot of voters who don't know him, despite his thirteen terms in Congress. His opponent, a young labor lawyer named Doug Stephens, supports the freeze and is getting lots of help from labor. If an old soldier like Michel is knocked off, it will shake up the elder hawks of both parties.

The economy will naturally dominate every campaign, but the nuclear-freeze issue can be the margin of difference in a lot of other close races. Don Clausen, an aging pol who has represented the redwood country of California for twenty years, votes like a Visigoth on defense, the environment and civil rights, among other things. Larry Craig of Idaho, a freshman, got some unfortunate publicity recently by calling a press conference to announce that he was not one of the congressman involved in the "gay pages" scandal. Jim Dunn of East Lansing, Michigan, beat former representative Bob Carr in 1980 by 2,700 votes, mainly because of his prodefense platform; Carr is running again, and his district will be a good barometer of how much the defense consensus has been weakened in middle America. Two congressmen from the Northern Virginia suburbs of Washington—Stanford Parris and Frank Wolf—both won by narrow margins in 1980 despite the Reagan landslide, and both voted against the nuclear freeze.

The list goes on. Various antinuke campaign organizations are targeting anywhere from ten to thirty House incumbents, mostly Republicans, for whom the freeze issue might not necessarily be their biggest problem yet could be the last nail in the coffin. Some hawk senators are being targeted, too (best bets for defeat: Orrin Hatch of Utah and Harrison Schmitt of New Mexico), as are open seats and profreeze incumbents in the House who need help to survive.

At the same time, nine States will have freeze resolutions on the ballot this fall, and those victories should add important thunder to the changing political climate. Roughly a quarter of the American voting population will have the chance to endorse the idea, enough to be fairly characterized as a national referendum.

Edward J. Markey, the thirty-six-year-old congressman from Malden, Massachusetts, who is leading the charge in the House, thinks the political center is underestimating the impact antinuke politics will have on selected races this fall, but that the center will react swiftly once it sees the intensity of this grass-roots movement translated into votes that defeat colleagues. "For the most part, we are just going to have to accept what happens [in Congress] this year," Markey explained, "because all these people were elected in 1980 on this 'rearm America' drive, and to expect them to do a 180-degree turn in such a short period of time is just unrealistic. The real goal is to find thirty or forty new people who are elected this November."

The movement's political objective is not simply to pass a congressional resolution urging the president to negotiate a bilateral freeze with the Soviets on all testing, production and deployment of nuclear-weapons systems. That victory would crumble Reagan's claim to a pronuke consensus, but it wouldn't bind him to change course. The freeze supporters in the next Congress, Markey explains must go after each of the dangerous new weapons systems Reagan intends to build—the MX missile, the Trident II, the Cruise and others. If a new majority can kill or postpone deployment of these it would take away Reagan's beloved "bargaining chips" and force him to rethink arms-control strategy.

When these roll calls come up next year, the freeze movement will doubtless have to get mean with some of its own Democratic supporters, just as the new right has had to threaten Republicans to keep them in line. Voting for a nonbinding resolution is the easy part, but a lot of feckles Democrats will try to run out on the movement when it comes to the hard votes on building more bombs. The only effective discipline is lots of mail and phone calls from home and the believable threat of reprisal in the next election.

This summer, the Ninety-seventh Congress gave the Gipper practically everything he asked for in defense authorizations, and usually by lopsided margins. Nevertheless, the House voted against starting the production of binary chemical weapons. It came within a couple of votes, 212-209, of withholding procurement of the MX missile. Markey thinks the MX roll call, along with the freeze vote, reveals how shaky the pronuke majority really is. "It's not finding 218 votes," he said. "It's really finding another thirty or so. With that, we certainly won't win them all, but we won't lose them all."

One reason the MX vote was so close is that its basing plan has gotten a lot of press coverage and public scrutiny, which forced members of Congress to actually look into it a bit. On most defense matters congressmen are as ignorant as the public; the safe vote is simply to vote for the Pentagon. The freeze campaign, at the very least, will force politicians to do some home work on nuclear arms and, Markey predicts the automatic prodefense vote will shrink as his colleagues see for themselves how nutty most of this is.

"The prospects are that there will be a good number of profreeze people elected in November," Markey said, "and it can be prophesied, without too much risk, that the MX missile will never be deployed."

Nevertheless this struggle is going to be long and tough and nasty, once the other side begins to take it seriously. The freeze movement is threatening the existence of a major industry—the bomb makers—and trying to prod the American public out of its ignorance and hysteria on national-defense issues. Most politicians, Democratic and Republican, flee before these forces. As the freeze gains momentum, prepare for a lot of red-baiting and even government spying on "domestic dissent."

Right now, the infrastructure for a long-running political movement is being swiftly put together. While freeze activists will be far behind the defense industry and the right in raising campaign money this fall, they should do quite well in supplying a more valuable commodity to politics—namely, people.

New organizations and networks are springing up all over the country. Viable freeze organizations now exist in an estimated 190 congressional districts. Volunteers should emphasize to the political regulars

that they are helping out for only one reason: to stop the nuclear-arms race. At least two national outfits—United Campuses to Prevent Nuclear War (in Washington) and Women's Action for Nuclear Disarmament (in Boston)—are trying to steer volunteers to campaigns where they are needed.

For the long run, four Washington-based organizations are pooling about $40,000 to develop a computer bank for instant contact with activists around the country. This won't have any impact on the impending elections, but it will enable the freeze movement to generate an instant blizzard of grass-roots calls and letters on weapons roll calls next year.

Believe it or not, politicians do read their mail, if only to find out who's mad at them. Lots of profreeze mail will give them the trembles, especially if it's from likely voters. Many scared hawks mumble that they, too, are sympathetic to the "freeze concept." Ask them if they supported the Zablocki resolution in the House or cosponsored the Kennedy-Hatfield resolution in the Senate. Don't settle for fuzzy answers. Reagan and his troops claim they want to reduce nuclear arms, which is also total blarney. Ask your senator or representative if he wants to build Reagan's new generation of first-strike nukes, qualitatively more dangerous than the overkill stockpile that already exists, before they reduce. If his answer is yes, he is the opposition. It doesn't take much time or energy. And always, always mention this: you intend to vote.

[From the New Republic, Mar. 7, 1983]

A TURN TOWARD UNILATERALISM: HALF A FREEZE

(By Charles Krauthammer)

Peace movements suffer from geographical asymmetry. Since they are all to be found on only one side of the Elbe, they face an enduring dilemma. If they content themselves with repeating calls for bilateral reasonableness, they run the risk of descending into high-minded vacuity. On the other hand, if they decide to put substance into their appeals by advocating concrete measures, they run the risk of unilateralism, since their proposals are effectively addressed to only one side. (Governments do not suffer from the same disability. They can address the other side not only with appeals for reasonableness but also with the persuasive power of threats, such as the threat of an arms build-up.)

The American nuclear freeze movement has enjoyed a year of astonishing success in the arena of public opinion. It has done so well because it derives from a worthy sentiment, the desire to reduce the chances of nuclear war and to control the arms race. But movements cannot exist forever on sentiment. At some point they have to get down to specifics. And since the United States government has already presented at Geneva elaborate proposals for drastic, bilateral arms reductions, it could almost be predicted that if the freeze campagn decided to move into the political arena, it would move in one direction: toward unilateralism. That's what happened on February 6 in St. Louis at the national convention of the Nuclear Weapons Freeze Campaign.

The convention reaffirmed first its ritual "commitment . . . to a bilateral, mutually verifiable freeze between the U.S. and the U.S.S.R.," and, for those of us who have been wondering exactly what that means, it added details. If voted to "urge the U.S. Congress to suspend funding for the testing, production, and deployment of U.S. nuclear weapons," and to "call upon the Soviet Union to exercise corresponding restraint." It defeated a motion to make U.S. actions "contingent on" the Soviet response. so much for bilateralism.

Then the delegates decided to tackle the Euromissile question. They voted to "oppose the deployment of cruise and Pershing II missiles in Europe" and "favor substantial reductions in Soviet intermediate range missiles." Why a movement dedicated to abolishing the nuclear peril should not be for abolishing intermediate range missiles—which is the current U.S. position in Geneva—is a mystery. The usual explanations is that the Soviets will refuse to eliminate their Euromissiles. But we won't know what the Soviets are prepared to do unless we push them at the negotiating table, and we certainly will never know if the United States declares in advance that it will not deploy its own missiles regard less of what the Soviets do. Besides, even if the Soviets are indissolubly wedded to their SS-20s, does such a union warrant the blessing of Americans, and in particular of the American antinuclear movement? After all, there are many good things, besides giving up Euromissiles, that the Russians refuse to do, such as halting chemical warfare against Laotian villagers. Should we, therefore, pass resolutions calling for "substantial reductions," rather than abolition, of Soviet use of "yellow rain"?

The zero-zero option is the best possible outcome for the Geneva negotiations on Euromissiles. The more this position is undercut by domestic opposition in the West, the less chance there is that the Soviets will agree to it, or to some equitable bargain approximating zero-zero—for instance, drastically reduced and balanced force levels on both sides.

The freeze movement has done a great service in awakening concern for arms control. It would be perfoming a great disservice if it now tried to channel that concern into directions that, apart from unilaterally weakening the United States, would make arms control agreements even more difficult to achieve than they are today.

Does this resolution require that? Would this resolution impose by force of law that the President would not be able to push forward with development of those weapons? Does this obligate this Congress? Does this resolution obligate us to take unilateral action?

I thought that was resolved earlier by an amendment that was unanimously agreed to as offered by the gentleman from New York (Mr. SOLOMON) which said very clearly that a bilateral resolution imposes no unilateral obligation on the United States.

□ 1720

Mr. MARKEY. Let me just answer by saying this: Everything that we do in this Congress is by its very nature unilateral. So if we want to defeat densepack MX in December on a bipartisan basis then that happens.

But we are saying here to the President in his negotiating position with the Soviet Union, we are saying, "Mr. President, go to the table with the Soviet Union immediately, you are negotiating from a posture of equality. You will be able to achieve, we believe, a mutual, verifiable freeze on all existing nuclear weapons systems without the need to deploy, to test any additional nuclear weapons in this country, so that the bargaining chip philosophy under which you are operating will have become obsolete."

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. MARKEY) has expired.

Mr. SOLARZ. Mr. Chairman, I ask unanimous consent that the gentleman be given 2 additional minutes.

Mr. STRATTON. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. COLEMAN of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to make sure that I heard the gentleman from Massachusetts correctly because I think it is a very important point. Did the gentleman say the people who were supporting the nuclear freeze were not interested in reductions?

Mr. MARKEY. Will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Massachusetts.

Mr. MARKEY. They are indeed interested in reductions and they believe the only way in which real reductions can be had is if we have a freeze.

The only way in which meaningful reduction can be had worldwide is if we have first a freeze on all weapons systems, not just the few in Europe, and then from there proceed to reductions of all of the weapons systems that exist.

Mr. COLEMAN of Missouri. If I may reclaim my time, I was hoping for a yes or no answer. I think the gentleman said earlier they are interested in reduction.

Mr. MARKEY. They are interested in reduction.

Mr. COLEMAN of Missouri. If they are interested in reductions, if you are interested in reductions, anybody who is interested in reductions, what do you have to fear from the gentleman's amendment?

Let me go ahead and make a few more remarks. There is nothing in this amendment that detracts whatsoever from having a freeze. What the gentleman is trying to do is untie the negotiators' hands to be able to have them have at least two options we might give them here today to either freeze or to reduce.

I think there is a lot of hypocrisy, Mr. Chairman, going around here to say that we are going to allow the reduction feature of this resolution to come in and creep through the backdoor while we are going down this fast track of freeze.

The bottom line in all of this is trying to lower the threshold in the world toward nuclear accidents or

having some sort of armed conflict with these weapons. Why on Earth would anybody oppose putting arms reductions on the same footing as freezing nuclear arms? Limiting the language to just nuclear freeze seriously impairs the ability of this administration or any President to be able to sit down and negotiate arms reductions.

I would yield to the gentleman from Michigan (Mr. SILJANDER) to see if he has any response to this, because my understanding of his amendment is that it untiess the hands of the negotiators and places reductions on a similar ground as we have on the nuclear freeze in this resolution.

I would ask the gentleman if that is the intent?

Mr. SILJANDER. Will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Michigan.

Mr. SILJANDER. Indeed that is the whole idea of this amendment, is not simply to focus in on freezes when there may be in the negotiator's eye an opportunity to first reduce.

I find it unbelievable, quite frankly, that we hear such diversity, one saying yes, freeze and reduce simultaneously; others saying no, we are against reductions, and then they are for them.

If we are for reductions, as this gentleman has adequately pointed out, if we are sincere then how can we not support this amendment?

Mr. COLEMAN of Missouri. I do not know. I think it is very supportable.

Let me also ask this question: I thought I heard in the colloquy between the gentleman from North Carolina and the gentleman from Massachusetts that it is his understanding that if this passes within 3 to 4 months there will be a nuclear arms freeze, and the question about force modernization came up.

It is my understanding his response was, and if it is not, if the gentleman from Massachusetts would correct me, there would not be opportunity for force modernization under this resolution because there would be a freeze within such a short period of time that there would not be any practical opportunity for that to occur.

Is that correct?

Mr. MARKEY. Will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman.

Mr. MARKEY. The objective of the freeze is to preclude the necessity of any further force modernization.

Mr. COLEMAN of Missouri. Is that the effect of the resolution?

Mr. MARKEY. If by that you mean the replacement of older systems with the MX and the Trident II, you are exactly right; that is the objective of this.

Mr. COLEMAN of Missouri. Is the gentleman's view implicit in the language or is this a part of the negotiating process that would go on? Would the Soviets live by the same rules if there is an agreement to freeze, or is this something that we unilaterally would be doing because you are making it so in the legislation today?

Mr. MARKEY. No; we do not do anything that is not mutual and verifiable on both sides. Our objective, however, is to see this negotiating process go into place as soon as possible so that both sides can immediately begin the freeze on the testing, deployment, and the production of all nuclear weapons.

Mr. COLEMAN of Missouri. Life is tough enough in Geneva and Vienna, for our negotiators. Their job is to find an agreement to reduce the arms threshold in this world. But to pass this type of resolution without even considering arms reduction simply makes life much more difficult for our negotiators.

Mr. SOLARZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to respond to the very important question raised by the gentleman from North Carolina because I think it requires a clear response. I would like to amplify, if I might, on the remarks of the gentleman from Massachusetts as well.

It is certainly the hope of the sponsors of this resolution that, pursuant to the passage of the resolution, the President would immediately enter into negotiations with the Soviet Union in an effort to achieve a mutual and verifiable freeze on the further production, deployment, and testing of nuclear weapons, which once such an agreement was achieved would make unnecessary the further modernization of our strategic forces through the addition of new nuclear weaponary.

However, there is nothing, there is literally nothing, in this resolution which precludes the United States from proceeding with the modernization of its nuclear forces prior to the achievement of a mutual and verifiable freeze with the Soviet Union. If it should turn out in those negotiations that the Soviet Union is unwilling to agree to a freeze which is both mutual and verifiable, in other words, if we do not have an agreement with them, then we would be perfectly free to proceed in any way we deemed fit, compatible with our national interests and our security.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I am pleased to yield to the gentleman from California.

Mr. HUNTER. I would like to ask the gentleman under the scenario you have pictured, and in saying that the freeze would preclude the need to modernize, and if you look at the *Poseidon* submarine today, and their hull life of about 20 years, and you look at the *Yankee* model submarines and the *Delta* model ballistic missile submarines that the Soviets have, as we go into the 1990's our submarines are basically going to lose, due to stress that is incurred in submerging to great depths, their structural integrity, their ability to withstand those depths, and they are going to be obsolete. They are going to be unusable.

My question to you is: Under the freeze are you saying that the Poseidon can be replaced with a Poseidon but cannot be replaced with a Trident?

Mr. SOLARZ. As I would interpret this resolution, there is nothing within the framework of a freeze agreement with the Soviet Union that would preclude the maintenance of existing weapons systems. If you need to, as we did with the B-52's, to change the internal configuration in order to make it usable, that would be possible

What it would preclude is the development of new systems or the further production of existing systems, because that would be included in the freeze which applies to production, deployment, and testing.

Mr. HUNTER. Then, if the gentleman will yield further, my question is simply this: Since 1967 we have produced, I think, two submarines. The Soviets have produced some 64. In a couple of years, in the 1990's, our submarines are going to be obsolete if no new submarines are produced.

□ 1730

Mr. SOLARZ. I take the gentleman's point, let me reclaim my time. He makes a very good point. Let me make it clear that the freeze resolution does not define a missile submarine as a nuclear weapon. The weapon is the missile not the submarine. In other words there would be nothing in this which precludes the production of additional submarines. It would preclude the production of new missiles. It would not preclude the reconfiguration of existing missiles in order to extend their useful life. It would preclude the manufacture and production of new missiles. But certainly, to respond to the question raised by the gentleman from North Carolina, there is nothing in the resolution which precludes production, testing, or deployment prior to an agreement with the Soviet Union. As the gentleman from Massachusetts indicated, we all hope we will be able to get agreement very quickly, which would make the further production, testing, and deployment of nuclear weapons unnecessary. But if we cannot get agreement it would certainly be possible for us to do whatever we deem necessary to defend our vital interests.

Mr. AuCOIN. Will the gentleman yield?

Mr. SOLARZ. I will yield first to my friend from Oregon.

Mr. AuCOIN. I appreciate very much the gentleman's explanation as to what the resolution does. I hope my colleagues heard him. However, I think it also needs to be stated, that the amendment being offered is not a simple little redundancy. To the contrary, what the gentleman's amendment does is to make the freeze discretionary. The resolution does not. Rather than saying that the Congress wants the freeze to be the basis for arms control negotiations, the gentleman's amendment would say: "Mr. President, we want the freeze to be the basis of negotiations but if you do not like it you have an option. If you want to, you can keep on negotiating the same way—a way in which new first-strike weapons would be permitted."

So, he can ignore the freeze. And everyone here knows that this President will ignore the freeze if left to his own devices because he is determined to build new first-strike weapons.

(On request of Mr. LEVITAS and by unanimous consent, Mr. SOLARZ was allowed to proceed for 1 additional minute.)

Mr. LEVITAS. Will the gentleman yield?

Mr. SOLARZ. I yield to my friend from Georgia.

Mr. LEVITAS. I heard the gentleman say that the freeze as defined by this resolution would not apply, for example, to the building of a Trident submarine. Now as I understand the language it says further testing, production, deployment of nuclear warheads, missiles, and other delivery systems. Is not the Trident submarine a delivery system? Is the gentleman talking about taking Polaris missiles and putting them in a Trident submarine? What about the B-1 bomber?

Mr. SOLARZ. I think the legislative history makes it clear that in this instance the submarine is not the weapon, the missile is the weapon.

So, we have made it clear and I think the legislative history will establish this, that the construction of new Trident submarines to improve the survivability of our force would be possible. What would not be permitted, if you had a freeze agreement, would be the actual production of the missile.

Mr. LEVITAS. I thank the gentleman.

Mr. MARTIN of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. MARTIN of North Carolina. I am sorry my friend from New York did not have an opportunity to yield to me during the previous colloquy but I am sure he intended to, as he indicated.

I want to thank him for his effort to clarify what had become a very embroiled issue here and going further to clarify some other issues that had not been raised yet in this discussion today.

It may be that the adoption of this resolution would make it unnecessary to go to any further modernization, but if I could have the attention of the gentleman from New York (Mr. SOLARZ), I want him to know I will have an amendment later to deal with that particular question, dealing with obsolescence and we will get back into the question of whether no submarine is a weapon and no B-1 bomber is a weapon and so forth.

But I think it is important for him to clarify the statement of the gentleman from Massachusetts (Mr. MARKEY) because I too found that to be a truly incredible statement by one of the principal advocates of the nuclear freeze movement.

The gentleman is entitled to the view that he set forth both here today and last October in the Rolling Stone magazine in an interview that he had with William Greider.

Some of you who do not remember William Greider—check with Dave Stockman and he will tell you all about that. Mr. Greider is the same investigative reporter who did a number on Stockman last year. Now, Mr. Greider has done a number on the leaders of the freeze movement.

His objective, and the gentleman from Massachusetts is entitled to his view that his objective is to deprive our President of his bargaining chips in nuclear control negotiations with the Soviet Union. Wow!

He is certainly entitled to that view. But then, who is going to deprive Chairman Andropov of his bargaining chips? I will say that is not bilateralism—that is unilateralism. It is indeed a point of view deeply held by the gentleman from Massachusetts, but it is directly contradicted by the statement of the chairman of the Committee on Foreign Affairs and by the statement of the gentleman from New York who just spoke, and by the Solomon amendment that was agreed to without objection, which provides that "bilateral freeze" does not mean "unilateral freeze."

Do we have to go back through that issue again?

Mr. MARKEY. Will the gentleman yield?

Mr. MARTIN of North Carolina. I will yield to the gentleman. I hope the gentleman will further clarify and I hope he will agree that until we can deprive Chairman Andropov of his bargaining chips, we have no business depriving our President of his bargaining chips.

Mr. MARKEY. If the gentleman will yield, it is the feeling of the nuclear freeze movement there are enough bargaining chips on both sides now to sit down and negotiate a mutual verifiable freeze. In fact, we do not need any additional ones and they do not, either. The point is, both sides should sit down and negotiate that freeze. You do not have to add any additional bargaining chips to this nuclear arms race game in order to achieve the result which America and the world community wants.

So, in fact, in terms of the instructions that this resolution would give to the President, we say, "Do not do anything which is not mutual; do not do anything which is not verifiable; but we want you, Mr. President, to negotiate immediately because we believe such a treaty can be consummated within a very, very short period of time." With regard to the reductions, there still would be an incentive for both countries to reduce the likelihood of nuclear war on both sides.

We are saying, "You have enough bargaining chips, Mr. President. You do not need anymore. You can go in right now because our arsenal is sufficient to be able to get the kind of agreement that this world needs in terms of a nuclear freeze. We are right now at our optimum point in being able to achieve to that agreement."

Mr. MARTIN of North Carolina. It is not true we have enough bargaining chips. One of the ones we have been trying to develop is the Pershing II, as well as the ground-launch cruise missiles, to enable us to persuade the Soviet Union to negotiate the removal of, hopefully most if not all, their SS-20's that they have aimed at our NATO allies. It may be the gentleman from Massachusetts, who has been actively involved in the freeze movement, can claim that he speaks for those in the freeze movement. But it seems to me in talking to the people in my district, that most of them who are supporting this freeze movement do so only out of a conviction that we are talking not about unilateral steps, not about unilateral forebearance, not about a unilateral halt, but a bilateral freeze that the Soviet Union will agree to, or else the deal is off.

I expect they will express themselves when they find out the unilateralist views of the leadership of that movement, expressed both at St. Louis on February 6, as the distinguished minority leader pointed out earlier, and by the gentleman from Massachusetts, as he has explained today. When they find out that the leadership of that freeze movement are really trying to use this bilateral freeze movement as a mechanism, a Trojan horse—Greider would have loved that—to get the idea of unilateralism before us, I think they would say that you do not speak for them.

(On request of Mr. MARKEY and by unanimous consent, Mr. MARTIN of North Carolina was allowed to proceed for 1 additional minute.)

Mr. MARTIN of North Carolina. Mr. Chairman, I yield to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. I thank the gentleman.

The resolution which we are debating right now has the words "mutual and verifiable" laced throughout it.

Mr. MARTIN of North Carolina. Yes, eight times.

Mr. MARKEY. This is to underscore the objective of the nuclear freeze movement to see a treaty consummated on both sides which has both sides acting, mutually, and with verification. It guarantees there is no violation of any agreement which is consummated.

□ 1740

That is the heart of this movement. And anything to the contrary which is stated in the well of this House by any of the opponents of it in order to deflect people from the objective of this movement is completely erroneous.

Mr. MARTIN of North Carolina. If I may reclaim my time, let me say I am using the gentleman's own words in regard to what his objectives are to deprive our President of our bargaining chips on our side. I think that point has been made very clearly resorting only to what the gentleman is on record has having said to Rolling Stone magazine, and what he has said here today. I regret that that is the gentleman's view, but he is entitled to it. It is a free country. It may be that he will prevail, but that is not the view that is expressed in this resolution before us today.

This resolution does not say that we are going to deprive our President of his bargaining chips. It does not say anything like that.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. MARTIN) has expired.

(At the request of Mr. MARKEY and by unanimous consent, Mr. MARTIN of North Carolina was allowed to proceed for 1 additional minute.)

Mr. MARKEY. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of North Carolina. I yield to the gentleman from Massachusetts.

Mr. MARKEY. I thank the gentleman.

Mr. Chairman, when I was speaking on that subject, I was saying in effect that the American people did not want the President to add MX missiles and Trident II missiles to any bargaining chips which he needed. They believe right now we have a position of equality with the Soviet Union to consummate this treaty. And in effect that is what the freeze movement across this country is saying. If you go to the table right now and negotiate that treaty, you do not need any additional bargaining chips; you can consummate that treaty.

Mr. MARTIN of North Carolina. If I may reclaim my time, let me ask the gentleman if he believes the American people are saying, it is all right for the Soviet Union to keep all of those SS-20's with their triple MIRV'ed warheads aimed at our NATO allies, while we are not going to be able to put any bargaining chips on the table because we will not have any. And if the President is deprived of any future bargaining chips——

Mr. MARKEY. If the gentleman will yield, no, we are not saying that at all. We believe that all of those missiles ought to be subject to treaty; we believe that there ought to be reductions in those weapons in the Eastern European theater, and we believe that they ought to be part of a combined negotiation to put all those weapon systems on the table toward the goal of freezing and then reducing. We believe that the best results would be achieved with that process.

Mr. MARTIN of North Carolina. I only wish that the gentleman could come up with some way to achieve that purpose to get those SS-20's out. Our allies would hope so, but the historical fact is that the Soviet Union will never remove those SS-20 missiles until they are convinced that we will have the determination otherwise to match their SS-20 with our Pershing II and cruise missiles.

Mr. STRATTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Chair will advise the gentleman that the amendment offered by the gentleman from Michigan (Mr. SILJANDER) is still pending, and therefore another amendment is not in order.

Mr. KAZEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have been sitting here listening to both sides of this discussion and actually there have been about 10 sides to this discussion.

But I am very, very worried because of the language of the report that comes forth with this resolution. What has been said here on the floor, in many instances, does not jive with the language of the report on this resolution. And I am very, very worried that under the resolution that comes here, the modernization efforts, all modernization efforts would have to stop. There is no getting around it. This would stop the production of the MX, the B-1, the Trident-1 missile, air-launch cruise missile, ground-launch cruise missile, sea-launch cruise missile, Pershing II missiles, Trident submarines, Trident-2 missiles, ballistic missile defense, the Stealth bomber, strategic air defense and command, control, and communications.

Also on page 5 of the Foreign Affairs Committee report there is some very interesting language. The report says, and I quote:

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. I thank the gentleman for yielding.

Mr. Chairman, is the gentleman reading from the report of the Armed Services Committee or the Foreign Affairs Committee?

Mr. KAZEN. I am reading from the Foreign Affairs Committee report.

Let me continue. On page 5, and I quote:

> Furthermore, a freeze would mean a stop to all activities in any weapons program to be included so that the detection of even one new missile or aircraft would be evidence of a violation.

On the same page, the report says, and I quote:

> Other weapons such as antisubmarine warfare technologies and sophisticated air defense which could prevent nuclear weapons from being launched or reaching their targets could also be destabilizing if breakthroughs in these technologies provided high confidence in their success, and it is the committee's intent, therefore, that every effort should be made to reach agreement on such systems as well.

Now since the Zablocki-Markey resolution does not exempt dual-purpose aircraft, submarines, surface ships, and cruise missiles from the freeze, and in view of the report's reference to "even one new missile or aircraft," it appears that the freeze would stop production of any aircraft, ship, or submarine capable of delivering any kind of nuclear weapons.

This, of course, would stop production of the F-15, F-16, F-18, A-6, P-3C, and other dual-capable tactical aircraft that would fall in that category.

The language in Mr. ZABLOCKI's report is clear and unmistakable. The Foreign Affairs Committee means to stop the testing, production, and deployment of any modern strategic weapon delivery system, of any dual-purpose delivery system, and even defensive systems such as fighter aircraft for air defense and antisubmarine warfare systems.

These members who have not analyzed House Joint Resolution 13 should understand how the freeze would affect the vital areas of our deterrent forces and of even our conventional forces in the future.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. I yield to the gentleman from New York.

Mr. STRATTON. I thank the gentleman for yielding.

Mr. Chairman, the gentleman is making a very important statement and the amendment, which I have been trying for the last 5 hours to get before the House, would correct that by saying that nothing in the resolu-

tion would prevent such modernization and deployment of U.S. weapon systems as is required for keeping the American nuclear-deterrent credible.

And I would think that every Member of this House would want to vote for that amendment.

Mr. KAZEN. The gentleman, of course, will get an opportunity to offer his amendment.

I just wanted to point out the inconsistencies between the debate on this floor and the language of the report that brought forth this resolution.

Mr. Chairman, I hope that the membership of this committee will look at this situation awfully hard because we are about to make a decision before this day is over which will affect the future of our country. Our very existence is at stake in this resolution.

Mr. COURTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as we all have, I have been sitting here listening to the debate and it is very easy to forget the language of the amendment that is before this body. The amendment was introduced by the author, the gentleman from Michigan (Mr. SILJANDER) probably 45 or 50 minutes ago. We have had, during the past 50 minutes, discussion on all sorts of things, but very shortly, at least hopefully very shortly, the question is going to be put as to how we are going to vote on this particular amendment. And for those people who are very much in favor of the freeze resolution as authored by the gentleman from Wisconsin (Mr. ZABLOCKI), I cannot understand why they would object to the simple language in the amendment. And that is the purpose of my rising.

The amendment simply says you can freeze or reduce. It seems to me that those people who are in favor of a freeze are doing so because they think the levels of strategic capabilities are now too high and should be reduced. If that is their position, how can they possibly be against language that simply says "reduce". It is just incredibly inconsistent to say you want to freeze then reduce but not reduce. I think everybody, on both sides of the aisle, both people in favor of the Zablocki resolution, the Broomfield resolution, and I get the feeling listening to debate that there are different types of feelings throughout this Chamber, must recognize that the common thread through most of this, I believe, is the fact that we want to reduce nuclear capabilities.

This amendment simply gives this body an opportunity to go on record saying that freezing is important, but the most important thing is the reduction of strategic nuclear or theater capabilities. Let us not get off on a tangent with macrothinking and theories and report language.

I ask that when the vote comes up, that everybody vote to reduce strategic and theater nuclear capabilities; that they vote "yes" on the amendment.

Mr. SILJANDER. Mr. Chairman, will the gentleman yield?

Mr. COURTER. I yield to the gentleman from Michigan, the author of the amendment.

Mr. SILJANDER. I thank the gentleman for yielding.

I appreciate the fact that the gentleman brought up the whole point of the amendment over 50 minutes ago. I wonder if I could ask the gentleman from New York a quick question.

I wondered in section 2 on page 5, does this section preclude a reduction? Does this allow a reduction?

□ 1750

I yield to the gentleman from New York (Mr. SOLARZ).

I say to the gentleman from New York (Mr. SOLARZ) in section 5 the gentleman has been quite instrumental in having this——

Mr. SOLARZ. If the gentleman will slow down a little bit, he is beginning to sound like another gentleman from Massachusetts on our side of the aisle. I cannot quite follow the gentleman.

Mr. SILJANDER. Hopefully we can get together on more than just that.

Mr. SOLARZ. What section is the gentleman referring to?

Mr. SILJANDER. Section 2, line 19, page 5.

Mr. SOLARZ. Wait 1 second.

Mr. SILJANDER. Of the bill. Would that language allow reductions at the START talks in Geneva, in the gentleman's opinion?

Mr. SOLARZ. Yes.

Mr. SILJANDER. All right. I agree that we need to freeze inevitably. I support that.

The gentleman obviously supports reductions as well, is that correct?

Mr. SOLARZ. Yes.

Mr. SILJANDER. So I am really at a point of being bewildered as to why we cannot support this, which gives us leverage in Geneva, allows us to freeze and/or to reduce.

Mr. SOLARZ. It is a very good question and I am glad that we can refocus the debate on the amendment. Let me try to sum up what I think is the fundamental difference between the gentleman's amendment and the resolution.

The gentleman's amendment would permit an agreement on a freeze. The existing resolution would permit an agreement on reductions. The difference is this: The Zablocki resolution as it was reported out of our committee, while it would permit an agreement on reductions, puts the emphasis on the need to achieve an agreement to freeze. It says that should be the priority. Nevertheless, consistent with the effort to achieve a freeze, if you happen to be able to get an agreement to reduce and that agreement is not inconsistent with a freeze, then accept it.

The gentleman's amendment places an equal emphasis on a freeze and reductions. It differs from the resolution in the sense that it takes away the priority which the resolution would attach to the desirability of a freeze. That is the whole difference between them.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

(By unanimous consent, Mr. COURTER was allowed to proceed for 3 additional minutes.)

Mr. COURTER. Mr. Chairman, I hope the gentleman will respond. I think the gentleman is splitting hairs.

I also think the gentleman is disagreeing with the position that he heretofore had, and I say that very respectfully.

It seems to me, as I suggested before, the main purpose of those people who advocate the Zablocki freeze resolution is not to freeze, but to reduce.

It seems to me that the gentleman is saying now that freezing is an end in itself. I do not think it is. It is a means to an end. And that end is reduction.

The gentleman wants reduction to be preceded by a freeze. If you can go directly to reductions, what have you lost? You have gained time and there is nothing inconsistent.

I yield to the gentleman.

Mr. SOLARZ. Well, I thank the gentleman for yielding. I appreciate his comments; but I know he would not want to misconstrue the Zablocki resolution, which provides in section 2, beginning on line 21, that "nothing in this resolution shall be construed to prevent the United States from taking advantage of concurrent and complimentary arms control proposals."

In other words, if it should prove possible to get an agreement to reduce the number of weapons while we are seeking a freeze, then let us do that; but let us make our major effort, put our primary emphasis, on trying to get a freeze first. That is what this resolution is all about.

Mr. COURTER. I think the gentleman's argument, if I can take back my time, is that the language is redundant. Even if it is redundant, it does not bother me because I think it has clarity.

I yield to the gentleman from California.

Mr. THOMAS of California. I thank the gentleman for yielding.

I would like to ask the gentleman from New York; why did the committee go through the procedure of striking out on page 3 of the bill the language "followed by" and add "and", if there was not the intent of having some equality between the concepts of

a verifiable freeze and a reduction of nuclear weapons.

If you have indicated the purpose of the resolution is to emphasize freeze and only secondarily a reduction, why did the committee strike "followed by" and add "and".

Was not the intent to give equality to a verifiable freeze and a reduction by that amendment?

Mr. SOLARZ. I think it was an effort to accommodate the kind of concerns which have been expressed by the gentleman from Michigan; but, at the same time, by leaving the other language in the resolution which talks about the overriding objective of negotiating an immediate, mutual and verifiable freeze, it intended to make clear that while we favor reductions, we nevertheless believe that the best way to eventually achieve those reductions is by trying first to get a freeze on which both sides could agree.

Mr. THOMAS of California. I thank the gentleman for that answer. In other words, he bought off particular concerns by that amendment, but the real intent is clear in the resolution. The Foreign Affairs Committee has indicated that the real intent of this resolution is to freeze, to freeze first, and to freeze last, and not to give equity to reductions.

The CHAIRMAN. The time of the gentleman from New Jersey has again expired.

(By unanimous consent, Mr. COURTER was allowed to proceed for 1 additional minute.)

Mr. THOMAS of California. I thank the gentleman from New Jersey for a very important clarification.

Despite the taking of an amendment in committee the gentleman from New York indicates that the intent of the freeze resolution has not been altered.

Mr. COURTER. I would just like to end up by saying to those people who are not here, if they are listening to the debate, and to those people who are here, before they cast their votes, if they would just eyeball the amendment, they will see the words "freeze or reduction" and I think logical minds would conclude that we are all for reduction. I certainly hope that they will vote in favor of the amendment.

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have a concern here that I have relayed to the chairman of the full committee, the gentleman from Wisconsin.

I would like to address a question to the gentleman at this time.

Mr. Chairman, I understand that SALT I and SALT II permits maintenance and even upgrading of weapons systems. The freeze proposal before us, House Joint Resolution 13, does not mention a prohibition against maintenance and upgrading. The operative words are "testing, production, and further deployment of nuclear warheads, missiles, and other delivery systems."

I am concerned, as are many of my colleagues, that our *Poseidon* submarines are old, commissioned I understand between 1963 and 1967, and the Soviet ICBM's, the land-based ones, are relatively new.

We have heard that in the event of a freeze, the delivery systems on our Poseidons would suffer from operational obsolescence within a decade and, of course, this gives credence to the argument that the United States would be frozen into a position of inferiority.

Can the gentleman assure this House that missiles and delivery systems on our Poseidon submarines under this freeze resolution, House Joint Resolution 13, can in the future be maintained in operational order?

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. FISH. I am happy to yield to my chairman.

Mr. ZABLOCKI. I thank the gentleman for yielding.

I can give the gentleman an unequivocal yes. Keeping our present military equipment in operational order is certainly not jeopardized in any way by the resolution.

I must again point out to the gentleman from New York, as well as to the gentleman from Texas, this is not a unilateral freeze. The resolution calls for a mutual and verifiable freeze and a mutual and verifiable reduction. In no way does the freeze include the older systems or stop any older systems.

As a matter of fact, I must again underscore, it would permit modernization and only after a negotiated freeze would be in place and agreed to would there be any question as to the matter that the gentleman is concerned about.

Mr. FISH. Well, I understand that. That is why I did not use the word modernization. I asked if missiles could be maintained in operational order following the negotiation of a freeze agreement.

Mr. ZABLOCKI. The answer to the gentleman, if the gentleman will yield further, is yes. I merely amplified it to include this as an answer to the concerns of the gentleman from Texas.

Mr. FISH. I understand.

□ 1800

Mr. STRATTON. Mr. Chairman, will the gentleman yield to me?

Mr. FISH. I would be happy to yield to the gentleman from New York.

Mr. STRATTON. I think this colloquy and the one before demonstrates the mistake in trying to deal with intricate military systems on the part of people who are not familiar with them. This is the reason why the Committee on Armed Services was distressed that the Speaker would not refer the resolution to the Committee on Armed Services so that we could provide our expertise.

The gentleman is asking about whether the Poseidon can be continued as a part of our nuclear deterrent. The answer is no. The Poseidon is running out of steam. It is no longer adequate, and that is why we are building the Trident.

In the chart that I demonstrated during the discussion during debate, which I will utilize if I ever get recognized for my amendment, the Poseidon is one of the major nuclear systems that we have today in our deterrent, but the Poseidons are being phased out. The Minuteman is already vulnerable, and the B-52's, as the gentleman from New York (Mr. SOLOMON) has been pointing out, have not only been crashing on landing, but the wings fall off even on the tarmac.

So it is only the amendment that I will be offering that will provide the modernization and the upkeep of our nuclear deterrent, and I hope that my friend from New York will support it when it is offered.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. SILJANDER).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ZABLOCKI. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 209, noes 215, not voting 9, as follows:

[Roll No. 29]

AYES—209

Andrews (TX)	Daniel	Hightower
Applegate	Dannemeyer	Hiler
Archer	Daub	Hillis
Badham	Davis	Holt
Barnard	DeWine	Hopkins
Bartlett	Dickinson	Hubbard
Bateman	Dreier	Huckaby
Bennett	Duncan	Hunter
Bereuter	Dyson	Hutto
Bethune	Edwards (AL)	Hyde
Bevill	Edwards (OK)	Ireland
Bilirakis	Emerson	Jenkins
Bliley	English	Johnson
Boehlert	Erdreich	Jones (OK)
Bouquard	Erlenborn	Kasich
Breaux	Fiedler	Kazen
Broomfield	Fields	Kemp
Brown (CO)	Fish	Kindness
Broyhill	Flippo	Kramer
Burton (IN)	Franklin	Lagomarsino
Byron	Frenzel	Latta
Campbell	Fuqua	Leach
Carney	Gekas	Leath
Chandler	Gilman	Lent
Chappell	Goodling	Levitas
Chappie	Gradison	Lewis (CA)
Cheney	Gramm	Lewis (FL)
Clinger	Gregg	Lipinski
Coats	Gunderson	Livingston
Coleman (MO)	Hall, Ralph	Loeffler
Conable	Hall, Sam	Lott
Cooper	Hammerschmidt	Lowery (CA)
Corcoran	Hance	Lujan
Coughlin	Hansen (ID)	Lungren
Courter	Hansen (UT)	Mack
Craig	Hartnett	Madigan
Crane, Daniel	Hatcher	Marlenee
Crane, Philip	Hefner	Marriott

Martin (IL)	Price	Solomon
Martin (NC)	Pritchard	Spence
Martin (NY)	Pursell	Spratt
McCain	Quillen	Stangeland
McCandless	Ray	Stenholm
McCollum	Regula	Stratton
McCurdy	Ridge	Stump
McDade	Ritter	Sundquist
McDonald	Roberts	Tauke
McEwen	Robinson	Tauzin
McGrath	Roemer	Taylor
Michel	Rogers	Thomas (CA)
Miller (OH)	Roth	Thomas (GA)
Molinari	Roukema	Valentine
Montgomery	Rowland	Vander Jagt
Moore	Rudd	Vandergriff
Moorhead	Sawyer	Vucanovich
Morrison (WA)	Schulze	Walker
Murtha	Sensenbrenner	Watkins
Myers	Shaw	Weber
Nelson	Shelby	Whitehurst
Nichols	Shumway	Whitley
Nielson	Shuster	Whittaker
O'Brien	Siljander	Wilson
Oxley	Sisisky	Winn
Packard	Skeen	Wolf
Pashayan	Skelton	Wortley
Patman	Smith (NE)	Wylie
Paul	Smith (NJ)	Young (AK)
Petri	Smith, Denny	Young (FL)
Pickle	Smith, Robert	Zschau
Porter	Snyder	

NOES—215

Ackerman	Fazio	Mavroules
Addabbo	Feighan	Mazzoli
Akaka	Ferraro	McCloskey
Albosta	Florio	McHugh
Alexander	Foglietta	McKernan
Anderson	Foley	McKinney
Andrews (NC)	Ford (MI)	Mica
Annunzio	Ford (TN)	Mikulski
Anthony	Fowler	Miller (CA)
Aspin	Frank	Mineta
AuCoin	Frost	Minish
Barnes	Garcia	Mitchell
Bates	Gaydos	Moakley
Bedell	Gejdenson	Mollohan
Beilenson	Gephardt	Moody
Berman	Gibbons	Morrison (CT)
Biaggi	Glickman	Mrazek
Boggs	Gonzalez	Murphy
Boland	Gore	Natcher
Bonior	Gray	Nowak
Bonker	Green	Oakar
Borski	Guarini	Oberstar
Bosco	Hall (IN)	Obey
Boucher	Hall (OH)	Olin
Boxer	Hamilton	Ortiz
Britt	Harkin	Ottinger
Brooks	Harrison	Owens
Brown (CA)	Hawkins	Panetta
Burton (CA)	Heftel	Patterson
Carper	Hertel	Pease
Carr	Horton	Penny
Clarke	Howard	Pepper
Clay	Hoyer	Perkins
Coelho	Hughes	Rahall
Coleman (TX)	Jacobs	Rangel
Collins	Jeffords	Ratchford
Conte	Jones (NC)	Reid
Conyers	Jones (TN)	Richardson
Coyne	Kaptur	Rinaldo
Crockett	Kastenmeier	Rodino
D'Amours	Kennelly	Roe
Daschle	Kildee	Rose
Dellums	Kogovsek	Rostenkowski
Derrick	Kolter	Roybal
Dicks	Kostmayer	Russo
Dingell	LaFalce	Sabo
Dixon	Lantos	Savage
Donnelly	Lehman (CA)	Scheuer
Dorgan	Lehman (FL)	Schneider
Dowdy	Leland	Schroeder
Downey	Levin	Schumer
Durbin	Levine	Seiberling
Dwyer	Long (LA)	Shannon
Dymally	Long (MD)	Sharp
Early	Lowry (WA)	Sikorski
Eckart	Luken	Simon
Edgar	Lundine	Slattery
Edwards (CA)	MacKay	Smith (FL)
Evans (IA)	Markey	Smith (IA)
Evans (IL)	Martinez	Snowe
Fascell	Matsui	Solarz
St Germain	Traxler	Williams (OH)
Staggers	Udall	Wirth
Stark	Vento	Wise
Stokes	Volkmer	Wolpe
Studds	Walgren	Wright
Swift	Waxman	Wyden
Synar	Weaver	Yates
Tallon	Weiss	Yatron
Torres	Wheat	Young (MO)
Torricelli	Whitten	Zablocki
Towns	Williams (MT)	

NOT VOTING—9

Boner	Forsythe	Neal
Bryant	Gingrich	Parris
de la Garza	McNulty	Washington

□ 1810

Messrs. DOWDY of Mississippi, OWENS, and RANGEL changed their votes from "aye" to "no."

Mr. GOODLING changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1820

AMENDMENT OFFERED BY MR. STRATTON

Mr. STRATTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STRATTON: At the end of the joint resolution, add a new section as follows:

SEC. 3. Nothing in this joint resolution shall be construed to prevent such modernization and deployment of United States weapons as may be required to maintain the credibility of the United States nuclear deterrent.

Mr. STRATTON. Mr. Chairman, this is an amendment proposed by the Committee on Armed Services and is being offered on behalf of the Committee on Armed Services.

This resolution which is before us, the Zablocki resolution, actually deals in great detail with the Armed Forces of the United States and its vital weapons.

Mr. Chairman, when one asks the question, as the gentleman from New York (Mr. FISH) did, a moment ago about whether the Poseidon submarine could be continued to operate over the next 3 or 4 years, this is not a question that the Foreign Affairs Committee is qualified to answer. It is a question that should have been addressed to the Armed Services Committee but, unfortunately, the bill was not referred sequentially to the Armed Services Committee.

However, we still held hearings on the essence of the Zablocki resolution, and the committee issued a detailed report that was sent to every Member of the House 2 days ago.

This amendment of our committee arises out of the implications that are contained in that report. There have been implications throughout the debate today, Mr. Chairman, that somehow we would not be doing anything to our military posture if we were to enact this resolution. The impression has been that it would not affect our ability to defend ourselves and would not impinge at all on our ability to aid our allies. It has been implied that this resolution would not interfere with our ability to support our NATO allies, and would not interfere with our ability to send weapons to Israel, for example. We are led to believe it would not interfere with our ability to defend the Republic of Korea or to provide a nuclear umbrella over the Republic of Japan.

But that is not the case. As the gentleman from Texas, Mr. KAZEN indicated a few moments ago, the freeze is going to be placed on every single weapon including the F-15's, the F-16's, the Trident submarines, the Polaris submarines, and all the rest.

I do not think that any of us want to destroy the nuclear deterrent of our country which has protected us through thick and thin for the last 37 years and which is still the basis of our defense policy.

Let me illustrate what this amendment would do. It simply says that "nothing in this resolution shall be construed to prevent any modernization or deployment of United States weapons as may be required to maintain the capability of our U.S. nuclear deterrent." The Soviet nuclear deterrent is represented largely in red on this graph. The SS-17's, 18's, and 19's, the Backfire, the Typhoon submarine. These have all been built within the last few years and the average age is 5 years old. So they will be able to survive for another couple of decades.

The nuclear deterrent of the United States, however, is represented by this blue line and this one over here. These are the B-52-D's; these are the ones that are already collapsing on the runway. This other column is the B-52-H's. They are good for several more years.

Here on the chart are the Poseidon submarines which are now being phased out gradually; and down here on the chart are the Titans which are also in the process of being phased out.

Over here we have the Minuteman III which is our basic land-based deterrent today but, as we all know, it is vulnerable to Soviet attack.

So if both sides were to freeze in this situation within a mere 3 or 4 years, if the Soviets did nothing else, our own nuclear deterrent would be washed out as totally unusable and unsurvivable, while the Soviets would still have their own nuclear deterrent available for the next 20 years.

□ 1830

We certainly do not want that to happen. I am sure no Member of this House would want us to be placed in that position. This amendment would simply provide that nothing would prevent us from replacing the Posei-

dons with Tridents, replacing the Minuteman III with the Peacekeeper. So that we would continue to maintain a credible nuclear deterrent, one that would match the Soviet nuclear deterrent.

Otherwise, we will be moving into a very dangerous and hazardous future which, as I say, I do not think anyone who may have been supporting this resolution or supporting arms agreement would really want to happen.

So I would urge the House to support this amendment in order to protect our nuclear deterrent.

Mr. DELLUMS. Mr. Chairman, I move to strike the last word.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Florida.

Mr. FASCELL. Does the gentleman know whether we are looking at classified information?

Mr. DELLUMS. Knowing my distinguished colleague from New York, I would imagine it is unclassified.

Is that correct, Mr. STRATTON?

Mr. STRATTON. If the gentleman will yield, that is correct. This is for the information of the highly cleared Members of the U.S. Congress.

Mr. DELLUMS. The gentleman said it is for highly cleared Members of the U.S. Congress, I would say to my distinguished colleague from Florida.

Mr. Chairman, Members of the Committee: We are coming near the end of what I consider the most important, extraordinary debate that we will have during this session, a debate that goes to the question of the survival of life on this planet.

I rise in opposition to the amendment offered by my distinguished colleague from New York because I think that the thrust of this amendment would be to literally kill the objective of the resolution offered by my distinguished colleague from Wisconsin, Mr. ZABLOCKI.

Having said that, I would now like to make a few remarks in support of the initial freeze resolution.

First, Mr. Chairman, Members of the Committee, the single common denominator that unites us, a statement I have made on more than one occasion on this floor, is the planet itself. Indeed, Mr. Chairman, this planet is in imminent danger because of the escalating potential of a nuclear holocaust. I would suggest, Mr. Chairman, if so, the result would be an equal opportunity annihilator.

Mr. Chairman, Members of the Committee, for the past 37 years, global society has been a psychic prisoner, indeed a potential victim of military and foreign policy predicated upon the notion of the use of nuclear weapons in any confrontation between the superpowers or the alliances. We speak freely of all-out nuclear exchange with the Soviet Union. We speak glibly of the notion of limited nuclear war in the context of Europe and in the context of some of our Third World countries. But perhaps the most frightening, Mr. Chairman, is the fact that we have discussed acceptable levels of megadeath in any nuclear war planning.

Megadeath, the death of millions of human beings, is preplanned, preplanned as an integral part of our nuclear strategy. I would ask the following rhetorical question, Mr. Chairman: Whose children will die? Whose mothers, whose fathers, whose husbands, whose wives, whose friends? Millions of people.

Last year, Mr. Chairman, Mr. George Kennan made the following statement with respect to nuclear weapons:

> To my mind the nuclear bomb is the most useless weapon ever invented. It can be employed to no constructive purpose. It is not even an effective defense against itself.

In 1979 Lord Mountbatten before his death made the comment that he had come to the conclusion that nuclear weapons could not be perceived as military weapons because they cannot be used. He further pointed out that the danger that imperils human life on this planet is in the illusion that these weapons can indeed be used. So we count them as if we count tanks and rifles, planes; but these are the nuclear weapons that George Kennan said are the most useless weapons ever developed. They cannot be counted or used as nuclear weapons because of their enormous capacity to destroy life.

Mr. Chairman, the consequences of this mindless madness borders on the catastrophic. And it does so for several reasons that I would like to enunciate at this point.

We are in danger, No. 1, because we are going far beyond deterrence to a war-fighting capability. McNamara, when he was Secretary of Defense, defined deterrence as when we developed the nuclear capacity to destroy 30 percent of another nation's population and in the context of the United States that would be 60 million deaths, megadeath beyond any of our ability to comprehend.

If you could destroy 30 percent of another nation's population and 70 percent of their economic infrastructure, you will indeed have achieved deterrence, because to purchase weapons beyond that capacity would be a gross waste, because to inflict that kind of damage would not allow your adversary to emerge as a civilized society in modern times.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 5 additional minutes.)

Mr. DELLUMS. Mr. Chairman, at that time McNamara defined deterrence as 400 nuclear weapons. We now in this country have in excess of 10,000 strategic nuclear weapons and 15,000 tactical nuclear weapons, most of them more powerful than the bombs we dropped on Hiroshima and Nagasaki. We are going far beyond deterrence, we are talking about the fighting, surviving, and winning a nuclear war. I have said on more than one occasion, that anyone who believes that we can actually fight, survive, and win a nuclear war is an ambulatory schizophrenic, by definition emotionally disturbed. We are talking about a level of megadeath beyond our ability to comprehend. But that is the first danger, beyond deterrence to a war fighting capability.

The second reason: We are going beyond verifiability; developing new nuclear weapons that defy verifiability by the nature of their technology alone. There has been a great deal of discussion on this floor about the principle of verifiability. The President of the United States goes on television and says we cannot trust the Russians, we must therefore have a verifiable treaty. I would offer this question: Is it not a fundamental contradiction to talk about verifiability while at the very same time we are funding, for research and development, procurement and deployment, weapons that defy verifiability?

□ 1840

If verifiability is the basis of any negotiation with the Soviet Union, you have snatched the rug out from under those negotiations by the very nature of your technology. The cruise missile is such a weapon. The mini-MX missile is such a weapon. These are exotic technologies, Mr. Chairman. Antisatellite technology, extraordinarily dangerous. Exotic technology that may take us in a quantum fashion beyond our capability to ever bring the world back within the confines of an arms control environment.

Militarizing deep space, as if in some way this is Star Wars, is another exceedingly dangerous technology.

If you argue verifiability to your constituents, then the question I would raise is how can you with a straight face support technology that destroys your very capacity to engage in verifiable treaty because the technology is so exotic?

Third, Mr. Chairman, I would suggest that there are certain weapons that if deployed, by their very nature would being us in a quantum fashion closer to the brink of nuclear war.

The ground-launch cruise missile being deployed in Europe is a destabilizing weapon. You are deploying a weapon that creates enormous problems of verifiability, creating problems in a geometric fashion for our arms controllers.

To deploy the Pershing missile in West Germany, 4 to 6 minutes from the Soviet Union, in and of itself, is a

destabilizing act. Remember, the world teetered on the brink of nuclear disaster when we said that we were prepared to go to thermonuclear war if the Soviets did not remove missiles in Cuba because we saw missiles in Cuba, 4 to 6 minutes from us, as unacceptable.

What makes any of us believe that to deploy the Pershing missile in Europe in some way is sanity? It is insane. Many of us on the Armed Services Committee have heard testimony when on more than one occasion our computers have malfunctioned and communicated to America that we were under a nuclear attack from the Soviet Union. Well, it takes a missile between 25 and 30 minutes to ride from the Soviet Union to the United States. So we had at least 5 or 10 minutes to evaluate whether that computer printout was indeed making a mistake.

I ask this question of my colleagues: If the Soviet computers were to malfunction, and we have ICBM's 4 to 6 minutes away from them, what kind of reaction time do they have? This is psychotic. We are developing technology that is reducing our reaction time down to a matter of seconds and we are talking about millions of human lives.

For these reasons, Mr. Chairman, we must reject this madness and support a freeze to stop this.

Now the question is, Are we talking about unilateral disarmament? No; but I am saying that we must take some steps, you and I, that continue to allow us to engage in an atmosphere that we can bilaterally negotiate with the Soviet Union. There are certain actions that if we take them would take us far beyond our capacity to ever bring the world back within the confines of an arms-controlled environment.

The CHAIRMAN. The time of the gentleman from California (Mr. DELLUMS) has expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 1 additional minute.)

Mr. DELLUMS. Mr. Chairman, finally, the Soviet Union has demonstrated they have the intellectual capability, the scientific capacity, the military will, and the economic wherewithal to build whatever they need to build in response to us. So we can build a heinous weapon, but within a relatively short period of time that weapon will be facing us.

So let us make history today, Mr. Chairman, rather than have it dictated to us by a combination of cynicism and apathy. The future, our future, and the future of our children is literally in our hands. And I join you in preserving the integrity of this planet for our children and our children's children.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Colorado.

Mr. KRAMER. I thank the gentleman for yielding.

Mr. Chairman, one of the principal concerns that I have had in listening to this debate is indeed a question that the gentleman posed. Can we indeed trust the Soviets?

The CHAIRMAN. The time of the gentleman from California (Mr. DELLUMS) has again expired.

(At the request of Mr. KRAMER and by unanimous consent, Mr. DELLUMS was allowed to proceed for 1 additional minute.)

Mr. KRAMER. If the gentleman will continue to yield, can we trust the Soviets and if indeed we were to enter into such a freeze, while we honored our commitment, what would be happening in the Soviet Union?

The gentleman mentioned that we were constructing weapon systems now that were in a sense not verifiable and I would be curious as to what those systems are and whether the Soviets may have a comparable system and if indeed that is the case, if there are weapon systems that are being entered into and constructed that are not verifiable, where does that put us vis-a-vis the proposition today? In other words, can we assure ourselves in the light of this kind of development and production and deployment that we indeed could have a nuclear freeze if this resolution were to pass?

Mr. DELLUMS. Mr. Chairman, the gentleman has asked several questions.

The CHAIRMAN. The time of the gentleman from California (Mr. DELLUMS) has again expired.

(At the request of Mr. KRAMER and by unanimous consent, Mr. DELLUMS was allowed to proceed for 2 additional minutes.)

Mr. DELLUMS. First of all, we have the national technical means to verify agreements. The Soviets have enough Sputniks, we have enough satellites in the air to take a picture of you in your driveway, tell you what make of car, what the license plate is, and how tall you are in relationship to it. So we have the national technical means.

Second, one of the distinguished Members on that side of the aisle joined in by a distinguished gentleman on this side of the aisle has also put the matter of onsite visits into this resolution. It seems to me that those two things handle the question of trust. We are not talking about trust in the old-fashioned sense of the term. We are talking about trust as it relates to verifiability and we certainly have enough capacity to verify existing weapons systems in any treaty with the Soviet Union.

Now with respect to those weapons that go beyond verifiability, I am suggesting that the cruise missile is such a weapon. It is a small, compact weapon. You could make a fishing trawler a weapon system. You could make virtually anything a weapon system given the small compact nature of these weapons. You do not know whether they have a conventional warhead or whether they have a nuclear warhead. These create enormous problems for arms controllers. All I am saying to the gentleman is that if we are seriously talking about arms control, then it is a contradiction to create geometric problems for the arms control negotiators by virtue of our technology. I am saying that it is a very dangerous thing to play games with a weapon system saying let us force the Soviets to the table by dangling this weapon system. But then those weapon systems develop a constituency, they get deployed and suddenly they are no longer bargaining chips, they are very comprehensive weapon systems that create enormous dangers.

If the Soviets are developing weapon systems that go beyond verifiability, then all the more reason why we need to have a freeze in both countries to stop this madness and let us walk back from the brink of disaster while we have the intellectual and scientific capacity to do it, but we are rapidly going beyond that moment.

Mr. KRAMER. The question I have is that I think the gentleman is suggesting that there are nonverifiable weapons such as cruise missiles that are being built and I question whether or not we can have a verifiable freeze in the light of the suggestion that we have nonverifiable systems.

Mr. BROOMFIELD. Mr. Chairman, I move to strike the requisite number of words and I rise in strong support of the Stratton amendment.

Mr. Chairman, I would like to make one observation about the gentleman from California regarding a freeze. I think we are really right at one of the key amendments in this whole question. The earlier one on onsite was extremely important, but this question of modernization is the other one.

I would point out that the reduction talks on the intermediate missiles in Geneva right now would not have begun had it not been for President Reagan in working with the NATO countries in indicating that we would put Pershing and cruise in Europe. Now the Russians are coming back in serious negotiations and I expect very shortly there will be a breakthrough. Although the President has indicated a preference for the zero option, I think there will be another proposal very shortly and we are making headway. And that is only because that the cruise and the Pershing would be put in later this year.

Mr. Chairman, I yield to the gentleman from South Carolina (Mr. SPENCE).

□ 1850

Mr. SPENCE. Mr. Chairman, my observation would be that right now this country is represented by duly appointed negotiators and they are presently trying to not only reduce the number of nuclear weapons and the possibility of war, but to also freeze at some reduced level.

I think that what we are doing here if we pass a freeze resolution, with all the things that the freeze resolution entails, would be to send the wrong signal to the Russians, whom we are right now negotiating with, and indeed to the whole world, making it more difficult for our negotiators to accomplish what we are all desirous of, and that is a reduction in nuclear weapons.

There was a fellow one time named Cicero, he and I paraphrase what he said, "I am not too concerned about the enemy. I am concerned about those people who dress like we do and talk like we do. They are the ones who concern me."

I yield to no one on my desire for peace. I have a family. I have sons. I am concerned about the possibility of a war and my consuming desire is to find a way to prevent war. That is where we part company sometimes, some of you and I. How is the best way to prevent war?

Now, earlier today we had someone say that we have a new approach, a new vision in this country. It is called a freeze. The old approach is no good any longer. I remind my colleague from up in North Carolina who said that, that we have had the old approach around for a long time. It has kept us out of an all-out war since World War II.

On the other hand, the new approach, the new vision, is not really new. We have had the same movements before every war. In my estimation, those movements have helped to bring on a war. I enumerate a few of them for you.

The Washington Naval Disarmament Conference before World War II, where we wanted to convince the whole world that by scuttling many of our ships, we were interested in peace. It did not preserve the peace. It did not prevent World War II.

In England at Oxford University, they had the great debate wherein they decided that they would not fight for King nor country. It is ironic that most of them did fight and many of them died and possibly they helped to bring on World War II by the resolution that they passed.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent, Mr. BROOMFIELD was allowed to proceed for 5 additional minutes.)

Mr. BROOMFIELD. Mr. Chairman, I yield to the gentleman from South Carolina.

Mr. SPENCE. Another effort was made before World War II, and I remind all of you who are students of history, that we had big peace rallies immediately before World War II. We had pro-Hitler gatherings. We had, "Hell no, I won't go" then, too, and many of those same people swallowed their words and did go to war.

Just before Pearl Harbor, there was a great gathering, a peace rally, taking place and then the word came that the Japanese had attacked our fleet at a place called Pearl Harbor and all those people melted away into society and you did not hear any more from them.

The draft, as you remember, passed by one vote 12 weeks before we got into World War II, when everyone knew we were going to be in a war. We sent the wrong signal again to our adversaries throughout the world and in my estimation helped to encourage World War II.

Yes; and we have even heard scripture quoted from the prophet Isaiah, "Beat your swords into plowshares." You have heard it, but you have not heard, have you, from the third chapter of Joel, the ninth verse, another prophet, who said, "Wake up the mighty men, beat your plowshares into swords and your pruning hooks into spears."

We have heard all the arguments. We have heard scripture. We have had peace movements. We have had pacifists. You name it. All it has done is to send the wrong signal to our adversaries.

I submit that all of you who are concerned about preventing war, nuclear war or otherwise, the best way to prevent a war is to be so strong that no one will run the risk of having the Heavens brought down on their heads if they attack us.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as a sponsor, I rise in full support of House Joint Resolution 13, the Zablocki resolution.

I noted last year during our debate on the freeze that I welcomed the increased public concern on the part of many Americans about U.S. national security policy. Since then, that concern has not declined. If anything, it has increased, as the voters demonstrated by approving various freeze proposals last November in many municipalities around the Nation—including in the referendum in Dade County, Fla. We all should welcome this heightened attention to the most critical questions of our time—the questions of war and peace—since this public awareness helps to develop the national consensus necessary for coherent policymaking.

The primary consideration, it seems to me, is whether each of the superpowers possesses the means to inflict unacceptable damage on the other. Of that there can be no doubt. Whether one counts delivery systems, throwweight, warheads and bombs, or megatonnage, the Soviet Union and the United States have the power to devastate each other. In fact, there are studies that demonstrate how only a fraction of the U.S. arsenal could kill more than three-fourths of their population and destroy nearly all their industrial capacity. The Soviet Union could also do the same to the United States.

Knowing what we do about the improbability, if not the impossibility, of a "limited nuclear war," it is highly questionable that a nuclear exchange would stop short of a holocaust. Neither superpower's society would survive. Civilization itself would be gravely at risk since there is no known way to insulate air, land, and water from the radioactive fallout and contamination that would be produced and would persist over time.

The central question then becomes: Rather than continue to pile up more weaponry and more modern weaponry, seeking incremental improvements in accuracy and other capabilities, why not try to stop and then to reverse the arms race?

Moreover, why not have the United States take the lead in this endeavor for peace?

That in essence is what this resolution sets forth as the objective for the U.S. Government. It is not aimed at disadvantaging the United States, since there is overall an essential equivalence in nuclear capabilities between the two superpowers. It is not a call for unilateral disarmament, but a call for negotiations. It is not a surrender document, unless we have so little faith in our Government that we believe it would agree to such an outcome. It will not leave our allies in the lurch, since it calls for efforts to reach a common position. It will not preclude working on or agreeing to other arms control proposals. It will not prevent reductions, as its opponents have charged, but instead calls for their pursuit.

It will, however, if the President adheres to it, focus our effort right now on negotiating an agreement that would bind both the Soviets and ourselves. It would open the way to reductions in the massive and costly arsenals on both sides. If it were not mutual, it would not be in accord with this resolution. If it were not verifiable, it would not be in accord with this resolution.

This is the rational approach. This is the sensible approach. This is the approach that best expresses the hopes

and desires of the American people to reduce the risks of nuclear war.

Mr. Chairman, I urge its overwhelming adoption.

□ 1900

Mr. PHILIP M. CRANE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, contained in the preamble to this resolution is this statement:

Whereas the increasing stockpiles of nuclear weapons and nuclear delivery systems by both the United States and the Soviet Union have not strengthened international peace and security but in fact enhance the prospect for mutual destruction.

I would take issue with that statement. If you look at the first 40 years of this century, you will find that we went through two major world holocausts before we had nuclear weapons. In the last 40 years, we have managed to maintain international peace and security because the United States did indeed possess these weapons.

We came out of World War II with a nuclear monopoly. If it had been the intent of the United States to use this capability with aggressive intent, to use it for conquest, obviously we were in a position where no one could do anything about it. The fact is, the possession of nuclear weapons by the United States has been the chief deterrent to aggression in this world. Nuclear weapons in our possession have been the chief source of the preservation of international peace and security over the past generation.

I think it is important for each and every one of us to recognize that the beatitude reads, "Blessed are the peace makers, not the peace lovers." Presumably all of us, all rational, decent human beings, love peace. Making peace is an infinitely more difficult and complex process than simply loving peace.

George Washington reminded us when he was President of the United States that those who desire peace should prepare for war. That was not an original remark with Washington because he stole it from a Greek named Vegetius who had said the same thing 2000 years before, and Vegetius stole it from a Babylonian.

I think it is important for all of us to be conscious of the fact that much as we might desire to do so, as generations previously have desired to change their time and circumstance, we bit of the fruit of knowledge, we developed a nuclear capability that cannot be repealed, the 20th century cannot be repealed. We are stuck with enormously serious and complex problems.

So rather than run from those problems, as it strikes me the resolution is intended to do, and which the amendment submitted by the gentleman from New York would seek to prevent from happening, I think we should seek to control our destiny. In my judgment, the amendment submitted by the gentleman from New York is consistent with the goal of making peace and guaranteeing international peace and stability, which is the wish, I know, of all Members of this body, whichever side they come up on in this debate.

So I would urge my colleagues to get behind the amendment submitted by the gentleman from New York.

Mr. HYDE. Mr. Chairman, will the gentleman yield to me?

Mr. PHILIP M. CRANE. I am happy to yield to my colleague from Illinois.

Mr. HYDE. I thank the gentleman for yielding to me.

Mr. Chairman, I would like to ask the chairman of the committee, the gentleman from Wisconsin (Mr. ZABLOCKI) a question, if I may have his attention, and if the gentleman from Illinois would yield to Mr. ZABLOCKI to answer the question.

Mr. PHILIP M. CRANE. I yield to both gentlemen.

Mr. HYDE. My question is: Under the resolution as it now stands, would America be permitted to modernize its bomber, the B-52's, the last one built in 1962 and would qualify for an antique automobile license plate if it was an automobile? Under the present resolution as it stands, unamended by the amendment offered by the gentleman from New York (Mr. STRATTON) is this country permitted to build a modern B-1 bomber?

Mr. ZABLOCKI. The answer is "Yes."

Mr. HYDE. I thank my friend from Wisconsin.

Mr. PRICE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York (Mr. STRATTON).

In our zeal to stop the arms race—and we all want to stop it—I hope that we do not unintentionally give the world the impression it is an American invention.

The amendment I support simply says the resolution should not prevent the modernization of U.S. systems while the search for a mutual, verifiable freeze goes on.

Modernization does not mean proliferation. We are talking here about replacement, not adding to the total numbers.

The rhetoric of the nuclear freeze has reached a point where statements are made and repeated with the assumption that we are constantly building up our weapons totals. That is simply not true.

If you will check the planned deployments at the end of fiscal 1984 with the deployments at the end of fiscal 1976, you will find that we have fewer bombers deployed, fewer land-based ICBM's deployed, and fewer missile tubes at sea. The reason is that we are slowly modernizing some forces and we have a habit of taking out old systems before we put the replacements in. The total numbers have not necessarily increased.

Gen. Bernard Rogers, the Supreme Allied Commander in NATO, testified in our committee last week that we have made a net reduction of 1,000 in our battlefield nuclear weapons in Europe during the 1970's. How many of those calling for a freeze were aware of that? Why is it that we never get credit for making any of such reductions, although some people are willing to publicly credit the Soviets with a willingness to make reductions which they never do?

It will be said that those nuclear systems were taken out of Europe because they were older and we could do without them. That is true. But it is also true that they have not been replaced by other weapons. We have a net reduction. It is also true that the Soviets have not taken out their older systems. They merely added to their total. It is also true that the Russians never take out anything before they have put something far better into operation.

Ask yourself a simple question concerning the amendment. Will the Russians cease to modernize during negotiations for a freeze? Should we send them the signal that we are not going to modernize even though there is nothing to prevent them from doing so?

A Senator placed in the RECORD on March 11 a statement concerning Secretary Weinberger's report on Soviet military power, in which he stated that seven of eight nuclear initiatives that Mr. Weinberger claims have been taken by the Soviets since 1981, seven new generation nuclear weapons the Soviets have begun developing, would be halted by a nuclear freeze.

When will the Soviets halt development? Is it not reasonable to say that we will halt our modernization when the Soviets stop?

And if that is the intention of the resolution, as was implied in the opening statement of my dear friend, the distinguished chairman of the Foreign Affairs Committee, then what is wrong with making that clear in the language of the resolution?

Mr. Chairman, I commend Mr. ZABLOCKI for his efforts to clarify the meaning of the resolution and be sure that it is not overstated.

I think the Speaker is right when he said this is an easy vote—because the resolution has something of the flavor of a U.N. resolution; it achieves an enormous convenience of interpretation.

I am just concerned that the interpretation many of you place on the resolution here today may not be the same interpretation placed on it by the headline writers of the press, or the citizens or parliamentarians of Western Europe, and that we might send a signal to our allies and to the Soviets never intended by Chairman Zablocki and the distinguished members of his committee.

A modest effort at clarification should be acceptable.

I urge you to vote for the amendment. It will not prevent you from being a supporter of a nuclear freeze, or arms control negotiations, or arms reductions, or all other good things. But it could prevent terrible misunderstanding.

□ 1910

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, let me say to the Members of the House that this amendment is one of the least complicated that we have considered today, and it simply says that this resolution shall not be construed to prevent such modernization and deployment of U.S. weapons as may be required to maintain the credibility of the U.S. nuclear deterrent. So all we are saying is that our aging nuclear deterrent may be modernized to the point where it is credible.

Now, surely no one wants to divest our country of a credible nuclear deterrent. Yes; we can have a nuclear deterrent, but if it is not credible, we may as well not have one.

If I could have the attention of the chairman of the committee, the gentleman from Wisconsin (Mr. ZABLOCKI), I asked the gentleman a moment ago if under the resolution, unamended by the amendment offered by the gentleman from New York (Mr. STRATTON), we could replace our aging B-52's with the B-1, and he said, "Yes." I welcome that answer.

Pursuing that line of inquiry, I would like to ask the committee chairman if it is not so that under his resolution, unamended by the amendment offered by the gentleman from New York (Mr. STRATTON), we can modernize every other existing weapons system that we have in our arsenal, including delivery systems, so long as we do not proliferate or add new ones but modernize existing systems and existing delivery vehicles so that we might have a credible deterrent. Now, does the gentleman's resolution as it now stands preclude such modernization of existing systems, existing delivery vehicles, launchers, et cetera, so long as there is no proliferation?

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Chairman, the gentleman is correct, if he states that the situation would change only after there is a negotiated mutual and verifiable freeze.

Mr. HYDE. Oh, does the gentleman mean that after the freeze is adopted, we may not modernize?

Mr. ZABLOCKI. Only if that is part of the negotiated agreement.

Mr. HYDE. Well, does the gentleman mean it is open to negotiation and the freeze neither bars nor encourages modernization; we may modernize or may not modernize, as the negotiators determine? Is that what the gentleman is saying?

Mr. ZABLOCKI. That is correct. It is the same as any agreement on reductions. It would only be in effect after the agreement was made.

Mr. HYDE. In other words, the negotiators are free to negotiate whatever they wish. Whether there is modernization or no modernization, they are free to negotiate, and this freeze does not inhibit that; is that what the gentleman is saying?

Mr. ZABLOCKI. Of course, a mutually negotiated agreement would mean that the instructions from the President of the United States would be relevant in the process of negotiating.

Mr. HYDE. But we are not giving them a free hand. That is why we have been engaged these many hours to instruct our negotiators that they have got to first freeze, and then they are free to reduce if they can seduce the Soviets to sit down and reduce while we give them an MX which we are not permitted to develop. That is some trick, but I have confidence in our negotiators' hypnotic abilities.

What I am trying to learn is, if the freeze or the gentleman's resolution is adopted, whether we can ever replace our old, aging, antique aircraft. I refer to the B-52's and our old submarines.

The gentleman is telling me they can negotiate that or not as they wish; is that what he is saying?

Mr. ZABLOCKI. There is nothing in this resolution that precludes the administration, the executive branch, from maintaining the deterrent ability of our military force.

Mr. HYDE. And that includes modernization? We can build these aircraft that the gentleman from Texas (Mr. KAZEN) says we cannot if they negotiate that away; is that what the gentleman is saying?

Mr. ZABLOCKI. What this resolution addresses itself to is the negotiations on the nuclear freeze. Until that occurs modernization can take place.

Mr. HYDE. Then, Mr. Chairman, as I take it, there really can be no modernization; once we freeze, we freeze, and that means we are stuck with our old B-52's? Would that be correct?

Mr. ZABLOCKI. If by any stretch of the imagination the negotiators would agree to that, yes, but we are not hampering them.

Mr. HYDE. Well, what does the word, "freeze," mean? Is it kind of a melting ice cube which may be this big or perhaps that big? Are we freezing them, or are we going to permit modernization?

The CHAIRMAN. The time of the gentleman from Illinois (Mr. HYDE) has expired.

(By unanimous consent, Mr. HYDE was allowed to proceed for 3 additional minutes.)

Mr. HYDE. Mr. Chairman, I think what my friend is saying is that this resolution unamended does not necessarily ban modernization of existing weapons systems and delivery systems; is that what the gentleman is saying?

Mr. ZABLOCKI. The delivery systems to be included in the freeze must be negotiated.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. That is in direct answer to the gentleman's question.

Mr. HYDE. I yield to my friend, the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, I cannot understand the chairman of the committee in his response when the language of his own resolution says that the freeze applies to delivery systems. I would call the attention of the gentleman to the fact that a B-52 is a delivery system.

Mr. HYDE. Mr. Chairman, is the gentleman referring to line 21 on page 4 that says, "And other delivery systems"?

Mr. KAZEN. Yes; I sure am. And I am referring, in addition, to some language in the report.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Chairman, if I may clarify this point, first of all, they will have to determine when and how a freeze and reductions will be negotiated. Let me go on further.

As far as the delivery systems are concerned, it could exclude platforms, submarines, and airplanes only if the negotiators agreed to such exclusions.

Mr. HYDE. Mr. Chairman, I thank the committee chairman for his effort to clarify the matter.

Mr. PHILIP M. CRANE. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to my friend, the gentleman from Illinois.

Mr. PHILIP M. CRANE. Mr. Chairman, may I direct a question to the chairman of the committee?

My understanding of what the gentleman is saying, Mr. Chairman, is that if we want to renovate or update antiquated equipment, that is a negotiable item between the Soviets and

the United States that they might agree upon.

□ 1920

If they might agree upon it, are you suggesting the Soviets would have a veto power?

Mr. ZABLOCKI. If the gentleman would yield further, no.

Mr. PHILIP M. CRANE. What if they do not agree?

Mr. ZABLOCKI. The Soviets have no veto power on our agreements any more than we have over theirs.

Mr. PHILIP M. CRANE. What if they did not agree in these negotiations that we could qualitatively upgrade existing equipment?

Mr. ZABLOCKI. If the gentleman would yield further, in the instance that the gentleman suggests of a freeze, in the gentleman's phraseology, if the Soviet's would veto it, this would be contrary to the agreeement and there would be no freeze.

Mr. PHILIP M. CRANE. If the gentleman will yield further, what I understand the chairman to be saying is that we do not have to negotiate this. Unilaterally, what the chairman is saying, is we can indeed upgrade equipment so long as there is no proliferation, an increased number, we can qualitatively improve existing equipment and we do not have to get the Soviet's consent to do that.

Mr. ZABLOCKI. That is not what I am saying. As a matter of fact, we had agreed and we have accepted a clear statement that this is not to be a unilateral freeze.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from New York because possibly we will get a second opinion on this terminal case.

Mr. SOLARZ. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. HYDE) has again expired.

(By unanimous consent Mr. HYDE was allowed to proceed for 1 additional minute.)

Mr. HYDE. I yield tc the gentleman from New York.

Mr. SOLARZ. I thank the gentleman for yielding.

Let me try to make a distinction which I think can clarify the differences that have developed in the course of your dialog with the distinguished chairman. I think we have to make a distinction between modernization of the strategic systems on the one hand and their maintenance on the other.

By modernization, as a phrase of art, we mean the development of new weapons systems, successor generations to the existing weapons system.

Mr. HYDE. Is a B-1 a new weapon system?

Mr. SOLARZ. Yes; it is.

By maintenance we mean the upkeep and improvement of existing systems in order to facilitate their longevity.

This resolution, as it is currently drafted, and if it led to a negotiated and mutual verifiable freeze, would presumably prohibit the modernization of our nuclear forces in the sense of prohibiting the development of new systems. It would not prohibit the maintenance of our nuclear forces through the upkeep of the systems through means and methods that would enable them to continue in an operational sense.

Mr. HYDE. I thank the gentleman for clarifying, quote, unquote, this matter.

All I can say is you had better support the Stratton amendment or we will have the Andrews Air Force Museum out there.

AMENDMENT OFFERED BY MR. ZABLOCKI TO THE AMENDMENT OFFERED BY MR. STRATTON

Mr. ZABLOCKI. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ZABLOCKI to the amendment offered by Mr. STRATTON: Strike out all that follows "SEC. 3." in the amendment and insert in lieu thereof the following: "Consistent with pursuing the overriding objective of negotiating and immediate, mutual, and verifiable freeze, nothing in this resolution should be construed to prevent measures necessary for the maintenance of and credibility of the United States nuclear deterrent.".

(Mr. ZABLOCKI asked and was given permission to revise and extend his remarks.)

Mr. ZABLOCKI. Mr. Chairman, the amendment offered by the gentleman from New York (Mr. STRATTON) is designed, in my opinion, to create a loophole in House Joint Resolution 13 that would destroy its purpose of mandating the objectives for the START talks, including the negotiations for a mutual and verifiable freeze.

The amendment's effect is to say we can have negotiations on a mutual and a verifiable freeze so long as the nuclear arms buildup proposed by the Reagan administration is untouched.

Congress certainly should not prejudge what U.S. defense measures will be required as we seek to negotiate a mutual and verifiable freeze at START. Arms control and defense procurement should work hand in hand.

Defense procurement should not determine or dictate arms control strategy.

The amendment I have offered is a more balanced approach. It enables us to pursue measures needed for maintaining the credibility of our U.S. deterrent but does not prejudice what we will need in the future.

We cannot predict, as I said before, what types of modernization and deployment will be necessary during the START negotiations under the guidelines established by House Joint Resolution 13.

This is a matter for the President and the Congress to decide as those negotiations are pursued.

Therefore, Mr. Chairman, my amendment provides the needed flexibility to pursue a coherent arms control strategy that does not prejudge future defense requirements and I urge adoption of the amendment to the amendment.

Mr. STRATTON. Mr. Chairman, I rise in opposition to the Zablocki amendment.

Mr. Chairman, I tried to stress in my earlier remarks, and I repeat it now, that this amendment is not an amendment offered by this Member from the 23d District of New York, but is an amendment offered on behalf of the Armed Services Committee as the result of our study of the impact on our nuclear deterrent and other weapons systems that would be brought about as a result of the adoption intact of the resolution offered by the gentleman from Wisconsin.

What the gentleman from Wisconsin has done has been to eliminate the two fundamental points in the amendment that are absolutely necessary to maintain the credibility of our deterrent. I am not talking about automobile "maintenance" where you have to drive in and get your oil changed and your filters changed every 1,000 miles or 1,500 miles, and get the tires rotated. I am talking about our maintaining the credibility, making it clear to ourselves and to the Soviet Union that we do have a nuclear deterrent, and that nobody is going to be stupid enough to try to attack us as long as that deterrent exists. Those two points are "modernization" and "deployment," the two words stricken out by Mr. ZABLOCKI.

The problem with this Zablocki resolution, as I think we ought to remember, is that nobody knows what kind of negotiations are likely to go on. I have not seen anything in the paper or from my knowledge of what the Soviets are up to that they are in any way anxious to get into these negotiations. But if they do get into negotiations you can bet your bottom dollar those are not going to be over in 30 seconds. They are going to take a long time. You can bet your boots on it.

We entered into negotiations with the Soviets back in 1972 in Vienna on the idea of mutual and balanced force reductions in Europe. Those negotiations have gone on now for 11 years, and without a single constructive result coming out of them. If these new freeze negotiations go on for another 11 years while the Poseidon submarines are beginning to sink and as the Minutemen are being removed and the Titans are carried to the boneyard,

how are we going to insure the modernization and the deployment of our nuclear deterrent that are needed to break the deterrent credible.

While these negotiations have been going on in Vienna the Soviets have, for example, moved their tank armies forward and they have moved their tank armies back. And as a distinguished Senator from Georgia (Mr. NUNN), pointed out a number of years ago, the buildup of Soviet forces while the MBFR discussions have been going on was simply incredible.

□ 1930

What I am trying to point out is that the last thing we want to do by foolishness at 7 o'clock at night is to take some action that could conceivably destroy our nuclear deterrent. That would indeed be something that this House would certainly live to regret. The gentleman from Wisconsin thinks that if he moves a couple of words around, it will take care of things. Do not let him kid you. It will destroy exactly what the Armed Services Committee amendment means, and I would insist that the substitute be voted down.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. I sincerely thank the gentleman for yielding because I am sure he does not desire to misrepresent my amendment to the gentleman's amendment. Is it not true that my amendment to your amendment provides that nothing in the resolution should be construed to prevent measures necessary for the maintenance and credibility of the U.S. nuclear deterrent; is that not my amendment?

Mr. STRATTON. The whole point is what are these "measures"? The gentleman gives us no hint what he means by "measures."

What we need is to make sure that the block obsolescence of our nuclear deterrent, which is rapidly coming on, is corrected by modernization and by necessary deployment.

What do we do when the last B-52 goes out? We will have to have another plane. That is the B-1B and we hope that we will get some money from the Congress this year to complete it.

We are not talking about maintaining the nuclear deterrent; we are talking about maintaining its credibility by insuring that it is up to date, and is deployed in the place where it can best be deployed.

If the F-16's are needed closer to the Soviet border to prevent a possible attack, for example, we ought to be able to put them up there, similarly with the F-18's or the F-15's. We should not be deterred from taking those actions because that is also an important part of our deterrent, the smaller delivery systems.

Mr. HUNTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to speak to the chairman of the committee briefly if I could.

I think that the facts that have been pointed out by Mr. STRATTON have shown that in fact the United States at this time has an old strategic force, the Soviet Union has a very new strategic force. In fact, to freeze at this point and to accept the gentleman's substitute to Mr. STRATTON's amendment would send our capability rapidly downhill.

I have a chart here I would like to show. This chart actually shows quantitatively what the Soviet Union has done vis-a-vis the United States since 1967. If you look at long-range bombers the Soviet Union has built over 200 bombers since 1967, the United States has built zero. The Soviet Union has built over 750 ICBM's and deployed them. The United States has built zero.

The Soviet Union has built in excess of 28 ballistic missile submarines, since 1967, the United States has built 2.

Now what this means is simply this: If we look at today, sure we might be able to get by, by preserving through maintenance our operational capability; but we look at 1990, we are going to have a strategic system that is extremely outdated and the Soviet Union is going to have a strategic system that is extremely new. Let me give you a couple of figures. In 1990 our bomber force is going to be around 30 years old, Soviet Union is going to have a very modern bomber force, only about 10 years old.

We are going to have an ICBM system between 20 and 30 years old. The Soviet Union will have an ICBM system between 10 and 12 years old.

Our submarines will be between 25 and 30 years old, their submarines will be only about 15 years old.

This brings out one important point that the gentleman, Mr. STRATTON, made: Submarines are subjected to a great deal of stress as they submerge and go down to great depths. Hull life on the Poseidon is about 20 years.

What is going to occur if we do not build new submarines? If we get into the 1990's and we have submarines that are 25, 30 years old, they are going to be death traps for the people who are operating them. The Soviet Union is going to have a very strong ballistic submarine force.

I have noted on this side of the aisle in prior debates concerning the modernization of our strategic forces, many Members who are arguing the freeze today, pointing to our submarine force and saying, "We do not have to worry because we have those submarines and they are still fairly effective and silent."

Silence is a very important quality in our submarine force. That means the ability to move undetected in the world's waters. The Soviets are rapidly acquiring the ability to detect our submarines.

So, it is not a matter of patching up holes, boilers, et cetera; it is a matter of moving forward with sufficient technology to protect our systems and the people who deploy them.

So, I would very strongly urge support of the Stratton amendment and I would urge that the substitute amendment be voted down.

Mr. HYDE. Will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Illinois.

Mr. HYDE. In looking at the gentleman's chart and listening to what he just said, would it be a fair statement to say if the freeze goes in tomorrow in 10 years we will not have a deterrent?

Mr. HUNTER. That would be a very fair statement.

Mr. HYDE. It certainly would not be a credible deterrent.

Mr. HUNTER. We would have a deteriorating deterrent, and by the late 1990's we would have no deterrent.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Ohio.

Mr. KASICH. Mr. CARNEY, in regard to the statement contained in this package, a number of times mentioned nuclear delivery systems. Is the B-1 bomber a nuclear delivery system or is it not? If this resolution should pass, would that then not mean the immediate cancellation of the B-1 bomber since the B-1 bomber is a nuclear delivery system?

Mr. HUNTER. In my opinion the B-1 bomber is a nuclear delivery system and I think your question raises a problem in itself, because as I recall the debate on whether or not it was a delivery system, a number of the proponents of the freeze could not decide among themselves whether it was in fact a delivery system. In my estimation it is a delivery system.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman. Do I understand the gentleman to say then if the Zablocki amendment were adopted in his opinion we would not be able to build the B-1 bomber, is that what your interpretation of it is?

Mr. HUNTER. That is my opinion.

Mr. WALKER. So therefore, what we are doing is, we are saying that we could only maintain and we could not modernize, we could glue the wings back on the B-52 but could not build a

new airplane, is that essentially the point that the Zablocki amendment raises?

(By unanimous consent, Mr. HUNTER was allowed to proceed for 2 additional minutes.)

Mr. HUNTER. That is exactly what I am saying. Let me give you a history of the B-52 which is supposed to carry increasing strategic responsibilities. On March 10, 1983, we had a wing fracture and fall off in Mather, Calif.

Mr. WALKER. I had a constituent killed in a B-52 wreck as a matter of fact.

Mr. HUNTER. January 1983, in Grand Forks, N. Dak., we had a fire which destroyed the plane. Five people were killed. December 1982, at Mather we had a crash on takeoff and eight people were killed. These are all B-52 accidents. November 1982, Castle Air Force Base we had a hydraulic line go out; the plane was completely destroyed. On October 30, 1981 at Lajunta, Calif., we had a crash during a flight at low level and seven people killed. These are the B-52's we are going to have to rely upon if in fact this amendment to Mr. STRATTON's amendment is adopted.

(On request of Mr. SOLOMON and by unanimous consent, Mr. HUNTER was allowed to proceed for 3 additional minutes.)

Mr. SOLOMON. Will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from New York.

Mr. SOLOMON. I thank the gentleman and I commend the gentleman on his statement.

Earlier this afternoon when there was nobody on this floor here at all, we talked about the B-52 bomber whose wing fell off while it was sitting on the ground being refueled. We talked about another B-52 bomber that 2 months ago crashed and killed all nine members aboard. Let me read you a letter that appeared in the CONGRESSIONAL RECORD on the Senate side yesterday from a family in North Carolina that was writing to Senator JESSE HELMS.

□ 1940

And I wish everybody here would listen to it. It says:

DEAR SENATOR HELMS: I am writing as a constituent to urge you to vote favorably on the President's budget as regards the defense section. My wife and I feel very strongly about this since we have had two recent tragedies in our family which might not have occurred. We feel that replacements are now needed for the old and outdated equipment, especially in the Air Force's inventory of fighter planes.

The tragedies in our lives make this the No. 1 priority to our mind.

On January 14, 1981, our youngest son, Captain John M. Rudiger, USAF, was killed in the crash of his F-4 fighter plane near Madrid, Spain. He left a wife, a one-year-old daughter and a three-year-old son. On December 7, 1982, our remaining son, Lieutenant Colonel Burnley L. Rudiger, Jr., USAF, was killed in the crash of his F-111F fighter plane. He left a wife, a daughter 10, and a son 6.

This is in no way to say that the maintenance is less than first class in the Air Force. Our sons had nothing but the highest praise for the maintenance personnel on their aircraft. But, as everything else, planes deteriorate with age.

The records of both these young men will bear out that they were two of the finest officers and pilots in the Air Force. John had been selected to attend the prestigious weapons school at Nellis AFB and Burnley had 2800 hours in the F-111, with more hours in the F-111 than any pilot in the Air Force. You perhaps know better than I of the number of F-4 and F-111 crashes in the past couple of years.

It is because of the loss of these two young men, not only to their families, but also to the Air Force, that we respectfully urge you to pass a strong defense budget so that our well-trained and heroic young men may have the best equipment available.

Sincerely,

BURNLEY L. RUDIGER, Sr.

That is typical of our national defense today and it is why we need the Stratton amendment, we need it now, and every man in this body should vote for it.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Ohio.

Mr. KASICH. I thank the gentleman for yielding.

I wonder if Chairman ZABLOCKI would answer a question.

In terms again of this B-1 bomber, and I was in my office when this question and answer were going on, is the B-1 bomber a delivery, a nuclear missile delivery system, or is it not?

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. I thank the gentleman for yielding.

Mr. Chairman, as I have stated repeatedly under the interpretation that I have received, the B-1 bomber is a platform the same as a submarine is a platform for a nuclear device that is self-propelled once it leaves both those vehicles. Whether the B-1 would be included would be a matter for negotiations, although bombers have been included in the SALT agreements.

But I would yield to the experts in the Armed Services Committee whether that definition is correct. The gentleman from Wisconsin never claims to be infallible.

Mr. KASICH. Mr. Chairman, I am confused myself that if the B-1 is designed as a strategic carrier of a strategic nuclear weapon and the resolution speaks to the freezing of not only nuclear weapons but delivery systems, then does it not freeze the production of the B-1 bomber since the B-1 bomber is designed to deliver the nuclear weapon?

The CHAIRMAN. The time of the gentleman from California (Mr. HUNTER) has expired.

(At the request of Mr. HYDE and by unanimous consent Mr. HUNTER was allowed to proceed for 2 additional minutes.)

Mr. ZABLOCKI. As the gentleman knows, the B-1 bomber can carry nuclear as well as conventional bombs. Therefore, it would be in the classification that the B-52 could be modernized by a B-1.

Mr. HUNTER. Could I follow that up with a question to the chairman? If in fact a B-1 bomber can carry a conventional weapon, a cruise missile can carry a conventional warhead also. In fact, we have conventional cruise missiles. And my question would be: Are cruise missiles not then restricted by the freeze?

Mr. ZABLOCKI. That is what the gentleman from Wisconsin just stated.

Mr. HUNTER. I thank the gentleman.

Mr. BENNETT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Stratton amendment.

Mr. Chairman, I will speak briefly, but the Zablocki bill itself is one that I would have liked to have gone along with because a lot of it I like. And I think the gentleman from Wisconsin (Mr. ZABLOCKI) and the committee have made a real effort to get a good bill before us.

The trouble is it has, in all essence, put us into a freeze situation which is like Russian roulette. In other words, it says we are going to freeze the present situation and we are not in a position to do that because if we did it, within 10 years we would not have a very credible deterrent.

And our major effort anyway is to prevent war. Our major effort is to see to it we do not have a war and if we give overwhelming superiority to the Russians I just think it would be a grave error.

The gentleman from New York (Mr. STRATTON) has made a real effort to come up with some language which I think improves the Zablocki bill very much. It would make it clear that Congress intends to maintain an adequate nuclear deterrent during the on going negotiation to achieve reduction.

Just to speak as the Zablocki amendment to Stratton does not do anything because the bill already says you are going to have a freeze.

The amendment is fully consistent with and amplifies the resolving clause of the resolution which states that the objective of reduction talks should be consistent with the maintenance of essential equivalence in overall nuclear capability.

I believe it is essential that Congress explicitly recognize that on going modernization of nuclear forces cannot be

stopped until mutual and verifiable agreements to reduce are reached.

It really was very unfortunate this resolution was not sent to the Armed Services Committee, because I have looked at all the things that we have half-built, for instance the billions of dollars we have in ships that are not about to get off the ways yet. It looks like to me the Zablocki resolution would say we have to cut it all out if not completely built yet. I do not know what the loss would be. My guess is it would be a good $100 billion of things that you would have to stop in the pipeline and not go forward with. It is just such an impractical thing and the gentleman from New York (Mr. STRATTON) is trying to make it practical.

In the absence of modernization U.S. nuclear deterrent would gradually diminish as the gentleman so ably said. If the same drawdown were to happen to nuclear forces in the Soviet Union then this could be a means of achieving the arms reduction we all want, but most currently deployed nuclear systems of the United States were built in the 1960's, while the most currently deployed Soviet systems were built in the 1970's or early 1980's. A halt to modernization if not mutual would quickly undo the essential equivalence that the Zablocki resolution calls for.

Mr. Chairman, the Stratton amendment is fully consistent with the resolution before us. And by adopting it we can make clear that we recognize that it is essential that modernization of deterrent forces may be necessary until arms reduction agreements can be negotiated.

Mr. AUCOIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Zablocki amendment to the Stratton amendment.

In taking the well to express my support for the amendment, I want to say how regrettable I find it that some would imply during the course of this debate that those of us who support the freeze are against reductions. That manifestly is not so and it needs to be clarified now for once and for all.

We who support the freeze are saying that we want to freeze this madness, this arms race that continually presses technology to the outer edges wherein each side continually one-ups the other until finally the world is pushed to the brink of a horrible calamity.

We want to freeze the arms buildup: we want to keep it from happening. And then from that basis we want to work for real reductions in missiles and warheads.

The Stratton amendment reflects not the point of view of the freeze advocates, but rather the point of view of those who oppose the freeze. They are probably sincere. They believe that the way to deter is to allow modernization and the inclusion of altogether new and different and more complicated and more unverifiable systems. They want this in order to be safe, in order to deter the Soviet Union.

□ 1950

But if anything is clear over the last 30 years of the arms race, it is that the technological approach to deterrence has been a bust. As each side has tried to one-up the other, to find a way to bring on a system that makes vulnerable some system that poses a threat, the other side simply responds in kind.

In our country today we are dealing with a $200 billion deficit. The technological approach to deterrence makes that problem worse because it is expensive. I do not think we can afford to put hundreds of billions of dollars more into technological deterrence, because, my friends, any advantage we buy is always canceled when the other side develops an offsetting technological ability. There is no end to this. It never ends. It is very expensive. And very, very dangerous.

Today the Government is going to be going out and borrowing 75 percent of the total savings pool in this country to finance its deficit. If anyone believes that we can have a healthy economy with that much Government borrowing, they are sadly mistaken.

What happens to our industrial capacity, which I think is a measure of our national strength, if we allow that to happen? We weaken it, rather than strengthen it.

Well, Mr. Chairman, the freeze is an entirely different, better way to approach the goal of deterrence. What we who support the freeze are saying is: Let us not use the technological approach to try to buy deterrence, since it manifestly has not worked; let us freeze in place what we have right now and if that means we do not build some new bomber, we can save the money that would otherwise be spent. And this is fine, because under the freeze the Soviets are not going to be able to build the Blackjack bomber. Why? Because the freeze is on both sides—verifiable and mutual.

Mr. HYDE. Mr. Chairman, will my friend yield to me for a question?

Mr. AUCOIN. I will be pleased to yield to the gentleman.

Mr. HYDE. I thank the gentleman.

I would like to ask the gentleman from New York (Mr. SOLARZ) a question along the lines of what the gentleman has just said.

Mr. AUCOIN. My only point, I will say to the gentleman, and I will then yield to him, my only point is that if you want deferrence, the cheapest way is to freeze in place the existing arsenals, because in the existing arsenals we have a rough parity.

Mr. HYDE. I understand.

Mr. AUCOIN. There are some advantages on the one side, some advantages on the other side; but in the aggregate, we have parity.

Mr. HYDE. Mr. Chairman, if the gentleman will yield, the gentleman has talked about fighter planes. I assume that these fighter planes are delivery systems and we cannot modernize and we cannot develop any more state of the art on fighter aircraft.

Mr. AUCOIN. I do not want to modernize our existing arsenal if that allows the Soviets to modernize.

Mr. HYDE. OK. Now, my question——

Mr. AUCOIN. I have the time. It is my time.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

(At the request of Mr. HYDE, and by unanimous consent, Mr. AUCOIN was allowed to proceed for 2 additional minutes.)

Mr. AUCOIN. I want to use my time and then I will yield to the gentleman.

I want us to get to a situation where we do not have to plunder our Treasury and invest it in additional modernizations in our arsenal. If we can have a treaty that uses the freeze as the basis for negotiations and we get a treaty that is on the basis of a freeze, then the Soviets will not be able to modernize, either.

To me, modernization or the building of any weapons system should be to prevent a war. If we do not have to build in order to prevent a war, it is a cheaper, safer option to follow. That is what the freeze provides.

Why build a new bomber if the Russians are not going to be able to build new technologies of their own.

Now I yield to the gentleman.

Mr. HYDE. I thank the gentleman.

Now I want to ask my friend, the gentleman from New York (Mr. SOLARZ) a question.

If we cannot modernize our fighter fleet, if the state of the art passes us by because say the French build these types of aircraft and the French sell the new modern whatever they are to Syria, we, of course, cannot sell Israel any more or give Israel any advanced fighter aircraft, but the French—and I am just hypothecating—the French, of course, can give or sell to Syria, Iraq, or whomsoever, modern aircraft.

Now, what does this do to our allies, those people that are dependent on us for modern fighting weaponry?

I ask the question of the gentleman from New York (Mr. SOLARZ).

Mr. AUCOIN. Let me yield to my friend, the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Well, the answer is that there is nothing in this resolution which would preclude the modernization of conventional fighter aircraft,

which we need for our own defense and which our allies elsewhere around the world need for their defense.

What it does preclude, assuming there is a negotiated agreement with the Soviet Union, and keep in mind that the very fact that the agreement has to be negotiated builds in a measure of flexibility here, is the production of new nuclear weapons systems; but I want to assure my good friend, because I know the gentleman is concerned about this matter, that it would not preclude the modernization and the development and the testing of new conventional weapons systems.

Mr. HYDE. Even though they have a dual capacity and they can carry nuclear as well as conventional?

Mr. SOLARZ. Well, that is right. The gentleman is right.

The CHAIRMAN. The time of the gentleman from Oregon has again expired.

(By unanimous consent, Mr. AuCoin was allowed to proceed for 5 additional minutes.)

Mr. HYDE. All right, that clarifies that and I appreciate that. I thank the gentleman.

Mr. AuCOIN. Mr. Chairman, to conclude my remarks, I want to repeat why I have trouble with the Stratton amendment. In the name of modernization and in the name of deployment of moderized new weapons, there is an open-ended loophole by which we can add ever more sophisticated weapons to the arsenals of not just our side, but of both sides. That really brings us back to square one. That is where we are right now, and if you listen carefully to the American people, what they are saying is that there is a basic insanity here and there is no safety in this. Instead, the people want to freeze in place the arsenals of both sides, knowing that there already is the destructive capability to more than obliterate each side.

The freeze then represents a new kind of deterrent, an effective deterrent.

Mr. STRATTON. Mr. Chairman, will the gentleman yield to me?

Mr. AuCOIN. I want to complete my statement. The gentleman had more than 5 minutes in support of his amendment.

The freeze is an effective deterrent, because by the prohibition on testing and on production and on deployment, but particularly on testing, you end up creating in the case of both arsenals an unreliability factor. I repeat: an unreliability factor.

What is good about this is that no one is going to use an unreliable weapon for a first strike. And over time as the freeze continues in place, the uncertainty this will cause on the part of our military commanders and on theirs would make a first strike less and less likely. No one could be confident that he could get away with a first strike. That is deterrence.

What is not deterrence is when we keep stockpiling one layer of new weapons systems on top of another. That represents an unstable, destabilizing first strike capability by whichever side does it. And both sides now are doing it.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr AuCOIN. I have personal respect for the gentleman, but I do not respect his amendment.

The CHAIRMAN. The time of the gentleman from Oregon has again expired.

(At the request of Mr. STRATTON, and by unanimous consent, Mr. AuCoin was allowed to proceed for 1 additional minute.)

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I yield to the gentleman from New York.

Mr. STRATTON. I say to my good friend, the gentleman from Oregon, that what this debate is making perfectly clear is that when it comes to trying to establish a stable military relationship with other countries, a freeze is obviously not the best way to go.

Mr. AuCOIN. Well, I disagree with the gentleman on that.

Mr. STRATTON. The best way to go is to negotiate with other countries, as we are already doing, very seriously, in Geneva. This way we can meet the individual cases as they come, rather than trying to apply some rigid formula, as the freeze would do, across the board.

Mr. AuCOIN. I disagree with the gentleman. I would like to have my time.

Who can say that the plundering of the Treasury of our Government to the tune of $1.6 billion, and God knows how many hundreds of billions of that is proposed for new strategic weapons, or the plundering of any country's treasury for these destabilizing weapons with no end in sight is stable?

The only thing that is stable is to freeze things where they are, knowing that the ban on testing is going to produce a lack of confidence in the weapons on both sides. If you do not have confidence in your weapons, whether you are a Soviet planner or if you are an American planner, you are not going to chance a first strike. That is deterrence and that is stability.

The CHAIRMAN. The time of the gentleman from Oregon has again expired.

(At the request of Mr. MARTIN of North Carolina and by unanimous consent, Mr. AuCoin was allowed to proceed for 2 additional minutes.)

Mr. MARTIN of North Carolina. Mr. Chairman, will my colleague yield to me?

Mr. AuCOIN. I am delighted to yield.

Mr. MARTIN of North Carolina. Well, I appreciate that very much, because I believe that the gentleman has inadvertently pointed out very clearly what the problem is and why it is important to adopt the Stratton amendment and for other amendments that seek to address this obsolescence problem.

If I may show this chart to the gentleman——

Mr. AuCOIN. Well, I am not going to let the gentleman show charts on my time. If the gentleman has a question of me, I would be pleased to answer it.

Mr. MARTIN of North Carolina. Well, all the gentleman has to do is turn his eyes the other way if he does not want to see the chart.

Mr. AuCOIN. The gentleman can get his own time for his charts.

Mr. MARTIN of North Carolina. The gentleman need not fear the truth. The point is shown on the chart that the United States has 77 percent of its retaliatory capability in weapons that are over 15 years old, in the 15- to 20-year-old Poseidon submarines, and the B-52 bombers, which are 15 to 25 years old, while the Soviet Union has only 2 percent of their delivery capabilities in those older weapons. They have 77 percent, which is a first-strike force, of their nuclear capability in their modern weapons that they have just acquired during the last 5 years and that is shown very clearly. That is the reason why it is so dangerous to enforce a freeze without allowing——

Mr. AuCOIN. I have yielded to the gentleman. I want to reclaim my time.

Mr. MARTIN of North Carolina. I suppose I should thank the gentleman for allowing me to make part of my statement on the Stratton amendment.

□ 2000

Mr. AuCOIN. I have yielded to the gentleman. I want to reclaim my time.

Mr. MARTIN of North Carolina. I thank the gentleman for his generosity.

Mr. AuCOIN. The problem I have with the Stratton amendment is that in the name of modernization, you could keep adding layer after layer of expensive, dangerous, and new systems. If you think that is going to work as deterrence, look at what we have gained by what we have been doing for the last 30 years. We are on the brink of nuclear destruction right now. That is what got us here.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. AuCoin) has expired.

(On request of Mr. MAVROULES and by unanimous consent, Mr. AuCoin was allowed to proceed for 2 additional minutes.)

Mr. MAVROULES. Mr. Chairman, will the gentleman yield to me?

Mr. AuCOIN. I yield to my friend, the gentleman from Massachusetts.

Mr. MAVROULES. I thank the gentleman for yielding, and I appreciate this opportunity.

Mr. Chairman, actually, we have been talking on this amendment now for the last 3 or 3½ hours. I think the rhetoric is now becoming quite stale, to be very honest with you.

Mr. AuCOIN. I am sorry the gentleman feels that way.

Mr. MAVROULES. If we are going to be candid relative to nuclear confrontation in the future, you are not going to lessen that confrontation by building more nuclear arms. You are going to lessen that confrontation and raise the threshold of a nuclear confrontation by modernizing, at least in my view and in the view of the military people, modernizing your conventional arms.

We have heard so much talk here this afternoon as to what the B-1 can do and what it cannot do, and the B-52. Indeed, if you have a freeze, whatever is frozen for the United States will certainly be frozen on the other side. There are those who would say that the United States does not have deterrents. They talk about the Trident and we talk about all the other submarines, we talk about the B-52's. We talked about the Poseidons versus the Soviet Union.

Let me say this to my colleagues: If the Secretary of State and all other military personnel do not want to swap with the Soviet Union, if we are in that poor shape militarily, I am one Member in Congress who wants to swap with the Soviet Union.

The truth is, we have deterrents. Do not let anyone kid you. So long as the Soviet Union understands that the United States has the capability to destroy them militarily, we have deterrents, and the point that somewhere along the line we must freeze, and then after freezing we must reduce.

Mr. Chairman, I rise in support of House Joint Resolution 13—for a mutual and verifiable nuclear freeze between the United States and Soviet Union.

But, as I address my colleagues on this resolution and amendments pending before the House, I speak also to President Reagan and his negotiators in Geneva.

Millions of Americans have asked the Members of this Congress to take a stand on nuclear arms. These Americans—doctors and lawyers, schoolteachers and ministers, scientists, students and farmers, alike have made a simple request of their Government—that the United States do all in its power to stop the nuclear arms race before it is too late.

Mr. Chairman, that is the request that we make of you today.

Rather than casting this most serious matter into some abstract battle of the Armageddon—between the forces of good and the forces of evil—I ask you to join us.

For while it is our responsibility to maintain the "common defense," and preserve our freedom and liberty; so, too, is it our responsibility to reduce and then end, the possibility of nuclear war.

It has been 38 years since those moments at Hiroshima and Nagasaki forever altered our history.

And the environment of the Bikini Atoll in the Pacific is yet to recover from the sinister clouds of the first hydrogen bomb, tested there in 1954.

Ending the nuclear arms race is no longer a dream, it is a practical matter of life and death—that is why I advocate this freeze resolution. If we act correctly today the entire world will know that it is the United States that is ready to take the first steps toward peace and ending the nuclear era.

I recognize there are those in this Congress who view a mutual and verifiable freeze as somehow advantageous only to the Soviet Union. They contend that a freeze, or any arms limitation agreement, without billions for new and more sophisticated weapons, will lock us into a position where the balance will be altered.

Do the Soviets hold an overwhelming advantage? Is the security of the free world jeopardized if both sides stop the nuclear arms race now? Consider this viewpoint and then decide.

In September 1981, then Secretary of State Alexander Haig expressed his feeling that "In a contemporary sense, the United States is very, very strong and very, very capable especially in the strategic area. Our systems are both more sophisticated and reliable, and more technologically sound."

Then, last April, Secretary Weinberger was asked in the Armed Services Committee, would you rather have at your disposal the U.S. nuclear arsenal or the Soviet Union Arsenal?

Mr. Weinberger responded, "I would not for a moment exchange anything."

And, when the highest ranking military official in the United States, Gen. John Vessey, Chairman of the Joint Chiefs of Staff, was asked whether he would swap U.S. military capability overall for that of the Soviets, he responded with an emphatic "not on your life."

But yet, even with this very credible and massive national defense capability, there are those who measure defense only by the number of advanced weapons in testing or production. They ignore the simple truth that peace is the highest form of security. And, the most productive step toward peace today is a mutual and verifiable freeze on nuclear weapons.

The debate here today, on the freeze resolution, is very reminiscent of another debate. In the late 1950's and early 1960's the subject was a nuclear test ban treaty.

Proposed in 1956, the goal was to control and outlaw the testing of nuclear weapons in the Earth's atmosphere.

It made sense. For so long as testing in the atmosphere continued, each rain storm would return to Earth the radioactivity, fallout and other poisons of nuclear explosions.

During that debate, there were those like Senator Hubert Humphrey who called the test ban "a ray of hope to millions of worried people." But, like today, there were critics who claimed this type of initiative—not to test nuclear weapons in our atmosphere—was "catastrophic nonsense," and "a theatrical gesture."

In 1963, the test ban treaty was signed. And to this day nuclear explosions in the atmosphere have been stopped. We are more secure because of it—in fact our planet is safer and healthier because of it.

A critical moment will soon be upon us. As the nuclear arms race moves toward developing and deploying faster, more accurate, more destructive weapons, we have this day put forth an alternative.

At issue is not the right of self-defense, nor the right to maintain our national security. Nor is the issue our ability to respond to hostility and aggression. The United States can continue to preserve peace and freedom throughout the world.

Instead, what we ask is that the United States move to stop the nuclear arms race. That is what we request of you, Mr. President, that you join us, and that you lead us.

Mr. Chairman, you can end the nuclear arms race. Take up this challenge, and you shall enjoy the support of millions.

And in so doing, we will all take a step away from nuclear Armageddon and toward the promise of the prophet Isaiah, "when nation shall not lift up sword against nation, neither shall they learn war anymore."

I urge approval of the resolution, Mr. Chairman.

Mr. AuCOIN. I appreciate the gentleman's comments.

Mr. HOPKINS. Mr. Chairman, I move to strike the requisite number of words.

I would like to enter into a colloquy, if I could, with the chairman of the Committee on Foreign Affairs and ask him a question, if I may, Mr. ZABLOCKI.

I have read this resolution. I am not a lawyer. I do not read words that are not there. Let me read to you one paragraph on page 4, line 19:

> Deciding when and how to achieve a mutual verifiable freeze on testing, production, and further deployment of nuclear warheads, missiles, and other delivery systems.

My question is: The F-14, the F-15, the F-16 are all dual-capable aircraft. They can and in some circumstances do carry nuclear weapons. Will we have to stop building our frontline conventional fighters if this resolution passes?

Mr. ZABLOCKI. No.

Mr. HOPKINS. Would the gentleman define for me what "other delivery" systems are?

Mr. ZABLOCKI. Other delivery systems?

Mr. HOPKINS. Yes, sir.

Mr. ZABLOCKI. As far as the intent of the resolution, the weapons systems to be included are subject to negotiation.

Mr. HOPKINS. What would be included, Mr. Chairman? You have already precluded some submarines, the F-14, F-15, and F-16. What would be included? What are the other delivery systems that you speak of in the resolution?

Mr. ZABLOCKI. Systems that would be used primarily for delivering nuclear weapons. Dual-capable systems are not precluded from being maintained and modernized.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentleman for yielding.

Mr. Chairman, I do not understand this type of colloquy. Where does it say that dual systems are exempt? I have been looking for it, and I pointed to the arguments of the gentleman, I have pointed to the language of the report coming from the gentleman's committee, and we cannot build any airplanes that have dual purposes.

Mr. ZABLOCKI. Will the gentleman from Kentucky yield for the purpose of responding to the gentleman from Texas?

Mr. HOPKINS. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. When he referred to the report on pages 4 and 5, not only was he taking these remarks out of the context of the report, but that part of the report deals with the Soviet systems and verification.

Mr. KAZEN. It says:

Furthermore, a freeze would mean a stop to all activities in any weapons program to be included so that the detection of even one new missile or aircraft would be evidence of a violation.

Now, you decide what it says.

Mr. ZABLOCKI. If the gentleman will yield further, the gentleman from Texas again began in the middle of the paragraph. Read the whole paragraph, and the paragraph before.

Mr. KAZEN. All right.

It should also be pointed out that uncertainties in verification of nuclear weapons production can be compensated for by the high confidence in verification regarding testing and deployment. Furthermore, a freeze would mean a stop to all activities in any weapons program to be included.

That means that the wing of a B-52 cannot be modified. The B-52, for the gentleman's edification, is a delivery system. It is the latest that we have and it is obsolete.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, it seems to me that we also have a problem here when we are talking about mutual. If I understand the argument that is taking place here, many of our missiles could be modified to carry conventional tonnage. The missile systems could very definitely be used for nonnuclear capabilities.

Now, does that mean that the missile systems, then, are also exempt, and does that mean that looking at the record of this debate, that the Soviet Union could decide that all of their new missile systems are exempt because they could use them for purposes other than for nuclear delivery?

It seems to me that we have terribly muddied the waters here and have probably created a situation that no one will be able to interpret for the record.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. I yield to the gentleman from New York.

Mr. KEMP. I thank the gentleman for yielding.

Mr. Chairman, this confusion has to be cleared up because earlier the gentleman from New York (Mr. STRATTON) was accused of opening a loophole through which you could drive a B-1 bomber, so to speak. Now the loophole is on the other side of this equation and the chairman should tell us whether or not the intent of the resolution is to exempt dual-delivery systems.

Is what the gentleman from Pennsylvania has suggested a loophole or a potential loophole that might cause problems for not only this country but for verifying compliance with the agreement? Would the chairman answer that question?

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

(By unanimous consent, Mr. HOPKINS was allowed to proceed for 2 additional minutes.)

Mr. KEMP. I addressed my question to the chairman, and I think it is one on which the House needs to get clarification.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. I thank the gentleman for yielding.

Mr. Chairman, the reference that the gentleman from Wisconsin had as to the loophole in the amendment offered by the gentleman from New York (Mr. STRATTON) was to the nuclear modernization program. It did not mean, in any way that the gentleman from Wisconsin was not concerned about the maintenance and the modernization of military equipment that has a dual purpose.

Mr. KEMP. If the gentleman would yield further, I do not think the question has been answered. I do not mean to imply that the gentleman has been disingenuous, but the question was whether or not it was possible in the freeze resolution to exempt systems that have a dual role; that is, one conventional or strategic nuclear. It seemed to me you said yes, and when I pressed the question home, you went back to the modernization issue.

For example: What about the space satellite? Does that have a possible application that might be part of the exemption because it would have a dual capability in some future time?

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Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. I yield to the chairman of the committee.

Mr. ZABLOCKI. Mr. Chairman, the systems to be negotiated is a matter for the negotiators to decide.

Most people think that this is an automatic freeze, that the freeze begins immediately when this resolution would be adopted. Nothing could be further from the truth. There has to be a mutual, verifiable freeze to be negotiated.

The CHAIRMAN. The time of the gentleman from Kentucky (Mr. HOPKINS) has expired.

(By unanimous consent, Mr. HOPKINS was allowed to proceed for 1 additional minute.)

Mr. HOPKINS. Mr. Chairman, is the gentleman saying that all dual systems are excluded from his resolution? Is that correct? Is that what the gentleman is saying?

Mr. ZABLOCKI. If the gentleman will yield, yes. As often as I have said it, yes. Unless the negotiators would include them, they would be excluded.

Mr. HOPKINS. Does that also mean that we would be able now to sell F-16's to Israel?

Mr. ZABLOCKI. That has nothing to do with this resolution. FMS sales to Israel or any other country have nothing to do with this issue.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, here is the point this gentleman from New York would like to make at this point in the debate. What bothers me so far

is that the distinguished chairman of the committee is suggesting that we will leave that up to the negotiators, that that question of dual purpose will be left up to the negotiators. We are simply giving our negotiators the authority. The gentleman keeps mentioning the negotiations, how much flexibility they have, how much opportunity they have, and how many ambiguities will either be replaced or introduced in those negotiations. And all of a sudden those of us who have suggested the maximum negotiating posture of this country should be to give our representatives the opportunity to negotiate either a freeze or a reduction. I understand that the gentleman is inflexible on this one issue only. The gentleman insists on putting the freeze before the reduction, and the President wants to put the reduction as the prime goal. Why is that?

The CHAIRMAN. The time of the gentleman from Kentucky (Mr. HOPKINS) has again expired.

(On request of Mr. KEMP and by unanimous consent, Mr. HOPKINS was allowed to proceed for 2 additional minutes.)

Mr. KEMP. Mr. Chairman, if the gentleman will yield further, let me ask, why does the gentleman trust our negotiators to remove these ambiguities and close these loopholes, yet wants to suggest that the opening gambit of our negotiations in Geneva should be the freeze? Why should the opening gambit not be the reduction, if that might be the opportunity we could exploit?

Why does the gentleman want to give such negotiation flexibility to our negotiators and trust them on that basis and yet send them the signal that they ought to abandon what they are doing now and come home and later return to make the freeze their very first and opening bid.

Mr. Chairman, would the gentleman address himself to that question?

Mr. ZABLOCKI. What is the gentleman's question?

Mr. KEMP. Mr. Chairman, I am more than disappointed in our committee chairman. I believe he understands the question.

All I am suggesting is that I think the gentleman knows that what I have suggested is simply this: That he is willing to allow the negotiators maximum leverage and maximum flexibility to decide things such as were raised on the floor about dual systems and yet does not want to give our negotiators the flexibility I mentioned?

Mr. ZABLOCKI. The gentleman presumes that is a question? The gentleman is presuming what my position is.

Mr. KEMP. Why does the committee chairman not clarify it, then?

Why trust the negotiators to be flexible with regard to dual systems and not trust them to be flexible with regard to negotiating a reduction in nuclear arms such a President Reagan has opened with in the START talks? Why use the START talks as a freeze? Why not use the START talks as a reduction?

Mr. ZABLOCKI. Mr. Chairman, if the gentleman will yield, I will try in the clearest way to answer his question. Will the gentleman yield?

Mr. HOPKINS. Yes; I am delighted to yield to the committee chairman.

Mr. ZABLOCKI. Mr. Chairman, as the gentleman from New York knows, the resolution sets out the objectives for the START talks. If the resolution would indeed try to dictate to the negotiations, he would be the first to criticize that position.

The resolution clearly leaves it up to the President of the United States as to the manner of when and how to negotiate the objectives for the START talks. The resolution does not go into what specific systems will be included in the START negotiations.

The CHAIRMAN. The time of the gentleman from Kentucky (Mr. HOPKINS) has again expired.

(On request of Mr. KEMP, and by unanimous consent, Mr. HOPKINS was allowed to proceed for 2 additional minutes.)

Mr. KEMP. Mr. Chairman, will the gentleman yield further?

Mr. HOPKINS. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, let me say to the gentleman: "The buck stops there, Mr. Chairman, and you have got to stand up."

Look, let me point out what bothers us.

Mr. ZABLOCKI. We want to point out to the gentleman that we hope that this resolution will be approved this evening.

Mr. KEMP. Mr. Chairman, the gentleman is suggesting that we go to the START talks, the strategic arms reduction talks——

Mr. ZABLOCKI. We are already in them.

Mr. KEMP. And use as our opening gambit not reducing nuclear strategic weapons but freezing them, and it says so in this resolution. That is what troubles many of us who think that the resolution is directing the negotiators through the President of the United States to negotiate not reductions but to start with an immediate freeze across the board.

Mr. ZABLOCKI. Mr. Chairman, if the gentleman will yield, let me respond to the gentleman from New York.

Mr. HOPKINS. I am delighted to yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Chairman, I wish to call the gentleman's attention to page 5, line 11, subparagraph (6), where the resolution explicitly states: "Incorporating ongoing negotiations in Geneva on intermediate-range nuclear systems into the START negotiations."

We are not in any way instructing, as the gentleman interprets it, in the resolution.

Mr. KEMP. Mr. Chairman, will the gentleman yield again to me?

Mr. HOPKINS. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I appreciate the gentleman's reading line 11, paragraph (6) because the gentleman has quite candidly addressed one of my concerns, and the gentleman wants the START negotiations to go on.

All I am suggesting, Mr. Chairman, is that the gentleman is telling our negotiators through this resolution that they should begin as their opening bid in the negotiations not to reduce arms but to freeze them, and I wonder why he would not want to negotiate the reduction immediately if that could be a possibility. Why should we be freezing the terror? Why should we not be reducing the terror?

Mr. ZABLOCKI. Because in my opinion that should be the next step.

Mr. KEMP. That shows the vacuity of the proposal.

The CHAIRMAN. The time of the gentleman from Kentucky (Mr. HOPKINS) has again expired.

Mr. WALKER. Mr. Chairman, I ask unanimous consent that the gentleman from Kentucky (Mr. HOPKINS) be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. AuCOIN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to respond to a couple of things that have been said here. I am not a member of this committee, and I am not sure in all cases what was meant by the language, but I have read the language of this resolution and support the resolution as stated.

I would like to respond to a couple of points raised on the other side. The first is the last point raised by the gentleman from New York (Mr. KEMP) about whether we are instructing the people to negotiate a freeze followed by reductions, and why is this different from instructing them on dual capable systems?

It seems to me that the first of those things is a policy decision. The one thing we are doing is a policy, and the policy of this resolution says: "Let's have freeze followed by reductions."

Now, that is a policy. It is an appropriate thing for the Congress to instruct or to vote on in a resolution, and it is an appropriate thing for Con-

gress to do. Whether dual capable systems are included or not included and how to tell the difference and other related things is a negotiating matter. That is relatively a detail of the issue, and it seems to me it is very appropriate that we leave that issue to the negotiators.

Let me make a response to a second point that was raised. The charts are not here, and I wonder if we can get those charts back out here for a second.

Mr. KEMP. Mr. Chairman, if the gentleman will yield, while he is waiting, will the gentleman answer a question for me?

Mr. ASPIN. Yes; I would be happy to answer the gentleman's question.

Mr. KEMP. Let me ask a question of immediate concern.

Mr. ASPIN. Surely.

Mr. KEMP. The question is simply this: Would it be possible given the gentleman's rationale to be able to get the Soviets to the theater nuclear talks without some willingness on behalf of West Germany and other NATO allies as well as the United States to deploy the Pershing missile? Would they be willing to negotiate a reduction to zero as President Reagan has called for or a reduction of the SS-20's absent our willingness to deploy the Pershing intermediate-range missile?

Mr. ASPIN. No; I do not think so, but I think that the threat of deployment is as good as the deployment.

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Mr. KEMP. This is true, but it takes the credibility of deployment and of the threat. If the U.S. Congress simply said to the world via a freeze resolution that there was to be no deployment of the Pershing II missile it would deter negotiations and threaten our alliance.

Mr. ASPIN. If we negotiate.

Mr. KEMP. Would that not deter?

Mr. ASPIN. If we have a negotiation and if we had a freeze then there are certain circumstances—wait a minute—what we would be doing would be to hold back on our deployment of certain weapons, and they would hold back on their deployments of weapons, and I am going to get to that if you will let me refer to the chart.

It does mean that in certain circumstances the Soviets would have an advantage in some areas and we would have an advantage in other areas.

Mr. KEMP. On the question of what we are talking about, such as theater nuclear weapons?

Mr. ASPIN. Give me a chance to go through what I am trying to get to, and we will go back to your question. We will go back after I have had a chance to explain it, if you are still puzzled.

Mr. DANIEL. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Virginia.

Mr. DANIEL. I thank the gentleman for yielding. Let me ask you this question. What would happen if there were no new negotiations? Suppose the Soviets just decided to drag their feet for 5 years? By that time our weapons would have deteriorated to the point that they were no longer operable at which time we are subject to economic blackmail.

Mr. ASPIN. Let me make one thing very clear. As I read this, and again, I am not a member of this committee, as I read this, as the negotiations are going on, we can do whatever we want in the way of modernization and building of systems. This is as I read it. I am telling you that I am looking at this thing as a person who is not on the Foreign Affairs Committee. I am a member of the Armed Services Committee.

But, I read this document as saying that until there is a freeze agreed to, then both sides are free to proceed with what they want, what they were planning to do.

Mr. DANIEL. I thank the gentleman.

Mr. ASPIN. Once the freeze is agreed to, then the freeze goes into effect as agreed. Now that is as I read the document.

Mr. GINGRICH. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Georgia.

Mr. GINGRICH. On that point, which several of us over here seem to think that the gentleman from Massachusetts (Mr. MARKEY) would not agree with, leads me to say something for a second that may be thought to be very radical, but I say it because the Speaker, the majority leader, the chairman of the committee, and the gentleman from Massachusetts (Mr. MARKEY) are all here.

If, in fact, this resolution is as important as you would have us believe, my challenge to you is very simple. If you read the unedited transcript of what each of you has said tonight and do not go back and edit it you will be very embarrassed about the range of opinions about what you mean by your resolution.

I would suggest if you are serious that you rise as a committee, rewrite this and clarify it, and bring it back, and if you are not going to do that then I think it is clear that this is simply a partisan ideological gesture about which you are not even agreed among yourselves.

Mr. ASPIN. I yielded to the gentleman because I thought he was going to ask a question. But seeing as how he made a statement, let me make a statement.

On any resolution you have different people joining into it for different purposes, and maybe they interpret it differently. So it is not surprising to me to find various people voting both for a resolution and against a resolution, although the people in and among themselves may not agree on the particulars.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. ASPIN) has again expired.

Mr. KEMP. Mr. Chairman, I ask unanimous consent the gentleman have 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. WALKER. Mr. Chairman, reserving the right to object——

Mr. ASPIN. I would like, if I could——

Mr. WALKER. Reserving the right to object.

The CHAIRMAN. The gentleman has requested unanimous consent to proceed for 3 additional minutes.

Mr. ASPIN. I did not request it. The gentleman from New York (Mr. KEMP) requested it.

Mr. WALKER. And I am reserving the right to object, and I shall not object.

But I want to make a point that a moment ago when the debate was taking place and I asked for 2 additional minutes to make a point, objection was heard on the other side. I just take the time here to raise the point that that game can be played several ways and it would be a shame in a debate of this kind to cut off debate the way it was cut off just a few moments ago.

I am not going to object. I want the gentleman to have his time but I think we need to make certain that debate on something of this importance is allowed to continue.

Mr. ASPIN. I would like to assure the gentleman from Pennsylvania that I did not object to his request.

Mr. WALKER. I agree, and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York (Mr. KEMP) that the gentleman from Wisconsin (Mr. ASPIN) have 3 additional minutes?

There was no objection.

Mr. ASPIN. If I can, let me finish my spiel here before we get cut off again.

The point that has been made in several of the remarks made by people on this side is that if we put on the freeze we will be behind the Soviet Union because our systems are older than the Soviet Union's systems.

I would tell the Members of this body that that is true in regard to the land-based systems. But in fact, a freeze that is kept on both sides is of enormous help to us in terms of bomb-

ers and in terms of submarine-launched missiles, although the Soviets would retain an advantage in the ICBM's.

I think it was pointed out in part on this chart because if you notice, yes, the B-52's are old and the Bears and the Bisons, which are Soviet bombers, are older still, and they are smaller.

Mr. MARTIN of North Carolina. No; that is not what it says.

Mr. ASPIN. Over here you have some of the Backfires, which is the latest number of Soviet planes. But this chart does not show the United States which has the FB-111's.

Mr. MARTIN of North Carolina. Yes; it does. It does show the B-111's in the 5- to 10-year span.

Mr. ASPIN. Yes. OK. It has some FB-111's. But the Backfires, the Backfires are the latest version of the Soviet planes.

But in terms of overall age of bombers, the United States' bombers are less old than the Soviet Union's.

Let me finish. The second thing is that in terms of the submarine-launched ballistic missiles, the submarine missiles that both sides have, the U.S. submarine missiles are greatly superior to the Soviet Union's missiles in terms of accuracy, very, very much superior to the Soviet Union in terms of accuracy.

Among the latest submarine missiles, the less than 5-year-old category, the United States' Trident missiles are here and the Typhoon missiles are there.

So what I am saying is that in the total picture I think it is correct to say that if a freeze went in on both sides right now that the advantage to the Soviet Union would be in the land-based systems. They are newer, they are modern, and they are very good. They are very accurate. The advantage to the United States would be in the bomber systems which we have always emphasized much more than the Soviet Union has over history, and, second, the advantage to our side would be in the submarine-launched ballistic missiles because we have submarine missiles which are very much more accurate.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. ASPIN) has again expired.

(At the request of Mr. DOWNEY of New York and by unanimous consent Mr. ASPIN was allowed to proceed for 3 additional minutes.)

Mr. ASPIN. The point is, and I am contending this, and I hope all of you will understand what I am saying because it is absolutely true, what we have got here is somewhat of a balance. If this freeze goes into effect it will be advantageous to the Soviets on the ICBM's and it will be advantageous to us on the bombers and the submarine-launched ballistic missiles. I think that is a very important point to understand.

Mr. MARTIN of North Carolina. Will the gentleman yield?

Mr. ASPIN. Let me yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. The gentleman said that he would eventually yield. But if the gentleman will look at the chart he referred to, it does not show what the gentleman has described. If you look at the ages that are shown for all delivery systems, you will see that the United States has 77 percent of its delivery capability in those old Poseidon submarines that are 15 to 20 years old, and in the old B-52 bombers that are 15 to 25 years old.

The Soviet Union, the little red wedge the gentleman referred to as the Bear and the Bisons in the 20 to 25 years, that is a mere 2 percent of their capability and that means nothing to them. They have no other weapons over 15 years old. Instead three-fourths of theirs are brand new, less than 5 years old. So they have no similar obsolescence problem.

Mr. ASPIN. But it is a very high percentage.

Mr. MARTIN of North Carolina. What it means is that we will be facing unilateral attrition as our older submarines and the bombers reach fleet obsolescence, and that is a problem that we cannot just repair through the maintenance program proposed by the gentleman from Wisconsin, Mr. ZABLOCKI.

Mr. ASPIN. If I can take back the time, please. I would point out to the gentleman that the Bear and the Bison, the gentleman says it is a very small percentage of the Soviet forces——

Mr. MARTIN of North Carolina. Two percent.

Mr. ASPIN. That is true, but it is a very high percentage of their bomber forces.

What I am saying is that we are ahead, if we go into a freeze, and a freeze will help us on one leg of the triad, the bombers, and it will help us on a second leg of the triad, the submarines. It will not be good for the United States in the third leg of the triad, the ICBM's.

Mr. LEACH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. Let me yield to the gentleman from Iowa.

Mr. LEACH of Iowa. I appreciate the gentleman yielding. I would just like to add another observation with regard to the chart the gentleman just mentioned. Sometimes facts are facts, but they do not present the full picture. That chart is accurate. But above all what we have to be concerned with is the capability of missiles rather than their age.

What we have is a situation a little bit like someone walking down the street, running into someone running out of a bank carrying a satchel of money, and waving a gun, and asking "What are you doing?"

The gun waver might say, "I am waiting for a car." That may be a true description, but it is not the whole true picture.

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The true picture in the debate before us today must take into consideration capability. All we have represented in those blue lines representing U.S. nuclear forces is the capacity to destroy at a minimum the Northern Hemisphere and in all likelihood the entire globe. It does not matter what the age of a missile is if its capability remains awesome. And we have that capability in spades. For anyone to be embarrassed about anything in this debate, it is not about this resolution, it is the fact that we have lost the big picture. The big picture is that we can destroy this entire world. To go back on this resolution, to reject a freeze approach is nonsense.

(On request of Mr. DOWNEY of New York and by unanimous consent, Mr. ASPIN was allowed to proceed for 3 additional minutes.)

Mr. ASPIN. I yield to the gentleman from New York.

Mr. KEMP. I appreciate the gentleman yielding.

I say to my friend from Iowa, is the purpose solely to freeze the most destabilizing part of the strategic deterrent? Because in fact it is the land based leg of the triad that gives them the edge as the gentleman pointed out and that is the most destablizing part. So, in effect you are freezing the most destabilizing when the President wants to reduce it. And if I remember correctly, it was Mr. Carter and his negotiators who wanted to reduce land based ICBM's and I would think the gentleman from Iowa would reserve at least a little bit of his righteous indignation for those who want to freeze the destabilizing weapons. How about some concern for those who want to reduce it?

Mr. LEACH of Iowa. Will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Iowa.

Mr. LEACH of Iowa. I thank the gentleman.

I would say the gentleman from Iowa and, as far as I know every freeze supporter prefers reductions. We all want reductions. But the point is someplace you have to stop. This administration has been in office for over 2 years and has not stopped.

We favor reductions; we think there is a point in time that you have to stop and then you reduce. But there is no conflict here with the goal of reduction.

Mr. DOWNEY of New York. Will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from New York.

Mr. DOWNEY of New York. I think it is important for us to realize and I thank the gentleman from Iowa for bringing us back to the perspective, the question of what is deterrence and how is it best achieved. There is no doubt in my mind the best way to achieve the deterrence is through the freeze. I want to propound a question to the gentleman. It is often stated that the SS-18's, SS-19's, and SS-17's constitute a capability against our land-based missiles. If we were to have a freeze and there was to be a severe limit on the competence testing of ballistic missiles, that would apply to both the Soviets and to the United States, the integrity of our land-based systems would be enhanced by the freeze. If you take a look however at the President's START proposal of 850 land-based missiles and you calculate that the Soviets MIRV'd missiles are going to have a mix of MIRV'd warheads and highly accurate ones, you will find from the President's proposal that the land-based segment of our triad is in a worse situation over time than if you freeze the weapons and freeze the flight testing. So that from an arms control point of view, and from a deterrence point of view, you not only buy additional capability with our sea-based and bomber leg systems but you preserve your land-based system because you cannot flight test or there are limited flight tests and they cannot flight test and flight tests are essential to those who desire to go first. We have already eschewed the notion of going first. What we have said is we will not go first with nuclear strategic weapons, but we believe the Soviets are building up, possibly to do that. If they are restricted in the number of flight tests they cannot possibly coordinate an attack that would be an effective first strike against our land-based systems. So the freeze buys us a lot more deterrence than either the START proposal or the other proposal.

(By unanimous consent, Mr. ASPIN was allowed to proceed for 2 additional minutes.)

Mr. ASPIN. Let me recap and I will yield again.

In response to the gentleman from New York's point what the freeze does about the destabilizing situation is the point Mr. DOWNEY made about flight tests.

Second, but more important is that it preserves the other legs of the triad which the really destabilizing thing come if there is an antisubmarine warfare breakthrough which then puts in jeopardy the submarine leg of the triad. So what the freeze would do, what you are talking about in this is to try to observe the deterrence and I think the freeze does a pretty good job of it.

Mr. HUNTER. Will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Let me ask the gentleman a question. You said we have an advantage now in submarines, we would have an advantage under the freeze. The last Poseidon submarine that we fielded was in April of 1967, I believe. That has been 15 years, and the Poseidon has an estimated hull life of about 20 years.

Mr. ASPIN. Yes.

Mr. HUNTER. And during that time—and I am looking at my chart here—the Soviets have fielded over 28 submarines.

Mr. ASPIN. Yes.

Mr. HUNTER. Yankee and Delta class submarines.

Mr. ASPIN. Yes.

Mr. HUNTER. So between 1967 and today the score is 28 to 2.

Mr. ASPIN. Yes.

Mr. HUNTER. Yet you say we have an advantage?

Mr. ASPIN. May I explain that? Because I think the way that this resolution is written, and again I am interpreting it, I do not interpret it to cover the submarines themselves, it covers the submarine-launched missiles.

Mr. HUNTER. Let me ask the second part of my question.

Mr. ASPIN. Let me finish.

The submarines themselves, as I read this, are not covered by the freeze. The missiles are. Now the other thing is that in terms of submarine-launched missiles our missiles are very much more accurate than theirs. The Soviet Union submarine-launched ballistic missile program is in some trouble. The ones that work are not very accurate and the ones that are accurate do not work so well.

Now, what I think that we can do, what I am saying is that a freeze now would prevent the Soviet Union from developing a submarine-launched ballistic missile, a missile which would be accurate like the ones we have got now. We have pretty accurate missiles on the submarines.

The Soviets' accuracy is nowhere near where ours is.

(On request of Mr. HUNTER and by unanimous consent, Mr. ASPIN was allowed to proceed for 2 additional minutes.)

Mr. HUNTER. If the gentleman will yield.

Mr. ASPIN. I yield to the gentleman from California.

Mr. HUNTER. I would suggest already that the Soviets and the DNX-22 already have found that missile. If he will yield for the second half of my question, if we look at the bomber capability since 1967 we have produced zero bombers. They have produced, this is not Bears or Bisons, but Backfire bombers over 200. That is conservative.

Mr. ASPIN. Two answers to that. First of all the SSNX-20 and all the following ones are having some difficulty, the missiles, they are in deep trouble with them. The second point on the bombers is that half of their bombers, of that Backfire bomber, are being deployed in support of the Navy. They are not intercontinental bombers in their present deployment. Indeed they are not very good intercontinental bombers in any deployment. But the danger on the bomber front for the Soviet Union is the latest bomber. The new one, the one we now call Blackjack. That is a bomber that is in the process. But a freeze would stop that bomber and would be, I think, a very great help to our defense.

Mr. DOWNEY of New York. Would the gentleman yield?

Mr. ASPIN. I yield to the gentleman from New York.

Mr. DOWNEY of New York. It would be interesting for us, since the question of the Blackjack has been raised. Blackjack is not dealt with, with the President's START proposal. That is left open. So, those of you who are afraid and who are worried about the Blackjack, would, I would assume, be more interested in the freeze because we would stop the production of Blackjack, the START does not.

Mr. MARTIN of North Carolina. Will the gentleman yield?

Mr. ASPIN. I promised I would yield to Mr. MARTIN.

Mr. MARTIN of North Carolina. It is very hard to follow this after the earlier expanation we got from the chairman that this freeze is not going to include dual capability weapons, that is, those that can deliver either nuclear or conventional explosives. Is Blackjack not going to be capable of dropping conventional bombs?

Mr. ASPIN. It might be.

Mr. MARTIN of North Carolina. Of course, they will, which means the claim that this freeze halts Russia Blackjack superbomber is a false claim, since dual-capability bombers are excluded. Now, with regard to the Backfire bomber shown on there, that particular chart does not represent all of the fleet of Backfire bombers, it only represents those that do have intercontinental capability.

Mr. ASPIN. I understand it does not.

Mr. MARTIN of North Carolina. Further it seems to me incredible to hear on this floor the assertion made that age of these delivery systems does not count. Clearly they do. If the Soviet Union had weapons as old as ours, theirs would be phasing out due to obsolescence at the same rate of obsolescence that ours do. Theirs do not

have that age problem. Theirs are 77 percent brandnew. Ours are not.

Mr. ASPIN. We have already gone through that point. If I can respond to the point that the gentleman is raising.

(On request of Mr. BADHAM and by unanimous consent, Mr. ASPIN was allowed to proceed for 5 additional minutes.)

Mr. ASPIN. Let me respond to the point and I will be happy to yield and I would be happy to yield back to the gentleman from New York. The point I was raising about the Backfire bombers is not because there are more than 100 in here but because Mr. HUNTER had more than—he had 200-some-odd in his chart.

□ 2040

We only count the ones over here that are not applied against the Navy.

Second, let me raise the point about the dual capable system. It seems to me that if you have and I am again reading this resolution from somebody who is not on the committee that drew up the resolution, but it seems to me if you have dual capable systems and you have a resolution which calls for a negotiated freeze on nuclear delivery systems, what you want to do is to have a system worked out in the freeze negotiations that will differentiate between those weapons, whether they be fighter planes or whatever, that are carrying nuclear weapons and those that are not.

They are similar to what we have already worked out in similar arms control arrangements whereby there are observable differences between the weapons which carry nuclear capability and the ones that do not.

Now I would think that as a reader of this resolution what I would say in my interpretation is is that we are to negotiate a freeze on the nuclear capable weapons that there be some observable difference between the nuclear capable systems and the conventional systems and that the freeze does not apply to the conventional systems. But you will be able to tell which they are by looking at them

Mr. BADHAM. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from California.

Mr. BADHAM. I thank the gentleman for yielding. I certainly would not want to impugn the gentleman's motives because a lot of motives I respect, but for the gentleman to have his remarks combined with the chairman of the committee, the situation becomes ludicrous.

The gentleman says, if we start freeze negotiations, that the Blackjack could not be built. The gentleman from Wisconsin (Mr. ZABLOCKI) says that when we start freeze negotiations until we have an agreement we could build B-1.

I just asked the gentleman because I have heard here that if we froze, if we started freeze negotiations, we would still be able to produce. The gentleman knows that is bunk.

Mr. ASPIN. Why is that bunk?

Mr. BADHAM. Because if we began freeze negotiations, I would ask anybody on this floor if they ever thought the United States of America after starting freeze negotiations would ever build another B-1, Trident, or MX. Answer: no. If we commence negotiations for a freeze, does the gentleman think the Soviet Union would stop producing Typhoon, Blackjack?

Mr. ASPIN. There is no evidence in any negotiation history of the United States that we would do such a thing, that we would freeze unilaterally while these negotiations are going on.

After all, Ronald Reagan is negotiating reductions or we are told he is negotiating reductions. Yet we are having a buildup. What is to think that if Ronald Reagan is instructed to negotiate a freeze that that is going to change his buildup?

There is no evidence—let me explain. When we negotiated SALT I we continued to build up under SALT I until we reached a peak under SALT I. SALT I put a cap on certain kinds of weapon systems. The buildup then continued while we negotiated SALT II and ultimately a SALT II agreement was signed, but not ratified, which capped other things at a higher level. But the buildup continued.

After SALT II was signed, but not ratified, the buildup continued on warheads and other systems, air launch cruise missiles, the systems continue, which is what has caused the outcry against that which has brought the freeze resolution to our attention here today.

If there were not buildup between SALT negotiations, we would not have had the cry for the freeze. The freeze is a cry of outrage at the buildups that occur between the negotiations that take place.

Mr. BADHAM. Does the gentleman think that once freeze negotiations were started with the Soviet Union that the United States would ever produce another B-1, MX or Trident submarine?

Mr. ASPIN. There is no evidence to suggest that they would not. Whenever we have conducted those negotiations we have continued the buildup.

Mr. MARKEY. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Massachusetts.

Mr. MARKEY. I thank the gentleman for yielding.

Mr. Chairman, I think there is much less evidence that if we built the MX, the Trident 2, the cruise missile, the Stealth bomber, the B-1 bomber and all the rest of those missiles, the Soviet Union would not build those missiles. In addition to opening a window of vulnerability on the Soviet Union, it would also have the corresponding effect, of opening a window of vulnerability on our side.

The whole point is this. Everything we are talking about right now is so many red herrings. You want to build the MX, the Trident 2, the first strike weapons. That is the issue. We do not want to build them. We want to stop that arms race right now.

The other issues are subject to negotiation. We put it into the hands of the negotiators in Geneva. They sit down, they begin to discuss those weapon systems in terms of how quickly, when and how they could all be placed under a freeze.

We do not want to do anything unilaterally. We do not expect them to do anything unilaterally. If we do not reach an agreement on a freeze, we do fully expect to have the MX and Trident 2 built on our side. You will see it on their side and we eventually will see that holocaust that we are all trying to avoid.

Mr. ZABLOCKI. Mr. Chairman, I ask unanimous consent that the debate on the pending amendment and the amendment thereto close at 9 o'clock.

Mr. KEMP. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ZABLOCKI. Mr. Chairman, I move that debate on the pending amendment and the amendment thereto end at 9 o'clock.

PARLIAMENTARY INQUIRIES

Mr. LEVITAS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. LEVITAS. Mr. Chairman, my parliamentary inquiry is, is the debate limited solely to this amendment or to all amendments?

Mr. ZABLOCKI. If the gentleman will yield, this amendment and the amendment thereto.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, this is an extremely important vote and I assure the gentleman that if he makes a motion we are going to ask for a rollcall which will take 15 minutes.

I wonder if we could compromise at 9:30 and give 45 minutes—let us see how many Members wish to speak on this issue.

Mr. BADHAM. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BADHAM. Mr. Chairman, is this motion a motion to stifle debate on what that side of the aisle has said is

the most important issue to confront this Congress this year? Surely not. Shame.

The CHAIRMAN. The Chair will advise the gentleman that that is not a parliamentary inquiry.

Mr. ZABLOCKI. Mr. Chairman, when we began the debate the gentleman from Wisconsin said he would not limit debate and we were most generous with time. This one amendment has taken 2½ hours and it has been repetitious debate, but I believe in another half hour we should be able to finish what needs to be said and any argument to the amendment to the amendment pending.

Therefore, Mr. Chairman, I ask unanimous consent that the debate on the pending amendment and the amendment thereto end at 9:15.

Mr. KEMP. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. ZABLOCKI. Mr. Chairman, I move that all debate on the pending amendment and amendment thereto end at 9:15 p.m.

The CHAIRMAN. The question is on the motion offered by the gentleman from Wisconsin (Mr. ZABLOCKI).

The question was taken, and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 232, noes 173, answered "present" 1, not voting 27, as follows:

[Roll No. 30]

AYES—232

Ackerman	Conyers	Gibbons
Addabbo	Cooper	Glickman
Akaka	Coyne	Gonzalez
Albosta	Crockett	Gore
Alexander	D'Amours	Gray
Anderson	Daschle	Guarini
Andrews (NC)	Derrick	Hall (IN)
Andrews (TX)	Dicks	Hall (OH)
Annunzio	Dingell	Hall, Ralph
Anthony	Donnelly	Hall, Sam
Aspin	Dorgan	Hamilton
AuCoin	Dowdy	Hance
Barnard	Downey	Harkin
Barnes	Durbin	Harrison
Bates	Dwyer	Hatcher
Bedell	Early	Hawkins
Beilenson	Eckart	Hefner
Bennett	Edgar	Heftel
Bevill	English	Hertel
Biaggi	Erdreich	Hightower
Boehlert	Evans (IL)	Horton
Boland	Fascell	Howard
Bonior	Feighan	Hoyer
Bonker	Ferraro	Hubbard
Borski	Flippo	Huckaby
Bosco	Florio	Hughes
Boucher	Foglietta	Hutto
Boxer	Foley	Ireland
Britt	Ford (MI)	Jenkins
Brooks	Ford (TN)	Jones (NC)
Brown (CA)	Fowler	Jones (OK)
Burton (CA)	Frank	Jones (TN)
Carper	Frost	Kaptur
Carr	Fuqua	Kastenmeier
Chappell	Garcia	Kazen
Clarke	Gaydos	Kennelly
Coelho	Gejdenson	Kildee
Coleman (TX)	Gephardt	Kogovsek
Kolter	Oberstar	Smith (FL)
LaFalce	Obey	Smith (IA)
Lantos	Olin	Solarz
Lehman (CA)	Ortiz	Spratt
Lehman (FL)	Ottinger	St Germain
Leland	Owens	Staggers
Levin	Panetta	Stark
Levine	Patterson	Stenholm
Lipinski	Pease	Studds
Long (MD)	Penny	Swift
Luken	Pepper	Synar
Lundine	Perkins	Tallon
MacKay	Pickle	Tauzin
Markey	Price	Thomas (GA)
Marlenee	Ratchford	Torres
Matsui	Reid	Torricelli
Mavroules	Richardson	Towns
Mazzoli	Rodino	Traxler
McCloskey	Roe	Udall
McCurdy	Roemer	Valentine
McHugh	Rose	Vandergriff
McKinney	Rostenkowski	Vento
McNulty	Rowland	Volkmer
Mica	Roybal	Watkins
Mikulski	Russo	Waxman
Minish	Sabo	Weaver
Mitchell	Savage	Wheat
Moakley	Scheuer	Whitley
Mollohan	Schneider	Whitten
Moody	Schroeder	Wirth
Morrison (CT)	Schumer	Wise
Mrazek	Seiberling	Wolpe
Murphy	Shannon	Wright
Murtha	Sharp	Wyden
Myers	Shelby	Yates
Natcher	Sikorski	Yatron
Nelson	Simon	Young (MO)
Nichols	Sisisky	Zablocki
Nowak	Skelton	
Oakar	Slattery	

NOES—173

Archer	Gilman	Miller (OH)
Badham	Gingrich	Mineta
Bartlett	Goodling	Molinari
Bateman	Gradison	Montgomery
Bereuter	Gramm	Moore
Bethune	Green	Moorhead
Bilirakis	Gregg	Morrison (WA)
Bliley	Gunderson	Nielson
Bouquard	Hammerschmidt	O'Brien
Broomfield	Hansen (ID)	Oxley
Brown (CO)	Hansen (UT)	Packard
Broyhill	Hartnett	Pashayan
Burton (IN)	Hiler	Patman
Byron	Hillis	Paul
Campbell	Holt	Petri
Carney	Hopkins	Porter
Chandler	Hunter	Pritchard
Cheney	Hyde	Pursell
Clinger	Jacobs	Rahall
Coats	Jeffords	Ray
Coleman (MO)	Johnson	Regula
Conable	Kasich	Ridge
Conte	Kemp	Rinaldo
Corcoran	Kindness	Ritter
Coughlin	Kostmayer	Roberts
Courter	Kramer	Robinson
Craig	Lagomarsino	Roth
Crane, Daniel	Latta	Roukema
Crane, Philip	Leach	Rudd
Daniel	Leath	Sawyer
Dannemeyer	Lent	Schulze
Daub	Levitas	Sensenbrenner
Davis	Lewis (FL)	Shaw
Dellums	Livingston	Shumway
DeWine	Loeffler	Shuster
Dickinson	Lott	Siljander
Dreier	Lowery (CA)	Smith (NE)
Duncan	Lowry (WA)	Smith (NJ)
Dymally	Lujan	Smith, Denny
Dyson	Lungren	Smith, Robert
Edwards (AL)	Mack	Snowe
Edwards (CA)	Marriott	Snyder
Edwards (OK)	Martin (IL)	Solomon
Emerson	Martin (NC)	Spence
Erlenborn	Martin (NY)	Stangeland
Evans (IA)	McCandless	Stratton
Fazio	McCollum	Stump
Fiedler	McDade	Sundquist
Fields	McDonald	Tauke
Fish	McEwen	Taylor
Franklin	McGrath	Thomas (CA)
Frenzel	McKernan	Vander Jagt
Gekas	Michel	Vucanovich
Walgren	Whittaker	Wylie
Walker	Williams (MT)	Young (AK)
Weber	Winn	Young (FL)
Weiss	Wolf	Zschau
Whitehurst	Wortley	

ANSWERED "PRESENT"—1

MILLER (CA)

NOT VOTING—27

Applegate	de la Garza	Parris
Berman	Dixon	Quillen
Boggs	Forsythe	Rangel
Boner	Lewis (CA)	Rogers
Breaux	Long (LA)	Skeen
Bryant	Madigan	Stokes
Chappie	Martinez	Washington
Clay	McCain	Williams (OH)
Collins	Neal	Wilson

□ 2100

Mr. VANDER JAGT and Mr. SAWYER changed their votes from "aye" to "no."

Mr. FOGLIETTA changed his vote from "no" to "aye."

So the motion was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Under the motion just agreed to, debate has been limited to 9:15. The Chair will exercise discretion and apportion the remaining time.

The Chair will recognize the gentleman from Wisconsin (Mr. ZABLOCKI) for 3 minutes, and the gentleman from New York (Mr. STRATTON) for 3 minutes. Each of those gentlemen may apportion their 3 minutes as they wish.

The Chair recognizes the gentleman from Wisconsin (Mr. ZABLOCKI).

PARLIAMENTARY INQUIRY

Mr. ZABLOCKI. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ZABLOCKI. Does the gentleman from Wisconsin understand that the Chair has designated the gentleman from Wisconsin in control of 3 minutes of the time remaining for debate, and the gentleman from New York for 3 minutes?

The CHAIRMAN. The gentleman is correct.

Mr. ZABLOCKI. Mr. Chairman, I reserve my 3 minutes and hope that the Chair will recognize the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. BADHAM).

□ 2110

Mr. BADHAM. Mr. Chairman, I thank the gentleman from New York for yielding me the time.

When we talk about modernization, we talk about the fact that all of the wings of our B-52's are going to fall off about 10 years before all the wings on their Blackjacks and Backfires are going to fall off. If we pass this freeze, that would give the U.S.S.R. a 10-year window to do anything they wanted to do in the area of nuclear blackmail.

Mr. Chairman, I ask the Members, I plead with them to think about that when they consider whether or not we would be allowed to modernize our systems. We should, therefore, adopt the Stratton amendment.

The CHAIRMAN. The Chair will inquire, does the gentleman from Wisconsin (Mr. ZABLOCKI) wish to exercise his right to allot time?

Mr. ZABLOCKI. The gentleman from Wisconsin reserves his time. I reserve the balance of my time.

The CHAIRMAN. The gentleman from Wisconsin has the right to terminate debate.

Does the gentleman from New York (Mr. STRATTON) wish to allot more time?

Mr. STRATTON. Mr. Chairman, I would have no objection to the gentleman from Wisconsin ending the debate, but I do not think that he ought to reserve all 3 minutes of his time.

Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. COURTER).

Mr. COURTER. Mr. Chairman, once again we have debated an amendment to an amendment for a period of time without really having focused our attention on what it says.

The amendment talks about taking steps or measures necessary that are totally undefined. Some say that "measures necessary" means modernization; others say it does not. Some Members of this body say the F-15 and the F-16 are exempt; others say they are not. Some say that it does not exempt the Bear and the Bison of the Soviet Union while it does in fact exempt the Trident submarine. There is no general consensus whatsoever with regard to the amendment to the amendment.

Mr. Chairman, the only logical thing for this body to do is to go ahead and vote against the amendment offered by the gentleman from Wisconsin (Mr. ZABLOCKI) and in favor of the modernization amendment, which is clear, which is precise, and where there is no disagreement as to what it means, and that is the amendment offered by the gentleman from New York (Mr. STRATTON).

Mr. ZABLOCKI. Mr. Chairman, I yield 1½ minutes to the majority leader, the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, let us focus on what it is we are voting on. Our first vote will be upon the Zablocki substitute. I believe this is language which all of us can in good conscience embrace.

It does not in any remote sense commit us to anything in the nature of unilateral disarmament nor to any kind of freeze that would not be agreed upon by the negotiators. On the contrary, it provides this additional protection: "Nothing in this resolution should be construed to prevent measures necessary for the maintenance and credibility of the United States nuclear deterrent."

I do not know how we could want any broader assurance than that. If we believe that we ought to move toward a mutual agreement, then we can accept this language and feel perfectly secure that nothing is going to be done to violate the strength or the deterrent credibility of the United States.

Now, if we do not believe in working for a mutual and verifiable freeze and reduction, then we would be against the whole resolution. If we do believe in reducing the level of terror, I think all of us can embrace the language of the Zablocki substitute.

Mr. STRATTON. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, the issue here is whether we are really going to face up to the problem of the possible deterioration of our deterrent during what could be a long, protracted negotiation similar to the ones that have been going on in Vienna for over 11 years.

The words which the majority leader stressed and which are included in the Zablocki substitute are weasel words. "Maintenance" as used in that sense simply means changing the tires and putting in a new oil filter. That is not what we are talking about here. We are talking about modernizing the declining weapons systems that we saw on that chart that are already overaged and obsolete, so that we can feel truly assured that they will be available to protect us and to protect our lives and to protect our allies if these so-called negotiations should not materialize in the form that some people hope.

Mr. ZABLOCKI. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Wisconsin (Mr. ZABLOCKI) is recognized for 1½ minutes.

Mr. ZABLOCKI. Mr. Chairman, during the debate on the very emotional issue of the amendment and the amendment thereto there has been much heat but little light. There were statements made that have caused a great deal of confusion.

There have been charges that there could not be any maintenance of our military equipment and there could not be modernization. Nothing could be further from the truth. Nothing can really happen, as I have said repeatedly, until a freeze has been negotiated. Even then, with the agreements the only things that could happen are those which were agreed upon by the President and his negotiators. Nothing would stop the United States from modernization, deployment, testing, or production of any system until a freeze had been negotiated.

Mr. Chairman, I urge the adoption of the amendment to the amendment.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. ZABLOCKI) has expired. All time has expired.

The question is on the amendment offered by the gentleman from Wisconsin (Mr. ZABLOCKI) to the amendment offered by the gentleman from New York (Mr. STRATTON).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BROOMFIELD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 226, noes 195, not voting 12, as follows:

[Roll No. 31]

AYES—226

Ackerman	Foglietta	McNulty
Addabbo	Foley	Mica
Akaka	Ford (MI)	Mikulski
Albosta	Fowler	Miller (CA)
Alexander	Frank	Mineta
Anderson	Frost	Minish
Andrews (NC)	Fuqua	Mitchell
Annunzio	Garcia	Moakley
Anthony	Gaydos	Mollohan
Applegate	Gejdenson	Moody
Aspin	Gephardt	Morrison (CT)
AuCoin	Gibbons	Mrazek
Barnes	Glickman	Murphy
Bates	Gonzalez	Natcher
Bedell	Goodling	Nowak
Beilenson	Gore	Oakar
Berman	Gray	Oberstar
Biaggi	Green	Obey
Boehlert	Guarini	Olin
Boggs	Gunderson	Ottinger
Boland	Hall (IN)	Owens
Bonior	Hall (OH)	Panetta
Bonker	Hamilton	Patterson
Borski	Harkin	Pease
Bosco	Harrison	Penny
Boucher	Hawkins	Pepper
Boxer	Heftel	Perkins
Britt	Hertel	Pritchard
Brooks	Horton	Pursell
Brown (CA)	Howard	Rahall
Burton (CA)	Hoyer	Rangel
Carper	Hughes	Ratchford
Carr	Jacobs	Reid
Clarke	Jeffords	Richardson
Clay	Johnson	Rinaldo
Coelho	Jones (OK)	Rodino
Coleman (TX)	Kaptur	Roe
Collins	Kastenmeier	Rose
Conte	Kennelly	Rostenkowski
Conyers	Kildee	Roukema
Coyne	Kogovsek	Roybal
Crockett	Kolter	Russo
D'Amours	Kostmayer	Sabo
Daschle	LaFalce	Savage
Dellums	Lantos	Scheuer
Derrick	Leach	Schneider
Dicks	Lehman (CA)	Schroeder
Dingell	Lehman (FL)	Schumer
Dixon	Leland	Seiberling
Donnelly	Levin	Shannon
Dorgan	Levine	Sharp
Dowdy	Lipinski	Sikorski
Downey	Long (LA)	Simon
Durbin	Long (MD)	Slattery
Dwyer	Lowry (WA)	Smith (FL)
Dymally	Luken	Smith (IA)
Early	Lundine	Snowe
Eckart	MacKay	Solarz
Edgar	Markey	Spratt
Edwards (CA)	Martin (IL)	St Germain
Evans (IA)	Matsui	Staggers
Evans (IL)	Mavroules	Stark
Fascell	Mazzoli	Stokes
Fazio	McCloskey	Studds
Feighan	McDade	Swift
Ferraro	McHugh	Synar
Fish	McKernan	Tallon
Florio	McKinney	Tauke

Torres	Waxman	Wright
Torricelli	Weaver	Wyden
Towns	Weiss	Yates
Traxler	Wheat	Yatron
Udall	Williams (MT)	Young (MO)
Vento	Wirth	Zablocki
Volkmer	Wise	
Walgren	Wolpe	

NOES—195

Andrews (TX)	Hance	Packard
Archer	Hansen (ID)	Pashayan
Badham	Hansen (UT)	Patman
Barnard	Hartnett	Paul
Bartlett	Hatcher	Petri
Bateman	Hefner	Pickle
Bennett	Hightower	Porter
Bereuter	Hiler	Price
Bethune	Hillis	Quillen
Bevill	Holt	Ray
Bilirakis	Hopkins	Regula
Bliley	Hubbard	Ridge
Bouquard	Huckaby	Ritter
Breaux	Hunter	Roberts
Broomfield	Hutto	Robinson
Brown (CO)	Hyde	Roemer
Broyhill	Ireland	Rogers
Burton (IN)	Jenkins	Roth
Byron	Jones (NC)	Rowland
Campbell	Jones (TN)	Rudd
Carney	Kasich	Sawyer
Chandler	Kazen	Schulze
Chappell	Kemp	Sensenbrenner
Chappie	Kindness	Shaw
Cheney	Kramer	Shelby
Clinger	Lagomarsino	Shumway
Coats	Latta	Shuster
Coleman (MO)	Leath	Siljander
Conable	Lent	Sisisky
Cooper	Levitas	Skelton
Corcoran	Lewis (CA)	Smith (NE)
Coughlin	Lewis (FL)	Smith (NJ)
Courter	Livingston	Smith, Denny
Craig	Loeffler	Smith, Robert
Crane, Daniel	Lott	Snyder
Crane, Philip	Lowery (CA)	Solomon
Daniel	Lujan	Spence
Dannemeyer	Lungren	Stangeland
Daub	Mack	Stenholm
Davis	Madigan	Stratton
DeWine	Marlenee	Stump
Dickinson	Marriott	Sundquist
Dreier	Martin (NC)	Tauzin
Duncan	Martin (NY)	Taylor
Dyson	McCandless	Thomas (CA)
Edwards (AL)	McCollum	Thomas (GA)
Edwards (OK)	McCurdy	Valentine
Emerson	McDonald	Vander Jagt
English	McEwen	Vandergriff
Erdreich	McGrath	Vucanovich
Erlenborn	Michel	Walker
Fiedler	Miller (OH)	Watkins
Fields	Molinari	Weber
Flippo	Montgomery	Whitehurst
Franklin	Moore	Whitley
Frenzel	Moorhead	Whittaker
Gekas	Morrison (WA)	Whitten
Gilman	Murtha	Wilson
Gingrich	Myers	Winn
Gradison	Nelson	Wolf
Gramm	Nichols	Wortley
Gregg	Nielson	Wylie
Hall, Ralph	O'Brien	Young (AK)
Hall, Sam	Ortiz	Young (FL)
Hammerschmidt	Oxley	Zschau

NOT VOTING—12

Boner	Forsythe	Parris
Bryant	Martinez	Skeen
de la Garza	McCain	Washington
Ford (TN)	Neal	Williams (OH)

□ 2130

Mrs. BOGGS changed her vote from "no" to "aye."

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. STRATTON) as amended.

The question was taken; and on a division (demanded by Mr. WRIGHT) there were—ayes 112, noes 109.

So the amendment, as amended, was agreed to.

PARLIAMENTARY INQUIRY

Mr. ZABLOCKI. Mr. Chairman, may I inquire how many amendments are pending at the desk to the resolve clause?

The CHAIRMAN, The Chair will advise the gentleman from Wisconsin that there are approximately 11 amendments, some of which could be offered en bloc. Some may not be offered.

□ 2140

Mr. ZABLOCKI. Mr. Chairman, I wonder if the minority would agree to limiting debate so that we could get home at a reasonable hour tonight. It is my understanding that the House will be in session until we finish this debate; is that correct?

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I yield to the distinguished gentleman from Texas.

Mr. WRIGHT. I thank the gentleman for yielding.

That is correct.

Mr. ZABLOCKI. Mr. Chairman, it is the understanding of the gentleman from Wisconsin that there are 11 amendments to the resolve clause, or is that 11 amendments to the entire resolution, including the preamble?

The CHAIRMAN. The chairman has advised the gentleman that there are approximately 11 amendments to the resolve clause.

Mr. ZABLOCKI. Mr. Chairman, may I ask the ranking minority member of the Foreign Affairs Committee what he would consider a reasonable amount of debate for the 11 amendments?

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, the gentleman has discussed this with me and in view of the fact that there are still 11 to the resolving clause, I wonder if we could agree on a time, say 11 o'clock.

Mr. ZABLOCKI. Mr. Chairman, I ask unanimous consent that all debate on the amendments to the resolve clause end at 11 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin (Mr. ZABLOCKI)?

Mr. COURTER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ZABLOCKI. Mr. Chairman, I move that all debate on the amendment and amendments thereto to the resolve clause of House Joint Resolution 13 end at 11 o'clock.

The CHAIRMAN. The Chair will state the motion as the Chair understands it.

The gentleman from Wisconsin has moved that all debate on the committee amendment and amendments thereto to the resolve clause cease at 11 p.m.

PARLIAMENTARY INQUIRY

Mr. COURTER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. COURTER. Mr. Chairman, the inquiry is as follows. There are approximately 11 amendments. We are talking in terms of 6 minutes per amendment if they were divided that way. Under the motion, is it my understanding that we could take until 11 o'clock on the first amendment and therefore have no debate time on the other 10; is that correct?

The CHAIRMAN. The Chair will advise the gentleman that that is correct as the motion has been propounded.

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. SOLOMON. Mr. Chairman, if there are 11 amendments to the resolve clause, there are also at least four other amendments that are being prepared right now.

My question also is, How many amendments are there to the preamble and what is going to happen to those amendments?

The CHAIRMAN. The Chair will state that the motion does not affect the preamble.

PREFERENTIAL MOTION OFFERED BY MR. LEVITAS

Mr. LEVITAS. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. LEVITAS moves that the Committee rise and report the resolution back to the House with the recommendation that the resolving clause be stricken.

The CHAIRMAN. The gentleman from Georgia (Mr. LEVITAS) is recognized for 5 minutes.

Mr. LEVITAS. Mr. Chairman, I take this opportunity because I want to appeal to the chairman of the Foreign Affairs Committee, to the distinguished majority leader, and the Speaker.

This proposal pending tonight has been described by some who spoke today as the most important single matter to come before Congress this year. It deals, by anybody's assessment, whatever side you come out on, with the question of the survival of human kind on this planet.

I have been up since quite early this morning and have had a full day, just as the rest of the Members, but if we

are going to talk about something as important as the survival of human kind on this planet and the most important single issue to come before this House this year, then I appeal to my colleagues, let us forgo the parliamentary maneuvers to close off debate, to close off consideration of differing views. Let us have the full and free discussion that this House should be proud of, even if it means staying here beyond those hours that we would normally like to retire.

I do not agree with all of the issues that have been presented, but I do agree that the issue of nuclear survival is important enough for us not to utilize the force of the majority to foreclose full and free discussion.

All of the issues have not been raised. I have got some amendments. They are protected, they have been filed in the RECORD. One of the amendments I have offered has over 41 cosponsors in the other body and will likely be the end result of all of this discussion.

But that is not the point. The point is that America is watching us and the world is watching us and for the sake of a few hours tonight or indeed tomorrow morning, I suggest it is not worth it. I think what we ought to do is show this Nation and show the world our finest hour and have a debate that is worthy of the Members of this body.

And I appeal therefore to the chairman of the committee and to the leadership, let us have this discussion tonight. If it is important enough for it to be described as the most important single issue we will address, if it deals with survival in a nuclear world, then let us discuss it, even if it means a few hours less sleep, even if it means the forgoing of some other things we might like to be doing.

That is my only appeal to you.

□ 2150

Mr. LEVITAS. Mr. Chairman, I ask unanimous consent to withdraw my preferential motion.

The CHAIRMAN. Is there objection to the request of the gentlemen from Georgia?

There was no objection.

Mr. ZABLOCKI. Mr. Chairman, may I modify my motion and further explain the motion, since there appears to be some misunderstanding.

The gentleman from Wisconsin has moved that all debate on the amendments pending and amendments thereto to the resolve clause end at 11 o'clock.

The motion does not apply to the "whereases," nor does it apply to the substitute amendment that the gentleman from Michigan is going to offer, I understand; but there is some question whether everybody would have an opportunity.

Now, the Members who have filed their amendments are protected under the 5-minute rule.

I wonder if we could amend the motion further to provide that each amendment would have 6 minutes of debate regardless of the hour of 11 o'clock, to be limited to 6 minutes, 3 minutes for and 3 minutes in opposition.

We would have to keep the 11 o'clock motion but I would hope that we could have cooperation among the Members and therefore have a 6-minute debate so nobody would be denied speaking for or against the amendment.

The CHAIRMAN. The Chair will remind the gentleman that rollcalls would, of course, come out of that time and, of course, there is no assurance that all the amendments which are at the desk would be offered.

PARLIAMENTARY INQUIRY

Mr. LUNGREN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. LUNGREN. The parliamentary inquiry, Mr. Chairman, is this. Is the Chair just stating the fact that even if we attempt to limit it in the manner that the gentleman from Wisconsin has suggested, there is no guarantee that those 11 amendments presently at the desk would even get consideration?

The CHAIRMAN. As the Chair understands the motion of the gentleman, at least as far as the gentleman has thus far described it, his motion would include a limitation of 11 o'clock on debate on all amendments to the resolve clause.

Amendments which have been presented at the desk——

Mr. ZABLOCKI. And printed in the RECORD.

The CHAIRMAN [continuing]. Would be able to be offered, but there would be no debate beyond 11 o'clock unless they were printed in the RECORD, in which case there would be 5 minutes in favor and 5 minutes opposed.

Mr. LUNGREN. Further continuing my parliamentary inquiry, Mr. Chairman, so those amendments at the desk, but not printed in the RECORD, would have the opportunity for a vote, but perhaps without any debate whatsoever.

The CHAIRMAN. That is a possibility.

Mr. LUNGREN. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LUNGREN. Does the time of the votes, if any, are called on any amendments out of the debate time; that is, would reduce the time between now and 11 o'clock?

The CHAIRMAN. That is correct.

The Chair will inquire of the gentleman from Wisconsin, is the gentleman asking unanimous consent to revise his original motion?

Mr. ZABLOCKI. Mr. Chairman, in view of the fact that it is inoperable to have a guarantee of 6 minutes for each amendment pending, the gentleman from Wisconsin desires to restate his unanimous consent request, that all amendments and amendments to be offered from the floor pending at the desk to the resolve clause, that debate close at 11 o'clock.

The CHAIRMAN. Is there objection?

Mr. HARTNETT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

PARLIAMENTARY INQUIRY

Mr. PHILIP M. CRANE. Mr. Chairman, a paliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. PHILIP M. CRANE. Mr. Chairman, is there at this moment a motion before the Committee of the Whole House?

The CHAIRMAN. It is the Chair's understanding that the gentleman in effect withdrew his motion and has just made a unanimous-consent request, to which there was an objection.

There is nothing pending at the moment.

Mr. ZABLOCKI. Mr. Chairman, in view of the objection, the gentleman from Wisconsin restates his unanimous consent request, with the time at 11:30, instead of 11 o'clock.

I ask unanimous consent that debate end at 11:30.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. COURTER. Mr. Chairman, reserving the right to object, I am not trying to be difficult here and it is not, I do not think as far as I am concerned, a matter of 11 o'clock or 11:15 or 11:30. Obviously this gentleman, as I am sure most of the people on this side of the aisle would like to debate this thing all night long and into tomorrow.

The point here is the fact that there are some very good, worthwhile amendments, at least we believe so, to the resolution and the way the gentleman is requesting the unanimous consent on the amendments is such that if 11:30 now comes and we have spent all our time debating the first two or three amendments, that means there would be amendments that are at the desk not protected by having been written in the RECORD, in which there will be no debate. That is what we want to make clear on this side. We want to have debate on each one of these amendments.

Further reserving the right to object, Mr. Chairman, I would like to propound a question to the chairman of the committee.

Why in view of the importance of this issue, and I think all of us recognize the significance of it, why are we here at 10 o'clock saying that we will debate until 11:30 without having the ability to come back with fresh minds tomorrow and debate it tomorrow? Why can we not spend a second separate day on this?

Mr. ZABLOCKI. Mr. Chairman, if the gentleman will yield, a similar resolution was thoroughly debated in the last Congress. Everybody I believe knows what it is about.

It is my understanding, Mr. Chairman, that those who have protected amendments would be called upon first.

Mr. Chairman, I renew my unanimous consent request.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. DANNEMEYER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ZABLOCKI. Mr. Chairman, I move that all debate close at 11:30 on the resolve clause and all amendments pending thereto.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Wisconsin wish to withhold his motion until the gentleman from Michigan questions him?

PARLIAMENTARY INQUIRY

Mr. PHILIP M. CRANE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PHILIP M. CRANE. Mr. Chairman, under the provisions of the motion just made, does this mean again that one of the 11 amendments that are pending on the resolution could theoretically consume the entire time until 11:30?

The CHAIRMAN. The answer is yes, but the Chair would remind the gentleman that the committee could separately adopt a limitation of debate on any amendment that was pending if there were a unanimous consent request and no objection, or if there were a motion so adopted.

The question is on the motion offered by the gentleman from Wisconsin (Mr. ZABLOCKI) to limit debate on the resolve clause and all amendments thereto to 11:30 p.m.

□ 2200

The question was taken; and on a division (demanded by Mr. ZABLOCKI) there were—ayes 116, noes 141.

So, the motion was rejected.

The CHAIRMAN. For what purpose does the gentleman from Tennessee (Mr. GORE) rise?

Mr. GORE. Mr. Chairman, I ask unanimous consent that debate be limited to 6 minutes on each amendment, divided equally for and against.

Mr. HARTNETT. I object.

The CHAIRMAN. Objection is heard.

Mr. GORE. Mr. Chairman, I move that debate be limited to 6 minutes per amendment, divided equally for and against.

The CHAIRMAN. That is not an appropriate motion and is not in order.

PARLIAMENTARY INQUIRY

Mr. GORE. Mr. Chairman, would the motion be in order if those amendments protected under the rule received 5 minutes for and against?

The CHAIRMAN. It is not appropriate or proper to limit and allocate time for debate on amendments not yet offered.

PREFERENTIAL MOTION OFFERED BY MR. GINGRICH

Mr. GINGRICH. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. GINGRICH moves that the committee do now rise and report the resolution back to the House with the recommendation that the resolving clause be stricken out.

Mr. GINGRICH. Mr. Chairman, I made a comment earlier which I think, in the tradition of the House, grows more reasonable as the evening wears on.

I wish the gentlemen who are chatting among themselves would consider the video tape we are creating this evening. Imagine that you are Chairman Andropov, and the Embassy brings you a copy of the House and says, "Let us explain to you American politics." Which version would you decide to negotiate on, the chairman's version, the original author's version, the Solarz version, the Aspin version, the Leach version? How would you understand in any way what it is that the American people intend or what it is they believe should happen in Geneva?

Or alternatively, assume that you are the American people and that you have sat through this long debate. What is it you are to believe about this body, in which there is no genuine agreement, and if you doubt me, take a look at the record. Member after Member of the majority party, spokesman after spokesman for this cause has disagreed about what it is we are saying; in fact, the majority leader implied an ability to modernize forces when he spoke out in favor of the Zablocki amendment which, in fact, would have to lead one to believe the current version has no meaning.

I think if we are serious about the dangers of nuclear war, and I appeal precisely to my friends who have made a great effort for the last year to develop a freeze movement, imagine your friends across the country watching today, expectant, hoping to have a genuine, intellectual, honest and aggressive debate. Imagine their confusion by now.

Is tomorrow's pro forma session truly so sacred that we cannot meet tomorrow when we have clear heads and when one understands that for some of us it is a day of such great import that possibly we should meet on Friday?

But in reality, if nuclear war is this serious, if in fact we are faced with the problems and the possibilities offered by this amendment and this resolution, in the name of this country, in the name of all we have talked about, how can we seriously try to ram through this discussion, how can the men who are doing it have any sense of the dignity of this institution and decide to push it through as quickly as possible, unless, of course, as each hour goes by, as time wears on, argument by argument the confusion grows, the doubt spreads, and it becomes weaker and weaker.

I think if you are serious that in fact it is really the role of those who have pushed this to suggest to their leadership that we meet in daytime, after some rest, and we consider it seriously.

I was tempted to ask for a vote on this preferential motion. I really think it deserves a vote. I really think the time has come for this Committee to rise and to go back. But I wonder if that is not really the role of the original authors of the resolution? If they truly care about this issue, if this is not the time to say, "Yes, let us spend another 6 or 8 or even 10 hours on this most important issue."

If it truly as Jonathan Shell said, the fate of the Earth, then surely the fate of the Earth is worth an additional day.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I would be glad to yield to my good friend, the gentleman from New York.

Mr. KEMP. At this very time, the Senate is debating for the fourth day the withholding of taxes on savings and dividends. They are going to finish that jobs bill which is so important, but they have spent 4 whole days debating the withholding of taxes on savings and dividends, and now the majority party wants to cut off this critical debate by 11:30 tonight? I can not believe it!

The gentleman from Georgia is precisely correct. Words have meaning, they are precious and convey ideas. We cannot take them lightly. This resolution, not only has an impact in this country; it has an impact all around the world, in so far as our country's security is concerned. I have heard here tonight such statements as, "I believe it means"; someone else says, "It is my understanding"; someone else is quoted as saying, "I would think";

someone else said, "It is my interpretation"; someone else said, "it means different things to different people."

I ask you: How is it possible to have a legitimate arms control resolution such as this, dealing with the fate of the Earth, debated in this climate, with these ambiguities, confusion, misunderstandings and worse. Imagine what our allies in NATO and our allies around the world, would think looking at this legislative history. I think it is a mistake to continue in this late hour, let's come back tomorrow and debate this in a truly democratic and open way.

I congratulate the gentleman from Georgia.

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SOLOMON. Mr. Chairman, is someone speaking in opposition, because there will be no unanimous consent request given.

Mr. GINGRICH. Point of order, Mr. Chairman.

Mr. Chairman, I did not withdraw my motion. I discussed withdrawing it.

The CHAIRMAN. Does the gentleman from Massachusetts (Mr. MARKEY) rise in opposition to the preferential motion?

Mr. MARKEY. I rise in opposition, Mr. Chairman.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. MARKEY. Mr. Chairman, we have been debating this issue now for upward of 12 hours. I understand that the minority has yet to win a vote on this debate.

I think that the issues, however, have been fairly well drawn. The overriding principles involved are completely well understood, I think, by all Members of this body as it has been debated across this country for 1 year. I do not think the issue is as beclouded as the gentleman would have us believe.

I think we are talking more about a frustration from defeat after defeat in votes that we have taken this evening. I think that all of us here would be willing to stay as long as it takes to finish this issue.

□ 2210

I think there has been a great deal of redundancy built in from dilatory amendments that have been taken up and will continue to be taken up, but I think it is the will of the House for us to finish this issue this evening.

I think that the debate has been illuminating, and I think that we now have a full membership here to listen to the debate, perhaps crystallized once again in one or two amendments before the end of this evening, that perhaps will not draw the audience tomorrow morning and will not draw that audience on Friday, and I think we ought to take the opportunity to have once again, perhaps in an hour or two, those arguments drawn so that the Members of this House can decide intelligently whether or not they believe a nuclear arms freeze is justifiable at this point in history.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I thank the gentleman for yielding.

I intend to oppose the motion offered by my colleague, the gentleman from Georgia (Mr. GINGRICH), because I think we ought to stay here and continue to debate this issue. The gentleman from Massachusetts (Mr. MARKEY) has been a leader in this entire issue for many, many months now, in fact, for years. I think it serves his interest and his principles well to let there be a full debate.

There are issues that have not yet been raised that need to be explored, and I would hope that the gentleman from Massachusetts would join with those of us who feel that there are aspects of this issue that should be fully explored and not close off debate. So, let us stay here as long as necessary to fully debate this issue, which could be the most important one facing this planet, however long it takes, because I think it could very well be the finest hour that this House has experienced in a long while.

Mr. MARKEY. Mr. Chairman, I think that among us we can work out an agreement that will satisfy all those who wish to pose their amendments, if the amendments which are posed are indeed those that are central to the questions which have been raised by the nuclear freeze, and if that be the case, then I think we ought to stay here this evening.

I do not think anyone really ought to miss this opportunity because we are coming to a point at which a real debate could be had on the Broomfield amendment within the next couple of hours, and I think for an hour or two after that it could be the most illuminating debate that has ever been had on the subject of nuclear arms control in this country.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I am pleased to yield to the gentleman from New Jersey.

Mr. COURTER. Mr. Chairman, I have not heard anyone say, in answer to the question that was raised by the gentleman who offered the preferential motion, why we cannot come back another day and spend 10 hours or 6 fresh hours debating this issue when America is awake and listening to the arguments. The gentleman is the leader or the perceived leader of the freeze movement, and for him to say that 11 or 11:30 or 12 is sufficient or for the gentleman to say that we do not have time and we cannot spend another day tomorrow, I say that the issue is not that important that we cannot set 1 day aside to debate it with fresh minds.

Mr. MARKEY. Mr. Chairman, in my own opinion, if we cannot reach an understanding among ourselves as to the issues which are most important and should be debated, we will never have as fine an opportunity as we have right now, with all 435 of us present, to have that issue resolved in full debate. I hope that we do not pass up this opportunity because this is the one time in which we will have a captive audience.

We do not have to leave here until 1 or 2 o'clock in the morning, depending on how we carve up this debate on these amendments, but let us reach an understanding on what amendments are essential and ought to be debated. I think we can move forward on that basis.

Mr. GINGRICH. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from Georgia.

Mr. GINGRICH. Mr. Chairman, is it the gentleman's understanding that his leadership would permit unlimited debate this evening?

Mr. MARKEY. I do not know about unlimited debate, but we should have full debate.

Mr. GINGRICH. Mr. Chairman, if the gentleman will yield, before we vote on my motion, it seems important that we have an agreement, as the gentleman from Georgia has indicated, that in fact tonight we could fully and thoroughly discuss it.

Mr. O'NEILL. Mr. Chairman, I understand that the gentleman from Massachusetts (Mr. MARKEY) has the time, and will the gentleman yield to me?

Mr. MARKEY. Yes; I yield to the Speaker.

Mr. O'NEILL. Mr. Chairman, let us review for a few minutes what has happened.

Earlier this evening, I believe, when there was a motion to vote to limit debate to a time certain, there was a rollcall. We wasted 22 minutes. The gentleman from Wisconsin (Mr. ZABLOCKI), the chairman of the committee, put this motion at about 20 minutes before 10, so we have now wasted a half hour.

I begin to wonder what the strategy of delay is, in view of the fact that I went over to the other side of the aisle. I talked to the leadership on the other side of the aisle, the gentleman from Illinois (Mr. MICHEL) and the gentleman from Michigan (Mr. BROOMFIELD). We tried to come to some sort of an agreement. I came back and said, "Whatever they agree to over there we will go along."

But it seems to me there are those of you over there—and I do not want to point to any particular gentlemen—who are trying to play politics.

I have been saying this to the press, in answer to the questions all week: Did I consider this a Democratic issue? As I said a year ago, I believe in a freeze personally, but it is for every man's conscience when an issue like this comes along. As the leader of my party, I do not want to make this a Democratic argument against a Republican argument. Each man votes his own conscience, and that is exactly what I have been urging.

Now, I know there is a strategy out there to try to prolong this debate into the morning and try to keep us in session all night. For what purpose? Let me say this to the Members: If we were to vote now or if we were to vote an hour from now, the freeze will, in my opinion prevail—and I have a pretty good record of being able to count the House—by 60 to 100 votes.

Everything you say from now until 4 o'clock in the morning, in my opinion, is not going to change the result. If we get to a final vote. What is the one possible way you could change it? The one possible way you could change it is if you could adjourn this House tonight and the President of the United States could get on the telephone and call Republican Members and see if he could twist their wrists and call a few Democratic Members, too, and see if he could twist their wrists.

The truth of the matter is that we have now wasted 40 minutes. If you want to go through with the regular procedure, let us just see that the regular procedure is followed and let the democratic system act.

Earlier in the evening—it was 40 minutes ago—the minority leader and myself had an agreement. I regret that a few of you take it upon yourselves to wrest the leadership from your chosen leaders over there to continue with this. I say to those of you who are prospective candidates for the Presidency that it is an amazing thing; I see Members here tonight that I rarely see on the floor of the House. We want to welcome you.

With that, let us go forward.

Mr. HYDE. Mr. Chairman, will the gentleman yield? Will the gentleman from Massachusetts (Mr. MARKEY) yield?

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. MARKEY) has expired.

Mr. HYDE. Mr. Chairman, that is not fair. They had 12 minutes on this.

Mr. GINGRICH. Mr. Chairman, I ask unanimous consent that I have time to speak.

Mr. ZABLOCKI. Regular order, Mr. Chairman. Regular order.

Mr. HYDE. Mr. Chairman, I ask unanimous consent that I may have 30 seconds in which to respond to what the Speaker said.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HYDE. Mr. Chairman, I just want to say that I sat on this floor not too long ago and I watched 45 amendments be filed on the immigration bill, and I saw no effort to curtail debate. There was extensive debate, and those amendments were dealt with, and finally when time ran out, because it was at the end of the session, the bill went nowhere. But debate was had.

Now, if that was an important bill, this is an important bill. Why curtail debate on this and not on the immigration bill?

I suggest, though, that we are dignifying this resolution. I suggest that it is a political statement. It is now reduced to jibberish. We can let them roll over us, but it just confirms the political nature of what they are doing.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. HYDE) has expired. All time has expired.

The question is on the preferential motion offered by the gentleman from Georgia (Mr. GINGRICH).

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. GINGRICH. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 172, noes 249, not voting 12, as follows:

[Roll No. 32]

AYES—172

Archer	Dyson	Kemp
Badham	Edwards (AL)	Kindness
Barnard	Edwards (OK)	Kramer
Bartlett	Emerson	Lagomarsino
Bateman	Erdreich	Latta
Bereuter	Erlenborn	Leath
Bethune	Fiedler	Lent
Bevill	Fields	Lewis (CA)
Bilirakis	Fish	Lewis (FL)
Bliley	Flippo	Livingston
Bouquard	Franklin	Loeffler
Breaux	Frenzel	Lott
Broomfield	Gekas	Lowery (CA)
Broyhill	Gilman	Lujan
Burton (IN)	Gingrich	Lungren
Byron	Gradison	Mack
Campbell	Gramm	Madigan
Carney	Gregg	Marlenee
Chandler	Hall, Ralph	Marriott
Chappie	Hall, Sam	Martin (NC)
Cheney	Hammerschmidt	Martin (NY)
Clinger	Hansen (ID)	McCandless
Coats	Hansen (UT)	McCollum
Coleman (MO)	Hartnett	McDonald
Conable	Hatcher	McEwen
Corcoran	Hiler	McGrath
Courter	Hillis	Michel
Craig	Holt	Miller (OH)
Crane, Daniel	Hopkins	Molinari
Crane, Philip	Horton	Montgomery
Daniel	Hubbard	Moore
Dannemeyer	Huckaby	Moorhead
Daub	Hunter	Morrison (WA)
DeWine	Hutto	Myers
Dickinson	Hyde	Nichols
Dreier	Ireland	Nielson
Duncan	Kasich	Oxley
Packard	Shaw	Thomas (CA)
Parris	Shelby	Valentine
Pashayan	Shumway	Vander Jagt
Patman	Shuster	Vandergriff
Paul	Siljander	Vucanovich
Petri	Sisisky	Walker
Porter	Skeen	Weber
Pritchard	Skelton	Whitehurst
Pursell	Smith (NE)	Whitley
Quillen	Smith, Denny	Whittaker
Ridge	Smith, Robert	Williams (OH)
Ritter	Snyder	Wilson
Roberts	Solomon	Winn
Robinson	Spence	Wolf
Roe	Stangeland	Wortley
Roemer	Stenholm	Wylie
Rogers	Stratton	Young (AK)
Roth	Stump	Young (FL)
Rudd	Sundquist	Zschau
Sawyer	Tauzin	
Schulze	Taylor	

NOES—249

Ackerman	Foglietta	McCloskey
Addabbo	Foley	McCurdy
Akaka	Ford (MI)	McDade
Albosta	Ford (TN)	McHugh
Anderson	Forsythe	McKernan
Andrews (NC)	Fowler	McKinney
Andrews (TX)	Frank	McNulty
Annunzio	Frost	Mica
Anthony	Fuqua	Mikulski
Applegate	Garcia	Miller (CA)
Aspin	Gaydos	Mineta
AuCoin	Gejdenson	Minish
Barnes	Gephardt	Mitchell
Bates	Gibbons	Moakley
Bedell	Glickman	Mollohan
Beilenson	Gonzalez	Moody
Bennett	Goodling	Morrison (CT)
Biaggi	Gore	Mrazek
Boehlert	Gray	Murphy
Boggs	Green	Murtha
Boland	Guarini	Natcher
Bonker	Gunderson	Nelson
Borski	Hall (IN)	Nowak
Bosco	Hall (OH)	O'Brien
Boucher	Hamilton	Oakar
Boxer	Hance	Oberstar
Britt	Harkin	Obey
Brooks	Harrison	Olin
Brown (CA)	Hawkins	Ottinger
Brown (CO)	Hefner	Owens
Burton (CA)	Heftel	Panetta
Carper	Hertel	Patterson
Carr	Hightower	Pease
Chappell	Howard	Penny
Clarke	Hoyer	Pepper
Clay	Hughes	Perkins
Coelho	Jacobs	Pickle
Coleman (TX)	Jeffords	Price
Collins	Jenkins	Rahall
Conte	Johnson	Rangel
Conyers	Jones (NC)	Ratchford
Cooper	Jones (OK)	Ray
Coughlin	Jones (TN)	Regula
Coyne	Kaptur	Reid
Crockett	Kastenmeier	Richardson
D'Amours	Kazen	Rinaldo
Daschle	Kennelly	Rodino
Davis	Kildee	Rose
Dellums	Kogovsek	Rostenkowski
Derrick	Kolter	Roukema
Dicks	Kostmayer	Rowland
Dingell	LaFalce	Roybal
Dixon	Lantos	Russo
Donnelly	Leach	Sabo
Dorgan	Lehman (CA)	Savage
Dowdy	Lehman (FL)	Scheuer
Downey	Leland	Schneider
Durbin	Levin	Schroeder
Dwyer	Levine	Schumer
Dymally	Levitas	Seiberling
Early	Lipinski	Sensenbrenner
Eckart	Long (LA)	Shannon
Edgar	Long (MD)	Sharp
Edwards (CA)	Lowry (WA)	Sikorski
English	Luken	Simon
Evans (IA)	Lundine	Slattery
Evans (IL)	MacKay	Smith (FL)
Fascell	Markey	Smith (IA)
Fazio	Martin (IL)	Smith (NJ)
Feighan	Matsui	Snowe
Ferraro	Mavroules	Solarz
Florio	Mazzoli	Spratt

St Germain	Torricelli	Wheat
Staggers	Towns	Williams (MT)
Stark	Traxler	Wirth
Stokes	Udall	Wise
Studds	Vento	Wolpe
Swift	Volkmer	Wright
Synar	Walgren	Wyden
Tallon	Watkins	Yates
Tauke	Waxman	Yatron
Thomas (GA)	Weaver	Young (MO)
Torres	Weiss	Zablocki

NOT VOTING—12

Alexander	Bryant	Neal
Berman	de la Garza	Ortiz
Boner	Martinez	Washington
Bonior	McCain	Whitten

□ 2230

Mrs. JOHNSON changed her vote from "aye" to "no."

So the preferential motion was rejected.

The result of the vote was announced as above recorded.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LEVITAS

Mr. LEVITAS. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. LEVITAS: Strike out all after the resolving clause and insert in lieu thereof the following:

That it is the sense of the Congress that the President should propose to the Government of the Union of Soviet Socialist Republics, in the context of the relevant negotiations, immediate adherence by the Government of the United States and the Government of the Union of Soviet Socialist Republics to the principle of a guaranteed strategic build-down of nuclear forces, subject to agreed procedures of verification and compliance.

Mr. LEVITAS (during the reading). I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LEVITAS. Mr. Chairman, I ask the indulgence of my colleagues for a moment because the amendment which I have offered on behalf of myself and Mr. PORTER is a different approach than that which has been discussed throughout the day or, indeed, which was different from that which was discussed during the last Congress.

It is a different and new approach known as the Guaranteed Nuclear Builddown which has been offered in the other body by Senators NUNN and COHEN.

It is an innovative approach that attempts to deal with the concerns of those who want to limit the growth of nuclear weapons, freeze, if you will, and those who are concerned about the destabilization that would come in the absence of the ability to modernize our nuclear forces or indeed for the Soviet Union to be able to modernize their nuclear forces.

The guaranteed build-down provides that through negotiations with the Soviet Union we would agree that for every new additional warhead that was added to our nuclear arsenal or which was added to the Soviet nuclear arsenal, each side would have to withdraw two nuclear warheads from their respective arsenals.

□ 2204

The result would be that you have guaranteed a reduction in the total destructive forces of nuclear weapons on a 2-for-1 basis and at the same time provided the flexibility for either side to ascertain in their own best interests what would serve their strategic purposes the best; thereby creating less vulnerability for the nuclear forces on either side and as a result of having less vulnerable forces make it possible to eliminate the hair trigger tendency that vulnerable nuclear forces would otherwise provide.

Mr. GLICKMAN. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Kansas.

Mr. GLICKMAN. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman's amendment is an interesting one, but I would ask the gentleman the question as I look at the amendment it appears that the gentleman's amendment could result in numerical reductions coupled with expansion of technical destructive capability. For example, you could get rid of worthless Titan missiles which are of no great usefulness and replace them with much more sophisticated and powerful weapons of destruction.

I would ask my colleague how he would answer that question.

Mr. LEVITAS. I would be happy to answer the question.

First of all, the warheads which are in the new technology areas have invariably less megatonnage, for example, than the Titan warhead itself. And what we are talking about is greater protectability, less vulnerability and greater accuracy which reduces the tendency on either side to need to pull the trigger earlier than they would otherwise.

Second, as the Zablocki resolution has been interpreted and explained tonight, we are not even under their proposal limiting the growth of technology in delivery systems whether it is Trident submarines or Stealth bombers, other delivery systems of that sort. But what we are doing is guaranteeing a reduction in total nuclear capability and at the same time reducing vulnerability which would increase security for everyone.

I think it is pretty obvious that a freeze in and of itself will not be stabilizing. It will ultimately result in greater threat, in greater vulnerability.

There is not any sane or rational person who does not wish to achieve the goal of making this world a safer place in the face of the nuclear threat. There is really no survivable total nuclear war for civilization as we know it.

Certainly merely freezing the number of warheads and weapons will not make this world a safer place. There is already too much destructive nuclear force in the world.

In order for this world to be a safer place, we are going to have to see substantial reductions of nuclear arsenals by the Soviet Union and by ourselves in a way which is equitable, balanced, and verifiable so that there is no disproportionate relationship in this balance.

And so the question is, do we achieve that goal by simply freezing, whether it is before or after reduction of forces, or at any point?

What we need to do as everyone agrees is move toward a reduction of nuclear forces. And what this Cohen-Nunn proposal, embodied in my amendment, will do is guarantee a reduction of forces.

Let me just say one other thing before I yield. This resolution has already attained 41 cosponsors in the other body. Covering the political spectrum on one side from Senator THURMOND, the Senator from South Carolina, to such people as Senator HART, Senator BIDEN, Senator MOYNIHAN, and others. Senator PERCY has endorsed this proposal and former Secretary of State Ed Muskie has come out in favor of this particular approach.

Support for this proposal is expressed in the following statement by Senator PERCY and the following article by former Senator Muskie:

MUTUAL GUARANTEED BUILDDOWN OF NUCLEAR FORCES

Mr. PERCY. Mr. President, last month Senators COHEN and NUNN introduced Senate Resolution 57, which calls on the United States and Soviet Union to agree that while START is negotiated, each side will dismantle two nuclear warheads for every new one they deploy. The Cohen-Nunn proposal for a mutual guaranteed builddown of nuclear forces is one of the most innovative and promising arms control proposals to be presented to the Senate in many years. I will invite the two architects of this resolution to testify before the Foreign Relations Committee when we hold hearings later this spring on the United States-Soviet nuclear relationship.

Although Senate Resolution 57 has largely escaped media attention, it has already garnered an impressive degree of support. As Senator COHEN has noted, the President has expressed "his very sincere and serious interest in pursuing this particular concept." Under Secretary of Defense DeLauer has written a very supportive letter advising Senator COHEN that, "the thesis that newer systems should be able to replace older ones on more than a one to one basis is just what I am trying to bring about." And on February 9, Gen. David Jones, former Chairman

of the Joint Chiefs of Staff, praised the resolution in congressional testimony, saying it has "the elements of something much more in long term cuts than the current proposals." Senate Resolution 57 now has 15 cosponsors, including Senators from both sides of the aisle.

There are a number of reasons why the Cohen-Nunn proposal is attracting such wide, bipartisan support. First, as is the case with the nuclear freeze proposal, it benefits from an underlying concept that can be readily grasped and embraced by the general public. But unlike the freeze, which regrettably would sanction each side's keeping every nuclear weapon they already have, the Cohen-Nunn requirement for "giving up two to get one" would immediately start the United States and Soviet Union down the road toward real weapons reductions.

Second, the resolution would permit the United States to proceed with essential strategic and theater nuclear force modernization. These programs are needed to correct military vulnerabilities and provide bargaining leverage in on-going arms control negotiations. If Congress agrees, new nuclear weapons could be deployed, but only if twice as many existing systems are retired. Under the Cohen-Nunn concept, therefore, vital modernization programs would lead to a more survivable and hence stable nuclear balance with the Soviet Union at far lower levels of weaponry. This should alleviate the fear of many freeze advocates that the Reagan administration's proposed strategic modernization program will prompt an unregulated and destabilizing arms buildup.

Third, most of the procedures, definitions, and counting rules already laboriously negotiated with the Soviets in SALT could be readily applied in implementing the mutual guaranteed builddown proposal. The SALT I interim agreement, which each side still observes, provides a comprehensive blueprint for establishing a new "old-for-new" trade-off regime. For example, the United States continues to retire one older Polaris SLBM launcher for each new Trident SLBM launcher it deploys, and the Soviet Union continues to dismantle Yankee-class SLBM launchers to make room for newer Delta and Typhoon SLBM launchers.

Under the Cohen-Nunn approach, the only difference would be one of degree. In place of the current 1-for-1 exchange, Senate Resolution 57 would require a 2-for-1 trade off. The present SALT I rules for phasing deployments with dismantlements could be maintained, though, and the SALT Standing Consultative Commission (SCC) could be empowered to oversee the implementation of the new agreement.

The Cohen-Nunn proposal could also draw on agreements reached in SALT II and thereby simplify and streamline the difficulties inherent in attaining a new agreement with the Soviet Union. For example, SALT II provides established rules for counting and limiting the number of warheads on ballistic missiles currently deployed or under development. The treaty also contains a number of other prohibitions and limitations, such as a ban on encrypting treaty-related telemetry, which would strengthen enforcement of a mutual guaranteed builddown accord. In this respect, the Cohen-Nunn proposal is fully consistent with President Reagan's pledge that the United States will continue to avoid actions that would undercut the SALT I and II agreements as long as the Soviets demonstrate the same restraint.

Lastly, the Cohen-Nunn concept would, if implemented, fully complement START. By establishing a new interim framework for reciprocal and verifiable reductions, Senate Resolution 57 would promote a climate of restraint and trust that would enhance the prospects for success in START. Furthermore, the concept is entirely compatible with the proposal which our START negotiators have tendered in Geneva.

To illustrate this point, I urge my colleagues to look at three related questions. First, what would the U.S. strategic ballistic missile force most likely look like in 1989 if the Soviets were to accept our START proposal? Second, how many ICBM and SLBM warheads would have to be dismantled under the Cohen-Nunn 2-for-1 rule if the United States deployed new strategic systems to meet this projected inventory? Third, what number and types of existing ICBM and SLBM warheads would the United States have to destroy by 1989—independent of Cohen-Nunn—to meet our START proposal, assuming it were accepted?

Mr. President, I ask unanimous consent to have printed in the RECORD three tables which address these questions.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1.—HYPOTHETICAL U.S. MISSILE FORCE IN 1989 UNDER U.S. START PROPOSAL

Missiles	Number	Warheads	Number
ICBM's:			
MX	100	10 per ICBM [1]	1,000
MMIII	422	3 per ICBM	1,266
Subtotal	522		2,266
SLBM's:			
C–4 on 11 Ohio SSBN's [2]	264	8 per SLBM	2,112
C–4 on 4 Lafayette SSBN's [3]	64	8 per SLBM	512
Subtotal	328		2,624
Total ICBM's + SLBM's [4]	850	Total RV's	4,890

[1] All warhead fractionalization figures reflect SALT II counting rules.
[2] 11 Ohio-class SSBN's correlates to the Trident shipbuilding program through the fiscal year 1984 request.
[3] Assumes Trident C–4 backfit will be completed on all 12 programed ships by end of 1983.
[4] The United States has proposed a ceiling of 850 ICBM's and SLBM's in START and limit of 5,000 ICBM and SLBM warheads, no more than half of which (2,500) can be deployed on ICBM's.

TABLE 2.—ASSOCIATED DISMANTLEMENTS REQUIRED UNDER COHEN-NUNN

	Number
100 MX × 10 RV/ICBM × 2	2,000
216 C–4 × 8 RV/SLBM × 2	[1] 3,456
Total RV's	5,456

[1] 2 Ohio-class SSBN's, with 48 C–4 and 384 SALT-accountable RV's are already deployed. Dismantlements only associated with 9 new Ohio SSBN's.

TABLE 3.—ASSOCIATED DISMANTLEMENTS REQUIRED UNDER U.S. START PROPOSAL[1]

	Number
52 Titan II's × 1 RV/ICBM	52
450 MM II's × 1 RV/ICBM	450
128 MM III's × 3 RV/ICBM	384
112 A–3 × 1 RV/SLBM	[2] 112
304 C–3 × 14 RV/SLBM	4,256
128 C–4 × 8 RV/SLBM	[3] 1,024
Total	6,278

[1] List includes some systems (Titan II ICBM's which the U.S. plans to retire unilaterally and some systems (Polaris SLBM launchers) which the United States will have to dismantle if it continues to respect SALT I.
[2] 7 Polaris-class SSBN's remain in the force. Their SLBM launchers are empty but since they have not been dismantled they still must count under SALT rules.
[3] This figure reflects SALT-accountable RV's on the 8 Lafayette-class Trident-backfit submarines that could not be retained under the force mix portrayed in table 1.

[From the Washington Post, Mar. 6, 1983]

"BUILD DOWN" THE FORCES WE DON'T NEED

(By Edmund S. Muskie)

Something important is stirring in the Senate. For the first time in memory a serious and far-reaching arms control proposal has originated within the Armed Services Committee. It has already won the warm endorsement of the chairman of the Foreign Relations Committee and many other senators.

Sens. William S. Cohen and Sam Nunn have proposed a "mutual guaranteed builddown of nuclear forces." Under the plan, the United States and the Soviet Union would each pledge to eliminate from its operational forces two nuclear warheads for each newly deployed nuclear warhead.

At first glance, the concept seems suspiciously simple, but closer examination shows that the builddown idea has great promise as a principle that reconciles the objectives of arms control with the imperatives of military planning. It is the kind of constructive initiative for which those of us who support a nuclear freeze have been working.

One can understand the concept's merit best by considering how it might actually be put into effect. While the build-down scheme is applicable to all nuclear weapons, it would be sensible to treat tactical battlefield weapons as a separate category. Of most immediate interest would be strategic nuclear forces and long-range theater nuclear systems, the weapons currently being discussed in the Geneva negotiations between the two superpowers. All the latter weapons are essentially strategic, in the sense that they threaten critical targets in the heartlands of the two alliances. Altogether, these long-range systems probably carry 12,000 to 13,000 nuclear warheads on each side. Yet, unless negotiated limits are soon imposed, even these large arsenals may continue to grow.

The builddown rule would prevent any such growth. Force modernization would mean simultaneously greater force reduction. Thus, the plan would challenge both governments to move promptly toward the real reductions they profess to desire—to put up or shut up. While the exact pace and composition of such reductions would surely vary between the two sides, the price of new programs anticipated for the next several years could well be cuts of about one-third in operational nuclear warheads on long-range delivery vehicles—a reduction to perhaps 7,000–8,000 warheads on each side. Those numbers are compatible with both President Reagan's START proposal and the Soviet counter-offers.

To verify such reductions, the parties could employ procedures already elaborated in previous strategic arms negotiations. In particular, the so-called "counting rules" negotiated during the 1970s would be invaluable in confirming the numbers of warheads being eliminated. For example, a Soviet SS18 missile would be assumed to have 10 warheads, an American Poseidon missile, 14. Eliminating missiles and aircraft would be necessary to demonstrate removal of warheads from operational service.

In verifying these activities, the Standard Consultative Commission established in 1972 would be indispensable. As the build-down fulfills President Reagan's demands

for real reductions, it would also build upon the vital precedents and procedures of prior strategic agreements.

Especially important are the build-down's implications for the American and Soviet military establishments. They would be both liberated and constrained. They would have broad flexibility to choose which new systems to deploy, but they would have to decide whether modernization was worth the price. Presumably, as forces began to shrink, the military incentives would favor emphasizing the most survivable weapons, thereby promoting strategic stability.

One could strengthen those incentives for stability by incorporating some of the ideas that Rep. Albert Gore and others have advanced to phase out the most dangerous weapons, multiple-warhead ICBMs. For example, if a side chose to deploy smaller, single-warhead missiles, it might be allowed to do so at a replacement ratio of two new warheads for three currently deployed warheads. This would still ensure reduction but would favor the less threatening missiles now attracting interest in the President's Commission on Strategic Forces.

Not only is the build-down concept technically and strategically sound; it also is politically appealing. It could go far toward healing the serious breach we have suffered on arms control policy by responding to the fundamental concerns of both those who favor and those who oppose a nuclear freeze. For understandable reasons, freeze proponents have feared that permitting any change in nuclear forces would in fact mean an increase in those forces. Freeze opponents have feared that preventing any change in the forces would undermine stability by perpetuating a structure of increasingly vulnerable and unreliable weapons. Both perspectives are legitimate. The build-down plan offers a unique opportunity to harmonize them. In the interest of stability, some modernization would be permitted, but there would be no modernization without reductions.

More than a decade ago, an overwhelming majority of senators urged the president to head off the deployment of MIRVed missiles by negotiating a ban on flight tests. But we spoke tardily and timidly, and the world grew far more dangerous. Today, with new technologies in prospect and arms negotiations in peril, a vigorous initiative by Congress could not be more timely. The guaranteed build-down could be the organizing principle on which a strong congressional majority could frame advice to the president in terms on which he might be willing to act. It could be the rallying point for a bipartisan coalition linking Congress and the executive in a renewed effort to blend diplomacy and defense. And forging such a coalition remains the key to effective negotiations with the Soviet Union.

It is my great concern that if we are simply talking about freezing, at the end of the whole process of this resolution or the START negotiations we will simply end up with a freeze. It is my great concern that if this happens, the Soviet Union will have no incentive to do anything else. That freeze level, however defined, whatever technical terms are used, will lock them into a situation which they would prefer to have, whether it is in intercontinental ballistic missiles or intermediate range ballistic missiles in Europe, or in whatever area, they will have no incentive to bring about meaningful nuclear arsenal reductions.

The Nunn-Cohen mutual guaranteed build-down proposals as embodied in the amendment I am offering, will require actual reductions.

The proposal has both bipartisan and cross political spectrum support, and in the last analysis it will provide more security and safety for the people of this planet in terms of reduction of nuclear forces than any other single approach which has been taken.

At this point, I would like to place in the RECORD a letter I received from Senator COHEN, which discusses the bipartisan support for the proposal:

U.S. SENATE,
Washington, D.C., March 15, 1983.

Hon. ELLIOTT H. LEVITAS,
Member of Congress, Rayburn House Office Building, Washington, D.C.

DEAR ELLIOTT: I was delighted to learn of your interest in the build-down proposal which Sam Nunn and I introduced in the Senate last month. I believe it offers a unique opportunity to forge a consensus among advocates of a nuclear arms freeze and proponents of U.S. military force modernization.

The reception in the Senate thus far has been gratifying. A bi-partisan coalition appears to be forming around the build-down concept as a viable means of reducing the risk of nuclear war. Among the resolution's co-sponsors are the President pro tempore of the Senate, Strom Thurmond, and the Senate Minority Leader, Robert Byrd. Senator Thurmond, a strong advocate of military force modernization, was the first of our colleagues to join Sam and me as a co-sponsor of the build-down resolution. Senator Byrd, a co-sponsor of the nuclear freeze resolution, has been actively seeking a means of forming a coalition of forces behind an arms initiative which could satisfy our country's need to develop more survivable, stabilizing forces, while reducing arms and tensions.

Other nuclear freeze proponents who are co-sponsoring the build-down resolution include Joe Biden, Gary Hart and Pat Moynihan.

Ed Muskie, who, as you know, is a former chairman of the Foreign Relations Committee's Arms Control Subcommittee, described the build-down concept in a recent Washington Post piece as "the kind of constructive initiative for which those of us who support a nuclear freeze have been working."

Chuck Percy, Chairman of the Senate Foreign Relations Committee, endorsed the resolution and stated that the resolution will be considered when the Committee holds hearings this spring on the U.S.-Soviet nuclear relationship.

In the near term, Sam and I plan to concentrate on gaining additional co-sponsors in the Senate and on preparing for the Foreign Relations Committee hearings. We believe the hearings will provide an opportunity for the build-down resolution to become the major proposal for arms control in this Congressional session.

I am grateful to you and other Members such as John McCain and John Porter who have taken such an active and helpful interest in developing this concept. It is this type of support which I believe will lead the build-down concept to have a meaningful, beneficial impact on efforts to reduce international tensions and enhance the prospects for lasting peace.

I look forward to working with you in this critical endeavor during the coming months.

Sincerely,

WILLIAM S. COHEN,
U.S. Senator.

Mr. HERTEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I am happy to yield to the gentleman from Michigan.

Mr. CHAIRMAN. The time of the gentleman from Georgia (Mr. LEVITAS) has expired.

(At the request of Mr. GLICKMAN and by unanimous consent, Mr. LEVITAS was allowed to proceed for 5 additional minutes.)

Mr. HERTEL of Michigan. If the gentleman will yield, let me in a form of a statement discuss with the gentleman his amendment and the direction the gentleman is going in.

Let me say to the new Members that the good news is that we are now the U.S. Senate, we have rules. The bad news is that as my colleagues have seen in the last hour we can have chaos and I think in the case of this amendment and many other amendments a misunderstanding about what we are talking about here today.

We arrived at this question of nuclear freeze resolution in the last 2 years because of talk of our administration of nuclear warning shots, of limited nuclear war and we have scared the hell out of a lot of people in this country and around the world.

And so we talk about a mutually negotiated nuclear freeze, as a sense of the Congress, a resolution, not a treaty. What we are doing in this amendment and many other amendments, many of which I have no quarrel with if we were talking about a treaty. We are trying to make this resolution into a treaty, it is not. If it were we would spend far more time than 1 day on the question.

What we are trying to do is say that the sense of the Congress is that we should work toward a nuclear freeze and a reduction in the amount of nuclear weapons that we have in the world today. That is the difference.

I think what we are seeing in this amendment and other amendments, and I have no quarrel with the amendment on its own merits, is that we are trying to make this resolution in these late hours into a treaty, which is not. This House does not have the ability to pass a treaty. This resolution, if passed by both Houses of Congress, will not have the effect of a treaty, or the effect of law.

Mr. LEVITAS. If the gentleman will let me explain one thing because I understand, in fact, I am very sympathetic with the gentleman, but the truth of the matter is that House Joint Resolution 13, the so-called Zablocki resolution, is framed in such a way as to have the binding effect of law as op-

posed to simply being a sense-of-the-Congress resolution.

Mr. HERTEL of Michigan. Let me just comment. I do not think that is true because in fact what we see, it talks about the Senate still having the power under the Constitution.

Mr. LEVITAS. Let me just read the first phrase in my substitute. It says that it is the sense of the Congress that the President should propose to the Government of the Union of Soviet Socialist Republics in the context of relevant negotiations adherence to the guaranteed build down.

It is a sense of Congress resolution proposing to the President an approach that would be held and dealt with in the context of the negotiations in Geneva.

Indeed, while I do not want to get into that aspect of it, the gentleman from Wisconsin's resolution would indeed have the binding effect of law and for that reason raises some other problems.

Mr. GLICKMAN. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Kansas.

Mr. GLICKMAN. I thank the gentleman for yielding.

I would again like to go to the question of stabilization. It looks like and I think the gentleman has offered an interesting amendment, but what the gentleman is theoretically talking about is you could destroy two bomber warheads and replace it with a new much more sophisticated warhead.

And my question is challenging your premise. What is necessarily stabilizing about that kind of operation? It looks to me like it might be inherently destabilizing as we move toward more supersophisticated type of warheads.

Mr. LEVITAS. There is no question that we would on both sides improve our technology. It also is quite clear, based on the response I gave to the gentleman earlier, that we are talking in terms of modernization of warheads and about smaller warheads although more accurate and less vulnerable. And the less vulnerability that both the Soviet Union and the U.S. nuclear forces have, the less likely it is that anyone has got to pull a hair trigger.

Mr. MARKEY. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Massachusetts.

Mr. MARKEY. I thank the gentleman for yielding.

Tell me if I am wrong in my interpretation of the gentleman's amendment. The way I read it is this: The gentleman would dismantle Titan missiles from the 1960's, bomber missiles from obsolete delivery systems, and the gentleman would replace them with first strike weapons systems like the MX or the Trident 2. So in fact you might be taking down two warheads from systems that are not first strike weapons but in fact allow under this first strike weapons to replace them that are far more deadly, far more accurate first strike destabilizing weapons in terms of the jeopardy in which you put the weapons sytems of the other country.

So in fact what we are talking about again is nothing more or less than the Reagan buildup of a first strike capacity at the expense of the older weapon systems that do not have the first strike capacity which he wants to open that window of vulnerability on the part of the Soviet Union. Is that correct?

Mr. LEVITAS. The gentleman is exactly incorrect.

Mr. EDWARDS of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Oklahoma.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

(At the request of Mr. EDWARDS of Oklahoma and by unanimous consent, Mr. LEVITAS was allowed to proceed for 2 additional minutes.)

Mr. EDWARDS of Oklahoma. I thank the gentleman for yielding.

Mr. Chairman, I want to congratulate the gentleman on his substitute. I think it is very interesting that as I have watched this debate, I have heard the advocates of the nuclear freeze who continue to talk about how concerned they are about the possibility of a nuclear war continue to oppose every attempt to talk about reductions in nuclear weapons or build-down of nuclear weapons, and I congratulate the gentleman for getting to the point of what we are about, which is not a freeze, but reducing the possibility of nuclear war.

Let me ask the gentleman one question, however, about his amendment. It is inherent in the way the amendment is structured that there will be some requirement for on-site verification, at least so it would seem to this Member. I wonder, because we did not have the amendment read, if the gentleman would state what he envisions in terms of verifiability.

Mr. LEVITAS. I will respond to the gentleman in this fashion: That because of the procedures under which we are operating, I was not able to offer the preambulatory language which spells out in much more detail what we are talking about.

But in the negotiations which are described in both the preambulatory language and in the resolving language, the question of verifiability is addressed just as it is in the other pending resolutions.

I would say this to my friend from Massachusetts. This is not the Reagan administration approach. Indeed, and I say this with a great deal of temerity, the administration does not support this position.

□ 2050

This position is one that has wide bipartisan support and one would not want to hang the Reagan label on Senator HART so early in the campaign. Senator HART is very much in support of this, as is Senator BIDEN, as is Senator MOYNIHAN and others who have been advocates of the freeze, because this really is the only thing that makes sense.

There are a lot of people who are going to be voting on the word "freeze" or against the word "freeze" and I concede to the gentleman from Massachusetts, he has a large following, but then so did the Pied Piper and the results of that following did not lead to a good end.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

(At the request of Mr. CAMPBELL, and by unanimous consent, Mr. LEVITAS was allowed to proceed for 2 additional minutes.)

Mr. CAMPBELL. Mr. Chairman, I ask the gentleman from Georgia if he would yield.

Mr. LEVITAS. I am happy to yield to the gentleman from South Carolina.

Mr. CAMPBELL. Mr. Chairman, I was interested in the comments a moment ago about the older weapons system and the questions about whether you could upgrade.

Is it not true in the comparison of the Soviet Union's abilities and ours, that most people speak of destructive capability and do they not count the B-52's and the Titans and all that destructive capability?

Mr. LEVITAS. The gentleman is quite correct.

Mr. CAMPBELL. So when the people who are talking of pushing for an absolute freeze are talking about our capabilities, they are counting those weapons.

Mr. LEVITAS. Yes; they are included, and the gentleman's point, of course, is very well taken.

What we are talking about in the guaranteed build down is to reduce nuclear weapons. It is to reduce vulnerability on both sides so that neither side feels threatened to the point that it has got to pull the hair trigger.

Mr. CAMPBELL. Mr. Chairman, if the gentleman will yield further, since we are counting all these weapons in our mutual destructive capability, then it is only logical that we would count them as we count down as well as we count against one another.

Mr. LEVITAS. Of course, in fact, if we are going to go on the double track of reduction, I would say to the gentleman from Massachusetts, we would obviously be talking about reducing the Titans. We would be talking about reducing other systems.

The Soviet Union under the freeze arrangement would still have all its SS-20's—modern weapons—deployed.

Under what I am proposing, there would be a guaranteed build down and anybody who favors a freeze, as Senator HART does, obviously would favor a guaranteed build down.

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I am happy to yield to the gentleman from Oregon.

Mr. AUCOIN. Mr. Chairman, I appreciate the gentleman yielding.

The gentleman said that his proposal would effect a reduction in numbers and that that is what we all should be for.

I agree with the gentleman, that is what we are all for, but what the freeze advocates are also for and what the gentleman's amendment does not allow is the stopping of the march of technology.

I contend and I think the people who want to see the negotigations on the basis of a freeze contend, is that the most deadly game that we are playing is allowing, even though there may be some reduction in numbers, the marching forward of ever increasing, more sophisticated technologies. That is what we must prevent.

The gentleman does not do it. The freeze resolution does.

Mr. ZABLOCKI. Mr. Chairman, by agreement with the sponsor of the resolution, we would be limiting time in order to see if we can have a reasonable debate, and, nevertheless, conclude this debate at a reasonable hour.

Therefore, the gentleman from Wisconsin would make a unanimous consent request that all debate on the amendment and amendments thereto end at 11:15.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. CAMPBELL. Reserving the right to object, Mr. Chairman, I reserve the right to object because I think we have a meaningful amendment before us.

I think to give short shrift to an amendment that has the number of sponsors that it does in the Senate, that is bipartisan in nature, that has liberals and conservatives on it in the Senate, was offered by the gentleman from Georgia in a serious nature to address the problem that we have been dancing around a little bit with some of the more frivolous amendments throughout the day would be very shortsighted on behalf of this body.

I do not want to object to the gentleman's request because I respect him so much, but I should hope that he would at least allow this debate to go on a little bit on the amendment of the gentleman from Georgia before he asks for the time.

I think it could run its due course and I think that this body should debate this amendment seriously and not in frivolity.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield under his reservation?

Mr. CAMPBELL. I am glad to yield to the gentleman.

Mr. ZABLOCKI. Mr. Chairman, the gentleman from Wisconsin wishes to note that this proposal had no hearings, and was not presented before the committee. It has come out of the deep blue and, really, all it does is negates the very resolution we have been discussing for so many hours.

The amendment would strike out the entire resolving clause and insert a sense-of-the-Congress resolution.

It is very simple. I think we know what it says. We do not have to debate it at length and I would hope that 20 minutes would be sufficient.

Mr. CAMPBELL. Mr. Chairman, further reserving the right to object, I am deeply concerned that we would look at it in that light.

This is a great deliberative body and many things have happened on the floor of this House that were not in committees and many actions have been taken here that have turned out to be good in the long run.

I do not know whether we would decide to take or not take this action, but I do think we should give it a proper hearing. That is the reason I am so deeply concerned with this.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. CAMPBELL. Further reserving the right to object, I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman.

I think the gentleman from Wisconsin has just made the case for continuing with the amendment. We have a germane amendment before us. It does not make any difference that it did not get before the committee. It is a germane amendment. We are going to have a vote up or down on this amendment.

I would think that we would want to discuss the amendment fully if we are going to ask this House to vote on something of this seriousness, particularly as the gentleman from Wisconsin has pointed out that it will replace so much of what is in the original resolution; so I think that the gentleman's case has been made fully here that this is an amendment which deserves more debate than the 20 minutes that would be allocated under the request of the gentleman from Wisconsin.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. HARTNETT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ZABLOCKI. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto to the resolve clause of House Joint Resolution 13 end at a quarter to 12.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. CAMPBELL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ZABLOCKI. Mr. Chairman, I move that all debate end at a quarter to 12 on this amendment and all amendments thereto and on all amendments to the resolve clause.

The CHAIRMAN. The gentleman moves that debate on this amendment and all amendments to the text following the resolve clause end at a quarter to 12.

The Chair would inquire of the gentleman, does his motion cover all amendments to the text following the resolve clause?

Mr. ZABLOCKI. All amendments.

PARLIAMENTARY INQUIRY

Mr. COURTER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COURTER. Mr. Chairman, does that mean that all amendments that are at the desk right now, and if so, how many are we dealing with?

Mr. ZABLOCKI. That is correct.

Mr. COURTER. Mr. Chairman, is it proper under my parliamentary inquiry to inquire how many amendments the motion is going to deny a hearing on?

The CHAIRMAN. The Chair would respond by saying that at the moment there are approximately 11 or 12 amendments at the desk which may or may not be offered subsequent to this moment.

□ 2300

PARLIAMENTARY INQUIRY

Mr. LOTT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LOTT. Mr. Chairman, pending before us now is the Levitas amendment, which has not yet been dispensed with. In addition to that, there are, I presume, 10 amendments at the desk. Is that correct?

The CHAIRMAN. Approximately 11 or 12.

Mr. LOTT. In line with my parliamentary inquiry, I did not think we had even completed debate on the Levitas amendment, and the distinguished chairman of the Committee on Foreign Affairs is now asking that we dispense with all further debate and vote on amendments by a quarter to 12, many of which have not even been considered, amendments which have great value. Some of the best amendments that could be offered

here in this body tonight have not even been offered and considered.

My parliamentary inquiry, Mr. Chairman, is, is that in order at this point before we have even dispensed with the amendment pending before us?

The CHAIRMAN. The motion is in order since the underlying committee substitute to the text has been considered as read in its entirety and is pending.

PARLIAMENTARY INQUIRY

Mr. LUNGREN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LUNGREN. Mr. Chairman, is this not the same amendment that was suggested by the gentleman from Tennessee (Mr. GORE) a few minutes ago and ruled out of order by the Chair?

The CHAIRMAN. No. The Chair would advise the gentleman it is a different limitation motion on a text which is pending and all amendments thereto, and does not allocate time.

The question is on the motion offered by the gentleman from Wisconsin (Mr. ZABLOCKI) to limit debate on this amendment and all amendments to the resolving clause to 11:45 p.m.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ZABLOCKI. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 199, noes 209, not voting 25, as follows:

[Roll No. 33]

AYES—199

Ackerman	Cooper	Gibbons
Addabbo	Coyne	Gonzalez
Akaka	Crockett	Gore
Albosta	D'Amours	Gray
Alexander	Daschle	Guarini
Anderson	Dellums	Hall (IN)
Andrews (NC)	Derrick	Hamilton
Andrews (TX)	Dicks	Hance
Annunzio	Dingell	Harkin
Anthony	Donnelly	Harrison
Applegate	Dorgan	Hawkins
Aspin	Dowdy	Hefner
AuCoin	Downey	Heftel
Barnes	Dwyer	Hertel
Bates	Early	Hightower
Bedell	Eckart	Howard
Berman	Edgar	Hoyer
Bevill	English	Huckaby
Biaggi	Evans (IL)	Jones (NC)
Boggs	Fascell	Jones (TN)
Boland	Fazio	Kaptur
Bonior	Feighan	Kastenmeier
Bonker	Ferraro	Kazen
Borski	Flippo	Kennelly
Bosco	Florio	Kildee
Boucher	Foglietta	Kogovsek
Boxer	Foley	Kolter
Brooks	Ford (MI)	Kostmayer
Brown (CA)	Ford (TN)	Lantos
Burton (CA)	Fowler	Lehman (CA)
Carper	Frank	Leland
Carr	Frost	Levin
Clarke	Fuqua	Levine
Coelho	Garcia	Lipinski
Coleman (TX)	Gejdenson	Long (LA)
Conyers	Gephardt	Long (MD)
Lowry (WA)	Ottinger	Smith (IA)
Luken	Owens	Solarz
Lundine	Panetta	St Germain
MacKay	Patterson	Staggers
Markey	Pease	Stark
Martinez	Penny	Studds
Matsui	Perkins	Swift
Mavroules	Pickle	Synar
Mazzoli	Price	Torres
McCloskey	Ratchford	Torricelli
McCurdy	Reid	Towns
McNulty	Richardson	Traxler
Mica	Rodino	Udall
Mikulski	Roe	Vento
Mineta	Rose	Volkmer
Minish	Rostenkowski	Walgren
Mitchell	Roybal	Weiss
Moakley	Russo	Wheat
Mollohan	Sabo	Whitten
Moody	Savage	Wilson
Morrison (CT)	Scheuer	Wirth
Mrazek	Schroeder	Wise
Murphy	Schumer	Wolpe
Murtha	Seiberling	Wright
Natcher	Shannon	Wyden
Nelson	Sharp	Yates
Nowak	Sikorski	Yatron
Oakar	Simon	Young (MO)
Oberstar	Sisisky	Zablocki
Obey	Slattery	
Ortiz	Smith (FL)	

NOES—209

Archer	Goodling	Miller (CA)
Badham	Gradison	Miller (OH)
Barnard	Gramm	Molinari
Bartlett	Green	Montgomery
Bateman	Gregg	Moore
Beilenson	Gunderson	Moorhead
Bennett	Hall, Ralph	Morrison (WA)
Bereuter	Hall, Sam	Myers
Bethune	Hammerschmidt	Nichols
Bilirakis	Hansen (ID)	Nielson
Bliley	Hansen (UT)	O'Brien
Boehlert	Hartnett	Olin
Bouquard	Hatcher	Oxley
Breaux	Hiler	Packard
Britt	Hillis	Parris
Broomfield	Holt	Pashayan
Brown (CO)	Hopkins	Patman
Broyhill	Horton	Paul
Burton (IN)	Hubbard	Pepper
Byron	Hughes	Petri
Campbell	Hunter	Porter
Carney	Hutto	Pritchard
Chandler	Hyde	Pursell
Cheney	Ireland	Quillen
Clinger	Jacobs	Rahall
Coats	Jeffords	Ray
Coleman (MO)	Jenkins	Regula
Conable	Johnson	Ridge
Conte	Jones (OK)	Rinaldo
Corcoran	Kasich	Ritter
Coughlin	Kemp	Roberts
Courter	Kindness	Robinson
Craig	Kramer	Roemer
Crane, Daniel	LaFalce	Rogers
Crane, Philip	Lagomarsino	Roth
Daniel	Latta	Roukema
Dannemeyer	Leach	Rowland
Daub	Leath	Rudd
Davis	Lent	Sawyer
DeWine	Levitas	Schneider
Dickinson	Lewis (FL)	Schulze
Dreier	Livingston	Sensenbrenner
Duncan	Loeffler	Shaw
Durbin	Lott	Shelby
Dymally	Lowery (CA)	Shumway
Dyson	Lujan	Shuster
Edwards (CA)	Lungren	Siljander
Edwards (OK)	Mack	Skeen
Emerson	Marlenee	Skelton
Erdreich	Marriott	Smith (NE)
Erlenborn	Martin (IL)	Smith (NJ)
Evans (IA)	Martin (NC)	Smith, Denny
Fiedler	Martin (NY)	Smith, Robert
Fields	McCandless	Snowe
Fish	McCollum	Snyder
Forsythe	McDade	Solomon
Franklin	McDonald	Spence
Frenzel	McEwen	Spratt
Gekas	McGrath	Stenholm
Gilman	McHugh	Stratton
Gingrich	McKernan	Stump
Glickman	Michel	Sundquist
Tallon	Vucanovich	Winn
Tauke	Walker	Wolf
Taylor	Watkins	Wortley
Thomas (CA)	Weber	Wylie
Thomas (GA)	Whitehurst	Young (AK)
Valentine	Whitley	Young (FL)
Vander Jagt	Whittaker	Zschau
Vandergriff	Williams (OH)	

NOT VOTING—25

Boner	Gaydos	Stangeland
Bryant	Hall (OH)	Stokes
Chappell	Lehman (FL)	Tauzin
Chappie	Lewis (CA)	Washington
Clay	Madigan	Waxman
Collins	McCain	Weaver
de la Garza	McKinney	Williams (MT)
Dixon	Neal	
Edwards (AL)	Rangel	

Mr. LEVIN of Michigan changed his vote from "no" to "aye."

So the motion was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Chair will state for the benefit of the Members that the Levitas amendment is still pending.

For what purpose does the gentleman from Wisconsin (Mr. ZABLOCKI) rise?

Mr. ZABLOCKI. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. WRIGHT) having assumed the chair, Mr. MCHUGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 13) calling for a mutual and verifiable freeze on and reductions in nuclear weapons, had come to no resolution thereon.

□ 2320

LEGISLATIVE PROGRAM

(Mr. MITCHELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MITCHELL. Mr. Speaker, I would like to get an absolute clarification on the matter of scheduling for the balance of this week. There were some pieces of legislation proposed for tomorrow. Will we consider them? Will there be a session tomorrow, pro forma or not? I seek some clarification.

The SPEAKER pro tempore. The Chair will state that the House will be in session tomorrow but for legislative purposes it will be a pro forma session in respect for St. Patrick's Day. We will be in session on Monday next with legislation.

There are only 4 days of legislative session next week so we must avail ourselves of all of them.

I would urge all Members to make their schedules so as to be present at noon on Monday.

When we adjourn on Thursday, we will adjourn to meet at noon on

Monday, unless there should be some reason for being in pro forma session on Friday to receive a conference report or something like that.

Mr. MITCHELL. Would the Speaker respond to one more question?

The SPEAKER pro tempore. The Chair will be delighted to respond.

Mr. MITCHELL. Would this Member be safe in assuming that when we do resume session that the nuclear freeze will be the first item of business to be taken care of or taken up?

The SPEAKER pro tempore. No; that is by no means certain. We will announce tomorrow in the course of the pro forma session what will be taken up and the order in which we would expect to take up legislation beginning on Monday.

We want to clear that with our friends in the minority and let everyone have an opportunity to understand after we have had a chance to regroup.

On Thursday we will have no substantive legislation and that is the way the shamrock grows.

LEGISLATIVE PROPOSAL ENTITLED "COMPREHENSIVE CRIME CONTROL ACT OF 1983"—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 98-32)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on the Judiciary, the Committee on Energy and Commerce, and the Committee on Government Operations and ordered to be printed:

(For message, see proceedings of the Senate of today, Wednesday, March 16, 1983.)

GENERAL LEAVE

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks during consideration of House Joint Resolution 13 and to include therein extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

GENERAL LEAVE

Mr. DYSON. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks and to include therein extraneous material on the subject of the special order speech today by the gentleman from New York (Mr. OTTINGER).

The SPEAKER pro tempore (Mr. ECKART). Is there objection to the request of the gentleman from Maryland?

There was no objection.

HOUSE JOINT RESOLUTION 13: CONTROLLING THE NUCLEAR ARMS RACE

(Mr. LOWRY of Washington asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOWRY of Washington. Mr. Speaker, I rise in support of House Joint Resolution 13, which calls for negotiations to achieve a mutual and verifiable freeze on nuclear weapons by the United States and the Soviet Union and for substantial and equitable nuclear arms reductions by both nations. I urge my colleagues to vote for House Joint Resolution 13 and against weakening amendments or substitutes.

Last week, a number of my constituents came to Washington, D.C., to lobby in support of this measure. I applaud their efforts and their recognition of the urgent need to bring the arms race under control. This issue is the proper concern of every American.

I am very pleased that House Joint Resolution 13 calls for special attention to destabilizing weapons. Until we have accomplished meaningful arms controls, the foremost objective of our nuclear policy must be to promote stability so that no nuclear weapons will be used. However, the United States is now taking steps that will make the continued accomplishment of this objective far more difficult. We must change the present administration's policies, which are creating instability and threatening to bring about a new and dangerous escalation of the arms race.

Our nuclear policies have been driven by technology, with potentially disastrous results. In fact, many of our planned new missiles are offensive rather than defensive systems. In the name of making certain that our land-based ICBM's can survive against attack, the administration continues to try to build the destabilizing MX missile, a marvel of technology that will increase the chances of war.

The MX—as well as the Trident II and the Pershing II missiles—will be accurate enough to destroy ICBM's in hardened silos. These weapons will enable us to launch a first strike. If we want to prevent the use of any unclear weapons, we have no need for a first-strike capability. Moreover, this capability would eliminate the one stabilizing element that has existed, the assurance that each side can retaliate against an attack by the other. Without that assurance, the dangers of war through miscalculation or accident will increase substantially.

The MX, Trident II, and Pershing II are also time-urgent missiles; the 10 warheads on an MX would reach their targets in half an hour, and the Pershing II's payload would impact in 6 minutes. Should the Soviets believe they are being attacked by first-strike weapons, they will have very little time to decide what to do about it. Their likely responses to this situation would increase the chance that nuclear weapons may be used. We should think long and hard before building weapons that will encourage the Soviet Union to adopt a "launch-on-warning" policy of firing their missiles at the first, possibly mistaken sign of attack. The most important thing we can do to enhance American security is to stop this trend that will end by putting our security, far more than today, in the hands of Soviet decision-makers.

There is a widespread belief that we have lost an arms race with the Soviets or somehow failed a test of national will. It is even argued that we "unilaterally disarmed" during the past decade, even though we built 1,000 more new warheads than the Soviets did, and even though our strategic triad is less dependent on increasingly vulnerable land-based ICBM's.

These arguments miss the point. Nuclear weapons have raised the destructive potential of war to a level that the human mind cannot easily comprehend. When a single submarine has enough warheads to annihilate dozens of cities, concepts such as nuclear superiority lose all meaning. It is time for us to recognize that thousands of new nuclear weapons will not make us secure from attack, any more than the existing thousands have done. No nation can ever use these arms without destroying itself.

Since 1945, the arms race has gone on, and thousands of nuclear warheads are now piled up on both sides. The administration would like to build thousands more, and the Soviets will surely respond in kind. Today, we can vote to pass House Joint Resolution 13 and begin to bring this arms race under control.

FIRST CONCURRENT RESOLUTION ON THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. PEASE) is recognized for 10 minutes.

Mr. PEASE. Mr. Speaker, the hour is late and the staff has been here a long time and so have we. I will not take very long.

As Members of the House know, we will be spending some time next week dealing with the first concurrent budget resolution. That is probably one of the most important things we do in any legislative session.

I want to spend just a couple of minutes discussing the dimensions of the

problem that we face as we address the budget problem this year.

On February 25, 1983, in the Washington Post, Lawrence Chimerine, who was the chairman and chief economist for the Chase Econometrics, wrote an excellent article about the deficit, why it must be cut and what the effects will be on our economy if it is not.

□ 2330

At this point, Mr. Speaker, I would like to ask unanimous consent to insert that article to which I referred in the RECORD. Now aside from that article, what I would like to point out is just this: That the budget deficit which is projected for this fiscal year is $208 billion which just happens to be exactly three times higher than the previous highest budget deficit in the history of the Nation prior to 1982.

President Reagan in his presentation to Congress a month or so ago projected a deficit of $189 billion for 1984. Then responding to the requirement that he also put down a deficit figure for the out-years, 1985 through 1988, he listed projected deficits for those years, respectively, $194 billion, $142 billion, and $117 billion.

It is frightening to think that the President has projected for 5 years from now a deficit of $117 billion which would be one and a half times as high as any budget in the history of our country prior to President Reagan taking office.

But that is only part of the story. The budget figures or the deficit figures that I have just recited assume budget cuts projected by President Reagan and include in his budget over $20 billion in domestic programs which have been more or less rejected out of hand by the Congress. Those budget cuts are not likely to be adopted.

Further the President's deficit figures for the outyears, 1986, 1987, 1988 also assume adoption by Congress of a standby tax which would take effect in 1986. That proposal was dead in the water when it came up to the Hill and it is unlikely that Congress will adopt that provision.

Now, if you take out the effect of that tax cut which Congress is not likely to approve, and if you remove for the time being the domestic budget cuts which Congress is not likely to approve, then you get the real picture of what the budget deficit problem is. And that is what the Office of Management and Budget calls its current services budget, what the deficit would be over the next 5 years in the absence of any action by Congress to change the current law.

Those projected deficits for the years 1985 through 1988 are as follows: $3 billion in fiscal year 1985; $271 billion in 1986, $292 billion in 1987 and $300 billion in fiscal year 1988.

As Mr. Chimerine said in his article in the Washington Post, which I have included in the RECORD, those deficits would have a devastating effect on the recovery, whatever chances for recovery that we would have from the current recession.

Obviously Congress will act in some way this year, it must act in some way this year and in further years to reduce those massive deficits.

As the processes begin I thought it was well that we in this Chamber have clearly in mind the magnitude of the task. Mr. Speaker, I yield back the balance of my time.

[From the Washington Post, Feb. 25, 1983]

THE DEFICIT MUST STILL BE CUT

(By Lawrence Chimerine)

Even with economic recovery, the federal deficit will continue to rise in the years ahead and will remain extraordinarily high relative to GNP, total credit available, and net savings, unless new deficit-reducing actions are implemented. The rising deficit treand reflects the fact that the combination of tax cuts and increases in military spending, most of which has yet to come, will far offset cuts in nondefense spending, many of which have alredy occurred.

While it is true the military buildup follows many years of declining real military spending, it comes on top of continued growth in most of the entitlement programs, so that overall federal spending will continue to grow at a significant rate. At the same time, the revenue base has been eroded by the massive tax cuts enacted in 1981. The president's new budget recognizes the imbalance and offers various proposals to narrow the gap.

However, I believe the risks of an unprecedented pattern of rising deficits during a recovery are so large that additional measures should be adopted in order that projected future deficits decrease by at least $25 billion per year, beginning in fiscal 1985. Reducing future deficits to these levels will require significant spending cuts in all areas. In addition, currently scheduled tax cuts will have to be scaled back, or offsetting tax increases enacted, by amounts exceeding the contigency tax increase suggested by the president, and with an earlier effective date.

Can't future deficits be reduced by faster economic growth, rather than by new spending cuts or tax actions?

Counting on an even more rosy outlook than already assumed is a Catch-22, since these structural deficits will eventually cause relatively high long-term interest rates, which will prevent faster growth from occurring, and may in fact cause another recession. Such pressure on interest rates from growing deficits will come from either the direct effect of rising Treasury borrowings (if the Fed does not fully accommodate them) or from an eventual acceleration of inflation (if they are financed by continued rapid growth in the money supply). There is some evidence to suggest that anticipation of either of these outcomes is already keeping long-term interest rates considerably higher than they would otherwise be.

The problem is that while that portion of the deficits reflecting the weak state of the economy must be maintained, and stimulus from modest additional deficit spending is desirable, deficits that become bigger and bigger are not necessarily more and more stimulative. This is especially true now, because deregulation of financial markets and the more monetarist approach to Federal Reserve policy cause sharper increases in interest rates in response to rising credit demands than in previous years.

Furthermore, the sensitivity of economic activity to interest rates has increased over time, reflecting the floating exchange rate environment and the increased swing in the prices of many financial assets and housing.

Thus, excessive deficits will become self-defeating because the resulting rise in interest rates will probably cause sharp declines in credit-sensitive industries such as housing and autos, reductions in consumer spending in response to declines in net worth and consumer confidence, cutbacks in public works spending by many municipal governments, because they in effect would be priced out of the bond market, and declines in U.S. exports and increased foreign penetration in U.S. markets, reflecting upward pressure on the U.S. dollar on foreign exchange markets.

A rebound in interest rates would thus prevent the sustained recovery necessary to reduce unemployment and help correct other economic problems in the United States. Furthermore, a growing U.S. economy is needed to ignite a worldwide economic recovery, to alleviate the external debt problem of many less-developed countries, to stem the tide of increased protectionism, and eventually to reduce the strains on the international financial system.

Won't tax increases cause a depression, as they did in the 1930s?

No, because the portion of the deficits that will be reduced is not caused directly by weakness in the economy, unlike the 1930s. Declining structural deficits of the magnitude suggested above would still leave ample stimulus to bolster the recovery process, and would make room for the increase in private credit demands that would result. Furthermore, deficit-reduction actions would not become effective until the economy is well into its recovery process.

Will there be any tax cut left?

It is certainly true that a significant portion of the 1981 reduction in personal tax rates is already being offset by inflation and increases in excise, Social Security and state and local government taxes. But a significant net tax reduction will remain, even with the additional actions that will be necessary to reduce future deficits, particularly since lower-than-expected inflation has sharply reduced the magnitude of "bracket creep." Furthermore, the key issue is not how large the tax cut is going to be, but how much we can afford in view of the fact that overall federal expenditures will not be declining significantly.

Are people already counting on those future tax cuts?

Currently scheduled tax cuts for future years are providing no direct benefits to the economy, in that they are not affecting spending or saving, or influencing economic activity in any other way, at the present time. Furthermore, most deficit-reducing measures can always be reversed in later years if conditions permit.

Incurring the risks associated with rising deficits during a recovery period also seems unwarranted in view of the weak level of investment, poor productivity trends and the widespread financial strains that characterize the economy, all of which will likely worsen if the federal government continues to absorb most newly available credit and savings.

Furthermore, while some longer-term factors are contributing to the problems of the industrial sector, current problems are primarily the result of the high interest rate/recessionary environment of recent years. Unless these conditions are reversed in the near future, many manufacturing and mining companies may never recover.

The top objective for economic policy should be a sustained period of strong economic growth. This can only be accomplished if policy is geared toward lower interest rates. This will require not only continuation of a more accommodative policy by the Federal Reserve, but also a more balanced approach to fiscal policy that significantly alters the outlook for the federal deficit.

REMOVAL OF NAMES OF MEMBERS AS COSPONSORS OF HOUSE CONCURRENT RESOLUTION 83

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that, in response to the requests of the individuals concerned, the gentleman from Oklahoma (Mr. SYNAR), the gentlewoman from Maine (Mrs. SNOWE), the gentleman from New York (Mr. HORTON), and the gentleman from Pennsylvania (Mr. COUGHLIN) may have their names removed as cosponsors of House Concurrent Resolution 83.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

INTRODUCTION OF THE NATURAL GAS CONSUMER RELIEF ACT OF 1983

(Mr. GEPHARDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. GEPHARDT. Mr. Speaker, today I am joined by more than 60 Members of the House of Representatives in introducing the Natural Gas Consumer Relief Act of 1983. This legislation is a comprehensive response to high natural gas prices.

Natural gas prices are very troubling to the Congress and must be addressed early this session. As a Member who was here during passage of the Natural Gas Policy Act of 1978, I know how difficult enactment of this legislation will be. But hundreds of people in my district and millions throughout the country just cannot afford to pay their gas bills these days. They are trapped and they are cold. They are demanding relief and they need it.

The reasons for today's situation are exceedingly complex. Simply put, however, we have found that a traditional market does not exist and that the law of supply and demand has been effectively repealed. Our bill will provide necessary protection from unreasonably high prices and will insure that we will have adequate supplies of natural gas. It will also guarantee that natural gas prices are sensitive to end-use market conditions.

The legislation—

Rolls back allowable ceiling prices to January 1, 1982, levels;

Extends controls for 2 years on the 60 percent of all gas scheduled to be decontrolled on January 1, 1985;

Limits "take or pay" provisions so gas consumers can benefit from lower priced supplies;

Improves pipeline purchasing practices by insuring that rate designs will be sensitive to end-use market conditions;

Protects against anticonsumer actions by the Federal Energy Regulatory Commission by limiting its discretionary authority to increase rates above newly established ceilings.

This legislation has the support of a broad coalition in the House of Representatives and outside. We recognize the need for this legislation, support the basic strategy, and feel that the Natural Gas Consumer Relief Act moves in the right direction.

For the benefit of those Members who have not yet had a chance to review the legislation, I would like to submit for the RECORD a section-by-section analysis of the bill.

The analysis follows:

SECTION-BY-SECTION ANALYSIS OF THE NATURAL GAS CONSUMER RELIEF ACT

Section 1 of the bill provides that the short title is the "Natural Gas Consumer Relief Act."

FINDINGS AND PURPOSES

Section 2 of the bill sets out the Congressional findings and purposes supporting the legislation. Congress finds that prices for natural gas are presently excessively high and that the Congress did not anticipate price increases of the magnitude which have occurred under the Natural Gas Policy Act of 1978 ("NGPA"). Congress also finds that the wellhead pricing problems stem at least in part from the institutional barriers to competition erected by certain contract provision. Congress considers an extension of ceiling prices necessary to permit the needed modifications in regulatory oversight and contracting practices to be put in place.

The Natural Gas Consumer Relief Act has three principal purposes. They are (1) to protect against excessive wellhead prices for natural gas; (2) to ensure adequate supplies of natural gas and to make more certain that wellhead prices accurately reflect end-use market conditions.

TITLE I—CONTRACTING AND MARKETING PRACTICES

TAKE-OR-PAY CLAUSES

Section 101 of the bill temporarily restricts the operation of unreasonable take-or-pay clauses contracts between pipelines and producers covering new and high-cost supplies of natural gas. These clauses have forced pipelines to purchase natural gas at high prices when other, lower-priced supplies have been readily available. As a result, many pipelines are unable to manage their natural gas purchases in a manner which is cost-effective for their customers. The high prices paid for gas purchased only because of the presence of take-or-pay clauses are passed on directly to the pipelines' customers, including local distribution companies. Local distribution companies in turn have been forced to pass on these prices to their residential, commercial and industrial customers. These natural gas consumers, who ultimately pay these unjustifiably high prices, are not parties to the contracts containing the take-or-pay clauses and have not otherwise been able to obtain relief from their effects.

Section 101 adds a new Section 316 to the NGPA. This section applies to contracts covering new natural gas (Section 102 of the NGPA), new, onshore production wells (Section 103), high-cost natural gas (Section 107) and stripper well natural gas (Section 108), for a three-year period beginning on the effective date of new Section 316, it imposes two limitations on take-or-pay clauses. First, any such clause is declared against public policy and unenforceable to the extent it requires a pipeline to take-or-pay for more than 50 percent of the maximum annual volume which it is entitled to take under its contract. Second, a take-or-pay clause is also unenforceable to the extent it does not allow a pipeline at least one year after payment to receive deliveries of volumes of natural gas covered by such payment.

The limitations placed on the operation of certain take-or-pay clauses for three years by new Section 316 do not affect any pipeline's right to renegotiate any contract or to exercise the market-out option under new Section 317 of the NGPA. In addition, any existing rights a pipeline may have to delivery of natural gas under a take-or-pay clause are expressly preserved.

RENEGOTIATION AND MARKET-OUT PROVISIONS

Section 102 gives a pipeline an opportunity to renegotiate any natural gas contract with a producer and to decline delivery of any volumes of natural gas if the pipeline is unable to market such volumes. The contracts between pipelines and producers have helped insulate wellhead natural gas prices from normal competitive pressures. New Section 317 will permit pipelines to adapt their natural gas purchasing practices to market conditions. The presence of the market-out provisions should help to make wellhead prices more sensitive to end-use market conditions.

To exercise its right to renegotiate, a pipeline must make a written request to the producer to renegotiate the terms of a natural gas contract. This request is to indicate that the pipeline intends to exercise its market-out option 30 days from the date of notice. If the contract is not renegotiated within 30 days, the pipeline may refuse to take delivery under the contract of any volumes it determines that it would be unable to market. The pipeline is to incur no obligation to pay any fee or charge with respect to volumes of natural gas not delivered as a result of the exercise of this market-out options.

A pipeline's exercise of the market-out option granted by new Section 317 is subject to three limitations. First, the pipeline cannot exercise this option with respect to volumes covered by any natural gas contract unless it has first exercised its option to reduce deliveries of higher priced supplies. Second, the pipeline must first reduce deliveries from affiliated producers which would be made at prices equal to or higher than prices for deliveries under any contract with a non-affiliated producer before the pipeline can exercise its market-out option with re-

spect to the latter contract. Third, a pipeline cannot accept deliveries under any new or renegotiated contract at prices equal to or higher than prices for natural gas under any contract with respect to which it has exercised the market-out option.

Once the pipeline has exercised its market-out option with respect to a volume of natural gas, the producer is free to offer such volume of natural gas to other purchasers. If, however, the producer reaches an agreement in principle with another purchaser, the pipeline is given the right to refuse to purchase such volume under the same terms and conditions as those offered such other purchaser. If the pipeline fails to exercise its right of first refusal, the producer has the right to sell the volume of natural gas to the other purchase.

If a pipeline exercises it market out option and fails to exercise its right of first refusal under new Section 317, it must provide the purchaser transportation with respect to volumes affected by the exercise of the market-out option to the same extent as it must provide transportation by contract under new Section 319 of the NGPA.

INDEFINITE PRICE ESCALATORS

Section 103 amends Section 313 of the NGPA to make all indefinite price escalators unenforceable. These contract provisions are widespread and, if permitted to continue to operate, will guarantee that natural gas prices will not respond to competitive forces for the foreseeable future. The definition of indefinite price escalators is broad and is intended to reach all forms of favored nation provisions and provisions which link natural gas prices to oil or oil product prices or prices of any other commodity.

The provisions of Section 105 of the NGPA, dealing with indefinite price escalators in contracts between intrastate pipelines and producers are repealed because the bill's treatment of indefinite price escalators makes them unnecessary.

LIMITATION ON GUARANTEED PASSTHROUGH

Section 104 amends Section 601(c)(2) to limit a pipeline's right to pass through to its customers increased purchased gas costs. Under the commission's current construction of the language now in Section 601(c)(2) arguably limiting a pipeline's passthrough right, a pipeline is entitled to recover all amounts paid for natural gas even though such amounts are excessive because of the pipeline's failure to follow sound, business-like purchasing practices. As a result, the pipeline's customers—not the pipeline itself—are penalized for poor management on the part of the pipeline. Section 104 remedies this situation by requiring the Commission to limit a pipeline's passthrough of purchased gas costs to the extent it determines the pipeline has failed to adopt and follow practices which minimize its purchased gas costs. The market-out option in Section 102 and other provision of the bill give pipelines substantial opportunity to pursue business practices which will minimize purchased gas costs.

MINIMUM COMMODITY BILL REQUIREMENTS

Section 105 adds a new Section 318 to the NGPA which restricts the operation of minimum bill requirements imposed by pipelines on their customers. Minimum bills require pipeline customers to pay for certain volumes of natural gas whether or not the customers receive delivery. Some minimum bills now in effect require customers to purchase volumes of natural gas which exceed the amounts warranted by the reasonable business needs of the pipelines. These excessive minimum bill requirements serve to insulate the pipelines and producers from market conditions.

New Section 318 places two limitations on minimum bills. First, a minimum bill is declared to be against public policy and unenforceable to the extent it requires a pipeline customer to take or to pay for more than 50 percent of the maximum annual volume it is entitled to take under its contract. Second, a minimum bill is also unenforceable to the extent it does not allow a pipeline customer at least one year after payment to receive deliveries of natural gas for which it has paid.

CONTRACT CARRIER AUTHORIZATION

Section 106 adds a new Section 319 to the NGPA granting the Commission authority to order any interstate pipeline to transport natural gas on behalf of a producer or a purchaser on a contract basis. The Commission may exercise this authority only if it finds that, among other things, such transportation would not impair the pipeline's ability to serve customers existing at the time contract transportation begins and its subsequently acquired noninterruptible customers it may subsequently acquire. The pipeline's changes for such transportation must be just and reasonable within the meaning of Natural Gas Act.

Section 106 also makes clear that an intrastate pipeline or local distribution company does not submit itself to the Commission's jurisdiction under the Natural Gas Act simply by exercising its right to secure transportation of natural gas under new Section 319.

COMMISSION RATES AND RATE DESIGN

Section 107 adds a new subsection (d) to Section 601 of the NGPA to require the Commission to carry out a rulemaking concerning pipeline rate design. Effective rate design standards can serve to transmit appropriate market signals from natural gas end-users to producers. The absence of such standands today is an important reason why wellhead prices, particularly for new and high-cost supplies, fail to reflect market realities. The Commission is given one year to promulgate new rate design standards. Once these standards are promulgated, the Commission has one year to review tariffs on file and require modification if necessary to conform to the new standards. All new tariff filings must conform to the new standards.

FIRST SALE CONTRACTS REQUIRED TO BE FILED

Section 108 amends Section 315(c) of the NGPA to require that all natural gas contracts covering any sale of natural gas occurring after enactment to be filed with the Commission, together with any ancillary agreements. To assure effective enforcement of the other provisions of the bill, it is necessary for the Commission and other interested parties to have ready access to contacts.

TITLE II—WELLHEAD PRICE PROVISIONS

CEILING PRICES TO BE BASED ON JANUARY 1982 PRICES WITH LIMITED ADJUSTMENTS FOR INFLATION

Section 201 rolls back the increases in NGPA price ceilings for all categories of natural gas except Section 107 which have occurred since January 1982. Since that time, overall energy prices have dropped slightly while natural gas prices have risen more than 20 percent. On the date of enactment, the new ceiling prices will be those in effect in January 1982 under the NGPA. This rollback merely cancels increases in ceiling prices which did not reflect the actual conditions in the energy market.

Section 202 also amends Section 101(a) of the NGPA to set out a new modified price adjustment factor to be applied to the January, 1982 NGPA prices to determine the ceiling prices for the month after the month beginning of the effective date of the bill and for each month thereafter. The ceiling prices are to be adjusted each month to reflect 75 percent of the monthly change in GNP implicit price deflator or the monthly change in the Department of Labor's energy index. Whichever of these price indices produces the smaller increase or the larger decrease in ceiling prices in a particular month will be used.

HIGH COST NATURAL GAS

Section 202 amends Section 107 to place ceilings on prices for deregulated categories of natural gas and to lower the ceiling prices the Commission has applied to certain categories of natural gas pursuant to Section 107(c)(5). For deregulated natural gas (Section 107(c) (1)–(4)), the new ceiling price in any month shall be 150 percent of the new Section 103 ceiling price; i.e., the January, 1982 NGPA ceiling price adjusted by the modified price adjustment factor. For Section 107(c)(5) categories of natural gas, primarily gas produced from tight sands formations, the Commission is to prescribe a maximum lawful price necessary to provide reasonable incentives for production of such gas; in no event, however, is this price to exceed 150 percent of the Section 103 price. Section 202 also amends Section 107(c)(5) to prevent the Commission from adding any new categories of high-cost natural gas.

ADJUSTED CEILING PRICE PERMITTED FOR WELLS DRILLED ON OR AFTER JANUARY 1, 1982, AND BEFORE ENACTMENT

Section 203 adds a new Section 111 to the NGPA to give the Commission authority to permit an individual producer to charge a price higher than the new ceiling price under the bill. It can do so only if it finds such higher price is just and reasonable under the NGPA; that is, a higher price is necessary to permit the producer to recover its costs, including no more than a reasonable rate of return on its investment. The Commission, however, may not permit any price higher than the applicable NGPA price on the date surface drilling of the well in question commenced, as adjusted since the date of enactment by the modified price adjustment factor.

ELIMINATION OF COMMISSION AUTHORITY TO INCREASE CERTAIN CATEGORIES ABOVE STATUTORY MAXIMUM LAWFUL PRICE

Section 204 reveals those provisions of the NGPA which arguably gave the Commission authority to increase the maximum lawful prices for certain categories of natural gas, including so-called "old" gas, above statutorily prescribed levels.

CEILING PRICES TO BE INCLUSIVE OF AMOUNTS FOR RECOVERY OF PRODUCTION RELATED COSTS

Section 205 amends Section 110 of the NGPA to make clear that producers are not permitted to recover production-related and other costs in addition to the maximum lawful price except to the extent such additional recovery is necessary to permit the producer to earn a just and reasonable return. In determining the amount of consideration paid the producer, the Commission is to include all forms of consideration received by the producer, including in-kind compensation such as free or low-cost trans-

portation service for non-gaseous hydrocarbons owned by the producer.

IMPORTED NATURAL GAS

Section 206 amends Section 3 of the Natural Gas Act to limit the price for imported gas from any country other than Mexico or Canada to 150 percent of the price for Section 103 natural gas under the NGPA.

Section 206 also requires the President to report to Congress within 60 days concerning the status of negotiations regarding modification of the border prices of Canadian and Mexican natural gas.

EXTENSION OF NATURAL GAS CONTROLS

Section 207 delays by two years decontrol of the prices for certain categories of natural gas now scheduled to occur under the NGPA on January 1, 1985 and for July 1, 1987. The timetables for the President and Congress to exercise their authority to reimpose controls are similarly extended.

INVESTIGATION OF KLAUS BARBIE

(Mr. LEHMAN of Florida asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LEHMAN of Florida. Mr. Speaker, I would like to applaud the administration's decision to launch a full-scale investigation of U.S. links to Nazi war criminal Klaus Barbie. Recent allegations that the United States provided protection for Barbie in Europe in the late forties and facilitated his safe entry into Bolivia in 1951 must be examined and made public. This is not the first time that similar allegations have surfaced, but it is time that such allegations were investigated and the record set straight once and for all.

Last week, when I learned that the Justice Department was considering whether it would go ahead and open an investigation, I wrote a letter to the President expressing my strong conviction that we had no choice but to look into whatever activities the executive branch agencies were involved after the war in helping Nazis. I am very glad to see that our moral obligation to look into this matter has been recognized by the President. I am also confident that Attorney Allan Ryan will undertake this task with competence and that the work of the Office of Special Investigations under Acting Director Neal Sher will not suffer as a result of Mr. Ryan's departure.

I would like to bring to the attention of my colleagues the letter which I and eight distinguished Members of the House sent to the President last week:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., March 4, 1983.

President RONALD REAGAN,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We are extremely disturbed by recent allegations that agencies of the Executive Branch provided protection for former Gestapo chief Klaus Barbie who was returned from his refuge in Bolivia to France last month. Those of us who serve on the Judiciary Committee, the Appropriations Committee, as well as the United States Holocaust Memorial Council, take great pride in the strong leadership of Congress in creating laws to ensure that Nazi war criminals are not provided a haven in the United States.

We believe that our government has an unmistakable moral obligation to investigate the Barbie case in order to set the record straight on any involvement of Executive Branch agencies in gaining the cooperation of Nazi war criminals in exchange for admission into the United States or for facilitating their entry into other countries.

The dark cloud hovering over the United States on this matter will remain until an inquiry into U.S. links to Nazi war criminals have been fully investigated. We, therefore, strongly urge that you direct the Department of Justice to launch an immediate investigation into the Barbie matter. Any delay in doing so will only serve to suggest U.S. complicity in what history has already recorded as U.S. negligence in the post-Nazi period.

We further believe that the Department of Justice's Office of Special Investigations possesses the unique expertise to carry out an inquiry of this kind. The excellent record it has achieved in enforcing U.S. laws since 1978 makes OSI the ideal investigatory team best equipped for this important task.

The United States must, once and for all, make clear what its position is on Nazi war crimes and their perpetrators. If, prior to enactment of U.S. laws, Executive Branch agencies knowingly or unknowingly provided protection for Nazi war criminals, it is essential that history record the truth. As elected representatives of the people, we have an obligation to them and they have a right to know.

Sincerely,

William Lehman, Bill Green, Hamilton Fish, Jr., Sam Gejdenson, Don Edwards, Sidney R. Yates, Phillip Burton, Dante B. Fascell, Stephen J. Solarz, Members of Congress.

Mr. Speaker, on several occasions in the past, I have sought to bring to our colleagues' attention the deplorable fact that Nazi war criminals are still living in the United States. Furthermore, allegations of cooperation between executive branch agencies and Nazi war criminals continue to surface. I would like to again stress the importance of continuing to take a leadership role in insuring that our Government bring to justice Nazi war criminals who have sought and received refuge in the United States. The Congress is responsible for enacting legislation to deport war criminals who fraudently gained entry into the United States and to prevent their entry into this country as immigrants or visitors.

Congressional efforts were successful in establishing the special unit within the Department of Justice, the Office of Special Investigations, to enforce these laws. In 1974, the Judiciary Committee held hearings to begin to uncover the widespread allegations that Nazi war criminals were living in the United States. Public attention was brought to the fact that our country is still a haven for some who fraudently entered the United States after the war. Many came from the countries of Eastern Europe, lied about their wartime activities to immigration officials, and eventually became naturalized citizens.

For nearly 30 years, there had been no interest on the part of the Justice Department to investigate and prosecute alleged war criminals who had been recognized by their victims to be some of Hitler's infamous henchmen. It is an unfortunate part of post-World War II history that no one single denaturalization case was brought by our Government against a Nazi war criminal living in this country.

As a result of the efforts of former Congresswoman Elizabeth Holtzman and the House Judiciary Subcommittee on Immigration, as well as the strong support of many committed colleagues whose bipartisan support has since grown in the House and Senate, a special unit—the Office of Special Investigations (OSI)—was established in the Department of Justice. Its sole job is to investigate and prosecute alleged Nazi war criminals with a staff of 50, which includes lawyers, investigators, historians, and paralegals, and a modest budget. OSI recently secured the deportation agreement of Hans Lipschis of Chicago, an Auschwitz guard for more than 3 years, who will be deported in April 1983 and will become the first Nazi war criminal to be deported from the United States.

Before OSI was created, during the years when the Immigration and Naturalization Service was responsible for bringing former Nazi war criminals to trail, INS was negligent in failing to investigate charges. Despite credible allegations over a 25-year-period, INS made no serious effort to pursue the investigation of the charges. It failed to interview available witnesses, many of whom are no longer living, refused to pursue leads brought to its attention, and made no effort at all to upgrade or centralize the investigation to enable prompt prosecution to proceed in a professional manner.

The Immigration Service's failure to investigate these cases was matched by its refusal to locate evidence in foreign countries. INS did not check the main war crimes documents center in Berlin; it did not even contact Israel where so much evidence existed. It refused to seek evidence from the Eastern European countries where most of the war crimes had been committed.

Against this background, it is not surprising that not one criminal has yet been deported since World War II. The one exception to the total negligence of our Government was the case of Hermine Ryan, a former concentration camp guard living in Queens, N.Y., who in 1973 consented to denat-

uralization and was extradited to West Germany to stand trial for war crimes.

Since the establishment of the Office of Special Investigations in 1977, cases worthy of investigation were finally pursued and, despite the time lapse, much progress has been made. The unit, which has now been upgraded and transferred to the criminal division, won its denaturalization case against Feodor Fedorenko, a case involving an alleged Nazi war criminal who, the Justice Department charged, served as an armed guard at the infamous Treblinka concentration camp where he beat and shot Jewish prisoners. His deportation appeal is now pending court decision. Former Attorney General Benjamin Civiletti set a precedent by appearing before the Supreme Court on behalf of the Government against Fedorenko. Valerian Trifa, living in Detroit, charged with being a leader of the fascist Iron Guard in Romania, concealed the fact that he advocated the killing of Jews and others and participated in activities resulting in murders of innocent people. He has been ordered deported, and the Justice Department is now approaching governments to arrange for his deportation.

Success in these cases is illustrative of the important progress that has resulted from congressional attention and criticism of our Government's failure to seek evidence from foreign sources. When, in 1976, the INS finally sent a team of investigators to Israel, the evidence brought back provided the basis for filing eight denaturalization and deportation cases, and the cooperation of many governments has made progress in many recent cases possible. One can only speculate on how many more cases could have been brought had this been done 5, 10, or 20 years previously. Since 1978, Justice Department investigators have traveled to the Soviet Union and Eastern Europe to confer with government officials and to gather evidence. Several countries, such as Poland, have permitted U.S. prosecutors access to government archives. All this has led to a substantial increase in the flow of documentary evidence and to the development of innovative techniques to make available eyewitness testimony for use in trials in this country. Although the Soviet Union has been reluctant to permit witnesses to come to the United States, officials there have allowed U.S. prosecutors to videotape witnesses, with defense attorneys present, for use in proceedings in this country. Statements taken in this manner were used for the first time in the trial of alleged Nazi war criminal Wolodymir Osidach in Philadelphia.

Because the Office of Special Investigations had no separate funding or autonomy from INS, the unit was, from the beginning, plagued with funding, staffing, and bureaucratic problems. In hearings, the Judiciary Committee discovered that less than $250,000 of the over $2 million specifically authorized by Congress that year for the investigation of alleged war criminals was spent, despite the Justice Department's own Office of Legal Counsel's conclusion that INS was legally obligated to make the full amount available. Delays in hiring personnel were encountered while cases in litigation were increasing at that time.

It became necessary for Congress to insure that the unit's operation and funding were protected. When, in 1979, the Justice Department agreed with congressional requests to upgrade the unit, the Justice Department testified in hearings that it would set aside the full authorized funding for the unit's operation, raise its staff to 50, earmark its funding, and transfer the unit from the Immigration Service to the criminal division.

Subsequently, the Lehman-Holtzman amendment raised to $2.3 million the amount appropriated for Nazi investigations and prosecution. Our amendment passed unanimously and was signed into law. Now that OSI is an autonomous part of the criminal division, we in Congress must remain vigilant that the previous experiences are not repeated. Every year we must insure that OSI continues to receive an earmarked authorization so that it will without a doubt receive the full funding appropriated by Congress.

I am happy to note that the administration's budget justification for the unit's 1984 operation of $2.676 million was strongly endorsed by Chairman RODINO and members of the Judiciary Committee at hearings this week, and by Attorney General Smith during his presentation to the committee. This amount remains at the same level as that appropriated in fiscal year 1983.

Mr. Speaker, some would argue that, because over 30 years have elapsed since the end of World War II, we should forget the atrocities that occurred so long ago. They argue that the criminals are too old, incompetent, or ill to be punished or that the ability to achieve anonymity somehow washes away the past. To yield to these arguments would be to pronounce the acceptance of genocide, brutality, human indignity. A simple examination of the record of these cases being litigated argues for justice to be fulfilled. Denaturalization and deportation are modest punishments in no way matching the gravity of the crimes.

Our law, Public Law 95-549, gives direct authority to the Justice Department to act against all those who persecuted others under the Nazi Government of Germany or its allies—to deport post-1953 entrants and to bar from our shores those who wish to immigrate or visit as tourists. The bill also facilitates efforts to deport war criminals who, although under an order of deportation, have avoided expulsion by claiming they would be politically persecuted if returned to their native countries. The law instructs the State Department to deny visas for visits by former Nazi war criminals, which would have prohibited Klaus Barbie from entering the United States if the law had been enacted earlier.

Passage of this legislation was an important achievement. Prior to its enactment, there was simply no bar to the entry of individuals who had engaged in persecution under the Nazis who wished to come to the United States after 1953. The Displaced Persons Act, which expired in 1953, did contain such a prohibition. It is ironic that before this legislation, our immigration laws prohibited the entry of everyone from polygamists to marihuana smokers, but held its doors open to Nazi war criminals.

Regardless of whether these crimes were committed yesterday or 30 years ago, if Nazi war criminals have found refuge in the United States, we have a legal and a moral obligation to bar them from this country. I ask for your continued support in these efforts.

THOUGHTS ON WAR AND PEACE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. GINGRICH) is recognized for 60 minutes.

Mr. GINGRICH. I thank the Speaker.

Mr. Speaker, I think this evening's rational debate and commonsense won a victory. It was a victory of the House and not just a victory for any partisan cause. Clearly it would have been impossible for the Representatives by themselves to have won the last vote. But many Democrats were willing to join in an effort to say that in fact the nuclear freeze effort and the whole debate over nuclear weapons is too important to be gagged or to be forced to a sudden conclusion.

Earlier, the Speaker made the comment that it was a vote of conscience above partisanship. I agree; in fact precisely because it is such an important vote of conscience it was sad to watch the majority leadership attempt to gag and rush the bill. My response would be that precisely because this is a vote of conscience it needs to be open to a debate of conscience. Frankly, a reading of the CONGRESSIONAL RECORD or a review of the video tapes will indicate a level of disarray in the supporters in interpreting their own motion that is dismaying. If they cannot agree on the right interpretation, then how could the Soviets be expected to understand this government? Under our Constitution we in

the Congress have some obligation to try to develop a foreign policy which is calm and clear and coherent. This evening's debate proves that this particular resolution is certainly not clear and that its own sponsors are certainly not coherent in trying to explain it. They often disagreed during the debate about precisely what it was we were agreeing to should the motion pass. Hopefully the Committee on Foreign Affairs will now take the time to fundamentally rewrite and clarify what has to be considered an inappropriately designed document. As they look at it, I hope they will consider at a more fundamental level the issues raised by the nuclear freeze movement.

Frankly, our concern as a nation and as a people is not with nuclear weapons, it is with nuclear war. Our fear is not with procurement, it is with use. And we have to confront two issues, if in fact in the real world we are to be successful in dealing with the question of how we as a nation preserve the peace, preserve our freedom, and insure that nuclear weapons are never used in a war. Those two issues are first, the issue of freedom and, second, the issue of nuclear war.

First we must discuss morality. It is fascinating for a nation which has recently been intrigued with the nuclear freeze that two major events occurred on television that provide a base of information to think about foreign policy. The first, the "Winds of War," which taught an entire new generation that evil can roam the planet, that men like Hitler can arise, that aggressive nations can exist, and that the only safety for a democracy is in strength. And second a brilliant "Masterpiece Theater" presentation of "Churchill, The Wilderness Years"—a series summarized in Martin Gilbert's book by the same name—which reminded us that freedom survives only if it is strong enough to overcome all aggression.

□ 2340

The democracies exist only if they are strong enough to protect themselves against dictators.

The front piece of Gilbert's book on Churchill, "The Wilderness Years," has a quote, January 7, 1939—after the collapse of Czechoslovakia, before the beginning of World War II—from Winston Churchill: "War is horrible, but slavery is worse."

Many people would agree with Churchill that as terrible as war is slavery is an even worse fate. Some would disagree. For those this debate really means nothing. But those who in fact think freedom is worth protecting, have to ask a second question.

If indeed freedom for us is worth protecting then if we go back to the biblical story of the good Samaritan. Remember that the story is about a man on the road, who had been attacked by robbers, stripped, and left injured. The good Samaritan was the only person who would protect him. The question we must ask then is: What would have happened if instead of the good Samaritan arriving only after the man was in a position in which he needed help, what if the good Samaritan had arrived earlier? What if the good Samaritan had come along at a time when the man was being attacked? Would he have had a moral obligation to protect that man or could he have walked on by?

Rather than simply helping the weak and the helpless, what would his obligation have been toward actually doing something?

I commend every citizen now that we have a break in the nuclear freeze debate, a new paper by Michael Novak, entitled "Moral Clarity in the Nuclear Age." This has been published recently in Catholicism in Crisis and it is available from Michael Novak or my office or other sources. It is a stunning 23-page answer to the bishops.

In there, Michael Novak raises a fundamental issue.

Mr. WRIGHT. Mr. Speaker, would the gentleman yield?

Mr. GINGRICH. I would be delighted to yield to my good friend, the gentleman from Texas.

Mr. WRIGHT. I thank the gentleman for yielding.

I did not ask him to yield earlier because I wanted the gentleman to have the opportunity to develop the thoughts that were on his mind.

There is a great deal in what the gentleman has been saying which is of value. There is some of it which I think all of us would find thoroughly agreeable. Surely that marvelous parable of the Samaritan is one from which all of us can profit and prosper.

But I do hope that the gentleman from Georgia will reflect in the same spirit of the Samaritan whose story was told by the master storyteller in response to a question posed by a lawyer who said, "What is my neighbor?" upon his responsibility to his neighbors, even those who have opposite political persuasion and will retract from his earlier remarks, his gratuitous conclusion that the leadership was trying to gag the membership and prevent their full debate on the matter which was before us today.

I thank the gentleman in the spirit of the good Samaritan and recognize that that is an unwarranted incursion upon the reputation and good will of those who happen to sit on the other side of the aisle. We have had 13 hours of debate on this bill today and I do not believe he discovered the leadership attempting to gag anybody.

I believe the gentleman would agree that there are other things than one's purse of which one might be robbed.

As was the good Samaritan discovering a man lying beside the road suffering the anguish of his wounds and the indignity of his nakedness and stopping to help that man, I am sure he would not have inflicted injury upon the reputation of another by an unwarranted incursion upon that other person's honor by suggesting to an empty Chamber for his words to be recorded unanswered in the RECORD that the leadership of this House was attempting to gag the membership. And I wish the gentleman would retract that comment in the spirit of a good Samaritan that he is.

Mr. GINGRICH. Let me say I am always entranced and educated by the remarkable eloquence of the gentleman from Texas, the distinguished majority leader. I am delighted that he was here for these brief moments and I am certain that if in his heart he did not see in any of the numerous efforts to cut off debate an effort to gag the minority, despite public protests by the minority, then I would wish to withdraw that. Because I hope that he would equally take notice of the fact that for those of us who are in the minority it seemed as though we were being gagged. And I was simply reflecting upon the passion and the feelings in our heart as we watched the leadership do things which, from our possibly inadequately, vantage point, seemed remarkably like a gag rule.

Now I hope, since he has explained it to us this evening, that as we work on these problems in the future, we could work closely together so that neither of us would either attempt to gag or think the other was attempting to gag.

In that spirit I appreciate this opportunity.

Mr. WRIGHT. The gentleman responds in a most Samaritan-like manner. He has poured in his own precious oil and ointment upon the wounds of him who lay afflicted beside the road, trudged beside his beast of burden along the way to an inn and there we shall expect that time will heal those wounds and each of us on the morrow may find ourselves renewed in spirit.

I thank the gentleman.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from New York.

Mr. KEMP. Mr. Speaker, this remarkable concordat between Old Testament justice and New Testament mercy is very much appreciated from both sides and from this gentleman. I just wonder if the good Samaritan spirit that is overflowing in the majority leader's rhetoric and sincerity would apply also to the distinguished Speaker who had some rather un-Samaritan-like thoughts to express about the views of the minority in attempting to bring to the debate

amendment that were of critical importance to the minority.

Would the gentleman from Georgia yield to the majority leader to see if that Samaritan-like spirit flows to the Speaker. I wonder if the same remarks are going to be expressed to the Speaker.

Mr. GINGRICH. I might comment that we are perilously close to St. Patrick's Day, it being only a few minutes away. And one would hesitate to in any way invoke the Speaker's name after the next 14 minutes. But certainly I would yield, if the gentleman would like, to the distinguished gentleman from Texas.

Mr. WRIGHT. I was simply going to observe that in 14 minutes it will indeed be St. Patrick's Day.

Mr. GINGRICH. Blessed day that it is.

Mr. WRIGHT. Indeed it is and I feel sure that the Speaker would want to extend to both of the gentlemen of the other side of the aisle his benignest blessings and his hope for a happy morrow.

Mr. KEMP. Tis music to our ears.

Mr. GINGRICH. Let me say it is a great pity that those who will only read this passage will fail to appreciate it. Possibly the majority leader might annotate his comments by placing accent marks or a reference to Irish dialect for future readers who will miss the video tape opportunity.

Let me go on and say and I do appreciate the spirit in which the gentleman's comments were offered. And I hope that all of the viewers and all of the readers can appreciate that, while we may passionately disagree in this body, that all of us cherish the great tradition of freedom and argumentation among free men and women who may differ, but who, over time collectively, have given us what Winston Churchill once said was the least bad of all forms of government, if not necessarily a Utopia.

□ 2350

Mr. KEMP. Mr. Speaker, would the gentleman yield?

Mr. GINGRICH. Certainly.

Mr. KEMP. I heard Winston Churchill mentioned and in the spirit of this occasion and in the Churchillian leadership that was presented to the House today, not just by the gentleman from Georgia, but my friend, the gentleman from Texas, the majority leader, Churchill one time said that, "We arm to parlay."

The purpose of arms is to be able to negotiate in a credible way with one's adversaries. Of course, he said that in 1938 and 1939 and 1940 at a time when his great country was beleaguered and threatened with extinction. There were Members of the U.S. Congress who at that time were so neutral as to suggest that Britain give up the islands and move their people to Canada so as to appease Mr. Hitler and to give him what he wanted in the hopes of peace.

I am not suggesting anything by that statement except that lessons of history are extremely important. Words are important, as the gentleman from Georgia has pointed out today. They are precious. Once they are gone, they never come back. What we say is critical to the future of not only our own political careers, but more importantly to the future of this beloved Republic.

As a great Churchill fan, as someone who loves history, as I know the gentleman from Georgia does and as does the great majority leader, the gentleman from Texas, I would like to ask unanimous consent of the House and particularly my friend, the gentleman from Georgia, if after his remarks he would allow me to add to those remarks a speech given about Winston Churchill on the occasion of a great speech that Mr. Churchill gave at Westminster College about the lessons of history, some lessons about the nuclear freeze movement and other views of Mr. Churchill on the meaning of the thirties and how it applied to the future of our great Republic. It was given by Caspar Weinberger, our Secretary of Defense. I was particularly moved by the words.

Again, I admire Mr. Churchill very much.

The SPEAKER pro tempore. Does the gentleman from New York have a unanimous-consent request?

Mr. KEMP. Mr. Speaker, I ask unanimous consent that the remarks by the Secretary of Defense, Caspar Weinberger, be included at the finish of the remarks of the gentleman from Georgia.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EMERSON. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Missouri.

Mr. EMERSON. I just want to note with gratitude that the gentleman from New York has inserted Secretary Weinberger's speech in the RECORD which was delivered last Friday at my alma mater and it was a great pleasure for me to be able to accompany the Secretary to Westminster on that occasion and to present him for an honorary degree.

I commend to the House the reading of Secretary Weinberger's comments on the occasion of the annual John Findley Green lecture at Westminster College, which back indeed in 1946 then the leader of the opposition in the House of Commons gave that speech and it was there that the phrase "the Iron Curtain" was coined.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield one more time.

Mr. WRIGHT. I just have an additional comment about Winston Churchill, surely one of the truly great spirits of our time.

If I correctly recall on the one occasion in which Mr. Churchill addressed this body toward the end of World War II, he commented, "I can't help reflecting that if my father had been an American and my mother a Britain, rather than the other way around, I might have got here on my own."

Indeed, I think he would have.

Mr. GINGRICH. I appreciate the comment of the majority leader.

In that tradition, I will get to Churchill in a moment, but let me pick up again with Michael Novak's superb statement on moral clarity in the nuclear age. He first starts answering the good Samaritan question by saying:

> To defend the dignity of human life is both the motive force of peace and the just cause of war. When an unjust aggressor injures human dignity, to stand aside is a form of complicity and collusion. To resist an unjust aggressor with proportionate means is demanded by justice. Thus, human dignity is the cause both of just peace and of just war. As there are wars which are unjust, so also is there peace which is unjust.

Mr. Novak goes on to make the argument, and again I quote:

> When Jesus speaks of peace, it is not as the absence of war between nations or as an end to persecution or as a cessation of injustice or as an end to terror and lies, but rather as a form of knowing and being in union with God, a peace which the world cannot give.—John 14:27

It is worth noting that no one in the New Testament thinks of telling the Roman centurions to give up their military careers, neither Jesus, Matthew 8: 5-13; nor John the Baptist, Luke 3: 14; nor St. Paul, Acts 22: 25.

Again to quote Mr. Novak: "History is open. Therefore one must always say, 'Peace is always possible.'"

We again heed John Paul the Second, when he observes:

> That in this world a totally and permanently peaceful human society is unfortunately a utopia, and that ideologies that hold up that prospect as easily attainable are based on hopes that cannot be realized, whatever the reason behind them.

One might suggest in the phrase of Pope John Paul II, that at least part of the freeze movement is an ideology that holds up that prospect as easily attainable.

Furthermore, it is fair to say, and again I quote:

> From some early Christians through Dorothy Day and Martin Luther King, Jr., some Christians, joining others like Leo Tolstoy, Mahatma Ghandi, and Norman Thomas hold that any use of military force is incompatible with the Christian vocation, yet we observe that the calling out of the National Guard and Federal Marshals was indispensible to the movement led by

Martin Luther King, Jr.; that the defeat of Hitler in the North Atlantic was indispensible to the preservation of the liberties of Dorothy Day and Norman Thomas.

For this, Reinhold Niebuhr, Sidney Hook, and others, broke from them.

The point Mr. Novak is making is we are faced with fundamental problems in the real world. Whatever our ideas and our hopes, there are realities necessary to be met.

Again he quotes from C.S. Lewis:

Only liberal societies tolerate pacifists. In the liberal society, the number of pacifists will either be large enough to cripple the state as a belligerent, or not. If not, you have done nothing. If it is large enough, then you have handed over the state which does tolerate pacifists to its totalitarian neighbor who does not. Pacifism of this kind is taking the straight road to a world in which there will be no pacifists.

He goes on to say:

With C. S. Lewis we hold that pacifism fails to meet the tests of the Catholic tradition of realism. And again: It invites the very assault upon human dignity it desires to avoid. Thus, pacifism in American churches and universities during the 1930's led Japanese admirals and Hitler to conclude falsely that the United States lacked the resolve to defend itself and help tempt them into World War II.

He goes on to say:

Purity of heart leads the pacifist to refuse to restrain an aggressor who is injuring an innocent. By contrast, St. Augustine understood the command of love to entail a just defense of the innocent. This is because St. Augustine understood that the world of history is in part evil and that action to restrain evil is an essential component of justice in this world.

In foreign policy at least, the central failure of American liberalism has been its inability to come to grips with the fact there is evil in the world, that that evil in fact endangers our very freedoms. If evil is allowed to believe it can get away with things, all of us may face a grim future. Thus, we are morally committed to freedom, to the dignity of humans, to helping in the just defense of the innocent even if it requires war or the risk of war. To live out our obligations in the real world requires calm, sober realism.

As Pope John Paul II said:

Christian optimism based on the glorious cross of Christ and the outpouring of the Holy Spirit is no excuse for self deception. For Christians, peace on Earth is always a challenge because of the presence of sin in man's heart.

Again, one has to ask, particularly after the confusion of today's debate, whether or not excuses for self deception are precisely what we have been offered.

As the proposed layman's letter explains it, and in terms of all hyperbole, overkill and emotionalism of the people who were debating, as one gentleman said, "We have enough weapons to possibly eliminate the Earth." As though that were a new event and a new possibility.

As a former history teacher, I agree with Mr. Novak, who puts it in the right context:

From biblical times the human face has often been warned that God might will or permit its destruction. When Cain slew Abel, he prefigured the possibility of a threat to all the progeny of Adam and Eve, including himself; for by the same passion he might have slain not only his brother, but his parents and finally himself.

So also in the story of Noah. The Bible instructs us in the image of the destruction of the whole world by flood and warns us of God's threat to destroy all the world by fire. Sodom, Gomorrah, and other cities were utterly destroyed in vivid biblical warning, as was the Temple of Jerusalem.

□ 2400

To live under the threat of flood, fire, glacier, plague, pestilence, war and destruction is not novel for an imagination attuned to biblical history. Accounts in the Book of Revelations exceed even 20th century horrors, the sack of Rome, the leveling of the glories of Greece and Rome, and the coming night of barbarism inspired St. Augustine, as he penned "The City of God" in opposition to secular millenarianism and a false sense of catastrophe in his time.

The ruin of civilization is not a theme new to our time, nor is the theme of the destruction of all things living. Jewish and Christian conscience has long been steeled by contemplation of the fragility of this world and the overpowering sovereignty of God. Famed catastrophism is more shallow than biblical realism.

In other words, were one to read today's record, one might question how often we have, in fact, been hearing people who either were not aware of the Bible or aware of history. They were repeating the secular millenarianism, with a false sense of catastrophe, who in fact were feigning catastrophism which, as Mr. Novak points out, is more shallow than biblical realism.

Mr. Novak goes on to state, and I quote:

In fulfilling the moral imperative to prevent the two uses of nuclear weapons, therefore, Christian citizens must exercise clear and sustained thought. Any flight of reason into panic must be quietly resisted, and every flight into illusion pricked by critical judgment. These are times when dramatic gestures and grand fantasies not only appeal to many but also are easily magnified by the mass media of communication. Both for good and for ill, the mobilization of the masses has frequently characterized life in this century.

Neither slogans nor simple solutions, neither good intentions or cold fear are suitable substitutes for clear thinking and prudent judgment. Questions of this magnitude cannot be left to experts, governmental or ecclesiastical, but must be prayerfully and lucidly reflected upon by all citizens. Only a broadly supported, carefully reasoned public policy sustained over decades gives promise of meeting the imperative laid upon all of us. Strong majorities must grasp and nourish such a policy.

Frankly, anyone who reads Mr. Novak's letter and compares it with today's debate, will conclude that on this debate fails and this freeze resolution fails to address Novak's reasoning.

What, then, are the realities which the Committee on Foreign Affairs should look at if it reconsiders the resolution? I believe they are two.

First is the horror of scientific weapons, as Vatican-II describe them.

Second is the horror of the Soviet Union as a moral cancer against humanity.

First, scientific weapons must include chemical and bacteriological weapons as well as nuclear. They are all the modern horrors that threaten indiscriminate death to noncombatants. We have crossed a threshold in horror. It really began with World War I and extended into World War II. Consider, as both gentlemen mentioned earlier, Winston Churchill in his writings in 1929 when he said:

Science unfolded her treasures and her secrets to the desperate demands of men and placed in their hands agencies and apparatus almost decisive in their character. In consequence, many novel features presented themselves. Instead of fortified towns being starved, whole nations were methodically subjected or sought to be subjected to the process of reduction by famine. The entire population in one capacity or another took part in the war. All were equally the object of attack.

The air opened paths along which death and terror could be carried far behind the lines of the actual armies to women, children, the aged, the sick, who in earlier struggles would perforce have been left untouched.

Marvelous organization of railroad, steamship and motor vehicles placed and maintained tens of millions of men continuously in action.

Healing and surgery in exquisite developments returned them again and again to the shambles. Nothing was wasted that could contribute to the process of waste, the last dying kick was brought into military utility.

But all that happened in the four years of the great war was only a prelude to what was preparing for the fifth. The campaign of the year 1919 would have witnessed an immense succession to the powers of destruction. Had the Germans retained the morale to make good their retreat to the Rhine, they would have been assaulted in the summer of 1919 by with forces and by methods incomparably more prodigious than any yet employed. Thousands of airplanes would have shattered their cities, scores of thousands of cannon would have blasted their front. Arrangements were being made to carry simultaneously a quarter of a million men, together with all their requirements, continuously forward across country and mechanical vehicles moving 10 or 15 miles each day.

Poison gases of incredible malignity against which only a secret mask which the Germans could not obtain in time was proof, would have stifled all resistance and paralyzed all life on the hostile front subjected to attack.

No doubt the Germans, too, had their plans, but the hour of wrath had passed. The signal of relief was given, and the hor-

rors of 1919 remained buried in the archives of the great antagonists.

It is in these circumstances that we entered upon that period of exhaustion which has been described as Peace. It gives us, at any rate, an opportunity to consider the general situation. Certain somber facts emerge, solid, inexorable, like the shapes of mountains from drifting mist. It is established that henceforward whole populations will take part in war, all doing their utmost, all subjected to the fury of the enemy.

It is established that nations who believe their life is at stake will not be restrained from using any means to secure their existence. It is probably—nay, certain—that among the means which will next time be at their disposal will be agencies and processes of destruction wholesale, unlimited, and perhaps, once launched, uncontrollable.

Mankind has never been in this position before. Without having improved appreciably in virtue or enjoying wider guidance, it has got into its hands for the first time the tools by which it can unfailingly accomplish its own extermination. That is the point in human destinies to which all the glories and toils of men have at last led them. They would do well to pause and ponder upon their new responsibilities.

Death stands at attention, obedient, expectant, ready to serve, ready to shear away the peoples en masse; ready, if called on, to pulverize, without hope of repair, what is left of civilization. He awaits only the word of command. He awaits it from a frail, bewildered being, long his victim, now—for one occasion only—his master.

Churchill went on to say in opening his great history of the Second World War, and I quote:

All this was published on January 1, 1929. Now, on another New Year's Day eighteen years later, I could not write it differently. All the words and actions for which I am accountable between the wars had as their object only the prevention of a second World War; and, of course, making sure that if the worst happened we won, or at least survived. There can hardly ever have been a war more easy to prevent than this second Armageddon. I have always been ready to use force in order to defy tyranny or ward off ruin. But had our British, American, and Allied affairs been conducted with the ordinary consistency and commonsense usual in decent households, there was no need for Force to march unaccompanied by Law; and Strength, moreover, could have been used in righteous causes with little risk of bloodshed.

In their loss of purpose, in their abandonment even of the themes they most sincerely espoused, Britain, France, and most of all, because of their immense power and impartiality, the United States, allowed conditions to be gradually built up which led to the very climax they dreaded most. They have only to repeat the same well-meaning, shortsighted behavior—

And I repeat that quote—

They have only to repeat the same well-meaning, shortsighted behavior towards the new problems which in singular resemblance confront us today to bring about a third convulsion from which none may live to tell the tale.

It is a tragedy that Churchill's warnings in the 1930's were ignored, that the principles he espoused have died away. It is a tragedy that his warnings after World War II were ignored and the principles allowed to die away; 20 million civilians died in World War I; 51 million died in World War II; vastly more would die in World War III. But we have a problem: Simply wishing for peace will not bring us peace. Simply disarming us will not bring about global disarmament. Indeed, the weaker the United States is, the more likely we are to have war.

Let me quote Churchill again, talking about Germany and France, that you can replace Germany with Russia and France with America:

I should very much regret to see any approximation in military strength between Germany and France. Those who speak of that as though it were right, or even a question of fair dealing, altogether underrate the gravity of the European situation. I would say to those who would like to see Germany and France on an equal footing in armaments: "Do you wish for war"? For my part, I earnestly hope that no such approximation will take place during my lifetime or that of my children.

□ 2410

In other words, precisely those who call for equality, precisely those who wish to deal with the United States and the Soviet Union as though we two were morally equal are faced with a great problem. We are not equal morally, and unfortunately, equality of power gives the aggressor advantages. Democracies need strength, not weakness, if freedom is to survive and peace is to be preserved. Again I quote Churchill:

In 1933, the students of the Oxford Union, under the inspiration of a Mr. Joad, passed their ever-shameful resolution, "That this house refuses to fight for King and country." It was easy to laugh off such an episode in England, but in Germany, in Russia, in Italy, in Japan, the idea of a decadent, degenerate Britain took deep root and swayed many calculations. Little did the foolish boys who passed the resolution dream that they were destined quite soon to conquer or fall gloriously in the ensuing war, and prove themselves the finest generation ever bred in Britain. Less excuse can be found for their elders, who had no chance of self-repudiation in action.

If we were to take seriously the lessons of the 1930's, the lessons of dealing with dictatorships, and the lessons of how a democracy survives without war—if we were to listen to Mr. Churchill—it would be hard to find words more condemning of the freeze resolution or of the confused, incoherent argument of today. Indeed, he went on to make the point that it is not weapons that we must focus on, it is politics; it is not the armaments, it is the men. And I quote again from July 13, 1934, Mr. Churchill:

I am very glad that the Disarmament Conference is passing out of life into history. It is the greatest mistake to mix up disarmament with peace. When you have peace you will have disarmament. But there has been during these recent years a steady deterioration in the relations between different countries, a steady growth of ill-will, and a steady, indeed a rapid increase in armaments that has gone on through all these years in spite of the endless flow of oratory, of perorations, of well-meaning sentiments, of banquets, which have marked this epoch.

Europe will be secure when nations no longer feel themselves in great danger, as many of them do now. Then the pressure and the burden of armaments will fall away automatically, as they ought to have done in a long peace; and it might be quite easy to seal a movement of that character by some general agreement. I hope, indeed, that we have now also reached the end of the period of the Government pressing France—this peaceful France with no militarism—to weaken her armed forces. I rejoice that the French have not taken the advice which has been offered to them so freely from various quarters,* * *.

As he said, it is the greatest mistake to mix up disarmament and peace. When you have peace, you will have disarmament. But there has been, during these recent years, a steady deterioration in relations between different countries.

It is frightening and saddening that, in all of today's debate, not a single Member who favored the freeze mentioned some important facts. None of them mentioned there are Soviet advisors in Nicaragua, that the Soviets and their puppets are building an airfield in Grenada, that there is a Soviet brigade in Cuba, that the Soviet Union is actually fighting in Afghanistan, or that there is evidence the Soviet Union is using gas and chemical weapons in both Afghanistan and Southeast Asia. Nobody mentioned the fact that the KGB may well be implicated through the Bulgarians in trying to kill the Pope, or that in fact the Soviet Union is a police state of the worst sort. Instead, we are asked to believe that both the United States and the Soviet Union are reasonable countries, and that Washington may be as great a danger to our peace as the Soviet Union. "Ah, you say, but the Soviet Union is not Nazi Germany, and this is not the 1930's."

How so? I ask. The Soviet Union is a worse police state than Nazi Germany. The Soviet Union has conquered almost as many countries as Nazi Germany at its peak. The KGB, the Soviet secret police, is bigger than the Gestapo, the Nazi secret police. Soviet concentration camps have had far more people in them than German concentration camps. The Soviet military buildup is bigger than the Nazi military buildup. Pravda is at least as inaccurate and propagandistic as Goebels. The prejudice that motivated Soviet holocaust was economic in enslaving middle class peasants instead of racial in murdering Jews, but Stalin actually killed more people than Hitler. The Soviet state is racist. Ask any informed American about anti-Semitism, the refuseniks, and the KGB.

Finally, the political system that leads to power in the Soviet Union is closer to the Mafia than to our system in the moral quality of its impact on people at the top. Andropov is in fact the Heinrich Himmler of the Soviet Union. Himmler headed the Gestapo, and Andropov headed the KGB. They are morally identical. Immagine if Hitler had died in 1938 and Himmler had left the Gestapo to succeed him. Would that then have made their policies legitimate? Would Chamberlain then have been proved right?

If all this is true, why do we hear so little about it? The shame of American liberalism has been that it is resolutely and arrogantly unwilling to face reality or to accept responsibility for its past.

Please do not misunderstand me. Liberalism has made three great contributions to American politics in my lifetime. It has vigorously fought racism at home and abroad, it has created compassion for the poor and the helpless, and it has raised the issue of the horror of war. However, liberalism in action has been consistently wrong in the last two decades in dealing with communism. It was wrong in Vietnam. The Clark amendment was and is wrong in Africa. It has cost us ground in Angola and Mozambique, and in fact Nkomo's recent fleeing of Zimbabwe is clear proof that, as many warned, there is a real danger of dictatorship and loss of freedom there.

In retrospect it is hard to believe that liberals were right in condemning the Shah or that Khomeini is a better leader for Iran than the Shah was. There is inadequate evidence, or there is inadequate argument, about the Helsinki failures and the fact that the Soviets are now consistently breaking agreements.

Liberalism has still not confronted the fact of the Soviets in Afghanistan or Poland. There was a tragic interview with President Carter in 1980 when he said, after the Russians had gone into Afghanistan, that, yes, he was beginning to believe that maybe, just possibly, the Soviets were bad.

It is tragic that the Foreign Affairs Committee will argue mightily over less than 100 American advisers in El Salvador while basically ignoring Soviet efforts in Nicaragua, Cuba, and Grenada. It is equally interesting that there have been far more public hearings about Watergate than there will ever be in this country about efforts to assassinate the Pope.

Today in El Salvador, the people who have ignored the lessons of the past, the people who have ignored the lessons of the boat people, of Ho Chi Minh City, of the hostages in Iran, of repression in Poland, of the brutal war in Afghanistan, and of chemical warfare in Cambodia and Laos, these people now oppose aid to a non-Communist government under attack in El Salvador, and these people propose a freeze with the Soviet military state.

Encouragingly, Fox Butterworth's recent article in the New York Times is the beginning of a serious effort in the news media to revitalize themselves and to think anew their past coverage. Jim Minter's recent editorials in the Atlanta Constitution and Journal are an encouraging step toward the news media's at least confronting its failures.

However, if liberalism is blind to communism, conservatism, which has been alert to the Soviet Union, has its own blind spots. Conservatism has been grossly inadequate on the very issues where liberalism has succeeded. It has been inadequate in dealing with racism at home and abroad. It has been inadequate in its compassion for the poor and disadvantaged, and it has been inadequate in dealing with the horrors of war. And tonight I would like to focus briefly on the horrors of war.

World War I was horrible. In its impact on the imagination, it produced "All Quiet on the Western Front," it shattered Victorian values, and it broke the morale of the West. World War II was even more horrible, so horrible that it outstripped the London blitz, the rape of Nanking, the atomic bombs at Nagaskai and Hiroshima, and the even more destructive fire bombings of Hamburg, Dresden, and Tokyo. World War II produced numbness instead of horror.

However, World War II had another difference. While World War I seemed to be senseless, a horror with no result, World War II was a success. It worked. The world is better than it was under Hitler and Mussolini. Consequently, the horror was seen as the cost of victory and thus as more acceptable.

Modern conservatism learned the lesson of victory but failed to heed Churchill's warning about avoidability. It is important to recognize that Churchill did not call World War II the just or the inevitable or the necessary war, quite the opposite. He called it the unnecessary war; the most easily avoidable war.

World War III is equally unnecessary. While we have nuclear weapons, we do not have to use them. However, surviving with freedom and peace will not be easy. Indeed it will take great effort and great patience, in fact more patience than some people are willing to show in today's debate.

There are certain principles of history which are necessary if we are to avoid the twin horrors of war and tyranny. Those principles, I believe, are seven in number. First, we must accept the fact that strength is vital, and that in the end deterrence and peace rely on the minds of Soviet military analysts deciding that in fact the Soviet Union could not win a war.

Second, peace must be based on a thorough knowledge of our opponent. To have a serious proposal about a nuclear freeze and to have hours of debate and never have a single spokesman for the freeze talk in detail about the nature of the Soviet Union, the Soviet nuclear doctrine or the nature of the Soviet political system is, I think, an act of total Utopianism and naivete. We must know our opponent, and we must base our policies on a realistic assessment of the Soviet police state.

Third, we must base our efforts on goals and real progress. Frankly, the proposal by the gentleman from Tennessee (Mr. GORE), aimed at eliminating or moving back the prospect of a first strike, and the efforts by the gentleman in the other body, Mr. COHEN and Mr. NUNN, give us steps toward real progress. Because we do not want just arms controls, we want war control. We want to be able to push off and possibly in the end avoid any prospect of using nuclear weapons. That requires, I think, a far different effort that is more realistic and focuses on identifiable progress.

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Fourth, we cannot get excited or eager, we cannot deceive ourselves. This is precisely the road to disaster. Yet, if one were to listen to the rhetoric of the nuclear freeze movement one would believe that in fact Utopia was coming, that the Second Coming would approach if only we would pass the right resolution.

All too often that language whips up emotions and eagerness which is then dashed. Rather than learning the difficult lessons of managing in the real world, people simply grow cynical and frustrated and refuse to think. Therefore, our efforts to gain real control over nuclear war, to make sure that it never happens, must be calm, steady, and methodical in avoiding the kind of rash and irresponsible behavior which has all too often characterized a great many of the freeze advocates.

Fifth, we must rethink everything, not just the nuclear war, not just the Soviet Union, not just the numbers of weapons. We must realize that beyond nuclear there are chemical and bacteriological dangers that are awesome. Beyond the Soviet Union, we must realize that there are more and more nations that are acquiring the power to build nuclear weapons.

Finally, reducing the number of weapons even to the lowest number suggested by the most radical proponent would still leave both the Soviet Union and the United States with far more than enough weapons, if properly used, to eliminate all of our major cities. That cannot be considered a reasonable or desirable future.

No; we must in fact find ways to move beyond and to develop systems—whether it is a peace academy, whether it is a process of colocating Soviet and American astronauts in space on an observatory basis—which move the brink of war back a great distance.

Sixth, we must create a positive vision of a future world, a vision of a world which is at peace and free. We somehow must move the Soviet position and our current distances into one compatible freedom on this planet.

Finally we must dedicate ourselves to this process. We must recognize that we are just beginning, and that the journey will be long, it will be difficult, and it will be frustrating.

In closing, let me say that at a recent speech I made the point that if you really think the fate of the Earth is at stake, there is a possibility: You could study this issue. There are many volumes, for example, produced by the U.S. Air Force on Soviet military doctrine. I challenged those who are in the nuclear freeze movement to consider two things. One is the possibility of reading at least one thick major work on Soviet military doctrine. The other is the prospect of creating a ground zero movement in the Soviet Union.

I feel these were tests of sincerity. The second, of course, is extremely difficult, and the first takes time. I doubt if many of those people who think the fate of the Earth is at stake will think it is at stake enough to read an entire thick, difficult volume. Yet if we are to get to where we should be it will take real dediction, not just real emotion.

Mr. Speaker, these remarks by Secretary Weinberger are truly remarkable in the context of this debate today and the real meaning of the "freeze" movement.

REMARKS BY THE SECRETARY OF DEFENSE TO THE FACULTY AND STUDENTS AT WESTMINSTER COLLEGE, MARCH 11, 1983

When Winston Churchill turned 80 on November 30, 1954, both Houses of Parliament assembled in Westminster Hall to pay him tribute. He replied by returning that tribute to the British people. It was they, he said: "Who had the lion's heart. I had the luck to be called upon to give the roar."

Thank you for calling upon me to give the roar here at Westminster College. It was a great honor to be asked to follow in Winston Churchill's footsteps. And it was a great temptation. But you will all be relieved to hear I will resist the temptation of trying to talk like Churchill. Out of gratitude, then, you will I hope forgive my not being able to resist the temptation to talk about Churchill.

Oscar Wilde once said about an acquaintance that "his principles were all outdated, but he had some excellent prejudices." I have heard some dismiss Winston Churchill that way. I have heard some suggest that he was a good man to have around in a war, but perhaps somewhat out of date for the second half of the twentieth century.

But I too have my prejudices, and you should be warned, at the outset, that I come here today as someone who has been an unreconstructed and almost unquestioning admirer of Winston Churchill for nearly 50 years. I also come representing a generation that was profoundly affected by Winston Churchill's principles—a generation that, to many of you here, may seem more than a little outdated itself. Let me try to explain to you why I remain as strongly affected by Winston Churchill today as I was as a Harvard undergraduate.

When Winston Churchill came to Fulton in 1946 he was 71 years old. He had been through three wars. He had been rejected by the voters at the height of his triumph. He was able, as he said in his memoirs, "To say what (he) liked." And in giving one of his greatest speeches here at Westminster College he revealed not only the challenges that would face us in the second half of this century, but also the character of a great leader: The character of a prophet, a pragmatist, an idealist, and an enthusiast.

Churchill came to Fulton as a prophet. We forget that the "Iron Curtain" speech was not an unalloyed success—as usual there were those who found fault. In 1946 we had just finished and won the war, and yet, they said, Churchill was back spreading gloom and doom again.

"It is my duty," he told the Westminster College audience, "For I am sure you wish me to state the facts as I see them to you, to place before you certain facts about the present position in Europe. A shadow has fallen upon the scenes lately so lighted by the allied victory * * * from Stettin in the Baltic to Trieste in the Adriatic, an Iron Curtain has descended across the continent."

Maybe he thought we really wanted to hear the facts, or maybe he simply decided we had better hear them. By 1946 Churchill had more than earned the right to tell the world the facts, even if the world wanted only optimistic gloss. He had bought that right with years of futile warnings about the growing military might of Nazi Germany. He had bought it when he stood up in Parliament to denounce the appeasement at Munich, even though he could hardly speak above the storms of abuse from his colleagues. And he paid for it bitterly as he watched his young and valiant fellow countrymen go off to war. By the time he came to Fulton, Winston Churchill knew what it was to be the Cassandra of the Western World.

Churchill also came to Fulton as a pragmatist.

In the second most famous line of his famous speech he said: "I do not believe that Soviet Russia desires war. What they desire are the fruits of war and the indefinite expansion of their power and doctrines * * * from what I have seen of our Russian friends and allies during the war, I am convinced that there is nothing they admire so much as strength, and nothing for which they have less respect than weakness, especially military weakness."

Churchill did not propose that we fight the Soviet Union. In fact, he insisted that "I repulse the idea that a new war is inevitable; still more that it is imminent." What he did propose was that we deter a fight with the Soviet Union by demonstrating, through the strength of our Armed Force and our strength of purpose, that the Soviet Union had nothing to gain and everything to lose from aggression. Such deterrence, he predicted, would preserve the peace. And the last four decades have shown us that it has.

But Churchill had believed in a strategy of deterrence long before the atomic bomb inaugurated the era where, as Churchill put it when he spoke here, "War can find any nation, wherever it may dwell between dusk and dawn." During the 1930's he had repeatedly warned the people of France and Britain that by failing to rearm they were sending fatal signals of weakness to an adversary that worshipped only strength. He warned the British that they must stop basing their defense plans on the assumption that there would be—could be—no war for 10 years. In his memoirs years later he would say that his colleagues had "a genuine love of peace and a pathetic belief that love can be its sole foundation." Throughout his life Churchill knew that a genuine love of peace was not enough to guarantee it.

Churchill came to Fulton as an idealist. "We must never," he urged, "cease to proclaim in fearless tones the great principles of freedom and the rights of man which are the joint inheritance of the English-speaking world."

Churchill was crusty and he was intransigent, but in the end the principles he would not compromise were the principles that kept his country going through its darkest hours. Isaiah Berlin described Churchill's power this way: "So hypnotic was the force of his word, so strong his faith, that by the sheer intensity of his eloquence he bound his spell (upon the British people) until it seemed to them that he was indeed speaking what was in their hearts and minds. Doubtless it was there, but largely dormant until he had awakened it within him."

Winston Churchill awakened an entire generation on both sides of the Atlantic—the generation that would fight what Churchill always called "the unnecessary war," the generation of which I am a part.

In 1940 John F. Kennedy was still an undergraduate at Harvard, and, incidentally, a fellow toiler with me at the Harvard Crimson, when he wrote his first book: "Why England Slept." In the final pages he wrote of the lessons England held for America:

"England has been a testing ground. It has been a case of a democratic form of government, with a capitalistic economy, trying to compete with the new totalitarian system, based on an economy of rigid state control. For a country whose government and economic structure is similar to England's, and which may some day be similarly in competition with a dictatorship, there should be a valuable lesson."

The lesson Kennedy drew was this: "We must always keep our armaments equal to our commitments." or, as he would say twenty years later in his inaugural address: "only when our arms are sufficient beyond doubt can we be certain beyond doubt that they will never be employed."

The lessons the wartime generation learned from Churchill were these: We had to look danger in the face. We had to prepare to meet it—in fact, we had to accept that preparing for war was the only way to prevent it from happening. And we had to maintain confidence in ourselves, in our values, in our institutions, and in our right to defend freedom.

I know that here at Westminster College you believe Churchill has lessons to teach generations far beyond my own. If you did not, you would not be maintaining your splendid Churchill Memorial Library. Since Churchill can teach us so much about leadership, and since there are surely future leaders among the students here, I would

like to apply some of those lessons to the world we see today.

We continue to face dangers, and dangers greater than ever before. Over the past twenty years we have seen the Soviet Union accumulate enormous military power. And for too many of those years we, like the British in the 1930's, unilaterally restrained our own efforts. Today the Soviets outinvest us by nearly 2 to 1 in defense. Even with our defense increases of the past two years, they outproduce us substantially in every category of weapons.

But there are warning signs beyond these. The Soviet military is not just acquiring more and better weapons. They are developing and training what can only be interpreted as an offensive force. And they are extending their military power throughout the world, to the point where they can now threaten our access to vital resources and our air and sea lines of communication, where they can undermine our forward lines of defense in Europe and Korea, to the point where they can support revolutions worldwide and challenge us even in our own hemisphere.

This need not be cause for alarm—if it is properly viewed as a cause for action. Our policy of deterrence, like Churchill's, is eminently pragmatic. We do not believe that the Soviets will risk aggression if they are convinced that the risks would far outweight any possible benefits. In upgrading our aging nuclear deterrent forces, in modernizing our conventional forces to keep them up-to-date with the increasingly flexible, mobile, and accurate Soviet forces, we are simply maintaining the calculus of deterrence—and ensuring that these terrible equations, which I must confront every day, will produce the answer to our survival and to the survival of peace with freedom. As a defensive power we do not start fights, and we do not develop our military forces to start fights. But we need to ensure, in a changing and dangerous world, that our adversaries never conclude they could beat us in a fight of their own choosing.

At the end of World War II Churchill came to Fulton with a proposal for preserving deterrence. He urged the American people to acquire what he called, in the title of his speech, "The sinews of peace." More specifically, he urged a political and military alliance between the British Commonwealth and the United States. That specific program was never adopted. But Churchill issued the first call for what eventually became the NATO alliance, and the strategy he proposed is today our own strategy of deterrence through collective defense.

The peace that began in 1945 is with us still. The longer we have that peace the longer we are blessed. And the longer we have that peace the more some question whether it really is deterrence, and collective defense, and the sinews of peace, that keep us from war.

Let us admit we will never know. But let us also affirm that the burden of proof is with those who would argue against maintaining a strong defense. We have tested the theory of appeasement and the theory of deterrence. We have applied the principles of Munich and the principles of Fulton. Maybe we cannot draw conclusions for all times, but we can surely draw conclusions from our times.

I want also to convey, the greatest of the lessons we learned from Churchill—the lessons of the idealist.

I have great respect for many in the nuclear freeze movement, even if I greatly differ with their belief that by freezing ourselves into a position of nuclear inferiority we would preserve peace. But I hear one argument that frightens me, because this argument could destroy our ability to deter war as surely as any unilateral disarmament. And that is the argument that in the end the United States and the Soviet Union both pose a threat, and the same kind of threat to the peace and freedom of our world.

We have been reflecting on history today, and I would like to reply to that argument with a very simple historical point.

The United States in 1945 had a nuclear weapons monopoly. We could have blackmailed the world. We could have exacted political or economic tribute. Instead we inaugurated a massive aid program to help our former allies and adversaries alike rebuild their nations.

The Soviet Union, in contrast, used the immense power of the occupying Red Army to establish an empire. That empire is still standing—and is still expanding—today.

Let us never lose the power to question ourselves. But let us also never lose sight of the enduring value of our principles, of the good they have wrought.

There is a final lesson to take from Winston Churchill, a lesson I want to pass on especially to the students here today.

You are the future leaders of this Nation. And we ask a lot of our leaders in a democracy. You will be called upon to be prophets, but we may not want to listen if you give us bad news. You will be called upon to be pragmatic, but we may resist your advice if it involves sacrifice. You will be called upon to be idealists, but we may not always recognize the ideals in our own hearts.

But it is not enough, in the end, to possess a keen eye, a clear head, and a patriotic heart. You need fire too, if you are to perservere in the face of opposition, of ridicule or worse.

Teddy Roosevelt once said that it is far better "to dare mighty things, to win glorious triumphs, even though checkered by failure, than to take rank with those poor spirits who neither enjoy much nor suffer much, because they live in the gray twilight that knows not victory nor defeat."

A contemporary described the young Winston Churchill in a strikingly similar way. Churchill, he said, "does not 'hum and ha.' He is not paralyzed by the fear of consequences, nor afraid to contemplate great changes. He is out for adventure. He follows politics as he would follow the hounds."

You do not have to agree with all the politics Winston Churchill chased in his long career to admire deeply his enormous zest for the task. Even as an old man Winston Churchill brought enthusiasm and youthful joy to the fierce challenges he faced, and to the exercise of the power he needed to meet those challenges. He took great pride in his vast achievements. He savored his many triumphs. And his enthusiasm and excitement sustained him through the dark days of defeat that preceded and sometimes followed these triumphs.

In the end we cannot choose to be prophets without plans, pragmatists without a moral purpose, idealists without some means of preserving those ideals, or enthusiasts for less than the most noble of causes. It was the combination of all these qualities in Churchill that created the great leader. May we all be so blessed as we together work to preserve our great Nation, and to serve both peace and freedom in our world.

PARENTAL KIDNAPING OFFENSE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. SENSENBRENNER), is recognized for 5 minutes.

● Mr. SENSENBRENNER. Mr. Speaker, today I am introducing the Parental Kidnaping Offense Act.

I became interested in the issue of parental kidnaping, whereby a parent takes his children from another parent in violation of an existing custody decree, during the 96th Congress. During oversight hearings by the Crime Subcommittee, disturbing testimony was heard from various parents whose children had been snatched. Testimony was heard that some parents have spent over $30,000 on private detectives to find their children. In most instances, the Justice Department has been reluctant to enter these cases.

I firmly believe that the Justice Department will have no incentive to get serious about parental kidnaping until the Congress does so. The Parental Kidnaping Offense Act would provide such incentive. This bill would add a new section 1203 to title 18 of the United States Code. If enacted, it would impose criminal penalties for the intentional restraint of a child of 14 or less, by a relative by blood or marriage, guardian, foster parent or agent of such person, in violation of another person's custody or visitation rights arising out of a custody determination entitled to the benefits of the full faith and credit provisions we enacted last year. Restraint is only penalized where the child is restrained "without good cause." If the child is held in a place where he is not likely to be found for more than a week, the penalty is imprisonment up to 6 months and/or a maximum fine of $10,000. If the child is not concealed, the penalty is up to 30 days imprisonment and/or a $10,000 fine. However, in any case where the child is transported across a U.S. border, the maximum penalty is at least 1 year imprisonment and a $10,000 fine.

I believe that prompt enactment of this legislation will correct this increasing problem.

At this point, I enter the following memo:

MEMORANDUM ON THE PARENTAL KIDNAPING OFFENSE ACT

This Memorandum analyzes the need for Federal criminal penalties in parental kidnapping cases. The effects of parental kidnapping on the family unit and the lives of children is nothing less than tragic. Since the problem has little respect for State jurisdictional boundaries and authority, parental kidnapping requires a Federal offense.

The Federal government has been slow to engage in activity to reduce childnapping due to the domestic quality of the issue. Family disputes have traditionally been con-

sidered local issues to be resolved at the State level, and, therefore, inappropriate for Federal involvement. Federal government interference in the family unit is undesirable to many citizens and localities. Federal law enforcement officials and court officials are loath to apply their recourses to childnapping cases because the charges are usually dropped once the child is returned to the parent with legal custody.

Without Federal assistance, however, States have been unable to locate children with a parent in violation of a custody order because a State's authority ends at its borders and there is no uniform search mechanism between States for this problem. The activity of parental kidnapping has increased to such an alarming degree that public sentiment has risen in support of a Federal approach to the problem.

Three responses have been initiated at the Federal level to deal with this problem. Search techniques have been instituted to improve the ability of State and Federal officials to locate children subject to parental kidnapping. Uniform recognition between States or original custody decrees is enabling better enforcement of the original decrees and resulting in the return of the children. Finally, legislation creating Federal criminal penalties for childnapping has been proposed during past Congresses as a method of deterrence. These bills would help deter the parent initially from illegally taking the child, thereby avoiding the parental kidnapping, the following search, and the resulting penalties.

I. RECOGNITION OF FULL FAITH AND CREDIT OF THE ORIGINAL CUSTODY DECREE

Forty-nine States have enacted the Uniform Child Custody Jurisdiction Act, which requires that the asylum State give full faith and credit to the violated custody decree.

On December 28, 1980, President Carter signed a Pneumococcal Vaccine Bill that contained an amendment creating a new section 1738A to Title 18 to establish full faith and credit for custody orders of state courts. Specifically, child custody determinations made consistent with the following criteria by a court of one state must be enforced and may not be modified, except under certain circumstances, by the courts of other states. Custody determinations which are entitled to the benefits of this full faith and credit provision are those (1) where the court has jurisdiction over the case under its state law, and (2) where one of the following conditions is met: (a) it is the "home state" of the child, i.e., generally, where the child lived for six months immediately preceding the institution of the proceedings; (b) it appears that no other state is the "home state," the child and at least one parent have a "significant connection" with the state other than mere presence, and there is substantial evidence available in that state concerning the child's care; (c) the child is physically present in the state and has been abandoned or is threated with abuse; (d) the court has "continuing jurisdiction," i.e., the court has made a determination consistent with the provisions of Section 1738A and the law of its state, and the child or either parent continues to reside there; and (e) no other state has jurisdiction under the preceding four conditions, or another state has declined to exercise jurisdiction because it would be in the best interests of the child, and it is in the interest of the child that the second state assume jurisdiction. Finally, before a determination is made, reasonable notice and opportunity to be heard must be given to the parents and any person who has physical custody of the child.

A state court may modify the determination of another state court only if it has jurisdiction over the determination and the court of another state no longer has, or has declined to exercise, jurisdiction to modify the custody order.

II. IMPROVED SEARCH TECHNIQUES

On December 28, 1980, President Carter signed a Pneumococcal Vaccine Bill that contained an amendment authorizing the use of the Social Security Administration's Parent Locator Service to locate absent parents and children for purposes of making and enforcing child custody determinations and for enforcing parental kidnapping laws.

Also included in the Pneumococcal Bill is a statement of Congressional intent with respect to application of the Unlawful Flight to Avoid Prosecution (UFAP) statute, 18 U.S.C. § 1073. The UFAP statute, which permits prosecution of one who travels in interstate or foreign commerce with an intent to avoid prosecution for a state felony if approved by the Attorney General or his Assistant, had been used to prosecute only fifteen parental kidnappers each year. This is a direct result of a direction in the U.S. Attorneys' Manual that complaints should only be issued in "rare instances" where the "abducting parent, by reason of his or her mental condition or acute pattern of behavior (e.g., alcoholism, interpersonal violence), presents a serious threat of physical injury to the child." § 9.69.420. The Conference Report emphasized Congress' intent that the UFAP statute "apply to cases involving parental kidnapping and interstate or international flight to avoid prosecution under applicable State felony statutes" and directed the Attorney General to report to Congress biannaully for three years with respect to the Department's efforts in this area. The Statement of Managers "expressly disapproved" of the Manual's guideline.

In response to the enactment of the congressional intent that UFAP be used in child kidnapping cases, the Justice Department and the FBI revised the Department's guidelines for the use of UFAP. The guidelines reaffirmed existing Department policy to "avoid involvement in situations which are essentially domestic relations controversies." The following four requirements are prerequisites to the issuance of a warrant:

(1) "There must be probable cause to believe that a fugitive charged with a state felony has fled interstate and that his flight was for the purpose of avoiding prosecution."

(2) "It must be clear that state or local authorities are determined to take all necessary steps to secure the return of the fugitive and that it is their intention to bring him to trial on the state charge for which he is sought."

(3) "There is independent credible information establishing that the child is in physical danger or is being seriously neglected or seriously abused. Examples of independent credible information include police investigations or prior domestic complaints to police or welfare agencies."

(4) "Criminal Division authorizaion still must be obtained before seeking a fugitive felon warrant in parental abduction situations."

After several legislators expressed concern that these requirements circumvented congressional intent, the Justice Department set aside two requirements for a trial period of one year. During 1983, the UFAP will be applied to childnapping cases as all other UFAP cases—where there is probable cause that the felon has crossed state lines to avoid prosecution and where state or local officials will work to secure the return of the defendant and bring the defendant to trial.

There are three limitations to the effectiveness of this application of the UFAP, the first being the temporary nature of the statute's full effect. More importantly, the Fugitive Felon Act is not an alternative to interstate extradition, but used this cumbersome procedure. When the FBI locates and arrests an individual on a fugitive felon warrant, the fugitive is turned over to the custody of local law enforcement authorities in the asylum state to await extradition or waiver of extradition, and the federal fugitive warrant is promptly dismissed.

Finally, the UFAP is applicable only to states where parental kidnapping is a felony. This is not the penalty proscribed in many states.

III. CRIMINAL PENALTIES

Existing state kidnapping statutes often exempt parental kidnapping. Specific parental kidnapping statutes vary from state to state in a spectrum ranging between felonies and no criminal penalty whatsoever.

At the federal level, there is no parental kidnapping criminal statute and the general kidnapping statute specifically exempts parental kidnapping (28 U.S.C. S1201).

A federal criminal penalty for parental kidnapping, such as that proposed in the Parental Kidnapping Offense Act, would contribute to the effort to eradicate the parental kidnapping program without interferring with local government enforcement. The Parental Kidnapping Offense Act would only apply where the parent and the child have crossed state lines, thereby rendering the state powerless to enforce its laws. The bill would also serve as a deterrent, thereby avoiding the crime altogether.

One practical benefit under this proposal is the return of the defendant to the state of the custody decree. Unlike the UFAP statute, which deposits the parent at the local law enforcement office closest to the arrest, this bill would allow the return to the state from which the parent fled under Rule 40(b) of the Federal Rules of Criminal Procedure. This procedure is a more expedient and less cumbersome approach.

If it is determined that the recent Justice Department waiver of the UFAP statute requirements does not adequately address the problem, then the introduction of the Parental Kidnapping Offense Act would send a clear signal to all parents and federal officials that Congress is keenly interested in eliminating parental kidnapping.

Provisions of the Parental Kidnapping Offense Act

The Parental Kidnapping Offense Act would impose criminal penalties for the intentional restraint of a child of 14 or less, by a relative by blood or marriage, guardian, foster parent or agent of such person, in violation of another person's custody or visitation rights arising out of a custody determination entitled to the benefits of the full faith and credit provisions we enacted last year. Restraint is only penalized where the child is restrained "without good cause." If the child is held in a place where he is not likely to be found for more than a week, the penalty is imprisonment up to six months and/or a maximum fine of $10,000. If the child is not concealed, the penalty is up to 30 days imprisonment and/or a $10,000 fine.

However, in any case where the child is transported across a U.S. border, the maximum penalty is at least one year imprisonment and a $10,000 fine.

The bill contains several restrictions on the imposition of criminal penalties, many of which were included on the basis of criticisms voiced against parental kidnapping bills introduced in prior Congresses.●

TRIBUTE TO ADM. HYMAN G. RICKOVER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HORTON) is recognized for 15 minutes.

● Mr. HORTON. Mr. Speaker, on February 28 it was my great privilege to attend a tribute in honor of an individual who has served 63 years as a tireless and dedicated naval officer, is a superior intellect, is the "father of the nuclear Navy" and developer of the first domestic nuclear powerplant, and most importantly, is an outstanding American. Of course, I am speaking of Adm. Hyman G. Rickover.

The tribute was an enormously successful and inspirational affair. The event, in addition to honoring the admiral, also launched the Rickover Foundation—a nonprofit institution dedicated to promoting excellence among students of science, math, philosophy and literature, and or promoting an understanding of international trade and energy matters. It is with great pride that I serve as a director on the national board of directors of this foundation.

Former Presidents Carter, Ford, and Nixon attended this special event. I might add that this marked only the second time these three men have been drawn together, the first being the funeral of Egypt's late President Anwar Sadat. Several Members of Congress, Federal Government, industry and military officials, and longtime friends and associates of the admiral also participated. The common bond uniting three former Presidents, and the others who gathered for the occasion, was a deep respect and admiration for Admiral Rickover.

For me, that respect and admiration began nearly 15 years ago. Both professionally and personally, I have the highest regard for Admiral Rickover.

Professionally, I relied heavily on Admiral Rickover's expertise in my work on both the Government Operations Committee and the Joint Committee on Atomic Energy. More than any single individual, I consider the admiral responsible for the U.S. Navy's progression toward its current position as the most technologically advanced navy in the world.

On a personal basis, I admire Admiral Rickover as both an outstanding individual and American. His discipline, integrity, intelligence, and independence of thought are rare. These attributes are, I am sure, a major factor that allowed the son of a Polish immigrant to attain the stature he enjoys today. The other major factor contributing to the admiral's success, and he would be the first to agree, is the opportunities available to citizens of the United States. The admiral's dedication to his country should stand as an inspiration to all Americans. So, too, should his use of these opportunities and his dedication to seeing that these continue to be available for future generations.

My hat goes off to Admiral Rickover and to his outstanding record of service to this country. I wish to share with my colleagues the inspirational remarks delivered by Admiral Rickover at the February 28 tribute in his honor:

REMARKS BY ADM. H. G. RICKOVER

President Nixon, President Ford, President and Mr. Carter, ladies and gentlemen, I am humbled by this gracious occasion in my honor. I do not deserve to be singled out for accolades. I did not do my job alone; many competent and talented individuals assisted in the development of the first nuclear-powered ship, the *Nautilus*, and in the creation of the first nuclear-powered plant for civilian use at Shippingport, Pennsylvania. And I have always had the support of Congress, many of whom are present. I was in the Navy for more than 63 years, longer than any naval officer in our history. Nevertheless, I do not believe I have done enough for my country. I did what I wanted and was paid well for my work. And I obeyed all orders that I agreed with.

For those who consider me stubborn, let me tell you I started early. At the age of four, I was deathly sick. The doctor had to break my teeth to force medicine down my throat.

Throughout my life, my bluntness and plain language have made me "controversial." But I have always followed the laws of engineering and told the truth as I saw it, even if this was contrary to the views of my superiors.

I have always tried to save the taxpayers money and acted against those who tried to cheat the Government. At times I think my efforts have been in vain; yet I continue.

This reminds me of an ancient philosopher who came to a city, determined to save its inhabitants from sin and wickedness. Night and day he walked the streets and haunted the marketplaces. He preached against greed an envy; against falsehood and indifference. At first the people listened and smiled. Later they turned away; he no longer amused them. Finally, a child asked. "Why do you go on? Do you not see it is hopeless?"

The man answered, "In the beginning, I thought I could change men. If I still shout, it is to prevent men from changing me."

I have been retired from active duty in the U.S. Navy, but I have not and will not be retired from active duty in life. Life is the pursuit of excellence. To acquiesce in mediocrity is to destroy what has made this country respected and admired. I love my country in an old-fashioned way; she has allowed an immigrant boy to realize every opportunity available to individuals who work hard.

I was born in Poland, then a part of Russia. I was not allowed to attend public schools because of my Jewish faith. However, starting at the age of four, I attended a religious school where the only learning was from the Old Testament, in Hebrew. School hours were from sunrise to sunset, six days a week. On the seventh day, we attended the synagogue a good part of the day.

I remember the Russo-Japanese War of 1905. A company of Russian soldiers, wearing white trousers and carrying rifles, marched through our village looking for a bivouac for the night. The school served their purpose—we pupils had to leave.

I also remember the first time I ate an orange. Each year, just before the holy days, the Jewish settlers in Palestine, nearly all of whom had come from Russia or Poland, shipped boxes of oranges to the Jews in Russian and Polish towns. It was the duty of each family to buy at least one orange to help the settlers. So once each year, my mother bought an orange and shared it with my sister and me.

My father immigrated to the United States shortly before 1900, and saved enough money from his work to send tickets for my mother, my sister, and me. My mother packed as much of our possessions as she could carry in a sheet. This included bedding and ten days supply of Kosher food.

For two days we traveled in a canvas-covered wagon to the border between Poland and Germany. At one time, a company of cossacks on horseback rode by. They whipped the sides of our wagon and the horses. The driver had a hard time controlling them.

We came to the border at night. My mother and sister walked across the wide border; I was carried on the guide's back. We then went by wagon to the railroad station where we boarded a train which eventually got us to Antwerp. There we stayed one night in an old hotel near the waterfront.

On board ship, we, and many other immigrants, were in steerage. The only food the ship provided was a barrel of stale bread and a barrel of salt herring. But my mother had brought her own food, because it was unlawful for us to eat anything made of parts of a pig. She feared the bread had been baked with lard.

My sister and I ran around the lower decks while my mother sat on the steel deck the entire time, guarding the sheet with all our worldly possessions. The second-class passengers from the deck above occasionally threw us children an apple or orange, as we looked up at them from between-decks.

The night before the ship reached New York Harbor, the ship's purser gathered all the immigrants and told them they should send a telegram to their next of kin to assure being met at Ellis Island. My mother gave him all that was left of the money my father had sent for the voyage. But, apparently, the purser kept the money and did not send the telegram, because my father was not at Ellis Island to meet us. In fact, he did not greet us until day 10, the last day our family could remain at Ellis Island before the steamship company was required to return us to the port of departure.

It so happened that a man who knew my father and mother in Poland came to Ellis Island to meet his wife who just had arrived. He saw my mother sitting in a large hall with her bundle of possessions and reported this to my father. He came just in time to retrieve us. During my naval career, many contractors have probably cursed the man who reported my arrival and thus prevented my being shipped back to Poland.

I started grammar school at the age of six and one-half in Brooklyn, knowing only a few words of English. Shortly thereafter, my mother, who worked at a Catholic hospital washing clothes, brought home for me a number of old St. Nicholas magazines, given her by the nuns. It was my first gift. I read them avidly. They greatly helped me learn English. Twelve years later at the Naval Academy, I finished near the top of my class in English.

I was probably as poorly prepared academically as any plebe who had ever entered the Naval Academy. Each week of the years at high school, I worked more than 70 hours a week, with no vacation during the entire time.

I remember those high school years vividly. Trying to study a book while delivering Western Union telegrams was difficult. It would have been wonderful to have had the opportunity for more study; for reading good books. But I did not have that opportunity.

Today I should like to make it possible for youngsters to have what I did not have. I want to provide opportunities for young students. The foundation will stress excellence in learning through establishment of a summer program with emphasis on mathematics, science, literature, and philosophy.

In reviewing my past, I realize how much I have left undone—but I am still trying. Therefore, I accept this tribute as an encouragement to keep on. I thank you, and I pledge I will still try to get the harvest in before the rains come.

This salute shows that the Sun still shines brightly on me and on my work.

There is an old Army saying: "Old soldiers never die; they just fade away." I have always believed admirals to be superior to generals. So, I should like to improve that Army slogan with one that says: "Admirals never die, and they do not fade away."●

GOVERNMENT SHOULD DEMONSTRATE COMMITMENT TO ENERGY CONSERVATION BY RESTORING DOE'S PROPOSED BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. OTTINGER) is recognized for 10 minutes.

● Mr. OTTINGER. Mr. Speaker, today Congressman HAMILTON FISH and I and more than 130 of our colleagues are introducing a resolution calling on the Federal Government to demonstrate its commitment to energy conservation and solar and renewable energy by restoring balance to the Department of Energy's proposed fiscal year 1984 budget. This resolution states that: DOE should maintain a strong funding base for energy conservation and solar and renewable energy; DOE should continue funding the weatherization of low-income residences, schools, and hospitals; and that DOE should continue to distribute essential information to citizens and businesses for increasing the efficiency of energy use and on using renewable energy. This resolution does not call for increased spending. It calls for reordering spending priorities proposed by the President. It reaffirms the strong bipartisan support for a balanced energy policy.

For the third straight year, the President is proposing a virtually all-nuclear energy budget. For the third straight year, the President proposes to slash over 80 percent of the conservation budget. For the third straight year, the President proposes to slash the solar and renewable budget by 60 percent. And for the third straight year, the President proposes the elimination of proven programs like the weatherization of low-income residences, schools, and hospitals.

And what is the net effect of these budget cuts on the overall DOE budget? Are we helping to reduce the ballooning deficits? No; the DOE budget is increasing, as the President proposes to spend an additional $1 billion over fiscal year 1983 on the nuclear defense budget, and nearly $2 billion more than in 1982. Instead of truly improving our national security through proven energy programs and the rapid filling of the strategic petroleum reserve, the President has confiscated these funds for his nuclear weapons buildup.

The President has tried twice before to skew the Department of Energy budget toward nuclear energy and Congress has restored balance to the energy budget both times. In fiscal year 1982, the President requested $172 million for conservation programs; Congress appropriated $386 million. In fiscal year 1982, the President requested $241 million for solar and renewable energy programs; Congress appropriated $343 million. In fiscal year 1982, the President requested $94 million within the conservation program for the weatherization of low-income residences, schools, and hospitals; Congress appropriated $234 million.

The following year, substantial cuts were again proposed and again rejected by the House and Senate. In fiscal year 1983, the President requested $22 million for conservation programs; Congress appropriated $367 million. In fiscal year 1983, the President requested $83 million for solar and renewable energy programs; Congress appropriated $253 million. In fiscal year 1983, the President requested a mere $4 million within the conservation program for the weatherization of low-income residences, schools, and hospitals; Congress appropriated $234 million.

Apparently, 2 years of reversals in the appropriation process, a House resolution and a Senate resolution is not clear enough. The President has now proposed slashing the conservation, solar, and weatherization programs for fiscal year 1984: Conservation would be reduced from $367 million to $74 million; solar and renewables would be reduced from $253 million to $102 million; the weatherization of low-income residences, schools, and hospitals, which is part of the conservation program, would be reduced from $234 million to $3 million. Meanwhile, nuclear fission, nuclear fusion, and nuclear waste disposal would increase from $1,480 million to $1,622 million.

This third time around, though, seems even more incredible than before. For this time, even members of his own party have been yelling no. In the week before last, the Conte substitute for the emergency jobs bill included $300 million for conservation, double that contained in the committee bill. Just last year, the Michel budget resolution included about $300 million for conservation—more than triple the President's proposal. And just last year, a bipartisan group of House Members voted to halt the Clinch River Breeder Reactor, which the President proposes to fund at over $300 million.

I make these points to remind all my colleagues that our energy security has not, and should not, be a partisan issue. Last year, Congressman Fish and I introduced House Resolution 409 with bipartisan cosponsors calling for a balanced energy budget. Today's resolution repeats that demand. Our colleagues in the Senate joined us in this effort last year by introducing Senate Resolution 262 expressing support for energy conservation programs.

Even though the focus of this resolution is on conservation and solar programs, I must point out that the President has also proposed to slash the fossil budget. For example, in fiscal year 1983 only $107 million was requested while Congress appropriated $311 million. The request for fiscal year 1984 is only $138 million. These cuts are unconscionable when important programs aimed at using our Nation's vast coal resources in a more clean and efficient manner are being eliminated.

As this resolution reaffirms, it is the intent of Congress to have a balanced national energy program, and that the program must maintain a strong funding base for conservation, solar and renewable energy, and the weatherization of low-income residences, schools, and hospitals. I am confident that commitment will be reflected in this year's budget battles. I urge the remaining Members of the House to join us in cosponsoring this resolution.

Mr. FISH. Mr. Speaker, today I am joining Congressman RICHARD OTTINGER and over 130 of my colleagues in introducing a resolution calling for balance in the Federal energy budget. For the third consecutive year, the requests for funding for the programs under the jurisdiction of the Department of Energy and the Department of Commerce are at odds with expressions of congressional priorities. This resolution shows our concern over ef-

forts to eliminate conservation and renewable energy programs and to place the vast majority of Federal funds in nuclear energy.

The fiscal year 1984 budget proposal cuts energy conservation 80 percent and solar energy 60 percent from current spending levels. Other vital programs that would be substantially reduced under the budget request include grants for weatherization of low-income residences; grants for schools and hospitals for weatherization measures; State energy conservation grants for State energy offices; active and passive solar heating and cooling research; and ocean energy systems. These are all programs which I sought to keep intact as a member of the Science and Technology Committee and as ranking member of the Subcommittee on Energy Development and Applications in the 97th Congress. These are all programs which the U.S. Congress has been funding for the past several years, and in some cases even longer. The will of the Congress is clear—these programs are vital to our future energy needs.

Mr. Speaker, the President made it clear when he took office that only those long-term energy programs which were not viable commercially would be funded by the Federal Government. In other cases, the free market and competition would determine the best options for the future. To provide over 84 percent of the Federal energy budget to nuclear energy is to predetermine the outcome in the future. I have extreme personal reservations about concentrating all our efforts in the area of nuclear energy, and would urge the committees with jurisdiction over the energy budget to again revise the President's request as outlined in the resolution we are introducing today.

I also question the use of more than 60 percent of the nuclear budget for nuclear defense activities, while only 27 percent is targeted to civilian energy matters. Important civilian nuclear energy programs such as nuclear waste disposal, uranium enrichment, and research and development are all reduced drastically in the budget request.

Perhaps the most devastating impact of the fiscal year 1984 budget proposal is the reduction in the low-income energy assistance program. At a time of greatly increased energy costs; when many poor American citizens are being forced to choose between heat and food in the winter months, the administration has requested the same funding as its original 1983 request, $133 billion. Last year, the Congress provided $1.975 billion for low-income energy assistance, a clear indication of the strong support for this important program. I am certain that Congress will again provide adequate funding for low-income energy assistance.

Mr. Speaker, I urge my colleagues to carefully review the budget request for energy-related programs. I have confidence that most will agree that a reordering of priorities is essential during the upcoming budget process. Joining as a cosponsor of our resolution is a step in the right direction.●

THE NEW ZINC PENNY: AN UNQUALIFIED SUCCESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, many Americans are carrying around a different kind of penny in their pockets these days—and most are not aware of it. That fact means, quite simply, that the Treasury's change in the composition of the penny has been an unqualified success.

Back in 1981, the U.S. Treasury decided to change the penny from 95 percent copper and 5 percent zinc to a copper-plated coin of 97.6 percent zinc and 2.4 percent copper. The first batch of these new pennies was minted in December 1981 and put into circulation the following month.

The final decision to change the composition of the penny came only after hearings on the matter before the House Subcommittee on Consumer Affairs and Coinage. Various experts testified on the cost, durability and weight of the new penny. The subcommittee heard testimony that the copper-plated zinc pennies would not jam commericial vending machines. A medicial expert from the Johns Hopkins University assured the subcommittee that the new coins would be detectable by X-rays, thereby quieting the fears of the parents of children who, on occasion, swallow coins. The hearings enabled the members of the subcommittee to consider all sides of the issue before any coins were struck, thus avoiding another Susan B. Anthony dollar fiasco.

The change in the penny came about because Treasury officials thought that switching the penny from copper to zinc would save the Federal Government quite a bit of money. And they were right, for zinc prices are not nearly as high as copper prices. Right now, the per pound price of copper is 83 cents while zinc is only about 40 cents. In fact, the Mint expects to reduce its metal costs by $25 million this year.

This substantial saving is in marked contrast to the situation the Treasury faced just 2 years ago. At that time, the price of copper was hovering dangerously close to $1.12 per pound—the level at which the total cost of producing a penny exceeds its face value. And as copper prices climbed, the Treasury was faced with a new problem—penny hoarding.

The problem arose because copper prices are very unstable. For example, from December 1979 to February 1980, the price of copper rose dramatically from 93 cents to $1.43 per pound. During this same period, the demand for pennies was 74 percent higher than it had been in the same period the year before.

This speculation led to spot penny shortages. In order to cope with this problem, the Federal Reserve System had to in effect ration pennies so that legitimate users could obtain them. The problem subsided a bit when the price of copper dropped, but the danger remained as long as the pennies were made out of copper.

Although many worried that a new round of penny hoarding would result from the change in the penny, it did not occur. The Treasury introduced the new penny in stages throughout 1982. About 27 percent, or 4.5 billion, of the 16.7 billion pennies struck in 1982 were of the new composition. The Bureau of the Mint plans to make all of this year's 13.5 billion pennies out of the copper-plated zinc.

Since the two pennies are identical in appearance, few people have been able to tell them apart. Thus, by changing the penny from copper to zinc, the Treasury has not only saved $25 million—it has also all but eliminated speculative penny hoarding. As a result, businessmen and storekeepers do not have to worry about a penny shortage. America now has an ample supply of the coinage it needs for the everyday transactions of commerce.●

GENERAL REVENUE SHARING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. COYNE) is recognized for 15 minutes.

Mr. COYNE. Mr. Speaker, yesterday the Intergovernmental Relations and Human Resources Subcommittee of the Government Operations Committee began hearings on the State and Local Financial Assistance Act of 1972, as amended. I strongly support these programs. I submitted testimony to the subcommittee in support of legislation to extend this program. I include the statement in the RECORD at this point:

TESTIMONY OF CONGRESSMAN WILLIAM J. COYNE

Mr. Chairman: The Subcommittee is presently considering legislation to authorize the extension of the State and Fiscal Assistance Act of 1972, as amended. This Act, commonly referred to as general revenue sharing, has been extended twice before, in 1976 by Public Law 94-488 and again in 1980 by Public Law 96-604.

I urge this Subcommittee to extend the Act again. Without a doubt the economic conditions of local municipalities, coupled

with the decline in federal assistance, demand that we do no less. States and local governments are facing substantial reductions in federal assistance. The Congressional Research Service estimates that federal assistance to these units of government fell 9.32 percent from fiscal year 1981 to fiscal year 1982 and 11.80 percent from fiscal year 1982 to fiscal year 1983.

Mr. Chairman, general revenue sharing has been viewed by two different Administations as a means of assisting local units of government.

Secretary of the Treasury John B. Connally, testifying before the House Ways and Means Committee in 1971 stated that:

"General revenue sharing seeks to redress some basic imbalances in our federal system of Government—imbalances between needs and resources, between power and responsibilities, between conception and execution."

Nine years later, G. William Miller, testifying before the Subcommittee reiterated a similar theme:

"Today the primary fiscal problem of the American federal system is the imbalance between resources and responsibilities at the local level. Many local governments in our nation have responsibilities for providing public services that are disproportionate to the fiscal resources to which they have access. The objective of the New Revenue Sharing Program must be to ensure the access of every general purpose local government to fiscal resources in reasonable proportion to its responsibilities for providing public services."

Miller then proceeded to focus on a problem which has continued to grow since he testified three years ago:

"Fiscal imbalances are due in part to the workings of our economy. In some cases, the resources of local governments are inadequate because their economies are declining or lagging behind growth in the rest of the nation as industry shifts to other areas. The problem plagues many areas of the Northeast and upper Midwest."

The Northeast-Midwest Congressional Coalition outlined some of the economical problems of the Region in its report "The State of the Region." Nearly two-thirds of workers unemployed for six months or longer live in the Northeast and Midwest. As of October 31, 1982, states in this region of the country were $8.6 billion in debt to the federal unemployment insurance trust fund. Industries in this area were particularly hard hit. Steel, for example, in 1982 produced only 71.674 million tons; the industry was operating at 44.7 percent capacity.

Further, this Region has lost political representation as a result of population shifts which resulted in the loss of 15 seats in the House of Representatives in eight states in the region.

At a time when this Administration is moving to reduce needed federal funds, I would call your attention to one fact from the Commission's Report and that is over a six year period from fiscal 1975 through fiscal 1980 the 18 states of the Northeast and Midwest paid over $201 billion more in taxes to the federal government than they received in federal spending. This deficit in 1980 alone was $36 billion.

I cite these facts to point out the economic conditions in which the local municipalities have to function. An extension of general revenue sharing programs may give our local units of government the financial resources to permit them to deliver needed services during these difficult times.

Pat Choate and Susan Walter in their book "America in Ruins" point out, for example, the deteriorating conditions of basic public facilities and the critical relationship of these facilities to the economic well-being of the country. The deterioration is only increasing. Municipalities are in a difficult situation now and are unable to address their capital improvement needs. These units of government will face even more severe economic problems if the federal revenue sharing program, which these municipalities have grown to depend on, is altered in any substantial manner.

Mr. Chairman, recently the Allegheny County Department of Development and the Allegheny League of Municipalities reviewed the use of revenue sharing by the City of Pittsburgh, and the five townships and the eight boroughs which comprise the 14th Congressional District of Pennsylvania, which I represent.

The study was particularly concerned with the amount of revenue that each unit of government has received since 1980; what percentage of the total budget for each unit of government these figures represent; how a major reduction in revenue sharing funds would effect each municipality; and what action would these municipalities have to take to offset this loss in revenue.

The study reveals that general revenue sharing in the areas surveyed accounts for about 7% of the local governments' budget. Further, these 14 municipalities have reduced their expenditures by up to 15% in an attempt to balance their respective budgets. One conclusion of the study; "Based on the statistical results of the study, if the areas continue to tighten expenditures and if the level of federal revenue sharing grants can be maintained, then more areas feel that they can make it through the recession." So, if the general revenue sharing program is extended, many local governments think they can provide needed services.

I think it is imperative that we understand the ramifications of our actions in this area. And in order to better understand the effect on the municipalities within the 14th Congressional District of the general revenue sharing program, I want to include a few quotes from the study.

The Baldwin Township Secretary stated that ". . . if federal revenue sharing funds are cut back again or even eliminated, that could mean a very large tax increase for our residents and for commercial and industrial occupants of 5 to 10 mills."

The Borough Secretary for Castle Shannon stated: "Our total allocation in revenue sharing represents 2 mills of our tax base, and any more cuts would insure another significant millage and tax increase."

The Deputy Director of the Department of Finance and the Treasurer for the City of Pittsburgh states: "The City of Pittsburgh uses 100% of its General Revenue funds to provide for the public safety of its residents. The City currently uses 62% of the general revenue sharing funds for police services (27% of the force) and 38% for firefighters salaries (20% of the force). Obviously, the elimination or major reduction of general revenue sharing funds would force the City to increase taxes and/or service fees and/or to possibly reduce the public safety forces."

The Borough Manager of Coraopolis for over 30 years states that "$90,000.00 is a large percentage of the budget to a small municipality such as Coraopolis. If these monies were eliminated, one additional solution to millage increase would be bankruptcy."

For the Borough of Millvale, revenue sharing constitutes, on the average, since 1980, 7.075% of the Borough's budget and according to the Borough Secretary, any reduction in the revenue sharing allocation would be "catastrophic."

In Stowe Township, for example, the Borough Manager indicated that residents were mostly elderly. Stowe Township "has relied on the anticipation of federal revenue sharing monies for their budget." Any interruption of the general revenue sharing monies would force the township "to increase the tax base." This increase would burden the elderly residents on a fixed income.

The Borough of Wilkinsburg in 1980 received 34% of its revenues from incoming taxes. In 1983, 56% of the revenue base was dependent upon these taxes. Because the unemployment rate of Wilkinsburg is close to 15%, the wage revenues will drop. This only serves to underscore the Borough's need for general revenue sharing funds. In 1983 this constituted 5% of their overall budget.

These statistics from the 14th Congressional District only give further credence to the conclusion of a "Policy Working Paper," issued by the National League of Cities. The paper concluded that: "Revenue sharing has become in so many ways the glue that holds the precarious fiscal situation of many cities together. Existing resistance to higher taxes would ensure that important services would have to be reduced, capital spending for infrastructure postponed and municipal employees laid off" if general revenue sharing is reduced or eliminated.

Because of the precarious situation of many local units of government I urge the Subcommittee to extend the general revenue sharing program and to do so at the level contained in H.R. 1930. This legislation recognizes the serious economic conditions which beset the local units of government and raises the annual authorization level from the $4.6 billion contained in Public Law 96-604 to $5,297,333,000 for the entitlement period.

Mr. Chairman, I urge the Subcommittee to vote this legislation out because its enactment, in the final analysis, is essential to the orderly functioning of our local governments.

EXTENSION OF MEDICARE REIMBURSEMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Louisiana (Mrs. BOGGS) is recognized for 15 minutes.

● Mrs. BOGGS. Mr. Speaker, one of the major issues facing us during the 98th Congress is the rate of increase in the medicare program, which threatens our ability to continue to provide necessary quality medical care for the Nation's elderly. A number of changes were made during the 97th Congress which were designed to control hospital costs, but it appears to me that of equal importance is the need to promote the delivery of health care services in less costly outpatient and ambulatory care settings. In view of this, I am introducing legislation to extend medicare reimbursement for occupational therapy services in certain outpatient settings and as a part B service in skilled nursing facilities.

Occupational therapy is a rehabilitative service which is medically necessary from people who have suffered a stroke, heart attack, or other debilitating physical or mental illness. It is also necessary for people who have sustained a severe physical injury. Occupational therapy not only addresses the symptoms associated with these conditions, such as pain, weakness or loss of function, but helps people recover their physical independence so they can return to their homes and communities.

At the present time, occupational therapy services are covered by medicare when provided to beneficiaries in hospitals, comprehensive outpatient rehabilitation facilities and through home health agencies, under a plan of treatment approved by a physician. Some coverage is available in skilled nursing facilities under part A. My amendment would allow full coverage of occupational therapy services in skilled nursing facilities and organized outpatient settings. My bill does not represent a significant expansion of benefits but rather a fine-tuning of the system with respect to occupational therapy services.

Patients in skilled nursing facilities are frequently switched to part B medicare coverage when their part A benefits are exhausted. When this occurs, occupational therapy is no longer covered, treatment is discontinued and the patient's progress toward recovery and independence is seriously jeopardized. Since occupational therapy can often make the difference between continued institutionalization and discharge to home, it is crucial that reimbursement be available throughout the nursing home stay.

Patients who have returned home after a hospital stay still need rehabilitative services such as occupational therapy. If they are not home bound, they can receive them in organized outpatient settings. Since shorter hospital stays will most likely result from the new hospital cost limits enacted by Congress last year, it is very important that medicare reimbursement be available in community settings so patients can continue the progress made in the hospital and, more importantly, avoid recurring disability and rehospitalization.

Two recent studies on this subject may be of interest to Members. One study indicated that stroke patients who continue to receive rehabilitation services after they have left the hospital continue to make further progress toward independence. Conversely, a second study indicated that patients who have their rehabilitation program interrupted or are missing a component such as occupational therapy do not make further progress and, in fact, lose the independent skills they gained during the hospital stay.

I am most hopeful that this issue will have the favorable attention of this Congress, and I would welcome the cosponsorship of this bill by my colleagues.●

THE IMMIGRATION REFORM AND CONTROL ACT OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. MAZZOLI) is recognized for 5 minutes.

● Mr. MAZZOLI. Mr. Speaker, Congress is once again moving forward with the Immigration Reform and Control Act of 1983, H.R. 1510. My Subcommittee on Immigration, Refugees, and International Law has concluded 7 days of extensive hearings on the bill, and will soon begin markup.

Because Senator ALAN SIMPSON, my counterpart chairman in the Senate, and I have authored the legislation now being considered, the bill is commonly referred to as the Simpson-Mazzoli bill. I am proud of that designation, because it is a fair and balanced piece of legislation which deals humanely with a most nettlesome subject.

Still, the ideas in the legislation are not ours alone. On the contrary, they represent the collective of wisdom of students of immigration far more knowledgeable than either the junior Senator from Wyoming or I. The principles in the bill have been supported by four successive administrations, including the present one, and have been passed by this body twice and the other body last year.

Two of the individuals whose ideas are most prominent in the bill are Chairman PETER W. RODINO, JR., the distinguished chairman of the Judiciary Committee, and Father Theodore M. Hesburgh, president of my alma mater, the University of Notre Dame, and past chairman of the Select Commission on Immigration and Refugee Policy and the U.S. Civil Rights Commission. It is a true honor to work with these tremendous individuals, whose leadership in immigration reform is unparalleled.

Chairman RODINO has been the leader in immigration reform in this Congress for over three decades. The 1965 reform bill, which repealed the odious national origins quota system, would not have been passed without his efforts. Two key elements of the bill now before the Congress—employer sanctions and legalization—are his brainchildren. Every debate, every discussion, every analysis of immigration reform reflects his thoughts and work.

In a recent editorial in the New York Times, Chairman RODINO was properly praised as "Mr. Immigration," reflecting his major role in immigration reform. I am including a copy of this excellent editorial at the conclusion of my remarks.

Father Hesburgh has been on the cutting edge of so many issues that we tend to forget he also has had the heavy responsibilities of presiding over the growth and development of a major American University for the past 30 years. No history of the civil rights movement in this country will be complete without details of his efforts. As a force in improving higher education, he is without peer. He has been a major spokesman throughout his life for world peace, and has moved into the forefront of those seeking to bring some sanity to the insane nuclear arms race.

On top of all these responsibilities, Father Hesburgh spent 2 years of his life leading the Select Commission on Immigration and Refugee Policy, which issued its report just over 2 years ago to the Nation. After conducting the most extensive study of immigration and refugee policy since the administration of Theodore Roosevelt, Father Hesburgh led 16 individuals from all walks of life to a concensus on the need for and the outlines of immigration reform. We are all in his debt for those efforts, as for so many of his activities.

Last week, Father Hesburgh gave truly eloquent testimony to the need for the reforms embodied in H.R. 1510. In his quiet and persuasive manner, he told my subcommittee why a humane, fair, and balanced immigration reform bill would be in the highest traditions of this Congress and our Nation. At the end of my remarks, I am also including a copy of Father Hesburgh's testimony.

Mr. Speaker, each Member of this body will have his or her own reasons for taking a stand on immigration reform. I, for one, can think of no better reason for supporting a reform bill than as a tribute to Chairman RODINO and Father Hesburgh. They deserve no less. The material follows:

[From the New York Times, Feb. 21, 1983]

TIME TO TURN THE ILLEGAL TIDE

Mr. Immigration, they call him in Washington and for good reason. Repeatedly, Peter Rodino, Chairman of the House Judiciary Committee, has been a man ahead of his time. He was instrumental in enacting the 1965 law undoing the odious national origins quota system. In the early 70's, he recognized, long before others, that further reform depended on making it illegal for employers to hire illegal immigrants. Twice, he managed to get the House to enact such sanctions.

But his efforts were repeatedly stymied in the Senate—until last year. With bipartisan support, a balanced bill including employer sanctions passed the Senate overwhelmingly; this time around, it died in the House. Now there's a second chance. The Simpson-Mazzoli reform bill was re-introduced in both houses last week. If it is to succeed, speed is essential and that means the man of the hour is Mr. Immigration.

There's procedural reason for speed. In a season of budget turmoil and storm over Social Security, immigration becomes a dis-

cretionary tonic, dispensable when, late in a session, time becomes an enemy. That will be all the more true this year as Presidential candidates try to sidestep the complexity and passion of the issue.

There's another reason for speed: need. The reform bill aims to give the country control of its borders. Such control has never been more desirable. The tide of illegal immigrants is high, and rising. No one knows exactly how many stream into the United States. The Immigration Service says it catches a million a year and guesses that a half million more slip past. Other authorities guess more, but accept the Service's guess: that means nearly 500,000 more illegals have made it in just since the Simpson-Mazzoli bill was first introduced.

According to arithmetic, that means a flow of 1,500 a day during the past year. According to logic, the flow must be considerably greater. Economic magnetism has always pulled migrants, legal and illegal, across the border; the pull must now be nearly irresistible.

Our recession notwithstanding, consider economic conditions elsewhere in the hemisphere. Mexico is a leading example. On the day the Simpson-Mazzoli bill was introduced last year, it took 45 pesos to buy a dollar; today it takes 154. Elsewhere in Central and South America, economic distress is compounded by violence and political instability. And what about the rest of the world?

For reasons of vitality, humanity and history, America wants and needs immigrants. What it does not need is such an uncontrollable flood of illegal migrants that it tries public patience and foments a backlash against all newcomers. That's the genuine danger and the Simpson-Mazzoli bill is the bipartisan remedy.

Senator Simpson hopes the Senate will reenact the bill within weeks. The House could hang back again, waiting. But if it keeps pace—something Chairman Rodino can do much about—the reform bill could be law by summer. Mr. Immigration was a man ahead of his time; now the moment is his.

TESTIMONY OF THE REVEREND THEODORE M. HESBURGH, C.S.C.

Chairman Mazzoli and members of the Subcommittee, it is indeed a pleasure for me to be appearing once again before you at our third round of hearings on this vitally important subject of immigration reform. I am especially pleased to be testifying before my good friends Ron Mazzoli and Dan Lungren—both of whom are Notre Dame graduates, by the way—and to be working together with Ham Fish once again, as I did on the Select Commission on Immigration and Refugee Policy, to assist you in fashioning a just, decent and humane immigration reform bill.

Ron, I believe that it is only because of the super-human effort which you and your conterpart in the Senate, Alan Simpson have put forth that we are here today seriously considering immigration reform. As I reflect back over the numerous commissions on which I have served, it is obvious to me that our Select Commission report would have gathered dust on the shelf without your heroic efforts. I salute you and Al and your valiant achievements so far and pledge my continued cooperation to make the Mazzoli-Simpson Immigration Reform and Control Act a reality this year—in 1983.

My concern with immigration and refugee policy is well known and my positions on the issues which confront—and sometimes confound—us in this area are on the record. Your bill parallels most of the recommendations of the Select Commission on Immigration and Refugee Policy and recognizes the necessity for controlling illegal migration—"closing the back door"—while at the same time continuing legal immigration at a reasonable level—"opening the front door."

Specifically, our Citizens' Committee of concerned Americans applauds the sensible and balanced manner in which your bill addresses the three inter-twined issues of legalization of a substantial number of those undocumented persons currently in the United States, sanctions against employers who knowingly hire undocumented workers in the future coupled with an identification system for *all* of those persons legally eligible to work. It recognizes the fact that people come to this country primarily to work, and that unless the pull of available work is de-magnetized, we cannot control illegal immigration. It also understands the absolute necessity for the development of a counterfeit resistant, non-discriminatory means of worker identification to minimize any discriminatory aspects of sanctions. And perhaps most significantly, it deals with the problem of the millions of undocumented persons currently residing in the United States by offering them an opportunity to become legal residents through an amnesty program. You have recognized that we will all benefit when undocumented persons come out of the shadows in which they now live to participate fully in American life with all of the rights and benefits of citizens, although I shall have some specific recommendations to make to your subcommittee on this precise issue later in this testimony.

During the course of the debate over the sanctions provisions of the Immigration Reform and Control Act of 1982, we heard much testimony, much debate, sadness and even rancor over the employer sanctions provisions. I believe that we should have learned something from the last two years, and we must resume that debate where it left off. It is necessary to encourage the process of education and even compromise and to come to grips with the real and genuine concerns of the Hispanic community, in particular, and all minority groups in fact, who fear the consequences of employer sanctions.

In my view, coupled with sanctions there must be an identification system required for all persons eligible for work. This is essential to protect prospective employees against discrimination by employers who might turn someone away because of the fear of hiring an illegal alien. I am persuaded that concerns about the abuse of privacy are not warranted under such a system. As I stated on another occasion, "what protects our society and individuals against abuse of privacy is the existence of traditions, habits and laws which sustain our first, fifth and fourteenth amendment rights concerning freedom and due process."

An identification system notwithstanding, however, I feel that we must exhibit extreme sensitivity to the civil rights concerns voiced by many in the minority community and perhaps make further adjustments and create new mechanisms to deal with these concerns. As a former Chairman of the Civil Rights Commission, I feel particularly drawn to the concept that to the best of our ability, we must address the genuine anxiety and real fears which people have expressed.

It seems to me that the ways in which your bill has dealt with the possible discriminatory aspects of employer sanctions by requiring the Civil Rights Commission to review the effects of the law and by creating a Department of Labor/Department of Justice task force to review complaints of discrimination are important steps in the process of minimizing any perceived employment discrimination. I commend you Mr. Chairman, Chairman Rodino and Congressman Barney Frank for having devised these imaginative solutions to a thorny problem.

The logic of sanctions as a means to curtial future flows of illegal immigration was recognized by the Select Commission on Immigration and Refugee Policy and the last four administrations—both Democrats and Republicans. The logic of sanctions as a trade-off to a legalization program has not been stressed quite as much (except by Congressman Frank in his oft-quoted remark on the floor of the House of Representatives during debate on the immigration bill that you may be able to have love without marriage, but not legalization without sanctions.)

For my part, for the members of my Committee and for the fifteen other Commissioners who served with me on the Select Commission on Immigration and Refugee Policy, legalization of a substantial number of those undocumented persons currently residing in the United States is the lynchpin of any immigration reform. As we noted in the report of the Select Commission, "Qualified aliens would be able to contribute more to U.S. society once they came into the open. Most undocumented/illegal aliens are hardworking, productive individuals who pay taxes and contribute their labor to this country . . ."

But it is also true that to many hardworking, law-abiding, Americans, who believe that our nation must gain control over its own borders, we must provide mechanisms and assurances that massive future flows of undocumented persons will cease. This mechanism is employer sanctions—linked with an identification system for all of those eligible to work in this country. And in my judgement, a bill without a substantial employer sanctions provision with teeth in the law, will simply not pass the Congress of the United States or—worse still—satisfy the American people.

The Mazzoli Immigration Reform and Control Act of 1983 maintains the delicate balance between a fairly generous legalization program and an employer sanctions provision with civil and criminal penalties, coupled with an identification system. For my part, this is the essence of the legislation.

The idea of an amnesty appears to be receiving wider support as citizens and politicians alike understand that the continued existence of a large number of undocumented aliens is harmful for American society for many reasons, including the encouragement of illegality, depression of U.S. labor standards and the neglect of health and education and that there is no possible way this government can apprehend and deport a substantial number of illegal aliens without seriously violating the civil rights and civil liberties of many Americans.

But we must guard against the temptation to so limit the terms of a legalization program that we drastically reduce the number of undocumented persons eligible to be legalized. The issues now are, it seems to me, the timing and scope of an amnesty program.

The Select Commission recommended that all undocumented persons in the United States prior to January 1, 1980,

would be eligible for an amnesty, with the time of residence to be determined by Congress. That was in March, 1981. It is now March, 1983, and I would suggest that the cut-off date for legalization be moved up to at least January 1, 1982. As we said in March, 1981, in our Final Report to the Congress and the President, "In setting a cut-off date of January 1, 1980, the Commission has selected a date that will be near enough to the enactment of legislation to ensure that a substantial portion of the undocumented/illegal alien population will be eligible . . ." In addition, we would support a residency requirement of no more than 2 to 3 years.

In my view, the idea of a two-tier legalization program also presents unnecessary problems. By overly complicating the form of the registration program and by denying family unification and basic public benefit programs to some of those who register, the intention to have a comprehensive legalization program would be frustrated. For an amnesty program to be effective, the rules must be simple, the time allotted for registration must allow for proper communications and for the inevitable process of convincing people of the good faith of the government and the advantages of being moved out of the shadows of illegal residence.

Simplicity will make a legalization program work more effectively. A six year waiting period for your proposed temporary residents is too long to realistically expect a successful registration. The added burden for the Immigration Service to establish year of residency and then to keep records of time spent to meet the 6 year residency requirement creates another burden on an agency now trying to dig its way out of paper. An amnesty program should be straightforward, as simple to administer as possible and should rely on the cooperation of groups most able to contribute to its success.

To that end, various agencies and organizations with roots into immigrant communities, with the trust and respect of the people to be registered, should be involved. The kind of organizations I have in mind are those whose work in immigration and refugee resettlement has been the backbone of resettlement programs; religious organizations whose work for immigrants and minorities has been long noted and respected; ethnic groups whose participation in federal programs on behalf of their constituencies are the hallmark of a vital democracy. The participation of these kinds of organizations in a registration program will be vital to a successful program. Two lessons to be learned from similar programs in other countries are the need for an appropriate time for the registration and the participation of groups with a history of public service and the trust and respect of the people involved.

As far as legal immigration is concerned, we are in total agreement with the principle that refugee admissions should be outside of any fixed ceiling on numbers of legal immigrants. We must be given flexibility to deal with world crises in a humane manner, and at the same time we need to assure adequate visa numbers for legal entry into the United States under the family reunification and independent immigrant categories.

We often seem to lose sight of the fact that it is clearly in the interests of our nation to accept a substantial number of permanent resident aliens. I think it might be well here to quickly summarize the findings of the Select Commission regarding the positive aspects of legal immigration:

Immigrants work hard, save and invest and create more jobs than they take. Thus, they contribute to economic growth in the United States. That is true even for refugees although the contribution takes place after a longer period of adjustment.

Immigrants rapidly pay back into the public coffers more than they take out.

Immigrants strengthen our pool or younger and middle-aged workers, thus strengthening our social security system and enlarging U.S. manpower capabilities.

Immigrants strengthen our ties with other nations.

Immigrants strengthen our linguistic and cultural resources.

Immigrants and their children embrace American ideals and public values rapidly and help to renew them.

Immigrants give a brilliant demonstration to the world of the advantages of a free society.

And finally, the children of immigrants acculturate well to American life and actually seem to be healthier and do better at school on the average then those of native born Americans.

Ideally, we probably should devise a system which contains a mechanism for flexibility in the ceiling for legal immigration. The Select Commission considered an Immigration Council in its deliberations which would permit adjustment within admission goals set by the Congress. I still think this is a credible idea and would urge this subcommittee to seriously consider its implementation. A small select Council could adjust yearly numbers within a long-range—perhaps 5 year—ceiling which Congress would set, thus achieving control, yet retaining managed flexibility in our system.

As we embark on the third year of debate in the Congress over a new immigration policy, it seems well to reflect upon our experience with the Civil Rights Commission. It took the better part of a decade after the Commission issued its report to enact civil rights legislation into law. And of that, about 60% of the Commission's recommendations eventually became law.

Here we are—almost exactly two years from the date of the release of the recommendations of the Select Commission on Immigration and Refugee Policy, and we are well on our way toward enactment of the Immigration Reform and Control Act of 1983. Ron, Ham, subcommittee members, friends, I salute your achievements so far and stand ready to assist you until our mutual goal—a rational, just, humane and race-free immigration policy for this nation—is a reality.●

LIVING UP TO PAST COMMITMENTS: THE PHILIPPINE SCOUTS AND BATTLE FOR BATAAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, I rise today to introduce legislation to redress a longstanding inequity in our treatment of a very special group whose vital services to our Nation have passed virtually unacknowledged. My first bill simply authorizes equal pay for equal risk for veterans of the World War II Philippine Scouts who fought so bravely as part of the U.S. Army. In addition, I would like to take this opportunity to introduce a companion resolution to express our deep gratitude to the people of the Philippines and Filipino-Americans who took up arms on behalf of the United States and allies during World War II.

Before turning to the legislation at hand, I believe it is important to give pause to reflect on events some 40 years past.

Prior to the outbreak of war, when the Philippines were, as you know, an American territory, a crack unit of Filipinos—known as the Philippine Scouts—was organized under the direction of Gen. Douglas MacArthur. The unit, never numbering more than 12,000 soldiers, was later incorporated into the U.S. Army and was to serve a pivotal role in the valiant defense of the Bataan Peninsula. General MacArthur was later to describe the Scouts as "excellent troops, completely professional, loyal, and devoted." They were an elite organization with a high esprit de corps in which membership was considered an honor by Filipinos and the strictest standards were followed in selection.

In recruiting the Scouts, General MacArthur pledged, and I quote:

War is the great equalizer of men. Every member of my command shall receive equal pay and allowances based on the United States Army pay scale, regardless of nationality.

At the onslaught of war in the Pacific, with the attack of Pearl Harbor and simultaneous invasion of the Philippine Islands, the soldiers of the Philippine Scouts were to assume a vital role in our entire South Pacific strategy. The heroic resistance of these forces together with elements of the U.S. Armed Forces in the Far East (USAFFE) in defense of the Bataan Peninsula, against overwhelming odds, allowed the allied forces time to recover from the first blows of the war and regroup for what would ultimately prove to be a successful counterattack.

The defenders of Bataan suffered extremely high casualties, and many of those who survived the harsh conditions of battle did so only to be held as prisoners of war by the Japanese. On a tragic note, it is estimated that 1 out of every 2 members of the Philippine Scouts captured by the enemy following the collapse of the allied effort at Bataan did not survive captivity. Other members who were fortunate enough to escape capture were organized in guerrilla units to carry on resistance efforts and to support the return of General MacArthur and his liberating forces.

Despite the valiant services of the Philippine Scouts who fought and sacrificed side by side with American soldiers and despite the fact that the Scouts were a fully incorporated unit of the U.S. Army, Scouts members re-

ceived only a fraction of regular pay received by their American counterparts. In fact, while a U.S. private was earning $50 a month during the war, a Philippine Scout of comparable rank received only $18 for the same hardships and dangers.

This is not the first time Congress has addressed this issue, to quote from a March 19, 1942, letter from Secretary of War Henry L. Stimson to the Honorable Robert R. Reynolds, chairman of the Senate Committee on Military Affairs:

It has been recommended by General MacArthur that by reason of the equalization that battle has imposed upon all classes of personnel engaged in combat in the Bataan Peninsula, and further in the interest of sustaining high battle morale among all troops, the pay of all the personnel concerned should be the same while they are taking the same risks. It is the opinion of the War Department that the recommendation of General MacArthur should be carried out and that . . . different pay scales which now exist among the troops fighting on the Bataan Peninsula constitutes an unjust discrimination and the disparities should be removed.

Mr. Speaker, in raising this issue some 40 years later, I submit that the time has come to rectify that wrong. The legislation I am proposing is direct and simple. It authorizes the Department of the Army to make a lump sum payment to former Scouts or their survivors equal to the difference between the pay received by American soldiers of corresponding grades and lengths of service and the total amount of pay actually received by individual Scouts. In addition, the Secretary of the Army is directed to redetermine rates of retired pay presently received by a small number of former Scouts to reflect adjustments in their basic pay. This latter point is particularly minor when measured in terms of dollars; of the 12,000 men who served in the Philippine Scouts during World War II, only 569 were receiving retired pay for disabilities and regular retired pay from the Department of the Army in 1978. In fact as of 1978, the estimated cost of implementing the entire bill was set at between $8 and $9 million. I think you would agree that it is a small price to pay for fulfilling a commitment ignored for over 40 years.

Finally, as a complement to the pay equalization legislation, I am today introducing a commemorative resolution to pay tribute to the people of the Philippines and Filipino-Americans who fought on behalf of the allied war effort in the South Pacific. Simply, my resolution would designate the week beginning April 3, 1983, as "National Philippine Veteran Week," marking the 41st anniversary of the historic battles of Bataan and Corregidor. It is only fitting that we take this occasion to express our gratitude for loyal and courageous service of the Filipino people in the common struggle for victory.

In addition to the fighting forces of the Philippine Scouts, the U.S. Armed Forces operating in the Pacific Theater during World War II were aided by units of the Philippine Commonwealth Army and Naval Insular Force as well as guerrilla units organized during the occupation of the islands. Additionally, two units of Filipino-Americans—the 1st and 2d Filipino Regiments—were trained and assembled in the United States for service in the South Pacific.

Enactment of this resolution would provide a meaningful demonstration of our gratitude for the faithful and gallant service of Philippine soldiers and guerrillas in assisting the allied war effort during World War II. I urge my colleagues to join me in honoring these special veterans, as they so justly deserve.

The texts of the two bills follow:

H.R. 2135

To provide for payment to persons who served during World War II as Philippine Scouts the difference between the pay of such Philippine Scouts and the pay for the same period of other members of the Armed Forces of the United States of corresponding grades and length of service and to equalize the retired pay of such persons

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Philippine Scouts Pay Equity Act".

SEC. 2. (a) The Secretary of the Army shall—

(1) compile a list of all persons who served in the Philippine Scouts at any time during the period beginning on December 7, 1941, and ending on December 31, 1946;

(2) determine the total amount of basic pay each such person received for service in the Philippine Scouts during that period; and

(3) determine the total amount of basic pay each such person would have received for service in the Philippine Scouts during the period if the rates of basic pay for the Philippine Scouts had been the same as the rates of basic pay for other members of the United States Army of corresponding grades and length of service.

(b) The Secretary shall pay to each person on the list compiled pursuant to paragraph (1) of subsection (a) a lump sum amount equal to the difference between the amounts calculated pursuant to paragraphs (2) and (3) of such subsection for that person.

(c) If a person entitled to a payment under subsection (b) is deceased, payment shall be made to the persons, and in the manner, prescribed in section 2771 of title 10, United States Code.

(d) The Secretary shall take such measures as the Secretary considers appropriate to notify in a timely manner persons entitled to a payment under this section of their entitlement to that payment.

(e) The Secretary may not make any payment pursuant to this section after the end of the 10-year period beginning on the effective date of this Act.

SEC. 3. The Secretary of the Army shall redetermine the retired pay of each person entitled to retired pay from the Department of Defense for service as a Philippine Scout as if the rate of basic pay payable to such person at the time of retirement had been the rate of basic pay payable to a member of the United States Army other than a Philippine Scout in the same grade and with the same length of service as such person. The redetermination of retired pay shall apply only for retired pay payable for months beginning on or after the effective date of this Act.

SEC. 4. This Act shall take effect on October 1, 1983.

H.J. RES. 212

Joint resolution designating the week beginning on April 3, 1983, as "National Philippine Veteran Week"

Whereas the United States Armed Forces operating in the Pacific Theater during World War II were provided invaluable assistance in combat by soldiers of the Philippine Scouts, the First and Second Filipino Regiments, and the Philippine Army and by the Filipino people who took up arms in defense of their land;

Whereas the heroic resistance of these forces together with elements of the United States Armed Forces in the Far East (USAFFE) in defense of the Bataan Peninsula in the Philippine Islands against overwhelming odds allowed the Allied forces time to recover from the first blows of the war and regroup for counterattack;

Whereas casualties suffered by the defenders of Bataan were extremely high and in the case of the Philippine Scouts approximately one out of every two members captured by the enemy following the collapse of the Allied effort at Bataan did not survive captivity;

Whereas survivors of the defense of the Philippines who escaped capture and imprisonment were in many cases organized in guerrilla units to continue resistance against the enemy occupation and support the return of liberating forces under the command of General Douglas MacArthur;

Whereas the continued resistance of the Filipino people forced the enemy to retain large military and naval forces in the Philippine Islands which could otherwise have been deployed against Allied forces elsewhere in the Pacific; and

Whereas the people of the United States are deeply grateful for the courageous service of the Philippine Island natives and Filipino-Americans who took up arms on behalf of the United States and its Allies during World War II: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on April 3, 1983, is hereby designated "National Philippine Veteran Week," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.●

PERSONAL EXPLANATION

(Mr. NEAL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. NEAL. Mr. Speaker, I am recovering from back surgery and am under doctor's orders to remain at home. Had I been able to attend debate on the nuclear freeze resolution today, I

would have voted in the following manner.

Solomon amendment stating that nothing in the resolution shall be construed to support any form of unilateral disarmament on the part of the United States, "yes."

Lent amendment as amended by Zablocki to require onsite inspection to verify compliance with the freeze, "yes."

Stratton amendment as amended by Zablocki that, consistent with pursuing a nuclear freeze, nothing in this resolution should be construed to prevent the maintenance of a credible nuclear deterrent, "yes."

Siljander amendment to give the President of the United States the option to continue the current negotiating position of the United States or to pursue a freeze, "no."

Levitas amendment to strike the resolving clause of the resolution, "no."●

PROPOSED RULE TO FIRST CONCURRENT BUDGET RESOLUTION

(Mr. JONES of Oklahoma asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. JONES of Oklahoma. Mr. Speaker, I take this occasion to advise my colleagues that the Committee on the Budget may authorize me to request a modified closed rule for the consideration of the first concurrent resolution on the budget for fiscal year 1984. Additionally, the Committee on the Budget may authorize me to request that any amendments made in order which have budget authority, outlay, or revenue impact be accompanied by a Congressional Budget Office estimate based upon the economic and technical assumptions adopted by the Committee on the Budget in its reported concurrent resolution on the budget.●

RULES OF THE SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL FOR THE 98TH CONGRESS

(Mr. RANGEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. RANGEL. Mr. Speaker, pursuant to rule XI, clause 2(a) of the Rules of the House of Representatives, I present for printing in the CONGRESSIONAL RECORD the rules of the Select Committee on Narcotics Abuse and Control for the 98th Congress, adopted at the committee's organizational meeting on March 15, 1983:

RULES OF THE SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

RULE 1. GENERAL

The Rules of the House of Representatives, to the extent they apply, together with the following rules, shall be the rules of the Committee.

RULE 2. MEETINGS

(a) The regular meeting day of the Committee for the conduct of its business shall be on the second Thursday of each month while the Congress is in session.

(b) Additional meetings may be called by the Chairman and a regular meeting of the Committee may be dispensed with when, in the judgment of the Chairman, there is no need therefor.

(c) Special meetings may be convened as provided for by clause 2(c)(2) of Rule XI of the Rules of the House.

(d) At least 3 days (excluding Saturdays, Sundays, and legal public holidays) before each scheduled Committee meeting, each member of the Committee shall be furnished a list of the subjects to be considered or acted upon at such meeting.

RULE 3. HEARINGS

(a) Members of the Committee shall be advised and a public announcement shall be made of the time, date, place, and subject matter of any hearing to be conducted by the Committee at least one week before the commencement of such hearing, unless the Chairman determines that there is good cause to begin such hearing at an earlier date, in which event the Chairman shall advise Committee members and make the public announcement at the earliest possible date. Any announcement made under this paragraph shall be promptly published in the Daily Digest and promptly entered into the committee scheduling service of the House Information Systems.

(b) Unless authorized by the Chairman, a witness shall not be permitted to testify or present evidence at a hearing of the Committee, and such testimony or evidence may not be included in the Committee hearing record, unless 50 copies thereof have been delivered to the Committee at least 48 hours prior to such hearing.

(c) A Committee member may question a witness only when recognized by the Chairman for such purpose. In accordance with clause 2(j)(2) of Rule XI of the Rules of the House, each Committee member shall be allowed 5 minutes to question a witness until each member who so desires has had such opportunity. The Chairman shall, insofar as practicable, recognize alternately on the basis of seniority those majority and minority members present at the time the hearing was called to order and others on the basis of their arrival at the hearing. Thereafter, additional time may be extended at the discretion of the Chairman.

(d) At any hearing the minority party members of the Committee shall be entitled, upon request to the Chairman by a majority of them before the completion of the hearing, to call witnesses selected by the minority to testify with respect to the subject matter of such hearing during at least one day of hearing thereon.

(e)(1) The Chairman at an investigative hearing of the Committee shall announce in the opening statement the subject of the investigation.

(2) A copy of the Rules of the Committee and clause 2 of Rule XI of the Rules of the House shall be made available to each witness.

(3) Witnesses at an investigative hearing may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The Chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearing; and the Committee may cite the offender to the House for contempt.

(f) Any witness may obtain a transcript copy of his or her testimony given at a public session or, if given at an executive session, when authorized by a majority of the members voting, a majority being present.

RULE 4. COMMITTEE PROCEDURE

(a)(1) Unless otherwise required or permitted by these rules, one-third of the members of the Committee shall constitute a quorum for the transaction of Committee business. Any Committee member present at a Committee meeting may make a point of order that a quorum is not present, but a quorum shall be deemed present unless a member who is present objects.

(2) Two members shall constitute a quorum for the purposes of taking testimony and receiving evidence.

(b) Meetings for the transaction of business and hearings of the Committee shall be open to the public or closed, in accordance with clauses 2(g)(1), 2(g)(2), or 2(k)(5) of Rule XI of the Rules of the House. No evidence or testimony taken in executive session may be released or used in public session unless authorized by a majority of members voting, a majority being present.

(c) A vote by any member of the Committee with respect to any matter being considered by the Committee may be cast by proxy if the proxy authorization is in writing, asserts that the member is absent on official business or is otherwise unable to be present at the meeting of the Committee, designates the member of the Committee who is to execute the proxy authorization, and is limited to a specific matter and any amendments or motions pertaining thereto (except that a member may authorize a general proxy for motions to recess or adjourn, or for other procedural matters). Each proxy to be effective shall be signed by the member assigning his vote and shall contain the date and time of day that the proxy is signed. No proxy may be counted for the purpose of constituting a quorum.

(d) Every motion made to the Committee and entertained by the Chairman shall be reduced to writing upon the demand of any member, and a copy made available to each member present.

(e) In the absence of the Chairman at any meeting or hearing of the Committee, the ranking member of the majority party on the Committee who is present shall preside at such meeting or hearing.

(f) A complete record of all Committee action, including a record of all votes on any question on which a rollcall vote is demanded, shall be maintained by the Committee. The result of each such rollcall vote shall be available to the public for inspection at the offices of the Committee during normal working hours.

(g) Any member of the Committee may demand and the Chairman shall order a rollcall vote on any matter considered by the Committee.

RULE 5. COMMITTEE REPORTS

(a)(1) Except as provided in paragraph (b), any Committee report shall be approved by a majority of the members voting at a meeting at which a majority is present.

(2) A proposed report shall not be considered in a Committee meeting unless a copy of the proposed report is provided to each member of the Committee at least 5 days

(excluding Saturdays, Sundays and legal public holidays) prior to the meeting.

(b) The Chairman is empowered to obtain the approval of any report in any appropriate manner, including by polling the members of the Committee in writing. In such cases, a copy of the proposed report shall be made available to each Committee member for at least 5 calendar days (excluding Saturdays, Sundays, and legal public holidays) and the approval of a majority of the Committee is required. The Chairman shall promptly notify Committee members in writing of the approval or disapproval of the proposed report.

(c) Supplemental, minority, or additional views may be filed in accordance with clause 2(1)(5) of Rule XI of the Rules of the House. The time allowed for filing such views shall be 3 calendar days (excluding Saturdays, Sundays, and legal public holidays) after approval of a proposed report in a meeting of the Committee or after the Chairman issues a notification of approval pursuant to paragraph (b).

(d) If hearings have been held on the subject matter of the proposed report, every reasonable effort shall be made to have such hearings available to the members of the Committee before seeking approval of the proposed report.

RULE 6. POWERS AND DUTIES OF COMMITTEE

(a) For the purpose of carrying out any of its functions and duties, the Committee is authorized to sit and act at such times and places within the United States, including any Commonwealth or possession thereof, or elsewhere, whether the House is in session, has recessed, or has adjourned.

(b)(1) The Committee may require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, documents, and other exhibits and materials, as it deems necessary.

(2) A subpena may be authorized and issued by the Committee in the conduct of any investigation or series of investigations or activities, only when authorized by a majority of the members voting, a majority being present.

(3) Notwithstanding subparagraph (b)(2) of this rule, a subpena may be authorized and issued in the conduct of any investigation or series of investigations or activities by the Chairman upon the concurrence of the ranking minority member on the Committee.

(4) Authorized subpenas shall be signed by the Chairman or by any member designated by the Committee, and may be served by any person designated by the Chairman or such member.

(c) The Chairman, or any member of the Committee designated from time to time by him, shall report on the meetings, hearings or other activities of the Committee to any other committee of the House which has subject matter jurisdiction therein.

RULE 7. BROADCASTING

(a) Whenever any hearing or meeting conducted by the Committee is open to the public, the Committee may permit such hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, under the rules established by paragraph (b) of this rule.

(b)(1) If television or radio coverage of any hearing or meeting of the Committee is to be presented to the public as live coverage, such coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpena by the Committee shall be required against his or her will to be photographed at any hearing or meeting or to give evidence or testimony while the broadcasting of such hearing or meeting, by radio, or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than 4 television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the Committee, or the visibility of such witness and such members to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from the hearing or meeting room while the Committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than 5 press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of such photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than 5 representatives of the media for coverage of the hearing or meeting by still photography, such coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee on Press Photographers.

(9) Photographers shall not position themselves at any time during the course of the hearing or meeting between the witness table and the members of the Committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing or meeting by other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstrusive manner.

RULE 8. AMENDMENT OF RULES

The Rules of the Committee may be modified, amended, or repealed, by a majority of the members voting at a meeting at which a majority is present. Written notice of any proposed change shall be provided to each member of the Committee not less than 3 calendar days (excluding Saturdays, Sundays, and legal public holidays) before the meeting date on which such change is to be considered.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. YOUNG of Florida (at the request of Mr. MICHEL), until 3 p.m. today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. LEWIS of Florida) to revise and extend their remarks and include extraneous material:)

Mr. SENSENBRENNER, for 5 minutes, today.

Mr. HORTON, for 15 minutes, today.

Mr. MARTIN of North Carolina for 15 minutes, today.

(The following Members (at the request of Mr. DYSON) to revise and extend their remarks and include extraneous material:)

Mr. OTTINGER, for 10 minutes, today.

Mr. GONZALEZ, for 30 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. COYNE, for 15 minutes, today.

Mrs. BOGGS, for 15 minutes, today.

Mr. MICA, for 15 minutes, today.

Mr. MAZZOLI, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. GAYDOS, for 60 minutes, on March 22.

Mr. OTTINGER, for 60 minutes, on March 23.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MCCURDY, to revise and extend his remarks, at the end of general debate on House Joint Resolution 13 in the Committee of the Whole today.

Mr. MARTIN of North Carolina, to insert two printed articles in his remarks during general debate on House Joint Resolution 13.

(The following Members (at the request of Mr. LEWIS of Florida) and to include extraneous matter:)

Mrs. JOHNSON.

Mr. GILMAN.

Mr. MCDADE.

Mr. WHITTEN.

Mr. PAUL in three instances.

Mr. HUNTER in three instances.

Mr. HYDE.

Mr. CONTE in two instances.
Mr. GOODLING in two instances.
Mr. PORTER.
Mr. GUNDERSON.
Mr. RITTER.
Mr. ERLENBORN.
Mr. CAMPBELL.
Mr. HILER.
Mr. PARRIS.
Mr. FIELDS in three instances.
Mr. CORCORAN.
Mr. VANDER JAGT.
Mr. LEWIS of Florida.
Mr. SUNDQUIST.
Mr. GRADISON.
Mr. DUNCAN.
Mr. STUMP.
Mr. EMERSON.
Mr. FRENZEL.
Mr. MCKINNEY.
Mr. MOORE.
Mr. HORTON.
Mr. BARTLETT.
Mr. KASICH.
Mr. LAGOMARSINO.
Mr. MARTIN of North Carolina in two instances.
Mr. BROWN of Colorado.

(The following Members (at the request of Mr. DYSON) and to include extraneous matter:)

Mr. PEPPER.
Ms. MIKULSKI in two instances.
Mr. D'AMOURS in three instances.
Mr. HALL of Ohio.
Mr. GORE in two instances.
Mr. RICHARDSON in two instances.
Mr. HOYER in two instances.
Mr. ALBOSTA.
Mr. WON PAT.
Mr. KOSTMAYER in two instances.
Mr. MOLLOHAN in two instances.
Mr. STOKES.
Mr. YATRON.
Mr. MATSUI.
Mr. ROYBAL.
Mr. FASCELL in four instances.
Mr. COYNE in two instances.
Mr. BURTON of California.
Mr. MINISH.
Mr. EDGAR in two instances.
Mr. RATCHFORD.
Mr. LEHMAN of Florida.
Mr. SKELTON.
Mr. LAFALCE.
Mr. MAVROULES.
Mr. MINETA.
Mr. ADDABBO.
Mr. HAMILTON in five instances.
Mr. SCHEUER.
Mr. YATES.
Mr. LEHMAN of California.
Mr. RANGEL in two instances.
Mr. MICA.
Mr. STUDDS.
Mr. DASCHLE in 10 instances.
Mr. BARNES.
Mr. SYNAR.
Mr. ORTIZ.
Mr. DE LA GARZA.
Mrs. SCHROEDER.
Mr. MRAZEK.
Mr. EDWARDS of California.
Mr. OBERSTAR in two instances.
Mrs. COLLINS.
Mr. HANCE.
Mr. VENTO.
Mr. KAPTUR.
Mr. FORD of Tennessee.
Mr. KOLTER.
Mr. LELAND in two instances.
Mr. SHANNON.
Ms. OAKAR.
Mr. JACOBS.
Mr. WEISS in two instances.
Mr. FRANK.
Mr. LEVINE of California.
Mr. DURBIN.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 271. An act to amend the National Trails System Act by designating additional national scenic and historic trails, and for other purposes.

ADJOURNMENT

Mr. COYNE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 25 minutes a.m.), the House adjourned until today, Thursday, March 17, 1983, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

633. A letter from the Under Secretary of Defense (Research and Engineering), transmitting the annual report of independent research and development and bid and proposal costs, pursuant to section 203(c) of Public Law 91-441; to the Committee on Armed Services.

634. A letter from the Under Secretary of Defense (Research and Engineering), transmitting detailed data from which the annual report of independent research and development and bid and proposal costs was prepared, pursuant to section 203(c) of Public Law 91-441; to the Committee on Armed Services.

635. A letter from the Assistant Secretary of Defense, transmitting a letter that supersedes Executive Communication No. 585, on converting to contractor performance the Defense Audiovisual Still Photographic Depository at Anacostia Naval Station, Washington, D.C., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

636. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice of the proposed conversion to contractor performance of the shelf-stocking function at the Naval Station, San Diego, Calif., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

637. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice of the proposed conversion to contractor performance of the shelf-stocking function at the Naval Air Station, Miramar, Calif., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

638. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a draft of proposed legislation to extend the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Finance and Urban Affairs.

639. A letter from the Mayor of the District of Columbia, transmitting draft of proposed legislation to amend the District of Columbia Self-Government and Governmental Reorganization Act to increase the amount authorized to be appropriated as the annual Federal payment to the District of Columbia; to the Committee on the District of Columbia.

640. A letter from the Secretary of Education, transmitting draft of proposed legislation to improve the operations of the bilingual education program by focusing the program on building the capacity of local educational agencies to carry out programs of bilingual education, by broadening the range of instructional approaches eligible for assistance, by targeting assistance on the children of limited English proficiency most in need of such programs, and by providing financial assistance to State educational agencies for reviewing, evaluating, and monitoring programs of bilingual education, and for other purposes; to the Committee on Education and Labor.

641. A letter from the Federal Council on the Arts and the Humanities, transmitting the seventh annual report on the arts and artifacts indemnity program, covering fiscal year 1982, pursuant to section 8 of Public Law 94-158; to the Committee on Education and Labor.

642. A letter from the Secretary of Transportation, transmitting the seventh annual report on the automotive fuel economy program, covering fiscal year 1982, pursuant to section 502(a)(2) of the Motor Vehicle Information and Cost Savings Act; to the Committee on Energy and Commerce.

643. A letter from the Chairman, Commission on Security and Cooperation in Europe, transmitting the Commission's report on the implementation of the Final Act of the Conference on Security and Cooperation in Europe 7 years after the signing of the Helsinki Agreement, pursuant to Public Law 94-304; to the Committee on Foreign Affairs.

644. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the proposed issuance of a license for the export and production of certain defense equipment by the Republic of Korea (Transmittal No. MC-9-83), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on Foreign Affairs.

645. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a draft of proposed legislation to terminate unnecessary Government instrumentalities; to the Committee on Government Operations.

646. A letter from the Deputy Assistant Secretary of the Interior, transmitting notice of proposed changes in an existing records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

647. A letter from the Assistant Attorney General for Administration, Department of Justice, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

648. A letter from the Deputy Director, Office of Management and Budget, transmitting draft of proposed legislation to provide for the use of simplified procedures in the procurement of property and services by the Government when the amount does not exceed $25,000; to the Committee on Government Operations.

649. A letter from the Chairman, National Advisory Committee on Oceans and Atmosphere, transmitting a special report, "U.S. Coast Guard: Status, Problems, and Potential," pursuant to section 4(b) of Public Law 95-63; to the Committee on Merchant Marine and Fisheries.

650. A letter from the Secretary of Energy, transmitting the 10th quarterly report on biomass energy and alcohol fuels, covering the period ended December 31, 1982, pursuant to section 218(a) of Public Law 96-294; jointly, to the Committees on Agriculture, Energy and Commerce, and Science and Technology.

651. A letter from the Deputy Secretary of the Treasury, transmitting a draft of proposed legislation to authorize appropriations for the Department of the Treasury for unforeseen emergencies of a confidential character; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

652. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a determination by the Acting Secretary of State waiving the requirement that certain foreign assistance funds for Brazil, Costa Rica, Ecuador, Mexico, Peru, Venezuela, and Canada be withheld to cover the compensation from the Treasury paid to owners of fishing vessels seized by those countries during the period November 1980 through September 1, 1982, pursuant to section 5(b) of the Fisherman's Protective Act of 1967, as amended, and Executive Order 11772; jointly, to the Committees on Foreign Affairs and Merchant Marine and Fisheries.

653. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a draft of proposed legislation to authorize the imposition of entrance, admission, or additional user fees at certain water resources development areas administered by the Department of the Army; jointly, to the Committees on Public Works and Interior and Insular Affairs.

654. A letter from the Acting Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend title I of the Marine Protection, Research, and Sanctuaries Act, as amended, for 2 years; jointly, to the Committees on Merchant Marines and Fisheries and Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ANNUNZIO: Committee on House Administration. House Resolution 127. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by standing and select committees of the House in the 1st session of the 98th Congress; with an amendment (Rep. No. 98-34). Referred to the House Calendar.

Mr. GAYDOS: Committee on House Administration. House Resolution 83. Resolution authorizing the printing as a House document of the report entitled "Give Yourself Credit (Guide to Consumer Credit Laws)" (Rept. No. 98-35). Referred to the House Calendar.

Mr. GAYDOS: Committee on House Administration. House Resolution 98. Resolution authorizing the printing as a House document of the committee print entitled "Older Americans Act: A Staff Summary" (Rept. No. 98-36). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LAFALCE (for himself, Mr. LUNDINE, Mr. VENTO, Mr. D'AMOURS, Ms. OAKAR, Mr. MINISH, Mr. FAUNTROY, Mr. SCHUMER, Mr. COYNE, Mr. ROEMER, Mr. MORRISON of Connecticut, Mr. COOPER, Ms. KAPTUR, Mr. ERDREICH, Mr. LEVIN of Michigan, Mr. TORRES, Mr. SHUMWAY, Mr. MCKINNEY, Mr. BETHUNE, Mr. PARRIS, Mr. WORTLEY, Mrs. ROUKEMA, and Mr. RIDGE):

H.R. 2112. A bill to extend by 6 months the expiration date of the Defense Production Act of 1950; to the Committee on Banking, Finance and Urban Affairs.

By Mr. AKAKA:

H.R. 2113. A bill to amend the Agricultural Adjustment Act to require that imports of fresh ginger root meet all the requirements imposed on domestic fresh ginger root; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 2114. A bill to authorize appropriations for the fiscal year 1984 for certain maritime programs of the Department of Transportation, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 2115. A bill to provide a comprehensive system of liability and compensation for oil spill damage and removal costs, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries, Public Works and Transportation, and Ways and Means.

By Mrs. BOGGS (for herself, Mr. ADDABBO, Mr. BARNES, Mr. BIAGGI, Mrs. BOXER, Mr. BROWN of California, Mrs. COLLINS, Mr. CORRADA, Mr. CROCKETT, Mr. DERRICK, Mr. DWYER of New Jersey, Mr. EDGAR, Mr. FAUNTROY, Mr. FAZIO, Mr. FLORIO, Mr. FORD of Tennessee, Mr. FORSYTHE, Mr. FRANK, Mr. FROST, Mr. GRAY, Mr. GUARINI, Mrs. HALL of Indiana, Mr. HERTEL of Michigan, Mr. HOWARD, Mr. HOYER, Mr. JEFFORDS, Mr. LEHMAN of Florida, Mr. LOWRY of Washington, Mr. MCKINNEY, Mr. MARTINEZ, Ms. MIKULSKI, Mr. MITCHELL, Mr. OTTINGER, Mr. QUILLEN, Mr. RANGEL, Mr. RATCHFORD, Mr. RINALDO, Mr. ROE, Mrs. SCHNEIDER, Mr. SKEEN, Mr. SMITH of Florida, Mr. SPRATT, Mr. STOKES, Mr. VANDERGRIFF, Mr. VENTO, Mr. WALGREN, and Mr. YATES):

H.R. 2116. A bill to amend title XVIII of the Social Security Act to authorize payment for occupational therapy services under part B of the Medicare program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. BOLAND (for himself, Mr. CONTE, and Mr. MINETA):

H.R. 2117. A bill to amend the act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act; to the Committee on House Administration.

By Mr. BROWN of Colorado:

H.R. 2118. A bill to amend the Internal Revenue Code of 1954 to permit certain scientific or educational organizations to issue tax-exempt bonds to finance scientific or educational facilities or equipment; to the Committee on Ways and Means.

By Mrs. BYRON:

H.R. 2119. A bill to amend the Internal Revenue Code of 1954 to permit the rollover of gain from the sale (under a farmland preservation program) of farmland development rights to any State of political subdivision thereof or to certain charitable organizations, and for other purposes; to the Committee on Ways and Means.

By Mr. DE LA GARZA:

H.R. 2120. A bill to amend the Water Resources Development Act of 1974 relating to the determination of the non-Federal share of the costs of certain flood control projects; to the Committee on Public Works and Transportation.

H.R. 2121. A bill to amend the Water Resources Development Act of 1974 relating to the determination of the non-Federal share of the costs of certain flood control projects; to the Committee on Public Works and Transportation.

By Mr. EMERSON:

H.R. 2122. A bill to require the Secretary of the Interior to permit trapping in the Ozark National Scenic Riverways area; to the Committee on Interior and Insular Affairs.

By Mr. FOGLIETTA:

H.R. 2123. A bill to amend the Internal Revenue Code of 1954 to clarify the tax exemption of proceeds from certain bingo games; to the Committee on Ways and Means.

By Mr. FRENZEL (for himself, Mr. CAMPBELL, and Mr. JENKINS):

H.R. 2124. A bill to amend the Internal Revenue Code of 1954 to repeal the highway use tax on heavy trucks and to increase the tax on diesel fuel used in heavy trucks; to the Committee on Ways and Means.

By Mr. GOODLING:

H.R. 2125. A bill to amend title XVIII of the Social Security Act to provide for coverage of advanced life-support services furnished by qualified emergency medical technicians when supervised by a physician in radio contact with the technicians; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mrs. KENNELLY:

H.R. 2126. A bill to amend the Internal Revenue Code of 1954 to provide that the zero bracket amount for heads of households shall be the same as the zero bracket amount for joint returns and surviving spouses; to the Committee on Ways and Means.

By Mrs. KENNELLY (for herself and Ms. FERRARO):

H.R. 2127. A bill to amend the Internal Revenue Code of 1954 to allow employers a tax credit for hiring displaced homemakers; to the Committee on Ways and Means.

By Mr. McDADE:

H.R. 2128. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for commuting expenses of individuals with developmental disabilities; to the Committee on Ways and Means.

By Mr. MATSUI (for himself, Mr. STARK, and Mr. THOMAS of California):

H.R. 2129. A bill to amend the Internal Revenue Code of 1954 to provide an alternative method of allocation of property taxes for cooperative housing corporations; to the Committee on Ways and Means.

By Mr. MAVROULES (for himself, Mr. MITCHELL, Mr. OBERSTAR, Mr. EDGAR, Mr. HAMILTON, Mr. WILLIAMS of Montana, Mr. HUGHES, Mr. ADDABBO, Mr. CORRADA, Mr. FISH, Mr. ECKART, Mr. TORRES, Mr. GEJDENSON, and Mr. STENHOLM):

H.R. 2130. A bill to provide additional assistance to small business concerns in acquiring procurement information and contracts from the United States; jointly, to the Committees on Government Operations and Small Business.

By Mr. MINETA:

H.R. 2131. A bill to amend the Immigration and Nationality Act to increase the immigrant quota for colonies and dependent areas; to the Committee on the Judiciary.

By Mr. MITCHELL:

H.R. 2132. A bill to amend the Small Business Act and for other purposes; to the Committee on Small Business.

By Mr. MITCHELL (for himself and Mr. ADDABBO):

H.R. 2133. A bill to amend the Small Business Act; to the Committee on Small Business.

By Mr. OBERSTAR:

H.R. 2134. A bill to establish a program to stabilize the price and supply of milk; to the Committee on Agriculture.

By Mr. PANETTA:

H.R. 2135. A bill to provide for payment to persons who served during World War II as Philippine scouts the difference between the pay of such Philippine scouts and the pay for the same period of other members of the Armed Forces of the United States of corresponding grades and length of service and to equalize the retired pay of such persons; to the Committee on Armed Services.

By Mr. PAUL:

H.R. 2136. A bill to repeal the Military Selective Service Act of 1967; to the Committee on Armed Services.

H.R. 2137. A bill to amend the Internal Revenue Code of 1954 to provide that a 10-percent income tax rate shall apply to all individuals, and to repeal all deductions, credits, and exclusions for individuals other than an exemption of $10,000; to the Committee on Ways and Means.

H.R. 2138. A bill to provide for creation of a Review Commission on Enforcement and Prosecution under the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. RAHALL:

H.R. 2139. A bill to amend title 5, United States Code, to entitle Civil Air Patrol cadets 18 years of age and older to compensation available to Civil Air Patrol senior members in event of disability or death, and to increase the level of compensation available to both; to the Committee on Education and Labor.

By Mr. ROGERS:

H.R. 2140. A bill to amend title 18 of the United States Code to modify certain aspects of Federal criminal procedure relating to mental incompetence and insanity of the accused; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 2141. A bill to require the Administrator of General Services to notify States of the availability of surplus real property and to convey at reduced cost certain surplus real property for public park or public recreational use to State and local governments; to the Committee on Government Operations.

By Mr. ST GERMAIN (for himself and Mr. BIAGGI):

H.R. 2142. A bill to encourage inflight care aboard aircraft by requiring the placement of emergency equipment, supplies, and drugs aboard aircraft and by relieving appropriate persons of liability for the provision and use of such emergency equipment, supplies, and drugs; to the Committee on Public Works and Transportation.

By Mr. SIMON:

H.R. 2143. A bill to amend the Education Consolidation and Improvement Act of 1981 to provide grants for secondary schools to improve mathematics and reading competencies, and for other purposes; to the Committee on Education and Labor.

H.R. 2144. A bill to amend part C of title III of the Higher Education Act of 1965 to establish an endowment program for developing institutions, and for other purposes; to the Committee on Education and Labor.

By Mr. SIMON (for himself, Mr. KOGOVSEK, Mr. GUNDERSON, Mr. JEFFORDS, Mr. GOODLING, Mr. OWENS, Mr. EDGAR, and Mr. AUCOIN):

H.R. 2145. A bill to delay the effective date for the denial of Federal educational assistance to students who have failed to comply with registration requirements under the Military Selective Service Act from July 1, 1983, to February 1, 1984, and for other purposes; jointly, to the Committees on Armed Services and Education and Labor.

By Mrs. VUCANOVICH (for herself and Mr. REID):

H.R. 2146. A bill to authorize the replacement of existing pump casings in Robert B. Griffith water project pumping plants 1A and 2A (formerly known as the southern Nevada water project), and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. AKAKA:

H.R. 2147. A bill to repeal sections 301 through 308 of the Tax Equity and Fiscal Responsibility Act of 1982, which impose withholding on interest and dividends; to the Committee on Ways and Means.

By Mr. ANDREWS of North Carolina:

H.R. 2148. A bill to reenact the follow through program with certain technical changes, to authorize appropriations for such programs for fiscal years 1984-85, and for other purposes; to the Committee on Education and Labor.

By Mr. CONABLE (for himself and Mr. CAMPBELL) (by request):

H.R. 2149. A bill to provide for modification of the Federal supplemental compensation program and a voucher system to encourage employment of individuals eligible for Federal supplemental compensation, a youth opportunity wage, to authorize use of State unemployment funds to finance retraining and relocation assistance for unemployment compensation claimants, and for other purposes; jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. COYNE (for himself, Mr. GONZALEZ, Mr. GRAY, Mr. MCKINNEY, Mr. CLAY, Mr. OWENS, and Ms. OAKAR):

H.R. 2150. A bill to amend section 810 of the Housing and Community Development Act of 1974 to revise and expand the urban homesteading program; to the Committee on Banking, Finance and Urban Affairs.

By Mr. FISH (for himself, Mr. MOORHEAD, Mr. HYDE, Mr. KINDNESS, Mr. LUNGREN, Mr. SENSENBRENNER, Mr. MCCOLLUM, Mr. SHAW, Mr. GEKAS, and Mr. DEWINE) (by request):

H.R. 2151. A bill entitled: The Comprehensive Crime Control Act of 1983; to the Committee on the Judiciary.

By Mr. FLORIO:

H.R. 2152. A bill to amend title 4 of the United States Code to restrict the authority of any State or political subdivision to impose any income tax on any compensation paid to any individual who is not a domiciliary or resident of such State or political subdivision; to the Committee on the Judiciary.

H.R. 2153. A bill to amend the Internal Revenue Code of 1954 to provide a credit against income tax for one-third of the amount of certain local wage taxes paid by individuals who are not residents of the local governmental area; to the Committee on Ways and Means.

By Mr. GEPHARDT (for himself, Mr. GLICKMAN, Mr. SKELTON, Mr. GORE, Mr. ALBOSTA, Mr. APPLEGATE, Mr. BEDELL, Mr. CARR, Mr. CLAY Mr. COLEMAN of Missouri, Mrs. COLLINS, Mr. CONYERS, Mr. DAVIS, Mr. DELLUMS, Mr. DORGAN, Mr. DOWNEY of New York, Mr. DURBIN, Mr. EDGAR, Mr. EVANS of Illinois, Mr. FAUNTROY, Mr. FLORIO, Mr. FORD of Tennessee, Mr. GUARINI, Mrs. HALL of Indiana, Mr. HALL of Ohio, Mr. HARKIN, Mr. HEFNER, Mr. HERTEL of Michigan, Mr. HILLIS, Mr. HOWARD, Mr. JACOBS, Ms. KAPTUR, Mr. KASTENMEIER, Mr. KILDEE, Mr. KOLTER, Mr. LAFALCE, Mr. LATTA, Mr. LEACH of Iowa, Mr. LEVINE of California, Mr. LIPINSKI, Mr. LUKEN, Mr. MARKEY, Mr. MCCLOSKEY, Ms. MIKULSKI, Mr. MINETA, Mr. MINISH, Mr. MITCHELL, Mr. MOODY, Mr. MURPHY, Mr. NOWAK, Mr. OBERSTAR, Mr. OTTINGER, Mr. PEASE, Mr. PERKINS, Mr. ROE, Mr. ROSTENKOWSKI, Mr. SABO, Mr. SCHEUER, Mr. SEIBERLING, Mr. SIKORSKI, Mr. SIMON, Mr. SMITH of Iowa, Mr. STAGGERS, Mr. TAYLOR, Mr. TRAXLER, Mr. VENTO, Mr. VOLKMER, Mr. WHEAT, Mr. WHITTAKER, Mr. WISE, Mr. WOLPE, Mr. WORTLEY, and Mr. YOUNG of Missouri):

H.R. 2154. A bill to amend the Natural Gas Policy Act of 1978 to limit natural gas prices and to improve natural gas pricing and marketing practices, and for other purposes; to the Committee on Energy and Commerce.

By Mr. LAFALCE:

H.R. 2155. A bill to amend title II of the Social Security Act to provide that a beneficiary who dies shall (if otherwise qualified) be entitled to a prorated benefit for the month of his death; to the Committee on Ways and Means.

H.R. 2156. A bill to amend the Internal Revenue Code of 1954 and the Social Security Act to provide that disability insurance benefits and the medicare program shall be financed from general revenues (pursuant to annual authorizations) rather than through the imposition of employment and self-employment taxes as at present, and to adjust the rates of such taxes (for purposes of financing the old-age and survivors insurance program) accordingly; to the Committee on Ways and Means.

By Mr. MICA:

H.R. 2157. A bill to amend the Export Administration Act of 1979 to prohibit certain actions to be taken by U.S. persons with respect to foreign officials; jointly, to the Committees on Foreign Affairs and Energy and Commerce.

By Mr. MOORE:

H.R. 2158. A bill to increase the column 1 rate of duty on melamine; to the Committee on Ways and Means.

By Mr. MURPHY:

H.R. 2159. A bill to extend the authorizations of appropriations for the Rehabilitation Act of 1973; to the Committee on Education and Labor.

By Mr. MURPHY (for himself, Mr. ROE, Mr. NOWAK, Mr. BEVILL, Mr. RAHALL, and Mr. YATRON):

H.R. 2160. A bill to restrict the importation of certain steel products during periods when the domestic manufacturing capacity for steel products is underutilized, and for other purposes; to the Committee on Ways and Means.

By Mr. PEPPER (for himself, Mr. ROYBAL, and Mr. RINALDO):

H.R. 2161. A bill to amend the Age Discrimination in Employment Act of 1967 to remove the maximum age limitation applicable to employees who are protected under such Act, and for other purposes; to the Committee on Education and Labor.

By Mr. SENSENBRENNER (for himself and Mr. BENNETT):

H.R. 2162. A bill to amend title 18 of the United States Code to prohibit the interstate restraint of children in violation of rights of custody and visitation; to the Committee on the Judiciary.

By Mr. STUDDS (for himself, Mr. BIAGGI, Mr. YOUNG of Alaska, and Mr. PRITCHARD):

H.R. 2163. A bill to amend the Federal Boat Safety Act of 1971, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. TAUKE (for himself, Mr. LEACH of Iowa, and Mr. EVANS of Iowa):

H.R. 2164. A bill to amend the Natural Gas Policy Act of 1978 to clarify the definition of abuse, to restrain natural gas price increases by facilitating price responsiveness during periods when supplies exceed demand, to enhance competitive options for local distribution companies in purchasing the least expensive natural gas available, to repeal the incremental pricing of natural gas, and for other purposes; to the Committee on Energy and Commerce.

Mr. DONNELLY (for himself, Mr. RITTER, and Mr. HYDE):

H.J. Res. 201. Joint resolution designating June 14, 1983, as "Baltic Freedom Day"; jointly, to the Committees on Foreign Affairs and Post Office and Civil Service.

By Mr. OWENS:

H.J. Res. 202. Joint resolution proposing an amendment to the Constitution which provides that the United States shall guarantee to each person the right to employment opportunity; to the Committee on the Judiciary.

By Mr. SIMON (for himself, Mr. PERKINS, Mr. FORD of Michigan, Mr. BIAGGI, Mr. MILLER of California, Mr. MURPHY, Mr. WILLIAMS of Montana, Mr. KOGOVSEK, Mr. JEFFORDS, Mr. WEISS, and Mr. RATCHFORD):

H.J. Res. 203. Joint resolution to establish State commissions on teacher excellence; to the Committee on Education and Labor.

By Mr. SIMON (for himself and Mr. COLEMAN of Missouri):

H.J. Res. 204. Joint resolution to authorize and request the President to designate the week of April 10 through April 16, 1983, as "National Education for Business Week"; to the Committee on Post Office and Civil Service.

By Mr. BIAGGI:

H. Con. Res. 86. Concurrent resolution expressing the sense of the Congress that March 17, 1983, be recognized and observed as Irish Peace, Freedom, and Unity Day; to the Committee on Post Office and Civil Service.

By Mr. DIXON (for himself, Mr. GRAY, Mr. CLAY, Mrs. COLLINS, Mr. CONYERS, Mr. CROCKETT, Mr. DELLUMS, Mr. DYMALLY, Mr. FAUNTROY, Mr. FORD of Tennessee, Mrs. HALL of Indiana, Mr. HAWKINS, Mr. LELAND, Mr. MITCHELL, Mr. OWENS, Mr. RANGEL, Mr. SAVAGE, Mr. STOKES, Mr. TOWNS, Mr. WASHINGTON, and Mr. WHEAT):

H. Con. Res. 87. Concurrent resolution setting forth the congressional budget for the U.S. Government for the fiscal years 1984, 1985, and 1986; to the Committee on the Budget.

By Mr. DONNELLY:

H. Con. Res. 88. Concurrent resolution expressing the sense of the Congress with respect to the abrupt decontrol of all natural gas prices; to the Committee on Energy and Commerce.

By Mr. DURBIN:

H. Con. Res. 89. Concurrent resolution expressing the sense of the Congress that the President should enter into negotiations with the Government of the Union of Soviet Socialist Republics for purposes of establishing a new long-term sales agreement, and for other purposes; to the Committee on Foreign Affairs.

By Mr. GOODLING (for himself and Mr. TORRICELLI):

H. Con. Res. 90. Concurrent resolution urging the President to provide as expeditiously as possible for the burial of an unknown soldier from the Vietnam era at Arlington National Cemetery as directed by the National Cemeteries Act of 1973; to the Committee on Veterans' Affairs.

By Mr. OTTINGER (for himself, Mr. FISH, Mr. ADDABBO, Mr. AKAKA, Mr. ANNUNZIO, Mr. BARNES, Mr. BATES, Mr. BEDELL, Mr. BEILENSON, Mr. BERMAN, Mr. BIAGGI, Mr. BONIOR of Michigan, Mr. BOSCO, Mrs. BOXER, Mr. BROWN of California, Mr. CLAY, Mrs. COLLINS, Mr. CONTE, Mr. CONYERS, Mr. CORRADA, Mr. CROCKETT, Mr. D'AMOURS, Mr. DASCHLE, Mr. DE LUGO, Mr. DIXON, Mr. DORGAN, Mr. DOWNEY of New York, Mr. DYMALLY, Mr. EDGAR, Mr. EDWARDS of California, Mr. EVANS of Illinois, Mr. FASCELL, Mr. FAZIO, Mr. FEIGHAN, Ms. FERRARO, Mr. FLORIO, Mr. FOGLIETTA, Mr. FORD of Michigan, Mr. FORD of Tennessee, Mr. FOWLER, Mr. FRANK, Mr. FROST, Mr. GARCIA, Mr. GEJDENSON, Mr. GINGRICH, Mr. GORE, Mr. GREEN, Mr. GUARINI, Mr. HALL of Ohio, Mr. HAMILTON, Mr. HARKIN, Mr. HARRISON, Mr. HATCHER, Mr. HEFTEL of Hawaii, Mr. HORTON, Mr. HOWARD, Mr. HOYER, Mr. HUGHES, Mr. JACOBS, Mr. JEFFORDS, Ms. KAPTUR, Mr. KASTENMEIER, Mrs. KENNELLY, Mr. KILDEE, Mr. KOLTER, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LEVINE of California, Mr. LIPINSKI, Mr. LONG of Maryland, Mr. LOWRY of Washington, Mr. LUNDINE, Mr. MCCLOSKEY, Mr. MCCURDY, Mr. MCNULTY, Mr. MARKEY, Mr. MATSUI, Mr. MAVROULES, Mr. MAZZOLI, Mr. MINISH, Mr. MITCHELL, Mr. MOAKLEY, Mr. MORRISON of Connecticut, Mr. NATCHER, Mr. NEAL, Mr. NOWAK, Mr. OBERSTAR, Mr. OWENS, Mr. PANETTA, Mr. PATTERSON, Mr. PEASE, Mr. PRITCHARD, Mr. RATCHFORD, Mr. REID, Mr. RICHARDSON, Mr. RINALDO, Mr. ROE, Mr. ROWLAND, Mr. ROYBAL, Mr. SABO, Mr. SCHEUER, Mrs. SCHNEIDER, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. SHARP, Mr. SIKORSKI, Mr. SIMON, Mr. SKELTON, Mr. SMITH of Florida, Mrs. SNOWE, Mr. SOLARZ, Mr. STOKES, Mr. STUDDS, Mr. SUNIA, Mr. SWIFT, Mr. SYNAR, Mr. TAUKE, Mr. TOWNS, Mr. TRAXLER, Mr. UDALL, Mr. VENTO, Mr. VOLKMER, Mr. WALGREN, Mr. WAXMAN, Mr. WEAVER, Mr. WILSON, Mr. WILLIAMS of Montana, Mr. WIRTH, Mr. WOLPE, Mr. WYDEN, and Mr. YATES):

H. Res. 139. Resolution to restore balance in the Federal energy budget; to the Committee on Energy and Commerce.

By Mr. DAUB:

H. Res. 140. Resolution expressing the sense of the House of Representatives that the Federal program of impact aid with respect to the children of military personnel should be transferred to the Secretary of Defense; to the Committee on Education and Labor.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

37. By the SPEAKER: Memorial of the Legislature of the State of California, relative to California artichokes; to the Committee on Ways and Means.

38. Also, memorial of the Assembly of the State of New York, relative to a mutual and verifiable nuclear weapons moratorium; jointly, to the Committees on Armed Services and Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DICKS:

H.R. 2165. A bill for the relief of Joseph Dakour; to the Committee on the Judiciary.

H.R. 2166. A bill for the relief of Diana Theroux; to the Committtee on the Judiciary.

By Mr. TAYLOR:

H.R. 2167. A bill for the relief of Charles Gaudencio Beeman, Paul Amado Beeman, Elizabeth Beeman, and Joshua Valente Beeman; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 7: Mr. RAHALL.

H.R. 11: Mr. LOWRY of Washington.

H.R. 30: Mr. EVANS of Illinois and Ms. KAPTUR.

H.R. 41: Mr. BOUCHER.

H.R. 42: Mr. HEFTEL of Hawaii and Mr. KILDEE.

H.R. 50: Mr. MACKAY.

H.R. 71: Mr. UDALL.

H.R. 81: Mrs. COLLINS.

H.R. 82: Mrs. COLLINS.

H.R. 223: Mr. LEACH of Iowa.

H.R. 244: Mr. CROCKETT.

H.R. 287: Mr. LIVINGSTON, Mr. MONTGOMERY, Mr. O'BRIEN, Mr. CHAPPELL, Mr. VANDER JAGT, Mr. LOEFFLER, Mr. MYERS, and Mr. DANNEMEYER.

H.R. 358: Mr. LOEFFLER.

H.R. 389: Mr. KILDEE.

H.R. 468: Mr. MURPHY.

H.R. 482: Mr. FAZIO and Mr. OWENS.

H.R. 483: Mr. ORTIZ and Mr. STENHOLM.

H.R. 565: Mr. MORRISON of Connecticut and Mr. GUARINI.

H.R. 618: Mr. KASICH, Mr. CRAIG, Mr. PHILIP M. CRANE, Mr. HARTNETT, Mr. KINDNESS, Mr. SILJANDER, Mr. SENSENBRENNER, Mr. RINALDO, Mr. BONIOR of Michigan, and Mr. KILDEE.

H.R. 650: Mr. MURPHY.

H.R. 659: Mr. KILDEE, Mr. WILLIAMS of Montana, Mr. CROCKETT, Mr. FAZIO, Mr. RAHALL, Mr. GORE, Mr. BERMAN, Mr. PEASE, Mr. MAVROULES, Mr. BONKER, Mr. NOWAK, Mr. LONG of Maryland, and Mr. SEIBERLING.

H.R. 669: Mr. GARCIA.

H.R. 675: Mr. PATMAN, Mr. HANSEN of Utah, Mrs. BYRON, and Mr. EDWARDS of Oklahoma.

H.R. 765: Mr. LELAND, Mr. TALLON, Mr. WON PAT, Mr. RICHARDSON, Mr. STOKES, Mr. MITCHELL, Mr. DYMALLY, Mrs. COLLINS, Mr. PEPPER, Mr. FORSYTHE, Mr. BROWN of Colorado, Mr. HILER, Mrs. MARTIN of Illinois, Mr. RUDD, Mr. JEFFORDS, Mr. KASICH, Mr. KINDNESS, Mr. PORTER, Mr. GINGRICH, Mr. MCNULTY, Mr. DANIEL B. CRANE, Mr. SENSENBRENNER, Mr. OXLEY, Mr. MORRISON of Washington, Mr. FAZIO, Mr. BIAGGI, Mr. NIELSON of Utah, Mr. TAUKE, Mr. PASHAYAN, and Mr. BEREUTER.

H.R. 766: Mr. TALLON, Mr. SHELBY, Mr. VANDERGRIFF, Mr. LAGOMARSINO, Mr. YOUNG of Alaska, Mr. FORSYTHE, Mr. BROWN of Colorado, Mr. WEBER, Mr. KASICH, Mr. LIVINGSTON, Mr. KINDNESS, Mr. GINGRICH, Mr. ROGERS, Mr. GOODLING, Mr. GEKAS, Mr. TAUKE, Mr. ROE, and Mr. PASHAYAN.

H.R. 876: Mr. RUDD.

H.R. 881: Mr. WISE and Mr. TORRICELLI.

H.R. 950: Mr. MARTIN of New York, Mr. EDWARDS of Oklahoma, Mr. JEFFORDS, Mr. CRAIG, Mr. RIDGE, Mr. TAUZIN, Mrs. SMITH of Nebraska, Mr. RATCHFORD, Mr. WISE, Mr. COURTER, and Mr. GINGRICH.

H.R. 951: Mr. CRAIG, Mr. RIDGE, Mr. CHAPPELL, and Mr. BEDELL.

H.R. 990: Mr. MURPHY, Mr. SEIBERLING, Mr. FROST, Mr. KOGOVSEK, Mr. LEHMAN, of Florida, Mr. VENTO, Mr. CONYERS, Mr. LEVINE, of California, Mr. HERTEL, of Michigan, Mr. RAHALL, Mr. JEFFORDS, Mr. RICHARDSON, Mrs. HALL of Indiana, Mr. EDGAR, and Mr. KILDEE.

H.R. 1010: Mr. DANIEL B. CRANE and Mr. SHAW.

H.R. 1015: Mr. BIAGGI.

H.R. 1016: Mr. BIAGGI.

H.R. 1027: Mr. BERMAN, Mr. DELLUMS, Mr. FAZIO, Mr. FISH, Mr. FLIPPO, Mr. FRANK, Mr. GLICKMAN, Mr. GORE, Mr. SAM B. HALL, JR., Mr. KINDNESS, Mr. MATSUI, Mr. MINETA, Mr. MITCHELL, Mr. PASHAYAN, Mr. RATCHFORD, Mr. ROYBAL, Mr. SCHUMER, Mr. SMITH of Florida, Mr. THOMAS of California, and Mr. WRIGHT.

H.R. 1029: Mr. BERMAN, Mr. DELLUMS, Mr. FAZIO, Mr. FISH, Mr. FRANK, Mr. GLICKMAN, Mr. MATSUI, Mr. MINETA, Mr. MITCHELL, Mr. PASHAYAN, Mr. RATCHFORD, Mr. ROYBAL, and Mr. WRIGHT.

H.R. 1030: Mr. BERMAN, Mr. DELLUMS, Mr. FAZIO, Mr. FISH, Mr. GORE, Mr. SAM B. HALL, JR., Mr. HAWKINS, Mr. MATSUI, Mr. MINETA, Mr. MITCHELL, Mr. PASHAYAN, Mr. RATCHFORD, Mr. ROYBAL, Mr. STOKES, and Mr. WRIGHT.

H.R. 1048: Mr. LAGOMARSINO, Mr. BONIOR of Michigan, Mr. KINDNESS, Mr. STOKES, Mr. RATCHFORD, Mr. MOLINARI, and Mr. WYLIE.

H.R. 1092: Mr. ENGLISH, Mr. DYMALLY, Mr. ORTIZ, Mr. MACKAY, Mr. FROST, and Mr. PATMAN.

H.R. 1104: Mr. MURPHY, Mr. LEATH of Texas, Mr. ACKERMAN, Mr. NICHOLS, Mr. WHEAT, Mr. FORSYTHE, Mr. ROE, Mr. SUNIA, Mr. SMITH of Florida, and Mr. HILLIS.

H.R. 1147: Mr. MCNULTY and Mr. MINETA.

H.R. 1176: Mr. WHITLEY, Mrs. VUCANOVICH, Mr. LANTOS, Mr. LEVIN of Michigan, Mr. BURTON of Indiana, Mr. BREAUX, Mr. NATCHER, Mr. BEDELL, Mr. HOYER, Mr. CORCORAN, Mr. GREGG, Mr. PORTER, Mr. KRAMER, and Ms. MIKULSKI.

H.R. 1183: Mr. OTTINGER.

H.R. 1190: Mr. SIKORSKI.

H.R. 1199: Mr. GUARINI, Mr. KILDEE, Mr. FRENZEL, Mr. HYDE, Mr. DENNY SMITH, Mr. FLORIO, and Mr. PATMAN.

H.R. 1206: Mr. MARLENEE, Mr. KAZEN, and Mr. BURTON of Indiana.

H.R. 1249: Mr. YATRON, Mr. FLORIO, and Mr. BRITT.

H.R. 1254: Mr. FRENZEL.

H.R. 1255: Mr. SNYDER, Mr. GREGG, Mr. EMERSON, Mr. SUNIA, Mr. DANIEL B. CRANE, Mr. ROEMER, Mr. GOODLING, Mrs. HALL of Indiana, Mr. STARK, Mr. CHANDLER, Mr. GUARINI, Mr. ALBOSTA, Mr. RIDGE, Mr. HOWARD, and Mr. FLORIO.

H.R. 1264: Mr. OWENS, and Mrs. HALL of Indiana.

H.R. 1272: Mr. BLILEY, Mr. MOLLOHAN, Mr. PETRI, Mr. PORTER, and Mr. RUDD.

H.R. 1280: Mr. BATES.

H.R. 1285: Mr. MARKEY, Mrs. BYRON, Mr. WYDEN, Mr. SHANNON, and Mr. HANCE.

H.R. 1299: Mr. CROCKETT, Mr. DASCHLE, Mr. SHELBY, Mr. GILMAN, Mr. COATS, Mr. REID, Ms. FERRARO, Mr. RIDGE, Mr. CHANDLER, and Mr. SIKORSKI.

H.R. 1300: Mr. CROCKETT, Mr. DASCHLE, Mr. SHELBY, Mr. GILMAN, Mr. REID, Ms. FERRARO, Mr. CHANDLER, and Mr. SIKORSKI.

H.R. 1376: Mr. MONTGOMERY, Mrs. HOLT, and Mr. MCDONALD.

H.R. 1379: Mr. SIMON.

H.R. 1390: Mr. HIGHTOWER, Mr. ANDREWS of Texas, Mr. VANDERGRIFF, and Mr. PICKLE.

H.R. 1409: Mr. ROSE, Mr. LUNDINE, and Mr. TAUZIN.

H.R. 1443: Mr. DASCHLE, Mr. BONIOR of Michigan, and Mr. EDWARDS of California.

H.R. 1510: Mr. ALEXANDER.

H.R. 1531: Mr. EVANS of Iowa, Mr. FOGLIETTA, Mrs. HALL of Indiana, and Mr. MITCHELL.

H.R. 1544: Mr. CORCORAN, Mr. HERTEL of Michigan, Mrs. HALL of Indiana, Mr. LAFALCE, Mr. TAUZIN, Mr. FRENZEL, and Mr. RUDD.

H.R. 1571: Mr. SENSENBRENNER.

H.R. 1593: Mr. MITCHELL.

H.R. 1597: Mr. SUNIA.

H.R. 1604: Mr. JENKINS, Mr. THOMAS of Georgia, Mr. RAY, Mr. RAHALL, and Mr. NEAL.

H.R. 1611: Mr. FAZIO.

H.R. 1634: Mrs. COLLINS, Mr. LEHMAN of Florida, and Mr. TORRICELLI.

H.R. 1691: Mr. BURTON of Indiana, Mr. SENSENBRENNER, Mr. SHUMWAY, Mr. HANSEN of Idaho, Mr. BOSCO, and Mr. PHILIP M. CRANE.

H.R. 1693: Mr. LELAND, Mr. FAUNTROY, Mr. FRANK, Mr. GEJDENSON, Mr. RATCHFORD, Mr. ACKERMAN, Mr. KILDEE, Mr. RICHARDSON, Mr. FEIGHAN, and Mr. WALGREN.

H.R. 1824: Mr. PETRI, Mr. MINISH, Mr. CROCKETT, Mr. MCNULTY, Mr. GEJDENSON, Mr. CHANDLER, Mr. BROWN, of California, Mr. VENTO, Mr. WILLIAMS of Montana, Mr. JACOBS, Mr. ANDERSON, and Mr. WASHINGTON.

H.R. 1875: Mr. MCCOLLUM.

H.R. 1905: Mr. ADDABBO, Mr. QUILLEN, Mr. FIELDS, Mr. DUNCAN, Mr. WHITEHURST, Mr. WOLF, Mr. RATCHFORD, Mr. DANNEMEYER, Mr. PAUL, Mr. SENSENBRENNER, Mr. EMERSON, Mr. REID, and Mrs. BOGGS.

H.R. 1975: Mr. HEFNER.

H.R. 2053, Mr. DWYER of New Jersey and Mr. LENT.

H.R. 2055: Mrs. HALL of Indiana.

H.R. 2059: Mr. D'AMOURS, Mr. BATES, Mr. BOSCO, Mrs. BOXER, Mr. ROYBAL, Mr. FAUNTROY, Mr. OTTINGER, Mr. BEILENSON, Mr. JEFFORDS, Mr. BOLAND, Mr. FRANK, Mr. LAFALCE, and Mr. LEVINE of California.

H.R. 2073: Mr. STUMP.

H.R. 2102: Mr. CORCORAN.

H.J. Res. 4: Mr. ROBINSON, Mrs. BYRON, Mr. MITCHELL, and Mr. DREIER of California.

H.J. Res. 29: Mr. NEILSON of Utah, Mr. LONG of Maryland, and Mr. MCCANDLESS.

H.J. Res. 58: Mr. BEILENSON, Mr. EDWARDS of California, and Mr. TORRES.

H.J. Res. 101: Mr. LIPINSKI, Mr. CHANDLER, Mr. WALGREN, Mr. BLILEY, Mr. CAMPBELL, Mrs. BOUQUARD, Mr. DANIEL B. CRANE, Mr. EVANS of Iowa, Mr. HERTEL of Michigan, Mr. ALBOSTA, Mr. ANDERSON, Mr. LEWIS of Florida, and Mr. VANDER JAGT.

H.J. Res. 102: Mr. ANTHONY, Mr. ASPIN, Mr. BARNARD, Mr. BARTLETT, Mr. BATEMAN, Mr. BEDELL, Mr. BILIRAKIS, Mr. BLILEY, Mr. BONER of Tennessee, Mr. BOUCHER, Mr. BURTON of Indiana, Mr. BURTON of California, Mrs. BYRON, Mr. CARPER, Mr. CHANDLER, Mr. CLINGER, Mr. COYNE, Mr. DE LA GARZA, Mr. DONNELLY, Mr. DREIER of California, Mr. FROST, Mr. FUQUA, Mr. GOODLING, Mr. GORE, Mr. GRAY, Mr. GREEN, Mr. RALPH M. HALL, Mr. HANSEN of Idaho, Mr. HAWKINS, Mr. HEFTEL of Hawaii, Mr. HIGHTOWER, Mr. HOYER, Mr. CARPER, Mr. KOLTER, Mr. LANTOS, Mr. LEWIS of California, Mr. LOWRY of Washington, Mr. MCCURDY, Mr. MCEWEN, Mr. MACKAY, Mr. MARKEY, Mr. MARRIOTT, Mr. MOLLOHAN, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. ORTIZ, Mr. OTTINGER, Mr. PATTERSON, Mr. QUILLEN, Mr. ROBERTS, Mr. ROWLAND, Mrs. SCHNEIDER, Mr. SIKORSKI, Mr. SISISKY, Mr. SLATTERY, Mr. SMITH of New Jersey, Mrs. SNOWE, Mr. STANGELAND, Mr. TAUZIN, Mr. THOMAS of Georgia, Mr. TORRES, Mr. UDALL, Mr. VALENTINE, Mr. WEAVER, Mr. WOLPE, Mr. WON PAT, Mr. WORTLEY, Mr. YOUNG of Alaska, Mr. YOUNG of Missouri, Mr. ZABLOCKI, Mr. KILDEE, Mr. HARKIN, Mr. BOEHLERT, Mr. BROWN of California, Mr. D'AMOURS, Mr. HARRISON, Mr. NELSON of Florida, and Mr. WOLF.

H.J. Res. 113: Mr. CORRADA and Mr. SIMON.

H.J. Res. 120: Mr. RODINO.

H.J. Res. 136: Mr. FOGLIETTA.

H.J. Res. 153: Mr. CROCKETT, Mr. SHELBY, Mrs. HALL of Indiana, Mr. MOLLOHAN, Mr. STARK, Mr. ROE, Mr. EDGAR, Mr. HUGHES, and Mr. FRENZEL.

H.J. Res. 168: Mr. DASCHLE, Mr. SMITH of New Jersey, Mr. MOORHEAD, Mr. STANGELAND, Mr. FRANK, Mr. MONTGOMERY, Mr. FAUNTROY, Mr. SUNIA, Mrs. BOUQUARD, Mr. WON PAT, Mr. DYMALLY, Mr. TRAXLER, Mr. SHUMWAY, Mr. FOLEY, Mr. LAGOMARSINO,

Mr. DUNCAN, Mr. MURTHA, Mr. ROE, Mr. STAGGERS, Mr. YATRON, Mr. VANDERGRIFF, Mr. THOMAS of Georgia, Mr. OWENS, Mr. JEFFORDS, Mr. BEVILL, Mr. MOLLOHAN, Mr. HORTON, Mr. HERTEL of Michigan, Mr. DANNEMEYER, Mr. LEWIS of Florida, Mr. SMITH of Florida, Mr. BRITT, Mr. HEFTEL of Hawaii, Mr. RAHALL, Mr. MAVROULES, Mr. STOKES, Mr. FORD of Tennessee, Mr. KOGOVSEK, Mr. D'AMOURS, Mr. HAMMERSCHMIDT, Mrs. HALL of Indiana, Mrs. BOXER, Mr. CARNEY, Mr. LEWIS of California, Mr. LUKEN, Mr. IRELAND, Mr. BATES, Mr. PEPPER, Mr. DURBIN, and Mr. HUGHES.

H.J. Res. 176: Mr. ANTHONY, Mr. BEDELL, Mr. SILJANDER, Mr. DINGELL, Mr. WOLPE, Mr. TRAXLER, Mr. WHITEHURST, Mr. FORD of Michigan, Mr. DWYER of New Jersey, Mr. VENTO, Mr. ROE, Mr. KILDEE, Mr. FROST, Mr. VANDERGRIFF, Mr. LELAND, Mr. PATMAN, Mr. FORSYTHE, Mr. MORRISON of Connecticut, and Mr. SUNIA.

H. Con. Res. 23: Mr. BEDELL, Mr. BONKER, Mr. CHANDLER, Mr. DICKS, Mr. GILMAN, Mr. HILER, Mr. LEVIN of Michigan, Mr. NIELSON of Utah, Mr. RITTER, Mr. SMITH of Iowa, Mr. STANGELAND, Mr. SHUMWAY, Mr. WASHINGTON, and Mr. WOLF.

H. Con. Res. 45: Mr. VANDERGRIFF and Mr. RAHALL.

H. Con. Res. 47: Mrs. SNOWE and Mr. EVANS of Illinois.

H. Con. Res. 63: Mr. ANNUNZIO, Mr. BLILEY, Mr. BOLAND, Mrs. Boxer, Mr. ACKERMAN, Mr. CHANDLER, Mr. COUGHLIN, Mr. DANIEL B. CRANE, Mr. DAUB, Mr. DWYER of New Jersey, Mr. ECKART, Mr. ERDREICH, Mr. EVANS of Illinois, Ms. FERRARO, Mr. FIELDS, Mr. FLORIO, Mr. FOGLIETTA, Mr. FRANK, Mr. GARCIA, Mr. GEKAS, Mr. HALL of Ohio, Mr. HARKIN, Mr. HERTEL of Michigan, Mr. HORTON, Mr. HUGHES, Mr. KASICH, Mr. KEMP, Mr. KOSTMAYER, Mr. KRAMER, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LEVINE of California, Mr. MCGRATH, Mr. MCNULTY, Mr. MACKAY, Ms. MIKULSKI, Mr. MOLLOHAN, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. NIELSON of Utah, Mr. OBERSTAR, Mr. O'BRIEN, Mr. OWENS, Mr. PATTERSON, Mr. SCHUMER, Mr. SMITH of Florida, Mr. STOKES, Mr. SYNAR, Mr. WALGREN, Mr. WHEAT, Mr. WILLIAMS of Montana, and Mr. WOLPE.

H. Con. Res. 71: Mr. RODINO.

H. Res. 67: Mr. STRATTON, Mr. YATRON, Mrs. COLLINS, Mr. GEKAS, Mr. SHANNON, Mr. WEAVER, Mr. ZSCHAU, Mr. REID, Ms. KAPTUR, Mr. LEWIS of Florida, Mr. LOWERY of California, Mr. HARKIN, Mr. GUARINI, Mr. KOGOVSEK, Mr. BARTLETT, Mr. COUGHLIN, Mr. LEVIN of Michigan, Mr. LUNGREN, Mr. ANDREWS of Texas, Mr. MURPHY, Mr. BLILEY, Mr. PATTERSON, Mrs. VUCANOVICH, Mr. TAUKE, Mr. SEIBERLING, Mr. ACKERMAN, Mr. ANDERSON, Mr. DANIEL B. CRANE, Mr. FIELDS, Mr. ERDREICH, and Mr. NIELSON of Utah.

H. Res. 119: Mr. WISE, Mr. OTTINGER, Mr. ZABLOCKI, Mr. MITCHELL, Mr. FOGLIETTA, and Mr. DYMALLY.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 427: Mr. WATKINS.

H. Con. Res. 83: Mr. BOEHLERT, Mr. SYNAR, Mrs. SNOWE, Mr. HORTON, and Mr. COUGHLIN.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

47. By the SPEAKER: Petition of House of Delulau, Republic of Palau, relative to urging the U.S. Congress to approve and ratify the Compact of Free Association between the United States and the Republic of Palau; to the Committee on Interior and Insular Affairs.

48. Also, petition of the American Bar Association, Washington, D.C., relative to the bankruptcy court system; to the Committee on the Judiciary.

49. Also, petition of the Elmwood Federal Savings and Loan Association, Harahan, La., relative to withholdings of interest or dividends; to the Committee on Ways and Means.

50. Also, petition of the city council, Cleveland, Ohio, relative to unemployment; jointly, to the Committees on Public Works and Transportation and Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1983

By Mr. BARTLETT:

—In section 2 of the bill, after the proposed section 105(a)(4), insert the following new paragraph:

"(5)(A) such mortgagor has filed a plan with the bankruptcy court under chapter 13 of title 11, United States Code; and

"(B)(i) such court has dismissed the case of such mortgagor following a denial or revocation of confirmation of such plan; or

"(ii) the case of such mortgagor has been converted to a case under any other chapter of such title; or

"(iii) such mortgagee has been granted relief from the stay provided under section 362 of such title;

Redesignate the subsequent paragraphs, and any reference to such paragraphs, accordingly.

By Mr. WALGREN:

—In section 2, after the proposed section 102(a)(3), insert the following new paragraph:

"(4) it is primarily the responsibility of the Federal Government to provide such financial assistance.

In section 2, strike out the proposed section 102(b) and insert in lieu thereof the following:

"(b) It is the purpose of this title to establish a program that will—

"(1) preserve and promote forbearance with respect to mortgages;

"(2) through emergency mortgage relief payments, prevent widespread mortgage foreclosures and distress sales of homes resulting from the temporary loss of employment and income; and

"(3) serve as the initial means of providing Federal or State financial assistance to homeowners whose mortgages are subject to foreclosure.

In section 2, at the end of the proposed section 102(a)(2), strike out "and".

In section 2, at the end of the proposed section 102(a)(3), strike out the period and insert in lieu thereof "; and".

By Mr. WORTLEY:

—In section 2 of the bill, after the proposed section 104(c), insert the following new subsection:

"(d)(1) Notwithstanding any other provision of this title or any other law, the Secretary shall terminate the program established in this title if the Secretary determines at any time that such program will tend—

"(A) to cause higher interest rates;

"(B) to frustrate the purchase of homes by first-time homeowners; or

"(C) to cause higher mortage payments for individuals whose homes are subject to adjustable rate mortgages.

"(2) The Secretary shall make an evaluation of the circumstances described in paragraph (1) not less than once during each 6-month period following the date of the enactment of the Emergency Housing Assistance Act of 1983.

—In section 2 of the bill, in the proposed section 110, strike out "$760,000,000" each place it appears and insert in lieu thereof "$380,000,000".

HOUSE JOINT RESOLUTION 13

By Mr. BROWN of Colorado:

—On page 4, immediately after line 16, insert the following new paragraph:

"(1) Pursuing the objective of negotiating an immediate, mutual and verifiable reduction in nuclear weapons."

Renumber the succeeding paragraphs accordingly.

By Mr. CARNEY:

—On page 4, in line 22, strike out the period immediately after "systems" and in lieu thereof insert ", except that such a freeze should not include the testing, production, or deployment of those nuclear weapons systems which the United States has agreed with our North Atlantic Treaty Organization allies would be deployed in their respective countries."

By Mr. COURTER:

—At the end of the joint resolution add the following new section:

SEC. . Nothing in this joint resolution shall be construed to prevent such modernization and deployment of United States dual delivery systems as may be required to maintain the credibility of the United States nuclear deterrent.

By Mr. PHILIP M. CRANE:

—On page 4, lines 17, 18 strike: "an immediate" and insert the word "A".

Insert after the words "mutual and" and before "verifiable" the word "absolutely".

Strike after the word "freeze", the period.

Insert "that guarantees parity to the United States and the Soviet Union."

—SEC. 3. Resolve further that it is the sense of the Congress that no provision of the resolution shall be carried out if, in the opinion of the executors, it fails to provide for the common defense, as required by the Constitution, or fails to provide adequate defense against all enemies as provided for in the oath of office.

—On page 2, 1st "Whereas", strike entire clause and insert in lieu of: "Whereas it is the responsibility of Congress to defend and protect the United States against all enemies;".

—On page 2, a new 3rd "Whereas" clause: "Whereas the use of chemical and biological weapons as used by the Soviet Union against the Afghan people, constitutes a violation of international law and a crime against humanity;".

—New 4th Whereas: "Whereas it has always been and continues to be the policy of the United States to promote peace and freedom;".

By Mr. LUNGREN:
—On page 5 at line 19, insert "(a)" after "2.", and after line 23 add the following:
"(b) Consistent with the treaty-making powers of the President under the Constitution, nothing in this resolution shall be construed to be binding on the President or his negotiators in the formulation of strategy, instructions or positions in the conduct of the Strategic Arms Reduction Talks (START).".

By Mr. MARTIN of North Carolina:
—Page 4, line 14, immediately after "capabilities" insert "at present and in the future".
Page 4, line 18, immediately before the period, insert the following: ", provided it ensures against strategic instability by maintaining essential equivalence in overall nuclear capabilities at present and in the future".
Page 4, after line 22, insert the following new paragraph (3) and redesignate existing paragraphs (3) through (6) as paragraphs (4) through (7), respectively:
"(3) Giving special attention to destabilizing factors in the nuclear balance, including relative ages of weapons and their rates of obsolescence.".
Page 4, beginning in line 19, strike out "mutual verifiable" and insert in lieu thereof "mutual, verifiable, and equitable"; line 24, strike out "mutual and verifiable" and insert in lieu thereof "mutual, verifiable, and equitable"; page 5, line 4, strike out "mutual and verifiable" and insert in lieu thereof "mutual, verifiable, and equitable"; and line 20, strike out "mutual and verifiable" and insert in lieu thereof "mutual, verifiable, and equitable".
—Page 5, after line 23, insert the following:
SEC. 3. Nothing in this resolution shall be construed to commit the United States, in pursuit of the negotiating objectives set forth in this resolution, to any unilateral steps in the authorization or appropriation process suspending, deferring, or deciding against testing, production, or deployment of nuclear weapons.

By Mr. SOLOMON:
—On page 4, line 18, immediately before the period, insert the following: "and/or reduction, except that negotiations for a nuclear freeze and/or reduction should not commence until the President makes a full report to the Congress on Soviet compliance with strategic arms agreements".
—Page 3, at the end of the next to the last paragraph of the preamble, strike out "and"; at the end of the last paragraph of the preamble, strike out ": Now, therefore, be it" and insert in lieu thereof "; and"; and after the last paragraph of the preamble, insert the following new paragraph:
"Whereas since the McCloy-Zorin Agreement states that it is important that all states abide by existing international agreements, refrain from any actions which might aggravate international tensions, and seek settlement of all disputes by peaceful means, negotiations for a nuclear freeze should include strong language urging the Soviet Union to cease its violations of its obligations under the United Nations Charter by withdrawing all Soviet troops from Afghanistan: Now, therefore, be it",
—Page 3, at the end of the next to the last paragraph of the preamble, strike out "and"; at the end of the last paragraph of the preamble, strike out ": Now, therefore, be it" and insert in lieu thereof "; and"; and after the last paragraph of the preamble, insert the following new paragraph:
"Whereas since the McCloy-Zorin Agreement states that it is important that all states abide by existing international agreements, refrain from any actions which might aggravate international tensions, and seek settlement of all disputes by peaceful means, negotiations for a nuclear freeze should include strong language urging the Soviet Union to grant political freedoms in Poland including but not limited to free and independent labor unions: Now, therefore, be it",
—Page 3, at the end of the next to the last paragraph of the preamble, strike out "and"; at the end of the last paragraph of the preamble, strike out ": Now, therefore, be it" and insert in lieu thereof "; and"; and after the last paragraph of the preamble, insert the following new paragraph:
"Whereas since the McCloy-Zorin Agreement states that that it is important that all states abide by existing international agreements, refrain from any actions which might aggravate international tensions, and seek settlement of all disputes by peaceful means, negotiations for a nuclear freeze should include strong language urging the Soviet Union to comply with existing international agreements proscribing the use of chemical and biological weapons: Now, therefore, be it".
—Page 3, at the end of the next to the last paragraph of the preamble, strike out "and"; at the end of the last paragraph of the preamble, strike out ": Now, therefore, be it" and insert in lieu thereof "; and"; and after the the last paragraph of the preamble, insert the following new paragraph:
"Whereas since the McCloy-Zorin Agreement states that it is important that all states abide by existing international agreements, refrain from any actions which might aggravate international tensions, and seek settlement of all disputes by peaceful means, negotiations for a nuclear freeze should include strong language urging the Soviet Union to comply with the provisions of the Helsinki Accords, to which it is a signatory, including granting freedom of emigration and ending the use of slave labor: Now, therefore, be it".
—Page 3, at the end of the next to the last paragraph of the preamble, strike cut "and"; at the end of the last paragraph of the preamble, strike out ": Now, therefore, be it" and insert in lieu thereof "; and"; and after the last paragraph of the preamble, insert the following new paragraph:
"Whereas since the McCloy-Zorin Agreement states that it is important that all states abide by existing international agreements, refrain from any actions which might aggravate international tensions, and seek settlement of all disputes by peaceful means, negotiations for a nuclear freeze should include strong language urging the Soviet Union to allow free and democratic elections in Eastern Europe as required by the Yalta agreements to which the Soviet Union is a signatory: Now, therefore, be it".
—Page 3, at the end of the next to the last paragraph of the preamble, strike cut "and"; at the end of the last paragraph of the preamble, strike out ": Now, therefore, be it" and insert in lieu thereof "; and"; and after the last paragraph of the preamble, insert the following new paragraph:
"Whereas since the McCloy-Zorin Agreement states that it is important that all states abide by existing international agreements, refrain from any actions which might aggravate international tensions, and seek settlement of all disputes by peaceful means, negotiations for a nuclear freeze should include strong language urging the Soviet Union to comply with all international agreements to which it is a party, including but not limited to strategic arms agreements: Now, therefore, be it".

By Mr. WALKER:
—Page 5, line 14, beginning with the word "shall", strike all that follows through the word "to" on page 5, line 15, and insert in lieu thereof "must".
Page 5, line 18, strike "commitments to" and insert in lieu thereof "agreements with".
—In the preamble, strike the third "Whereas" clause.

By Mr. ZSCHAU:
—On page 5, line 4, strike the words "Proceeding from" and insert the word "Pursuing" and on line 5 strike the comma and the word ", pursuing" and insert "and".

EXTENSIONS OF REMARKS

RELIGIOUS PERSECUTION IN RUSSIA

HON. DON BONKER
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. BONKER. Mr. Speaker, for those who felt the human rights situation in Russia would improve under Yuriy Andropov, there has been great disappointment. That is the indisputable conclusion of a congressional delegation trip to the Soviet Union and three Eastern block countries in January. The delegation, led by our able colleague TOM LANTOS, arranged to meet with refuseniks and other dissidents as well as the Pentecostal families who have been living in forced exile in the basement of the U.S. Embassy in Moscow.

Fortunately, Annette Lantos attended most of the sessions and wisely took notes, giving us an accurate chronolog of the meetings and vivid portrayal of the victims and their tragic circumstances.

Her article, which follows, is a poignant reminder of the continuing problem of religious persecution in the U.S.S.R. It should be read by everyone who cares about human rights and religious freedom.

RELIGIOUS PERSECUTION IN RUSSIA: THE PENTECOSTALS IN THE EMBASSY

In January of this year we traveled to the Soviet Union as part of an official fact-finding mission by U.S. Representatives concerning economic problems and human rights abuses in the Communist Economic Community countries and Western Europe. My husband is Chairman of the Congressional Committee charged with liaison responsibilities with the European Market, and our ultimate destination was Athens, where the U.S. representatives met with their European counterparts at the 21st Interparliamentary conference.

In the Soviet Union we had many high level meetings with important government officials about problems connected with the disarmament negotiations now going on in Geneva, trade and economic sanctions, and Soviet foreign policy objectives in Poland, Afghanistan and elsewhere in the world.

But for me, the highlight of our trip to the Soviet Union came in the course of the three visits we made to so-called refuseniks and dissidents; people who for some reason or another have been denied permission to leave the country. They are totally innocent of any wrong-doing—the Soviet Constitution, as well as the Helsinki Treaty signed by the Russians, guarantee the right of Soviet citizens to emigrate. Nevertheless, they have become outcasts in their own country.

We were able to arrange two group meetings, one in Leningrad and one in Moscow, and a special visit with the two Pentecostal families who are hiding in the basement of the American Embassy. They have been trying to escape their Russian persecutors for 4 years, and we found our meeting with them a very moving experience.

For the past 20 years, the Vashchenko family have been trying to emigrate from the U.S.S.R. in order to be able to worship freely, and bring up their children in the Christian faith. Instead of being granted exit visas, a right which is guaranteed to Soviet citizens under their constitution, they have been sent to labor camps and prisons. Several of their 14 children have been taken away for long periods of atheist re-education.

In 1978, the Vashchenkos received an official invitation to come to the United States. Because of this invitation, they left their Siberian home and went to Moscow to gain information at the U.S. Embassy about immigration procedures to the U.S. A woman neighbor, and her son (Maria and Timothy Chmyhalov) accompanied them to Moscow. When the party of 8 arrived at the entrance to the U.S. Embassy, they were attacked by Soviet soldiers. Sixteen year old John Vashchenko was brutally beaten and taken away to be tortured. The rest of the group ran for safety into the Embassy where the Soviet soldiers could not follow. They have remained there until this day; unable to get permission to leave the Soviet Union, and not daring to leave the Embassy for fear of arrest and torture.

They have been separated from all of their small children, having had only four of their 14 children with them when they came to Moscow. One Vashchenko son was kidnapped and tortured before he could get into the safety of the Embassy. Another girl, who was one of the three who came with them to Moscow, left the Embassy when the Soviets promised that if she would return to her village in Siberia and apply from there for an exit visa, it would be granted. With great trepidation, the Vashchenkos allowed their oldest daughter, Lidia, to go, but the Soviet authorities never kept their promise, and she never received permission to leave the country.

Now the Vashchenkos have only two daughters with them: Their brave and beautiful young Liuba has become the spokesperson for the entire trapped little group.

They live in miserable, crowded conditions isolated in a small basement room in the Embassy. They are deeply concerned about the rest of their family, particularly their small children under 10 years of age, who are at the mercy of the Soviet authorities in Siberia.

At the time of our visit, Augustina Vashchenko was very sick, lying almost unconscious in her bed. The Vashchenkos have not seen the rest of their children or their ministers. Neither have they been able to obtain time credit toward U.S. citizenship for the years they have spent in the basement of the American Embassy. They asked us to pray with them, and, if possible, to help them to see their children.

Later, at a meeting we had with a high Soviet official, Mr. Zagladin, from the Communist Central Committee, we asked why the Russians will not allow these poor, simple people, who are clearly no threat to the Communist government to either practice their religion, or at least leave the country. Mr. Zagladin retorted, saying that this was a matter of internal Russian policy. We offered to take the sick Augustina Vashchenko out of the country in our own airplane, and thus remove an unnecessary irritant from Soviet-U.S. relations. Mr. Zagladin responded that the Soviet government would study these proposals, but meanwhile he suggested that we could spend our time more profitably by worrying about unemployment at home.

Religious persecution of Christians who take their faith seriously is widespread in Russia. While the official Russian orthodox churches, whose priests are paid by by the Communist government, are allowed to function, more fundamentalist groups are harassed and persecuted, especially if they wish to follow a Biblical religion and refuse to work on Sundays, or want Bible and Prayer Group meetings at their own homes. Thugs are sent to the houses where religious meetings are being held; they beat up those present, tear up their Bibles, and disperse the group. Their children are taunted and maltreated at school, and job opportunities vanish. It is to escape such hopeless situations in Russia, and to be able to teach their religion to their six children, that the Vashchenko family have tried repeatedly to obtain permission to leave the Soviet Union.

As we were leaving the embassy, embracing tearfully with each sad member of this long-suffering family, they pleaded with us not to let people in America forget their plight, and to convey their gratitude for the many letters and greetings they receive.

The conditions in which faithful Christians in Russia have to live would be both unbelievable and intolerable in America. Yet, after our visit to the Soviet Union it was apparent to all of us that the situation is not likely to change in the near future. Those of us who made the effort to meet the persecuted refuseniks and dissidents—amongst those who made these visits were Congressman Don Bonker from Seattle, and Congressman Norman Lent from New York—came away from that nightmarish land more determined than ever to continue to work for the oppressed, wherever they may be found in the world. Everyone we talked to literally begged us to keep up the struggle to convey their story to every American, and to pressure the leaders of the Soviet Union to stop the oppression and persecution, and to grant them the precious human right to practice the religion of their choice in the country of their choice.●

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

1982-83 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM—MINNESOTA WINNER, CHARLENE M. RACHUY

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. WEBER. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conduct a Voice of Democracy contest. More than a quarter of a million secondary school students participated in the contest this year. I am proud to say that the winner for the State of Minnesota is a young woman from my district. Her name is Charlene M. Rachuy and she resides in Westbrook, Minn. She attends Westbrook High School. She is the daughter of Melvin and Vera Rachuy. Her father is a farmer and her mother a teacher.

Charlene is a fine example of the outstanding caliber of young people that the State of Minnesota produces. I would like my fellow Members of the House of Representatives to hear her winning essay. She has something to say that is of value to all of us.

It was 8:15 on Friday morning and as I was standing by my locker at school, I noticed a feature among my classmates that was similar, but at the same time, different—their hands. The football player, the musician, and the scholar's hands each told their own story.

It was easy to see how the football player could stretch out his hands and gracefully catch a flying pass. But there was something unique about those same hands: they were frequently folded in prayer, including a few moments before every game; when another player was down, they would reach out and pull him up; at the start of each ballgame, they would salute their flag as the band played the National Anthem.

The hands of the musician were perfectly manicured, but very muscular for they had seen hours upon hours of piano practice. Those were hands that could play recitals in concert halls with magnificent audiences, but there was something special about these hands also: it wasn't unusual to see them play for the school choir and during church services; they were the same hands that wiped away the tears of a first year piano student who forgot her memorized song at her first recital; after hours of rehearsal, they would salute their country with a beautiful rendition of the Star-Spangled Banner.

The scholar's hands were calloused from turning the countless pages of books, and from writing the countless term papers, but like the others, they too contained hidden qualities; they often wrote sermonettes for church services; they were the same hands that helped a four-year-old print her name; with a spirit of patriotism, they wrote poems about their country, flag, and people.

So what does all this say? It says a lot about America's youth. America is strong because her young people are strong.

Look at the hands of the younger generations of Americans and you will see that they are physically strong, but look at their hearts and watch their actions and you will see that their deeds reflect the tenderness of their hearts by reaching out to one another with concern.

The many youth of our country are our strength because we are building upon the firm foundation that our forefathers laid centuries ago and that our parents and grandparents added to before us.

Our occupations may some day be construction workers, dancers, or college professors, but more importantly, we will possess love for our fellowman and for our country.

Our strength definitely is our youth because we are the future; we have been given more than we could ever have asked for; we have the courage to dream; we are Americans.

I looked down at my own hands, and realized that, yes, they may someday write a book, but they will always wipe away the tear of a child; they will frequently be folded in prayer; they will never forsake these, my United States.

As I was walking to class, a friend gave me a pat on the back and said good morning.

I realized that America's strength is her youth because America has given us the opportunity to develop ourselves, but has taught us to reach out and grab our neighbors hand, and help him be who he wants to be.

Our hands that show our actions
Prove that to the U.S. we belong
We as youth are but reflections
That America is strong.●

COMMENDING THE MOUNT GREYLOCK REGIONAL HIGH SCHOOL ON ITS PARTICIPATION IN THE CLOSE-UP PROGRAM

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. CONTE. Mr. Speaker, I would like to bring to the attention of my colleagues today an outstanding group of young students from Mount Greylock Regional High School. I am pleased to extend my heartfelt congratulations and hearty welcome to these students from Williamstown, Mass., who have enrolled more young people in the Close-Up program than any other school in Massachusetts.

This week, a group of 26 students and their coordinator, Tom Murray, will experience first hand a weeklong Government studies program in Washington. This is a terrific opportunity for these eager youngsters to explore and experience the political scene by attending seminars and workshops.

I would also like to commend the town of Williamstown for its outstanding contribution in making this opportunity a reality for the students of Mount Greylock. This trip has been made possible through the efforts of the whole community. Churches, small store owners, neighbors, doctors, dentists, and lawyers contributed their time and money in funding this program. It is always reassuring to me when I learn that communities such as Williamstown are getting involved to demonstrate their civic spirit. I am hopeful that more communities will take Williamstown's lead.

I look forward to personally extending a warm welcome to the Mount Greylock Regional High School students this week.●

TRIBUTE TO JOHN AND LOUISE SCOTT

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. DE LUGO. Mr. Speaker, recently a new newspaper in the Virgin Islands, Pride-Times, published an article giving well-deserved homage to two of our island's most outstanding citizens, John and Louise Scott.

The unselfish dedication of these two individuals has enriched the lives, and in some cases, helped mold the lives, of all of us who have had the privilege of knowing them.

John and Louise came to the Virgin Islands as teachers over 40 years ago. For them, teaching was a vocation, and the timeclock had no bearing on what they saw as a full-time commitment to the young. Seeing the need for a sports program, they instituted a program that has helped literally hundreds of youngsters learn the principles of fair play, respect, and teamwork through the enjoyment of sports competition that John knows and loves so well. Taking on additional enterprises to make ends meet, John and Louise worked not for their own aggrandizement but for the young people, for the future. They have made the young people of the U.S. Virgin Islands their lifework, and all of us are deeply indebted to this outstanding couple.

I have known John and Louise since I was a boy, and I consider their friendship not only a pleasure, but an honor. I would like to share with my colleagues the story of John and Louise Scott, and would ask that the following article from the Virgin Islands Pride-Times be included with my remarks in the RECORD.

VIEWS

THE JOHN SCOTTS: EXTRAORDINARY SERVICE

As we look back over several decades, we find it difficult to think of more than a few residents of the Virgin Islands whose services to the Virgin Islands community come close to the monumental contributions made by John and Louise Scott.

For the more than forty years they have lived among us they have set a lofty standard of good citizenship that is universally recognized and applauded. For their exceptional accomplishments they have won the esteem and affection of virtually every Virgin Islander.

When John and Louise Scott arrived in St. Thomas, fresh out of Hampton Institute in the 1930s, the island still had remnants of its horse and buggy days. There were traces of poverty everywhere, and the government's limited resources could not provide any meaningful assistance to the downtrodden.

Certainly John and Louise Scott did not come to the Virgin Islands to get rich. Neither were they the type who would attempt to squeeze as much out of the islands as they could and then "split the scene."

They were teachers in the best traditions of that noble profession! Assuming their responsibilities with the utmost dedication, boundless enthusiasm and the fervor of evangelists, they immediately won the admiration of their young charges—an admiration that never lessened, despite the tough disciplinary measures the Scotts were sometimes forced to administer to the most recalcitrant.

The time they spent and the interest and concern that they displayed in their jobs are seldom demonstrated today, even by parents toward their children.

After their regular classroom responsibilities were at an end, the Scotts devoted innumerable hours of their own time, to teach, guide, tutor and counsel. In the case of Mr. Scott, who was a fine athlete, he built a sports program from scratch, inflicting athletes throughout the Virgin Islands with a sportsmania from which they have never recovered.

Mr. Scott loves sports, and he was happiest when he was introducing a new game, or coaching young men and women in its fine points. He was officially a vocational education teacher, but his heart belonged to sports.

Salaries for teachers were shamefully low and inadequate in the 1930s, but if the Scotts experienced any difficulties making ends meet, no one ever heard them utter a word of regret or complaint.

To increase their small, inadequate income, they started a chicken farm, and it soon became an island showplace.

This was another lesson in self-help and self-reliance that young people could understand. It was hard, back-breaking, sometimes unpleasant, unrewarding work. But the farm was all theirs and for the Scotts it was not disagreeable or demeaning by any means. The Scotts were not like some of the so-called "elite" who would never dream of soiling their hands in "undignified" work.

When rebellious youth got out of hand, and government leaders concluded that the incorrigibles should be put in detention homes, whose names would naturally come to mind? The John Scotts, of course.

They are today as humble, unhypercritical, unostentatious and as concerned about the people of the Virgin Islands as they were the first day they set foot on Virgin Islands soil.

As we view the problems associated with young people in these islands today, it would be nice to have another couple blessed with the unselfish devotion and dedication of John and Louise Scott to motivate our young people. There is little hope of that happening, for John and Louise Scott are extraordinary people—you don't find too many of them around at any time.

They have continued to live the lives they have preached—honest, devoted, concerned, people of high principles, whose lives have never been stained by any moral blemish, and whose reputation remains the highest in a community in which every mis-step becomes an instant morsel of gossip.

One of the saddest moments in the collective lives of Virgin Islanders came on the night when a cowardly hoodlum shot Mr. Scott in an apparent robbery attempt, inflicting severe injury. The tragedy did little to extinguish the high spirits of the Scotts. They suffered, but you don't find them wringing their hands, and feeling sorry for themselves. Life goes on. They practice a religion which gives them the strength to carry on.

For their immense, tangible contributions embacing nearly half a century, and the shining examples they have set while developing and inspiring countless numbers of young Virgin Islanders to lead useful lives, they are richly deserving of our appreciation and gratitude. They are GREAT Virgin Islanders by every definition of the word.●

PHILADELPHIA EXECUTIVES HONORED

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. GRAY. Mr. Speaker, I am pleased to pay tribute today to two Philadelphia executives, Robert F. Dee, chairman of the board, and Henry Wendt, president of Smithkline Beckman Corp., who are this year's corecipients of the Powell Award.

Once every 4 years, the city of Philadelphia presents the Powell Award to citizens who excel in manufacturing and commerce. The award is made possible by a fund created in the will of the late Edward Powell, a prominent Philadelphia businessman.

Mr. Dee and Mr. Wendt were selected by a committee appointed by Philadelphia Mayor William J. Green, who said:

Smithkline Beckman and Henry Wendt and Bob Dee have made enormous contributions to our city. Time and again they have demonstrated their enduring commitment to Philadelphia. They were instrumental in the decision to maintain Smithkline Beckman's corporate presence in Philadelphia and to build its world headquarters there despite a consultant's recommendation to the contrary. Their investment goes beyond the corporate headquarters with the construction of the Franklin Plaza Hotel and the redevelopment of the area known as Franklintown.

The corporation's achievements are recognized well beyond the borders of Philadelphia. A recent study found the company the eighth most admired corporation among the Fortune 500.

Mr. Speaker, Mr. Dee and Mr. Wendt have stated that their award, approximately $80,000, will be matched by Smithkline Beckman Corp., and the total of $160,000 will be donated to the Community Home Health Services of Philadelphia and earmarked for health services for the unemployed and indigent.

I congratulate these senior executives of a fine health care company. They have again demonstrated their personal commitment and the commitment of their corporation to bringing better health care services to those in need.●

TRIBUTE TO C. E. (CHUCK) DIXON

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. SHUMWAY. Mr. Speaker, at this time, I would like to ask that my colleagues join with me in paying tribute to an outstanding American and a dedicated public servant as he prepares to return to private life. The individual in question is Chuck Dixon, my good friend and constituent, who is about to retire from the position of San Joaquin County administrator, a position he has held for the past decade.

Chuck Dixon's career in county government began in 1955, as an administrative analyst and assistant county administrator in Fresno County. Subsequently, he served as chief administrative officer in Stanislaus County for 8 years, from which a 1-year leave of absence was granted in October 1967, enabling Chuck to serve as chief deputy director of the California State Department of Finance.

In 1970, Chuck Dixon was appointed director of general services for the State of California by then-Governor Reagan. During his tenure in Sacramento, Chuck also managed to acquit himself with admirable effectiveness on six additional commissions, committees, and boards, ranging from chairman of the State building standards commission to membership on the California Exposition Executive Committee.

Chuck then moved on to Washington, assuming the position of vice president for administration of the Federal National Mortgage Association.

Following that stint in the Nation's Capital, Chuck Dixon returned to California, applying his able services and effective leadership to the role of San Joaquin County administrator. In that capacity, he has been responsible for a $200 million budget and has demonstrated sound decisionmaking ability. He has proven to be an exceptional asset to the county, and has always found time to give of himself in other areas. As an example, he has served as a member of the California State Chamber of Commerce Statewide Tax Committee, the State health review and program council, and has remained extemely active in the National Guard. In 1976, he became a brigadier general, and was assigned to the staff of the commanding general of the California National Guard. He retired from that capacity in 1978.

I have been privileged to know and work with Chuck Dixon on many different levels, from Stockton to Washington. When I was serving as a member—and, ultimately, chairman—of the San Joaquin County Board of Supervisors, I found his talents as a county administrator to be most impressive. Since coming to Washington, I have enjoyed the interaction I have had with him as county and Federal governments cooperated. Above all else, he is a fine friend and a dedicated citizen.

Chuck stated in his retirement announcement that he planned to return to the three R's of "reading, 'riting, and ranching." To Chuck and to his wife, Betty, I extend every best wish for an enjoyable retirement, as well as my certain knowledge that he will continue to serve his community, his State, and the Nation whenever he sees a need to be filled. I am both pleased and proud to represent him in the Congress, and to count him among my friends. Moreover, I know that my colleagues will happily join me in recognizing this exceptional individual.●

INSURANCE AND THE PRICE OF SEX

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. BURTON of Indiana. Mr. Speaker, I would like to bring to my colleague's attention an article which appeared in the February 21, 1983, issue of Fortune magazine. As many of my colleagues are aware, there is a House bill under consideration which attempts to eliminate discrimination between men and women in regard to insurance rates and benefits. As this article points out, this bill would actually be to the detriment of women causing them to pay more for all types of insurance.

I recommend this article as a factual representation of the insurance issues as they really are, rather than as they are sometimes portrayed in Congress.

The article follows:

[From Fortune, Feb. 21, 1983]

(By Daniel Seligman)

One of the strangest issues you will have to make up your mind about this year is an entry that's usually labeled sex discrimination in insurance. At the moment, the moral high ground seems to be controlled by those who believe there's a big, big problem out there and that government must provide a solution. However, a case can be made for viewing the issue as a big, big nonproblem.

This is definitely not the view of Republican Senator Bob Packwood of Oregon, who is pushing a bill to end what he proclaims to be unconscionable discrimination by the insurance industry against women. His bill would also prevent the industry from discriminating on the basis of race, color, religion, or national origin, but since hardly anybody contends there is discrimination in these areas, virtually all the testimony in the Senate Commerce Committee has concerned sex. Packwood's bill was reported out of committee last fall but Congress never got to it in the hectic lame duck session, and so the Senator is starting over again this year. A similar bill has been introduced in the House by John Dingell of Michigan.

Also upset about sex discrimination in insurance is Solicitor General Rex E. Lee, who recently filed a brief attacking "sex-based actuarial tables," thereby lining up the Reagan Administration with the women's movement and numerous members of the judiciary who also don't like the tables. The tables, though, are innocent. They just reflect the reality that in certain matters highly relevant to insurance, men and women are, statistically speaking, very different. The tables show, for example, that on average women live longer than men; at age 60 a woman's life expectancy in the U.S. is 22.1 years, a man's only 17.1 years. Accordingly, insurers price insurance differently for men and women.

These differences in prices have been at issue in several major court cases in recent years. In 1978 the U.S. Supreme Court held that the Department of Water and Power in Los Angeles violated the 1964 Civil Rights Act by requiring women to make larger contributions to a pension plan to get the same monthly benefits men got. A related case out of Arizona will be coming before the Supreme Court this year. The issue in that one is whether women must settle for smaller monthly benefit checks from a deferred-compensation plan though women and men had made equal contributions to it over the years.

It is perhaps not surprising that the American Association of University Women, the National Women's Political Caucus, the Coalition of Labor Union Women, and other "movement" organizations are backing such lawsuits, but there are some anomalies in the movement's support of the Packwood bill. One anomaly is discernible in that chart on the facing page, which makes it clear that the insurance industry's present systems of sex classification favor women much of the time.

Indeed they may favor women on balance. Testifying before Packwood last summer, Mavis A. Walters, a member of the Committee on Risk Classification of the American Academy of Actuaries, stated that the Senator's bill would have these effects: "Women would pay more for life insurance; men would pay less. Women would pay less for annuities; men would pay more. Women would pay more for auto insurance; men would pay less. Women would pay less for disability insurance and men would pay more." Taking one thing with another, she added, "our study has found that women as a group will pay more for insurance if this bill is passed." George K. Bernstein, a witness representing the American Insurance Association at the hearings, put women's additional cost for autombile insurance alone at $700 million a year. Asking himself why the movement was nevertheless supporting the bill, Bernstein said the only explanation he could think of was "ideology."

It's hard to see why anybody without an ideologial slant should view the insurance industry's sex-based distinctions as discriminatory. If young women have fewer automobile accidents than young men—which they do—why shouldn't the women get a better rate? If the industry's experience shows—as it does—that women spend more time in the hospital than men, why shouldn't women pay more for health policies? If female mortality rates are lower than those for males—which they are, at every age from day one to year 100—why shouldn't females pay less for life insurance? And more for pensions and annuities? There is broad agreement that the industry's pricing reflects not bigotry but actual experience. So why should anybody view it as discriminatory?

Those inclined to the big, big problem view of the case have approached these questions in several ways. Some of them, including Packwood, see antidiscrimination laws in insurance as a natural follow-on to the laws that have successively banned sex discrimination in employment, housing, credit, and other areas. Having long since forgotten that the point of those other laws was to combat inaccurate and prejudicial stereotyping, they have now arrived at a mental way station where discrimination is defined as any difference at all in the treatment of the sexes. In an effort to sustain this view, witnesses before the Packwood committee kept saying that it's unfair to discriminate on the basis of sex because sex is an immutable human characteristic; like race and color, they said, sex is something nobody can change (a slightly debatable point these days). But none of the witnesses ever explained why immutability should be a factor in actuarial decisions. People also can't control their genetic heritage. If you're born with some life-threatening genetic defect, should you get insurance at the same price as someone who's in normal health?

However, the ultimate confusion about sex-based discrimination resides in an argument that seems to be sweeping the country these days. It's the argument that prevailed in those California and Arizona cases and that has now been embraced by Solicitor General Lee. The argument proceeds as follows: We agree that women as a class live longer than men. However, we do not agree that an individual woman should be treated as a member of the class when it comes to writing insurance; she may, after all, die tomorrow, while a man her age may live for decades. Indeed, treating people as members of a class, rather than as individuals, is precisely what we mean by discrimination—and is precisely what was forbidden by the Civil Rights Act, at least with respect to classes involving race, color, religion, national origin, or sex.

In buying this line of argument, the Reagan Administration has plainly been influenced by its encounters on the affirmative-action front. In the course of arguing against quotas and other kinds of race-conscious preference, the Administration keeps saying that we have to get away from group rights and concentrate on individual rights. This is certainly a logical and commendable rule to apply to employment cases, but extending the rule to insurance just seems mindless. Insurance *requires* group classifications. It needs the law of large numbers to work with. Though nobody knows when a particular person will die, the law of large numbers enables us to predict with considerable accuracy when an average member of a group will die. In agreeing that women as a group live longer, but insisting that it's unfair to apply this fact to individual cases, the courts and the Administration have stepped into a huge intellectual bog. Presumably we are all agreed that the insurance industry is entitled to classify people by age. But the argument that we must view people as individuals, and not as members of

a class, could also be applied to age classifications. After all, some young people die early and some old people just get a lot older.

The insurance industry is naturally quite upset about the trend in the courts and the possibility of having to cope with the Packwood standards. The worst case for the industry would be a law, or a court decision, that required existing as well as future policies to conform to unisex standards in pricing. (Packwood apparently wants to cover existing policies, but he sounds as though the issue is negotiable.) By some industry estimates, the worst-case scenario would cost several billion for pensions alone to bring benefits for women up to male levels.

Packwood himself thinks the true cost for additional pension benefits would be much lower, probably more like $500 million, "a relatively minor amount," he says, when measured against the industry's assets. He also likes to speculate that the industry might go unisex without this bill. "If one or two of the major companies were to crack," he said hopefully the other day, "the rest would go like a dam with a hole in it."●

A TRIBUTE TO MR. ALEXANDER LERNER

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. DAUB. Mr. Speaker, on this occasion I wish to call our attention to the plight of the distinguished Alexander Lerner.

Professor Lerner, once a prominent individual in the scientific community in the Soviet Union, has, since 1971, been relegated to a life of ostracism; as have other members of his family.

His plight began in September 1971, at which time Professor Lerner applied for permission to emigrate to Israel. Soviet authorities denied him permission to emigrate based on his alleged knowledge of state secrets.

Mr. Speaker, at this time I take the liberty of entering into the RECORD excerpts from a letter Professor Lerner sent to the Moscow Emigration Office on November 5, 1978. I will let his statements speak for themselves:

Seven years ago, November 5, 1971, my family and I first applied to emigrate to Israel, where now live my daughter, son-in-law, grandchildren, my wife's sister, and many other relatives. The repeated refusal of permission to emigrate can only be considered a violation of our indisputable right guaranteed by Soviet legislation and in many international undertakings signed by the Soviet Union. The forcible retention of us in this country is not only contrary to Soviet law but is also senseless and can only be harmful to the interests and image of the Soviet Union in as much as:

1. Numerous officials of the ministry of the interior from Mr. Shchelkov downward have repeatedly assured me that I would not be kept in the Soviet Union for a period longer than five years after my initial invitation and application. These promises have quite clearly been broken.

2. Even a person as overcautious as academician Trapeznikov informed me that in his opinion seven years is more than enough for a person to be released from the obligation posed by official secrets. In point of fact, I have not been possessed of such secrets for more than 20 years during the publications both in this country and abroad.

3. My son, Vladimir, who is also refused permission to emigrate, has never had access to any secrets of any kind.

4. My wife and I are no longer young people. I am 65. My wife Judith is 63. We are both prisoners; we are both sick and constantly suffer humiliation and persecution and our son, Vladimir, age 33, has for some time been prevented from working at his profession.

5. The refusal to grant us our natural right to emigrate is causing astonishment and resentment amongst the scientific community, scientific bodies, organization and individual scientists from Europe and the U.S.A.

I, therefore, urge you to look upon this case with humanity and with understanding and I urge you to reconsider your earlier decision and grant the three of us early permission to join the rest of our family in Israel.

Mr. Speaker, on July 8, 1981, Judith Lerner died at the age of 65 of a heart attack. In September of 1982, Soviet authorities threatened to arrest Professor Lerner if he continued to meet with foreigners, promising him a fate like that of Anatoly Shcharansky.

I therefore call upon all of my colleagues to join in our efforts to implore the Soviet leaders to make immediate reforms in their emigration policies, so that refuseniks, such as Professor Lerner, can be granted their fundamental human rights.●

A TRIBUTE TO HARRIETT W. McGEEHAN

HON. FRANK HARRISON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. HARRISON. Mr. Speaker, on Saturday evening, March 19, the Hazleton Chapter of the Soroptimists International will honor Harriet W. McGeehan as the Hazleton Woman of the Year.

No one could be more deserving of this recognition.

Mrs. McGeehan is a member and past president of the Hazleton Area League of Women Voters and has served as second vice president of the State League. She was also named as Outstanding Woman of the Hazleton Branch, American Association of University Women in 1979. In 1982, she was the recipient for community service of the District Volunteer Award of the U.S. Department of Health and Human Services.

Over the years, Mrs. McGeehan has been active in the whole spectrum of civic and charitable activities in the greater Hazleton area. This year, she was one of eight Pennsylvania State University graduates designated in the District Alumni of 1983.

Mrs. McGeehan is a retired mathematics teacher. She is married to Robert McGeehan, and they have one daugther, Cathy.

Mr. Speaker, it is a genuine pleasure for me to join with the Hazleton Chapter of Soroptimists International and, indeed, with the entire greater Hazleton community in congratulating Harriet W. McGeehan on her designation as Woman of the Year and wishing for her and for her family many, many more years of health and success in all that they undertake.●

MS. VERNA T. MILLS "YOUTH—AMERICA'S STRENGTH."

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. FAUNTROY. Mr. Speaker, I would like to bring to the attention of the Congress a speech by Ms. Verna T. Mills, my constituent, on "Youth—America's Strength." This fine speech, which explores the question of personal excellence and its formulative factors, was chosen by the Veterans of Foreign Wars as the D.C. winner of the Voice of Democracy contest.

We young people of today are definitely the leaders of tomorrow, whether it be the leaders of a nation, of a large business firm, or of more personalized organizations.

However, being leaders may not interest some of us as we grow more mature; because of this, many of us will definitely be followers.

I'm sure that we have all experienced being led by someone, and we realize that there is really nothing wrong with this. If there were no followers, then whom would the leaders have to lead?

Society, whether familial or social, has an enormous influence on the ability of some of us to consider ourselves both leaders and followers. This is why it is vital that we, as young people, should receive from our parents and our guardians encouragement to accomplish our tasks to the very best of our ability. Thus as youth we can begin to acknowledge ourselves as being capable of accomplishing great things!

The same idea applies to the educational atmosphere we find among our teachers and our peers. The fact is that we should never ignore what people say about us or to us. Instead, we should take their comments into deep consideration and study all the aspects of what they are saying. We can ask ourselves what we have said or done that leads others to form judgments about us.

Each adult person should willingly take on the responsibility of helping to encourage youth to do good deeds, to build strong lives, to work with their peers in such a way that they too may become inspiring leaders.

It is not difficult for us to admire ourselves and to have self-confidence when someone who really does not know us well tells us that we did a good job at something.

Many of us young people often take what people say too literally. We begin to build

our lives on what other people think of us. Especially is this true if the would-be advisor is an authority figure—for example, a parent, a teacher or someone in the field into which we plan to enter.

My main point in looking at the strenght of youth today is that I want to encourage all young people to strive for what they want. We, the youth of America, are strong enough to succeed in whatever field we decide to enter provided we apply ourselves to preparing properly for that field. Meantime, when we young people hear our elders evaluating us, our dispositions, our endeavors, our possibilities for success, let us remember that their opinion, whether good or bad, may not be too helpful to us because we know, and surely our elders know, that their personal opinions may not always be correct. However, let us consider what people think of us and what they say of us and how they evaluate our goals. After some deep thought about this, let us ask ourselves—and only ourselves—"Are we capable? Are we strong?" When adults speak of "Youth—America's Strength" do they have each of us individually in mind? We must constantly look into ourselves and consider gravely the degree to which this term can be applied to us individually. If every young person in America did this, and then acted on what she/he finds, then the youth of America would indeed continue to be America's strength.●

THE AMERICAN LEGION'S 64TH ANNIVERSARY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. ANNUNZIO. Mr. Speaker, on March 15, 1919, the American Legion began its proud tradition of service, patriotism and care for our Nation's veterans. Sixty-four years later, the American Legion is an organization of 2½ million veterans with an auxiliary of an additional 1 million members, and with its huge membership and motto of "For God and Country," remains one of the Nation's leading patriotic organizations.

The American Legion was in the forefront of seeing that the Vietnam Veterans Memorial was built and dedicated. Toward this purpose, the Legion raised and donated $1.17 million, more than any other single organization. National Commander Al Keller, Jr. led as the first speaker at the dedication of the memorial saying,

> There is a legacy left to us from the Vietnam experience, and it was left to the young who fought there to show it to us. That is the rediscovery of our capacity to care, to give and to honor. That is no small legacy for a nation to receive.

American Legion bands from across the country participated in the parade. And for every Vietnam veteran in Washington the week of the dedication ceremonies, the Legion sponsored a "music of the Era" party featuring Wolfman Jack, the disc jockey whose show was broadcast to Southeast Asia during the Vietnam war.

The 15,735 American Legion posts are very active in their communities. In 1982, local Legion posts sponsored more than 4,000 Boy Scout troops around the country, and each year the American Legion nationally selects one Scout for the honor of its Scout of the Year Award. Last year this award went to Timothy P. LaQuerre, a high school student from Merrimack, N.H., sponsored by Merrimack American Legion Post No. 98. In 1982, Legion posts and their auxiliaries sponsored over 50,000 young high school juniors in Boys State and Girls State programs. Each year, two delegates from each Boys State and Girls State are selected to go to Boys Nation and Girls Nation in Washington, D.C., where they tour the White House, meet the President and spend a day on the Hill meeting their Congressman or Senator, among other activities. Last year's Boys Nation president was Joseph M. Wiegand, of Palatine, Ill., and the Girls Nation president was Alesia Cainer, of Nashville, Tenn.

Charles B. Yerger Post No. 471 of Boyertown, Pa., won the 1982 National Championship of American Legion Baseball at Boyertown, September 2-6, 1982. Ivan Snyder, Boyertown pitcher-outfielder, was named player of the year and won the batting championship with a .600 average in regional and national tournament play.

The Legion's 1982 National Oratorical Contest winner is William Kephart, Jr., sponsored by Chillicothe, Ill. Post No. 9. He emerged a winner from over 5,000 contestants sponsored by more than 1,200 posts nationwide.

These are but a sample of Legion volunteer activities and services to America's communities. The American Legion also works as a member of the American Blood Commission to encourage the donation of blood, and Legionnaires gave 200,000 pints of blood in 1982. The Legion is also a prime sponsor of the Special Olympics and recently awarded to Eunice Kennedy Shriver the National Commander's Public Relations Award for her outstanding public service as founder and president of the Special Olympics. Annually the Legion gives school awards, ROTC awards, educational scholarships and publishes "Need a Lift?," a booklet recognized as one of the best listings of career sources, scholarships, grants, and loan information for the college bound youths of our Nation.

Mr. Speaker, I am glad to join the members of the American Legion in celebrating the 64th anniversary of their proud traditions, and I commend the Legionnaires of the 11th district I am honored to represent, in Illinois, and all over our Nation, for their dedication to the ideals of our American heritage. I extend to them my best wishes as they go forward in greater service to secure the blessings of liberty for us all.●

SCIENTISTS SUPPORT A FREEZE

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. FEIGHAN. Mr. Speaker, I recently received a letter from the Union of Concerned Scientists endorsing House Joint Resolution 13, the resolution introduced by Chairman ZABLOCKI and approved by the Committee on Foreign Affairs which calls for negotiations for an immediate, verifiable, bilateral nuclear weapons freeze. Since the House will be considering House Joint Resolution 13 later this week, I wanted to share the UCS letter with my colleagues. It follows:

UNION OF CONCERNED SCIENTISTS,
Washington, D.C., March 10, 1983.

Hon. EDWARD FEIGHAN,
U.S. House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE FEIGHAN: On behalf of the Union of Concerned Scientists, I urge you to vote for the Bi-lateral Nuclear Weapons Freeze when H.J. Res. 13, as approved by the House Foreign Affairs Committee, comes to the House floor next week.

U.C.S. feels that a bi-lateral, verifiable freeze would be in the best interests of the United States and would enhance our national security.

Opponents of the freeze argue that the United States cannot engage in a freeze because it would leave us in a position of inferiority. The facts do not support such an assertion. It is true that the Soviet Union is ahead of the United States in such areas as total land-based throw-weight, number of land-based launchers, and number of sea-based launchers. Yet the United States is ahead in other, equally important areas, such as total number of re-entry vehicles, strategic bombers, and sea-launched re-entry vehicles. Our equipment is superior in quality and performance. We have a better balance between land-, air-, and sea-launched weapons. And some of our allies, unlike those of the Soviet Union, have their own nuclear arsenals. On balance, there is a rough parity in the nuclear arms race, and it is probably no longer possible for either side to achieve superiority.

Opponents of the freeze, fearful of some nebulous Soviet advantage, would accept a freeze only after the completion of the Administration's proposed build-up of U.S. strategic nuclear forces. This build-up is based upon the assumption, however, that the Soviet Union would sit idly by while we engage upon a massive strengthening of our nuclear forces. This is hardly a likely Soviet response. Indeed, indications are that the Soviet Union has at least two, and possibly four, intercontinental missiles ready for flight testing. There are reports that a new Soviet strategic bomber and long-range nuclear cruise missiles are being developed. The Soviet Navy is beginning to accept deliveries of the new Typhoon nuclear missile submarine. Production and deployment of all these Soviet weapons—and not just the American equivalents—would be halted by a bi-lateral nuclear freeze.

Verification is the second key issue affecting the nuclear freeze. There is no doubt that our ability to monitor Soviet activity would be a crucial requirement for a successful freeze. According to current and former intelligence officials, we have such a capability. Moreover, the job of monitoring Soviet nuclear arsenals, even now a responsibility of our defense and intelligence agencies, would be made easier in the context of a signed agreement. First, arms control agreements traditionally contain provisions explicitly aimed at easing treaty verification—SALT I and II, the Threshold Test Ban Treaty, and the Peaceful Nuclear Explosions Treaty all contain such provisions. Second, a signed agreement usually contains provisions for communication, through which both sides can deal with whatever ambiguities or questions might arise. Third, recent treaties, most especially the Peaceful Nuclear Explosions Treaty, include provisions for on-site inspections which represent considerable advances in this area over early arms control agreements. These factors, in addition to our current and projected "national technical" means of verification, would enable us to enter a bi-lateral nuclear weapons freeze with great confidence in our ability to detect Soviet violations.

As a final point, let me call your attention to the language of H.J. Res. 13. It calls for incorporation of the freeze concept into the START negotiations—not for the adoption by the United States of any kind of uni-lateral disarmament program. Any freeze agreement would clearly have to be the subject of extensive negotiations over its coverage and implementation, and thus could probably not be implemented immediately. The central purpose of a bi-lateral nuclear weapons freeze resolution must be to encourage adoption by both the United States and the Soviet Union of a policy aimed at ending the nuclear arms race.

I urge you to support the bi-lateral nuclear weapons freeze, as embodied in H.J. Res. 13, and to oppose any weakening amendments or substitutes.

Sincerely,

HENRY W. KENDALL,
Chairman.●

NATIONAL SINGLE PARENT DAY

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. TORRICELLI. Mr. Speaker, I am pleased to introduce today a resolution designating March 21, 1984, as "National Single Parent Day."

The resolution will call attention to the 14 million single parents in the United States today who rightfully deserve this recognition. The number of single parent families has doubled in the last 10 years, and 20 percent of all our Nation's children are now living in single-parent homes. It is estimated that 50 percent of America's children will live with a single parent before the age of 18.

In the past, single-parent families have not always been an accepted part of society. Now, as one of the fastest growing groups in our Nation, we must rise and pay tribute to these strong and courageous people. Single parents are proving to American time and time again that the quality of their parenting is resulting in well-adjusted children and young adults.

While recognizing the importance of two-parent families, I believe that it is time to acknowledge the courage and dedication of these parents who work hard to maintain strong family units. They are raising their children alone and deserve the utmost praise for their efforts.

Single parents come from all sectors of our society. The term "single parent" includes men and women, the divorced, the widowed, and the never married. The common bond that ties them all together is that they are singly raising their children. I stand in tribute of this admirable group and ask my colleagues to support the following resolution.●

A CLEAN PLATE MEANS HELP FOR A STARVING CHILD

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. JEFFORDS. Mr. Speaker, I would like to bring to my colleagues attention the work of elementary school students from Weybridge, Vt. I am sincerely proud of what they are accomplishing in their small and direct way. Rather than speak about their success, I recommend that my colleagues read the following article from the Boston Globe.

The article follows:

A CLEAN PLATE MEANS HELP FOR A STARVING CHILD

(By Tom Slayton)

WEYBRIDGE, VT.—First-graders tend to be very direct. So when you ask 6-year-old Michelle Quesnel what her school's "waste-watch" program means, her answer is not complicated.

"We save kids," she says. And then she runs back to a game of catch. Any of the other 77 children at Weybridge Elementary School will give you a similar answer.

Weybridge Elementary, a little brick school located out in the dairy land of Addison County, has found a way to help fight world starvation. The scale may be small, the contribution modest, but they feel they can make a difference.

"On Valentine's Day, we made our first payment," recalls Rhonda Young, a sixth-grader. "We put $98 in an envelope and made a line of kids out to the mailbox. That was our Valentine's Day present to the world—all those starving children."

The money went to UNICEF to help pay for a shipment of a dietary supplement called K-Mix II to an underdeveloped country. The mix strengthens the diet of starving children.

The unique aspect of the school's effort is the way the money is being raised. For each day Weybridge's 78 students waste less than a pound of food at their hot lunch program, "waste-watch" sponsors pay them a set amount of cash.

The project was the brainchild of third-grade teacher Caroline Donnan, who was concerned about the amount of food wasted and wanted students to see the connection between their wastefulness and global hunger. "I was trying to think of a way of linking our kids with kids everywhere," she says. "It's had all kinds of ramifications I never even thought of."

The program has generated impromptu lessons in math, geography, economics, business and writing, according to Weybridge Principal Ann Ross, who believes education at all levels must include an element of social consciousness. "We hope they're going to have a sense that individuals can count for something, particularly when they work together on a project they can all contribute to," she said.

The school focuses intently on waste-prevention when students gather for lunch each day. Across one wall, a handmade banner proclaims: "We can make a difference." The names of sponsors are hung from the lunchroom ceiling: "A new family on Snake Mountain Road"; "A Dairy Farm Family"; "A former clown"; "A selectman and court clerk."

Sponsors include the local Quaker Meeting, a fraternity at nearby Middlebury College and many others. Students calculate monthly how much sponsors owe., based on the amount pledged and the number of days less than a pound of food was wasted.

"It's really hard, because if even two kids don't drink their milk, that's a pound," says sixth-grader Rhonda Young. "But we're all working together on this—and we like each other."

Pat Tougas, the school cook, recalls that there used to be 15 or 20 pounds of waste daily at the school. Now, even when the students miss their goal, there isn't much waste. "We haven't hit the five-pound mark since December [when the program started]," Tougas says.

Some procedural changes helped cut waste. Instead of picking up their food cafeteria-style, Weybridge students now "order" from a student waiter who brings the food to their table and lets each student help himself. Surrounded by signs, the names of sponsors and table centerpieces that remind them of hungry children elsewhere, students work hard at finishing everything.

A student who has been named the day's "watcher of the waste" collects all the wasted food and weighs it. Donnan, the third-grade teacher, supervises. "I don't know if we're going to make it today," she says, eyeing a left-over baked potato. "Those potatoes . . ."

But the needle stops at just above half a pound. The school's total waste for the day wouldn't fill a pint container. It is the third day in a row the goal has been met. On two days in February, the school achieved perfect, no-waste lunches.

The waste-watch will continue all this year and probably next year. The link with other children and the thorough organization of the project has kept the students' interest high.

Many of them can quote the ominous statistics of world hunger; Out of 10 children worldwide, three will starve before the age of 5 and five will reach that age so malnourished they will never attend school.

When the project started, each day's successful effort raised enough money to buy one pound of K-Mix II, the amount UNICEF says will restore a starving child to health. Now each day's successful effort

raises enough money to buy 14 pounds of the supplement.

Using their math skills, the youngsters figure they've saved more than 250 children so far. That's three times the student population of Weybridge Elementary.●

RESPECT FOR VOCATIONAL EDUCATION

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. SAWYER. Mr. Speaker, American industry has experienced monumental changes over the past decade that have produced an array of high technical jobs, and, at the same time, eliminated many menial, subservient positions. The American work force has experienced a shuffle, as well, as new emphasis is placed on skilled and technically trained personnel. And there is, already in place, a program that is ready, willing, and able to help make this transition a positive experience for all workers of all ages. This program is vocational education, often referred to as the stepchild of American schooling, but now emerging as the fastest growing segment of higher education. I feel it is time for everyone to take a look at vocational education programs, on all levels, and give them the respect they deserved.

My home State of Michigan has recognized the tremendous worth in these programs and has now invested over $1 billion in public vocational-technical facilties. In the fifth district alone, I can easily boast of the Kent Skills Center, Davenport College, Jordon College, Kendall School of Design, and the Grand Rapids Junior College, all working together with the business community, determining what skills are needed in our area and then working to fill those voids. This cooperation between vocational education and the local community has led to only a 9-percent unemployment rate for voc-ed graduates, while other non-voc-ed graduates face an unemployment rate of 22 percent.

Our area high schools play an important role, as well, often introducing students to voc-ed programs for the first time.

In addition, vocational education stresses attitude, an essential but often forgotten lesson. You may have a highly skilled work force, but when employees fail to show up on time or take little pride in their work, productivity lags, and all advantages are lost.

Many also argue that it is unrealistic to retrain our work force and many state that such programs will not be able to help the older employee who has worked on the line for 15 years. Vocational education is ready to erase this no-can-do attitude and replace it with a postive and productive future. Again, in Michigan, 82 percent of those surveyed favored retraining adults and the unemployed through the vocational programs in our schools.

Admittedly, college is not for everyone, and vocational education can be a superb alternative.●

H.R. 1900

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. LEVINE. Mr. Speaker, our social security system is an essential insurance policy for our Nation's elderly. It has served that function well since its enactment by Congress in 1935. But it is in financial trouble now and it badly needs help.

Congress has a responsibility to provide that help. We must insure the preservation of social security and restore it to solid ground. No senior American should have his or her social security insurance policy threatened, in the short term or the long term.

Obviously, various reforms or repairs of social security will be accomplished by different distributions of the burden. While the bill we are considering, H.R. 1900, has much to recommend it—essentially, that it does save the social security system—its burdens are placed too unfairly on those least able to afford them.

First, I am opposed to the delay in cost-of-living benefits. This provision has troubled me deeply since it was first proposed. I had hoped that during the legislative process some way would be found to aid those poor, elderly people who need their cost-of-living increase in order to survive. This did not happen.

While the poorest of the elderly would in theory have some of the loss in benefits offset by an increase in their supplemental security income, this will not solve the problem. Nearly 30 percent of those eligible for SSI do not receive supplemental benefits, and those needy seniors will have no offset at all.

In addition, this delay is in reality a permanent loss in benefits to social security recipients, and there is no provision in the legislation which would restore to the needy these crucial payments.

Second, the Federal employees covered by the civil service retirement system have been asked to place a great deal of faith in Congress. The future of their retirement program could very easily be imperiled if Congress does not act to insure adequate funds to pay the millions of people who in good faith have contributed to the system.

As of today no legislation has been introduced on this subject and no concrete proposals have yet been offered to deal with this situation.

Third, the determining factor in my decision was the pasage of the Pickle amendment. This amendment would initially increase the age by which an individual could receive full benefits from 65 to 66, and later, to 67.

Supporters of this benefit reduction justify it by pointing to the longer lifespan now enjoyed by Americans. There are a number of problems with this.

While lifespans may be increasing, studies show that the health of the elderly is not. Much too often, people in their sixties find that they are physically unable to work. No provision is made by this amendment for the physically infirm.

At a time of high unemployment and a rapidly changing economy, many older workers are finding themselves increasingly unable to find work. Many companies are both refusing to hire older workers and laying off the older workers who are currently working for them. There is no language in Mr. Pickle's amendment which would address this problem.

Finally, this amendment would reduce benefits for everyone who found it necessary to retire before age 66. Not only would the age at which full benefits are paid be moved back, but benefits to those who do retire early would also be reduced.

Any social security compromise must not make unfair demands on the poorest, the sickest, and the most deserving of the elderly. I believe that this one does. It is not because of them that the social security system is in trouble today, and it should not be their responsibility to shoulder the heaviest of the burdens to bail out the system.

Fourth, I had hoped that this bill would reduce the burden now disproportionately placed upon the middle-class taxpayer. Yet, there is no language in this bill to reform the current inequities in the social security tax which require the middle-class taxpayer to pay more than his fair share of the tax. At the same time, his bill increases the burden on self-employed taxpayers.

I might have been able reluctantly to support H.R. 1900 as it was reported by the Ways and Means Committee. But once it was amended to raise the eligibility age and further reduce benefits, I became convinced that it imposed unacceptable burdens on those least able to meet them.

The members of the House Ways and Means Committee and its chairman deserve a great deal of praise for the hours they spent developing and reviewing this legislation. They did craft a bill which will restore confidence in the solvency of the system.

But, after studying the report, I am convinced that the sacrifices were not fairly distributed, and for that reason I cannot support the bill.●

NICK ZUNINO OF VALLEJO, CALIF. CITED FOR OUTSTANDING COMMUNITY SERVICE

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mrs. BOXER. Mr. Speaker, Nick Zunino is known to many as: "Mr. Sons of Italy of Vallejo," a title that was earned with over 53 years of dedicated work and compassion for people who touched his life. Testimonial for which Mr. Zunino is most deserving is long overdue.

Nick Zunino came to Vallejo, Calif. in 1927 from Alameda. He started the Vallejo Garbage Co. and the Fairfield Garbage Service, which he owned and operated for over 28 years. His dedicated participation in community affairs began 53 years ago in the greater Vallejo area. Mr. Zunino's outstanding community services contributions include such respected organizations as: The Vallejo Sons of Italy, where he also served on every Columbus Day celebration, and as the grand delegate for the lodges' original bowling and bocce ball teams. He served as a member of the Grand Lodge of the California Athletic Commission, as well as many other significant committees. Mr. Zunino is currently serving as the grand deputy of the Napa Lodge of the Older Sons of Italy in America.

Nick Zunino is a man who has made many wonderful contributions to his community as an outstanding and unselfish citizen. Nick Zunino, along with his wife Marie and daughter Angela, deserve commendation of great respect and gratitude.●

NUCLEAR FREEZE RESOLUTION DESERVES QUICK APPROVAL BY CONGRESS

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. BONKER. Mr. Speaker, later this week the House of Representatives is scheduled to take up consideration of House Joint Resolution 13, the nuclear freeze resolution. As a member of the Foreign Affairs Committee, which last week reported the measure by a wide margin, I can say that the resolution is the product of a careful, bipartisan effort calling for a mutual and verifiable freeze on nuclear weapons and meaningful negotiations to end the insanity of the arms race.

This resolution, which is very similar to one which narrowly failed to pass last year, seeks to signal the White House, and the world, that Congress will not accept the administration's disregard for nuclear arms control. By adopting House Joint Resolution 13, we will be endorsing the principle that nuclear arms escalation does not strengthen our security, but in fact increases the prospect of nuclear destruction. Nothing in the resolution could be construed as calling for unilateral disarmament.

Although Congress failed to approve the freeze resolution last year, recent events demonstrate that the ground swell of popular support for a nuclear freeze continues to grow. In the last general election, nuclear freeze referendums were adopted in nine States and hundreds of town cities and counties. Some 60 percent of the millions of citizens voting on these ballot measures supported a nuclear weapons freeze. Public opinion polls provide additional evidence that the American people oppose policies of nuclear escalation and favor a reasonable freeze on these weapons.

The people know what the administration has so far failed to recognize: That there exists a rough parity between the nuclear forces of the United States and the Soviet Union. Each nation has the ability to devestate the other under any conceivable set of circumstances. The United States has the edge in warheads, accuracy, and invulnerable counterstrike weapons, that is, nuclear submarines; the Soviets have larger missiles and more megatonnage.

All the talk about megatons, throw weights, and CEP obscures the basic reason for the existence of our nuclear force, which is to deter nuclear war. The only justification for nuclear weapons is to prevent their use by the other side. The administration has lost sight of this objective and seems to be ready to pursue the destabilizing and dangerous path of nuclear superiority.

Rough equivalence is all we need; there is nothing to be gained from an attempt to match the Soviets missile for missile, megaton for megaton. Once we have a sufficient nuclear deterrent force, anything more wastes tax dollars, undermines stability, and leads to a senseless arms race which threatens mankind. In the words of Winston Churchill, additional nuclear overkill would "only make the rubble bounce" in the event of nuclear war.

In the backward logic of strategic nuclear weapons, more is not better. If we move ahead with the new generation of counterforce nuclear weapons—including the MX, B-1, and Pershing missile—we will spend hundreds of billions of dollars and, ironically, be less secure than we are today.

A mutual and verifiable nuclear weapons freeze and genuine arms reduction negotiations are the best ways to halt the madness of the nuclear arms race.

I therefore strongly support this freeze resolution and urge my colleagues to oppose weakening amendments to this carefully crafted resolution and vote for passage of the measure.●

CAN MUSHROOM GROWERS SURVIVE RED CHINA?

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 15, 1983

● Mr. SCHULZE. Mr. Speaker, on previous occasions, I have come before my colleagues to explain the difficulties which beset the domestic mushroom industry as a result of the predatory trade practices by the People's Republic of China. Today, I would like to make the Members of this body privy to the sentiments of the editors of Pennsylvania Farmer, an influential agricultural publication in my home State, on this topic.

The editorial comments on the frustration of the mushroom industry that has resulted from their futile efforts to be treated equitably by their own Government regarding unfair foreign imports. I believe that their views are representative of other domestic industries who have experienced the difficulty of securing reasonable treatment by the Federal Government from predatory imports.

In short, the feeling is expressed in the editorial's phrase, "the futility of Federal help." Time and again, American agricultural interests have been sold out to protect relations with some foreign government. The time has long passed when America can afford to be so generous. I fear that the enormous restraint previously demonstrated by our constituents on this issue is quickly nearing its end. They are increasingly "mad as hell, and are not going to take it anymore."

I commend the editorial to my colleagues' attention.

MUSHROOM GROWERS LOSING TO CHEAP IMPORTS

"America is being played for a sucker" . . . "We've got our priorities mixed" . . . "I can imagine China's foreign trade minister is quite pleased with the President's decision not to grant import relief to the domestic mushroom industry."

The highly agitated farm leader saying all that is Jack Kooker, executive director of the Pennsylvania-based American Mushroom Institute.

And, boy, do all farmers have a lesson to learn here . . . the myth of free trade . . . the victory of coolie labor over U.S. growers . . . the infighting of farm commodity organizations . . . the futility of federal help.

Kooker, a Berks County native, was sounding off last month at President

Reagan for turning down AMI's request to limit imports of Red China mushrooms.

"It's all there in the U.S. Trade Act," Jack says. If a communist country disrupts the U.S. market the injured parties can seek the aid and comfort of the feds.

The mushroom growers figured they qualified. The $170 million ag industry in Pennsylvania, Delaware and Maryland is under attack by Red China which has come on fast as a mushroom exporter. In 1978, it supplied 1 percent of the mushroom imports; in 1981, 80 percent.

And the coolie work force of Red China puts processed mushrooms on U.S. docks at 28 cents a pound. It costs American growers 70 cents a pound to grow them.

Many mushroom houses in the three-state area are empty, hundreds of workers unemployed, and 25 percent of the growers face bankruptcy.

And two loyal allies—Taiwan and Korea—have all but hung up their mushroom lanterns due to this onslaught of state-owned, state-managed, state-supported mushrooms.

Kooker tells all this to the International Trade Commission and asks that foreign mushrooms be limited to 40 percent of "apparent consumption." This seems fair enough. The European Economic Community limits mushroom imports to 30 percent of its market.

But the Commissioners got an earful from high-priced lawyers of Pizza Hut. It likes the coolie cheapos. USDA took no position, much like its hands-off attitude on casein imports.

ITC commissioners later split 2-2 on which way to go.

That's when it went to the White House, citadel of free trade thinking in the nation if not the world. President Reagan said "no."

Mushroom growers are on the counter attack. First foray is to demonstrate at some Pizza Hut handy to the TV, radio and newspaper guys.

Also, growers are working with guys like U.S. Senator John Heinz, R-Pennsylvania, and Congressman Dick Schulze, R-Chester County, Pa., who heads a mushroom caucus in Congress incidentally.

At press time Schulze was trying to add an amendment to the Caribbean Basin Initiative that would exempt mushrooms from tariff-free status.

Long range, the fresh market is the American growers best hope of survival. And Caribbean imports could threaten that market.

What we need is "temporary" relief, Kooker insists, not continued federal protection.

A federal order for promotion only also is being talked. An assessment of 1¢ a pound would raise $2.5 million for fresh market advertising and promotion.

Perhaps what disappointed Kooker the most was news that the American Wheat Growers, American Soybean Association and the U.S. Feed Grain Council actively lobbied in the White House against the mushroom growers. They want the Chinese to earn dollars for U.S. wheat, corn and soybeans.

"Not one grower contacted me," Kooker says. Wheat, corn or soybean.

It seemed terribly unfair to Kooker. As he points out, "China needs our grain but we don't need their mushrooms."

This leaves us two thoughts:

American farmers can't afford a knockdown, drag-out commodity war.

The brain trust in the White House and USDA must wake up to the reality of free trade as it is today, and to the seriousness of the farm recession in the United States.

U.S. growers need the favored treatment—not the Chinese coolies . . . or Dutch dairymen . . . or French wheat growers.●

MAJORITY OPPOSES WITHHOLDING

HON. NORMAN E. D'AMOURS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. D'AMOURS. Mr. Speaker, I would like to share with you the sentiments of 257 Members of the House who are cosponsoring H.R. 500, legislation I have introduced to repeal interest and dividend withholding.

This bipartisan group is composed of Members of every different philosophy and ideology and we represent 48 States and territories. They have joined with me to support the proposition that withholding is unnecessary because comprehensive information reporting can increase tax compliance just as effectively, at a lower cost, and with less of a burden for taxpayers, businesses, and the U.S. Government.

I would like to share with all of my colleagues the names of the 257 Members now cosponsoring H.R. 500:

1. Addabbo, Joseph (N.Y.)
2. Alexander, Bill (Ark.)
3. Anderson, Glenn (Ca.)
4. Andrews, Ike (N.C.)
5. Andrews, Michael (Tx.)
6. Annunzio, Frank (Ill.)
7. Aspin, Les (Wis.)
8. AuCoin, Les (Oreg.)
9. Barnard, Doug (Ga.)
10. Barnes, Michael (Md.)
11. Bedell, Berkley (Iowa)
12. Bereuter, Doug (Neb.)
13. Biaggi, Mario (N.Y.)
14. Bilirakis, Michael (Fla.)
15. Bliley, Thomas (Va.)
16. Boggs, Lindy (La.)
17. Boner, William (Tenn.)
18. Bonior, David (Mich.)
19. Bonker, Don (Wash.)
20. Borski, Robert (Pa.)
21. Bosco, Doug (Ca.)
22. Boucher, Rick (Va.)
23. Bouquard, Marilyn (Tenn.)
24. Boxer, Barbara (Ca.)
25. Britt, Robin (N.C.)
26. Brown, George (Ca.)
27. Brown, Hank (Colo.)
28. Burton, Dan (Ind.)
29. Byron, Beverly (Md.)
30. Campbell, Carroll (S.C.)
31. Carr, Bob (Mich.)
32. Clarke, James (N.C.)
33. Clinger, William (Pa.)
34. Coelho, Tony (Ca.)
35. Conyers, John (Mich.)
36. Cooper, Jim (Tenn.)
37. Corcoran, Tom (Ill.)
38. Courter, James (N.J.)
39. Crane, Daniel (Ill.)
40. Crane, Philip (Ill.)
41. Crockett, George (Mich.)
42. D'Amours, Norm (N.H.)
43. Daniel, Dan (Va.)
44. Dannemeyer, William (Ca.)
45. Daschle, Tom (S.D.)
46. Daub, Hal (Neb.)
47. Davis, Bob (Mich.)
48. Derrick, Butler (S.C.)
49. DeWine, Michael (Ohio)
50. Dingell, John (Mich.)
51. Dreier, David (Ca.)
52. Duncan, John (Tenn.)
53. Dwyer, Bernard (N.J.)
54. Dyson, Roy (Md.)
55. Eckart, Dennis (Ohio)
56. Edgar, Bob (Pa.)
57. Edwards, Mickey (Okla.)
58. Emerson, Bill (Mo.)
59. Erdreich, Ben (Ala.)
60. Evans, Cooper (Iowa)
61. Evans, Lane (Ill.)
62. Fascell, Dante (Fla.)
63. Fazio, Vic (Ca.)
64. Feighan, Edward (Ohio)
65. Ferraro, Geraldine (N.Y.)
66. Fielder, Bobbi (Ca.)
67. Fields, Jack (Tx.)
68. Fish, Hamilton (N.Y.)
69. Florio, James (N.J.)
70. Foglietta, Thomas (Pa.)
71. Ford, Harold (Tenn.)
72. Ford, William (Mich.)
73. Forsythe, Edwin (N.J.)
74. Frank, Barney (Mass.)
75. Franklin, Webb (Miss.)
76. Frost, Martin (Tx.)
77. Fuqua, Don (Fla.)
78. Garcia, Robert (N.Y.)
79. Gejdenson, Sam (Conn.)
80. Gekas, George (Pa.)
81. Gilman, Ben (N.Y.)
82. Gingrich, Newt (Ga.)
83. Gore, Albert (Tenn.)
84. Gray, William (Pa.)
85. Guarini, Frank (N.J.)
86. Hall, Katie (Ind.)
87. Hall, Ralph (Tx.)
88. Hall, Sam (Tx.)
89. Hall, Tony (Ohio)
90. Hamilton, Lee (Ind.)
91. Hansen, George (Idaho)
92. Hansen, James (Utah)
93. Harkin, Tom (Iowa)
94. Harrison, Frank (Pa.)
95. Hatcher, Charles (Ga.)
96. Hawkins, Augustus (Ca.)
97. Hefner, Bill (N.C.)
98. Heftel, Cecil (Hawaii)
99. Hertel, Dennis (Mich.)
100. Hightower, Jack (Tx.)
101. Hiler, John (Ind.)
102. Hopkins, Larry (Ky.)
103. Horton, Frank (N.Y.)
104. Howard, James (N.J.)
105. Hubbard, Carroll (Ky.)
106. Hughes, William (N.J.)
107. Hutto, Earl (Fla.)
108. Jacobs, Andy (Ind.)
109. Johnson, Nancy (Conn.)
110. Jones, Ed (Tenn.)
111. Jones, Walter (N.C.)
112. Kaptur, Marcy (Ohio)
113. Kastenmeier, Bob (Wis.)
114. Kazen, Abe (Tx.)
115. Kemp, Jack (N.Y.)
116. Kildee, Dale (Mich.)
117. Kindness, Thomas (Ohio)
118. Kogovsek, Ray (Colo.)
119. Kolter, Joe (Pa.)
120. Kostmayer, Peter (Pa.)
121. Kramer, Ken (Colo.)
122. LaFalce, John (N.Y.)
123. Lantos, Tom (Ca.)
124. Leach, Jim (Iowa)
125. Lent, Norman (N.Y.)
126. Lipinski, William (Ill.)
127. Loeffler, Tom (Tx.)
128. Long, Gillis (La.)
129. Lott, Trent (Miss.)
130. Lujan, Manuel (N.M.)

131. Luken, Thomas (Ohio)
132. Lundine, Stan (N.Y.)
133. Lugren, Dan (Ca.)
134. McCloskey, Frank (Ind.)
135. McCollum, Bill (Fla.)
136. McCurdy, Dave (Okla.)
137. McDade, Joseph (Pa.)
138. McDonald, Larry (Ga.)
139. McGrath, Raymond (N.Y.)
140. McKernan, John (Me.)
141. McKinney, Steward (Conn.)
142. McNulty, James (Ariz.)
143. Mack, Connie (Fla.)
144. Markey, Edward (Mass.)
145. Marlenee, Ron (Mont.)
146. Marriott, Dan (Utah)
147. Martin, David (N.Y.)
148. Martin, James (N.C.)
149. Martinez, Matthew (Ca.)
150. Mavroules, Nicholas (Mass.)
151. Mikulski, Barbara (Md.)
152. Miller, Clarence (Ohio)
153. Mineta, Norm (Ca.)
154. Minish, Joe (N.J.)
155. Mitchell, Parren (Md.)
156. Moakley, Joe (Mass.)
157. Molinari, Guy (N.Y.)
158. Mollohan, Alan (W. Va.)
159. Montgomery, Sonny (Miss.)
160. Moody, Jim (Wis.)
161. Morrison, Bruce (Conn.)
162. Morrison, Sid (Wash.)
163. Mrazek, Robert (N.Y.)
164. Murphy, Austin (Pa.)
165. Natcher, William (Ky.)
166. Neal, Stephen (N.C.)
167. Nichols, Bill (Ala.)
168. Nielson, Howard (Utah)
169. Nowak, Henry (N.Y.)
170. Oakar, Mary Rose (Ohio)
171. Oberstar, James (Minn.)
172. Olin, James (Va.)
173. Ottinger, Richard (N.Y.)
174. Oxley, Michael (Ohio)
175. Packard, Ronald (Ca.)
176. Parris, Stan (Va.)
177. Patman, Bill (Tx.)
178. Patterson, Jerry (Ca.)
179. Paul, Ron (Tx.)
180. Pease, Donald (Ohio)
181. Petri, Thomas (Wis.)
182. Price, Melvin (Ill.)
183. Pursell, Carl (Mich.)
184. Quillen, James (Tenn.)
185. Rahall, Nick (W. Va.)
186. Ratchford, William (Conn.)
187. Ray, Richard (Ga.)
188. Richardson, Bill (N.M.)
189. Ridge, Thomas (Pa.)
190. Roberts, Pat (Kan.)
191. Rodino, Peter (N.J.)
192. Roe, Robert (N.J.)
193. Roemer, Buddy (La.)
194. Rose, Charles (N.C.)
195. Roth, Toby (Wis.)
196. Roukema, Marge (N.J.)
197. Rowland, Roy (Ga.)
198. Roybal, Edward (Ca.)
199. Scheuer, James (N.Y.)
200. Schneider, Claudine (R.I.)
201. Schroeder, Pat (Colo.)
202. Schumer, Chuck (N.Y.)
203. Sensenbrenner, James (Wis.)
204. Sharp, Philip (Ind.)
205. Shumway, Norman (Ca.)
206. Sikorski, Gerry (Minn.)
207. Siljander, Mark (Mich.)
208. Simon, Paul (Ill.)
209. Sisisky, Norman (Va.)
210. Skeen, Joe (N.M.)
211. Skelton, Ike (Mo.)
212. Slattery, Jim (Kan.)
213. Smith, Chris (N.J.)
214. Smith, Denny (Oreg.)
215. Smith, Lawrence (Fla.)
216. Smith, Robert (Oreg.)
217. Smith, Virginia (Neb.)
218. Snowe, Olympia (Me.)
219. Snyder, Gene (Ky.)
220. Spratt, John (S.C.)
221. Staggers, Harley (W. Va.)
222. Stenholm, Charles (Tx.)
223. Stokes, Louis (Ohio)
224. Studds, Gerry (Mass.)
225. Stump, Bob (Ariz.)
226. Sundquist, Don (Tenn.)
227. Sunia, Fofo (Am. Samoa)
228. Swift, Al (Wash.)
229. Synar, Mike (Okla.)
230. Tallon, Robin (S.C.)
231. Tauke, Thomas (Iowa)
232. Tauzin, Billy (La.)
233. Thomas, Robert (Ga.)
234. Torres, Esteban (Ca.)
235. Torricelli, Robert (N.J.)
236. Towns, Edolphus (N.Y.)
237. Valentine, Tim (N.C.)
238. Vandergriff, Tom (Tx.)
239. Volkmer, Harold (Mo.)
240. Vucanovich, Barbara (Nev.)
241. Walgren, Doug (Pa.)
242. Weaver, James (Oreg.)
243. Weber, Vin (Minn.)
244. Whitehurst, William (Va.)
245. Whitley, Charles (N.C.)
246. Whittaker, Bob (Kan.)
247. Williams, Pat (Mont.)
248. Wise, Robert (W. Va.)
249. Wolf, Frank (Va.)
250. Wolpe, Howard (Mich.)
251. Won Pat, Antonio (Guam)
252. Wortley, George (N.Y.)
253. Wyden, Ron (Oreg.)
254. Yatron, Gus (Pa.)
255. Young, Don (Alaska)
256. Young, Robert (Mo.)
257. Zablocki, Clement (Wis.)●

SALUTE TO DU PAGE VOLLEYBALL PLAYERS

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. ERLENBORN. Mr. Speaker, a volleyball team made up of 12 young women from high schools in Du Page County, Ill., will be traveling to Japan in April as guests of the Japan Volleyball Association.

This is the first high school level team from the United States ever to receive such an invitation.

Sports performance volleyball is a training program for young women who have the talent and desire to become world-class athletes. This team has played in Puerto Rico, Canada, and West Germany, with impressive records on all its tours. In addition, during the past three seasons the sports performance team has won several area tournaments and two national championships.

The program's staff is headed by Mr. Rick Butler, strength coach for the U.S.A. men's national volleyball team.

The young women of sports performance volleyball have put in countless hours of practice in preparation for this tour, and raised the funds to cover their fare to Japan. Their discipline and dedication are inspiring. We salute the players and their advisers, as they represent the United States with their high ideals matched by the effort it takes to achieve them.●

SHORT, MEDIUM, AND LONG UNEMPLOYMENT

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. PORTER. Mr. Speaker, over the past year, national and congressional attention has been riveted to the monthly release of the official unemployment figures. The urgency of discussion and attendant action has been strongly influenced by these figures, culminating in the recent passage of a $4.9 billion jobs bill by the House.

Dave M. O'Neill, in a recent article published in the Washington Post, takes issue with the lack of analysis given the official unemployment rate. He feels that there is little awareness that this number tells only part of the story; it tells nothing about unemployment's duration, severity, or variation among individuals.

At a time when fiscal constraint is essential to our Nation's economic recovery, it makes sense that programs be devised which focus primarily on those in dire need of help—14 percent of the unemployed, according to O'Neill. I commend Mr. O'Neill's worthwhile suggestions to my colleagues' attention.

[From the Washington Post, Feb. 17, 1983]

SHORT, MEDIUM, AND LONG UNEMPLOYMENT: THE NUMBERS DON'T TELL THE WHOLE STORY

(By Dave M. O'Neill)

Despite all the attention given the official unemployment figures each month, there seems to be little awareness that this number tells us only part of the story. In particular, it says nothing about the duration or severity of spells of unemployment or about how many of the unemployed are experiencing short, medium or long spells of unemployment.

The way the official rate is presented, it gives the impression the unemployed are an unchanging group of people who have been out of work for a very long time; each month a few hundred thousand more workers lose their jobs and join the millions of more or less permanently unemployed.

But the common impression fits only a relatively small fraction of the unemployed.

Actually, during most recent months, close to 4 million people became unemployed, rather than the few hundred thousand mentioned in the media announcements. Even last month, when the jobless rate declined, millions of individuals became unemployed. But total unemployment rose by only a few hundred thousand each month—or even fell—because almost as many workers left unemployment—with about half going directly into jobs. Even in

deep recession, the amount of job turnover and the volume of new vacancies is great enough that most spells of unemployment are not very long. Most of the workers who became unemployed found a job well within a year.

During 1981, when the monthly unemployment rate averaged 7.6 percent, the total number of people who experienced unemployment at any time during the year was 22.1 million, or 18.4 percent of all those who worked or looked for work during the year. However, the average (median) amount of unemployment experienced by these 22.1 million unemployed was 13.3 weeks. Moreover, of those 22.1 million who experienced some unemployment during 1981, 72.1 percent had either found jobs or "voluntarily" left the labor force (for reasons other than "could not find a job") by March 1982.

The data to make these calculations for 1982, when unemployment will average about 9.8 percent, are not yet available. But we can estimate the change from 1981 based on past experience. Such estimates suggest that the average number of weeks of unemployment is likely to rise to 17 or 18, and the number of unemployed workers who will have jobs or be voluntarily outside the labor force by March is likely to fall to about 68 percent.

This could be viewed as the relatively good news about the unemployed—its dynamic side. The bad news is that there also are groups of people for whom unemployment turns into an almost permanent state. For example, among adults 25 to 60 years old, 1.3 million experienced more than 27 weeks of unemployment in 1981 and were still either unemployed or "involuntarily" out of the labor force (because they could not find a job) in March 1982. This group corresponds more closely to people in the situations the special TV programs cover so vividly. Most of them are in cities with depressed "smokestack" industries, where job vacancies at wages comparable to their old jobs are nonexistent.

In order to better gauge the severity of the unemployment situation, a statistic that summarizes the more serious spells of unemployment is needed. One way is to focus on the group of really long-term unemployed as the recession deepened. In September 1981, as the economy began to slide into the second phase of the recession that began in March 1980, 570,000 people who were actively seeking jobs had been out of work for more than 49 weeks. In addition, 220,000 people who were involuntarily separated form their previous jobs but were not looking for work said they wanted a job but had looked and believed there were none available. This group of "discouraged workers" probably contains a large fraction of workers who are undergoing very long and serious spells of unemployment, and they should be added to the 570,000 "official" long-term unemployed. Thus, our group of unemployed who were undergoing very serious spells of unemployment in September 1981 was 790,000.

This amounted to 9.3 percent of all the unemployed and 0.7 percent of the labor force. By November 1982, this long-term group numbered 1,627,000, and they were 13.6 percent of all the unemployed and 1.5 percent of the labor force.

Over this same period, the number of all unemployed workers, regardless of how long their spell of unemployment was going to last, increased by much more—3.8 million. And as of November 1982, there were 12 million total unemployed, but only 1.6 million in our long-term unemployed group.

In popular discussions, only the 3.8 million and 12 million figures are usually mentioned. But both sets of figures should be considered when trying to assess how serious the unemployment problem has become in the recession. Any spell of unemployment is unpleasant, but a spell that lasts five, 10 or 20 weeks is not as serious as the ones that last 60, 75 or 100 weeks.

If we want to devise effective measures for treating unemployment, it is important that the public and policy-makers understand the nature of the pronounced difference in the unemployment ranks. The group they should focus on currently consists of only 14 percent of all the unemployed, but it is in dire need of help. We should follow employment policies that can be "targeted" on this group. In this regard, those that make use of the unemployment insurance system would be very useful, since the system keeps detailed records of the unemployed.●

DOLE ON WITHHOLDING

HON. NORMAN E. D'AMOURS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. D'AMOURS. Mr. Speaker, I would like to share with my colleagues several very illuminating and perceptive comments on interest and dividend withholding made by Senator ROBERT DOLE in 1980.

Senator DOLE, as ranking Republican member of the Senate Finance Committee in 1980, was also the chief cosponsor of Senate Concurrent Resolution 92 a sense of the Congress resolution which stated:

The enactment of a withholding tax on interest and dividend payments would be detrimental to the economic well-being of the United States.

The Senate Finance Committee Report on Senate Concurrent Resolution 92—Senate Report 96-863, issued July 23, 1980—elaborated on why Senator DOLE and a majority of the Senate Finance Committee opposed withholding:

The proposal to withhold income tax on interest and dividened payments could work hardships on those individuals least able to afford them, such as retirees who depend on social security and dividend and interest income. In addition . . . the proposed exemptions from withholding, which are designed to make the system more equitable, would make the system unacceptably cumbersome and costly to administer. . . . enactment of a withholding tax on interest and dividend payments would be detrimental to the economic well-being of the United States.

As a member of the Platform Committee of the 1980 Republican National Convention Senator DOLE helped draft a platform which forthrightly stated:

We also oppose Carter proposals to impose withholding on dividend and interest income. They would serve as a disincentive to save and invest and create needless paperwork burdens for government, business, industry, and the private citizen. They would literally rob the saver of the benefits of interest compounding and automatic dividend reinvestment programs.

Finally, in a personal letter written in the summer of 1980 on Senate Concurrent Resolution 92 Senator DOLE wrote:

It is also clear that withholding would impose significant recordkeeping and reporting burdens on financial institutions. This can only increase costs to the customers of those institutions, further penalizing those who want to save and invest, and concealing the true cost of this tax for our citizens. We need more capital formation to foster a healthy economy and we need to give savers and investors a fair rate of return. The withholding proposal is inconsistent with these goals.

Mr. Speaker, I would like to commend my colleague in the Senate for his insight into the Carter withholding proposal, and suggest that all of these arguments are equally true of the current withholding proposal.●

CONTRIBUTIONS OF BLACK SCIENTISTS TO AMERICA

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. HOYER. Mr. Speaker, on February 18 I had the privilege of sponsoring a breakfast in honor of Black History Month. On that occasion, Dr. John Slaughter, chancellor of the University of Maryland and former director of the National Science Foundation, spoke of the outstanding contributions made by black Americans in the field of scientific research and development.

Because these remarks seem especially appropriate as we review legislation such as the Emergency Mathematics and Science Education Act and, in general, as we review the contributions black Americans have made to this country's progress, I would like to share Dr. Slaughter's insightful comments with my colleagues.

The remarks are as follows:

INTRODUCTION

It is a pleasure to join you today for this Second Congressional Tribute to Black History Month. It was Carter G. Woodson who originated the idea of Black History Month. Like so many black Americans, Woodson was forced to seek an education against formidable odds, but he succeeded. In 1912 he received his Ph. D. from Harvard in history. His perserverance in the pursuit of knowledge and his determination to make the contributions of other black Americans known to the public at large still inspire the events of Black History Month as it is commemorated throughout the country.

As I see it, Black History Month has two principal purposes. The first is to bring to the attention of all Americans, black and white, the contributions that black Americans have made to every aspect of our life.

The second purpose is to focus on the ongoing problems that confront black Americans in our society. Given the current prominence of science and technology in our society and the importance these fields will continue to have, I want to draw your attention to the contributions of black Americans to science, and I want to stress the need to involve more black Americans in science and engineering today.

In a recent survey of public opinion conducted for the National Science Foundation, 86 percent of the adults surveyed believe scientific discoveries are largely responsible for our standard of living in the U.S., and 81 percent believe new discoveries will make our lives healthier, easier, and more comfortable. Technological know-how leads the list of eight factors judged to contribute the most to U.S. influence in the world. It ranks ahead of our form of government, our economic system, our natural resources, our religious heritage, our educational system, and the racial and ethnic mixture of our population.

Given this rather amazing public confidence in science and technology, it is particularly distressing that the contributions of black scientists are so infrequently discussed. In fact, American science and engineering today are where baseball was before Jackie Robinson, Larry Doby, and Roy Campanella; where basketball was before Early Lloyd, Walter Dukes, and Bill Russell; where football was before Tank Younger, Marion Motley, and deacon Dan Towler; where tennis was before Althea Gibson and Arthur Ashe; where music was before Marian Anderson, Paul Robeson, and Leontyne Price; where literature was before Langston Hughes, Paul Lawrence Dunbar, and Phyllis Wheatly; where law was before Charles Houston, Thurgood Marshall, and Clarence Mitchell; and where education was before Mordecai Johnson, Mary McLeod Bethune, and Benjamin Mays. No one can say that our country is not more interesting, richer, and more beautiful because of the contributions of Maya Angelou, Alex Haley, Calvin Simmons, Lena Horne, Ossie Davis and Ruby Dee, James Baldwin, James Earl Jones, Ernie Barnes, Nicki Giovanni, as well as Dr. J., Tony D., and the Big E.

CONTRIBUTIONS OF BLACK SCIENTISTS

Science and technology have had and will have their black giants. The giants of the past and even the present have struggled against the obstacles of racial prejudice that denied them adequate educational and research opportunities. That they were able to make such significant contributions in their fields is testimony to their courage and perseverance, as well as to their genius.

In the 18th century, a black farmer, Benjamin Banneker, won the admiration of Thomas Jefferson, who forwarded some of Banneker's manuscripts to the Academy of Science in France. Largely self-educated, Banneker quickly advanced beyond available resources, detecting errors in his borrowed mathematics books. Eventually he advanced so far in scientific theory that some called him the "Newton of his race." As an amateur scientist, he compiled authoritative almanacs on astronomy and predicted the solar eclipse of 1789. He recorded the tides and wrote a paper on insect life. A Marylander, Banneker even became assistant to the Geographer of the United States, helping to lay out the city of Washington, D.C. Today at the University of Maryland at College Park we honor his memory with Banneker Scholarships to outstanding minority undergraduates.

In 1865 there were 150,000 skilled craftsmen in the South—of that number, 5,000 were white. Fifty years later there were still 150,000 skilled craftsmen in the South, but at that time only 5,000 of them were black. This was the result of an extensive period of systematic exclusion of freed slaves and their progeny from those occupations requiring skilled training in the mechanic arts and the technology of the period. The message contained in these numbers is that a process was underway that would seriously impair the ability of an entire race of people in this country to participate effectively in the fields of science and technology. The truly alarming aspect of this picture is that we continue to suffer from this fact today.

Toward the beginning of the Industrial Revolution, other black achievers began making special contributions to American industry, American health, and the American home. They were for the most part inventors, demonstrating that ingenuity for which Americans are perhaps best known.

The first patent obtained by a black inventor was granted in 1821—to a New York tailor. From then until now, more than 400 black inventors have claimed close to a thousand patent rights. The impressive achievements of these black inventors—who were largely self-taught—laid the foundations for later successes in our own century. It is important that all Americans remember and appreciate these people. Despite countless handicaps, they showed us the way to succeed. Their distinguished careers offer inspiration to minority scientists and engineers everywhere. Let me name a few:

Andrew Beard, born a slave, in 1897 invented the Jenny Coupler to hook railway cars together automatically. Five years before that, he had invented a rotary engine.

Elijay McCoy invented mechanisms for oiling machinery automatically and became so famous for his ingenuity that people often asked if new inventions were "The Real McCoy."

Granville T. Woods, a mechanical and electrical engineer who never finished elementary school, patented more than 50 inventions, from an egg incubator to devices to make electric railway cars safer and more efficient. He also invented the third rail for electric railways and patented it in 1901.

Garrett A. Morgan in 1923 was granted the patent for his automatic traffic light. Morgan also developed a breathing device used on the safety helmets of firefighters. He won honor and wide recognition when he personally used the breathing device in a daring rescue mission in Cleveland, Ohio, after an explosion in a tunnel being dug under Lake Erie.

Lewis Latimer's skills as an electrical engineer drew the attention of Alexander Graham Bell. Latimer was even more closely associated with Thomas Edison, becoming one of the 28 original "Edison Pioneers."

As education became more available to blacks, their success in science and technology resulted from professional training as well as imagination and courage. George Washington Carver received only three patents in his lifetime, but he became world famous as an agricultural scientist—and an educator.

Then there was Dr. Percy Julian, a chemist whose work with soybeans made available to the world nutritious, low-cost food products, synthetic hormones, and more mundane but still important products like a new fire extinguisher and waterproof paper cartons. Moreover, as a result of his work synthesizing cortisone, thousands of persons suffering from arthritis and various nerve disorders now find relief from pain available and within reach of their pocketbooks.

In the area of health care, you will also remember that other outstanding black chemist who went on to become a physician—Dr. Charles Richard Drew. Dr. Drew's pioneering work in storing blood plasma saved countless lives during World War II.

And in the field of biology, I want to mention Dr. Ernest Everett Just, who was the first to receive the Spingarn Medal of the NAACP, in 1915. He conducted major research at the Marine Biological Laboratory at Woods Hole, Massachusetts.

Today, there are many black scientists and engineers who are building on those distinguished records of service to the nation.

There are now around 41,000 black scientists and engineers in the U.S. That is progress—despite the fact that although blacks constitute 20 percent of the U.S. population, they make up only 4 percent of all U.S. scientists and engineers.

Black scientists and engineers now work in nearly every major corporation in the country. Others teach and conduct research at major colleges and universities.

Black women have come to the fore. Dr. Shirley Ann Jackson, the first black woman to receive a Ph. D. from M.I.T., is now working on the frontiers of physics at Bell Laboratories. Dr. Jewell Cobb, a former member of the National Science Board, was a Professor of Biology and Dean of Douglass College at Rutgers and is now President of California State University at Fullerton.

THE FUTURE FOR BLACK AMERICANS

Yet, despite these recent examples of progress, we as a nation have a long way to go. Statistical data on the education and employment of minorities demonstrate clearly that the intellectual capabilities of the nation are not being adequately developed and used. This is particularly tragic in light of the critical personnel shortages that exist now and will exist in the future in science, engineering, and technological areas. I can tell Mr. Reagan that his economic recovery program will never work until the barriers and disincentives that prevent black men and women from opportunities and fuller involvement in science and technology are eliminated.

The Bureau of Labor Statistics forecasts that occupations in science and engineering will grow by 40 percent between 1979 and 1990. This growth will create 100,000 new jobs in the mathematical, physical, life, and social sciences, plus 250,000 new engineering jobs and 480,000 jobs in the computer professions. By 1990 we will need 80 percent more systems analysts, 60 percent more computer operators, and 112 percent more computer mechanics than we have right now.

Will blacks help fill these jobs, seize these opportunities? Let's look at the demographics. The 1980 census recently revealed that half the black population of the U.S. is under 25 years of age; 40 percent is under age 20. How young blacks spend their time now—the amount and the quality of the education they receive—is going to determine to a large extent not only their personal fulfillment and their role in society, but to some extent the future of the entire U.S. black population. Many of our young people should be able to meet this challenge, to grasp the opportunities in science and engineering that hold such promise for them—

when they learn the opportunities are there and begin to prepare for them.

I believe firmly in equality and excellence in education. Believe me, they are not mutually exclusive. Those who say equity means a reduction in standards are practicing the most blatant and heinous form of racism. And I agree with Alfred North Whitehead, who said that "In the condition of modern life, the rule is absolute; the race that does not value trained intelligence is doomed." Regrettably, too little information about science and engineering careers and the academic training required to pursue such careers has been made available to minority young people.

In its cover story on the computer as "man" of the year, Time magazine discussed the social problems inherent in the computer revolution, noting that "school-children now being educated in the use of computers are generally the children of the white middle class." Now, more than ever, we have a national responsibility to develop an educational system that ensures access to scientific professions for all segment of our society.

We have to encourage young black men and women now in college to stay long enough to get their degrees and, if qualified, go on to earn graduate degrees. The number of blacks enrolled in engineering courses, for example, increased by 100 percent between 1972 and 1980. But blacks earned only 2 percent of the total number of engineering degrees granted to all students in 1980. There is a real opportunity to do something about the dropout rate at the college level—an oppourtunity to make earning the degree a top priority.

And then there is the longer-term but perhaps even greater challenge of improving science and mathematics education at the secondary school level. We need better math and science teachers in our high schools. We need to improve math and science high school curricula. We need school counselors who will encourage young men and women to take the math and science courses required for math and science college majors.

We need to get families involved, to point to the proud achievements of their forebears and say to our youth, "Why not you?"

CONCLUSION

Black History Month gives us the opportunity to rediscover the past—to bring the often overlooked accomplishments of black Americans to the nation's attenton. It also allows us to assess our progress toward the equality of opportunity that we as a society hold dear. As Americans we believe in progress and we appreciate change. It is hard to believe that only two decades ago American astronauts first circled the globe in Friendship Seven, and James Meredith entered the University of Mississippi. Last May, I was invited by that University to deliver the graduation address—and I was warmly welcomed there. Nevertheless, we as a nation are still a long way from realizing Martin Luther King's dream of 20 years ago. King said then that "Now is the time to open the doors of opportunity to all of God's children." We know that the best opportunities of the future exist in the fields of science and technology. All Americans have a vital interest in making sure that "all God's children" have equal access to those opportunities.●

THE 30TH SESSION OF THE U.N. COMMISSION ON NARCOTIC DRUGS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. GILMAN. Mr. Speaker, through the efforts of the distinguished chairman of the Judiciary Committee (Mr. RODINO), the ranking member of our Select Committee on Narcotics Abuse and Control who served as acting chairman of the select committee until it was reconstituted last month; through the distinguished gentleman from New York (Mr. RANGEL), who has been appointed chairman of the select committee, of which I am a member, and through the distinguished Assistant Secretary of State for International Narcotics Matters (Mr. Dominick DiCarlo), I was able to participate in a portion of the deliberations of the 30th session of the U.N. Commission on Narcotic Drugs (CND) that was held in Vienna, Austria, on February 7-16, 1983, and to help draft and present the U.S. statement on the international strategy and policies for drug abuse control.

The U.S. delegation, which was ably led by our distinguished Assistant Secretary of State, Dominick DiCarlo, consisted of Clyde D. Taylor, Deputy Assistant Secretary for International Narcotics Matters; Dr. Carlton E. Turner, Director of the White House Drug Abuse Policy Office; Gene R. Haislip, Director of the Office of Compliance and Regulatory Affairs of the Drug Enforcement Administration (DEA); F. Gray Handley, of the State Department's Bureau of International Organization Affairs; Dr. Jean Paul Smith, of the Department of Health and Human Services; Stewart L. Nightingale, Associate Commissioner for Health Affairs for the Food and Drug Administration; Kenneth Quinn, our Mission Coordinator for Narcotic Affairs in Vienna; and John Warner, Chief of DEA's International Program Staff.

In December 1981, the U.N. General Assembly approved Resolution 36/168, adopting the international drug control strategy and program of action, a U.S. initiative and a measure that I helped draft as a member of the U.S. delegation.[1] This resolution calls for establishing, on a provisional basis, a task force to review, monitor, and coordinate the international drug control strategy and consists of the CND Steering Committee, members and representatives of the Division of Narcotic Drugs, the U.N. Development Program, the U.N. Fund for Drug Abuse Control (UNFDAC), the International Narcotics Control Board, and World Health Organization. The task force, which was established last year at the Commission's Seventh Special Session, held its first meeting immediately prior to the opening of the Commission's 30th session of February 7, 1983.

From the interest that General Assembly Resolution 36/168 generated among nations of the international community and among the U.N. drug-related agencies, it quickly became apparent that membership on the task force would exceed the size of the Commission, thereby making the task force unwieldy and thwarting its oversight function. It was also thought that limiting the membership of the task force would be discriminatory and that a task force larger than the CND itself could lead to duplicated efforts between the Commission and its task force. Accordingly, at the Commission's February 1983 meeting, the Commission recommended that the U.N. General Assembly should replace the task force, as provisionally established.

Although there is no longer a mechanism independent from the Commission to review, monitor, and coordinate the global drug strategy and program of action, the interest generated by the task force at its first meeting suggests a need to create a mechanism that would effectively oversee the global drug strategy. Hopefully, the Commission on Narcotic Drugs will develop such a task force that embodies the spirit of General Assembly Resolution 36/168 and that nations of the international community will support the global drug strategy by providing the necessary resources, personnel, and funds to implement the strategy and to monitor its activities.

Mr. Speaker, there is also an urgent need to link economic development assistance with narcotic eradication, crop substitution, and drug law enforcement programs. As President Reagan stated in his message to the U.N. Commission on Narcotic drugs:

> This international problem requires an international response.
>
> Nations must join together in the fight against drug abuse and the great harm it causes.

The linkage of economic assistance with effective narcotics eradication, crop substitution and drug law enforcement programs represents a viable method to help win the war on narcotics trafficking.

With respect to contributions to UNFDAC, I find it disheartening that only a handful of nations annually contribute $100,000 or more to the U.N. Drug Fund. In 1982 only 42 nations and private donors contributed or pledged a modest $7.3 million,

[1] For details pertaining to this resolution, including the complete text, see my statement entitled "the United Nations Global Strategy," CONGRESSIONAL RECORD (Jan. 25, 1982), pp. H14-16.

which represents a decrease of $2.2 million from the $9.5 million contributed or pledged to UNFDAC in 1981. Some nations, including some of the world's largest, have never contributed a single penny to UNFDAC despite numerous U.N. resolutions, which, like 36/168, call for increased voluntary contributions.

Mr. Speaker, in an effort to bring to the attention of my colleagues the global dimensions of drug trafficking and the urgent need to support the U.N. drug-related agencies, I am inserting at this point in the RECORD the complete text of President Reagan's message to the Commission on Narcotic Drugs and the statement on the international strategy and policies for drug abuse, which I helped draft, that was delivered at the Commission's 30th regular session.

MESSAGE FROM PRESIDENT REAGAN TO THE U.N. COMMISSION ON NARCOTIC DRUGS

Delegates: As you convene this thirtieth meeting of the Commission on Narcotic Drugs, I want to share with you my deep concern about drug abuse and emphasize the importance of your work.

My hope is that you will agree on the need for a comprehensive set of international policies and actions to vigorously attack the problems that illegal drugs bring to our societies.

Drug abuse creates problems in industrialized and developing nations, in producer and trafficking countries as well as in consumer nations. Each nation must do all it can to cope with drug abuse, yet no single nation can resolve the international drug trafficking problem. International cooperation is essential.

The trails from grower-to-user stretch across five continents. Pressure must be applied at all points along the chain—through crop control; through increased seizures of both drug products and financial assets; through intensified investigation and prosecution of traffickers; and through effective treatment and prevention of drug abuse.

International strategies should give top priority to crop control—bans on cultivation and production, enforced when necessary by eradication, and by interdiction and other enforcement programs operating as close to the source as possible. Governments must have and demonstrate the necessary political will to undertake effective crop control and interdiction programs.

An effective international strategy should offer financial and technical assistance for narcotic control projects, where necessary. We must improve our knowledge of all aspects of the problem and exchange information to improve coordination of policy and effort. The people and governments of illicit drug producing countries must become more aware of the problems they export to other countries—and the domestic problems being created within their own societies.

This international problem requires an international response. Nations must join together in the fight against drug abuse and the great harm it causes. I wish you every success as you work toward achieving this critical goal.

U.S. STATEMENT ON THE INTERNATIONAL STRATEGY AND POLICIES FOR DRUG ABUSE CONTROL

Mr. Chairman, distinguished representatives to the 30th Regular Session of the United Nations Commission on Narcotic Drugs, I welcome this opportunity to share with you my government's thoughts relating to the international strategy and our future program of work. Also, as a Member of the United States Congress, I want to share the thinking of many of my colleagues regarding international efforts to combat narcotics trafficking and drug abuse.

We all recognize that narcotics trafficking is a highly profitable, worldwide business that knows no boundaries, political ideologies or competing economic systems. Drug abuse does, however, adversely affect the health and well-being of all of our citizens and mostly our young people. The corrupt tentacles of the heavily financed, highly sophisticated international drug syndicates reach into every corner of the globe undermining the moral fabric of our societies. They threaten our institutions, contribute to global inflation, jeopardize the health and lives of our citizens and destroy the roots of our society—our youth. No nation, and I underscore that, is immune to this devastation.

On December 16th, 1981, the United Nations General Assembly approved Resolution 36/168 which adopted the International Drug Abuse Control Strategy and a basic five-year program of action. An important part of that Resolution was its focus on the need to establish a task force to independently review, monitor, and coordinate the implementation of the international drug control strategy and program of action, and I quote paragraph 3 of the 1981 General Assembly Resolution (36/168):

"3. Requests the Commission on Narcotic Drugs, within available resources, to establish a task force, in consultation with the Directors-General of the appropriate specialized agencies and other United Nations drug-related bodies, composed of representatives of these agencies and representatives of the Member States most interested in and affected by the production, trafficking and consumption of and demand for illegal drugs, as well as those interested in and affected by the licit production of drugs, to review, monitor and co-ordinate the implementation of the international control strategy and the programme of action and to submit a report to each session or special session of the Commission on the progress made in implementing the drug strategy and programme, and to provide any recommendations it deems necessary regarding future revision of such strategy and programme of action * * *."

Mr. Chairman and delegates, having helped draft Resolution 36/168, I can assure you that the intent of that resolution was to assure the creation of a mechanism that would facilitate and stimulate rational implementation of a global strategy and program on an ongoing basis and not just every year or every other year. It is critical that the international community continues to refine and implement such a strategy and that we effectively oversee this process. Furthermore, it is even more important that we find the political will and technical expertise to complement the financial support we need to collectively wage "war" against the international drug traffickers whose illicit transactions cause so much misery for all mankind. For the United Nations to wage "war" on the drug problem effectively, member nations must cooperate despite political and economic differences.

Concerning present UNFDAC efforts and given the staggering and growing dimensions of drug trafficking and abuse, the Fund is performing its mission in a manner that is limited by very meager resources. The low level of contributions to the Fund is not demonstrative of the kind of support that is needed to effectively fight the drug problem—to eradicate the illicit production of drugs at their sources, to interdict narcotics trafficking, to treat and rehabilitate those dependent upon drugs, and to educate all of our citizens against the dangers of drug abuse. It is disheartening that only a handful of nations have contributed $100,000 or more to UNFDAC. The Fund reports that in 1982 only 42 nations and private donors have contributed or pledged a modest $7.3 million, which represents a decrease of $2.2 million from the $9.5 million contributed or pledged to UNFDAC in 1981. Some nations, including some of the world's largest, have never contributed any funds to UNFDAC despite numerous UN resolutions which, like 36/168, call for increased voluntary contributions. To confront and combat the illicit drug trafficking business which reaps billions of dollars in profits annually, only some 80 nations contributed $61 million in the 10 year period between 1971 and 1981. Surely an international community of 157 nations can contribute more than a few million dollars to wage a global assault on the devastating drug problems which we all acknowledge.

Moreover, not only governments must act but there is an urgent need for all UN agencies to give the problems of drug abuse a higher priority within their own agendas. More UN agency attention should be devoted to drug-related projects, thereby enhancing the prospects for success of our international drug strategy and program of action. Yes, we recognize that this is a period of financial austerity for all nations and for all UN agencies. Nonetheless, I find it difficult to understand the minimal priority that these agencies have been giving to combatting the pervasive drug problem. Not only are the program funds that are earmarked for these activities extremely low, but the agencies have in many cases underwritten only a small percentage of the total costs of those activities that do exist.

Mr. Chairman, the challenge of translating the international drug control strategy resolution into a workable program of action rests with this distinguished commission and with our individual States. Perhaps even more important than funds is the necessity of using the available resources on a strategy that offers a good chance of success. The international strategy recognizes that economic assistance must be combined with firm government commitment, especially to eliminate cultivation. Yet, not all governments are agreed on the need to link narcotics-related development assistance to agreements on crop reductions and other narcotics controls. We are convinced that to achieve success, earmarked contributions to UNFDAC for development assistance and other specific purposes must be linked in project agreements to specific commitments for reductions in cultivation and production or on curbing traffic in illicit narcotics. Neither donors nor UNFDAC presently take such a determinative approach.

We focus on this issue because of the need to increase international support of narcotics control, including crop eradication, en-

forcement and development assistance, and because we believe that as support is expanded, there is a need to ensure that increased support results in increased effectiveness. Narcotics-related economic assistance should be considered for those countries that make a realistic effort to comply with their treaty obligations but which lack the resources or technical expertise to achieve crop control.

Involved governments should agree to undertake crop control by banning cultivation with enforcement, if necessary, by crop eradication and law enforcement programs which preserve any reductions achieved. We should consider narcotics-related economic assistance as an aid to achieving narcotics control within a reasonable, specific period of time. We recommend that the mutual commitment by the donor and recipient identify the relationship of the assistance to enforcement of crop control, so as to guarantee the viability of the project. We believe there must be a willingness to curtail economic assistance if crop reduction goals cannot be achieved, since continuation may act as a reward for illicit activity.

The suggestion has been made that narcotics-related assistance should be given to producing and non-producing areas, to prevent the spread of illicit cultivation. To hold out the offer to assist all areas where narcotics could be produced is to guarantee that our efforts will end in failure. When assistance has been given, we must rely on enforcement to ensure the gains achieved and prevent the spread of cultivation, rather than relying on further assistance.

When development assistance is coupled with commitment to production controls, such agreements assure that donors and recipients have an increased interest in achieving our common treaty objectives. Our treaty obligations and the interests of the international community should compel us to ensure that all international assistance efforts help acheive our goals.

Mr. Chairman, distinguished delegates, time is of the essence. The worldwide drug problem is worsening each year. Nothing short of full commitment is needed to help us move forward in resolving this critical problem confronting our entire family of nations. If we truly mean what we say about this critical problem, then it is time to match our words with our deeds and provide our proposals with adequate voluntary contributions as well as full political support.●

H.R. 1900

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. EDGAR. Mr. Speaker, last week the House of Representatives approved H.R. 1900, the Social Security Act Amendments of 1983. This historic compromise plan will guarantee the financial stability of the social security system through the next decade and into the 21st century. Like many of my colleagues who supported H.R. 1900, I voted for this legislation despite my unhappiness with some of its specific provisions; this bill asked for an equal sacrifice from retirees, the self-employed, Federal workers, businessmen, and other groups of Americans in order to preserve a vital retirement system for current beneficiaries and for those who will retire in coming years.

When H.R. 1900 was taken up, Members were only allowed to consider two amendments to the bill, both offering methods of covering the long-term social security deficit. The original bill as reported by the Ways and Means Committee completely eliminated the social security system's 1983-89 deficit through a combination of measures. While I have been a traditional opponent of delaying cost-of-living adjustments for social security recipients and of including Federal workers in social security, I voted for final passage of the bill because I believe that it was the best, most equitable compromise we could achieve.

The committee bill only eliminated part of the shortfall that will occur after the turn of the century. The committee's method, an across-the-board benefit cut of 5 percent phased in between the years 2000 and 2008, would be extremely damaging to beneficiaries. Many current social security recipients are living only slightly above the poverty level, and there is no indication that alternative sources of retirement income will become more accessible over the next 20 years. A benefit cut which further reduces the living standard of these retirees would defeat the whole purpose of social security: To provide a liveable income for a dignified old age. As an aside, I might note that this particular problem should remind the House once again of the importance of congressional action to facilitate the creation of widely available and portable private-sector pensions and to encourage personal saving for retirement.

I also chose to vote against both of the amendments offered as alternatives to this plan. The first, ultimately successful amendment, offered by Mr. PICKLE, of Texas, will raise the retirement age and reduce benefits for early retirees. I believe that increased longevity in the years since the original age-65 retirement was established warrants a modest increase in the retirement age, as long as the early retirement option is preserved unchanged. The Pickle plan to slowly phase in the increase in two stages during the next century is a fair method of implementing this change. However, the Pickle amendment will make most of its long-term savings by reducing the percentage of earnings replaced by social security for those who choose to retire at age 62.

Workers who take the early retirement option are frequently in poor health or have lost their jobs and are unlikely to be able to find new employment at an advanced age. Many of them have worked in highly physical jobs for their entire lives, and may be unable to continue working. The amendment will also affect women disproportionately; as a group they retire early, receive lower benefits, and tend not to have supplementary pensions. Allowing social security to be preserved only at the expense of those least able to afford benefit cuts was an unfortunate decision. Women, blue-collar workers, low-income employees, and others who often retire at 62 add much to our Nation, but are least able to afford benefit cuts.

A second, unsuccessful amendment was offered by the distinguished gentleman from Florida, Mr. PEPPER. He sought to solve the long-term benefit problem by advancing the committee bill's payroll tax increase—0.24 percent in 2015—to 2010, and add an additional 0.29 percent of tax. This plan, a total 0.54-percent payroll tax increase in 2010, would have also caused problems. Just like a benefit cut, an increase in the regressive social security tax falls most heavily upon low-income workers and women. Increased payroll taxes may also discourage businesses from hiring new workers and raise the cost of existing labor. I was hopeful that we could have found a solution that did not resort to increasing taxation beyond that already included in the committee bill.

Mr. Speaker, it is clear that in succeeding years we will return to address further the issue of social security financing as changes in actuarial, demographic, and economic realities affect the system. After reaching so much agreement on the short-term social security problem, it is disappointing that we could not find an equitable compromise on the long-term deficit. When we take up social security funding in the future, I would hope that Members will see fit to approve changes in long-term funding which do not resort solely to putting a disproportionate burden on the poorest retirees or merely increase the payroll tax still further. With any long-term problems we encounter, there is room to bargain, trade, and compromise, as we did on the short-term package for H.R. 1900. I applaud our work on this landmark legislation, and look forward to continued cooperation on this issue in the future.●

IMMIGRATION LAWS NEED CHANGE

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. MINETA. Mr. Speaker, I am introducing today legislation that is simple, and I believe relatively noncontroversial. Nonetheless, I believe this would be a vitally important change in our immigration laws.

As Members may know, there is a quota of 20,000 visas a year from each country. As Members may not know, visas granted to those born in a colony—such as Hong Kong—are charged against the 20,000 annual limit of the mother country. There is also a second limit, the so-called colonial quota, which limits the number of visas available to a colony, even if the mother country does not use its full allocation of 20,000 visas a year.

When first adopted in 1952 this colonial quota was only 100 visas a year. It had the effect of limiting immigration of blacks from the Caribbean. This quota is currently set at 600 visas a year, and affects primarily residents of Hong Kong and the Caribbean island of St. Christopher-Nevis.

A brother or sister of a U.S. citizen in England can obtain a visa within a few months, while applicants in the same situation who were born in the British colonies of Hong Kong or St. Christopher-Nevis must wait up to 12 years for a visa. My bill would ameliorate this burdensome quota somewhat by raising the annual limit to 5,000 visas per colony.

For too long our system of immigration laws have perpetuated racial discrimination, stretching back 100 years to the Chinese Exclusion Act. In 1924 we adopted the National Origins Act, which perpetuated the racist character of our immigration laws. It was not until the 1965 amendments to the McCarran-Walter Act that we wiped away most of the vestiges of racial discrimination in our immigration laws.

In its consideration of the Immigration Reform and Control Act last year, the House Subcommittee on Immigration, Refugees and International Law implicitly acknowledged the problems with the existing law by approving a similar—but less extensive—modification to the current limit of 600 visas.

This is an important step. It will send a signal to the world that we are serious in our intention to have immigration laws that are fair, equitable, and free from racial or cultural prejudice.

Let us raise this obsolete limit to a more moderate and reasonable level of 5,000 visas a year. I urge the adoption of this amendment. Thank you.●

REPEAL THE SELECTIVE SERVICE ACT—RESTORE AMERICA'S PROUD HERITAGE OF FREEDOM

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. PAUL. Mr. Speaker, I am today reintroducing legislation that is of supreme importance, a bill to repeal the Selective Service Act of 1967.

Voluntary military service is a proud and hallowed tradition in America. The Continental Army, which won our Nation's freedom over 200 years ago, was made up entirely of volunteers. In the armed services today, enlistment levels—and the quality of the recruits—are exceeding targets in all branches of the military. The All-Volunteer Force is a resounding success; there is absolutely no military need for registration or the draft.

Commonsense itself bears out the wisdom of what logic and experience tell us; namely, a well-paid voluntary militia is far better trained, equipped, and motivated to defend our liberty than is a disgruntled, ill-prepared band of conscripted 18- to 20-year-old youths.

As we so often do, we find in this case that the practically correct position is also the morally correct one. Just as the desire for a strong defense leads us in the direction of the volunteer military, so does a careful examination of the moral issues involved.

The fundamental objection to compulsory military service is simple: Freedom cannot be protected through the use of forced labor. Coercion is incompatible with freedom and individual rights.

Our great Nation was founded on the ideals of freedom and individual responsibility. Our prosperity and the quality of life we enjoy as Americans are direct results of our respect for human liberty, and our extreme reluctance to place constraints upon it. This philosophy is summed up in the proud words of one of the greatest political documents of all time—the Declaration of Independence. In this great and noble document, the Founding Father proclaimed that America recognized and would ever protect the primacy of "life, liberty, and the pursuit of happiness." This noble sentiment is sadly at odds with the modern notion that somehow there is some good to be gained by forcing our young men into surrendering several of the best years of their lives to the service—not of their country—but merely of the whims of the Federal Government.

Proponents of military conscription often try to claim the Constitution—another great American political document—as partial justification for their position. But there is no support for conscription therein. The Constitution grants the Federal Government authority only to raise and organize an army—not the authority to conscript to do it. And the Constitution clearly provides that any power not specifically granted to the Federal Government by the Constitution cannot then be claimed by the Government. So much for the constitutional position on conscription.

Voluntary service is the essence of our free and proud heritage as Americans; there never has been and there is not now any shortage of people—young and old alike—who would fight willingly to defend America if it were threatened. The defense of freedom can always be maintained without resorting to slavery, and to argue otherwise is to ignore the fundamental character of a free people.

The simple, immutable truth of the matter is that the defense of a free country must be mounted voluntarily and not through force, or the country is not truly free. That is the irreconcilable moral dilemma with which our Nation has struggled since the First World War. To resolve this dilemma—and to restore freedom and dignity to all Americans, young and old alike—I am today introducing this legislation to abolish the un-American system of conscription.●

NUCLEAR ARMS FREEZE

HON. NORMAN E. D'AMOURS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. D'AMOURS. Mr. Speaker, as a cosponsor of the original Markey-Conte nuclear arms freeze resolution, House Joint Resolution 2, and a cosponsor of its successor, House Joint Resolution 17, introduced by House Foreign Affairs Committee Chairman ZABLOCKI, I would like to share with my colleagues an excellent statement made by Barbara Tsairis to a committee of the New Hampshire General Court.

Ms. Tsairis coordinates the Women's Action for Nuclear Disarmament in Portsmouth, N.H., and she testified before the New Hampshire House Committee on State-Federal Relations on March 1, 1983, on HCR 3, the nuclear freeze resolution.

In her informative testimony Ms. Tsairis persuasively rebuts many of the canards raised against the freeze by its opponents. She documents the importance of a mutual and verifiable arms freeze to the future of our Nation.

I believe that Ms. Tsairis' testimony should be of particular interest to Members because she comes from a community which houses both a Strategic Air Command base and the shipyard where our Nation's first nuclear submarines were built, and whose city council has twice voted to support the nuclear arms freeze.

The statement follows:

STATEMENT BY BARBARA TSAIRIS BEFORE THE STATE-FEDERAL RELATIONS COMMITTEE ON HCR 3, THE NUCLEAR FREEZE

My name is Barbara Tsairis, and I coordinate Women's Action for Nuclear Disarmament in Portsmouth N.H. I am not a friend of the Kremlin, as our President would have it. I am not a delirious victim of arms con-

trol fever, as Eugene Rostow would have it. I am not a unilateralist. I am not even a pacifist. I have no love for the Soviet leadership—I believe it to be a thoroughly bankrupt and repressive regime, and I make no apologies whatsoever for its labor camps, its psychiatric hospitals, or its behavior in Poland and Afghanistan. I am a mother, a concerned citizen, and one of many thousands of men and women who have taken the time in the last two years to educate themselves to the issue of nuclear weapons. I strongly endorse the Freeze for the following reason:

It seems to me that we, the American people, are at this moment faced with two distinct and widely divergent national security alternatives. One alternative accepts the Weinberger Defense Guidance plan with its doctrinal shift from a posture of deterrence to a posture of warfighting; in a world already bristling with 50,000 nuclear weapons, it accepts the deployment of 17,000 more over the next decade, none of which will be impeded in the least by a START treaty—even a ratified one; it accepts a new generation of awesome and destabilizing first-strike weapons on both sides; it accepts the fantasy of civil defense planning and the blasphemous assertion by men—like T. K. Jones—in top policy-making positions of this administration who believe that all we need to do is dig a hole and cover it with some dirt and some doors in order to survive a nuclear war; it accepts the expenditure of 1.5 trillion dollars over the next 5 years—a sum which breaks down to $1,000 per minute for 28 centuries—a sum which will not enhance our national security but undermine it—and which, in the process, will produce a generation of children who will be undereducated, undernourished, underemployed, and spiritually deformed.

That is one alternative, and we can have it all in spades if, like good Soviet citizens, we keep our mouths shut and allow our national security apparatus and defense contractors to cow us into submission and silence.

I must say that I am altogether amazed by the impunity with which our President can report to us that the Soviets have an "edge" when his own Department of Defense—not to mention all those outside the administration—when his own Department of Defense, in its 1982 Annual Report, states unequivocally that there is parity between the superpowers. I am amazed too at the facility with which our Secretary of Defense speaks of a "window of vulnerability" when every one of his Joint Chiefs of Staff have said in no uncertain terms that they would not trade our forces for their Soviet counterparts.

What kind of vulnerability is it when even the worst-case scenario—a Soviet first-strike that destroyed all of our land-based missiles, all of our subs in port, and all of our bomber aircraft—when even this military miracle would leave the U.S. 2500 nuclear weapons on invulnerable submarines with which to destroy all 800 major and medium-sized Soviet cities three times over? For the President and Secretary Weinberger to claim that we do not at this very moment have a strong and effective deterrent is, in my opinion, an extremely serious betrayal of the public trust—to put it as politely as I can.

I think this is a frightening administration not because its intentions are sinister, but because its policies are confrontational and because it is a slave to the by-now obsolete and highly dangerous WW II mentality which assumes that more weapons equal more security. I think it is high time for us to say no to the kind of arrogant and imperious state power which usurps the democratic power of local communities and of groups of ordinary people and which gives to a handful of "experts" and, ultimately to a single thumb, the right to press a button which could very well snuff out, forever, our own futures and those of our children.

We have now, with the Freeze, an historic opportunity to halt development of first-strike weapons, to prevent the enactment of a dangerous launch-on-warning policy, to set the stage for balanced reductions on both sides, to discourage the spread of nuclear weapons to other countries, and to strengthen our economy. If we forfeit this opportunity, we risk everything, because the technology of nuclear warfighting will be perfected, and it will carrry a momentum all its own.

In closing, I would like to remind the Committee that in Portsmouth, home of two major military installations, the City Council has gone down on record twice in support of the Freeze—first with the passage of the Freeze resolution last April, and again at the time of the June 12th Rally in N.Y.C. On behalf of WAND and of concerned women and mothers throughout the state, I urge the Committee to recommend passage of House Concurrent Resolution No. 3.

We obviously cannot put the nuclear genie back into the bottle, but we must at least prevent him from committing genocide.

Thank you.●

FEW SAY "AMEN" TO PRESIDENT'S NUCLEAR SERMON

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. LEHMAN of Florida. Mr. Speaker, Charles Whited of the Miami Herald wrote a column recently in response to President Reagan's speech before a conference of evangelical Christians in Orlando, Fla. In his speech, the President urged opposition to the nuclear freeze movement. Mr. Whited described himself as "appalled" by the President's rhetoric, and he set out to get reactions from Dade Countians who are active in the freeze movement. Those he spoke with included a Methodist minister and a Jewish rabbi.

Mr. Speaker, I want to share this column with my colleagues, particularly as they consider today the nuclear freeze resolution. The persons quoted by Mr. Whited are outstanding citizens who care very deeply about what happens to their country and to our entire civilization.

The column follows:

[From the Miami Herald, Mar. 10, 1983]

FEW SAY "AMEN" TO PRESIDENT'S NUCLEAR SERMON

(By Charles Whited)

Do we dare play nuclear poker with the world as table stakes?

The University of Miami's Dr. Carl Jacobsen was "flabbergasted" by the Ronald Reagan speech. And he expressed to me Wednesday a bit of grim whimsy on the nuclear arms race:

"It may be little comfort that the Soviets' overkill only suffices to stir the rubble of American civilization some 20 times over, while we stir theirs 50 times."

Prof. Jacobsen, coordinator of strategic studies at UM's Center for Advanced International Studies, has grave doubts about Reagan nuclear arms policies in a hair-trigger world.

The President came to Florida this week to speak in Orlando to a conference of evangelical Christians of the New Right. He uncorked a sermon on theology, morality, government and nuclear weaponry.

Christians should oppose the nuclear freeze movement, he said, and "speak out against those who would place the United States in a position of military and moral inferiority.

Personally, I was appalled. It smacked of a presidential call for intolerance, mixing religion and politics. Worse, I heard dictum instead of dialogue on the most awesome issue of our times.

And so I got on the telephone and started calling Dade Countians who have lent their voices to the cause of freezing nuclear weapons, hopefully as a precondition to eventual disarmament.

The issue could swirl onto the floor of Congress as early as next week.

All Christians, I quickly discovered, were not shouting "Amen!" to the Reagan message.

"I was furious," said the Rev. Michael Loomis, pastor of Grace United Methodist Church. "I am a Bible-loving Christian pastor and very much an evangelical. His pigeonholing of people according to what he believes makes me angry."

How could a president purporting to oppose abortion, the minister asked, at the same time condone policies that could lead to mass murder on a world scale? "How can anyone who is aware of the gospel of Jesus Christ condone a nuclear arms race?"

The debate on nuclear arms is vastly technical. It has a jargon all its own. The average citizen gropes for hard data. But Dade Countians voted by 58 per cent last fall in favor of a freeze.

Carl Jacobsen goes to a fallacy of the issue: Reagan's assertion that the Soviets have nuclear superiority. "Either he is ignorant of his own government's studies or the statement must be viewed as purely political."

If counting warheads matters, the Soviet expert noted, we have more than 9,000 and they have more than 7,000. The U.S.S.R., with three-fourths of its strategic arsenal in land-based missiles, is far more exposed. Thus, missile-to-missile comparisons are misleading, ignoring our nuclear superiority in bombers and submarines.

Jacobsen sees only two valid reasons to oppose a freeze: (1) If America was behind and had to catch up, and (2) if by so doing we could reclaim our once-unquestioned superiority. "The answer to both questions, by overwhelming consensus, is no."

Others spoke Wednesday of the appalling risks.

With unrestrained arms buildup on both sides, Miami's Rabbi Solomon Schiff said, "the danger of touching off nuclear warfare becomes that much more real." A U.S. freeze, on the other hand, would signal to the world our determination to work for arms reduction.

Miami attorney Santiago Leon, president of Citizens for a Nuclear Freeze, described

the process as "a shortening fuse" of proliferating new super weapons allowing no margin for error. "The chances of an accident, a computer malfunction or whatever, starting a nuclear exchange grows constantly."

And the stakes? Dr. Alan Lockwood is a UM associate professor of neurology and radiology and Dade president of Physicians for Social Responsibility. He cites studies estimating that 165 million Americans would die outright and untold millions more perish after a nuclear exchange, of pestilence and disease.

"We would see disaster on an unprecedented scale."●

AN EQUITABLE TRUCKING BILL

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. CAMPBELL. Mr. Speaker, I have joined with Congressmen FRENZEL and JENKINS in introducing a bill today that we believe deserves the consideration and support of our colleagues. Our bill would repeal the burdensome heavy use fee placed on truckers in the Surface Transportation Assistance Act of 1982, and replaces it with a more equitable tax based on diesel fuel used by the trucking industry.

Since we need to repair and rehabilitate our Nation's highway system, I supported the concept of the Surface Transportation Assistance Act. However, I was a vocal opponent of the phenomenal and onerous 800-percent-tax increase for truckers, which will be imposed on truckers regardless of whether a truck is driven 1 mile or 100,000 miles a year.

To rectify this situation, our bill proposes to replace the heavy use fee with an increase in the diesel fuel tax of 3 cents in 1983, and 2 cents more in 1984. I believe this is a more equitable system of taxing truckers than the current across-the-board heavy use fee. Unlike the present law, a diesel differential does not discriminate against those truckers who use the highways less frequently, and it can also be easily assimilated by the trucking industry because it is a pay-as-you go system. This legislation is also revenue neutral, which means that the trust fund will obtain the same amount of funding for the program to rebuild our highways.

Mr. Speaker, we have been working closely with the American Trucking Associations and other interested groups in an attempt to draft an equitable and realistic bill. The ATA has endorsed this legislation as being fair and less burdensome than the heavy use fee. I urge my colleagues to carefully consider the merits of this bill and join us in cosponsoring this needed legislation.●

MR. CHANDLER AND MR. MOLTER HONORED FOR THEIR HELP DURING THE CALIFORNIA DISASTERS

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. HUNTER. Mr. Speaker, I rise today to call your attention to two individuals demonstrating those qualities we all think most desirable in our public servants.

The coast of California has been devastated this first quarter of 1983 by a series of Pacific storms bringing heavy rains, gale winds, and ferocious tides. These storms have exacted a heavy toll in property damage and, more tragically, in human injury and loss of life.

We expect that our Government and its agencies will help our fellow citizens like these Californians in times of natural disaster. However, Mr. George Chandler, of the Small Business Administration, and Mr. Hank Molter, of the Federal Emergency Management Agency, went above and beyond the call of duty, working with great compassion and diligence to reassure those who had suffered in the storms. Moreover, they worked for these people on their own time, doing their utmost to begin a quick reconstruction of the devastated areas.

Mr. Speaker, Mr. Chandler and Mr. Molter exemplify what it means to be a public servant. They deserve the respect and commendation of this body.●

THE SOCIAL SECURITY REFORM PACKAGE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, March 16, 1983, into the CONGRESSIONAL RECORD:

THE SOCIAL SECURITY REFORM PACKAGE

Last week, the House of Representatives passed the Social Security Act Amendments of 1983, a bill containing provisions closely mirroring the recommendations of the President's National Commission on Social Security Reform. In marked contrast to the heated political controversy surrounding social security reform in past years, House action on this reform package took place in a surprisingly mild atmosphere. The House Ways and Means Committee approved it by a wide, bipartisan vote of 32-3, and the full House adopted it 282-148 after a vigorous but proper debate and sent it to the Senate. The bill is by no means a perfect one, but there was widespread agreement among House members, myself included, that chaos would engulf the social security system if something was not done promptly, and that the package presented us with our best chance for reform in recent years.

As is well known to experts and laymen alike, the social security trust funds are facing serious problems both in the short term (between now and 1990) and in the long term (between now and 2015 and 2050). The short-term problems have been caused by our substantially higher than expected rates of unemployment and inflation. The long-term problems will arise as the "baby boom" generation retires with fewer workers to support it. Using fairly pessimistic economic assumptions, the President's commission concluded that the short term deficit will be between $150 billion and $200 billion over the next seven years. According to the actuaries of the social security system, the long-term deficit may reach $2,000 billion over the next 75 years.

The reform package seeks changes sufficient to cover both the short- and long-term shortfalls in the trust funds. The major short-term changes include advancing upcoming payroll tax increases ($39 billion), paying future cost-of-living adjustments in January instead of June ($39 billion), taxing half the benefits of high-income individuals ($27 billion), requiring non-profit and future federal employees to be covered ($22 billion), raising the tax rate for self-employed individuals ($18 billion), requiring Treasury payments for uncashed benefit checks and previously under funded military benefits ($17 billion), and barring state and local governments in the system from withdrawal ($3 billion). The commission found that these changes would cover roughly two-thirds of the long-term shortfall. To make up the rest, the House added a provision to raise the retirement age from 65 years to 67 years gradually between the years 2000 and 2027. In addition, the bill reduces the system's sensitivity to economic fluctuations by temporarily modifying cost-of-living adjustments during periods of shortfall in the trust funds. At those times, increases will not exceed the rate at which workers' wages increase.

Several key features of the reform package need to be emphasized. First, the package does not alter the fundamental structure of the system or undermine the system's fundamental principles. Coverage is still mandatory, and benefits are still earned. Second, the package tries to spread the sacrifice around so that the burden of keeping the system solvent is not borne entirely by any one segment of the population. Just as the system embodies a compact between the generations, so the bill requires that the generations share the duty of keeping the system working. Third, the package is based on an agreement about the magnitude of the deficits. Because of this agreement, the House turned down pleas for amendments from those who did not recommend constructive alternatives. Fourth, the package contains no general reduction in benefits for current retirees or for those who are about to retire. The typical recipient who depends so heavily on his $400 per month will get that amount plus more in the future. Fifth, the package does reduce modestly the future benefits of today's younger workers. However, they have decades to change their retirement plans.

The vote in the House was a lopsided one due to the widely shared recognition that something needed to be done, and soon. The consequences of not passing the package simply would have been too severe. The reserves in the old age trust fund were exhausted last year, and benefits have been

paid on time only because of borrowing from the disability and medicare trust funds. However, the authority to borrow expires at the end of June this year, and even if it is extended, all trust funds would be unable to pay benefits on time by early 1984. Equally important in the House's thinking was the need to restore public confidence in the system. Without the package, the elderly would have continued to live in fear that their benefits would be slashed, those approaching retirement would have still been unable to make reasonable plans, and younger workers would have become increasingly convinced that they would get nothing from the system when they retired.

Few Congressmen wholeheartedly accept all the provisions of the package. It is a bipartisan compromise that includes elements which any one Congressman could not support if they were not part of a compromise. Nor do Congressmen view the package as a panacea. If the pessimistic economic assumptions for the next few years and the demographic and economic assumptions for the long term are too optimistic, future adjustment will be needed.

I think the commission's recommendations, upon which the bill is based, were as fair and reasonable as the commission could make them. The recommendations were enormously helpful as well. Before they were made, there was little indication that Congress would be able to reach any kind of consensus on social security. In recent years, scores of reform bills have been introduced in the House, ranging from a total dismantlement of the system to a national social security sweepstakes. The President's 1981 proposal to cut benefits sharply was rejected by the House, and another major initiative was stalled in committee. During most of the debate last year and during the deliberations of the commission, an impasse seemed likely. When the compromise was reached at the eleventh hour, I grew stronger in my view that Congress would take the necessary steps to assure the integrity of the social security system.●

S. DELL SCOTT HONORED BY THE FOUNDATION FOR THE BLIND

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. LEVINE of California. Mr. Speaker, I rise today to pay tribute to a very special man, S. Dell Scott. Next month, Mr. Scott will be honored as "Man of the Year" by the Foundation for the Junior Blind for his contributions to that organization and the people it serves.

The foundation is a nonprofit organization and was formed to serve the needs of blind and partially sighted young people, aged 6 to 21. It provides a wide variety of services and programs. Among them are recreational and social outings, a braille library, a musical instrument loan program, both resident and day summer camps, a residential special education school, a vocational independence program, a summer work program, and other services especially tailored to the needs of its clients.

The foundation was founded in 1953 because at that time there were no programs in existence for school age blind children. As a result, many of these childen sat at home listening to their radio and had no contact with other children their own age.

The foundation has since grown from servicing only 15 children in one program to include more than 750 children and 10 programs.

Each year the Guild for Children, a group of dedicated women which supports the Foundation for the Junior Blind's work, holds a gala dinner-dance to honor an individual who they believe has made an outstanding contribution to the foundation.

The recipient chosen for his contributions to the foundation this year is S. Dell Scott, an attorney who lives in the city of Los Angeles.

Mr. Scott has a long history of service to his community and richly deserves this prestigious award.

A respected attorney, Mr. Scott is a member of the State Bar of California, the Los Angeles County Bar Association, the American Bar Association, the Association of Trial Lawyers of America, and other legal professional organizations.

Among the community service organizations with which he is involved are the board of directors of the San Fernando Valley Area Council of the Jewish Federation, Council of Greater Los Angeles, the southwest regional board of the Anti-Defamation League of B'nai B'rith, a founding member of the Board of Scandinavia, and has served as a member of the board of directors of Valley Associates of Vista Del Mar.

In addition, Mr. Scott is now serving his third term as a member of the board of directors of the Metropolitan Water District of Southern California.

This year, he is being honored for his contributions to the cause of the Foundation for the Junior Blind. There are few causes as important as our blind children, Mr. Speaker, and I believe that the work undertaken on behalf of these children by people like Mr. Scott is deserving of our highest praise and recognition.

It is a pleasure to be able to recognize S. Dell Scott, and I know I speak for my colleagues in thanking him for his service to our children.●

THE SMALL BUSINESS PROCUREMENT REFORM ACT

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. MAVROULES. Mr. Speaker, today I am reintroducing for myself and a number of my colleagues the Small Business Procurement Reform Act of 1983.

The basis for this bill is really quite simple.

There are a number of things we can do today to address some of the economic problems now afflicting the Nation, and one of them is to bring together the world's largest purchaser of goods and services—the Federal Government—with the Nation's greatest producer, biggest employer, and most innovative business. I am speaking, collectively, of small business.

Mr. Speaker, the Small Business Procurement Reform Act of 1983 takes us out of the ivory tower of inaction, where we seem to be mired in metaphysical, chicken-or-the-egg speculation, and places us back in the field of action, where we can supply some answers to our jobs and productivity problems while assuring that this Nation remains on the leading edge of technology.

Small business is that important to the Nation's economy, employing close to 60 percent of the Nation's work force and accounting for about half of the gross national product. Small business is also leading the charge in the high tech areas, and is producing more innovations per research and development dollar than its larger competitors.

But, despite these impressive credentials, small business is not getting the attention it deserves. It is estimated that over 25,000 small businesses went under last year, 17,000 the year before.

Small business is this Nation's hardest worker, and, I am sure you agree with me, it makes good sense to keep it working. The Small Business Procurement Reform Act of 1983 would do just that, and in such a way that not only boosts this important player on the economic scene but also sees to it that our tax dollars are spent wisely.

Each year, the Federal Government spends about $100 billion annually to purchase everything from paper clips to hamburgers to high-tech wares, and from custodial services to policy and management consultation. By allowing small business greater access to Federal procurement contracts, we are putting our best foot forward, recognizing this sector's contributions to employment, economic productivity, and technological innovation.

And again, we are also driving down the cost to Government of purchasing necessary goods and services in the most American of ways: By opening up the competition for Government contracts.

Mr. Speaker, in small business and Federal procurement needs, we have two pieces to our Nation's economic puzzle. The American taxpayer, for one, demands no less than we put these two pieces together, and team

up Washington with Main Street, America.

It is a winning combination, and while it is by no means an economic cure-all, it represents one positive action we can take to put ourselves back on the road to economic recovery.

The Small Business Procurement Reform Act of 1983, aimed at easing the entry of smaller firms into the Federal contract market, would:

First, guarantee that firms have at least 45 days to bid on each contract, thus protecting small companies, which are often the last to hear of new contract opportunities.

Second, require that each Federal agency work toward a goal of at least 35 percent small business participation in its procurement activities.

Third, directs each agency to break its large systems procurement, whenever practical, into smaller components in order to give small businesses a greater opportunity to submit bids.

Fourth, require that, for contracts under $100,000, each agency provides to interested firms a copy and a summary of every Federal law and regulations with which they must comply in the performance of the contract.

Fifth, require that each Federal agency justify every instance in which goods and services are procured without competitive bids or when bidding is restricted to a certain region of the United States.

Sixth, require that information and materials needed to prepare bids on Federal contracts be made available in a timely manner.

Seventh, authorize the Small Business Administration to establish arbitration panels to resolve minor contractual disputes, thus avoiding lengthy and costly litigation.●

GUN CONTROL ACT REVIEW COMMISSION

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. PAUL. Mr. Speaker, today I would like to reintroduce a bill which would form a commission for the review of the Gun Control Act of 1968, in particular, to investigate the enforcement procedures of the Bureau of Alcohol, Tobacco, and Firearms and possible abuses of citizens' civil rights.

This bill did gain the support of many Members of Congress in the 97th Congress and I anticipate that more Members will join me in this effort.

I would really like to emphasize that this bill does not seek to repeal or amend any of the provisions of the Gun Control Act of 1968; it would merely do a study of how the law has operated and whether the law has been effective as far as the intent of Congress goes.

I have many reservations about the enforcement of the 1968 act, as do many other experts and citizens. It has been claimed that instead of making crimes committed with guns more difficult, the law has actually served to indict and convict law-abiding citizens on technical aspects of the law.

One classic example of such a misfiring of justice is the so-called straw-man approach where a licensed gun dealer will be set up by BATF agents.

The Gun Control Act requires that dealers do business only with residents of the State in which they do business. An agent, bearing false identification from another State will attempt to purchase a firearm from a dealer. The dealer will almost always refuse to sell. The agent will then return with another BATF agent with false identification from the State in which the dealer does business. A sale is then made, and the agent then turns the firearm over to the accompanying agent and an arrest is made for violation of the Gun Control Act. This sort of enforcement activity is improper and should be eliminated. While the agency assures Congress and others that these activities have ceased, I remain uncertain.

For this reason and others (numerous citations of BATF agents physically abusing citizens) I believe a thorough investigation is in order.

For the many citizens who have been branded as criminals, the commission would review their cases and where there is a clear case of a law-abiding citizen caught in the technical snare of the law, the citizen would then be recommended to the President for a pardon or reprieve.

The essence of this bill centers on civil rights; the civil rights of citizens who are guaranteed the rights under the second amendment to the U.S. Constitution.

Where violations of civil rights are found, recommendations for amendment will be made to Congress. Where improprieties are found in BATF enforcement, recommendations will be made to improve agency enforcement procedures. Where citizens have been wrongfully convicted and incarcerated, the commission will request pardons and reprieves.

We are eager to protect various rights under other sections of the Bill of Rights; let us give effective enforcement to the violated rights of gun owners as well.●

COMPREHENSIVE OIL POLLUTION LIABILITY AND COMPENSATION ACT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. BIAGGI. Mr. Speaker, I am, once again, introducing a bill to provide a comprehensive system of liability and compensation for damage caused by oil pollution and for removal costs. This bill is essentially the same as H.R. 85 that was reported out of the Committee on Merchant Marine and Fisheries during the 97th Congress. It is similar to H.R. 85 that was passed by the House during the 96th Congress by a recorded vote of 288 to 11. It is also very similar to a predecessor bill, H.R. 6803, that was passed by the House during the 95th Congress by a recorded vote of 332 to 59. This is a major piece of unfinished business from prior Congresses that continues to have considerable bipartisan support.

The reasons we were not able to enact oil spill legislation remain complex. One of the primary reasons was our concern with pollution by hazardous substances and the related abandonment of dump sites that contain toxic and chemical wastes. This problem overwhelmed the oil pollution issue. However, the oil pollution threat remains and so does the need for this legislation. The concept of a comprehensive oilspill liability and compensation scheme has long been accepted, and the bills that passed the House were generally acceptable to industry, the administration, environmental groups, and public interest groups. I am hopeful that the efforts being undertaken under the legislation that deal with spills of hazardous substances and the cleanup of hazardous waste dumpsites will now permit us to focus on oil spill legislation.

I understand that the administration continues to be concerned with the oil pollution threat and has been active in attempting to improve international oil pollution liability and compensation schemes. This will culminate in a diplomatic conference during 1984 that would amend existing treaties so as to be more compatible with U.S. interests. This will be a significant contribution to arriving at solutions that are internationally as well as domestically acceptable. This bill, or a similar bill, will, in all likelihood, be the vehicle for solving these oil pollution problems.

This legislation had its inception over 15 years ago when the tank vessel *Torrey Canyon* grounded off the southwest coast of England in 1967. In that incident, approximately 100,000 tons of crude oil were spilled into the

ocean and ultimately fouled the shores of the British Isles and the coast of France.

The oil pollution problem was again highlighted in 1969 when a production platform off Santa Barbara, Calif., suffered a blowout that lasted for many days and discharged considerable amounts of oil before it could be brought under control.

Since then, numerous other casualties have highlighted the oil pollution problem and the need for a national and comprehensive oil spill liability and compensation scheme; the most noteworthy one being the grounding of the tank vessel *Argo Merchant* off Nantucket in 1976. One particular casualty—the grounding of the very large crude carrier *Amoco Cadiz,* of 228,513 tons, off the coast of France on March 16, 1978—is a recent and memorable reminder of the need to establish such a system.

A significant casualty that affected our coastal environment and economic well-being was the blowout of Ixtoc I in the Bay of Campeche, Mexico, on June 3, 1979. The impact of this spill and the resulting oil pollution of the Texas coastal environment and the waters of the Gulf of Mexico were extensive. The litigation of oil spill liability and compensation issues arising out of this incident are likewise extensive and have been protracted. Had the proposed legislation been in place, the alternative would have been a fair, adequate, and prompt compensation to those who were victimized. Therefore, it continues to be necessary to provide for adequate compensation to those who suffer damage from the effects of oil pollution incidents. While existing oil pollution legislation permits compensation for cleanup and removal costs, there is no legislation that adequately and timely compensates those who have been victimized.

Prevention of oilspills is still considered to be the most effective means of protecting our coastal and estuarine environment from damage. The Port and Tanker Safety Act of 1978—which I was privileged to sponsor and pursue during the 95th Congress—should be very effective in this area of prevention. However, we cannot preclude the possibility of oilspills occurring due to mechanical failures and the carelessness of individuals.

In the United States, the public's concern has led to the enactment of a number of measures to improve the quality of our waters and control pollution. The Water Quality Improvement Act of 1970—which was subsequently amended by the Federal Water Pollution Control Act Amendments of 1972—and later amended by the Clean Water Act of 1977—declared, as a national policy, that there should be no discharges of oil into or upon our waters. In addition to numerous specific measures for the protection of the marine environment, they established liability on the part of spillers for the costs of cleanup. These acts, however, do not address themselves to the question of any damages other than for the costs of cleanup.

Three other Federal statutes have been enacted which do address the problems of liability for damages. In the Trans-Alaska Pipeline Authorization Act, the Congress in 1973—for the first time—addressed the issue of liability for damages other than cleanup costs. We created a compensation fund available to respond to damage caused by oil pollution from vessels moving TAP's oil to ports in the continental United States.

A similar scheme of liability and compensation was also established in the Deepwater Port Act of 1974 for oil pollution damage from offshore facilities constructed pursuant to the act or from vessels at those facilities.

The Congress—in enacting the Outer Continental Shelf Lands Act Amendments of 1978, during the last days of the 95th Congress—established a similar liability and compensation scheme for oil pollution damage related to OCS activities. These measures are necessary to insure that funds are available to pay for the prompt removal of any oil spilled or discharged as a result of OCS activities—and to compensate for any damage to public and private interests caused by such spills or discharges when, for whatever reason, payment is not made by those responsible for the source of the oil pollution.

While this offshore fund legislation focuses on oil pollution incidents arising in connection with OCS activities, it contains parallel provisions of prior House-passed bills. The bill I am introducing today likewise parallels these provisions and will expand the scope of coverage to include virtually all marine oil pollution from vessels and from onshore facilities. My proposal would continue the imposition of strict liability on persons responsible for an oilspill—while creating a domestic compensation fund that would be available to settle claims in excess of a spiller's liability.

The concepts of this bill have had broad support from the users of oil—from the oil industry itself—from the insurance industry which does the underwriting—and from many environmental groups. The bill I am introducing today should continue to receive overwhelming bipartisan support. The bill:

Establishes strict liability for the owners and operators of the source of oil discharges;

Creates a backup compensation fund to respond to damage claims which are not satisfied;

Provides for the establishment of an oil pollution trust fund supported by a tax of 1.3 cents a barrel on crude oil and petroleum products;

Provides for superseding duplicative funds and procedures which now exist in various Federal and State statutes;

Provides for evidence of financial responsibility sufficient to satisfy the maximum amount of liability; and

Provides a simple and workable claims settlement procedure.

I reiterate my prior conviction that this bill is practicable in application—and fully considers the needs of those who have been victimized by oil pollution. I firmly believe that we must act now in the public interest and provide a comprehensive oil pollution liability and compensation scheme.

One might ask: "Why has this legislative intitiative—if it has broad support—met strenuous opposition by our colleagues in the Senate?" Before commenting, I might note that only a limited number of our colleagues in the Senate have voiced opposition—but those few have been successful in preventing enactment of this important legislation in the last four Congresses.

Prior to discussing the issues which prevented enactment, I would like to discuss the study by the Attorney General on the methods and procedures for implementing a uniform law providing liability for cleanup costs and damages caused by oilspills from ocean-related sources. This study was reported to the Congress on July 3, 1975.

As many of you might recollect, during consideration of the Deepwater Port Act of 1974—Public Law 93-627, enacted on January 3, 1975—the weaknesses in oilspill liability and compensation laws became indisputedly evident. The Senate, in particular, adopted a provision which required that "the study shall give particular attention to methods of adjudicating and settling claims as rapidly, economically, and equitably as possible."

I believe that the Attorney General's study and his report have served as valuable background to the intricate legal problems associated with oil pollution liability and compensation. I further believe that the bills the House acted upon during prior Congresses and the bill I am introducing today have considered or adopted all of the recommendations of the report.

One of the major issues which received and continues to receive considerable attention is the question of preemption of State laws. It has been claimed that, by permitting the States to establish liability schemes and other requirements as they see fit, the States—on an individual basis—can develop such strict requirements that the owners and operators of all modes of transportation—that is, vessel, truck, train, and pipeline—and the owners and operators of all storage, transfer, and processing facilities will

exercise such extreme care and diligence that there will be no oil pollution. This is simply not true. This is what I call emotional reasoning—completely without foundation, in fact.

The simple fact is that in any business or industrial activity there is a recognized potential for damage with attendant liability. Even the homeowner or renter recognizes that he can cause damage to a visiting guest and can be made liable for those damages.

The issue of liability touches all of us in our day-to-day activities, and we protect ourselves by obtaining the necessary insurance. The transportation industry, the oil industry, any industry—like the homeowner or renter—protects itself with insurance.

No matter what liability limits are established—and no matter who, State or Federal, establishes them—the end line is insurability. For example, if a vessel operator cannot obtain insurance, then there will be no vessels carrying the needed oil. The same can be said for the other modes of transportation. A case in point is the history of the oil pollution liability law in the State of Florida.

While the Supreme Court upheld some provisions of that law, the inability to insure to meet these provisions—and the resultant loss of vessel transportation of oil—created a serious oil distribution problem that was only remedied when these provisions were not enforced. As a matter of fact, they were eventually brought in parallel with existing Federal law, where they remain today.

It is also argued that the States should have the right to maintain their own funds—to charge their own fees—and to provide for the payments of any economic or natural resources damages they see fit.

No one argues with this right, and no one wants to see an erosion of State power. However, one must think of the consuming public—the ones who will, in the end, pay for whatever liability and compensation scheme or schemes are developed.

A patchwork of oilspill liability and compensation laws on the Federal and State levels can only create excessive bureaucracies and a mass of paperwork.

How can the various affected industries and transportation modes cope with 50 or more liability and compensation schemes and funds, which I am sure are going to be varied and complex? The burden we are imposing—if we do not preempt State laws in this field—will only create a greater burden on you and me, the paying consumer. I sympathize with those who advocate States rights, but I have considerably more sympathy for the paying consumer.

I believe we must ask ourselves, "What do we really want and how can that best be achieved?"

First, we must consider what damage should be compensable.

Second, we must examine the limit of liability we want to impose.

Third, we want to make sure that, no matter what the damage is, there will be funds available for compensation.

Fourth, although we want the oil industry to pay for the creation of a fund, it must be recognized that the user of oil—the consumer—in the end will be paying through increased cost of the product.

I believe my bill provides for a simple and practicable system for the compensation of a broad range of oil pollution damage. It also imposes reasonable and insurable limits of liability on the owner or operator of the particular transportation mode or facility—thereby making him the frontline payer in most instances, and insuring frontline responsibility for responding to an oil pollution incident.

Another issue which has had extensive review is the limit of liability problem. During the 95th and 96th Congresses, the hearings on H.R. 6803 and H.R. 85, respectively, and the attendant reports clearly documented the rationale for certain limits of liability.

The bill provides that, in the preponderance of incidents, the source of the pollution will be liable for all claims. In those cases where the pollution is extensive, the source of the pollution will be held liable for all claims up to reasonable and insurable limits, while the owner of the oil carries the burden for claims exceeding those limits by contributing to the fund. Thus, the cost of oil pollution is spread between the owner or operator of the transportation mode or facility from which oil enters the environment—and the owner of the oil that creates the pollution risk.

Ultimately, of course, as I have previously stated, the cost is reflected in large measure in the cost of the product—and is therefore borne by the user of the oil, the consumer.

Different limitations of liability are necessary due to the many varied modes of transportation and facilities. With respect to different limits of liability for various types of vessels, it is readily apparent that a general cargo freighter—carrying only oil bunkers for the vessel's operation—does not present as great a risk of oil pollution as a tank vessel that not only has bunkers on board but also carries a cargo of oil.

The same rationale is applicable to tank barges, which often carry considerably less than a self-propelled tank vessel. However, it must be remembered that limitations of liability do not reduce the amount of funds available for payment of damages, since the fund—which is supported by all oil owners—is available to pay any additional amounts above the limitations.

During the last three Congresses, there was considerable discussion within both the Subcommittee on Coast Guard and Navigation and the Committee on Merchant Marine and Fisheries on a maximum ceiling of liability for tank vessels. There was eventual agreement on a maximum level of $30 million, because this was reported as being the so-called insurable limit, the limit of coverage that could be provided by the international insurance market.

Another issue which I have reviewed and reconsidered is the many purposes which have been advocated for the use of the fund. I still believe that the fund should be established for limited purposes, should provide an immediate source of available funds for cleanup, and should assure reasonable and expeditious compensation to the damaged party. I do not believe the fund we are establishing should be available for the payment of costs which are of a capital or research nature—and which are normally subject to authorization and appropriation processes.

A final issue of a somewhat lesser concern has been the method and procedure for processing claims and the related administration of the fund. The bill is designed to provide for minimal governmental interference—with strong incentives for prompt and equitable settlement. I believe that many of these procedures are so important in creating substantial incentives to settle damage claims that they cannot be left to the imagination of the administration through regulatory and rulemaking procedures.

Further, many of these requirements—such as types of claims payable; types of investigations, court, or attorney fees; and the availability of interest charges—are so substantive that we might create a vacuum if they were not included in the bill.

The objectives of my oilspill liability and compensation legislation are to:

Establish one fund at the Federal level that will provide ample money for prompt compensation of oilspill damage;

Establish one set of oilspill liability laws for the entire Nation, covering all types of oilspills from all sources;

Remove the overlaps and bare spots of the present patchwork system; and

Minimize the bureaucracy.

This, in turn, will benefit the one who has been victimized as well as the one who will pay for this compensation—the ultimate consumer of oil.

I, therefore, am introducing legislation similar to H.R. 85 of the last Congress for consideration by this Congress.●

IN SUPPORT OF H.R. 1900

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. McDADE. Mr. Speaker, last week we acted on legislation to restore the social security system to solvency. The bill before us contains provisions which will directly affect every citizen of this country for at least the next 50 years. Although I supported H.R. 1900, and voted for its final passage, I did so with some considerable reluctance.

This massive measure has been brought to the floor of the House with very limited time for consideration. Although the Social Security Commission provided a number of recommendations for increasing revenues and reducing expenditures, this body had little or no opportunity to consider alternative funding measures. Even worse, there was little opportunity for Members to vote on the important issues this legislation raises, either in committee or on the floor. We were presented with a "take it or leave it" situation. If this bill had not passed, the social security system would be in serious financial peril. It may be the only realistic chance we have to save the system. However, by passing it, we are heaping large new burdens upon self-employed farmers and businessmen, Federal employees, and others without any opportunity to consider their grievances and explore alternative funding sources to meet those grievances.

I am extremely disturbed that I was unable to vote separately on the effects of this bill on the self-employed. Unfortunately, this bill will mean a larger increase in taxes for the self-employed than for others. For the self-employed, the bill increases the tax from 9.35 to 14 percent. The tax credit of approximately 2 percent only reduces the real cost to 11.9 percent, which still is a huge increase over current law, and far higher than the employee rate.

For a self-employed person earning $20,000, this amounts to an annual tax increase of $510. If the income level is $35,000, the increase will be almost $900. This is far too heavy a burden to impose on our farmers and small businessmen, which are so essential to our economic well-being. It is especially unfair since employees will be paying more than 4 percentage points less than the self-employed rate. Certainly, there are more equitable solutions which we are not being given the chance to consider today.

The proposal to place new Federal employees under the social security system is unwise and shortsighted. Although this measure may help to resolve the short-term financing problems, I have serious reservations as to how this measure will affect the system in the long-run. Further, I am extremely concerned about the inevitable detrimental effects this proposal will have on the civil service retirement program.

As Members of Congress we have a responsibility to provide Federal workers past and present with the retirement benefits they have earned and that they deserve. Placing new Federal hires under the social security system will make it difficult for us to live up to that responsibility. The major problem with this proposal is that it will erode the future revenue base of the civil service retirement program. With the elimination of new funds coming into the civil service system, Congress will, at some time in the future, be required to finance the system in order to meet the obligations to future Federal retirees.

This proposal would also require that a second, supplemental system be created to assure an adequate retirement for these new Federal workers. History has already shown us that the costs of operating two employee retirement systems is between two and four times greater than simply having one system. Furthermore, the U.S. Treasury will experience a substantial loss of revenues. Under the current system, social security benefits are tax-free, whereas 10.6 percent of Federal annuity payments are returned to the Treasury in taxes paid by retirees.

It is unfortunate that we were not given the opportunity to vote on these provisions of the bill. If we had been given the chance, I most certainly would have voted against placing Federal employees under the social security system, and against the onerous burdens imposed on the self-employed farmers and small businessmen.●

AN UNKNOWN SOLDIER FROM THE VIETNAM CONFLICT FOR ARLINGTON CEMETERY

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. GOODLING. Mr. Speaker, last September I introduced House Concurrent Resolution 413, urging the expeditious interment of a Vietnam Unknown Soldier at the Tomb of the Unknown Soldier at Arlington National Cemetery in compliance with Public Law 93-43. Until that time, I had been quietly working through various channels in the Department of Defense, and, in particular, of the Army, to effect such an interment, this for more than 2 years. Although everyone I met with agreed that this would be a good thing to do and seemed to favor the concept, nothing came of my repeated efforts. A lot of ink was spilt, but, because of bureaucratic complications, that was all. Finally, at the end of my patience, I decided to go the legislative route and introduced House Concurrent Resolution 413.

Until now, I have held off on reintroducing my resolution because it looked like the Department of Defense was finally going to move to inter a Vietnam Unknown. Again, I held a number of meetings with representatives of the Secretaries of the Army and the Department of Defense. However, until now I have received no definite word. Because of possible complications, I suggested to the Secretary of Defense that as an interim measure a plaque be installed at the site of the tomb explaining that there is a crypt for a Vietnam Unknown and that at such a time as a suitable candidate is found, the crypt will be filled with the remains of a Vietnam Unknown. The only response I have received to that, was that the Secretary found the idea intriguing. So I am now reintroducing House Concurrent Resolution 413: In order to simplify matters, I have requested that the new resolution be given the same number.

The long and short of the issue is this: The National Cemeteries Act of 1973, Public Law 93-43 authorizes the interment of an unidentified soldier killed in Southeast Asia during the years of our involvement in Vietnam at the Tomb of the Unknown Soldier at Arlington National Cemetery. Such a set of remains exists: Let us inter it. For far too long Vietnam veterans have come to Arlington Cemetery to find nothing mentioning a Vietnam unknown. If they were lucky, the amphitheater was open and they could see a bronze plaque inside which commerates those who served in Vietnam, but does not specifically mention an unknown or even that many thousands made the ultimate sacrifice. Last November, we began a healing process for our Vietnam vets; let us now continue that process with the interment of an Unknown Soldier from Vietnam at Arlington National Cemetery.●

A TRIBUTE TO DR. WENDELL D. WALDIE

HON. BOB WHITTAKER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. WHITTAKER. Mr. Speaker, I would like to take this opportunity to pay tribute to a special member of the optometric profession, Dr. Wendell D. Waldie, O.D., president of the American Optometric Association.

Dr. Waldie has served as president of the AOA since last June, culminating over 25 years of service to optometry and eye care at the local, State, and

National levels. It has been my privilege to know and work with Dr. Waldie for most of those 25 years, first as a practicing optometrist in Dr. Waldie's home State of Kansas, then as a member of the Kansas Legislature, and now as a Member of Congress. For every one of those years, Dr. Waldie has exhibited the commitment to quality eye and vision care that has made him an outstanding leader in his field.

The stated objective of the AOA is "to improve the vision care and health of the public and promote the art and science of the profession of optometry." Certainly, Dr. Waldie's career is living proof of his strong commitment to that objective. I am proud to be a colleague of a man who has done so much to bring better vision care to all Americans and prouder still that a fellow Kansan has reached the top of our profession. Dr. Waldie has rightly earned the respect and recognition of all who share his concern for the visual well-being of the American public.●

SMALL BUSINESS LOANS FOR VIETNAM VETERANS

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. EDGAR. Mr. Speaker, last Thursday the House, by voice vote, disapproved the administration's request to defer funds appropriated to the Small Business Administration to assist Vietnam veterans. Included in the $143 million proposed deferral submitted by the administration on February 1, 1983, is $25 million which we appropriated last year for small business loans for Vietnam veterans.

I was very surprised by the administration's position on this matter, Mr. Speaker. I was surprised because there was extensive debate last year during the consideration of the HUD-Independent Agencies appropriations bill for fiscal year 1983 on the urgent need to do more for this deserving group of veterans. There was overwhelming support in the House that much more needed to be done by the Small Business Administration. There was a lengthy colloquy on the floor between a distinguished member of our committee, Mr. DASCHLE, and the chairman of the Subcommittee on HUD-Independent Agencies, the distinguished gentleman from Massachusetts, Mr. BOLAND. Mr. BOLAND gave his assurance that, rather than appropriate funds for the Veterans' Administration to assist Vietnam veterans under the Veterans' Health Care, Training, and Small Business Loan Act of 1981, it would be better to appropriate additional funds through the Small Business Administration. He agreed to discuss the matter with the chairman of the Subcommittee on Commerce, Justice, State, and Judiciary. Mr. BOLAND fulfilled his commitment, and the very able chairman of that subcommittee, Mr. SMITH of Iowa, agreed with him and $25 million was appropriated to be used in fiscal year 1983 to help this group of deserving citizens.

Apparently the administration failed to grasp the full meaning and commitment of the Congress. Mr. Speaker, I hope the disapproval of the proposed deferral by the House sends a clear signal to the administration that we are serious in our efforts to get the Small Business Administration to do substantially more than it has done in the past for Vietnam veterans. There is absolutely no basis for the deferral of those funds, and I am very pleased that the House has rejected the administration's request. Apparently the difference of opinion between the administration and the House on how we treat veterans who served in Vietnam is far greater than I had originally thought.●

TAKX PROGRAM

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. HUNTER. Mr. Speaker, as a member of the House Armed Services Committee, I have a very strong interest in seeing the successful completion of the TAKX program. Furthermore, it may interest the committeee to know that I am a member of the Seapower Subcommittee, and in the 97th Congress was a member of both the Procurement Subcommittee and the Special Panel of Defense Procurement Procedures of the Armed Services Committee. As a member of these subcommittee's I have paid close attention to insuring that our military acquires equipment at the least possible cost.

Currently there is some degree of controversy about the true costs of the Navy's plan to lease the 13 TAKX ships rather than buying these ships outright. I am no tax expert and do not plan to get involved in the specifics of which method of acquiring the ships is cheaper. I will point out, however, that the Navy's plan has been fully studied by the administration, outside consultants, and congressional committees. The leasing plan had the approval of both the Secretary of Defense and the Office of Management and Budget. In addition, the Committees on Armed Services and on Appropriations of the Senate and the House all provided written concurrence with the Navy proposal.

The Navy claims that they will save a net amount of $28.4 million per ship. The Joint Committee on Taxation's study, however, claims a net loss of $20.8 million per ship. There are some who have jumped to the conclusion that the Navy is engaged in a dishonest or inept attempt to gain congressional approval of a poorly thought out plan. This is simply not true. In talking to committee staff and in studying the details of the plan, it appears to me that the differences in these two estimates spring from differing assumptions. I would like to emphasize that these differing assumptions are reasonable differences between reasonable men.

I would also caution the members of this committee about considering the cost of the TAKX ships by themselves without regard to current Navy operational requirements. Leasing ships that have already been built to commercial standards seems to me to be cheaper than acquiring the ships through the normal military procurement process. At least part of the savings will be realized by receiving the ships about 2 years before they could be if they were built to order, which was one seriously considered option. Assistant Secretary of the Navy George Sawyer in testimony given to the Readiness Subcommittee of the House Armed Committee on September 17, 1982, stated that their charter plan would result in delivery of the ships 2 years ahead of their original schedule. This would allow them to phase out seven ships currently stationed in the Indian Ocean at an annual savings slightly in excess of $100 million.

It is very easy to get lost in the examination of the details of leasing or purchasing. We cannot look at the acquisition of the TAKX ships in isolation from the urgent requirements that they are designed to meet. When the Rapid Deployment Force was formed it was very evident that there was a serious shortfall in sealift. This lack of sealift capability threatens to undermine the entire RDF.

It was for this reason that the Navy formulated a plan to field a maritime prepositioning force (MPF) to provide sealift support to the RDF. The MPF will be comprised of 13 TAKX ships which will be prepositioned in the Indian Ocean in order to provide equipment, supplies, ammunition, and fuel on a standby basis to the U.S. Marines. Should a conflict develop, Marine amphibious battalions would be airlifted to the trouble spot, meet up with the equipment on the prepositioned TAKX ships, and proceed to the objective area.

In addition to providing absolutely vital support to the Rapid Deployment Force, the TAKX plan provides valuable support for the shipbuilding industrial base of the United States. During his campaign for the Presidency,

President Reagan said that the "shipbuilding industry is vitally important to our Nation." The President continued:

Should our shipbuilding capability continue to decline, America's mobilization potential will be seriously undermined because a large reduction in a skilled shipbuilding workforce today makes any increase tomorrow very difficult. This is a dangerous threat to our national security, jobs, and a key U.S. industry. . . . We must now take corrective action to make certain our merchant fleet and our shipbuilding industry survive and grow.

At a time when the U.S. shipbuilding industry is increasingly threatened by nationally subsidized foreign shipbuilders, the Navy's decision to charter U.S.-built ships will reaffirm the President's commitment to revitalize the shipbuilding industry and to rebuild the industrial base of this Nation.

In my own home area of San Diego, the ship repair and shipbuilding industry is experiencing severe rates of unemployment. The local industry is faced with the prospect of 60 percent unemployment by spring. The loss of the TAKX program would add an average of 1,700 workers over 20 months to these already dismal unemployment figures. The loss of the TAKX program would represent a serious blow to our national security in more than one way.

If the Navy had proceeded with a plan to purchase these ships we would be faced with a delay of 2 years compared with the delivery schedule involved in the charter plan. For 2 additional years the RDF would be a significantly less effective fighting force. A 2-year delay would also result in disaster for our shipbuilding industrial base. As the President said, "A large reduction in a skilled shipbuilding work force today makes any increase tomorrow very difficult." When these serious national security implications are considered against the question of whether it is cheaper for the Navy to buy or lease the TAKX ships, a question whose answer depends on choosing between reasonable assumptions, I think it is clear that the Navy's current plan must be supported.

I think that this plan to charter the TAKX ships has been carefully crafted by the Navy. Particular credit should go to Assistant Secretary of the Navy George Sawyer, and the Commander of Naval Sea Systems Command Adm. Earl B. Fowler. These two men are excellent public servants and this Nation owes both of them a debt of gratitude for their efforts to develop the seapower that is critical to this Nation's defense.●

NATION USING MORE THAN 450 BILLION GALLONS OF WATER A DAY

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. FIELDS. Mr. Speaker, I am submitting for the RECORD today an executive summary of a recent report published by the Department of the Interior's U.S. Geological Survey.

This report on our Nation's water-use patterns, which is published on a regular 5-year basis, concludes that Americans continue to consume an ever increasing amount of water on a daily basis.

As our Nation's most precious irreplaceable natural resource, I urge my colleagues to carefully review this executive summary and to obtain a copy of the entire 64-page report.

I am confident that through the farsighted stewardship of our distinguished Secretary of the Interior, we can be successful in meeting our Nation's future water needs and insure that no citizen of this Nation will ever suffer from a lack of safe, pure drinking water.

The text of this executive summary follows:

NATION USING MORE THAN 450 BILLION GALLONS OF WATER A DAY

As of 1980, the United States was withdrawing a record high total of 450 billion gallons of water a day from surface- and ground-water sources to meet the needs of public supply, industry, irrigation, rural, and commercial users. This amounts to an average of about 2,000 gallons per person per day, according to a recently published report of the U.S. Geological Survey, Department of the Interior.

The latest USGS summary of the nation's water-use patterns—the seventh in a series of reports compiled every five years since 1950—notes that the nation's total water use has more than doubled in the last 30 years. The report emphasizes, however, that although the nation is now using more water on a daily basis, the rate of increase in water use was only 8 percent during the 1975-1980 period compared to a 12 percent increase during 1970-1975.

According to Wayne B. Solley, hydrologist at the USGS National Center, Reston, Va., and senior author of the report, "It is difficult to pinpoint the exact causes for the slowdown in the rate of increase of national water use.

"The slowdown probably reflects a combination of factors, including the decline in the economy, regional droughts that restricted water use, more prevalent reuse of water and perhaps the improvements in the accuracy of our water-use estimates," Solley said. "Despite the slowdown, we can be rather certain that overall water use will continue to increase in future years and even at a reduced rate will require careful management and continuing reappraisal of available resources."

Solley said that improvement in the accuracy of summary data results from a huge increase in the amount of data collected at thousands of locations across the country; an improved technical capability to make more detailed evaluations of existing water data; and the increased participation of individual states aiding in developing the national water-use information program that began in 1977.

The USGS report reveals that:

Although the average use of freshwater in the U.S. is about 1,600 gallons per capita per day, the use varies greatly from state to state, ranging from a high of 19,000 gallons per capita per day in Idaho to a low of 180 gallons per capita per day in Rhode Island. High per capita values are characteristic of thinly populated states having large acreages of irrigated land.

California withdrew more water than any other state—about 54 bgd (billion gallons per day), or more than twice as much as either Florida or Texas, the next largest users. Four states—California, Florida, Texas and Idaho—withdrew 25 percent of the water used in the United States.

The total quantity of freshwater consumed—that is, water made unavailable through such processes as evaporation, transpiration or incorporated into products or crops for subsequent possible withdrawals—averaged 100 billion gallons a day in 1980.

More water was withdrawn for industrial uses than for any other category of offstream use. In 1980, industry used about 260 bgd, including about 72 bgd of saline water (water containing more than 1,000 milligrams per liter dissolved solids). About 83 percent of the water withdrawn for industry was used in the generation of thermoelectric power.

Irrigation ranks second in off-stream water withdrawals in the nation—150 bgd or 170 million acre-feet per year—and is by far the greatest consumer of water (83 bgd or 93 million acre-feet per year).

The amount of water consumed by irrigation far exceeds the consumption of all other categories combined: 7.1 bgd for public supplies; 10 bgd for self-supplied industry; and 3.9 bgd for rural uses.

Over 90 percent of the irrigation water was withdrawn in the western United States. In contrast, almost 90 percent of the industrial water was withdrawn in the eastern United States.

Solley said that "overall, the nation as a whole has ample supplies of water. For example, the average annual streamflow in the conterminous (48) states—one simplified measure of the total potential water supply—is about 1,200 billion gallons a day, or about two and a half times our present water use. Moreover, this estimate of potential water supply does not include groundwater supplies, which are even larger.

"This apparently favorable balance of water supply nationwide, however, may bear little resemblance to the actual supply-demand situation in a local area or for specific users who face water supply shortages because of such factors as varying amounts of precipitation, quality problems, or limited ability for reuse of water." Solley emphasized.

"Thus some regions already must cope with water shortages of varying intensities and must face continued 'deficit spending' in their water budgets: using more water each year than is naturally supplied. Our water resources, therefore, must be carefully managed, protected and conserved to assure adequate supplies of good quality for future generations," the USGS spokesman said.

The 64-page report, containing tables, maps, and illustrations showing data by individual states and by the 21 major water resources regions of the nation, is titled "Estimated Use of Water in the United States in 1980," and is published as USGS Circular 1001. Copies may be obtained free on request to the Branch of Distribution, U.S. Geological Survey, 604 South Pickett St., Alexandria, Va. 22304.●

THE STEEL INDUSTRY

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. MOLLOHAN. Mr. Speaker, I appreciate this opportunity to speak to the Members of the House on an issue of critical importance to me, to the residents of the First District of West Virginia, and to every American citizen. This issue is our foreign trade policy. While the steel mills and coal mines of the West Virginia panhandle are over 6,000 miles from Japan, our foreign trade policies bring the two areas much closer. Unfortunately, it is these policies that have added insult to the recession-induced injuries already experienced by our workers. Our weak economy has damaged all of us, but it has dealt a particularly severe blow to workers in U.S. industries that have been targeted by other nations. The results of this targeting are clear when one reviews the facts. While 140,000 American steelworkers are unemployed, this country imported 17 million tons of steel in 1982. While the raw domestic steel industry is operating at less than 36 percent capacity, the lowest capacity since 1932, foreign steel-producing nations capture 22 percent of our entire steel market. For every dollar the United States earns in steel and iron exports to Japan, we spend $80 on steel and iron products from the same country.

Proponents of high technology claim that this basic industry is a steel dinosaur in a postindustrial era. I believe, however, that what has happened to steel, despite efforts to modernize our plants and despite wage concessions agreed to by unions, can and will wound every other sector of our economy. This imbalance is pervasive, not industry-specific, and our foreign trade policies have failed to respond to this challenge.

It is these policies that find us giving Brazil $1.2 billion worth of aid in 1982. This vast amount of money permits the Government of Brazil to spend its revenue on other items, such as its burgeoning commuter aircraft industry. The Bank of Brazil, which is owned by the Government, offers its aircraft manufacturing company 85 to 90 percent financing at 8½ to 9 percent interest. This approach has been successful for Brazil. Evidence of this is the fact that in the last 5 years, that country's aircraft manufacturer's share of the U.S. market has increased from 7.4 percent to 38 percent. During this same time period, one major American manufacturer's share of the market decreased from 60 percent to 24 percent.

Clearly, no American company can compete on an equal footing with such predatory financing. I am not suggesting we imitate Brazil. I am suggesting, however, that our previous attempts to promote free trade have been met with a series of premeditated and unfair foreign trade practices, imposed upon us by some of the very countries to whom we provide aid. Therefore, I believe that we have no alternative but to impose additional restrictions on imports, compelling other nations to deal with us on an equal basis.

Ultimately these unfair foreign trade practices will have an adverse effect on every sector of the American economy. No longer will the steel industry be labeled a lone dinosaur, for we will be a Nation of dinosaurs—large, but unable to compete effectively with other nations unless we act now to modify our foreign aid policies to bring them in line with the world of today.●

TRIBUTE TO VELMA FARMER

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. HUNTER. Mr. Speaker, I am here to pay tribute to a great American who passed on recently. I know all of San Diego shared my deep sadness when we learned of Velma Farmer's death. Mrs. Farmer was truly dedicated to the American way of life and a fine leader in the community. I would like to share some of her accomplishments with you.

Mrs. Farmer became a member of the Daughters of the American Revolution where she was born, in Mt. Vernon, Wash. She first became involved in politics in 1936 during the Presidential campaign of Alf Landon, and continued to participate in nearly every Republican Presidential election for the next 45 years. The 30-year Point Loma resident served the San Diego area as a delegate to the Republican conventions of 1975 and 1979, and was cochairman of the San Diego committee to elect Ronald Reagan President in 1976 and 1980. Mrs. Farmer was also president of the County Federation of Republican Women, as well as State and county delegate for the Republican Central Committee.

Besides her active involvement in politics, Mrs. Farmer found time to be a successful real estate agent in Chula Vista. She was a dedicated Republican and San Diego civic leader, and all of us who knew her will miss her.●

A TRIBUTE TO MICHIGAN GREEN THUMB

HON. DONALD JOSEPH ALBOSTA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. ALBOSTA. Mr. Speaker, in recognition of Older Workers Week, I would like to say a few words expressing my appreciation for the work being done by the Green Thumb program in my home State of Michigan.

Michigan Green Thumb is currently in its 11th year of providing jobs for older workers and essential services to the community.

From Green Thumb's beginning in 1965, with 280 positions in four States, Green Thumb has expanded to over 18,000 positions in 45 States, Puerto Rico, and the District of Columbia. This growth has been marked with continued success in the development of community service projects that we can all be proud of.

Green Thumb was originally established under the Older Americans Act to promote useful part-time opportunities in community service activities for low-income persons 55 or older who traditionally have difficulty obtaining employment. Today, however, Green Thumb is much more than simply an employment program.

This successful and innovative program is dedicated to changing the stereotypes that surround older workers. The jobs performed by Green Thumb workers cover a broad range of community services. From senior nutrition programs, to fire protection, energy conservation, public recreation, youth activities, soil conservation, and much, much more. By utilizing the talents and wisdom of older Americans to perform these vital services, Michigan Green Thumb has helped to remind us that there is a vast reservoir of experience and skills waiting to be tapped for the betterment of our communities.

I am proud of the pioneering effort Green Thumb has made in the recognition and utilization of one of our most precious natural resources, our older Americans, and I am confident that Michigan Green Thumb will continue in this impressive tradition for many years to come.●

THE IMF: A MODEST PROPOSAL

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. PAUL. Mr. Speaker, last December the House Banking Committee hastily called Treasury Secretary Regan to testify about the international financial crisis. The committee, having read about the Secretary's sudden meeting with the finance ministers of the West in Germany, wanted to find out what was going on.

Since the Secretary's appearance before the committee, seven other witnesses have been called, including Federal Reserve Chairman Paul Volcker, all of whom favor increased U.S. contributions to the IMF as the only way to end the present crisis. The proposed increases, which would raise the IMF's reserves from $65.9 billion to $98.9 billion, would be the largest quota increase in history.

It was less than 3 years ago that Congress approved the last 50 percent quota increase. Now another increase, say the witnesses, is essential if the IMF is to meet what are characterized as the "short-term liquidity problems" of sovereign debtors.

Those short term liquidity problems might best be seen by reviewing a few numbers. In 1980, payments due from Third World governments totaled $140 billion; less than $100 billion was paid. Twenty-two nations "rescheduled" their loans, since default is a word not appearing in any lexicon of international finance. Now, half of the total Third World debt falls due in 1983.

It is obvious that there is an international debt crisis, that Western, especially American, banks have overextended themselves, and that steps must be taken if an international panic is to be averted. Unfortunately, it does not follow that a further increase in the members' contributions to the IMF is the correct step. There is an alternative which virtually everyone has overlooked.

The IMF holds the world's second largest reserve of gold, 103 million ounces. Only the reserves of the United States are larger. Listed below are the 10 largest official holders of gold as of November 1982:

In millions of ounces

United States	264.0
IMF	103.0
West Germany	95.2
Switzerland	83.3
France	81.9
Italy	66.7
Netherlands	44.0
Belgium	34.2
Japan	24.2
Austria	21.1

Source: The IMF.

At current market prices, the IMF's gold is worth between $40 billion and $50 billion, a sum larger than the proposed 47-percent quota increase and the 170-percent increase in the general agreements to borrow combined. This enormously valuable asset is frozen, languishing in the cellar of the New York Federal Reserve Bank. To contemplate increasing the U.S. contribution to the IMF when the IMF already possesses more assets than it needs is both silly and foolish.

My proposal is simple and straightforward. Moreover, it should be noncontroversial. I cannot imagine anyone opposing it, except perhaps those who have already speculated heavily in gold. The IMF should do what it has done many times in its 40-year history: Sell gold.

The most recent gold sales occurred between 1976 and 1980, when the IMF disposed of one-third of its total gold reserves, roughly 50 million ounces. Of that amount, half was sold at auctions on the open market. The other 25 million ounces were restituted to member governments that had given it to the IMF as part of their quotas.

The first auction of the IMF's holdings occurred in June 1976. During the first 2 years of the 4-year sale, 16 auctions were held, 1 every 6 weeks, and the total amount sold was 12.5 million ounces.

In the last 2 years, ending in May 1980, the remaining 12.5 million ounces were sold at 24 auctions, resulting in aggregate profits to the IMF of $4.6 billion. Restitution of 24.5 million ounces to 126 donor nations was completed in January 1980 when the last of four annual restitution sales occurred.

During these sales, the U.S. Government purchased 5.7 million ounces at $40.86 per ounce. Under the quota arrangements governing such a restitution, the U.S. Government is entitled to buy another 23.6 million ounces of the 103 million ounces held by the IMF. Were we to swap dollars for that gold at the last official rate of SDR35 per ounce, we would be trading 9 billion paper notes for almost 24 million ounces of gold. There is no reason whatsoever for sending billions to the IMF without getting the gold—now officially demonetized—that we originally contributed to the Fund.

The gold in the IMF has always been intended as a source of usable currencies. Selling the gold again, either at auction or by restituting it to the donor nations at its original exchange rate, is an obvious and simple solution to the present problem. There need be no further controversy over foreign aid versus domestic aid, bailing out bankers versus bailing our farmers. A stormy battle in Congress can be avoided, and the administration need not waste scarce political capital defending an indefensible proposal.

All Congress needs to do is to instruct the U.S. Director of the Fund to propose and vote for the disposition of the gold assets of the IMF. Such a decision could be reached either at an interim committee meeting or at the annual meeting of the Fund next September. The gold sales could begin immediately, with the proceeds being used to solve what we are told is a temporary liquidity crisis.

Such a plan is entirely within the scope and purpose of the IMF. According to the amendments of the IMF articles of agreement implemented in April 1978, gold no longer plays any monetary role in the international financial system. Gold has ceased to be the numeraire; it no longer serves as the common denominator of a par value system or as the unit of value of the SDR. The official IMF gold price has been abolished, and the obligation of members of the IMF to use gold in transactions with the Fund has been eliminated. In fact, the IMF is prohibited from accepting gold unless approval is given by an 85 percent vote of the Fund's members. In view of the IMF's official position on gold—a position reaffirmed by our own Government—there would appear to be no reason for keeping the gold in the IMF.

In early February when Fed Chairman Paul Volcker appeared before the House Banking Committee, I asked him why the IMF's gold was not being sold to meet the present crisis instead of a quota increase being pushed through both the IMF and the Congress. The IMF, he said, holds the gold for use "in time of need." Just an hour earlier, Mr. Volcker had called the present debt crisis a "threat * * * without parallel in the postwar period." If this is not a time of need, then no quota increase is necessary. And if it is a time of need, then the IMF's gold reserves should be mobilized.

What mystical attachment does the IMF have to this yellow metal? What mysterious emotion blinds the directors to this obvious solution to their problem? Can it be that the global bankers have developed a reverence for this barbarous relic and expect it, as other relics are alleged to do, to perform miracles merely by its presence? That would be the only plausible reason for turning down this modest proposal.●

THE 45TH ANNIVERSARY OF THE WHEELWRIGHT MUSEUM

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. RICHARDSON. Mr. Speaker, I wish to bring to the attention of my colleagues the Wheelwright Museum of the American Indian in Santa Fe,

N. Mex. The museum, which is celebrating its 45th anniversary, enhances the understanding between Indian and non-Indian peoples through a collection of unique and brilliant Native American art. Additionally, the museum offers a wide range of educational services that provide further insights into Indian culture.

I am honored this outstanding museum is located in my home district in New Mexico. Following is a news release by the Wheelwright Museum, highlighting some of their current exhibitions and activities:

SANTA FE, N. MEX., February 17, 1983.—The Wheelwright Museum of the American Indian is celebrating its 45th Anniversary with a unique exhibition—"Woven Holy People: Navajo Sandpainting Textiles" from the Permanent Collection, running through May 31, 1983.

The small museum, built in traditional Navajo 8-sided hogan shape, is living proof that Native Americans can be involved effectively in their own artistic destiny. Working together with non-Indians on the Board of the Wheelwright are sculptor Bob Haozous, painter Geronima Montoya, painter and sculptor R. C. Gorman, museum director Harry Walters, potter Apple Blossom and sculptor/painter Paul Speckled Rock.

The recent invitational exhibit of artists drawn from throughout the United States by the Speckled Rocks of Santa Clara Pueblo, NM illustrates the point. The Speckled Rocks produced the exhibit which included personal appearances by the participants.

Another example is the success of the ceremonial pipe carvers River and John Free Soul whose work is available in the Case Trading Post of the Museum. She is Cherokee/Chikasay, and he is Cheyenne/Arapahoe. They recently presented the Museum with a carved sculpture "in gratitude and thanks for the collective support and appreciation of our artwork, as well as for the continuing support of authentic Native American work."

Visitors to the Museum can browse through The Case Trading Post, a picturesque replica of a turn-of-the-century Navajo Trading Post. This unique museum shop is important because it offers artists and craftspeople, particularly younger ones who are not yet established, a place in which their work can be seen and purchased.

Exhibits over the past few years, which have received national acclaim, have been built around the work of Maria, well known potter of San Ildefonso Pueblo, N.M.; Allan Houser, internationally acclaimed Chiricahua Apache sculptor and painter; Helen Cordero, Cochiti Pueblo, N.M. who received the 1982 Governor's Award for Excellence in the Arts, and other well known artists.

The Wheelwright Museum of the American Indian, a non-profit, privately supported institution nestled in pinon and juniper trees at the base of the Sangre de Cristo Mountains, is open each Sunday from 1 to 5 p.m.; Monday through Saturday from 10 to 5 p.m.●

SUPPORT OF HOUSE CONCURRENT RESOLUTION 23

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. GOODLING. Mr. Speaker, I would like to share with my colleagues a letter that I have received from the American Medical Association in support of House Concurrent Resolution 23, a resolution that I have introduced which states that it is the sense of Congress that the age for drinking and purchasing alcoholic beverages should be raised to 21 nationally.

This resolution reflects one of the key recommendations of the Presidential Commission on Drunk Driving; 60 Members in the House have already cosponsored this measure, and Senator ARLEN SPECTER will soon be introducing the companion resolution, along with Senators DOLE, DANFORTH, PACKWOOD, and PRYOR. The National Transportation Safety Board, the National Safety Council, Mothers Against Drunk Drivers (MADD), the Alliance of American Insurers, the Professional Insurance Agents, the AAA, and now the AMA all have enthusiastically endorsed this measure.

Tragically, 14 teenagers die each day in drunk driving accidents.

Let us stop these senseless tragedies. Let us save these young lives.

Join me in encouraging our State legislatures to consider enacting laws to raise the drinking age.

The lives we save will be our children's.

AMERICAN MEDICAL ASSOCIATION,
Chicago, Ill., March 8, 1983.

Hon. WILLIAM F. GOODLING,
House of Representatives,
Washington, D.C.

Re: House Concurrent Resolution 23.

DEAR REPRESENTATIVE GOODLING: We wish to advise you of the support of the American Medical Association for passage of House Concurrent Resolution 23. House Concurrent Resolution 23 expresses the sense of the Congress that states should raise their drinking age to twenty-one years of age.

The American Medical Association supports efforts to reduce the carnage occurring on our nation's highways as the result of drunk drivers. We supported legislation in the last Congress which was adopted to provide incentive grants to States that increase their efforts to reduce drunk driving. Many of the recommendations of the Presidential Commission on Drunk Driving are supported by the AMA. We also support increasing the drinking age in those states that currently have a drinking age of less than twenty-one as one means of addressing this problem. In December 1982 the AMA House of Delegates approved a resolution which provides:

That the American Medical Association encourage each state medical society to seek and support legislation to raise the legal drinking age to 21 if the legal drinking age in its state is under 21.

We support adoption of House Concurrent Resolution 23 as a means of further encouraging state legislatures to consider adopting legislation to increase the legal drinking age to twenty-one to reduce the number of drunks drivers on the road.

Sincerely,

JAMES H. SAMMONS, *M.D.*●

AN EXPRESSION OF CONCERN

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. KOSTMAYER. Mr. Speaker, "An Expression of Concern" signed by myself and 51 of my colleagues demonstrates our commitment to recognize the concerns of the entire American trucking industry. This expression addresses the problems which exist in the trucking industry—problems which we believe the Congress should address as soon as possible.

AN EXPRESSION OF CONCERN

The recently enacted Highway Revenue Act of 1982 has been the focus of continued attention in recent weeks. Trucking companies, including independent truckers, have been especially concerned with the impact this Act may have. Some have discontinued their operations.

This discontinuance has been the object of violent activities against truckers and others on the part of a few totally irresponsible individuals. We join with the Independent Truckers Association and other interested parties in thoroughly condemning such acts and urging law enforcement agencies to investigate and prosecute all participants in any violence to the fullest extent of the law. Clearly, this issue is not, and government policy overall must never be, governed or dictated by acts of violence and unrest.

Our continuing obligation is to review and, if necessary, reconsider all laws including those which directly affect the trucking industry. Three specific provisions of the Highway Revenue Act of 1982 are of considerable concern. They are:

1. Increased excise taxes on trucks, trailers and parts;
2. Higher Highway User Fees, and;
3. Increased taxes on rubber tread.

No revenue program can please everyone. We do not seek to redesign such programs to suit any one group. We can however take a close look at whether the public interest is being served by these particualr increases, some of which exceed 700 percent.

The goal of improving our Nation's highways, which led to the enactment of the Highway Revenue Act, was both laudable and necessary. The three items noted above may, however, impose an excessive burden on the American trucking industry. We would, therefore, ask our colleagues to join us in carefully reviewing the direct impact of these scheduled increases at the earliest time.

All users of America's highways must pay their fair share of the cost of maintaining our road system. We believe a review as to the fair share of costs to be paid by truckers is warranted.

We see the possibility that the 12 percent excise tax may further damage the already

depressed truck manufacturing industry. At a time when that industry is operating far below capacity with numerous layoffs, any market disincentives must be questioned. Higher taxes on the purchase of new trucks could cause some to postpone purchases. Safety on roads may be impaired due to the failure to replace older units which have already logged hundreds of thousands of miles.

Regarding the Highway User Tax, we can readily understand and sympathize with the concern which accompanies any tax increase of over 700 percent. The substantial increase in the rubber tax paid by truckers falls most heavily on long distance heavy haulers. This increase, when combined with other higher taxes and fees, is very substantial and should be reconsidered.

A thriving, diverse trucking industry is an interest we all share. The review of each of these tax and user fee increases is definitely in order, in our opinion. Any review must also include the careful study of other means by which needed funds might be obtained. While we recognize and appreciate the urgent nature of other major issues facing the Congress, we would ask our colleagues to take the steps necessary to hold hearings as soon as possible in 1983 for the purpose of considering specific legislative reforms in these areas.

Peter H. Kostmayer, Ed Jenkins, Douglas Applegate, Carroll Campbell, Bud Shuster, Thomas R. Carper, Sam Gejdenson, Newt Gingrich, Joe Kolter, Ronnie G. Flippo, Lindsay Thomas, Olympia J. Snowe, Charles Hatcher, Thomas N. Kindness, George W. Gekas, Solomon P. Ortiz, Arlan Stangeland, J. Roy Rowland, John R. Kasich, Robin Tallon, William F. Clinger, Marge Roukema, Vin Weber, Robert A. Roe, Butler Derrick, Lyle Williams.

Roy Dyson, Guy Vander Jagt, Doug Barnard, Jr., Matthew J. Rinaldo, Tony P. Hall, Claudine Schneider, Joseph M. McDade, Phillip R. Sharp, Wyche Fowler, Jr., John Paul Hammerschmidt, Gerry Sikorski, Howard Wolpe, Benjamin A. Gilman, Tom Bevill, Bob Livingston, James M. Jeffords, Mickey Edwards, Joe Skeen, Donald J. Pease, John R. McKernan, Jr., Dave McCurdy, Mike Synar, Denny Smith, Thomas A. Daschle, Marilyn Lloyd Bouquard, James R. Jones.

Mr. Speaker, as a first step toward addressing these concerns, my colleagues will be asking the appropriate subcommittees in the House and Senate to review the provisions of the Highway Revenue Act of 1982 and consider appropriate revisions.●

SPORTS PERFORMANCE VOLLEYBALL, INC., OF DuPAGE COUNTY, ILL.

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. HYDE. Mr. Speaker, Sports Performance Volleyball, an intense training program for young female volleyball players, is a unique program located in DuPage County, Ill. The program is designed for players who have the talent and desire to become world-class athletes and, as such, they work under the direction of a national Olympic team trainer, tour abroad for international playing experience annually, and compete in major national tournaments.

I am particularly proud of the club located in my home district for the national recognition they have received as one of the best junior programs in the country. As a result, their team of 17-year-olds has been invited to travel to Japan for 2 weeks in April to train and compete with comparable Japanese volleyball teams. They will be hosted by the Japan Volleyball Association and are the first high school team from the United States ever to receive such an invitation.

These young girls have worked long, hard hours training and, in addition, put in extra hours fundraising to earn enough money to cover their air fare to Japan. I find this discipline and dedication in these young women most inspiring.

The Sports Performance Volleyball club program provides year-round training and competition for its players during the time they are not competing for their high schools or colleges. It was founded in 1980 by Rick Butler, whose background in sports training and rehabilitation led him to believe that a team could perform better and have fewer injuries as a result of innovative and demanding physical conditioning. The basis of the club's philosophy is that high performance can be achieved only as a result of high performance training.

Sports Performance Volleyball is incorporated in the State of Illinois as a not-for-profit corporation, founded to foster national and international amateur competition in volleyball. The staff is headed by Rick Butler, strength coach for the U.S.A. men's national volleyball team and author of "High Performance Training for Volleyball." He is joined in the coaching area by Kay Rogness, sports trainer and therapist for Sports Performance and Rehabilitation Institute, who serves as assistant coach and team administrator.

There are 24 players in the club, making up two teams. The girls are all between the ages of 14 and 18. They represent 12 different high schools in the greater Chicago area. These girls are unusual in three important ways: They are athletically superior; they devote themselves wholeheartedly to their sport; and they are determined to excell, as evidenced in the area tournaments and two national championships which they have captured during their past three seasons.

Once again, I applaud these young women and wish them great success in their travel and competition while in Japan. It is indeed an honor to be the first high school team to represent our country. Go get 'em girls.●

TRIBUTE TO THE 351ST STRATEGIC MISSILE WING

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. SKELTON. Mr. Speaker, I take this time to congratulate the men and women of the 351st Strategic Missile Wing. The 351st Missile Wing, which is located at Whiteman Air Force Base in Missouri, was recently awarded the Charles D. Trail Logistics Award for 1982. The 351st, which was selected from other missile and aircraft units, demonstrated superior logistical support for the Strategic Air Command. I ask my colleagues to join me in adding our congratulations to that of the Air Force for going beyond the call of normal service.

The hard work of the men and women of the 351st is the main reason for their receiving this award. This hard work, coupled with the high degree of dedication and professionalism that this unit possesses, provide an example for all other organizations, both in and out of the military. It takes an extraordinary team effort to be noticed above all others in the same field, an effort which the people of the 351st were able to put forth. They are highly deserving of this honor and should be proud of their accomplishment.●

THE GOLDEN ANNIVERSARY OF BUFFALO'S ROMULUS CLUB

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. LaFALCE. Mr. Speaker, the Romulus Club of Buffalo, N.Y., is marking its 50th year of service in 1983 and will celebrate this event during a golden jubilee ball on Saturday, April 30, 1983.

The Romulus Club began its history in 1933 when it was formed as a community service organization by 11 young men of Italian-American heritage.

Throughout its 50 years, the Romulus Club has dedicated itself to the principles upon which it was founded; namely, the enhancement of civic, cultural educational, fraternal and charitable causes.

Romulus has distinguished itself as one of the outstanding leaders in the Buffalo and western New York community. From its inception to the present, the members of the organization have devoted their time and energy in the development of programs specifically aimed toward the

accomplishment of the above purposes.

To enhance the educational needs of the community, the Romulus Club established a scholarship fund. Scholarships were awarded annually to those students with exceptional educational ability, but whose financial resources were insufficient to meet the needs of a deserved college education. Funds for these scholarships were raised through annual variety shows featuring such noted entertainers as Frank Sinatra and Perry Como.

In furtherance of its civic responsibility, Romulus Club donated funds to such organizations as Kenmore Mercy Hospital, Columbus Hospital, Children's Hospital and the Knights of Columbus. It also financed the first library at the Butler-Mitchell Boys Club on Virginia Street in Buffalo.

The Romulus Club has distinguished itself in the area of charitable works and contributions. The list of organizations and agencies assisted is long and varied. Among these are the J. N. Adam Memorial Hospital, German-American Orphanage, home for unwed mothers, Crippled Children's Guild and Courier Express Goodfellows. For many years the Romulus Club has provided money and needed equipment to the Erie County Home and Infirmary, through the establishment of the Benedict G. Pecorella memorial Christmas fund.

In recent years the Romulus Club has operated a satellite in connection with the Jerry Lewis Muscular Dystrophy Telethon and has raised thousands of dollars for this cause.

The Romulus Club is very proud of its women's auxiliary, which was established in 1950. The auxiliary has become an important part of the organization and its members have, as well, dedicated themselves to civic and charitable causes.

After a quarter century of service and leadership, Mr. Speaker, I want to salute the Romulus Club and its many fine members for a job well done. At a time when many communities desperately need strong, volunteer leadership, the Romulus Club has set a worthy example.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, March 17, 1983, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 18

9:00 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To resume closed hearings on S. 675, authorizing funds for fiscal year 1984 for military programs of the Department of Defense, focusing on U.S./Soviet strategic forces.
SR-222

9:30 a.m.
Commerce, Science, and Transportation
To continue hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for the National Science Foundation.
SR-430

10:00 a.m.
Judiciary
Administrative Practice and Procedure Subcommittee
To hold oversight hearings on the indemnification of and contributions to Government contractors.
SD-226

Joint Economic
Economic Goals and Intergovernmental Policy Subcommittee
To hold hearings to examine the impact on the unemployment situation of the use of robots in the workplace.
SD-628

2:00 p.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To resume open and closed hearings on S. 675, authorizing funds for fiscal year 1984 for military programs of the Department of Defense, focusing on strategic command, control and communications.
SR-222

MARCH 21

9:30 a.m.
Labor and Human Resources
Handicapped Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Rehabilitation Act of 1973, and the Education of the handicapped Act.
SD-430

Labor and Human Resources
Labor Subcommittee
To hold hearings on the current health and future prospects of defined benefit pension plans under the Employee Retirement Income Security Act.
SD-562

10:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Institute of Education, education statistics, bilingual education, and libraries, all of the Department of Education.
S-126, Capitol

Banking, Housing, and Urban Affairs
To hold hearings on proposed authorizations for programs of the Defense Production Act.
SD-538

Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearings on the President's budget request for fiscal year 1984 for the Department of Energy's research and development programs, focusing on fossil energy programs.
SD-366

Finance
Economic Growth, Employment and Revenue Sharing Subcommittee
To hold hearings on S. 41, to extend the revenue sharing program for local governments through fiscal year 1986, and S. 525, for require that installment payments of revenue sharing allocations be paid at the beginning of each quarter.
SD-215

Judiciary
To hold hearings on S. 127 and S. 418, bills providing economic relief to American industries and companies injured by foreign products being dumped or sold on the American market at less than fair value.
SD-226

2:00 p.m.
Appropriations
Military Construction Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for Air Force military construction and family housing programs.
S-126, Capitol

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Appalachian Regional Commission, and the Tennessee Valley Authority.
SD-192

Environment and Public Works
Water Resources Subcommittee
To hold hearings on S. 684, proposed Water Resources Research Act.
SD-406

MARCH 22

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Mediation and Conciliation Service, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mine Safety and Health Review Commission, and the President's Commission on Ethical Problems in Medicine.
SD-116

9:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on the administration's reprograming request for El Salvador.
SD-192

Energy and Natural Resources
To resume hearings on S. 615, providing for a free market to establish long-term incentives to produce and market ample natural gas supplies at a reasonable cost, and related measures, including S. 60, S. 239, S. 291, S. 293, S. 870, and S. 689.
SD-366

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Economic Research Service, Statistical Research Service, and the World Agricultural Outlook Board, Department of Agriculture.
SD-124

Banking, Housing, and Urban Affairs
International Finance and Monetary Policy Subcommittee
To hold hearings on proposed legislation authorizing funds for the Export-Import Bank of the United States.
SD-538

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

*Labor and Human Resources
Family and Human Services Subcommittee
To hold hearings on the broken family and its impact on children.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings to review proposed budget estimates for fiscal year 1984 for intelligence programs of the Department of Defense.
S-407, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Highway Administration, Department of Transportation.
SD-138

Foreign Relations
Business meeting, to mark up S. 660, to authorize funds for fiscal years 1984 and 1985 for the Department of State, S. 734, to authorize funds for fiscal years 1984 and 1985 for the U.S. Information Agency, S. 694, to authorize supplemental funds for fiscal year ending September 30, 1983, and to authorize funds for fiscal years 1984 and 1985 for the Board for International Broadcasting, S. 608, to authorize funds for fiscal years 1984 and 1985 for the U.S. Arms Control and Disarmament Agency, and other related proposals.
SD-419

Judiciary
Business meeting, to consider pending calendar business.
SD-226

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Bureau of Land Management of the Department of the Interior.
SD-138

Appropriations
Military Construction Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for Navy and Marine Corps military construction and family housing programs.
S-126, Capitol

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of the Secretary, international affairs programs, Bureau of Government Financial Operations, Bureau of the Public Debt, and the Bureau of the Mint, all of the Department of the Treasury.
SD-124

3:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Internal Revenue Service, Department of the Treasury.
SD-124

MARCH 23

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings to receive testimony from the U.S. Attorney General on the overall budget for the Department of Justice, and on proposed budget estimates for fiscal year 1984 for general legal activities, Antitrust Division, general administration, Executive Office for U.S. Attorneys, U.S. Marshals Service, and the Office of Justice Assistance, Research and Statistics.
S-146, Capitol

Banking, Housing, and Urban Affairs
Rural Housing and Development Subcommittee
To hold hearings on proposed legislation authorizing funds for rural housing programs.
SD-538

Labor and Human Resources
Handicapped Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Education of the Handicapped Act.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Panama Canal Commission, and the St. Lawrence Seaway Development Corporation of the Department of Transportation.
SD-138

*Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
Business meeting, to continue markup of S. 660, to authorize funds for fiscal years 1984 and 1985 for the Department of State, S. 734, to authorize funds for fiscal years 1984 and 1985 for the U.S. Information Agency, S. 694, to authorize supplemental funds for fiscal year ending September 30, 1983, and to authorize funds for fiscal years 1984 and 1985 for the Board for International Broadcasting, S. 608, to authorize funds for fiscal years 1984 and 1985 for the U.S. Arms Control and Disarmament Agency, and related proposals.
SD-419

Governmental Affairs
To hold oversight hearings on management activities of the Department of Defense.
SD-342

Select on Intelligence
Budget Authorization Subcommittee
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Pennsylvania Avenue Development Corporation, and the Smithsonian Institution.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

Judiciary
To hold hearings on pending nominations.
SD-226

*Judiciary
Separation of Powers Subcommittee
To hold hearings on S. 462, to clarify certain provisions relating to Federal jurisdiction over labor extortion matters.
SD-124

2:30 p.m.
Veterans' Affairs
To hold hearings on proposed legislation providing for judicial review of certain decisions made by the Veterans' Administration, and certain veterans' construction programs.
SR-418

MARCH 24

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Governmental and Public Affairs, Office of the General Counsel, Office of the Inspector General, Office of the Secretary, and departmental administration, Department of Agriculture.
SD-138

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Legal Services Corporation, U.S. Information Agency, and the Equal Employment Opportunity Commission.
S-146, Capitol

Banking, Housing, and Urban Affairs
International Finance and Monetary Policy Subcommittee
To resume hearings on proposed legislation authorizing funds for the Export-Import Bank of the United States.
SD-538

*Labor and Human Resources
*Family and Human Services Subcommittee
To continue hearings on the broken family and its impact on adults.
SD-430

Small Business
To hold hearings on Federal Government minority business development programs of the Small Business Administration.
SR-428A

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Science and Technology Policy, and the Council on Environmental Quality.
SD-124

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 268, S. 448, S. 672, and S. 739, bills authorizing funds to construct, operate, and maintain hydroelectric powerplants at existing reclamation project facilities.
SD-366

Foreign Relations
Business meeting, to continue markup of S. 660, to authorize funds for fiscal years 1984 and 1985 for the Department of State, S. 734, to authorize funds for fiscal years 1984 and 1985 for the U.S. Information Agency, S. 694, to authorize supplemental funds for fiscal year ending September 30, 1983, and to authorize funds for fiscal years 1984 and 1985 for the Board for International Broadcasting, S. 608, to authorize funds for fiscal years 1984 and 1985 for the U.S. Arms Control and Disarmament Agency, and other related proposals.
SD-419

Judiciary
To hold hearings on proposed legislation authorizing funds for the Department of Justice.
SD-226

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy conservation programs of the Department of Energy.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

Judiciary
Immigration and Refugee Policy Subcommittee
Business meeting, to mark up S. 529, to revise and reform the Nation's immigration laws.
SD-226

MARCH 25

9:30 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on proposed legislation authorizing funds for the Securities and Exchange Commission.
SD-538

10:00 a.m.
*Judiciary
Separation of Powers Subcommittee
To resume hearings on proposed legislation to revise certain Federal court procedures relating to the exclusionary rule, habeas corpus, and related matters.
SD-226

2:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To hold oversight hearings to review the U.S. Attorney General's guidelines on domestic security investigations (Levi guidelines).
SD-226

APRIL 4

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of Health and Human Services.
SD-116

2:30 p.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Oceanic and Atmospheric Administration of the Department of Commerce, Marine Mammal Commission, and the Small Business Administration.
S-146, Capitol

APRIL 5

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Health Resources and Services Administration, and the Office of the Assistant Secretary for Health, both of the Department of Health and Human Services.
SD-116

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Food and Nutrition Service, and the Human Nutrition Information Service, Department of Agriculture.
SD-138

Governmental Affairs
Intergovernmental Relations Subcommittee
To hold oversight hearings on general revenue sharing.
Room to be announced

*Small Business
To hold hearings on umbrella contracting and its impact on small business.
SR-428A

10:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Minerals Management Service, and the Institute of Museum Services.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 energy and water development programs.
SD-192

APRIL 6

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Social Security Administration, and refugee programs, Department of Health and Human Services.
SD-116

9:30 a.m.
Governmental Affairs
Intergovernmental Relations Subcommittee
To continue oversight hearings on general revenue sharing.
Room to be announced.

Rules and Administration
To hold hearings on proposed authorizations for fiscal year 1984 for the Federal Election Commission.
SR-301

10:00 a.m.
Budget
Business meeting, to resume markup of the first concurrent resolution on the fiscal year 1984 congressional budget.
SD-608

Judiciary
Constitution Subcommittee
To hold hearings on constitutional convention procedure.
SD-562

Judiciary
Separation of Powers Subcommittee
To resume hearings to explore certain Federal court procedures relating to the exclusionary rule, habeas corpus, and related matters.
SD-226

Veterans' Affairs
To hold oversight hearings to review adverse health effects from exposure to radiation, and other related matters.
SR-418

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192
Judiciary
To hold hearings on pending nominations.
SD-226
Labor and Human Resources
Family and Human Services Subcommittee
To hold hearings on proposed legislation authorizing funds for child abuse prevention and treatment programs, focusing on the withholding of care from handicapped infants in hospitals.
SD-430

APRIL 7

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the Health Care Financing Administration, Department of Health and Human Services.
SD-116
9:00 a.m.
Special on Aging
To hold hearings to discuss recent decisions affection social security disability recipients.
SD-106
9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Farmers Home Administration, Federal Crop Insurance Corporation, Office of Rural Development Policy, and the Rural Electrification Administration, Department of Agriculture.
SD-138
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Bureau of Investigation, Drug Enforcement Administration, drug task forces, Immigration and Naturalization Service, and the federal prison system, all of the Department of Justice.
S-146, Capitol
Governmental Affairs
Intergovernmental Relations Subcommittee
To continue oversight hearings on general revenue sharing.
Room to be announced
Labor and Human Resources
Labor Subcommittee
To resume hearings on the current health and future prospects of defined benefit pension plans under the Employee Retirement Income Security Act (ERISA).
SR-485
10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Environmental Protection Agency.
SD-124
Energy and Natural Resources
Public Lands and Reserved Water Subcommittee
To hold hearings on S. 287, to establish the Harry S. Truman National Historic Site in Missouri, S. 345, to establish the Africa Town National Historical Park and District in Alabama, S. 542, to revise certain provisions of Public Law 90-401, relating to the purchase and conveyance of certain land by the Federal Government, S. 565, to provide for the establishment of the Cape Hatteras National Recreational Seashore in North Carolina, S. 680, to designate the Baltimore-Washington Parkway in Maryland as the "Gladys Noon Spellman Parkway," and H.R. 1213, to revise certain provisions of law relating to units of the national park lands and other public lands.
SD-366
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 655, authorizing funds for fiscal years 1984, 1985, and 1986 for the national sea grant program.
SD-430
2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Forest Service of the Department of Agriculture.
SD-138
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Personnel Management, Merit Systems Protection Board, Office of Special Council, Federal Labor Relations Authority, U.S. Tax Court, Advisory Commission on Intergovernmental Relations, and the Administrative Conference of the United States.
SD-124
2:30 p.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold oversight hearings on activities of the Patent and Trademark Office, Department of Commerce.
SD-226

APRIL 8

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Human Development Services, Department of Health and Human Services.
SD-116
10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the U.S. Customs Service, U.S. Secret Service, Bureau of Alcohol, Tobacco and Firearms, and the Federal Law Enforcement Training Center, all of the Department of the Treasury.
SD-138
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on S. 530, to provide Federal assistance to upgrade instruction in mathematics, science, computer technology, and foreign languages in the nation's elementary, secondary, and postsecondary institutions, and to provide assistance for employment-based vocational training programs, and related proposals.
SD-430

APRIL 11

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Institutes of Health, Department of Health and Human Services.
SD-116
10:00 a.m.
Judiciary
Constitution Subcommittee
To hold hearings on proposed legislation authorizing funds for the Commission on Civil Rights.
SD-226
Labor and Human Resources
Family and Human Services Subcommittee
To resume hearings on proposed legislation authorizing funds for child abuse prevention and treatment programs, focusing on causes and prevention of child abuse.
SD-430

APRIL 12

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the National Institutes of Health, Department of Health and Human Services.
SD-116
9:00 a.m.
Commerce, Science, and Transportation
To hold hearings on S. 372, to promote interstate commerce by prohibiting

discrimination in the writing and selling of insurance contracts.
SR-253

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Food and Drug Administration, Department of Health and Human Services, the Farm Credit Administration, and the Commodity Futures Trading Commission.
SD-138

Labor and Human Resources
To hold hearings on the nomination of Edward A. Knapp, of New Mexico, to be Director of the National Science Foundation.
SD-430

Rules and Administration
To resume oversight hearings on the operation and possible modification of the current campaign finance laws governing Presidential and congressional campaigns.
SR-301

Veterans' Affairs
Business meeting, to consider proposed legislation providing for certain veterans' health care services, proposed legislation providing educational assistance for certain members of the Armed Forces, and proposed legislation providing for judicial review of certain decisions made by the Veterans' Administration.
SR-418

Select on Indian Affairs
To hold oversight hearings on the disbursement of funds by the Bureau of Indian Affairs to do a study of the irrigable acres on the Blackfeet Reservation in Montana.
SD-628

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Aviation Administration, Department of Transportation.
SD-192

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Bureau of Indian Affairs of the Department of the Interior.
SD-192

APRIL 13

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Inspector General, Office for Civil Rights, policy research programs, and departmental management (salaries and expenses).
SD-116

9:00 a.m.
Special on Aging
To hold hearings on health insurance matters affecting the elderly.
SD-562

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the judiciary, Commission on Security and Cooperation in Europe, and the Commission on Civil Rights.
S-146, Capitol

Finance
To hold hearings on S. 544, to promote economic revitalization and facilitate expansion of economic opportunities in the Caribbean Basin region.
SD-215

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Judiciary
Separation of Powers Subcommittee
To resume hearings to explore certain Federal court procedures relating to the exclusionary rule, habeas corpus, and related matters.
SD-226

Labor and Human Resources
To hold hearings on proposed legislation on health promotion.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the Bureau of Indian Affairs of the Department of the Interior.
SD-192

Judiciary
To hold hearings on pending nominations.
SD-226

APRIL 14

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Centers for Disease Control, Department of Health and Human Services.
SD-116

9:30 a.m.
*Judiciary
Juvenile Justice Subcommittee
To hold hearings on S. 53, proposed Justice Assistance Act.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
Business meeting, to mark up S. 530, proposed education for economic security, S. 655, authorizing funds for fiscal years 1984, 1985, and 1986 for the national sea grant program, S. 112, to make certain technical amendments to improve implementation of the Education Consolidation and Improvement Act of 1981, and S. 564, proposed U.S. Academy of Peace Act.
SD-430

Rules and Administration
To hold hearings on Senate Resolution 66, to establish regulations needed to implement television and radio coverage of proceedings of the Senate.
SR-301

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Science Foundation.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Urban Mass Transportation Administration, Department of Transportation.
SD-192

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume oversight hearings on the implementation of vocational education programs administered by the Department of Education.
SD-430

Labor and Human Resources
Family and Human Services Subcommittee
To resume hearings on proposed legislation authorizing funds for child abuse prevention and treatment and adoption reform programs.
SD-628

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Endowment for the Humanities, and the Office of Federal Inspector, Alaska Natural Gas Transportation System.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the General Services Administration, and to discuss the substance of S. 102, to allow State and local governments to continue to acquire surplus Federal lands for park and recreational use.
SD-124

APRIL 15

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Alcohol, Drug Abuse, and Mental Health Administration, Department of Health and Human Services.
SD-116

APRIL 18

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on proposed legislation authorizing funds for the Commission on Civil Rights.
SD-226

10:30 a.m.
Labor and Human Resources
To hold hearings on a radiation/epidemiological study.
SD-430

APRIL 19

9:00 a.m.
Appropriations
*Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-124

9:30 a.m.
Labor and Human Resources
To hold hearings on railroad retirement program.
SD-430

10:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

APRIL 20

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Judiciary, U.S. International Trade Commission, and the Federal Maritime Administration.
S-146, Capitol
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Executive Office of the President, National Security Council, and the Property Review Board.
SD-124
Judiciary
Security and Terrorism Subcommittee
To hold hearings to examine matters relative to the attempted assassination of the Pope.
SD-226
Labor and Human Resources
To hold hearings on proposed legislation relating to smoking.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for fossil energy research and development programs of the Department of Energy.
SD-192
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Commerce, Justice, State, the Judiciary, and related agencies.
S-146, Capitol
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of the Treasury.
SD-124
Judiciary
To hold hearings on pending nominations.
SD-226

APRIL 21

9:30 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearings on the President's budget request for fiscal year 1984 for the Department of Energy's research and development programs, receiving testimony from public witnesses on energy research, conservation and renewable energy, nuclear energy, and nuclear waste activities.
SD-366

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Aeronautics and Space Administration.
SD-124
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of State, and certain international organizations.
S-146, Capitol
Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings to review U.S. immigration quotas.
SD-226
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold oversight hearings on the implementation of bilingual education programs administered by the Department of Education.
SD-430

2:00 p.m.
*Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Indian Health Service, and the Office of Indian Education.
SD-192

APRIL 22

10:00 a.m.
Judiciary
To resume hearings on organized crime in the United States.
SD-226

APRIL 25

9:30 a.m.
Labor and Human Resources
To hold hearings on unemployment cycles.
SD-430

2:00 p.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for transportation related programs.
SD-192

APRIL 26

9:30 a.m.
Labor and Human Resources
To continue hearings on unemployment cycles.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for transportation related programs.
SD-124
Judiciary
Business meeting, to consider pending calendar business.
SD-226

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of the Interior.
SD-138

APRIL 27

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for transportation-related programs.
SD-192
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to investigate the use of offshore banks, trusts and companies to facilitate criminal activity in the United States.
SD-342
Labor and Human Resources
To hold hearings on disease prevention.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Land and Water Conservation Fund.
SD-192

Judiciary
To hold hearings on pending nominations.
SD-226

APRIL 28

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

9:30 a.m.
Judiciary
Criminal Law Subcommittee
To hold hearings on S. 485, proposed Lawyers Duty of Disclosure Act.
SD-226

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Emergency Management Agency, and the Neighborhood Reinvestment Corporation.
SD-124
Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings to investigate the use of offshore banks, trusts, and companies to facilitate criminal activity in the United States.
SD-342
Judiciary
Constitution Subcommittee
To hold joint hearings with the Committee on Labor and Human Resources on S. 425, to provide equal access and opportunity to public school students who wish to meet voluntarily for religious purposes.
SD-430
Labor and Human Resources
To hold joint hearings with the Committee on the Judiciary's Subcommittee on Constitution on S. 425, to provide equal access and opportunity to public school students who wish to meet voluntarily for religious purposes.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the strategic petroleum reserve, and the naval petroleum reserves, Department of Energy.
SD-138

APRIL 29

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

10:00 a.m.
Judiciary
Constitution Subcommittee
To continue joint hearings with the Committee on Labor and Human Resources on S. 425, to provide equal access and opportunity to public school students who wish to meet voluntarily for religious purposes.
SD-430
Labor and Human Resources
To continue joint hearings with the Committee on the Judiciary's Subcommittee on Constitution on S. 425, to provide equal access and opportunity to public school students who wish to meet voluntarily for religious purposes.
SD-430

MAY 2

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

MAY 3

3:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for territorial affairs.
SD-138

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for the Legal Services Corporation.
SD-430

10:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for territorial affairs.
SD-138

MAY 4

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Labor and Human Resources
To hold hearings on proposed legislation on science education.
SD-430

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

MAY 5

9:30 a.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on copyright audiovisual rental.
SD-226

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Revenue Sharing (New York City loan program), Federal Home Loan Bank Board, and the National Credit Union Administration.
SD-124

MAY 9

10:00 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on proposed authorizations for refugee programs.
SD-226

MAY 10

9:30 a.m.
Labor and Human Resources
To hold hearings on home health care services.
SD-430

10:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

MAY 11

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Labor and Human Resources
To continue hearings on home health care services.
SD-430

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

MAY 12

9:30 a.m.
Judiciary
Juvenile Justice Subcommittee
To hold hearings on certain tragedies involving children.
SD-562
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on computerization of criminal history.
SD-226
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of Housing and Urban Development.
SD-124

MAY 13

9:30 a.m.
Labor and Human Resources
To hold hearings to examine fire safety issues.
SD-430

MAY 17

10:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

MAY 18

9:30 a.m.
Labor and Human Resources
To hold oversight hearings on activities of the Equal Employment Opportunity Commission.
SD-430

10:00 a.m.
Veterans' Affairs
To hold oversight hearings to review adverse health effects from exposure to agent orange, and other related matters.
SR-325

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

Veterans' Affairs
To continue oversight hearings to review adverse health effects from exposure to agent orange, and other related matters.
SR-325

MAY 19

9:30 a.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on computer chips protection.
SD-226

MAY 23

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
SD-124

MAY 24

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
SD-124

Judiciary
Business meeting, to consider pending calendar business.
SD-226

MAY 25

9:30 a.m.
Judiciary
Juvenile Justice Subcommittee
To hold hearings on the problems of parental kidnapping.
SD-226

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

JUNE 8

10:00 a.m.
Veterans Affairs
To hold hearings on proposed legislation providing for certain veterans' compensation.
SR-418

JUNE 15

9:30 a.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To resume oversight hearings on activities of the Patent and Trademark Office, Department of Commerce.
SD-226

10:00 a.m.
Veterans' Affairs
To hold oversight hearings to review certain health care and other services provided Vietnam veterans.
SR-418

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

JUNE 16

9:30 a.m.
Judiciary
Juvenile Justice Subcommittee
To hold hearings on deinstitutionalization of certain status offenders.
SD-226

JUNE 20

10:00 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To resume hearings on proposed authorizations for refugee programs.
SD-226

JUNE 22

9:30 a.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on patent term restoration.
SD-226

10:00 a.m.
Veterans' Affairs
To hold oversight hearings on certain health care services for veterans.
SR-418

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

JUNE 27

10:00 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To resume hearings on proposed authorizations for refugee programs.
SD-226

JUNE 29

9:30 a.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on Federal Government patent policy.
SD-226

10:00 a.m.
Veterans' Affairs
Business meeting, to consider proposed legislation providing for certain veterans' compensation.
SR-418

JUNE 30

9:30 a.m.
Judiciary
Juvenile Justice Subcommittee
To hold hearings on juvenile offenders of serious and violent crimes.
SD-226

CANCELLATIONS

MARCH 17

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings to review proposed budget estimates for fiscal year 1984 for the Department of Defense, focusing on defense readiness.
SD-192

3:00 p.m.
Judiciary
Constitution Subcommittee
Business meeting, to mark up Senate Joint Resolution 3, to establish legislative authority in Congress and the States with respect to abortion.
SD-226

MARCH 18

10:00 a.m.
Finance
Health Subcommittee
To hold hearings to evaluate consumer access to health information.
SD-215

MARCH 23

9:30 a.m.
Judiciary
Courts Subcommittee
To resume hearings on S. 645, to eliminate mandatory review by the U.S. Supreme Court of certain cases, to repeal various Federal statutory provisions which require appellate courts to expedite appeals in certain cases, to make certain improvements to judicial survivors benefits, to create a State justice institute, and to create a Federal courts study commission.
SD-226

HOUSE OF REPRESENTATIVES—*Thursday, March 17, 1983*

The House met at 11 a.m.

The SPEAKER. The Chair wishes all a happy St. Patrick's Day.

Rev. Charles J. Higgins, Curate, Sacred Heart Parish, North Quincy, Mass., offered the following prayer:

O God, our Almighty Father, You who rule all nations and give to us the authority to do so here on Earth, we ask You to help us all to become a nation sensitive to the needs of all our brothers and sisters. Help all of us to become a people of generosity, compassion, and love. Bless us with the gift of Your wisdom that we might strengthen our commitment to peace and justice for all people.

Bless this Congress. Help them to be open to Your Holy Spirit, lead them with the gifts of fortitude, patience, counsel, and wisdom. Help them to truly reflect Your will here on Earth. We thank You for all of the blessings that You have given to us and we pray for Your continued guidance and strength in all that we do. We make this prayer through Jesus Christ, Your Son. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On February 16, 1983:

H.J. Res. 60. Joint resolution to direct the President to issue a proclamation designating February 16, 1983, as "Lithuanian Independence Day."

On March 11, 1983:

H.R. 1296. An act relating to the treatment for income and estate tax purposes of commodities received under 1983 payment-in-kind programs, and for other purposes.

On March 16, 1983:

H.R. 1572. An act to repeal section 311 of the Federal Public Transportation Act of 1982.

FATHER CHARLES J. HIGGINS

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOAKLEY. Mr. Speaker, I am pleased today to be able to welcome to the House of Representatives the Reverend Charles J. Higgins and to thank him for his prayer opening today's session.

Father Higgins is a young product of the Boston Archdiocese, the son of Charles and Mary Rita Higgins of Milford, Mass. Father Higgins attended the public schools in Medway, Mass., Xaverian Brothers High School in Westwood, Mass., and the Cardinal O'Connell Minor Seminary in Jamaica Plain, Mass. He received his bachelor's degree from St. John's Seminary College in Brighton, Mass., in 1971, and has been engaged in a wide variety of religious activity in and around the Boston area since that time.

An avid skier, racquetball player, and traveler, Father Higgins spent 1 year as a deacon at St. Joseph's Parish in Quincy, Mass., was an assistant pastor at St. Ann's in West Bridgewater, Mass., and is presently at Sacred Heart Parish in North Quincy, Mass.

Father Higgins is renowned for his work with adolescents and young adults in the Quincy area. He brings to his pastoral work a sense of mission and purpose that is rare indeed in this day and age. I commend Father Higgins for his dedication to those who will be tomorrow's leaders, and for the example that he gives them on a daily basis. Those young adults, indeed everyone coming in contact with Father Higgins, is certainly better for the experience.

Thank you.

A ST. PATRICK'S DAY MESSAGE

(Mr. McNULTY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McNULTY. Mr. Speaker, I am JAMES McNULTY, the grandson of Irish immigrants, and I have a message for this St. Patrick's Day, which is a somber one. It is a message for Irish America which is to say that it is for Irish Catholic America. And the message is that the extraordinary contribution of Protestant peoples to Irish independence must be studied more intensely, published more widely, and honored more enthusiastically. It is not too much to state that the cause of Irish independence could well have foundered in the 19th century but for the likes of Wolfe Tone, Robert Emmet, Thomas Davis, Charles Parnell, and Douglas Hyde. Episcopalians, Presbyterians, Methodists, and Quakers have all borne this cause at great personal risk and to their everlasting credit.

Such an effort by Irish America will represent an effort at addressing the best in each other and one which offers the best chance of the reconciliation and unification so deeply desired. As a final bonus, it will have the everlastingly desirable result of reclaiming the initiative from the hands of the assassins—for we choose life.

THE UNEMPLOYMENT COMPENSATION FAIRNESS ACT

(Mr. BOUCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOUCHER. Mr. Speaker, today I am introducing the Unemployment Compensation Fairness Act, a bill to correct a serious inequity in the existing unemployment compensation program.

The extended benefits provided in existing law are intended to help people in areas with particularly severe unemployment. The payment of extended benefits is triggered when a State's unemployment rate climbs above a certain level.

Unfortunately, there is no provision for the payment of extended benefits to people who live in regions of high unemployment so long as their State's overall unemployment rate remains below the trigger level. As a result, people in some of the hardest hit unemployment areas in the country cannot receive extended benefits.

My State of Virginia has an overall unemployment rate of 9 percent. We are well below the statewide trigger for extended benefits. But in southwest Virginia, the unemployment rate is 18.6 percent. Six counties have unemployment over 20 percent. One is over 30 percent. Even in these counties, where unemployment is higher than it is in Detroit, Cleveland, Akron, and other recession-wracked cities, the unemployed are not eligible for extended benefits.

My bill will restore fairness to the system and assure that unemployment benefits are available to the families that most need them.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

SOMETHING SERIOUSLY WRONG AT OSHA

(Mr. OBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBEY. Mr. Speaker, the testimony of Mr. Thorne Auchter, Director of OSHA, before the Labor-HEW Appropriation Subcommittee yesterday was most disturbing. It shows consistent and pervasive bias against the concerns of workers about the protection against lethal chemicals, including carcinogens, and bias toward the interests of the chemical industry and industry in general. It is the same pattern of bias in the area of worker health that EPA has demonstrated in the area of public health.

I firmly believe that there is something seriously wrong at OSHA, and I would urge every committee with oversight responsibility for that agency to consider conducting extensive oversight hearings of OSHA at the earliest possible date.

THE ROLE OF DEPARTMENT OF JUSTICE IN EPA AFFAIR

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, this week our Judiciary Committee had its first opportunity to question the Attorney General in person regarding the role of the Department of Justice in the EPA affair. The Attorney General acknowledged that the Department of Justice was involved in this conflict practically from day one, and that, as Mrs. Burford has asserted, the Department of Justice played a leading role in the refusal to turn over these documents to the Congress.

There are many disturbing features of Justice's role in this matter, but I would like to focus on the most disturbing one. This is the refusal to bring the contempt citation of the House before a grand jury. A statute specifically states that this shall be done by the U.S. attorney, and yet he refused, claiming that he was permitted to first see if the Department's civil suit to block enforcement of the law was successful. Even after this was thrown out of court, Justice still refused to enforce the contempt citation, relying on the flimsy excuse that the court invited Congress and the executive to try to work it out.

The Attorney General claimed that the leadership at the Department of Justice took no part in the decision not to send the matter to a grand jury, as required by law, but I find this assertion almost incredible. The Attorney General acknowledged that numerous far less important actions require departmental approval, such as a recent prosecution against a deputy U.S. marshal, yet asked us to believe that a matter of this magnitude does not.

The net result is that the highest law enforcement officer in the land is telling us—did tell us this week—that the Department of Justice—which ultimately means the Attorney General—has total and unfettered discretion to decide which criminal acts will be prosecuted. Not only is this outrageous, it is doubly so when we consider the fact that the Justice Department counseled and insisted upon this defiance of the Congress, and yet claims the right to refuse to prosecute the criminal act which results. In the face of this, how can we expect citizens to comply with laws with which they may personally disagree?

MEMBERS URGED TO SIGN PETITION TO DISCHARGE FROM COMMITTEE THE BILL TO REPEAL WITHHOLDING TAX ON INTEREST AND DIVIDENDS

(Mr. D'AMOURS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. D'AMOURS. Mr. Speaker, just a few moments ago, Commerce Committee Chairman DINGELL, Minority Whip LOTT and I filed discharge petition No. 1 to discharge from committee my bill to repeal withholding taxes on interest and dividends.

We would have preferred not having to take this course. We believe the discharge procedure should be used sparingly but we are convinced it is amply justified in this case.

An overwhelming majority of the American public opposes interest and dividend withholding taxes. Three-fourths of the Members of this body are on record as being opposed to this unnecessary scheme. We have a parliamentary right to open debate on this question.

But we have been denied access to the usual legislative process leaving us absolutely no alternative but the discharge process.

Please join us by going to the Clerk's desk and signing discharge petition No. 1.

CONGRESSIONAL BLACK CAUCUS CONSTRUCTIVE ALTERNATIVE

(Mr. DIXON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DIXON. Mr. Speaker, as chairman of the Congressional Black Caucus, it is with pride that yesterday I introduced our 1984 constructive alternative budget on behalf of the 21 men and women of the caucus.

This resolution addresses the real needs of the American people for equity, economic growth, and a bridge of Federal assistance to cross this period of national distress from unemployment.

Those of us in the Congressional Black Caucus recognize and appreciate the desire of the leadership to marshal a budget resolution through this body which can move us away from the disastrous policies of the Reagan administration.

We offer this alternative not in an attempt to upset this worthwhile objective, but because we feel morally compelled to take the budget a step further and thereby improve the tragic circumstances which entrap millions of poor, minority working class Americans.

I encourage my colleagues to review the constructive alternative which the Congressional Black Caucus has introduced and to consider the rationale which will be printed in today's RECORD.

OUR NATION'S PROJECTED BUDGET DEFICITS

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, I am rising today to express my deep concern about our Nation's projected budget deficits. The CBO is now projecting that our annual deficit will increase to over $300 billion by fiscal 1988. Between fiscal 1983 and fiscal 1988, we may very well double our entire national debt which has taken more than 200 years to accumulate.

The Federal Government had to borrow more than 66 percent of net private savings in 1982. This figure rose from 8.6 percent in 1979 to 32 percent in 1981. By 1984, the Federal Government will have to borrow more than 80 percent of net savings.

This is a frightening statistic.

How can we hope to keep interest rates down when the Government is borrowing 80 percent of net savings? I do not believe we can. If interest rates rise, will this not choke off the recovery we all so desperately want and need to get our people back to work? I believe it will.

Now is the time for a decisive, bipartisan effort to restore commonsense to our Nation's fiscal policy and dramatically reduce future deficits.

□ 1115

LONG-TERM GRAIN AGREEMENT WITH THE SOVIET UNION

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, I have introduced a resolution in the House

that calls on the President to enter into negotiations with the Soviet Union for the purpose of establishing a new long-term grain agreement. It is important that the administration receive this sense of the Congress at this time. The United States and the Soviet Union are scheduled to hold the spring session of the semiannual grain consultations in Moscow on March 24 and 25. It would be a costly mistake for the administration to come away from these consultations with anything less than a long-term agreement.

This administration took office denouncing the Carter embargo—which I also opposed—and promising farmers an increase in export markets for their commodities. Yet in the first 2 years of this administration the American farmer is still asked to bear the burden of an embargo imposed over 3 years ago.

On January 20, 1981, the date President Reagan took office, corn was selling for $3.75 a bushel. Today corn is selling on the Chicago Board of Trade for $2.84, a drop of almost $1 in a 2-year period. Unfortunately, for the corn farmer the share of the market of grain sold to the Soviet Union that is lost each year under the approach of 1-year extensions of the grain agreement is a major negative factor on price.

The United States-Soviet grain sales agreement was first initiated in 1975. Under that agreement, which was to run from 1976 through 1981, the Soviets were to purchase 6 to 8 million metric tons of grain—chiefly corn and wheat—in the U.S. market.

The purpose of the agreement, from the United States point of view, was to reduce the chances of what happened in 1972, when the Soviets quietly purchased more than 18 million tons of wheat and coarse grains while U.S. prices were depressed.

Since the two countries reached agreement on grain sales in 1975, United States-Soviet trade has been anything but predictable. In December of 1979, the Soviet invasion of Afghanistan led President Carter the following month to ban sales above the 8-million-ton level stipulated in the agreement.

Carter's action came in the middle of a crop year in which Soviet production was low—about 180 million metric tons—requiring imports of at least 31 million tons. Before the embargo was imposed, the U.S. negotiated sales of about 25 million tons, but 17 million of those tons were never shipped.

Prior to the embargo, the 1979 crop year, the U.S. supplied more than 70 percent of Soviet grain import needs. However, after the embargo, we supplied only a fourth of Russian needs in 1981 and about a third in 1982. The Soviets were able to replace at least some of the grain it expected to get from the United States in 1980 and 1981, particularly in the second year, because other major suppliers—Canada, Australia, and Argentina—planted bigger crops in anticipation of Soviet needs. From July 1980 through June 1981, for example, Argentina surpassed the United States in grain sales to the Soviets.

The Soviet Union is reported to have had its fourth consecutive poor harvest of grain during the 1982-83 crop year and, as a result, is expected to have to import between 30 and 40 million metric tons of grain during that period. Simultaneously, the United States is carrying over the largest surplus of grain in its history.

The American farmer and grain traders, still paying for the 1980 embargo, want to send a different message than the administration is currently sending.

The American farmer wants to send the message to the Soviet Union and other foreign grain suppliers that the United States intends to resume its role as the major force in world grain trade, despite continuing East-West tensions. This message can be transmitted by the administration by becoming a reliable trade partner. The contract sanctity clause was a step in the right direction, now we must go the next step and negotiate a long-term grain agreement.

Instead, the administration is currently signaling that the growing Soviet grain market is up for grabs and that the United States is permanently resigning its role as the supplier of grain to the world. It is particularly frustrating that a rare economic opportunity—increased Soviet grain needs—is being passed by for questionable diplomatic purposes.

My resolution is an important step in restoring our status in world agricultural trade and establishing our commitment to rejuvenating the ailing farm sector of our economy.

APPOINTMENT AS MEMBERS OF U.S. GROUP OF NORTH ATLANTIC ASSEMBLY

The SPEAKER. Pursuant to the provisions of section 1, Public Law 689, 84th Congress, as amended, the Chair appoints as members of the U.S. Group of the North Atlantic Assembly the following Members on the part of the House:

Mr. BURTON of California, chairman;
Mr. HAMILTON of Indiana, vice chairman;
Mr. BROOKS of Texas;
Mr. ANNUNZIO of Illinois;
Mr. ROSE of North Carolina;
Mr. GARCIA of New York;
Ms. OAKAR of Ohio;
Mr. BERMAN of California;
Mr. HORTON of New York;
Mr. O'BRIEN of Illinois;
Mr. PRITCHARD of Washington; and
Mr. SOLOMON of New York.

APPOINTMENT AS MEMBERS OF U.S. DELEGATION OF CANADA-UNITED STATES INTERPARLIAMENTARY GROUP

The SPEAKER. Pursuant to the provisions of Public Law 86-42, as amended, the Chair appoints as members of the U.S. delegation of the Canada-United States Interparliamentary Group the following Members on the part of the House:

Mr. FASCELL of Florida, chairman;
Mr. BOLAND of Massachusetts, vice chairman;
Mr. GIBBONS of Florida;
Mr. HAMILTON of Indiana;
Mr. OBERSTAR of Minnesota;
Mr. BARNES of Maryland;
Mr. DINGELL of Michigan;
Mr. BROOMFIELD of Michigan;
Mr. HORTON of New York;
Mr. WINN of Kansas;
Mr. STANGELAND of Minnesota; and
Mr. MARTIN of New York.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1149, OREGON WILDERNESS ACT OF 1983

Mr. BEILENSON, from the Committee on Rules, submitted a privileged report (Rept. No. 98-37) on the resolution (H. Res. 141) providing for consideration of the bill (H.R. 1149) to designate certain national forest system and other lands in the State of Oregon for inclusion in the National Wilderness Preservation System, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REQUEST FOR PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT ON H.R. 1983, EMERGENCY HOUSING ASSISTANCE ACT OF 1983

Mr. BEILENSON. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight, Thursday, March 17, 1983, to file a certain privileged report. For the information of the Members, this refers to the rule on H.R. 1983, the Emergency Housing Assistance Act.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. WALKER. Mr. Speaker, I reserve the right to object.

Mr. LOTT. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

REFLECTIONS ON THE NUCLEAR FREEZE DEBATE

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, reflecting upon last night's nuclear freeze debate, I cannot help but come to one conclusion.

After being told for weeks that the nuclear freeze is the most important issue in the history of the U.S. Congress, we were faced with repeated efforts to reduce debate to 6 minutes for each amendment. Repeated attempts to stifle debate were rejected, and finally the House without completing consideration, rose, not to return today to finish this most important business, but to recess for St. Patrick's Day festivities.

Clearly the freeze is the most important issue in the country with the exception of whatever anyone had planned for St. Patrick's Day.

What is shocking about this is that it cheapens the debate. The defense of this country is a serious business, and sadly, recessing to take a day off for St. Patrick's Day makes the freeze proponents appear totally political in their effort to discuss this important defense issue.

Oh well, happy St. Patrick's Day everybody!

SENSE OF CONGRESS REGARDING DRUG TRAFFICKING

(Mr. SHAW asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, today my colleagues from Florida, Congressman FASCELL, and I are introducing a sense of the Congress resolution to draw attention to a very important problem that needs our immediate attention: drug trafficking.

For too long we have allowed our drug enforcement efforts to be based primarily on interdiction. We have allowed the interdiction to become almost our entire effort.

This is not enough. We are only plugging the cracks in the dam. This is just not effective.

To have a truly effective campaign to eliminate drug trafficking then we must go to the source. We have got to cut off the supply.

Colombia is the largest supplier of illegal drugs. Colombia produces 85 percent of the marihuana imported into the United States. I ask: Why can't Colombia get their act together?

Years ago Mexico demonstrated their willingness to help us stem the flow of marihuana from their country. They proved to the world that they, too, felt that drug trafficking was a despicable practice.

We must get tough and begin to put pressure on those who can make the difference. They are the source of the problem and with their assistance and the assistance of Colombia we can solve the problem.

I ask my colleagues to join with Congressman FASCELL and I in this effort.

UNFAIR DEMOCRATIC PARTY RULES

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, in January, a political cartoon appeared which characterized the Democratic Party rules changes for the 98th Congress in three short phrases: "I win," "you lose," and "shut up."

Mr. Speaker, I think that pretty much characterizes the effect of the new rules, based on the events which have taken place over the past few weeks. However, it does not go quite far enough. The new rules seem to be "pay up," "put up," and "shut up."

Next week, we are going to be asked to vote on a Democratic budget which would increase the tax burden on the American people by $27 billion. Do the Democrats propose to reduce the deficit by this amount? No, they want to increase spending by $20 billion.

We have been forced to put up with closed rules on key legislation, and, when we do have open rules, the Democratic leadership has repeatedly tried to shut off debate. In the case of the nuclear freeze resolution last night—an issue of critical importance to our national defense—they attempted to cut off debate and despite statements made earlier that Members would be allowed to debate and vote on any amendments they wanted to offer. Open rules and open debate have even become relative terms.

Mr. Speaker, the issues before the country are too critical to be considered under such procedures. The American people expect better, deserve better, and should get better.

QUALITY OF THE NUCLEAR FREEZE DEBATE

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, the quality of the debate yesterday on the nuclear freeze resolution was high in a number of instances and for this the House can be justly proud. But the shameful attempts to cut off debate on an issue of such supreme importance to the American people has to be a source of embarrassment to us all.

I waited on the floor 10 hours to present two amendments that are very important to me, ones that would reaffirm the vote of the House on last year's resolution that a nuclear freeze is not an end in and of itself but only a means to achieving our real goal—nuclear arms reductions. The resolution this year contains no such provision and, indeed, says that a freeze is the overriding objective.

If the freeze proponents had had their way last night, those amendments and another to insure that arms reductions are our goal—the guaranteed build-down amendment that I am privileged to be sponsoring with my distinguished colleague from Georgia (Mr. LEVITAS)—would never have been heard.

The unfair and high-handed attempts to stifle debate employed by the majority last night have no place in a democratic, deliberative body like this.

DEMOCRATIC BUDGET PROPOSAL

(Mr. LOTT asked and was given permission to address the House 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, I must speak out again against the proposed Democratic budget as contemplated by the Democratic Caucus and Chairman JONES. It seeks to impose, I understand, $113 billion in new taxes on the American taxpayer.

I wonder if they have any concept of what that means both to the taxpayer and to the health of the economy at a very crucial time in our recovery.

Surely proponents of the Democratic proposal must have learned by now that imposition of higher taxes on working taxpayers will not solve any economic or budget problems. In fact, it will serve only to exacerbate any such problems.

Our own Congressional Budget Office recently stated: "Increasing taxes during the recession could well make it worse and delay economic recovery."

One of the several potential new taxes to be imposed by this Democratic budget takes the form of repeal of the promised third-year tax cut this year. The Congressional Budget Office has also addressed this possibility, stating that "Repeal of the third year of the tax cut could prolong the current recession or dampen any recovery."

It seems that supporters of the budget proposal are not listening to the valid analysis of their own CBO.

Try as I may, I am unable to determine how increasing the tax burden for our constituents in this way would help them or the economy, particularly when this is the very type of action which the CBO warned us against.

But I did this morning want to make note of the fact that in today's local paper it has already been said that the Ways and Means Committee is not going to pass that kind of tax burden. The article goes on to say, "That is one of several indications that the Democratic budget, even if it survives

some initial symbolic tests in the House, will not be voted into law."

I congratulate Chairman ROSTENKOWSKI for saying that "politically," it is just impossible to repeal the tax cut and it would be "the worst position for us to be in."

"I am not bound by any of the suggestions," in the budget resolution.

So I want to commend our distinguished chairman of the House Ways and Means Committee.

NUCLEAR FREEZE RESOLUTION—GENUINE CONCERN OR POLITICS?

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, the Speaker and the chairman of the House Foreign Affairs Committee paid their kind of respect to country music and their apparent disdain for family life by running the session until 11:30 last evening.

At a "Tribute to Country Music," wives and families enjoyed one of the greatest productions in years, while on the floor of the House the fathers and husbands were treated to one of the greatest comedies the liberals could orchestrate with their debate on the nuclear freeze.

So great were the Speaker's and chairman's concern over the nuclear freeze that they declared a pro forma session for today, St. Patrick's Day. I hope it all plays well at Cheers Bar.

THE 7-TO-10 GREECE-TURKEY RATIO MUST STAND

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, as we approach the date of Greek independence, I feel it is very important for me to speak out against that portion of the administration's foreign assistance program that would increase aid for Turkey and change the military assistance ratio between Greece and Turkey.

In an effort to achieve a degree of stability in the eastern Mediterranean region, the House Foreign Affairs Committee last May reaffirmed the 7-to-10 military aid ratio for both Greece and Turkey. The committee felt then—and there is no evidence to support any change now—that this was the best means of contributing a more evenhanded approach to matters in the area.

In fact, there is every reason to support the 7-to-10 ratio. At a time when the U.S. Government is negotiating with Greece for continuing use of military facilities in that country in order to maintain the strength of NATO in the eastern Mediterranean, a change in foreign assistance in favor of Turkey could well damage those negotiations and weaken our presence just when it is most necessary.

Besides, if the administration's proposal is aimed at forcing Greece to renew the terms for use of the military facilities, history has shown that such attempts at blackmail have failed miserably.

One other point. Greece is an old friend and ally of the United States. Greece is a proven defender of American interests in Europe and around the world. Is this any way to treat a nation whose people are staunch supporters of and contributors to American ideals and the American way of life?

It is also important to recognize that Turkish authorities have been unwilling or unable to reach a settlement of the Cyprus question, an issue that has dragged on for some years.

Is it reasonable to assume that a change in military assistance in favor of Turkey over Greece will encourage the Turkish Government to come to terms that will permit freedom for those Cypriots living within the boundaries of Turkish control?

To me, it is not only unlikely, it will be nearly impossible. To offer more aid to Turkey is to encourage that country to continue its hardline attitude against coming to a settlement on Cyprus and could lead to further encroachment by Turkey in the Aegean Sea.

Such a possibility brought about by a change in the military assistance formula will damage the United States and NATO in the effort to provide protection in the eastern Mediterranean.

I am a Greek American, and I say that proudly. But I am also a patriot. I believe we should do what is in the best interests of the United States. And, in this case, our course is clear. We must maintain the existing 7-to-10 military aid ratio between Greece and Turkey.

That action, I feel confident, could very well encourage the Greek Government to resolve the question of U.S. bases in that country and could show Turkish authorities that the United States believes a fair settlement of the Cyprus question is still of importance and is long overdue.

AFDC TRAINING PROGRAM IN OHIO

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, I wish to inform the Members of an AFDC training program in Ohio that is providing a double benefit to the American people. This program trains AFDC recipients to deliver home and community-based care to our senior citizens.

Yesterday, Ms. Ruth Ann Seiber, the Ohio project manager, testified before the Subcommittee on Health and Long-Term Care about this pioneering project. In a nutshell, the program gives both classroom and "hands-on" training to the AFDC beneficiaries so that they can help maintain our older and infirmed citizens in the community and in their homes.

The AFDC volunteers, and I stress volunteers, continue to receive medicaid, child care, and other support services during the training and the first year's employment. Fully trained and experienced, there should be no problem with finding long-term employment in this high-growth field.

The elderly benefit from this program because they are receiving the necessary care in the environment they prefer—their own home.

Therefore, we are reducing the welfare rolls by giving people a job with a future and providing warm, loving care to our senior citizens in the process.

Mr. Speaker, we need to encourage programs of this type

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PROPOSED DEMOCRATIC BUDGET

(Mr. KASICH asked and was given permission to address the House for 1 minute.)

Mr. KASICH. Mr. Speaker, I do not know if my colleagues have seen the Democratic budget as proposed by Chairman JONES and the Democratic Caucus. I can tell you that from what I have seen that it will be truly disastrous for our recovery and for our economy in general. It is a bad measure which will foster all the bad economic trends we have been fighting to reverse over the past few years.

This proposed budget would increase the American taxpayer's burden by $113 billion over the amount currently proposed. A number of heavy taxes must be imposed in order to take this much more in taxes from our constituents. Among the measures contemplated by this proposed budget are a repeal of the third year tax cut and repeal of the indexing provision scheduled to take place in 1985. Mr. Speaker, the third year tax cut and the indexing provision promised to the American taxpayer as tax relief measures are long overdue. The indexing provision is designed to protect our constituents from the effects of inflation on their tax brackets known as bracket creep. It is difficult to believe that my Democratic colleagues would support such a measure, in effect taking away from their constituents this long-promised tax relief. I can promise their constitutents will not sit still for this.

Just look at what just these two measures would do to the average working family. As an example, repeal of the third year tax cut and repeal of the indexing provisions would result in an almost 25-percent tax increase for those earning less than $10,000 a year. Mr. Speaker, this is a crushing increase. The burden falls most heavily on those in the lower income bracket, as these figures show. I do not believe the average working taxpayer will be able to take this tax increase as offered in the Democratic budget proposal. They will not stand for this.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1983, EMERGENCY HOUSING ASSISTANCE ACT OF 1983

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 98-38) on the resolution (H. Res. 142) providing for consideration of the bill (H.R. 1983) to amend certain housing and community development laws to provide emergency mortgage assistance to homeowners and emergency shelter for the homeless, which was referred to the House Calendar and ordered to be printed.

ST. PATRICK'S DAY 1983

(Mr. FOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. FOLEY. Mr. Speaker, I have the pleasure of reading a message received by the Friends of Ireland from Tom Fitzpatrick, T.D., Ceann Comhairle (Speaker), Dail Eireann and Chairman of the Irish-United States Parliamentary Group.

ST. PATRICK'S DAY MESSAGE TO THE FRIENDS OF IRELAND GROUP IN THE U.S. CONGRESS FROM MR. TOM FITZPATRICK, T.D., CEANN COMHAIRLE (SPEAKER), DAIL EIREANN AND CHAIRMAN OF THE IRISH-UNITED STATES PARLIAMENTARY GROUP

On the occasion of Saint Patrick's Day 1983, I send you from Ireland the greetings and good wishes of all the Members of the Irish-United States Parliamentary Group which we have recently established in the Houses of the Oireachtas as a counterpart to the Friends of Ireland in the United States Congress. We welcome the constructive interest you have taken in Irish affairs over the years and share with you a deep commitment to the goals of peace, reconciliation and unity in Ireland. It is our certain conviction, as it is yours, that unity can be achieved only by peaceful democratic means, through persuasion, negotiation and agreement and not by violence or intimidation.

We look forward to meeting with you, the Friends of Ireland, in Washington in the near future.

Mr. Speaker, at this time I will include in the RECORD a statement from the distinguished Prime Minister of Ireland, Dr. Garret Fitzgerald, T.D., and a St. Patrick's Day 1983 message from the President of Ireland, Dr. Patrick J. Hillery.

ST. PATRICK'S DAY 1983 MESSAGE FROM THE TAOISEACH (PRIME MINISTER OF IRELAND), DR. GARRET FITZGERALD, T.D.

It is my privilege as Head of the Irish Government to send St. Patrick's Day greetings to all Irish people, and to their families and friends throughout the world.

We recall with pride the prominent part played by our emigrants in their adopted lands and we are deeply grateful for the interest they and their descendents continue to show in Ireland.

I know that our earnest desire for a just and lasting solution to the problems of Northern Ireland is shared by all friends of Ireland. The Ireland we strive to create will be a country where the rights and identities of all can be guaranteed and where intolerance, injustice and violence will be things of the past. The success of our partners in Europe in overcoming the divisions of the past are an inspiration to us in our quest.

The problem we face are deep-rooted and complex and I have no wish to minimise them. However, I believe that these problems can be resolved. They will not solved quickly but they will yield, in time, to a patient but determined approach, an approach to which my Govenment is committed.

On this our National Feast, I wish to extend greetings to the members of our Defense Forces who are serving with the United Nations Peace-Keeping Forces in the Middle East where they, in cooperation with troops from other countries, are performing a difficult task in trying circumstances, and to all of our people who are working abroad with their expertise and dedication to improve the lives of those less fortunate than themselves.

Guím Beannacht Phádraig ar ár dtír agus ar mhuintir na Eíreann sa bhaile agus thar lear! (I pray God's blessing on our country and on the Irish, both at home and overseas).

ST. PATRICK'S DAY 1983 MESSAGE FROM THE PRESIDENT OF IRELAND, DR. PATRICK J. HILLERY

It gives me great pleasure on this Saint Patrick's Day to send warmest greetings to the people of Ireland and to friends of Ireland throughout the world.

On this day especially the close ties which bind together Irish people at home and the great numbers of our race who have settled in other lands are strengthened and renewed through pride in the heritage and traditions which we all cherish.

We owe a great debt to those of our people who are scattered all over the world. We value their unfailing loyalty to their homeland and are proud of their dedicated work for others. We pray God's blessings and the blessings of Patrick on themselves and on their work.

We express our gratitude to the friends of Ireland everywhere. We acknowledge the inspiration and encouragement which we derive from their goodwill and support.

I send special greetings to the members of our Defence Forces who are working in the cause of peace far from home on our National Feast Day.

Saint Patrick brought to our race a message of peace and brotherhood. In remembering this today let us resolve to work for peace in our own country and among people everywhere. The promotion of peace is the greatest honor that we can pay to Saint Patrick on this day.

I wish God's blessings in abundance and the protection of our National Apostle on the families of Irish people everywhere. Rath Dé agus na Féile Pádraig oraibh uile inniu agus i gconaí. (The blessing of the Feast of Saint Patrick be on you today and always).

REGARDING THE ENTERPRISE ZONE EMPLOYMENT AND DEVELOPMENT ACT OF 1983

(Mr. WYLIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYLIE. Mr. Speaker, I am pleased to join in cosponsoring the Enterprise Zone Employment and Development Act of 1983. This legislation, introduced by my colleague Mr. CONABLE for himself and numerous other cosponsors, proposes to implement an idea whose time has come. This is evidenced by the fact that 11 States, including the great State of Ohio, have already enacted their own enterprise zone legislation.

The key to this bill is that it encourages local and State governments to actively and creatively work together as partners with the private and community sectors to create an environment for economic revitalization and job creation in the distressed areas of our Nation's cities. In my city of Columbus we are doing just that.

Mayor Tom Moody has set up within his economic development council an enterprise zone task force almost a year ago. It has been actively evaluating business incentives which could be offered within the local tax structure, the cost of obtaining financing for business or residential development or redevelopment, and is reviewing possible revision in the local system for business regulation, from administrative licensing procedures to zoning. The task force also has been developing and reviewing strategies in the areas of business assistance and marketing, job training, insurance, and alternate delivery of city services. I expect that in the very near future, the city will be submitting an application for State enterprise zone designation.

The old approaches of throwing Federal programs, requirements, and subsidies into distressed areas did not work. Enterprise zones offer an innovative means to get government out of the way—to create a climate within which the free enterprise system can provide long-term jobs and physical revitalization.

Mr. Speaker, we should enact an enterprise zone bill in this Congress to provide the additional Federal incentives that will be needed in some areas to make them viable places to under-

take new business activity and to create badly needed jobs.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, I request this time for the purpose of determining the schedule for next week and the balance of this week.

I yield to the distinguished majority leader.

Mr. WRIGHT. I thank the gentleman for yielding.

It is a pleasure to respond to his request.

When the House adjourns today it will adjourn to meet tomorrow and only in pro forma session. There is no legislative business scheduled for tomorrow.

We will convene at noon on Monday and there will be legislation because there is a very full schedule which has to be accommodated next week prior to the Easter home district work period.

We expect to take up the Oregon wilderness bill on Monday subject to the granting of a rule.

On Tuesday, we would undertake action on two bills under suspension of the rules—H.R. 2112, Defense Production Act extension and H.R. 982, Mashantucket Pegot Indian claims. We will then consider House Resolution 127 providing for House committees. That is the omnibus House committee funding resolution.

On Wednesday and any part of Thursday that would become necessary, we would intend to act upon the first budget resolution for fiscal year 1984.

It is our hope and our clear intention to complete action on the budget in the House prior to adjournment at the close of business Thursday.

Members must be advised of the very high probability, we think necessity, that conference reports on two very important bills will come to the floor next week. One, of course, is the emergency appropriations bill, known as the jobs bill.

And the other is the social security reform, the amendment to the Social Security Act which passed the House and are now under consideration in the other body.

At the close of business for the coming week we will adjourn for our Easter district work period and would reconvene at noon on Tuesday, April 5. I will ask unanimous consent to dispense with the Calendar Wednesday and also to meet at 10 a.m. on Wednesday next in order that we may begin on the consideration of the budget.

Mr. LOTT. I thank the gentleman for that information. I would like to emphasize a couple of points after asking a couple of questions.

Do you anticipate that there will be votes on Monday?

Mr. WRIGHT. That is correct.

Mr. LOTT. And do you expect a request to come in at 10 a.m. on Wednesday?

Mr. WRIGHT. That is exactly right.

Mr. LOTT. I noticed that the nuclear freeze legislation is not on the schedule for next week. What is anticipated with regard to this most important issue?

Mr. WRIGHT. Well, obviously, Members of the House desire to take a full opportunity of such time as may avail to debate amendments which they have to offer. There has been some criticism of which I am sure the gentleman from Mississippi is aware; some of it directed at the House leadership, though I think it may be misdirected, over what is interpreted by some as an attempt to gag Members and throttle discussion.

There is no such desire on the part of the House leadership in any way whatsoever. That resolution came under an open rule, permitting any germane amendment. And we want Members to have all the time they feel necessary.

Therefore, in view of the busy schedule for next week, in view of the importance of some of the bills that have to be acted on next week, in view of the need for completing the budget, the emergency jobs bill, and the social security amendments before we adjourn for the Easter home district work period, we just thought it appropriate in order to accommodate the desires of the Members for full discussion of the freeze matter to put it off until after the Easter recess period.

Mr. LOTT. I think that is just as well. I appreciate the assurance of the gentleman that there will be ample opportunity for Members to offer amendments and to debate this issue in full when it is brought back up again. I am sure that was the leadership's intention from the beginning. But I must emphasize that as the day wore on yesterday there were repeated efforts to limit debate. While I withheld my own comments then, I want to emphasize now that two or three of the very best amendments that deserve serious debate are still at the desk. In my opinion we should never try to limit debate in any way on such an important issue. As has been said before I may disagree with what you have to say but I will defend your right to say it.

Concerning the budget resolution, I understand that it will be brought up on Wednesday. The Budget Act requires a 10-day layover period. We have not yet taken this up in the Committee on Rules. We do not know what opportunities there will be with regard to amendments or substitutes. So, I assume that we are going to start off by waiving very important parts of the Budget Act, including the 10-day layover requirement. Members will come back on Monday and that may be the first chance to start taking a look at this bill. And then we are going to be expected to take it up on Wednesday. Is my understanding correct that the 10-day layover rule is going to be waived?

Mr. WRIGHT. Well, as the gentleman is aware that particular rule has been honored in the breach. It has been waived repeatedly year after year by the will of the majority of the Members of the House.

Either we waive the rule or we do not get to consider the budget resolution at all until after the Easter recess period. You know, you get criticized if you do it and you get criticized if you do not.

Mr. LOTT. I understand that. I think it is just as well that we act expeditiously on the first budget resolution. However, I think it should be pointed out that the whole budget process—which this Member personally supports with the enforcement provisions in it—is being continuously eroded. I think we should raise these concerns and these reservations as we go forward in this budget and in future budgets.

□ 1145

I thank the gentleman.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, do we have some assurance at this point that we are going to continue on the nuclear freeze resolution, to operate under the open rule, that we are not going to go back to the Rules Committee and try to get a rule that would change these procedures?

Mr. LOTT. Certainly I would assume so and hope so. I have had no indication that anything to the contrary would be done or attempted. I am sure the distinguished majority leader will give us that assurance.

Mr. WRIGHT. If the gentleman will yield to me, I have no knowledge whatever of any intention on the part of any individual to go back and change that rule.

This business of operating a House is a difficult one at best. As the distinguished gentleman quoted from that great Frenchman Voltaire, we may disagree upon what one another has to say, but I think any of us would want to defend with our lives the right of the others to say it.

Put another way you might say this process which constitutes the rules of the House exists not to assure that any individual may get his way, we cannot all get our way, but to see that everybody has an opportunity to have

his say and we try to do that within the limits of reason.

Put another way, you might say that the rules of the House, as Mr. Rayburn used to describe them, are the most finely tuned set of rules for any parliamentary body on Earth. They exist for two or three purposes.

One is to prevent the tyranny of a majority over a minority. And the other is to prevent the enthronement of a minority over a majority. They exist to permit the flow of legislation, not to permit obstruction of legislation.

And so there do come times when it is fully appropriate if the majority of the Members had what they regard as ample opportunity for discussion and consideration of a bill, for them to vote to limit further debate.

We do not have the same rules as the other body has, as the gentleman from Mississippi is aware. We do not have unlimited debate by which Members may just filibuster a bill to death. And that is not our purpose, has not been from the beginning.

Mr. LOTT. Well, I agree with the gentleman up to a point, but he may have gone too far. There is a tyranny of the majority that can take place, too. And just because you have the votes to decide you have heard enough, the rules very clearly guarantee the rights of Members to offer amendments under a specified set of rules, and to be heard.

Mr. WRIGHT. If the gentleman will yield, those rules will be obeyed. Nobody intends to set those rules aside, they never have been under Speaker O'NEILL's leadership. As far as I am concerned they never will be set aside.

The gentleman knows what those rules are. They protect any Member who has filed in the CONGRESSIONAL RECORD a notice of an amendment. He is not going to be harmed. Those rules are going to be protected.

Mr. LOTT. I understand that. But last night we were coming dangerously close to losing those protections.

I think enough has been said for now.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Given the statements that were just made, I would be interested to know what we are going to do with House Resolution 127 when that comes up on Tuesday, providing for the House committees, that was mentioned. Are we going to be able to offer amendments to that particular bill when that comes on the floor under the procedures of the House, giving every Member an opportunity to have his say. I am talking about House Resolution 127 providing for House committees.

I am wondering whether or not we are going to be allowed to amend that particular resolution when it comes out under the kind of open discussion and open amendment process that we have just been discussing.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Texas.

Mr. WRIGHT. I thank the gentleman for yielding.

I am quite sure if the gentleman from Pennsylvania has some amendment he wants to offer, he ought to go to the Rules Committee and present that amendment and ask for the privilege of offering it.

Mr. LOTT. Well, if I might answer, I believe that House Resolution 127 is a privileged resolution. It will come directly to the floor and not be subject to any amendment.

Mr. WRIGHT. I yield to the distinguished gentleman from Mississippi, a member of the Rules Committee, who is quite correct in his description.

Mr. LOTT. The gentleman will not have an opportunity to amend that resolution.

Mr. WALKER. So, in other words, despite the fact that we are in some cases raising travel budgets of committees around here by more than 40 percent, we are not going to have an opportunity, when that bill comes to the floor, to even look at some of that kind of outrageous spending which is going to go on within this body? Is that what the gentleman from Mississippi is telling me?

Mr. LOTT. I do not want to get in the position of defending this procedure. The gentleman knows my concerns.

The fact of the matter is that while we will have ample opportunity to debate, we will have no opportunity for the House to work its will or to make changes.

Mr. WALKER. I thank the gentleman.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore (Mr. SLATTERY). Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, MARCH 23, 1983

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House convenes on Wednesday, March 23, 1983, it convene at 10 a.m.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

CORRECTING MISIMPRESSION OF FUNDING RESOLUTIONS

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, I ask for this time simply to correct an inadvertent misimpression which I am sure the distinguished gentleman from Pennsylvania did not intend to infer.

I have before me the recommendations of the committees and the recommendation of the Committee on House Administration for each of the committees. There is no such thing as any 40-percent increase.

I have listened to the gentleman frequently and if he will just be quiet a minute and let me tell him what it does, I will be glad to do it.

The total recommendation basically comes to approximately—well, I do not have the percent of growth, but I assure the gentleman that there is not in any sense—there is about a 7-percent total growth rate.

Now, that is not any 40 percent. The gentleman may not like that.

Let me point this out to the gentleman. The White House has always gotten every penny it asked for its staff from this Congress. In 1981, it asked for a 12.3-percent increase and got it; 1983, it asked for an 8.4-percent increase and got it; 1984, it is asking for a 9.9-percent increase.

I think the gentleman is being unduly contentious if he criticizes the House committees. I am just going to say right here and now, if the committees of this House discharge their responsibilities to the American people, then they are going to have to have the wherewithal to get out and see the American people—where the American people are, and that means travel money.

I think the committees are doing a splendid job in the constitutional responsibility which is theirs under that most sacred charter document to oversee the expenditure of Federal funds and to get out and listen to the American people. You just simply cannot do that unless there is travel allowed for the committees to go to those places, such as Pennsylvania, Mississippi, and Texas, and elsewhere throughout this country, where the people can come and testify to the committees without having to come all the way to Washington.

I think it is a good thing that we do that and I certainly would not want to cripple the power of Congress to perform its responsibilities.

Now the gentleman will have ample opportunity to gripe about that if he wants to when the bill comes up.

Mr. WALKER. Mr. Speaker, the gentleman has referred to me. Does he not give me the courtesy of responding?

Mr. WRIGHT. Well, all right, I will be glad to give the gentleman such courtesies as he desires if he wants to respond.

Mr. WALKER. I thank the gentleman because this gentleman's reference was specifically to travel budgets. I agree with the gentleman that the House committees should travel to some extent to go out and hear the American people.

What this gentleman is contending is the fact that budgets are going up a little heavy. There is a 400-percent increase in the travel budget of the Committee on Agriculture. That is what the gentleman was referring to. There is a 100-percent in the Committee on Armed Services. There is a 100-percent increase on the Committee on Banking, Finance and Urban Affairs. There is a nearly 100-percent increase, about a 75-percent increase, for the Committee on the District of Columbia.

Now, I can see some of these committees having to go out and see the people. Why does the District of Columbia Committee need a 100-percent increase in their budget to go out and travel around the country? That is what this gentleman is referring to.

Mr. WRIGHT. I do not yield further. I do not know what the needs of the District of Columbia Committee are. That is why we have a Committee on House Administration. Members of the gentleman's party are represented on that committee.

But I do think that the Committee on Agriculture absolutely should be getting around over this country because there has been more than a 400-percent increase in the last couple of years in the number of farm foreclosures and if we are going to be responsive to the needs of the American people, and particularly the agricultural community of this Nation, then I think we have the responsibility to get out there where the farms are, at the grassroots, and listen to them, and find out what their problems are.

That is the responsibility of Congress.

Mr. WALKER. If the gentleman will yield further, I thank the gentleman because we had in last year's budget $35,000 in the budget to do exactly that. That seems like a good bit of money. Most families in this country and particularly most farm families do not make that kind of money. That is $35,000 and we want to increase that to $150,000 and I assure the gentleman that there are very few farmers in this country who are making $150,000. It seems to me that we are talking about a very, very substantial increase here of the kinds of money necessary to travel around the country and make the kinds of travel that some Americans would question.

I thank the gentleman very much for yielding.

Mr. WRIGHT. Well, I just say it is a funny thing. I say to the gentleman $150,000 does not sound to me like that is going to take too many people too doggone far around over the country today, but I am not going to quibble with the gentleman about that.

I do think it is surprisingly strange though that the House committee funding resolutions actually come to an addition of, from 1980 to 1984, $1,600,000, whereas the White House increases come to an addition of $4,472,000. And listen to this, the Office of Management and Budget, OMB, not elected by anybody, not answerable to anybody, not removable by anybody in the general public, the pencil pushers, the guys who know the cost of everything and the value of nothing, the fellows with all the computers and the slide rules over there, the Office of Management and Budget has had an increase of $6,170,000. We had an increase of $1,600,000 in this period. The Office of Management and Budget, $6,170,000 increase; White House staff an increase of $4,472,000, in other words, we have had an increase over these years of 3.9 percent, the White House of 23.6 percent, Office of Management and Budget 18.4 percent.

Now if the gentleman thinks that $150,000 is a lot of money for the Committee on Agriculture to spend getting around over the country. I wonder how he justifies a $6 million increase for the Office of Management and Budget.

We could quarrel about these figures all day. That is not our purpose. I simply answered the gentleman's question about what is going to be considered and one of those things has to be considered every year, I would advise the gentleman from Pennsylvania if he does not recall from previous years, is the committee funding resolutions. That is part of our responsibility, part of our housekeeping chores.

Mr. WALKER. If the gentleman will yield, I appreciate what the gentleman says and I do remember those committee funding resolutions and I remember they have always come out here in a way that we cannot amend them after they get on the floor.

What this gentleman is suggesting is we are going to spend well over $1 million, just leafing through here it looks to me like $2 million, for Congress to travel around the country.

It seems to me that maybe that is something that some Members might want to look at. Maybe they will agree with the Member that we do not have nearly enough money there and maybe they even would want to increase it.

As for this Member, I think maybe he might want to decrease some of those sums a little bit and maybe we ought to have the opportunity on the floor to at least consider that through amendments.

Mr. WRIGHT. Let me make a recommendation to the gentleman and then I am going to ask his kind consideration of a request from me.

I would recommend to him that if he is all that eaten up with all that consuming passion about that much money, why does he not go and ask the leadership on his side to give him an appointment to that House Administration Committee where he can make those contributions that he wants to make.

Now my request of the gentleman is please let me leave. I think we have discussed this long enough because I have an appointment to have lunch on St. Patrick's Day with the Speaker of the House and the President of the United States and I do not want to keep those two distinguished gentlemen waiting a moment longer.

Mr. WALKER. With that green vest, I would not want to keep the gentleman.

□ 1200

COMMITTEE FUNDING RESOLUTION ON AGENDA FOR NEXT WEEK

(Without objection, Mr. LOTT was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, the leadership on both sides of the aisle need to try to work together to provide adequate funding for the committees of this House, and we will try to do that.

I have been sitting here biting my tongue for the last 2 minutes, but I would like to make some points here which I believe are important to consider. No. 1, this committee funding resolution was reported out of the Commitee on House Administration on a straight party line vote, with every Republican member voting against it. It is not a 7-percent increase; it is an 8-percent increase.

The gentleman talks about OMB getting an increase of $6 million. I would like to know what the costs of the Congressional Budget Office are, by the way, and how much of an increase there has been there. It is probably a lot more than that.

The gentleman talked about how we are holding committee budgets in line. We have now for the first time a $4 million committee, the Committee on Energy and Commerce of the House.

I wonder whether these committees want to travel around the country so they can hear the people or whether they want to feather their political

nests. I have watched these committees travel around for the last couple of years, and I have not seen a lot of positive things come from them.

Mr. Speaker, I do not want this to be a partisan issue, but there were a good many things said here that could not be ignored by the leadership on this side of the aisle. We are going to work together on that committee funding resolution next week, but I am not going to stand by and let some of the things that were said by the distinguished majority leader go unanswered.

OREGON AND CALIFORNIA TO BENEFIT BY GOOSE CREEK COMPACT

(Mr. ROBERT F. SMITH asked and was given permission to address the House for 1 minute.)

Mr. ROBERT F. SMITH. Mr. Speaker, I rise today to offer legislation which is long, long overdue. Its form and content are simple and without controversy; its history is lengthy and its ratification by this Congress is a matter of growing urgency.

This legislation calls for Congress to ratify an agreement for the future distribution and use of water in the so-called Goose Lake Basin, shared by my home State of Oregon and our southern neighbor, the State of California. Such compacts between States which set forth the proper use of water resources must, as you know, be approved by the Congress before they may take effect.

This agreement is virtually without opposition. Both the State Legislatures of Oregon and California ratified this compact in 1961, 19 years ago. Yet, for some reason, Congress has not yet acted in this ratification. I join with my colleagues in this Congress, Mr. SHUMWAY and Mr. SMITH, who share my interest in the approval of this Goose Lake compact, in expressing our hope that we can resolve this final step quickly in this Congress.

I would not ask you to vote in favor of this measure without knowing its content. In brief, the compact outlines terms by which the development, use, conservation and control of water resources of the basin may be comprehensively decided.

It sets forth procedures by which water may be taken from the basin for use elsewhere. It establishes a prohibition against the diversion of water resources from the basin without the expressed consent of the legislatures of both the States of Oregon and California.

Our Western States are rich in natural resources. My own home State of Oregon is one of the world's leading timber producers. Yet there is no more precious resource than water, and that fact is no more evident than it is in our Western States. The largest share of controversies between individuals, municipalities, or States themselves is generally over the distribution, use, and reservation of our water resources. This compact was designed to avoid future controversy. It already has the full agreement of the States involved. And it cost the Federal Government absolutely nothing: no commissions, no administrators, no contracts.

Frankly, I think that is a real bargain. Any time this Congress can help two States to exist and share resources in harmony, it should jump at the chance. Without this compact, I predict that Congress will be towed into the question in a much more visible and unsavory involvement in years ahead. We should settle the matter now, while we have the opportunity and the encouragement.

Thank you for you consideration of this bill. I look forward to being of instrumental assistance in committee and full Congress deliberations in the weeks and months ahead.

LEGISLATION TO IMPROVE EQUITY AND QUALITY IN AMERICAN EDUCATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 98-33)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor, the Committee on Ways and Means, and the Committee on the Judiciary, and ordered to be printed:

(For message, see proceedings of the Senate of today, Thursday, March 17, 1983.)

INTRODUCTION OF LEGISLATION TO BENEFIT BLINDED VETERANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of New Jersey. Mr. Speaker, I am introducing legislation today which would overcome a serious shortcoming in the VA disability rating schedule affecting blinded veterans. The change I am proposing would significantly benefit a very deserving population at a minor cost.

The basic problem with the current rating schedule always has been that it does not adequately recognize the nature of blindness as a disability. It ignores the reality that blindness, in combination with hearing loss, compounds the problems already encountered by blinded veterans in their daily living and vocational pursuits. This legislation, Mr. Speaker, would correct that inequity.

Currently, the hearing loss of a blinded veteran suffering from a 20- to 30-percent bilateral hearing loss is rated the same as a sighted veteran suffering from a 20- to 30-percent bilateral hearing loss. Yet, obviously, the hearing loss presents a much more severe situation for the blinded veteran than the sighted veteran. By placing these veterans in the same classification, the VA has failed to recognize that the sense of hearing is a primary avenue of information for a blinded veteran.

Consistent with the belief that even a minor hearing loss presents a major problem for a blinded veteran to adjust to his environment, I believe that service-connected blinded veterans with a 20- to 40-percent hearing loss and blinded veterans who have total deafness in one ear should receive maximum compensation.

In their testimony before the House Committee on Veterans' Affairs this morning, the Blinded Veterans Association asked for approval of this important amendment to title 38. They testified that even a 20-percent hearing loss can cause a distortion of ambient sound, directional hearing problems, and can force a blinded person to function in a state of constant hazard.

Mr. Speaker, I am grateful to the House for passing two bills I introduced last year to aid our blinded veterans. I would like to point out to my colleagues, that the House approved this bill—which was a provision of one of my bills—but the other body deleted this provision.

Mr. Speaker, I believe that this legislation represents the least we can do to help our veterans who have lost not only their sight, but their hearing in defense of this Nation. Moreover, these changes would strengthen public law by making it more sensible, more logical, and more credible. I would ask for your support and for your immediate attention to this proposal.

UNPRECEDENTED PROBLEMS SOUTH OF THE BORDER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

Mr. GONZALEZ. Mr. Speaker, I think it quite ironic and sad to see the House debating until the late hours last night a resolution that, to all intents and purposes and despite allegations to the contrary, amounted to what would be a sense of the Congress or the House about what is known now as a nuclear freeze, and it was being described as the most momentous issue to confront the Congress or that has confronted the Congress, when that is obviously an exaggeration, while at the same time the real vital issue that will soon be gnawing at the

vitals of our Government and society in general is not even minimally addressed or is unaddressed.

That issue has to do not with the dangerous and yet-to-be clearly specified purpose of a thousand-plus marines in Beirut, with no clear, definite outline of purpose, status, responsibility, or length of stay, because the President has said he does not know how long they will be there; that will depend on the Government of Lebanon, unbelievably and incredibly, and we have the very important overlooked presence of better than 1,600 or 2,000 airborne troops about 550 miles up the desert of the Sinai that we have placed there. This action is an unprecedented action on the part of the Congress, one which was also passed out of this body with about a dozen of us present, and I think I am about the only one who even offered some kind of an amendment and established the fact for the record that it was unprecedented.

But the evolving tragedy south of our border now—very much immediately to the south of our border—unfolds in the Republic of Mexico. And last night's utterances and debates clearly dramatized what, throughout our history, has been typical and for which we have had to pay a heavy price, and that is our willful ignorance of historical developments and the reality of the real world. The misperceptions, the lack of percepual accuracy, and this historical ignorance can also be reflected in the even greater issue which has been subordinated and never presented to the American people but is at the root of the cause of such a thing as a freeze resolution or the great debate raging on the $220 billion defense request, where over half of it, as I have pointed out ad nauseam, is for the so-called defense of Europe, where we blithefully ignored history, as we do in Lebanon, and with what I think is a potential for great tragedy. But what I think is really the most vital issue, dramatic in its ultimate consequences, fateful in its potential for tragedy for many of our youth, is what is turning and boiling over south of our border. I have risen here and said that my fear is that Mexico will become more than our Poland at this time and might ultimately become our Afghanistan.

Some Members have expressed surprise at the insinuation enclosed in that statement. Let me assure them that it is indeed no exaggeration. It merely reflects the thinking and reality of the thinking in the world that is external to ours.

□ 1215

All through our history, we have blithefully ignored, and I think this is true of other nations, even those south of us—we are self-centered—so that even in the borderline States such as mine, Texas, the most fateful events happening less than 150 miles from our border do not even get reported in our press. The same is true, to a large extent, in those countries where many of the policies being debated here of great consequence to the destinies of those people are not reported.

But the world has shrunk, and the world has vastly changed in just the last 5 years, and certainly since 1965 and our intervention, unilateral intervention, except one difference—that even though it appeared to be unilateral, President Johnson had the great sense of timing to obtain the backing and the cooperation of the Organization of American States. This is lacking in our policy today, with what I think is an involvement very much like a Greek tragedy. We should know better. But our leaders and presently this administration act and talk like the old Bourbon kings that were reported and reputed to learn nothing and forget nothing. And now we are beginning to see widely disseminated articles about how El Salvador resembles Vietnam, and all that kind of thing. The truth is that even in our historical development and in the teaching of our history, we have been very self-contained and narrow. We read in our history books about the 13 Original Colonies, although the truth is that there were 37 Original Colonies. But we have very blithefully extracted that development that led to the formation of what we call Canada today. We have always, even in the forging of immigration and naturalization laws from a national level, completely overlooked the reality of the southern border and the peculiar aspects of the problems of the people there and their give-and-take and intercommunication and intercourse with those people south of our border, principally up to the last 2 years with Mexico, but now going into Guatemala, El Salvador, Nicaragua and the whole stretch of that Caribbean area and Central American area, for we in Texas know that now more than the reputed illegal entry on the part of the Mexican illegal, so-called, or undocumented, whatever you want to call them, we now have a very heavy presence of Salvadorans and Guatemalans. The reason is very simple: The same reason that motivated the great exodus in the 30-year period of revolutionary turmoil in Mexico, from 1910 to about 1929.

But today I feel strongly that we will ultimately have to pay a very heavy price for our ignorance and our willful ignoring of the reality of this world.

Yesterday it is reported that the Secretary of State, Mr. Shultz, appeared before the Senate and, in light of the strong criticism by Members of the Senate against the announced intention of President Reagan to increase the military aid to El Salvador, where, as I have said on this House floor, the Salvandorans do not want our soldiers, they do not want that military, they do not need it, they do not want it. They want aid of a different kind.

As we have said for several decades, what the area wants is not to raise armies but to raise the standards of living, whereas up to about 1965–70, and especially 1980, we could indulge in the luxury pretty much of unilateral decisions, it cannot be done today, as I think I first rose on this House floor on April 1, 1980, and tried to communicate with then President Carter.

Yesterday in his appearance before the Senate, Secretary Shultz said:

> Well, we are willing to change, and we will respond to your plea that we increase the amount of aid, such as food and other implements for the social side, but at the same time we still want an exponential increase in military aid.

This, to me, means there is no change in the basic policy, headstrong policy, willful policy of this President, who has refused to approach the problems of the hemisphere, our own front porch, other than in an interventionist unilateral way.

We have learned very little, and we have yet to devise a policy with respect to so-called Marxist, Leninist, or Communist movements and have failed to distinguish, to our great loss, in my opinion, 50,000 of our Americans in Southeast Asia, plus those in Korea, because of our misperceptions. Had we had the perceptions then of the reality of the world and the so-called monolithic Communist world that we have now, and since 1972, I doubt seriously we would have lost those 50,000, I doubt seriously that the same decisions would have been made—not by serious and accountable persons and leaders.

It is the same thing now being repeated in our own front porch, and I can say definitely that our identification now with this great body, now about 250 million, exceeding our total population, of oppressed, downtrodden tyrannized people, is an identification with the oppressor, with the tyrant, with the exploiter, which I think is grievous because it is unfair to this great country. This country, there is no question about it, is the most humanitarian. It is the most liberty-loving and, actually, the one possessed of the most individual liberty anywhere on the face of the world, including our own cultural mother countries in Europe, and I think that this is what I resent the most, that this is not the identification we continue to have, even in our own front porch.

And it is ironic that a President who calls for these policies in the name of stemming Marxism, Leninism, and

communism is in effect playing into the hands of those very same forces and giving them the validity that they are not entitled to.

As I have said since 1959, we made Mr. Fidel Castro the leader, we made of him a first rater out of a third rater. It was not his ability. We did it. And we did it because of this misconception that still prevails in our thinking. We forget that in this churning, historical evolvement, the point of view south of us among the people even in my part of the country, in the Southwest, where we had communities by the time Plymouth Rock was descended upon and printing presses and colleges at least 150 years before then, and where, therefore, the focus of thinking and perspective and objective is very, very, very different from our unilateral self-contained approach.

I say that our continuation of being oblivious to these historical truths and developments and, therefore, the existing reality of the real world there, is going to cost us dearly, and we can debate $220 billion budgets based on the fact that we do not even bother to read the history of middle Europe and the real issue avoided, which is reunification of Germany, and that we will continue to flounder there and probably end up in being evicted, because we like to deceive ourselves and, as I have seen reflected in some of the utterances made here, we are proceeding along the assumptions of the world as it existed in 1947. And this is true with respect to Latin America.

One of the strangest things, even voiced very strongly the other day by the President, in which he said that El Salvador, the smallest country in the Western Hemisphere, is the biggest threat to American security. Strange things, strange explanations of policy desires.

One of the strangest things about the administration's policy in El Salvador is that they insist El Salvador is in turmoil because of foreign intervention—that the agents of Cuba and the Soviet Union are behind the growing violence. If the evidence on that point is persuasive, why does not the President call upon the Organization of American States to act? After all, it is the premise of the OAS charter that each sovereign country in the hemisphere, each signer of the Rio treaty, undertakes to act together, to protect the independence of any country that is attacked or threatened by outside forces. In other words, if in El Salvador there is a case to be made on the question of outside intervention, there is a case for the Organization of American States to act. It is a hemispheric question, a matter for hemispheric response—not a matter that is solely our concern.

We make a terrible mistake if we assume that only the United States has an interest in the independence of El Salvador. Every country in the hemisphere has an interest and a stake in the independence of that country. Yet we act as if no other country is concerned or willing to help a neighbor in distress. We make no effort to invoke the Organization of American States—which ironically has as its whole purpose the preservation of national independence.

Listen to the words of the treaty, the Treaty of Reciprocal Inter-American Assistance:

> Aggression is the use of armed force by a State against * * * another State—

And it goes on specifically to describe the kind of subversion that the administration says is taking place in El Salvador:

> (aggression includes) The sending by or on behalf of a State of armed bands, groups, irregulars, or mercenaries, which carry out acts of armed force * * * or its substantial involvement therein.

In other words, if Cuba or Russia is behind the revolution in El Salvador, that is specifically a case that is covered in the Rio treaty, and it is specifically a case that concerns and must involve the Organization of American States.

The integrity of El Salvador is plainly not the sole and exclusive concern of the United States, and yet the administration, in coming before the Congress to justify its aid requests, couches its arguments solely in terms of what we—the United States—must do, that it is a challenge to the United States and nobody else. But if the OAS means anything, and if treaties mean anything, subversion in El Salvador is very much the concern of every nation in the hemisphere.

Why does the President not invoke the OAS? Why does he not make this business in El Salvador a matter of international concern and international response?

The President says that Guatemala is threatened by Nicaragua. If that is the case, then why should that be solely our concern? For that is precisely a matter that is also covered in the Rio treaty. It is a matter that would call for international discussion and response, not merely a matter that calls for war games along international borders.

The great challenge in confronting subversion is to obtain international support for the preservation of free choice. That is what mutual defense treaties are all about. Why then do we insist on ignoring the existence of these arrangements? The problems the President describes in Central America are the precise, the exact case that calls for multilateral response. It is exactly the wrong thing to make it appear that only the mighty United States can respond to subversion in the smallest country in the hemisphere. Our unilateral involvement only makes giants out of gnats.

If we really are concerned about peace in Central America, if we really do want to see justice prevail, if we really do care about free choice, we will work through the OAS, not intervene ourselves. Let there be an international peacekeeping force—surely if we can organize such forces in half a dozen spots in the Middle East, it is not beyond the realm of reason that similar forces could be placed in El Salvador, under the auspices of the OAS.

That is exactly the kind of policy that I have suggested in House Resolution 125. It calls upon the President to make use of the tools at hand to deal with violence in El Salvador—not use a bilateral sledgehammer when a multilateral repair kit is at hand.

The facts may very well be as the President claims. If they are, then is that not precisely the kind of fact situation that calls for the response of the OAS? I challenge the administration: Do not make the mistake of unilateral action. If Vietnam taught us nothing else, it was that unilateral action does not work in a subversive or civil war. What works is international action on the one hand, and the establishment of a credible government on the other. We are doing nothing to build an international case for intervention in El Salvador, and we are doing nothing to build a credible government there, either. If the administration had deliberately set out to undo its own aims, it could hardly do better than to continue on its present course.

I believe that if anything, our policy ought to be one of cooperation. House Resolution 125 calls for precisely that kind of policy, and I make the text of that resolution part of the RECORD at this point:

H. RES. 125

Resolution to urge a reaffirmation and a revitalization of the United States commitment to the protection of human rights in Latin America and to call upon the President to request the Organization of American States to take certain steps to promote economic progress in the hemisphere and an end to the violence in Latin America

Whereas the United states is providing the Government of El Salvador with economic and military assistance;

Whereas there are other Latin American countries, such as Guatemala and Honduras, receiving United States assistance despite allegations of human rights violations by international groups, such as Amnesty International;

Whereas the President has offered his Caribbean Basin Initiative as a means of bringing stability to the region;

Whereas the Organization of American States has expressed in the Rio Treaty the desire to maintain regional peace and security by the resolution and prevention of conflicts and disputes and that this maintenance is necessarily dependent on a guarantee of collective economic security;

Whereas it is recognized as the right of each country to choose freely its political, economic, and social organization; and

Whereas a peaceful and enduring solution to the conflicts and an end to the atrocities in Latin America is dependent on a realistic effort to deal with the bitter poverty and hopelessness of generations of Latin Americans, and the assurance of truly representative and responsible governments: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the United States Government should reaffirm and revitalize its commitment to the protection of human rights in Latin America.

SEC. 2. It is further the sense of the House of Representatives that the President should seek to initiate, under the auspices of the Organization of American States, a hemispheric conference on economic progress, to be aimed toward—

(1) opening new trade opportunities among the countries of the region;

(2) revitalizing economic growth; and

(3) establishing credit, monetary trade, and aid arrangements that will lead to stable growth in the region.

SEC. 3. It is further the sense of the House of Representatives that the President should seek to initiate a hemispheric security program by urging the Organization of American States—

(1) to work to promote stability, economic progress, and political freedom in the region; and

(2) in order to allow the parties involved in the conflicts in the region to seek a peaceful settlement—

(A) to be responsible for the establishment and coordination of a peacekeeping force, similar to that existing in Beirut, Lebanon, but to be made up entirely of personnel supplied by members of the Organization of American States, for the purpose of bringing peace to areas of fighting; and

(B) to establish the means for a country to seek mediation by representatives of the Organization of American States for those conflicts that are internal.

Finally, let us not pretend that the OAS cannot work. Its peacekeeping organs have been activated in the past, and they have worked. I believe that the organization is capable of performing its role once again. No one has said that it cannot, and no one has claimed that it should not. Therefore my question is, Why not?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

INTERNATIONAL RECOVERY RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 10 minutes.

● Mr. ST GERMAIN. Mr. Speaker, as you know, the House Banking Committee recently completed 4 days of hearings on the international lending problem, the U.S. economy, and the IMF quota increase. At those hearings, we heard the testimony of Treasury Secretary Donald Regan, Federal Reserve Chairman Paul Volcker, representatives of Citibank, Chase Manhattan Bank, and Bank of America, and numerous experts on economics and international banking. We also recently completed 2 days of hearings on the rising trend of mortgage foreclosures in the United States. The testimony of hard-working men and women who had never been unemployed in their lives until this recession and who have lost or are about to lose their homes or farms through foreclosure had a profound impact on me and my committee colleagues. The committee acted promptly and passed H.R. 1983, the Emergency Housing Assistance Act, which will be considered by the House next week. Admittedly there are signs of improvement in the American economy, but from what I am hearing about unemployment, forced home and farm sales, small business bankruptcies and the like, our economy is a laong way from being what it could and should be.

From all that I heard in those many days of hearings, four facts became clear to me. First, our primary concern has to be for the well-being of citizens in our country. Second, if there is going to be any hope at all of solving the international debt problem, we clearly need to have a strong and sustained recovery here in the United States and in the other industrialized nations of the world. Third, the large American money center banks did not exercise the judgment they should have in their foreign lending activities, and ultimately significant international bank regulatory reform will be needed if we are to avoid similar situations in the future. And fourth, increasing the U.S. commitment to the International Monetary Fund is an essential element in maintaining world economic stability, and because the U.S. economy is critically dependent on world economic growth and prosperity, the increase will enhance the economic outlook for the United States.

One of the major obstacles to a sustained recovery is the potential for another flip-flop by the Federal Reserve Board excessively concerned about inflation and forcing interest rates back up. A return to the high rate policies of the first 2 years of the Reagan administration is a prescription for disaster. We must not allow the Federal Reserve to shift once more. For the sake of our own domestic economy and for the economic well-being of the world, it is imperative that we implement monetary and fiscal policies that will bring about interest rate reductions and a return of sound economic growth.

Another potential obstacle to a strong recovery is the mounting international debt crisis. Many developing countries are faced with debt payments that they cannot afford, due to the worldwide recession, and high interest rates. In fact, some of these struggling nations are actually unable to afford even the interest payments on their debts. The danger of a default snowballing into international financial disaster grows each day. To free up resources in the developing nations for growth, we must begin discussions toward a multilateral plan to stretch-out foreign debt for developing nations.

We have a golden opportunity to express our commitment to a strong and growing domestic economy and a restoration of global economic growth. In late May, representatives of the largest industrial nations in the world will gather for an economic summit in Williamsburg, Va. Mr. Speaker, I strongly urge that the United States should not repeat the Toronto mistake of having no agenda and refusing to acknowledge our problems, but instead we should use the Williamsburg summit to announce our commitment to lower interest rates, lower deficits, and a strong recovery around the world. In addition, I urge that we take whatever actions are necessary to assure that the agenda of the economic summit includes consideration of multilateral agreements to extend the maturity of the foreign debt of the developing nations and to correct the deficiencies which now exist in the regulation and supervision of international banking.

To assure that this opportunity is not missed, Mr. Speaker, I am introducing the international recovery resolution, a House joint resolution, expressing the sense of the House that the United States should use the upcoming economic summit to make clear its willingness to pursue monetary and fiscal policies and take those international financial actions which will contribute to world economic recovery.

Mr. Speaker, action on the international recovery resolution is needed because for many nations, short-term loans, lasting only a few years, are a convenient fiction. Neither the banks nor the nations believe that the loans will ever be repaid. Instead, the loans will be rescheduled when the payments come due. For banks this is convenient, since they collect large sums of cash up front as rescheduling fees, and then continue to pretend that their loans will be paid. Meanwhile, debtor nations find themselves borrowing more money simply to make the interest payments on previous loans. I am fearful that this may prove to be simply a giant, international Ponzi scheme; an international house of cards that must collapse of its own weight.

Sooner or later, rationally or in a panic, we must face facts. The developing country debt problem is serious, and getting worse. As nations borrow to make interest payments on earlier

loans, the problem simply spirals. Recent declines in oil prices will hurry this process as OPEC nations pull their liquid investments out of western nations, and retrench on lending to their nonoil exporting neighbors.

Fortunately, there is still time for a rational appraisal of this debt problem. There is still time for negotiations toward a multilateral stretchout of the existing loans. By converting them to more manageable long-term debt, there is a good chance they can be repaid. But that process must begin soon, and the Williamsburg summit in May is the right place at the right time. We cannot let this opportunity slip by.

If a few nations defaulted, there would be increased pressure for banks to pad their bad debt reserves further, and force rates even higher. Higher rates could force other countries into default as their payments increased. The upward spiral of rates, and downward spiral of international solvency has only one end: an international depression.

The keys to preventing this disastrous chain of events are low interest rates and a rational reordering of developing nations' debt. Lower U.S. interest rates will reduce payment for debtor nations as the dollar falls from its overpriced level on international markets.

But lower interest rates will only come from a monetary policy that allows a strong recovery, and from tax and spending changes that reduce budget deficits, in the future. The United States should clearly announce that we are ready to lead the way to a worldwide recovery. The time for retrenchment, high interest rates and recession is past. This message would reassure our 11 million unemployed citizens, and would be a great relief to the millions of unemployed people across the world for whom recovery means jobs, adequate food, and renewed dignity.

The international recovery resolution will put the Congress firmly on record in favor of recovery policies by our Nation and other developed countries. It will help assure that the most urgent problem of international debt rescheduling is discussed at the nearest appropriate international meeting—the Williamsburg summit. Finally, it will send a strong signal to our constituents, and to our allies that the United States is ready to assume its rightful mantle of leadership in these troubled economic times.

H.J. RES. 208

Whereas the economic well-being of all Americans depends on world economic growth and prosperity;

Whereas millions of American jobs have been lost through worldwide recession, and 35 per centum of our GNP decline in the 1981–82 recession was due to a sharp drop in exports;

Whereas world economic recovery is being retarded by high United States interest rates, and by the overwhelming magnitude and short maturity of the developing nations' foreign debt;

Whereas if the time allowed for developing nations to repay their debts were lengthened, the international debt crisis would be substantially eased, and financial resources within these countries could be turned to expanding growth;

Whereas expanded growth of developing countries will help to restore American export markets lost in the worldwide recession, and bring back millions of American jobs;

Whereas bank regulation in individual nations which was designed to meet internal, rather than international needs, lacks uniformity from nation to nation, and may have contributed significantly to the current international debt crisis: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the sense of the Congress of the United States that the United States should use the upcoming economic summit meetings in Williamsburg, Virginia, to indicate its willingness to pursue monetary and fiscal policies necessary to stimulate growth in this country, and to help lead a world economic recovery by taking such actions as are necessary to assure that the agenda of the economic summit meetings will include: (1) consideration of a multilateral agreement to adopt national fiscal and monetary policies designed to bring about a prompt reduction in worldwide unemployment, and interest rates; (2) inauguration of a plan to extend the maturity of foreign debt owed by developing nations; and (3) commitment to correct any lack of uniformity or deficiencies which now exist in the regulation and supervision of international banking.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. KASICH) to revise and extend their remarks and include extraneous material:)

Mr. SMITH of New Jersey, for 5 minutes, today.

Mr. GINGRICH, for 60 minutes, March 21.

Mr. GINGRICH, for 60 minutes, March 22.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ST GERMAIN, for 10 minutes, today.

Mr. GONZALEZ, for 30 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. LUNGREN, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,449.

(The following Members (at the request of Mr. KASICH) and to include extraneous matter:)

Mr. KASICH.

Mr. MADIGAN.

Mr. WOLF.

Mr. BROOMFIELD.

Mr. BEREUTER in two instances.

Mrs. ROUKEMA.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. GUARINI.

Mr. BURTON of California.

Mr. DE LUGO.

Mr. VOLKMER.

Mr. WHEAT.

Mr. DORGAN.

Mr. FASCELL.

Mr. RODINO.

Ms. OAKAR.

Mr. OTTINGER.

Ms. FERRARO.

Mr. STARK in two instances.

Mr. HOWARD.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 30 minutes p.m.), the House adjourned until tomorrow, Friday, March 18, 1983, at 11 a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BEILENSON: Committee on Rules. House Resolution 141. Resolution providing for the consideration of the bill H.R. 1149 to designate certain national forest system and other lands in the State of Oregon for inclusion in the National Wilderness Preservation System, and for other purposes. (Rept. No. 98–37). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 142. Resolution providing for the consideration of the bill H.R. 1983 to amend certain housing and community development laws to provide emergency mortgage assistance to homeowners and emergency shelter for the homeless (Rept. No. 98–38). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BILIRAKIS:

H.R. 2168. A bill to amend section 312 of the Immigration and Nationality Act to provide for the exemption of the Government-knowledge requirement for naturalization of persons over 50 years of age who have

been lawful permanent residents in the United States for at least 20 years; to the Committee on the Judiciary.

By Mr. BOUCHER:

H.R. 2169. A bill to amend the Federal-State Extended Unemployment Compensation Act of 1970 to provide that extended benefits will be payable in any State in which the rate of regular unemployment equals or exceeds 9 percent, and for other purposes; to the Committee on Ways and Means.

By Mr. VOLKMER (for himself, Mr. CLAY, and Mr. WHEAT):

H.R. 2170. A bill to establish the Irish Wilderness in Mark Twain National Forest, Mo.; to the Committee on Interior and Insular Affairs.

By Mr. BURTON of California:

H.R. 2171. A bill to appropriate funds for epidemiological and medical research on acquired immune disorders and related opportunistic infections; to the Committee on Appropriations.

By Mr. EDWARDS of Oklahoma (for himself and Mr. SILJANDER):

H.R. 2172. A bill to amend the Internal Revenue Code of 1954 to improve Internal Revenue Service procedures concerning investigations and audits of churches, and for other purposes; to the Committee on Ways and Means.

By Mr. HUGHES (for himself and Mr. SAWYER):

H.R. 2173. A bill to amend the Contract Services for Drug Dependent Federal Offenders Act of 1978 to authorize additional appropriations to carry out such act; to the Committee on the Judiciary.

By Mr. HUGHES (for himself, Mr. RODINO, Mr. SAWYER, Mr. FISH, Mr. SCHUMER, Mr. MORRISON of Connecticut, Mr. FEIGHAN, Mr. SMITH of Florida, Mr. SHAW, Mr. SENSENBRENNER, Mr. HOWARD, Mr. WALGREN, Mr. SYNAR, Mr. LOWRY of Washington, Mr. HYDE, and Mr. DEWINE):

H.R. 2174. A bill to amend title 18 of the United States Code to prohibit certain tampering with consumer products; to the Committee on the Judiciary.

By Mr. HUGHES (for himself, Mr. RODINO, Mr. SAWYER, Mr. FISH, Mr. SCHUMER, Mr. MORRISON of Connecticut, Mr. FEIGHAN, Mr. SMITH of Florida, Mr. DIXON, Mr. LONG of Maryland, and Mr. SHAW):

H.R. 2175. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, and for other purposes; to the Committee on the Judiciary.

By Mr. MARTIN of North Carolina:

H.R. 2176. A bill to amend the Internal Revenue Code of 1954 to permit the disclosure of the names and addresses of persons receiving permits to produce distilled spirits for fuel use to certain State agencies for use in enforcing State laws; to the Committee on Ways and Means.

By Mr. MURPHY (for himself, Mr. PERKINS, Mr. BIAGGI, Mr. WILLIAMS of Montana, Mr. SIMON, and Mr. MILLER of California):

H.R. 2177. A bill to extend the authorizations of appropriations for the Rehabilitation Act of 1973; to the Committee on Education and Labor.

By Mr. PEPPER:

H.R. 2178. A bill to amend the Community Services Block Grant Act to provide a Federal set-aside for comparison food shopping services; to the Committee on Education and Labor.

By Mr. RINALDO:

H.R. 2179. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

H.R. 2180. A bill to amend the Internal Revenue Code of 1954 to extend the targeted jobs credit to December 31, 1984, and to treat as a member of a targeted group for purposes of such credit any economically disadvantaged individual who has attained age 55; to the Committee on Ways and Means.

H.R. 2181. A bill to amend the Internal Revenue Code of 1954 to allow the Secretary of the Treasury to waive the interest penalty for failure to pay estimated income tax, for elderly and retired persons, in certain situations; to the Committee on Ways and Means.

By Mrs. SCHROEDER:

H.R. 2182. A bill to amend the Natural Gas Policy Act of 1978 to promote competition in the natural gas industry, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SHANNON (for himself, Mr. CONABLE, and Mr. GEPHARDT):

H.R. 2183. A bill to amend the Internal revenue Code of 1954 to provide that certain museums and organizations which operate libraries will be treated as public charities; to the Committee on Ways and Means.

By Mr. SKELTON:

H.R. 2184. A bill to provide appropriations for an agricultural export credit revolving fund; to the Committee on Appropriations.

H.R. 2185. A bill to provide the Secretary of Agriculture with the authority to establish a program to develop, maintain, and expand markets for U.S. agricultural commodities, and for other purposes; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. ROBERT F. SMITH (for himself, Mr. SHUMWAY, and Mr. DENNY SMITH):

H.R. 2186. A bill to consent to the Goose Lake Basin Compact between the States of California and Oregon; to the Committee on Interior and Insular Affairs.

By Mr. SMITH of New Jersey (for himself and Mr. DASCHLE):

H.R. 2187. A bill to amend title 38, United States Code, to increase the amount of compensation payable to certain blinded veterans who are suffering from additional hearing disabilities; to the Committee on Veterans' Affairs.

By Mr. STARK (for himself, Mr. VENTO, and Mr. JEFFORDS):

H.R. 2188. A bill to amend titles II and XVI of the Social Security Act to make it clear that administrative law judges engaged in reviewing disability cases under the OASDI and SSI programs may not be rated or evaluated on the basis of the percentage of such cases which they decide in favor of or against the claimant; to the Committee on Ways and Means.

By Mr. WILLIAMS of Montana:

H.R. 2189. A bill to clarify the retroactive application of the changes made by the Miscellaneous Revenue Act of 1982 in the eligibility requirements for unemployment compensation paid to ex-servicemembers; to the Committee on Ways and Means.

By Mr. MARTIN of North Carolina:

H.J. Res. 205. Joint resolution establishing March 20, 1984, as "Children's Day"; to the Committee on Post Office and Civil Service.

By Ms. MIKULSKI:

H.J. Res. 206. Joint resolution to recognize the pause for the Pledge of Allegiance as part of National Flag Day activities; to the Committee on Post Office and Civil Service.

By Mr. SHANNON (for himself, Mr. FOLEY, Mr. MCDADE, Mr. BOLAND, Mr. BONKER, Mr. BOUCHER, Mr. ANNUNZIO, Mr. CONTE, Mr. CORRADA, Mr. DOWNEY of New York, Mr. DYSON, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FEIGHAN, Ms. FERRARO, Mr. FORSYTHE, Mr. FRANK, Mr. GEJDENSON, Mr. GEKAS, Mr. HALL of Ohio, Mr. HERTEL of Michigan, Mr. HORTON, Mr. HOWARD, Mrs. KENNELLY, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LEVITAS, Mr. MCCLOSKEY, Mr. MCHUGH, Mr. MCNULTY, Mr. MADIGAN, Mr. MARKEY, Mrs. MARTIN of Illinois, Mr. MINISH, Mr. MOAKLEY, Mr. MOODY, Mr. MRAZEK, Mr. MURPHY, Mr. RODINO, Mr. ROE, Mr. SCHEUER, Mrs. SCHROEDER, Mr. SCHUMER, Mr. SEIBERLING, Mr. SMITH of Florida, Mr. STOKES, Mr. SWIFT, Mr. TORRICELLI, Mr. TRAXLER, Mr. VANDERGRIFF, Mr. WHITEHURST, and Mr. WILLIAMS of Montana):

H.J. Res. 207. Joint resolution to end the conflict in Northern Ireland and achieve the unity of the Irish people; to the Committee on Foreign Affairs.

By Mr. ST GERMAIN:

H.J. Res. 208. Joint resolution expressing the sense of the Congress that the United States should use the upcoming economic summit meetings to indicate its willingness to pursue monetary and fiscal policies necessary to stimulate growth in this country and help lead a world economic recovery; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SHAW (for himself and Mr. FASCELL):

H. Res. 143. Resolution expressing the sense of the House respecting the use of herbicides for the eradication of marihuana in Colombia; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

39. The SPEAKER presented a memorial of the Assembly of the State of New York, relative to social programs and defense spending; to the Committee on Government Operations.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 141: Mr. STUMP.
H.R. 152: Mr. STUMP.
H.R. 166: Mr. STUMP.
H.R. 171: Mr. PETRI.
H.R. 873: Mr. GUARINI.
H.R. 965: Mr. CHAPPIE, Mr. WASHINGTON, Mr. PASHAYAN, Mr. MITCHELL, Mrs. COLLINS, and Mr. BEDELL.
H.R. 1052: Mr. MRAZEK, Mr. BEDELL, and Mr. BROWN of California.
H.R. 1321: Mr. GRAY, Mr. HAMMERSCHMIDT, Mr. MITCHELL, Mr. CROCKETT, Mr. BERMAN, Mr. LAFALCE, Mr. RICHARDSON, Mr. VENTO, Mr. SUNIA, Mr. WEAVER, Mrs. COLLINS, Mr. LEVINE of California, Mr. MOAK-

LEY, Mr. WASHINGTON, and Mr. BROWN of California.

H.R. 1386: Mr. LEVINE of California, Mr. DONNELLY, Mrs. BOXER, and Mr. MITCHELL.

H.R. 1419: Mr. HIGHTOWER, Mr. NIELSON of Utah, Mr. MITCHELL, Mr. LONG of Maryland, Mr. FEIGHAN, Mr. SHELBY, Mr. MOLLOHAN, and Mr. LELAND.

H.R. 1444: Mr. NIELSON of Utah.

H.R. 1494: Mr. BEVILL, Mr. CHAPPELL, Mr. MCCLOSKEY, and Mr. BENNETT.

H.R. 1918: Mr. ROGERS, Mr. GUARINI, Mr. DANIEL B. CRANE, Mr. FLORIO, and Mr. PHILIP M. CRANE.

H.R. 1970: Mr. SENSENBRENNER and Mr. SMITH of Florida.

H.R. 2027: Mr. MCNULTY, Mr. LONG of Louisiana, Mr. ROSE, and Mr. SIKORSKI.

H.R. 2053: Mr. SMITH of Florida.

H.J. Res. 71: Mr. HOWARD.

H. Con. Res. 25: Mr. LENT, Mr. MCCLOSKEY, Mr. VENTO, Mr. TRAXLER, and Ms. FERRARO.

H. Con. Res. 26: Mr. DOWNEY of New York and Ms. FERRARO.

H. Con. Res. 75: Mr. WYDEN, Mr. RICHARDSON, Mr. MORRISON of Connecticut, Mr. PATMAN, Mr. AKAKA, Mr. MINISH, Mr. MAVROULES, Mr. ROE, Mr. FAUNTROY, Mr. DWYER of New Jersey, Mr. PORTER, Mr. CORRADA, Mr. SKELTON, Mr. NEAL, Mrs. KENNELLY, Ms. KAPTUR, Mr. HORTON, Mr. JEFFORDS, Mr. SYNAR, Mr. WILSON, Mr. D'AMOURS, and Mr. SMITH of Florida.

AMENDMENTS

Under clause 6 rule XXIII, proposed amendments were submitted as follows:

H.J. RES. 13

By Mr. MCDONALD:

—At the appropriate place insert:

SEC. 3. Resolve further that it is the sense of the Congress that no provision of the resolution shall be carried out if, in the opinion of the executors, it fails to provide for the common defense, as required by the Constitution, or fails to provide adequate defense against all enemies as provided for in the oath of office.

By Mr. MARTIN of North Carolina:

—Page 4, line 14, immediately after "capabilities" insert "at present and in the future".

Page 4, after line 22, insert the following new paragraph (3) and redesignate existing paragraphs (3) through (6) as paragraphs (4) through (7), respectively:

"(3) Giving special attention to destabilizing factors in the nuclear balance, including relative ages of weapons and their rates of obsolescence."

—Page 4, line 14, immediately after "capabilities" insert "at present and in the future".

—Page 4, after line 22, insert the following new paragraph (3) and redesignate exisitng paragraphs, (3) through (6) as paragraphs (4) through (7), respectively:

"(3) Giving special attention to destabilizing factors in the nuclear balance, including relative ages of weapons and their rates of obsolescence."

—Page 4, line 22, immediately after the period, insert the following: "Submarines and bomber aircraft are not delivery systems as used herein."

By Mr. PORTER:

—Page 4, line 18, immediately after "freeze" insert ", which would be effective for a period not to exceed 18 month,"

—Page 4, line 18, immediately before the period insert ", not as an end in and of itself but as a logical first step toward achieving nuclear arms reductions".

—Page 5, line 19, strike out "overriding".

—Page 4, line 20, immediately after "freeze" insert ", which would be effective for a period not to exceed 18 months,".

SENATE—*Thursday, March 17, 1983*

(Legislative day of Monday, March 14, 1983)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Father in Heaven, I am recalling the story of the little boy, who, upon hearing the clock strike 13, rushed to his mother, crying, "mommie, mommie, it's later than it's ever been before!" Dear God, it is later than it has ever been before and this is not the time for majoring in minors. Help these very busy men and women, who have far more to do than time to do it, find a way to deal with the momentous matters which confront them. Enable them to arrange their priorities so that issues of the first magnitude, upon which hang national and world destiny, may take precedence over parochial and partisan affairs.

Grant them grace and wisdom in handling the awesome decisions for human welfare which rest squarely upon them and cannot be delegated. Help them to find more efficient ways to do their work which will liberate them from the tyranny of the trivia. May this powerful body seek to do Thy will on Earth as it is in Heaven. In Jesus' name we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. Mr. President, I thank the Chair.

SENATE SCHEDULE

Mr. BAKER. Mr. President, after the time for the two leaders has expired or is yielded back this morning, there will be a period for the transaction of routine morning business to extend not past 9:30 a.m. in which Senators may speak for not more than 2 minutes each. At 9:30, under the order previously entered, the Senate will resume consideration of the pending business, which is H.R. 1900.

Mr. President, it is now 9 o'clock in the morning, which is an early hour for the Senate to convene, given the fact that there are competing demands on the time of Senators which usually suggests a later hour for the Senate to convene. There are committee meetings and, of course, committees cannot meet beyond 2 hours after the Senate convenes if it is in session. There are personal commitments in Members' offices and other burdens and responsibilities that we all gladly accept in this office, and it is infrequent that the leadership on either side of the aisle suggests an early convening hour because of these conflicts. But today is such a time, Mr. President, because we have two urgent matters that must be dealt with; the jobs bill, which includes unemployment benefit replenishment, and the social security legislation which is now before the Senate.

I have said so many times that I have lost count that it is urgently important that we pass these two measures and do so before we recess on March 25.

We have a much shorter deadline than that on unemployment benefits. I am going to talk to the Secretary of Labor today about the status of that fund. We will see exactly what the last possible moment is to fund the requirements of the several States on this subject. But, one way or the other, the Senate must meet its responsibility, first to the country and then to itself, to take care of the essential business of the Republic, and I intend to see that we do that to the extent that I have the energy and the strength, the persuasiveness or the power to do so.

In that regard, Mr. President, no one should be misled about the intention of the leadership. We will be in session tomorrow and, if necessary, we will be in session on Saturday. Senators should now take notice of the high probability of a Saturday session and make their plans accordingly if they wish to do so.

Mr. President, I have only twice in my years as leader suggested the possibility of a Sunday session, but I now suggest that because we simply will not permit the inaction of the Senate to interrupt the payment of unemployment benefits and the other orderly activities of this body.

ORDER FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9 a.m. tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 10 A.M. SATURDAY

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business on Friday, it stand in recess until 10 a.m. on Saturday.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Now, Mr. President, we will debate the social security issue beginning at 9:30 a.m. I will confer with the minority leader and other Senators on how we should proceed.

Last evening there was a proviso, as I understand it, by the distinguished assistant majority leader and the minority leader or his designee that the Symms amendment, on which a rollcall vote was ordered, would occur today at a time yet to be determined but with the further provision that there would be 10 minutes of debate equally divided before that time. I will consult with the principals in that debate and with the minority leader a little later and we will attempt to complete that arrangement. But after the Symms amendment, I hope there are other amendments that will be dealt with promptly.

I entertain the hope that we could finish the social security bill today. We have a cloture vote ordered on the jobs bill tomorrow. I hope that we get cloture on that bill because we have to pass that bill. And I hope there is no effort to filibuster that bill, if we get cloture, after the invocation of the limitation of debate under the provisions of rule XXII.

Mr. President, I do not know anything else I can or ought to say. I have no regrets about what I have said. The admonitions are perhaps stern, but I want the Senate to know I am absolutely serious. To the extent it is possible for me to do so, I intend to ask and urge and insist that the Senate pass these two measures and to do so promptly.

HAPPY ST. PATRICK'S DAY

Mr. BAKER. Mr. President, 243 years ago today, justice of the peace Henry Fielding, writing under the name of Captain Hercules Vinegar, summoned Colly Cibber to court for the murder of the English language.

Today being St. Patrick's Day, I can only assume that poor old Colly did not travel to the castle and kiss the keeper of the gift of speech, the famous blarneystone.

Today is the day when women and men of Irish descent rejoice in their historic traditions, and permit those of us who did not loom from such noble

origins to pretend that we did. It is a day that honors a man who was enslaved at an early age in Ireland, who then managed to escape and become a Bishop, and then returned to his beloved land, not with bitterness but with compassion. A man who laid one of the critical pillars to the house of Christian forebearance.

It is a day filled with the dawning of spring. The time of the year when nature releases itself from the climatic hold of the past month, and ushers in a new season of greens and buds and pedals and sunshine. It is a day for smiles and best wishes, and it is a day for reciting one of the most famous of Irish greetings:

May the road rise up to meet you, May the wind be always at your back, May the sun shine warm upon your face, And the rains fall soft upon your fields, And until we meet again, May God hold you in the palms of His hands.

The traditions and values from the age of St. Patrick are still a part or our existence today. Indeed, the Irish and Scotch ballads of old are said to be forerunners of country and western music, a music that is dear to me, and a heritage that was recognized last night in our Nation's Capitol in an outstanding commemoration of the 25th anniversary of the Country Music Association.

President and Mrs. Reagan, Vice President and Mrs. Bush, and many Members of Congress were on hand at Constitution Hall last night for the event. Country music stars from Willie Nelson to Ronnie Milsap, from Loretta Lynn to Barbara Mandrell voiced their way through a legacy of great songs and great musical achievement.

For me, the entire evening was a triumph, especially the portion of the show which featured my good friend the distinguished minority leader, Senator BYRD. Senator BYRD, already famous for his fiddling, played and sang and brought the house to its tapping feet. He was a star among stars, and I know how pleased members of the Country Music Association were to have him participate.

I congratulate Senator BYRD and all the other stars and organizers of last night's show. And to everyone, I send my best wishes for a most happy St. Patrick's day.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I see the acting minority leader is here and I am prepared to yield to him what time I have remaining under the standing order, if he has any need for that additional time and if I have not already used it up.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER (Mr. MATTINGLY). The acting minority leader is recognized.

Mr. LEVIN. I thank the majority leader. As a Senator from Michigan, I must say I commend him on his determination. I have rarely seen the majority leader fail once he has expressed the kind of determination that he has in this matter, and I commend him on it.

URBAN PARK AND RECREATION RECOVERY PROGRAM (UPARR)

Mr. BYRD. Mr. President, I am pleased to support the efforts of several of my colleagues on behalf of the urban park and recreation recovery program. Quality recreation and park opportunities in my State translate to many forms of employment, including private sector tourism and service industries, as well as light and heavy construction and other sectors of the economy.

In West Virginia we have one of the Nation's foremost examples of how recreation and park resources contribute directly to an area's economy. I refer to the Wheeling Park Commission in the northern area of my State. This public commission has developed and manages numerous recreation sites, principal among them being Oglebay Park and Wheeling Park. Both facilities provide a number of recreation opportunities annually. Both have ongoing development and redevelopment plans which could be part of an accelerated effort to employ people from throughout the region.

The commission reported 2.5 million visits last year. They have an annual payroll of between $4 and $5 million annually. And the parks attracted an estimated $54 million last year for the regional economy. All of these figures mean employment opportunities in a region desperately in need of jobs.

Statewide, recreation-related expenditures are critical. According to the West Virginia University Bureau of Business Statistics, travel and tourism in my State contributed $1.2 billion in direct sales in 1981. This generated $65 million in State taxes, and the equivalent of 44,000 full-time jobs. Our public park and recreation resources, at all levels of government, are an integral part of these statistics.

I want the Senate to know that this program has my support as a part of a comprehensive effort to meet employment objectives through recreation and park development and rehabilitation projects.

VISITS BETWEEN U.S.-U.S.S.R. MILITARY LEADERS

Mr. LEVIN. Mr. President, Senator NUNN and I today are proposing that United States and Soviet military leaders exchange visits with each other. The dialogs which result may reduce the risk of nuclear war caused by miscalculation or misperception.

Relations between the United States and the Soviet Union have been going from bad to worse in recent years in part as a result of Soviet activities in Afghanistan, Poland, and elsewhere in this troubled world. Many of the programs for cooperation and exchange of people and ideas have been canceled or curtailed. The lines of communication between the citizens of our two countries have been unraveling. The urge to link these communications with Soviet misbehavior and to cut back on exchanges and negotiation with the Russians as a way of showing our displeasure is often irresistible.

But there is one area of communication, Mr. President, in which it is imperative that we resist that temptation and instead make urgent improvements. We must establish better communication between our respective military leaders to improve mutual understanding of the strategic objectives, forces, warning systems, command and control networks, decisionmaking processes, and the identities and personalities of the actual decisionmakers themselves. This is something that must be achieved regardless of Soviet aggressive behavior and, indeed, it is probably more important than ever because of such behavior. While the tensions and hostilities which result from such behavior perhaps cannot be avoided, the risk of miscalculation can be. It is just plain commonsense to "know thine enemy and make sure thine enemy knows you."

The specifics of the exchange program which we are proposing should be left to the military leaders themselves to work out. We know that a number of the topics I mentioned earlier include categories of information classified on the basis of national security, and that the Soviets are probably even more cautious in these subject areas than we are. But we also know what the goals of such a program must be: To establish a dialog between military leaders outside of the context of specific negotiations; to promote understanding of the context in which decisions involving weapons are made by each side; to allow for correct interpretation of action and reaction in a crisis situation; and to reduce the possibility of any miscalculation on either side which could lead to initiation or escalation of nuclear conflict.

This kind of communication and exchange is essential, regardless of whether or not we decide to resume cultural, economic, or scientific exchanges with the Soviets. It would certainly enhance mutual understanding and help shatter the stereotypic ways in which both governments often

characterize the other relative to the thinkability of nuclear war or the winability of same. It is in the interests of both nations to try to achieve such communication, regardless of the coolness of our overall relations.

There are some precedents for military-to-military meetings between East and West. Indeed, there are even existing agreements which can serve as the basis or justification for such a program, agreements signed by both countries a decade ago.

In the early 1970's, our two countries negotiated and signed two agreements intended to reduce the risk of nuclear war. The first of these was the 1971 Agreement on Measures To Reduce the Risk of Outbreak of Nuclear War Between the United States of America and the Union of Soviet Socialist Republics.

This agreement, rarely noted or quoted, is eloquent in its simplicity of purpose and content. It was one of the earliest agreements reached with the Soviets as part of the Strategic Arms Limitations Talks, and reflected the mutual concern expressed by the two nations during these talks regarding the possibility of accidental nuclear war. Seldom, Mr. President, has an agreement been so easily reached on so serious a subject between the United States and Russia.

This agreement pledges each party to: Maintain—and improve as necessary—its procedural and technical safeguards to prevent accidental or unauthorized use of weapons; notify each other immediately in the event of an incident involving a possible nuclear detonation, or in the event of detection of possible nuclear attack; and to take other measures to reduce the possibility of misunderstanding or misinterpretation of any incident involving nuclear weapons, including use of the so-called hot line, or U.S.A.-U.S.S.R. Direct Communications Link (improvements to which were codified in a parallel agreement signed at the same time). Article 7 states that further discussions on implementation or amendment of this agreement "* * * aimed at further implementation of the purposes of this Agreement" will be undertaken by mutual consent.

It is my understanding, Mr. President, that except for some efforts leading to further improvement in the technical operations of the hot line, such as standardized formats for messages to speed message preparation, there have been no further discussions conducted between our two countries specifically regarding methods of "further implementation of the purposes of this Agreement," that is, averting accidental nuclear war. Surely, there has been no drastic lessening of the prospects for this ultimate catastrophe in the 12 years since this agreement was signed.

Regardless of improvements in hardware and procedural controls, presumably undertaken by both sides as a natural result of the passage of time (if for no other reason), there is still, and will always be while nuclear weapons exist, a possibility that such an accident will occur. Machines fail, and so can people. We must admit the possibility that some failure or combination of failures could result in the kind of unthinkable accident that this agreement addresses.

The second of the agreements I spoke of, Mr. President, is the 1973 agreement between the United States of America and the Union of Soviet Socialist Republics on the prevention of nuclear war. This was another by-product of the SALT negotiations, and is primarily a statement of the two parties that an "objective of their policies" is to avert the possibility of nuclear war, chiefly through restraint in international relations so as to avoid military confrontations. The one specific provision of this agreement, article IV, states that if a situation arises (between the parties and/or other countries) which appears to carry the risk of nuclear conflict involving either party, the two countries shall enter into "urgent consultations" with each other to try to avoid war. Urgent indeed. Such consultations would require the utmost in skill, knowledge of the other side's abilities, perceptions, and motivations.

Having thought the unthinkable—and our negotiators obviously have—where do we go from there? One limitation of these agreements, or any agreement on measures to build confidence that nuclear war can be averted, is that confidence implies a mutual and well-developed understanding, a broad perception of the strengths, limitations, and constraints of the people and processes that each side has in place to prevent, detect, or respond to actions which could lead to nuclear war. This understanding must be gained over a long period prior to the occurrence of any accident or incident which would provoke the necessity to put it to use, in the most stressful circumstances imaginable. Senior military advisers, the people who would provide options or advice to the President of the United States or to the Soviet leaders, must have the best possible appreciation of the situation that is likely to exist at the other end of the hot line. They must know who they are dealing with, what information the others are likely to receive, and to what use they are likely to put it. They must be able to understand the potential consequences of the actions taken by either side, in order to put the evolving events in context and determine the proper course of action. It would be essential to avoid miscalculation or misinterpretation in such circumstances.

An increasing number of people have seen merit in the idea of regular, high-level military visits. Dr. William Perry, former Under Secretary of Defense for Research and Engineering, wrote a letter to me last year in which he said, in part:

> . . . I believe that the emphasis on the debate on nuclear weapons and arms control has been misplaced because it is focused on the "bolt-out-of-the-blue" attack scenario. The crucial issue, I believe, is what actions we and the Soviets can jointly take to prevent a nuclear war erupting by accident or by miscalculation . . . Instead of having surrogates of the Minister of Defense/Secretary of Defense talk with each other, I would like to bring the Minister and Secretary of Defense of the two countries together to talk about these issues once or twice a year. I'd like to bring General Ogarkov together with General Jones once or twice a year to discuss issues of nuclear war . . . At only one time that I am aware of, in June of 1979 in Vienna when Harold Brown sat down to talk with Ustinov, did we actually have a meaningful dialogue between two major defense officials on these issues. And at no time when I was in the Defense Department did any of our military leaders meet with their Soviet counterparts in either Moscow or Washington . . .

That is, to discuss the issues of nuclear war.

I have discussed this idea informally with a number of senior uniformed American military personnel over the last year or two, and they have expressed support of the concept. I believe they would love to have a chance to show their counterparts that they are living, breathing, feeling, rational human beings, instead of vicious warmongers constantly plotting death and destruction in the conference rooms of the Pentagon.

I also discussed the idea in a recent meeting with Soviet Ambassador Anatoly Dobrynin, and his reaction was generally positive.

And just this week, I raised the idea in a meeting with several members of the Supreme Soviet who are visiting the United States. Their initial reaction was guarded but not unfavorable.

A number of precedents or parallel situations exist for such a program. The provisions of the Helsinki accords relating to the voluntary exchange of observers at military maneuvers have been put into practice; although there has been some disappointment over the degree to which the Soviets have cooperated with the spirit of these voluntary provisions, there have, in fact, been some exchanges of observers at NATO and Warsaw Pact military maneuvers.

An arrangement which has had positive results is the bilateral Agreement on the Prevention of Incidents On and Over the High Seas, which was signed by the U.S. and the U.S.S.R. in 1972. This agreement, which has resulted in regularly scheduled meetings of senior naval officials of the two countries, is an example of a military-to-military

interchange which has been successful in reducing misunderstandings and miscalculation.

And in recent weeks, the Soviets for the first time included a high-ranking military officer in their delegation to a United Nations Association meeting in New York, something that the U.S. contingent had been requesting for years. This is an indication that the Soviets may now understand that military leaders must be cognizant of matters outside the sphere of their own forces.

Mr. President, the examples of communication between Soviet and American military officers which I have mentioned are certainly helpful in improving their perceptions of each other, but, as Dr. Perry indicated in his letter to me, they are not enough. We need an established, regular program of meetings to discuss nuclear and other military issues in depth between high-level uniformed personnel of both nations. We urge the administration to propose such a program to the Soviet Union under the terms of the existing agreements on measures to reduce the risk of nuclear war. This would be a very positive signal on our part that we are truly serious about arms control and the enhancement of peace and stability in the world. Such a proposal would be a valuable asset to our negotiators in demonstrating the sincerity of our belief that steps must be taken at once to reduce the ever-present danger to mankind posed by the nuclear arsenals of our two nations.

Mr. President, I now yield the floor to my colleague from Georgia, who has been active in this effort and who is in the process of continuing his search, a very crucial search, for ways of reducing miscalculation between ourselves and the Soviet Union.

I am delighted to be able to cosponsor this proposal with him, to propose this jointly to the administration, in the hope that the administration will listen to the nature of this proposal, see it as a way of reducing miscalculation, and get on with the job of having these visits between our top level military personnel and those of the Soviet Union.

Mr. NUNN. Mr. President, I thank my colleague and friend from Michigan. I congratulate him on an innovative proposal that I believe is long overdue.

I agree with the Senator's eloquent statement. I agree with his proposal. I believe that if we can move in this direction over a period of time—and there are no instant cures to the tensions that exist in the world today—we can, at the very least, reduce what I consider to be the growing risk of war by accident or war by miscalculation.

I think it is unlikely, in a nuclear age, that either side is going to sit down and plan a "bolt out of the blue" nuclear attack. That does not mean it is impossible. That does not mean we do not have to consider that in our force structure and our plans. But I do believe it is unlikely. However, it is certainly not unlikely that, at some point in the future, we are going to find ourselves making moves around the world and the Soviets are going to find themselves making moves around the world that can very well lead to perceptions on the other side that a war is about to begin.

One of the things all of us need to consider in both our arms control policies and in our force structure is whether we can begin to take steps to ease the nuclear trigger, to make it less of a hair trigger, to even make our conventional forces move and be postured in a way that would make it less likely that either side could miscalculate what the other is doing as a prelude to war; because as systems become more vulnerable, as nuclear systems become more vulnerable, as quick warning, lightning conventional attacks become more possible, then this chance of miscalculation grows.

Mr. President, when I visited the Soviet Union during my only visit there—and I do not consider myself an expert on the Soviet Union, but I did go there one time—I did have a lot of conversations, some of them meaningful, some of them not. The most meaningful single conversation I had was with a Soviet general, not members of the civilian side.

I came away from that visit with the firm conclusion that if we could regularize the visits between our military leaders, uniformed and civilian, it could help in avoiding the tensions, miscalculations, and misunderstandings that are growing today.

After that visit I made a statement, and I believe this statement appeared in several news articles, and I quote from that. It was dated December 4, 1978:

> Trust can only be built over a period of time, accompanied by gradual changes taking place in the Soviet Union. I believe that meetings between leaders of the executive and legislative branches of our countries on a regular basis can help both nations understand each other better. I hope that these meetings can be expanded to include direct informal conversations between top military officials and top intelligence officials of the U.S. and U.S.S.R.

Mr. President, the Senator from Michigan and I do not suggest that we are going to have one gigantic summit conference between military leaders. What we do suggest is a regular period of meetings that would be not in an effort to solve crash problems that exist in the world but rather to get to know each other better, to get to understand each other better, to reduce the apprehensions that are growing on both sides of the Iron Curtain about the intentions of the other side.

Mr. President, this proposal the Senator from Michigan makes today, in which I join him, is entirely consistent with an amendment which both of us voted for and cosponsored last year which calls on the Secretary of Defense to conduct a full and complete study and evaluation of initiatives for improving the containment and control of the use of nuclear weapons, particularly in crisis. I see this as a strong step in that direction.

In that proposal we listed a number of studies that would be carried out by the Department of Defense, including but not limited to establishment of a multinational military crisis control center for monitoring and containing nuclear weapons used by third parties or terrorist groups.

If this were to be established we would have a point of contact on a constant 24-hour basis between Soviet and U.S. military leaders, whether the center is in some neutral country or whether we have a center in Moscow and one in Washington connected by teleconferencing kind of capability.

The second thing we propose that the study be directed toward is development of a forum for joint U.S.-U.S.S.R. sharing of information on nuclear weapons that could be used by third-parties or terrorist groups.

Third, development of U.S.-U.S.S.R. confidence-building measures for crisis stability and arms control to include improved U.S.-U.S.S.R. communication hotlines for crisis control, enhanced verification procedures for any arms control agreements, measures to reduce vulnerability of command control and communication on both sides, and measures to lengthen the warning time each nation would have of potential nuclear attack.

Mr. President, this report was due on March 1. I am told the administration is working on it and that we will have this kind of a report in the very near future.

We also have in this amendment a requirement that the President comment on the report to Congress. I am hoping that included in that report, included in that analysis, this proposal that has been made this morning by the Senator from Michigan and myself will be given very careful scrutiny and that the administration will begin to move in this overall direction of building confidence between two nations that are antagonistic and that certainly pose certain dangers both to themselves and to peace in the world.

Mr. President, I believe that this is a good proposal and I hope it will receive very serious consideration.

Mr. LEVIN. Mr. President, I thank my friend from Georgia. The Senate is grateful and the country is grateful for his commonsense voice in these matters.

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We are marching inevitably, it seems, to the brink of ultimate final devastation. The proposals that he discussed, including this proposal which we outlined this morning, give us one way of trying to step back from that ultimate disaster.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will be a period for the transaction of routine morning business for not to extend beyond the hour of 9:30 a.m. with statements therein limited to 10 minutes each.

TESTIMONY OF SENATOR BYRD BEFORE GENERAL OVERSIGHT COMMITTEE

Mr. KENNEDY. Mr. President, our economy faces its most serious crisis since the onset of the Great Depression. One half of the problem is well understood—the slow growth brought on by the disastrous policies pursued by the President. Reversing those policies is essential.

But it will not be enough. We must also turn our attention to the equally serious structural problems brought on by the combination of a changed international environment and rapid technological change.

Senator BYRD, in testimony before the Oversight Subcommittee of the House Banking Committee described those problems eloquently. As usual, my valued colleague and good friend from West Virginia has led the way in describing the problems we face and the road we must follow.

I ask unanimous consent that this testimony be included in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR ROBERT C. BYRD BEFORE THE GENERAL OVERSIGHT SUBCOMMITTEE, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS

I wish to thank the Subcommittee for providing this opportunity to testify in support of legislation to establish a national development bank and to express my view on the need for a long-term national industrial policy. I also wish to commend the Chairman for his efforts to stimulate awareness of this issue, and for his efforts, such as the introduction of H.R. 638, to forward specific constructive alternatives to current economic policy.

The issue of industrial policy is of great national interest and one in which I am actively involved. I have myself introduced legislation to create a National Investment Corporation—legislation I will discuss shortly. I have also established an Industrial Policy Task Force, under the auspices of the Senate Democratic Conference, which I anticipate will report a series of policy recommendations by early summer. I would like to discuss, for a moment, the reasons why I have devoted this attention to the issue.

The 1970's ushered in an era of dramatic changes in the international economic environment. The U.S. economy, to which foreign trade had not been of central importance as late as the early 1970's, experienced a sharp increase in its dependence on the rest of the world. Within the short span of ten years, trade, by almost any measure, doubled its previous level. Exports and imports of goods and services are now equivalent to roughly 12% of GNP, up from about 6% in 1970. Merchandise exports and imports now each equal about one-third of all goods produced by the American economy, up from one-seventh in 1970.

This rapid growth of trade made Americans acutely aware of a powerful new competitive challenge to U.S. firms in high-paying, high-productivity industries requiring large capital investments and technological expertise. This new competition swept aside any illusions that these high-productivity American industries, dominant worldwide for most of the postwar era, would always remain immune to foreign competition. Today, we suddenly find ourselves asking not how many new jobs will be created in our basic industries such as auto and steel, but how many of the existing jobs in these industries will we be able to preserve. We further question whether today's and tomorrow's growth industries, such as computers, semiconductors, robotics and biogenetics, will ever flourish on American soil.

The concern raised by this new competitive challenge is not just the number of jobs which will be available to American workers in the years ahead. If we were to follow a sensible macroeconomic policy, we could dramatically increase the number of job opportunities available. Coupled with a concerted national effort to provide training for those workers who lack basic job skills, we could move a long way toward our common goal of full employment.

Instead, the central issue is the type of jobs which will be available. I fear, Mr. Chairman, that unless the U.S. is able to compete more effectively in higher productivity industries, millions of highly remunerative job opportunities will move abroad in this decade and in the decades ahead. While our economy may offset the loss of these high-paying job opportunities by creating alternative openings in other industries, these alternative jobs are likely to be in lower-productivity, lower-paying areas such as forestry or services. As a result, many American workers will be unable to improve their economic welfare by "stepping up" into more financially rewarding employment. Many others, more ominously, will experience permanent downward economic mobility as the jobs which once provided them a comfortable standard of living disintegrate in the face of ever increasing international competition.

To illustrate this concern, I would like to turn to the experience of our economic relations with Japan. The Labor Department has recently completed a study identifying the 10 U.S. industries which experienced the greatest gains in employment opportunities as a result of trade with Japan in 1980. Of these ten industries, six, including the two most favorably affected, were either in, or related to, the agricultural, forestry or fishery sectors. The average compensation per employee in these three sectors was $11,244 in 1981—about 55% of the average compensation in all private industry.

This study also identified the ten industries which lost the largest number of job opportunities to Japanese-American trade in 1980. Nine of the ten were in the manufacturing sector. In 1981, the average compensation in manufacturing was $24,296 or 120% of the average compensation in all private industry.

These data appear to indicate that the result of our expanded trade with Japan during the 1970s has been to increase employment opportunities in relatively low productivity, low-paying industries and to decrease job opportunities in higher productivity, higher paying ones. This, indeed, is an alarming situation, caused by a sharp decline in the competitiveness of many American manufacturing industries vis a vis their Japanese counterparts. Unless this competitive decline is reversed, the trend in U.S.-Japanese trade will not only intensify, but will also come to characterize our trade with many other advanced nations such as West Germany, France and Sweden.

I also fear, Mr. Chairman, that the intensified foreign competition in both high and lower paying industries will exacerbate the problems of uneven regional development with which the U.S. has been grappling for years. Not only will many existing areas of chronic, long-term joblessness see their employment problem worsen still further, but many once prosperous communities will slide into a similar malaise as the industries upon which they are dependent fall victim to the foreign competitive onslaught.

I have witnessed this phenomenon occurring in my home state of West Virginia. Some of the state's most important industries, such as steel, glass, footwear and chemicals, have come under increased competitive pressure from foreign producers. One result has been that many of the local communities linked to these industries—communities once proud and economically secure—now find themselves searching desperately for ways to avoid severe long-term financial distress.

It is my belief that we must act immediately to halt this erosion of our high-paying job base and to alleviate the problem of uneven economic development. I believe the most appropriate response is the development of a comprehensive, coordinated industrial policy which explicitly commits the public sector to work cooperatively with the private sector to preserve high-paying jobs in our struggling basic industries, promote the development of new, high-paying growth industries, and attack the problem of geographically unbalanced growth.

The legislation I have introduced to establish a National Investment Corporation is offered as a step in this direction. Its function would be threefold. The first would be to help restore the international competitiveness of our basic industries by providing the capital needed to modernize production facilities through direct loans, equity investments, and loan guarantees. It is unlikely that these sectors will be able to secure sufficient funds for this purpose in private capital markets. The NIC would act to supplement whatever private capital could be raised.

Its second function would be to increase the availability of capital to high-paying growth industries. One of the fundamental aims of foreign industrial policies is to make sure that the development of growth industries is not hindered by the lack of financial resources needed for product development, production and commercialization. Unless we act to offer this same benefit to our own growth industries, many will experience competitive failure. Finally, the NIC would be charged with helping to address the problems of regionally concentrated, long-term unemployment by encouraging the lo-

cation of new industry in areas affected by chronic joblessness.

The Corporation would be managed by a board of 12 directors. It would be allocated $5 billion in equity capital from the Federal government, and would be authorized to borrow an additional $25 billion. These funds could be loaned on a long-, medium-, or short-term basis at market rates whenever possible, or at below-market rates when such rates are deemed necessary to insure the viability of a high priority project.

The Corporation would also be empowered to establish additional financial institutions or subsidiaries, such as leasing corporations, whenever it deemed such institutions vital to the success of a project. In addition, the Corporation would be able to create a secondary market for development-type loans by repurchasing or guaranteeing loans issued by other institutions. In return for financial assistance, the Corporation would encourage cooperation and burden-sharing among owners, workers, managers, creditors and suppliers.

The National Investment Corporation would not be a bailout for unprofitable industries. In determining which investment projects should receive assistance, priority would be given to those projects which have a reasonable likelihood of incurring no financial loss for the Corporation.

The National Investment Corporation is also not designed as a means of imposing Federal policies on our State and local governments. On the contrary, in order to promote balanced economic growth throughout the nation, the Corporation would work closely with State and local officials in an effort to meet regional needs and priorities. While the headquarters of the Corporation would be in Washington, D.C., the board would be empowered to establish regional offices around the country to facilitate such inter-governmental cooperation.

The need for a National Investment Corporation is great. We can no longer afford to sit and watch our basic industries become less and less competitive in international and domestic markets. We can no longer allow other nations to outpace the United States in the development of new and innovative technologies. We must act now to ensure that American businesses have the capital they desperately need to maintain their competitive position. In so doing, we should seek to ensure that the benefits which will flow from the resulting increased economic vigor of U.S. industry will be distributed equitably to all sections of the nation. I believe this legislation, by establishing a National Investment Corporation, is an important step in that effort.

Thank you.

CLOTURE VOTE ON KASTEN AMENDMENT NO. 504

Mr. LEVIN. Mr. President, in voting yesterday against the cloture motion on the Kasten amendment on interest and dividend withholding, I tried to keep in mind the main objective that the Senate should be driving toward—passing the jobs and unemployment benefit bill.

Withholding on interest and dividends is an important issue which has evoked strong feelings on both sides and about which I am still endeavoring to gather more information before casting my vote.

But it is this jobs and unemployment benefit bill which is the immediate and pressing business of the Senate and of the country. It is the immediate and pressing business for my State of Michigan, which is now enduring its 39th consecutive month of double digit unemployment. It is the immediate and pressing business for individuals who are hungry, homeless, and in need of medical attention.

Voting for cloture would not have served the purposes of speedy passage of the jobs and unemployment benefit bill. First, under the rules of the Senate, even after cloture is envoked, there could still be 100 hours of debate on the Kasten amendment. One hundred hours. That would take us beyond the Friday deadline, after which Michigan and other States will run out of money to pay unemployment benefits, and the additional money for unemployment benefits is included in the bill.

Second, the President has said that he will veto the jobs and unemployment benefit bill if the Kasten amendment is attached to it. This veto would delay unemployment benefits and probably sidetrack the efforts for a jobs bill.

The only way to have speedy passage of this jobs and unemployment benefit bill is to have consideration of the Kasten amendment separated from the bill and debated sometime after its passage. In that way the issue of withholding on interest and dividends can be given the time for the careful debate which it deserves, and the Senate will not be rushed to judgment in a way which could harm the interests of depositors, the Federal budget, the integrity of the Tax Code, and the financial institutions.

Briefly stated, then, voting for cloture on the Kasten amendment would have prevented speedy consideration and enactment of the jobs and unemployment benefit bill, and that is too high of a price to ask the unemployed and suffering people in this Nation to pay.

On the withholding question itself an additional comment is appropriate.

When speaking of the various groups affected by the current controversy on withholding on interest and dividends, the distinguished chairman of the Finance Committee has spoken of the "truly needy" and the "truly greedy." At this point, I would put myself in a third group—the "truly undecided."

Repeal of withholding would increase the deficit by over $20 billion between 1983 and 1987. Any increase in the already whopping deficit should greatly concern us. Nor do I believe that it serves the interests of this country to have integrity of the Tax Code undermined by noncompliance.

But at the same time, I am concerned about imposing undue burdens on both financial institutions and depositors. Withholding, as it emerged from the Conference Committee, did not allow for the degree of flexibility which is necessary to prevent burdens from becoming undue.

At this point we do not have all the information which is necessary to properly strike the balance between both sides of the controversy. That is why I am asking the following questions of the Finance Committee and the Secretary of the Treasury.

First, why is the matching up of 1099 forms with a person's income tax form an inadequate mechanism for assuring compliance with the taxes owed on interest and dividend income?

Second, how much would it cost the Federal Government to gear up the Treasury's capacity to make 1099 forms an effective mechanism for assuring compliance?

How much would it cost in the first year?

How much would it cost in future years?

Third, how does the cost to the Government for gearing up compare with the costs to the financial institutions in complying with this withholding requirement?

How would it compare in the first year?

How would it compare in future years?

Fourth, during the debate last year on withholding, I offered an amendment to exempt financial institutions from the withholding requirement if they could not comply without an undue burden? It passed the Senate and was gutted in the conference by limiting the delay in meeting the withholding requirement until the end of 1983.

What was the rationale for changing my amendment in the conference committee?

Fifth, is it possible for a financial institution to be stuck with having to pay the Federal Government the amount of interest and dividend income they should have withheld, but did not withhold because a depositor has found a way to beat the system?

Sixth, if withholding is not done until one time at the end of the year, what safeguards are there to prevent a depositor withdrawing prior to the withholding period the amount which will be subject to withholding?

How much of a cost will this monitoring procedure impose upon the financial institutions?

Seventh, how much revenue is gained through withholding due to the speed up in collection and how much revenue is gained through greater compliance?

In the first year?

In future years?

Eighth, would the cost of complying with the withholding requirement be greater on a per depositor basis for financial institutions which are not computerized than for institutions which are computerized?

Ninth, what is the impact of withholding on the compounding of interest assuming current market interest rates and—both money markets funds and passbooks—and $1,000 in principal?

Tenth, how frequently will depositors have to contact their financial institutions if they wish to be exempt from the withholding requirement?

Mr. President, I yield the floor.

A GATHERING OF HOLOCAUST SURVIVORS

Mr. PROXMIRE. Mr. President, from April 11 to 14 the first American gathering of Jewish Holocaust survivors will be held here in Washington. Over 10,000 survivors of the Holocaust and their families are expected to attend. The gathering will provide an opportunity for them to meet and exchange thoughts on one of history's darkest periods; a time when Adolf Hitler sought to systematically exterminate the Jews of Europe.

The reunion of the survivors will also take place on the 40th anniversary of the Warsaw ghetto uprising in which thousands of Polish Jews revolted against Nazi rule and were brutally repressed.

The highlight of the gathering will be the dedication of the Holocaust Memorial Museum site on Independence Avenue between 14th and 15th Streets, Southwest. Following the ceremony, the survivors will join Senators and Congressmen for a short ceremony in this building.

One of the major projects of the gathering is to list all Holocaust survivors in a national computer register for historical purposes. Through the computer listing, survivors who attend the gathering can locate and be reunited with family and friends who came from the same towns and villages in Europe. So far, 40,000 Jewish Holocaust survivors have been entered into the computer bank.

Mr. President, I find it disconcerting that we should receive survivors of the Holocaust in the U.S. Capitol when the United States has failed to ratify a treaty which would make genocide a punishable, international crime. Giving our advice and consent to the Genocide Convention now would signal to Holocaust survivors around the world that the United States will never shy from defending the right of any ethnic, national, racial, or religious group to be protected from the awful crime of genocide.

Mr. President, it seems to me that the failure of this body, the Senate, to act on the Genocide Treaty is an act of hypocrisy while at the same time we pretend that we have concern about the victims of the Holocaust, and yet fail to take the one act we can take and only this body has to act—the President does not have to act, the House of Representatives does not have to act—only this body has to act to make the Genocide Treaty ratification a reality.

AMERICA'S LEADING PHYSICISTS PASS RESOLUTION ON NUCLEAR WAR

Mr. PROXMIRE. Mr. President, the American Physical Society, representing distinguished physicists who have a profound understanding of the appalling consequences of the nuclear arms race, has recently adopted a nuclear arms limitation resolution. This brief resolution is so comprehensive, so logical, and so sensible that I hope all Members of the Congress will read it, reflect on it, and act on it. The 30 elected members of the American Physical Council approved the resolution almost unanimously. I ask unanimous consent that it be printed at this point in full in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

AMERICAN PHYSICAL COUNCIL RESOLUTION

Whereas nuclear war is an unprecedented threat to humanity;

Whereas the stockpile of nuclear weapons distributed around the globe contains the explosive power of more than one million Hiroshima bombs;

Whereas a general nuclear war would kill hundreds of millions of people;

Whereas the aftereffects of general nuclear war are certain to be catastrophic for the survivors and could destroy civilization;

Whereas any use of nuclear weapons, including use in so-called "limited wars," would bring with it substantial risk of escalation to general nuclear war;

Whereas thirty years of vigorous research and development have produced no serious prospect of effective defense against nuclear attack;

Whereas nuclear arsenals of the United States and the Soviet Union are more than adequate for deterrence;

Whereas the continuation of the nuclear arms race will not increase the security of either superpower;

Whereas the proliferation of nuclear weapons to additional countries, especially in areas of high tension, would substantially increase the risk of nuclear war;

Whereas there has been no progress for several years now toward achieving limitations and reductions in strategic arms, either through ratification of SALT II or the negotiation of a replacement for it;

Whereas negotiations intended to achieve a comprehensive nuclear test ban have been indefinitely adjourned; and

Whereas negotiations intended to prevent or inhibit the spread of nuclear warfare to outer space have been suspended;

Be it therefore resolved that The American Physical Society, through its elected Council, calls on the President and the Congress of the United States, and their counterparts in the Soviet Union and other countries:

To intensify substantially, without preconditions and with a sense of urgency, efforts to achieve an equitable and verifiable agreement between the United States and the Soviet Union to limit Strategic Nuclear Arms and to reduce significantly the number of such weapons and delivery systems;

To conduct, in a similar spirit, negotiations to restrict the use and limit the deployment of battlefield and intermediate-range nuclear weapons;

To resume negotiations to prevent the spead of warfare into outer space;

To take all practical measures to inhibit the further proliferation of nuclear weapons to additional countries;

To take all practical actions that would reduce the risk of nuclear war by accident or miscalculation; to continue to observe all existing arms-control agreements, as well as SALT II;

To avoid military doctrines and deployments that treat nuclear explosives as ordinary weapons of war; and

To initiate serious negotiations to ban the testing of nuclear weapons in all environments for all time as called for in the Nonproliferation Treaty.

PROCEDURAL STATEMENT ON KASTEN AMENDMENT NO. 504

Mr. KASTEN. Mr. President, I had hoped that by now we would have worked out an agreement to have an up-or-down vote on the withholding issue on a date certain on another bill, and the jobs bill would be passed.

It seems that no such agreement will be reached. Clearly, the only way to bring this matter to a close is to proceed to a vote on cloture, and then to deal with the withholding issue on a post cloture procedural vote.

Therefore, it is my intention to vote for cloture, and to urge my supporters to vote for cloture, and then I will appeal an expected ruling by the Chair that the withholding amendment is nongermane. There is recent precedent for such a vote—on June 10, 1980, during debate of the Selective Service bill, the Senate overturned the germaneness ruling of the Chair twice after cloture was invoked, once on a Hatfield appeal and a second time on a Kassebaum appeal. It would be my hope that the necessary 51 votes would be obtained, and then we could move, at long last, to an up-or-down vote on the issue of withholding.

Mr. President, if an agreement for action on withholding on a date and bill certain can be reached today, there would be no need to follow this course. If not, I urge the distinguished majority leader to schedule the vote on cloture today, so we can resolve the withholding issue, pass the jobs bill, and get on with the business at hand.

Mr. President, I also ask unanimous consent to have printed in the RECORD an editorial from the Wall Street Journal.

There being no objection, the edition was orderd to be printed in the RECORD, as follows:

TAX REVOLT

Efforts to repeal the dividend and interest withholding law due to take effect July 1 have been painted in the blackest terms by the chief proponent of the measure, Sen. Bob Dole. It's a conspiracy of those bad old banks. It's a conspiracy of all those rich folks. It's a conspiracy to torpedo the jobs bill, to which the repeal measure was attached.

But Sen. Dole's near-hysteria on the subject betrays him. What he really has on his hands is the tax revolt that got Ronald Reagan elected president instead of Bob Dole, and yesterday it showed its power in the Senate. Sen. Dole, the Kansas Republican who thinks that budgets are balanced by raising taxes, was steamrollered in his attempts to ditch repeal. The repeal effort was launched by fellow Republican Bob Kasten in what at first looked like a quixotic last stand but quickly took on the character of a grassroots crusade. His fellow senators took a hard look yesterday at the troops Sen. Kasten had mustered and beat a hasty retreat, defeating Mr. Dole by 10 votes. Bravo, Sen. Kasten.

All this leaves the White House between a rock and a hard place, and nobody can say it doesn't deserve it. The president allowed himself to be talked into supporting the jobs bill by advisers who are convinced that he needs to appear more "compassionate," as if creating phony jobs instead of real jobs is compassionate. The same advisers talked him into backing interest and dividend withholding, a truly silly revenue-enhancer guaranteed to stir up the middle-income folks who voted for him.

Sen. Kasten had asked for an up-or-down vote on repeal of withholding, confident he could win. But the White House and Mr. Dole denied him that opportunity, so Mr. Kasten has attached repeal to the jobs bill. Now the president may have to veto the jobs bill in order to save withholding.

This is the kind of position you put yourself in when you trade away your principles for a mess of pottage. The only redeeming feature of this episode may be that Mr. Dole's embarrassment is likely to be even greater than the White House's. If the president had stood firm against the jobs bill, he would still be occupying the high ground. Economic recovery is under way and another federal spending boondoggle is the last thing we need.

The current jobs bill, like those before it, is little more than old-fashioned pork barrel. The $5.2 billion of speeded-up spending was originally targeted on nine states with the highest unemployment; after a few oinks, it was expanded to 27 states. Some of the more egregious efforts to get more pork for the folks back home were turned back. But much of the spending in the bill still has little to do with creating jobs; most would go for construction and services on existing projects that require skilled labor.

Moreover, the bulk of the spending will come after the recession is over. A study of the House version of the bill by the Congressional Budget Office, which normally sympathizes with and finds ways to rationalize federal spending schemes, shows that only about $1.5 billion of the $5.2 billion would be spent in 1983. Some $2.3 billion would be spent in 1984, when both Democratic and Republican economists expect a boom in the economy, and the rest in future years.

And despite Sen. Dole's demagoguery about the banks, the movement to repeal the withholding tax on dividends and interest reflects popular anger, not just slick lobbying. Anybody who has been receiving those irritating forms in the mail lately—and who hasn't since nearly everybody receives some interest or dividend income—will instantly understand why Mr. Dole & Co. have been deluged with letters of outrage. And to the extent the banks helped mobilize this sentiment, it was mostly the little banks; the big banks, which have lots of computer capacity, are perfectly content with a measure that increases costs for their competition.

The plain fact is that Congress is trying to shift the cost of collecting taxes on interest and dividend income from the public to the private sector, and at the same time grab off for the government some extra revenue. Banks and companies already report to the IRS dividends and interest they pay. But the IRS computers can't seem to track all those little pieces of paper, so the agency wants the banks and companies to do the job for it. In the process, the spenders in Congress would get a nice little chunk of change by having free use of the money for a year.

With yesterday's defeat of the Dole motion to deep-six the Kasten amendment, the impasse on the jobs bill continues. If a combined jobs/withholding repeal measure eventually emerges from Congress, the president has threatened to veto it. He should. But then he should proclaim that the need for a jobs bill, if it ever existed, is past and that public reaction to the withholding act justifies a fair vote on the repeal measure. And the next time he needs some good political advice, he should invite Mr. Kasten in for a friendly chat instead of a public scolding.

Mr. BAKER. Mr. President, I was seeking recognition for the purpose of reserving the right to object.

Mr. President, I walked through the door when I heard the Senator say "and also, I ask unanimous consent." I have no objection to the unanimous-consent request to enter the editorial, but I am worrying about the "also." What was the other part of the unanimous-consent request?

Mr. KASTEN. That was the only part.

Mr. BAKER. Was that the only part? Then I have no objection.

Mr. DOLE. I object to the editorial but I do not mind his putting it in the RECORD.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

SOCIAL SECURITY ACT AMENDMENTS OF 1983

The PRESIDING OFFICER. Under the previous order, the time of 9:30 a.m. having arrived, the Senator will now resume consideration of H.R. 1900, the Social Security Act Amendments of 1983, which the clerk will state by title.

The legislative clerk read as follows:

A bill (H.R. 1900) to assure the solvency of the Social Security Trust Funds, to reform the medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes.

The Senate resumed consideration of the bill.

Mr. DOLE. Mr. President, I think we can do a lot of good here on the social security package in the next few hours. We have contacted a number of Members who have amendments that we believe can be accepted, the first of which is one to be offered by the distinguished Senator from Texas, Senator BENTSEN.

The PRESIDING OFFICER. The pending question is on the Symms amendment.

Mr. DOLE. Mr. President, I ask unanimous consent that that amendment be temporarily laid aside.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

UP AMENDMENT NO. 73

(Purpose: To require exceptions and adjustments in the prospective reimbursement system for large regional and national referral centers)

Mr. BENTSEN. Mr. President, I have an unprinted amendment I would like to send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas (Mr. BENTSEN), for himself and Mr. DOLE proposes an unprinted amendment numbered 73.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 195, line 21, strike out "of public" and insert "of regional and national referral centers, and of public".

Mr. BENTSEN. Mr. President, we are considering today historic legislation that will have far-reaching effects on the delivery of medical services in our Nation. This legislation, establishing a new prospective system for reimbursing hospitals under the medicare program, has sprung from the Congress concern over rising costs of health care and the need to take positive action to hold down future cost increases. What, in effect, you are going to see is a rationing of health care by its very economics. However, we must be equally concerned, as we move into the use of prospective reimbursement, that this system does not impair our ability as a nation to continue on the leading edge of technological innovation and advance in clinical medicine, some of the things that lead to the United States being out on the technological frontier for the delivery of

health care services, nor impair our ability to provide the most critically ill patients suffering multiple complications a commensurate level of care.

In order to preserve and foster these great assets of our health care system, I am offering an amendment to authorize the Secretary to take account, as appropriate, of the special circumstances of facilities furnishing extraordinary medical and surgical care to the sickest and most resource intensive patient populations.

We have a number of hospitals that are national and regional referral centers where we can send patients who require an intensity of resources beyond the capabilities of general community hospitals. One example of such an institution in my State of Texas is the Methodist Hospital. This hospital is nationally recognized as one of the leading hospitals in sophisticated technological advances—pioneering in the treatment of cardiovascular diseases. As a result, Methodist Hospital became the primary teaching institution for many physicians who were later to become well-known and widely respected cardiovascular surgeons.

The Methodist Hospital is one example of such highly specialized facilities. There are others within the Texas Medical Center in Houston, St. Luke's Episcopal Hospital, Hermann Hospital, and the University of Texas Health Science Center. Such advanced institutions have made the Texas Medical Center a mecca of health care, annually attracting patients from all 50 States and from more than 80 foreign countries. Other States also possess institutions with similar characteristics—characteristics which make them regional and national assets.

These large, technologically sophisticated hospitals which serve as regional and national referral centers are characterized by high case mix indices, diverse geographical patient origin, and numerous multidisciplinary medical education programs. Leaders as well in basic and clinical research, these institutions have furnished and must continue to furnish technological leadership in medicine. These hospitals incur costs above those of ordinary hospitals. These additional costs are attributable not merely to the costs of education, but as well to the technological innovation, specialized training, and specialty treatment capacities of these institutions.

These regional and national referral centers are leaders in providing quality health care and are an invaluable national resource. They are in the vanguard of developments in clinical practice, medical technology, and basic and applied research. They have a unique capacity to offer diverse, highly specialized training in all areas of medical and allied health care.

They serve the sickest people in their community, together with a broad international, national, and regional group of referred patients for whom these centers are the place of last resort. To the extent these centers are no longer able to serve the same number of referred patients, other local and regional hospitals will be forced to bear the burden of caring for this critically ill portion of the patient population.

I am delighted and pleased that the distinguished chairman of the committee has chosen to cosponsor this, and I want to say how appreciative I am of the cooperation and help that he has given and for the help of the staff in working to insure the achievement of the objective we seek.

Mr. DOLE. Mr. President, I know there is no objection to the amendment. I wonder if we might—my staff has not yet arrived—have a brief quorum call. I think Miss Burke is on the way.

I have a statement to put in the RECORD. I do not wish to detain the Senator from Texas. The amendment will be accepted, but I wonder if we might wait a minute or two?

Mr. BENTSEN. I have also discussed this with the ranking Democratic member, Senator LONG, who has been most helpful and who shares the same concerns. I urge the Senate to adopt the committee amendment regarding national and regional referral centers to insure that the Secretary will consider any deleterious effects on these centers of the new prospective reimbursement system and to insure that appropriate adjustments in payment rates to such hospitals will be made.

Mr. DOLE. Mr. President, the amendment offered by the Senator from Texas addresses one of the problems I mentioned in my opening statement which quite naturally occurs when a new system of reimbursement is devised—problems which need attention if the system is to be as equitable as possible.

Regional and national referral centers may be quite different from other hospitals. Certainly we know that such centers are magnets—attracting difficult cases that, for one reason or another, cannot be handled elsewhere. We do not have the data, nor can we perform at this time the analysis needed, to verify that such centers require $10, $100, or $1,000 more per case than other hospitals. We do know, however, that some analysis is necessary and if the results so indicate, adjustments must be made for the special needs of these hospitals.

Our intention is to continue to support the enormously important work done by institutions like the Methodist Hospital in Texas. These institutions have a unique capacity to offer diverse, highly specialized care and education in all areas of health care.

The amendment offered by the distinguished Senator from Texas (Mr. BENTSEN) directs the Secretary to examine the experience of these hospitals carefully and to make the necessary adjustments to their reimbursement to account for their special circumstances.

As I have indicated before, the Senator from Kansas supports this amendment. I know the Senator from Louisiana (Mr. LONG) is a cosponsor, and he raised the question in the committee during the committee deliberations.

There is no problem with the amendment except I think Senator COCHRAN wanted to offer a slight amendment to the Senator's amendment, to which I do not think you have any objection, which relates to Mississippi, and he is on his way to the floor.

I suggest the absence of a quorum.

Mr. BENTSEN. Mr. President, if the Senator will withhold, I suggest that Senator LONG, from Louisiana, be listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the role.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 74

Mr. COCHRAN. Mr. President, I send to the desk an amendment to the Bentsen amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi (Mr. COCHRAN) for himself, Mr. STENNIS, and Mr. SPECTER, proposes an unprinted amendment numbered 74 to the Bentsen amendment numbered 73.

After "referral centers" insert "(including those hospitals of 500 or more beds located in rural areas)".

Mr. COCHRAN. Mr. President, I am offering this amendment on behalf of myself, Senator STENNIS, and Senator SPECTER. The purpose of the amendment is to attempt to address a special problem with the provisions of the bill for payment to hospitals for direct costs under medicare.

The bill provides a basic distinction between urban and rural hospitals, with the assumption that the cost incurred by urban hospitals is about 30 percent higher than cost of a rural hospital reflecting the more sophisticated equipment, procedures, and personnel that are necessary to deal with the more complex medical problems

that are encountered in the larger urban areas.

This is true is some cases—maybe in many cases—but there are some special exceptions to that generalization. There is, for example, in my State of Mississippi a 650-bed hospital located in Tupelo, Miss. It is the North Mississippi Medical Center. For all purposes, other than the fact that it is located in an area that is not defined as an SMSA, it is a big hospital, the largest in our State. But because of this arbitrary distinction—maybe it is not arbitrary in all cases—but because of this distinction that is in the bill, it would be eligible for reimbursement at a rate of some 30 percent less than the hospitals in Jackson, Miss., for instance, which are located in the standard metropolitan statistical area.

We had hoped to be able to get the committee to go along with a simple amendment that would treat these large rural area hospitals, with 500 beds or more in their facility, as if they were urban hospitals. I still think that is the simplest way to do it—but because of objections from the Department and the committee, we are offering an alternative.

This will provide for the Secretary to permit payment to these large rural hospitals at the same rate as the urban hospitals if it is found that the cost they incur in delivery of health care justified that level of payment. I am hoping that that will be the decision of the Secretary.

The amendment specifically directs the Secretary of HHS to analyze the circumstances for those rural hospitals with over 500 beds—and there are only four hospitals like this that I know about in the United States—and to make adjustments so that those hospitals can be paid at the rate which reflects their actual cost, even though they would otherwise be in the rural category.

In addition to providing the Secretary with the authority to order payment as if these large rural hospitals were in an urban area, it also permits the Secretary to determine those medical functions where there are higher costs incurred by these large rural hospitals different from the costs for similar medical functions incurred by smaller hospitals in the same areas, and directs her to make reimbursements accordingly, to calculate reimbursement levels that would be fair to the large hospitals based on their higher costs.

I am hoping that this amendment is going to meet the problem, it will, if the Secretary acts promptly and develops a set of rules that will reflect fair treatment for these very large hospitals in rural areas.

In talking with the chairman of the committee and others, I understand that it is the intention of the managers of the bill to accept this suggested change in the language of the legislation, and I appreciate that very much. The distinguished chairman of the committee and Senator BENTSEN have been very courteous and helpful in developing this language to meet this problem which exists in my State and three others. I understand there is a situation in Texas, as well, where they are dealing with a large rural center.

I appreciate the opportunity to offer this amendment at this point on behalf of myself and the other Senators mentioned.

Mr. DOLE. Mr. President, I thank the Senator from Mississippi. His amendment provides an opportunity for adjustments in the case of another small, but important, group of hospitals which could have been all too easily overlooked during the implementation of this new system. We intended to devise this new hospital reimbursement system so as to be responsive to as many concerns as possible.

In the case of the five institutions Senator COCHRAN is concerned with, each is quite large and located in a rural area. They are concerned that their services and their costs more closely approximate those of a large urban hospital.

Certainly the rural-urban split in the prospective rates may not be appropriate in the case of very large acute care hospitals located in rural areas. But rather than pose a simplistic answer to the problem at this time, this Senator feels strongly that we ought to direct the Secretary to make an adjustment that makes sense given the particular circumstances.

This kind of situation is a matter best addressed from an analytical standpoint. It is in our own best interest to see that the Secretary, as in the case of the referral centers, takes a close look at the details and is then required to make appropriate adjustments.

I thank the Senator for his amendment and for his concern.

Mr. BAUCUS. Mr. President, I commend the committee for its amendment regarding hospitals that serve as national and regional referral centers. While the driving force behind the prospective payment system has been the need to restrain cost increases in health care, the committee has shown that it is also mindful of the need to sustain research and development in clinical medicine at the Nation's great medical centers. Such institutions have special capabilities, not ordinarily found in community hospitals, that require technological sophistication and innovation; multidisciplinary and highly specialized training programs; and the capacity, experience, and support systems necessary to care for the sickest, most resource-intensive, patient populations. The cost of care in such hospitals may far exceed the rates at which the hospital would otherwise be reimbursed under the prospective payment system. The committee amendment will insure that, as the Secretary implements this new reimbursement system, he makes appropriate adjustments to payment rates to insure that the ability of our regional and national referral centers to provide the highest quality of care for the sickest of our people is not impaired, and that our commitment as a nation to remain in the forefront of advance in clinical medicine is not diminished.

Mr. STENNIS. Mr. President, earlier this morning I was away from the floor when the Senate considered the Cochran amendment to the Bentsen amendment concerning medicare reimbursement. I was delighted to join my colleague from Mississippi in cosponsoring the amendment.

The North Mississippi Medical Center in Tupelo, Miss., is the largest hospital in my State, with 650 beds. It is a major referral hospital serving a number of surrounding counties in northeast Mississippi. It provides highly sophisticated services which are not available anywhere else within the region and are typically available only at urban hospitals. To provide these services, the hospital must employ specially skilled, technical personnel whose alternative employment opportunities are in urban areas. In short, Mr. President, its costs are greater than those of a normal urban hospital.

The committee bill, in basing reimbursement rates upon whether a hospital is rural or urban, fails to recognize the particular situation of these large, acute care facilities that are located in rural areas but which offer services and incur costs similar to urban hospitals.

The amendments offered by the Senator from Mississippi and the Senator from Texas would authorize the Secretary to make adjustments in the reimbursement rates for those large referral hospitals located in rural States in order to put them on an equitable basis with similar urban hospitals. These amendments are necessary to recognize the unique problems of a very limited number of hospitals. I am pleased that the Senate has accepted these important amendments, and I will continue to work for them until we get them enacted into law.

Mr. BENTSEN. Mr. President, I think the amendment offered by the Senator from Mississippi is a good amendment, a meritorious one. After looking at it and discussing it with the Senator, the chairman of the committee, the Senator from Kansas and I are pleased to support it, and as the ranking minority member present from the Finance Committee, I urge its immediate consideration and adoption.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator from Texas very much. I appreciate his cooperation and assistance in this matter.

Mr. BENTSEN. I know of no objection to the amendment, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 74) was agreed to.

Mr. BENTSEN. Mr. President, I move adoption of the Bentsen amendment, as amended.

The PRESIDING OFFICER. The question is on agreeing to the Bentsen amendment, as amended.

The amendment (UP No. 73, as amended) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment, as amended, was agreed to.

Mr. COCHRAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now recurs on the Symms amendment.

Mr. RIEGLE. Mr. President, my intention is to make a brief set of comments about the social security package. Would that be appropriate at this time?

Mr. BENTSEN. I know of no one else seeking time, Mr. President.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. Mr. President, I want to share with my colleagues my thoughts on this legislation we are considering today designed to secure the financial integrity of the social security system. Clearly, the bill we have before us on the floor is the product of the work and thoughts of many individuals. These individuals have struggled through many difficult choices in their attempt to arrive at a workable solution to the financial shortfall facing the social security system.

While I and others have reservations about certain aspects of the package, I think the Commission deserves praise for their hard work and their perseverance. In particular today I want to commend Senator DOLE, who, as a member of the National Commission and chairman of the Senate Finance Committee, has demonstrated important leadership and sensitivity on this vital matter.

The recommendations of the National Commission and the compromises worked out in the Senate Finance Committee are a remarkable achievement, given the complexity of the problem.

In addition to Senator DOLE, I want to praise the efforts of the senior Senator from New York, Senator MOYNIHAN, for his invaluable contribution in the development of this package. The work of these two colleagues particularly has been, in my view, an important national service.

The problems which the social security system faces in the next few years are overwhelmingly a product of the state of our economy. Several years of high, unprecedented inflation has resulted in a higher level of benefits than anyone had anticipated. At the same time, because of excessive levels of unemployment, a lower number of workers have been contributing into the system which resulted in lower than expected levels of revenue. So getting our national economy back on track and moving forward with real economic growth, with people back at work, is the most fundamental way to solve the problems of social security.

With regard to the package before us today, I am especially pleased that several provisions contained in the legislation are ones which I first introduced in September 1981 and again introduced in February of this year. These proposals are an integral part of the legislation that the Senate is now considering.

The critical elements are common to both my proposals and the plan we are now considering, and address the issues of complete interfund borrowing, recrediting the trust funds with unnegotiated checks, and establishing public participation on the board of trustees.

The fourth remaining component of my legislation which was included in the National Commission's recommendations but which is absent from the bill reported from the Senate Finance Committee, would remove social security from the Unified Federal budget. This would have the effect of removing social security from the political forces which are part of the congressional budget process.

As debate on the social security amendments unfolds, Senator HEINZ and I will address this situation by offering an amendment following the House-passed bill, which would remove social security from the unified Federal budget starting in fiscal 1988.

While I and many of my colleagues have strong reservations about some of the provisions of the pending bill, I am hopeful that we can join together to hammer out an acceptable compromise through the amendment process. I did, however, at the outset, want to take this opportunity to congratulate the participants who have been so instrumental in the development of this package and bringing it to the floor at this time.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFFICER (Mr. HUMPHREY). The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFFICER (Mr. SYMMS). Without objection, it is so ordered.

The Senator from New Hampshire is now recognized.

UP AMENDMENT NO. 75

(Purpose: To prohibit payment of benefits to inmates of facilities for the criminally insane)

Mr. HUMPHREY. Mr. President, in 1981, the Congress, with excellent justification, cut off social security benefits——

The PRESIDING OFFFICER. Will the Senator suspend?

May we have order in the Chamber so the Senator can be heard and the Chair can hear the Senator? Those Senators conferring in the Chamber will please retire to the back of the Chamber so the Senator from New Hampshire can be heard.

Mr. HUMPHREY. I thank the Chair.

Mr. President, in 1981, the Congress, with excellent justification, suspended social security benefits to persons convicted of crimes; that is, to criminals. In the current social security reform package pending, the Congress proposes to tighten up further on that procedure to deny all benefits, not just disability benefits, but all benefits which are now being extended to convicted criminals.

Some months ago, during one of my frequent visits to the State which I have the honor of representing, one of my constituents came to me and complained that he knew of a number of instances where persons committed to the State hospital for having committed crimes but adjudged not guilty by reason of insanity were receiving social security benefits and using them to improve their standard of living, shall we say, to buy TV sets for their rooms and other unessential material possessions or were simply accumulating a savings account.

Mr. President, were it not for the finding that these people were adjudged insane, they would not be in hospitals but in penal institutions. So the category of not guilty by reason of insanity does not imply in any way that these people are innocent. Except for their mental condition they would have been found guilty and prosecuted under the law. But because of their mental deficiency, or whatever, they are categorized as not guilty by reason of insanity and placed in medical facilities instead of penal institutions.

The point I am trying to make is that this category of person is no more entitled to social security benefits accuring to his person than is someone adjudged a criminal and placed in a penal institution.

Therefore, Mr. President, I am offering this amendment which I now send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to setting aside the pending amendment? Hearing none, the pending amendment is set aside.

The clerk will report the Humphrey amendment.

The assistant legislative clerk read as follows:

The Senator from New Hampshire (Mr. HUMPHREY) proposes an unprinted amendment numbered 75.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 106, line 4, before the period insert the following: "or would be so confined but for his confinement in a psychiatric or other medical facility, or for any month during which such individual is confined in a facility for the criminally insane, or any other psychiatric facility, by reason of his having been found not guilty of a crime (which would have constituted a felony under applicable law) by reason of insanity."

On page 106, line 21, after "applicable law," insert the following: "or would be so confined but for his confinement in a psychiatric or other medical facility or who is confined to a facility for the criminally insane or other psychiatric facility under the jurisdiction of such agency by reason of his having been found not guilty of a crime (which would have constituted a felony under applicable law) by reason of insanity."

Mr. HUMPHREY. The effect of the amendment is to cut off social security benefits to those adjudged not guilty by reason of insanity. This in no way affects benefits for which such persons' families might be eligible. This stricture applies to the person himself found not guilty by reason of insanity, just as the stricture enacted by Congress in 1981 applying to criminals applies only to that person found guilty and not to any benefits to which his family might be entitled.

The manager on the majority side has agreed to this amendment, I understand. I believe it has been cleared by the minority. I yield at this time. Perhaps the manager cares to comment on the amendment.

Mr. ARMSTRONG. Mr. President, I do not think this amendment requires much discussion because I believe that the case which has been set forth for its adoption by the Senator from New Hampshire is completely clear and entirely persuasive.

I just want to congratulate him for closing the loop here and for perceiving an area which had not been adequately treated by the bill as it came from the Finance Committee. It is, of course, typical of the scholarship and participation which he brings to this matter that he would propound such an amendment. We appreciate his doing so, and I hope all Senators will vote for this amendment.

Mr. HUMPHREY. I thank my colleague from Colorado.

If we could have the attention of the distinguished ranking member of the Appropriations Committee, I believe we are prepared to dispose of this amendment, but I want to give an opportunity to the minority to comment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment of the Senator from New Hampshire (Mr. HUMPHREY).

The amendment (UP No. 75) was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ARMSTRONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MOTION TABLED TO RECONSIDER UP AMENDMENT NO. 70

Mr. HUMPHREY. Mr. President, I also move to reconsider the vote by which the Humphrey amendment was agreed to yesterday. This is the one dealing with requiring the Treasury to print on social security checks a legend indicating that fraudulent cashing of a check is a Federal felony.

Mr. ARMSTRONG. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ARMSTRONG. The question is on the bill.

Mr. HUMPHREY. Mr. President, I believe we have another noncontroversial amendment that has been cleared by both sides.

I spoke too soon, Mr. President, I yield the floor.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 76

(Purpose: To require establishment of a program for obtaining death certificates to prevent erroneous benefit payments to deceased individuals)

Mr. HUMPHREY. Mr. President, yesterday the Senate accepted an amendment which I offered and to which I alluded a moment ago; namely, that which requires the Treasury to print a legend on each social security check and the envelope in which it was mailed indicating it is a Federal felony to fraudulently cash or attempt to cash a check issued to a deceased person and indicating that that is a crime punishable by a maximum penalty of 5 years in prison or a $5,000 fine.

The amendment agreed to yesterday addresses the problem of the millions of dollars being lost every year in benefits being paid to deceased persons and whose demise has not been brought to the attention of the Social Security Administration.

As I said yesterday, this approach, the printing of the legend on the check is not a perfect and full remedy for the situation.

Therefore, I propose another amendment which I send to the desk.

The PRESIDING OFFICER. Is the Senator asking unanimous consent to set aside the pending business?

Mr. HUMPHREY. I ask unanimous consent that the pending business be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the Humphrey amendment.

The assistant legislative clerk read as follows:

The Senator from New Hampshire (Mr. HUMPHREY) proposes an unprinted amendment numbered 76.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of Title I add the following new section:

USE OF DEATH CERTIFICATES TO PREVENT ERRONEOUS BENEFIT PAYMENTS TO DECEASED INDIVIDUALS

SEC. 153. Section 205 of the Social Security Act is amended by adding at the end thereof the following new subsection: "Use of Death Certificates to Correct Program Information

"(r)(1) The Secretary shall undertake to establish a program under which—

"(A) States (or political subdivisions thereof) voluntarily contract with the Secretary to furnish the Secretary periodically with information (in a form established by the Secretary in consultation with the States) concerning individuals with respect to whom death certificates (or equivalent documents maintained by the States or subdivisions) have been officially filed with them;

"(B) There will be (1) a comparison of such information on such individuals with information on such individuals in the records being used in the administration of this Act, (2) validation of the results of such comparisons, and (3) correction in such records to accurately reflect the status of such individuals."

"(2) Each State (or political subdivision thereof) which furnishes the Secretary with information on records of deaths in the State or subdivision under this subsection may be paid by the Secretary from amounts available for administration of this Act the reasonable costs (established by the Secretary in consultations with the States) for

transcribing and transmitting such information to the Secretary.

"(3) In the case of individuals with respect to whom federally funded benefits are provided by (or through) a Federal or State agency other than under this Act, the Secretary shall to the extent feasible provide such information through a cooperative arrangement with such agency, for ensuring proper payment of those benefits wth respect to such individuals if—

"(A) under such arrangement the agency provides reimbursement to the Secretary for the reasonable cost of carrying out such arrangement, and

"(B) such arrangement does not conflict with the duties of the Secretary under paragraph (1).

"(4) The Secretary may enter into similar agreements with States to provide information for their use in programs wholly funded by the States if the requirements of (r)(3)(A) and (r)(3)(B) are met."

"(5) The Secretary may use or provide for the use of such records as may be corrected under this section, subject to such safeguards as the Secretary determines are necessary or appropriate to protect the information from unauthorized use or disclosure, for statistical and research activities conducted by Federal and State agencies.

"(6) Information furnished to the Secretary under this subsection may not be used for any purpose other than the purpose described in this subsection and is exempt from disclosure under section 552 of title 5, United States Code, and from the requirements of section 552a of such title."

"(r)(7) The Secretary shall include information on the status of the program established under this section and impediments to the effective implementation of the program in the 1984 report required under Section 704 of the act.

Mr. HUMPHREY. Mr. President, under Public Law 97-123, the Social Security Administration was required to conduct a pilot program under which it arranged with the States to obtain from them vital statistics; namely, death notices. The point, of course, was to devise a means of eliminating the waste and the fraud that occurs when checks are made out to deceased persons and are negotiated in one way or another; that is, cashed.

The pilot program required under 97-123 was highly successful, but because it was only a pilot program it has now concluded and there is no mechanism currently in place to insure its continuation.

Mr. President, in the House version of the bill before us, there is a provision authored by Representative GRADISON which would extend or begin a new program requiring the Social Security Administration to contract with the various States on a voluntary basis for obtaining vital statistics such that it can learn of the demise of beneficiaries in situations where it now does not learn of that event.

The amendment before us which I have just offered is very nearly identical to that which is already contained in the House version. However, there are a number of minor changes—in my view improvements—and likewise in the view of Congressman GRADISON, which have been made in this amendment, all of which are consistent with recommendations made by the General Accounting Office and the Social Security Administration on this score; namely, the obtaining of vital statistics from the States.

Mr. President, both the majority and minority sides have examined this amendment and are willing to incorporate it into the bill.

I yield the floor at this time in case the managers on either side desire to comment at this point.

Mr. ARMSTRONG. Mr. President, having conferred with the distinguished minority manager of the bill, the Senator from Louisiana, we are prepared to accept this amendment. We think it is a constructive change and, in fact, addresses itself to a problem which, in the long run, could cost substantial amounts of money for the social security fund. We think this is a very useful approach and we are grateful to the Senator from New Hampshire for raising the issue. We urge an aye vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 76) was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ARMSTRONG. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question recurs on the Symms amendment.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the Symms amendment be set aside and that I may be permitted to offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 77

(Purpose to permit employers with less than $5,000 in monthly withholding to deposit taxes 15 days after the calendar month in which taxes are collected)

Mr. ARMSTRONG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Colorado (Mr. ARMSTRONG), for himself and Mr. BAUCUS, proposes an unprinted amendment numbered 77.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following:

"SEC. ( ) SIMPLIFIED PAYROLL PROCEDURES

(a) GENERAL RULES.—Effective for months beginning after December 31, 1983, in applying section 31.6302(c)-1(a)(1)(i)(b) of the Internal Revenue Regulations—

(1) "$5,000" shall be substituted for "$3,000" in such section with respect to the first deposit required to be made during any calendar month."

Mr. ARMSTRONG. Mr. President, the amendment addresses itself to a relatively simple matter but one which is of great interest to a number of small business concerns throughout the country. As Senators know, employer tax withholding deposit requirements are determined by the Internal Revenue Service in accordance with a series of thresholds that allow employers with $500 or less in monthly withholding of social security and income taxes the opportunity to deposit once a month or once a quarter. For those employers who have withholdings in the amount of $500 but not to exceed $3,000, they deposit 15 days after the calendar month in which taxes are collected. Those employers who have more than $3,000 a month in withholding deposit within 3 days after the liability incurs. Now, that could be up to eight times a month.

The purpose of the amendment which I have offered on behalf of myself and the Senator from Montana (Mr. BAUCUS) is simply to raise that threshold from $3,000 to $5,000. In other words, it would permit employers with less than 5,000 in monthly withholding to deposit taxes 15 days after the calendar month in which the taxes are collected. This amendment simply provides a degree of relief to small business in a matter that is of serious administrative concern to them. Now, we are talking about really very small companies. We are not talking about even medium size and certainly not in any even large companies, but we are talking about, first, the cash management problem which small businesses have and, second, the administrative problem, because while it may be possible, at least barely possible, for a large company that has substantial data processing resources to cope with the demands of depositing several times a month, it is very, very difficult for a small company, for a gas station or a small retailer or a dry cleaner or a service business to do that. And so this provision——

The PRESIDING OFFICER. Will the Senator suspend? May we have order?

Mr. ARMSTRONG. This merely provides a degree of relief from that problem.

So with that word of explanation and while awaiting the arrival on the floor of our colleague from Montana, who I believe may wish to say a word

on this, I will ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ARMSTRONG. Mr. President, while awaiting the arrival of other Senators who may wish to speak on this matter, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I join the Senator from Colorado in offering his amendment, and I thank the Senator for the work he has undertaken in crafting this amendment.

The Senator, as we all know, has spent many hours, many weeks, many months—so far as we know, even years—on the general question of social security, and working on the Commission. He has labored very diligently and industriously, and I think he has as much knowledge as anyone else of the intricacies and the problems facing our social security system. He certainly knows the problems that face small business.

This is a simple amendment. It is very brief; it is equitable. It is designed to help small business, very simply, by providing that any businessman who holds less than $5,000 in FICA payments need only deposit those payments on a monthly basis, 15 days after the end of each month.

The problem at this time is that businesses that hold $3,000 or more have to deposit up to eight times a month. That is the same provision that applies to businesses of all sizes. This amendment would enable small businesses, those with about 15 to 20 employees, to deposit withheld payroll taxes once a month, 15 days after the end of each month.

This amendment would not cost very much. It is less than $1 billion for the decade. That might sound like a lot of money, but we all know that in dealing with the social security system, it is minimal.

This amendment is endorsed by many organizations—the National Federation of Independent Business, the Chamber of Commerce, the National Association of Wholesalers and Distributors, and others. Obviously, it is one that is needed for our economy as we work ourselves out of the recession, on the road to recovery. Working capital will be increased for capital—starved small businesses, and the administrative savings from paying monthly will also be significant.

I have one final point which is often made but is one that I think we should keep in mind: Most innovation in America comes from small business. We might think that any innovation, new ideas, or increases in productivity come from big business. That is not the case. Studies show that, by far, most innovation, most new ideas, most increases in productivity come from small businesses. In the main, that is because smaller businesses enable the entrepreneur to develop new ideas; whereas, in larger business, often the size of the business and the bureaucracy tend to stifle new ideas, and increases in productivity.

Mr. President, I do not want to belabor the point. This is a simple and fair amendment. It gives a bit of relief to America's small businesses.

Mr. President, a final point: I think that, by and large, the recommendations of the National Commission on Social Security are on the right track. Each of us might have minor adjustments we would make; but I think, by and large, it is pretty much on the right track, because there is no better alternative.

The problem, though, is that when you look at the whole realm of the burden business has to bear in contributing to the package of the National Commission, it is clear that big business can withstand some of the burdens a little easier than can small business. Big business tends to be in a little better position to pass on those cost increases in terms of higher prices. That is somewhat less true in the case of small business. Small business tends to be locked in a little more.

It is for that reason that the Senator from Colorado and I think small business deserves a little break to even out the burden, to even out the equities. This is truly more fair, so the package will be truly more balanced.

For those reasons, I hope our colleagues will support the amendment, and I urge its quick adoption.

Mr. ARMSTRONG. Mr. President, if the Senator will yield, I congratulate him on his statement. He has presented the amendment with great clarity, but also he has made a point that we need to emphasize every day of the year, and that is that the economic future of this country depends on small business. That is not to denigrate the enormous contribution large concerns make to our economy in the employment they provide. But, in reality, it is not the big companies that are the creative, energizing force of new ideas and new employment opportunities. It is the small companies, the companies which do not have elaborate administrative superstructures, which do not have the ability to cope with making deposits of withholding tax several times a month.

The Senator from Montana and I are talking about very small firms. We are not talking about even medium-sized companies when we say that their withholding might be $4,000 or $5,000 a month. This is perhaps a firm that has a dozen or 15 or, at most, 20 employees. So we are not talking about large companies.

I appreciate the Senator from Montana particularly making that point, because I would not want there to be any confusion. This is simply a practical problem that we are addressing, and I thank him for his participation and leadership on this issue.

Mr. BAUCUS. I thank the Senator.

Mr. President, one more point: Often, the first question Senators ask themselves about an amendment is, "Does this break up the package? Does this bust the package?" Some amendments do and some amendments do not bust the package. Certainly, amendments that cost large amounts will bust the package. Amendments that do not cost large amounts will not. This is in the latter category. This is a small amount amendment. Therefore, I submit that it will not bust the package. It is an amendment that is fair and equitable.

Mr. SYMMS. Mr. President, will the Senator yield?

Mr. BAUCUS. I yield.

Mr. SYMMS. Mr. President, I agree with what both Senators have said. I appreciate the Senator from Montana and the Senator from Colorado bringing this amendment to the floor.

It will not break the package, but it may save a lot of small businesses that are right on the margin now, because it will be one less headache. So, in the long run, the $1 billion projected cost, as the Senator from Montana accurately points out, in terms of the social security program, is not going to make or break the system. In fact, it may not cost anything in the long run, just because it removes the necessity for some unnecessary redtape. Also, it will help some of those businesses facilitate their normal operations and pay their bills. It is an amendment that affects every State.

I think the Senator from Montana and the Senator from Colorado are correct. Small businessmen and businesswomen of America literally are the backbone of the enterprise system in this country.

This is one thing that we could and should do to improve this package. I hope that we can get an overwhelming majority vote for this amendment. It is just plain commonsense. I know from personal experience that it is very helpful to the small businessman who has cash flow and accounting difficulties.

I thank both Senators for offering the amendment.

Mr. BAUCUS. Mr. President, I yield the floor.

Mr. DOLE. Mr. President, I do not know that the Senator from Kansas has any problem with the amendment, but again I think we should state for the RECORD that it is not cost free as far as the trust fund is concerned. We are concerned about the status of the social security trust funds.

We are advised that the budget effect of this amendment is $500 million in 1984 and $1 billion over the decade. It will decrease the trust fund receipts by $200 million in 1984 and $400 million over the decade. It will also reduce general revenues in the amount of $300 million in 1984 and $600 million over the decade.

As pointed out, the Senator from Kansas had to be absent from the Chamber, but this amendment was discussed in the Finance Committee by the distinguished Senator from Colorado, the Senator from Montana, and I believe the Senator from Idaho.

It is an expensive provision to both the social security trust fund and the Federal budget generally. We were trying to figure out some way to satisfy the concerns of small business without having such a significant impact on the trust funds and on the Federal budget generally. Apparently we did not get that worked out.

● Mr. LEVIN. Mr. President, I cosponsor and support the Armstrong-Baucus amendment which will reduce the paperwork burden on many small businesses by allowing them to deposit social security payroll taxes on a monthly basis rather than more frequently.

The burdens that we have placed on small business are heavy. The struggle that they face in this recession is deep. We should be ever sensitive to the paperwork and redtape burdens which we impose upon them.

This amendment is one way of reducing those burdens and displaying that sensitivity and we should grasp the opportunity to do so. I am happy to be a cosponsor.●

Mr. DOLE. Mr. President, I have now discussed this amendment with the principal sponsors, the Senator from Colorado, the Senator from Montana, and with the distinguished ranking minority member, Senator LONG. I am prepared to accept the amendment if there is no objection of the Senator from Louisiana.

Mr. LONG. Mr. President, I am willing to accept the amendment.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered

Mr. DOLE. Mr. President, a parliamentary inquiry. Would the pending matter be the vote on the Armstrong amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. ARMSTRONG. Have the yeas and nays been ordered?

The PRESIDING OFFICER. They have been ordered.

The question is on agreeing to the amendment of the Senator from Colorado (Mr. ARMSTRONG). The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from New York (Mr. D'AMATO) is necessarily absent.

I further announce that, if present and voting, the Senator from New York (Mr. D'AMATO) would vote "yea."

Mr. CRANSTON. I announce that the Senator from South Carolina (Mr. HOLLINGS), the Senator from New York (Mr. MOYNIHAN), and the Senator from Arkansas (Mr. PRYOR) are necessarily absent.

The PRESIDING OFFICER (Mr. SYMMS). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 28 Leg.]

YEAS—96

Abdnor	Glenn	Metzenbaum
Andrews	Goldwater	Mitchell
Armstrong	Gorton	Murkowski
Baker	Grassley	Nickles
Baucus	Hart	Nunn
Bentsen	Hatch	Packwood
Biden	Hatfield	Pell
Bifgaman	Hawkins	Percy
Boren	Hecht	Pressler
Boschwitz	Heflin	Proxmire
Bradley	Heinz	Quayle
Bumpers	Helms	Randolph
Burdick	Huddleston	Riegle
Byrd	Humphrey	Roth
Chafee	Inouye	Rudman
Chiles	Jackson	Sarbanes
Cochran	Jepsen	Sasser
Cohen	Johnston	Simpson
Cranston	Kassebaum	Specter
Danforth	Kasten	Stafford
DeConcini	Kennedy	Stennis
Denton	Lautenberg	Stevens
Dixon	Laxalt	Symms
Dodd	Leahy	Thurmond
Dole	Levin	Tower
Domenici	Long	Trible
Durenberger	Lugar	Tsongas
Eagleton	Mathias	Wallop
East	Matsunaga	Warner
Exon	Mattingly	Weicker
Ford	McClure	Wilson
Garn	Melcher	Zorinsky

NOT VOTING—4

D'Amato	Moynihan
Hollings	Pryor

So Mr. ARMSTRONG'S amendment (UP No. 77) was agreed to.

Mr. BAUCUS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAUCUS. Mr. President, I ask unanimous consent that Senator LEVIN, Senator SASSER, Senator MITCHELL, Senator BRADLEY, Senator LAUTENBERG, and Senator JEPSEN be added as cosponsors of the amendment that was just agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader is recognized.

EMERGENCY JOBS APPROPRIATIONS, 1983 (H.R. 1718)

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I stand here a man buoyed with the happy thought that we may indeed have an agreement dealing with interest and dividend withholding on the jobs bill. I hope I am not unduly optimistic when I say that I believe what I am about to describe will resolve that issue on a basis that appears at this point to be satisfactory to the Senator from Wisconsin and the Senator from Kansas. I have reached the point where almost anything would be satisfactory with me.

There are a number of parts to this request so once again what I intend to do is to describe the request and I am going to put it in a few moments, but in the meantime I will suggest the absence of a quorum after I state the description of the request that I intend to put at some point.

PROPOSED UNANIMOUS-CONSENT REQUEST

The request I am not now putting but will put shortly will read this way:

I ask unanimous consent that the pending measure, which is the social security bill, be temporarily laid aside and the Senate proceed to the consideration of the reciprocity bill, S. 144, which by the way is on the calendar.

I further ask unanimous consent, I will say at the appropriate time, that when that measure, meaning the reciprocity bill, is before the Senate, it will be before the Senate only for one purpose and that is to permit the Senator from Wisconsin (Mr. KASTEN) to offer one amendment dealing with interest and dividend withholding.

I will then ask unanimous consent that no other amendment to the Kasten amendment be in order at this time and that no other amendment be in order at this time, that no debate be in order at this time, that no point of order be in order at this time, and that immediately after the reporting of the Kasten amendment the Senate then, without any further action, resume consideration of the jobs bill, with no further amendment dealing with dividend and interest withholding being in order to the jobs bill; that following the disposition of the jobs bill the Senate resume consideration of the social security bill, and that on April 15, of this year, 1 hour after the Senate convenes, the Senate then

resume consideration of the reciprocity bill, S. 144, and at that time the Kasten amendment will be the pending question.

I further will ask unanimous consent that the Kasten amendment to the Abdnor amendment on which the yeas and nays have already been ordered be withdrawn.

That will be the request that I will put, Mr. President, and the practical effect of that request will be to provide that we can get on with the jobs bill today and I think we will finish it today free of the interest and dividend withholding question.

It will provide that we will get on with the social security bill, and frankly, I hope but I am not now asking that no interest and dividend withholding amendment will be offered to social security, but that is not included in this request, and that on April 15 the Senator from Wisconsin is assured that he will have this bill, which is presently on the calendar, without any parliamentary situation that would prevent it, and he will have his opportunity then to debate his amendment which will already be pending as the question before the Senate.

At that time other amendment, of course, would be in order, including amendments to the Kasten amendment. At that time there would be a free-flowing debate on the reciprocity bill or on the Kasten amendment or any other amendment or any point of order if it is appropriate under the rules of the Senate at that time.

In a word, nothing is being done here that would affect the interested parties either as to the reciprocity bill or as to the amendment that Senator KASTEN would offer or any other amendment that might be offered and qualify under that provision.

Now, I am told that there are perhaps two Kasten amendments dealing with interest and dividend withholding that have already been filed. One of them is to the Abdnor amendment and one is to the committee amendment.

So the request when I put it will be that notwithstanding the yeas and nays it be in order to withdraw, and I will include in the request that they be withdrawn.

That will be the request I will put, Mr. President, and it is a complex request. Therefore, I am stating it in advance.

But I must say in all fairness that I commend both the Senator from Wisconsin and the Senator from Kansas for giving their preliminary consent to this because I think it is a high act of statesmanship for both of them that they are going to permit the Senate now to go forward, if this consent is granted, with the orderly disposition of the important business before us.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. BAKER. Mr. President, if the Senator will permit me to yield first to the Senator from Kansas, then I will be pleased to yield to the Senator from Florida.

Mr. KASTEN. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. KASTEN. Mr. President, first of all, I thank the majority leader for his patience and cooperation in working this out.

We are at the point that a number of us hoped we would be at yesterday or the day before, and we now have an agreement which I believe is significantly different and better than anything we have had in the past. I thank the Senator for his cooperation and for his work, and I also thank the Senator from Kansas.

First of all, we have a specific bill to work with and the bill will be called up today and it will be ordered to be laid over, but more importantly we will prevent the possibility of amendments bunching up in between the Kasten amendment and the bill. It will make it possible so that the issue of withholding will be an issue that will be before the Senate on that day on April 15 rather than at some day out in the future that we could not be sure of.

The fact that the majority leader is actually bringing the bill up today and having it introduced is significant and important. I believe that this is a significant step for all of us who support repeal of the 10-percent withholding. Clearly a majority of the Senate wants the opportunity to vote up or down on this issue, and I believe that this agreement will give us that opportunity to vote up or down on this issue in a place where Senators frankly will be able to vote on this issue and this issue alone rather than it being cluttered up or confused with the questions of the jobs bill or of the unemployment compensation section.

So I am hopeful that we can agree to this, and I thank the majority leader for working with me in terms of organizing this particular agreement.

(Mr. SYMMS assumed the chair.)

Mr. BAKER. Mr. President, I thank the Senator from Wisconsin.

I yield now to the Senator from Florida.

Mr. CHILES. I thank the majority leader. I compliment the majority leader on the time and effort he has put in over a number of days in order to try to achieve this unanimous-consent agreement. I think the unanimous-consent agreement is a good one except I am concerned when I heard the majority leader say there was nothing in here to determine whether an amendment would be offered, a similar type of amendment, on dividend and interest withholding to the social security bill.

If we have gone through this whole exercise we have gone through now, and we have reached an accommodation of allowing an amendment to be put on the reciprocity bill, and then we may be faced with the same thing, another amendment on social security and another hold up, this Senator does not think that is a complete agreement, and I think I would object to it unless I have some assurance we are not going to face this same thing on the social security bill. We might as well just have it up now and determine what it is going to be because the jobs bill is very important, but to this Senator and, I think, to many of us, the social security bill is more important.

To get it into a position where it is going to be held hostage, I think would be the worst thing to do. It is sort of as if you made an agreement but you have left yourself open to agree further. I am not a party as to how we go on either of these amendments. I am more concerned with the time than I am with the merits of the amendment.

Mr. BAKER. Mr. President, I cannot tell the Senator from Florida how much I agree with him except that I think we ought to move ahead with what we can get.

I had originally asked for the inclusion of an agreement that neither the social security bill nor the jobs bill would have a dividend and interest withholding amendment and, frankly, I must say in all candor I had suggestions from both sides of the aisle, not just this side. But both sides thought that, perhaps, it was too soon to do that.

We all know how the Senate works. It takes us a while not only here but other places to understand and to feel these proposals and to assess them.

So I think it is too soon. But the Senator can be assured I am going to try to do that and I am going to do it as soon as I feel there is a reasonable opportunity to get it done. But I would have to put the request at this time and have an objection to it, and I think there would be an objection, perhaps several objections, and certainly from both sides of the aisle.

Let me say this to my friend from Florida—and he is my friend—I agree with him absolutely, and I enlist and solicit his help and assistance in this business of trying to argue out of that position any Members who may harbor such nefarious thoughts.

Mr. CHILES. You have my assistance. But I would like to hear something more forthcoming on this because I do not believe it has ripened to the point where we can make such an agreement if we do not have a similar agreement on social security.

Mr. KASTEN. Mr. President, will the Senator yield?

Mr. BAKER. Let me say one further thing, if I may, and then I will yield to the Senator from Wisconsin. There is

one big difference. There are a number of things, for instance, you cannot do, but one thing at a time can be done, and there is one big difference. We have a deadline on certain aspects of this bill that we have already passed—that is the deadline. I am talking about unemployment benefits, for one.

I called downtown today and talked to representatives of the White House and the Department of Labor about where we are in unemployment funding, and let me tell you what they told me. I asked them to give me the absolute straight dope, I do not want it for any strategic or tactical purposes, but I want to know where we are because we cannot play with the fate of people who are expecting and are entitled to unemployment checks.

We have $102 million today in that account. Their average drawdown is $100 million a day. They expect, however, that they cannot get through Monday unless we can do something here.

The House is only in pro forma today and not at all tomorrow, so it is going to be Monday before we can do anything. I am afraid we have already passed the time that we can avoid any dislocation, but we certainly can minimize it and provide assurance that if the matter is at rest, if we go ahead with this bill at this time, then I urge we have to do that. I think we can continue to work. I have been working for days now trying to get this worked out, and I will assure the Senator from Florida I am going to work just as diligently in trying to salvage the social security bill.

The Senator is right, it is just as important in terms of the number of people involved, and more important, perhaps, than the jobs bill. But the jobs bill has an urgent priority that we cannot overlook, I believe, and I really hope the Senator from Florida will join me in trying to work this thing out so it does not happen on social security. But in the meantime, I hope the Senator will not object to the request when I put it.

Mr. President, let me yield now to the Senator from Wisconsin.

Mr. KASTEN. I would just like to respond briefly to the Senator from Florida. I do not intend to offer my amendment to repeal the withholding on the social security bill.

Mr. BAKER. I did not understand the Senator.

Mr. KASTEN. I did not intend to offer my amendment to repeal the 10-percent withholding on the social security bill. I want to let the Senator from Florida know that.

Mr. BAKER. I thank the Senator from Wisconsin, and I am much encouraged by that, and I will make this proposal. I am perfectly willing, after we get this agreement, to go ahead then and make the request with respect to the social security bill.

Mr. President, I now yield to the Senator from Kansas.

Mr. DOLE. As I understand, there is going to be a short quorum call before the request is made?

Mr. BAKER. Yes; the Senator is correct.

Mr. DOLE. I would just say at the outset I have looked at this rather carefully, and I think it is pretty much what we have been talking about in the last couple of days. I do not see any reason to object to it.

The only thing the Senator from Kansas loses in this is the right to filibuster, the right to proceed to the consideration of the bill, and I think there are enough other things we can think of between now and April 15 to give us some time to debate it. That is the only question the Senator from Kansas has, because he wants this issue as fully understood as possible and he wants the mail answered. There may be a little different approach, but I would say to the majority leader that a preliminary reading would indicate that the Senator from Kansas has no problems.

I am concerned, as is the Senator from Florida, about social security. Although the Senator from Wisconsin indicated he does not plan to offer an amendment, I would guess there may be others who feel as strongly about withholding as the Senator from Wisconsin. But I doubt that there will be any of those types of amendments offered to the social security bill. It is my hope we can finish social security, if not tomorrow night, early next week.

Mr. BAKER. I thank the Senator.

Does the minority leader wish to be heard?

Mr. BYRD. Mr. President, will the majority leader indulge me?

Mr. President, I have one Senator who at the moment is in a position that would preclude my going along with the agreement, but we are trying to work it out. I would say if the majority leader can get the agreement it would certainly expedite our business. I think without the proposal that there would be no withholding amendment on the social security bill the majority leader loses nothing because without the agreement such an amendment can be offered, so I would say to my friend from Florida if I were in the majority leader's position I would try hard to get this half loaf or three-quarter loaf, and then try to get the rest of the loaf later. I do not think by not precluding the offering of this amendment to the social security bill the majority leader loses anything because it can be afforded without the agreement. But I am working with one Senator who, in turn, is working with another Senator, and hopefully we can get back to the majority leader soon with an agreement on this side.

I hope the Senator from Florida—and, of course, he will speak for himself—will agree to that.

Mr. BAKER. Mr. President, may I inquire of the distinguished manager of the bill and the minority manager of the bill if there is any business they can transact would they prefer to have a quorum call?

Mr. DOLE. There are some amendments that I do not think are in dispute we can dispose of, one by the Senator from California (Mr. CRANSTON) and the Senator from Wyoming (Mr. SIMPSON).

Mr. BAKER. Why not do that and at approximately 1 p.m. I will confer with the minority leader on this subject.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY ACT AMENDMENTS OF 1983

UP AMENDMENT NO. 78

(Purpose: To permit an administrative reorganization of certain Veterans' Administration offices)

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of the distinguished Senator from California, Senator CRANSTON, and the distinguished Senator from Wyoming, Senator SIMPSON.

I might say, before sending it to the desk, that it is a technical amendment that they have asked we try to dispose of when we had an opportunity.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object. I have no objection.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE), on behalf of the Senator from California (Mr. CRANSTON) and the Senator from Wyoming (Mr. SIMPSON), proposes an unprinted amendment numbered 78.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFFICER. Without objection, it is so ordered.

The amendment is as follows:

Add at the end of the bill the following new title:

TITLE —VETERANS' ADMINISTRATION REORGANIZATION

SEC. . The requirements of section 210(b)(2)(A) of title 38, United States Code, shall not apply to the planned administrative reorganization at the Veterans' Administration Los Angeles Data Processing Center involving the transfer of 25 full-time equivalent employees from the Office of Data management and technology to the Department of Medicine and Surgery of the Veterans' Administration.

Mr. DOLE. Mr. President, as I indicated, this is an amendment that I have offered on behalf of the distinguished Senator from California, Senator CRANSTON, and the distinguished Senator from Wyoming, Senator SIMPSON. It is a noncontroversial amendment relating to the transfer of a small number of VA employee positions from one VA department to another in Los Angeles. It is one that there has been an agreement upon. It is technical in nature. I know of no objection to the amendment.

Mr. BAUCUS. Mr. President, as far as I understand on this side of the aisle, there is no objection.

This amendment does not relate to social security. It relates to an internal reorganization problem in the Veterans' Administration, and the Administration needs the amendment in order to transfer 25 full-time equivalent employees from one agency to another within the Veterans' Administration.

I am not aware of any opposition to the amendment.

Mr. CRANSTON. Mr. President, I am pleased to join with my good friend, the chairman of the Veterans' Affairs Committee (Mr. SIMPSON), in submitting for printing a noncontroversial amendment to S. 1 that we intend to offer during Senate consideration of S. 1 later this week. The substance of the amendment—relating to a staffing reorganization in the Veterans' Administration—is not related to the subject matter of S. 1. Rather, we are proposing to add it to S. 1 because of the need to insure early enactment of the provisions of our amendment.

Mr. President, I will ask that a February 1, 1983, letter from Administrator of Veterans' Affairs Harry N. Walters to me be printed in the RECORD at the conclusion of my remarks. In that letter, Mr. Walters explains in some detail the situation that prompts our amendment. Stated very briefly, the VA is seeking to accomplish an intra-agency transfer of 25 full-time equivalent employees from an office in one VA department to an office in another in connection with the agency's efforts to develop a decentralized automated data processing—ADP—system in the VA health-care system. As Administrator Walters noted in his letter, the transfer is considered necessary by the VA in order to comply with the thrust of provisions in Public Law 97-377, the current fiscal year 1983 continuing resolution signed into law on December 21, 1982, that are aimed at eliminating certain centralized ADP activities at VA medical facilities. The 25 employees proposed to be transferred have been operating a centralized ADP system that the VA considers outdated and wished to eliminate in light of the congressional mandate in that public law. However, under a provision applicable only to the VA—section 210(b)(2) of title 38, United States Code—generally prohibiting the VA from reducing the staff at any of its offices by more than 10 percent in any fiscal year without advance notice to the Congress approximately 8 months prior to the beginning of that fiscal year, this transfer cannot take place until October 1, 1983, the start of the fiscal year 1984.

Mr. President, I know of no opposition to the proposed transfer; it is important for the transfer to take place much sooner than October 1, and enactment of the amendment we are proposing will allow the transfer to take place in a more appropriate time frame. I note also, Mr. President, that the transfer will not involve any actual moving of staff; rather, those transferred will remain at the same location but under a different VA organizational unit.

Mr. President, I ask unanimous consent that the letter mentioned earlier from the Administrator of Veterans' Affairs, dated February 1, 1983, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

FEBRUARY 1, 1983.

Hon. ALAN CRANSTON,
Ranking Minority Member, Committee on Veterans' Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR CRANSTON: The continuing resolution signed into law on December 21, 1982, Pub. L. No. 97-377, states that no appropriated funds shall be used to further develop or maintain this Agency's Computerized Medical information Support System (COMISS). It also mandates the transfer of a full-time equivalent employment (FTEE) ceiling of 69 positions (on an annualized basis), previously assigned to COMISS development, from the Office of Data Management and Telecommunications (ODM&T) to the Department of Medicine and Surgery (DM&S) for the support of the Decentralized Hospital Computer Program (DHCP). However, the law states that funds can also be used to operate the Automated Pharmacy, Prescription Labeling, Editing and Storage (APPLES) system at locations where that system is currently operating.

We are taking the actions that are necessary to transfer the specified 69 FTEE ceiling, plus an additional 11 positions previously assigned to COMISS development, from ODM&T to DM&S. This transfer includes the total FTEE ceiling for COMISS in Central Office and at the Hines Data Processing Center and therefore complies with both the letter and intent of Pub. L. No. 97-377.

In order to further comply with the thrust of that law, I have decided that the transfer should also include an FTEE ceiling of 25 positions that currently support the operation and maintenance of the APPLES system at the Los Angeles VA Data Processing Center. The APPLES system is a centrally maintained and operated hospital outpatient pharmacy system that currently supports VA hospitals in Southern California. The intent of the Congressional directive to terminate COMISS development is to ensure that hospital-based automation is accomplished by DM&S through DHCP. The APPLES system is an outdated centralized system which will eventually be replaced by a DHCP system. Logically, therefore, the FTEE ceiling for APPLES should also reside within DM&S and not ODM&T.

However, since including this FTEE ceiling of 25 positions exceeds 10% of that office's total FTEE ceiling of 80 positions, I am reporting to you, in accordance with 38 USC 210(b)(2), my intention to transfer that FTEE ceiling to the West Los Angeles VA Medical Center on October 1, 1983. Later, during fiscal year 1984, it may become necessary to further realign that FTEE within DM&S to ensure support for the orderly development of DHCP. The purpose of the reorganization is to help accomplish the gradual transition from centralized to decentralized hospital computer support. The Congress has spoken clearly in Pub. L. No. 97-377 and on pages 8 through 10 of House Report No. 97-359 to point the VA in this direction.

We wish to maintain ADP support during this transition period while minimizing potential adverse impact on affected VA employees. We believe that we can best accomplish these goals by moving the FTEE for APPLES at the Los Angeles DPC as soon as possible.

I will be pleased to provide any additional information which you may desire concerning this planned reorganization.

Sincerely,

HARRY N. WALTERS,
Administrator.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 78) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BAUCUS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I understand that my colleague from Kansas, Senator KASSEBAUM, and the Senator from Connecticut, Senator DODD, may have noncontroversial amendments. I also know that the Senator from New Jersey has one, but it is going to be controversial. We have been asked by the majority leader not to get into any "controversial" areas. This would not mean that those amendments may not be adopted, but if there is some dispute we would defer debate, so that we can move to the jobs bill if and when the unanimous-consent request is made and agreed to.

I might suggest, if someone could notify Senator DODD and Senator KASSEBAUM, we might dispose of those two amendments.

I might say to the Members who may be listening that there are not all that many amendments on this bill. The Senator from Montana and the Senator from Oklahoma have one on illegal aliens. We are in the process of reviewing that amendment. We are reviewing the amendment of the Senator from New Jersey, Senator BRADLEY. There will be, of course, Senator LONG's amendment. That will take some time and may lead to other amendments.

In any event, at this point there are probably not more than a dozen amendments. We would hope that if some of those are not controversial, we could dispose of them before we go back on the jobs bill.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Louisiana is recognized.

COSPONSORS—AMENDMENT NO. 512

Mr. LONG. Mr. President, I ask unanimous consent that the following Senators be added as original cosponsors on Senate amendment No. 512, social security reform: PELL, GLENN, RIEGLE, PRESSLER, BIDEN, and WARNER.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 521

(Formerly UP Amendment No. 72.)

Mr. DOLE. Mr. President, it is my understanding that the distinguished majority leader will soon propound a unanimous-consent request. But while contacts are being made, perhaps we can dispose of the amendment of the Presiding Officer, the Senator from Idaho (Mr. SYMMS). I understand that is the pending business. Is that correct?

The PRESIDING OFFICER. That is the pending business.

Mr. DOLE. The yeas and nays have been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. BYRD. Mr. President, a clarification. Will the Chair state the question again?

The PRESIDING OFFICER. The question is on agreeing to unprinted amendment No. 72, by the Senator from Idaho. The yeas and nays were ordered yesterday.

Mr. BYRD. Mr. President, that amendment would change the retirement age to 68. Is that correct?

Mr. DOLE. Yes; that is the understanding of the Senator from Kansas.

(Mr. MATTINGLY assumed the chair.)

Mr. SYMMS. Mr. President, if the distinguished majority leader will yield, I was in the chair, and I could not respond.

Very simply, the amendment raises the retirement age 1 month every year for 36 years, so it is a very gradual change, and it will not disrupt anybody's plans. It will save billions of dollars for the long-term problem and several billion dollars in the next 10 years when there is a squeeze on the trust fund.

Mr. BYRD. I thank the Senator. I just thought Senators should know what the question is.

The PRESIDING OFFICER. The question is on agreeing to the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from New York (Mr. D'AMATO) is necessarily absent.

I further announce that, if present and voting, the Senator from New York (Mr. D'AMATO) would vote "nay."

Mr. CRANSTON. I announce that the Senator from Arkansas (Mr. BUMPERS), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Massacusettts (Mr. KENNEDY) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 12, nays 84, as follows:

[Rollcall Vote No. 29 Leg.]

YEAS—12

Armstrong	Goldwater	Mattingly
Denton	Hatch	McClure
East	Helms	Nickles
Garn	Humphrey	Symms

NAYS—84

Abdnor	Eagleton	Lugar
Andrews	Exon	Mathias
Baker	Ford	Matsunaga
Baucus	Glenn	Melcher
Bentsen	Gorton	Metzenbaum
Biden	Grassley	Mitchell
Bingaman	Hart	Moynihan
Boren	Hatfield	Murkowski
Boschwitz	Hawkins	Nunn
Bradley	Hecht	Packwood
Burdick	Heflin	Pell
Byrd	Heinz	Percy
Chafee	Huddleston	Pressler
Chiles	Inouye	Proxmire
Cochran	Jackson	Pryor
Cohen	Jepsen	Quayle
Cranston	Johnston	Randolph
Danforth	Kassebaum	Riegle
DeConcini	Kasten	Roth
Dixon	Lautenberg	Rudman
Dodd	Laxalt	Sarbanes
Dole	Leahy	Sasser
Domenici	Levin	Simpson
Durenberger	Long	Specter
Stafford	Tower	Warner
Stennis	Trible	Weicker
Stevens	Tsongas	Wilson
Thurmond	Wallop	Zorinsky

NOT VOTING—4

Bumpers	Hollings
D'Amato	Kennedy

So Mr. SYMMS' amendment (No. 521) was rejected.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was defeated.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. There will be order in the Senate.

The majority leader.

Mr. BAKER. I thank the Chair.

Mr. President, earlier this afternoon, I described the terms of a proposed unanimous-consent agreement that I hope the Senate will agree to.

Mr. President, I have no changes, except minor language changes, to make in the request as I described it earlier. I will put that request in just a moment. I would like to make sure that all the principals and the minority leader are on the floor. I thought that was the case, but it apparently is not at the moment.

I do not want to put this request until I am sure everybody is here who expressed an interest in it or who wants to be on the floor, so let me wait just a minute.

I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—KASTEN AMENDMENT NO. 504

Mr. BAKER. Mr. President, as I said earlier, I want now to propound a unanimous-consent request that is identical, I believe, with the one I described on the floor a little while ago, with certain minor changes that I believe do not affect in any way the substance of the agreement but do, in fact, contribute to its clarification. I hope the agreement will be granted by the Senate.

Mr. President, I ask unanimous consent that the pending measure be temporarily laid aside and that the Senate proceed to the consideration of the reciprocity bill, S. 144.

I further ask unanimous consent, when that measure is before the Senate this afternoon, that it will be

before the Senate only for one purpose, and that is to permit the Senator from Wisconsin (Mr. KASTEN) to offer one amendment dealing with dividend and interest withholding.

I further ask unanimous consent that no amendment to the Kasten amendment be in order this afternoon; that no debate be in order this afternoon; that no point of order be in order to be made at this time; that immediately after the reporting of the Kasten amendment, the Senate, without further action, then resume consideration of the jobs bill; that no further amendment dealing with withholding of dividends and interest be in order to that bill; and that on April 15, 1 hour after the Senate convenes, the Senate resume consideration of the reciprocity bill, at which time the Kasten amendment will be the pending question for debate and with no waiver of any Senator's rights.

I further ask unanimous consent that the Kasten amendment to the Abdnor amendment be withdrawn and that the Kasten amendment to the committee amendment be withdrawn.

I further ask unanimous consent, Mr. President, that the order for the Senate to convene on Saturday be vitiated. I ask unanimous consent that the order for a vote on cloture which would mature tomorrow be vitiated.

Mr. President, that is the request.

Mr. LONG. Mr. President, reserving the right to object, and I do not intend to object, Mr. President, I just want to make it clear that, as far as the Senator from Louisiana is concerned, if Mr. KASTEN is willing to agree to that unanimous-consent request with regard to his amendment, I will respect his decision.

Mr. BAKER. Will the Senator yield?

Mr. LONG. Yes.

Mr. BAKER. Mr. President, that is entirely appropriate and I think we should ask the Senator from Wisconsin if he is agreeable with the request.

Mr. KASTEN. I am agreeable to this request. I would like to say to the Senator from Louisiana that this is similar to what he and I and others have been working for now for 2 or 3 days. It means this will be the pending amendment. It means we will be able, within a short period of time, by working the will of the Senate, to have a vote up or down on the withholding question.

Mr. LONG. Let me say further, it is the judgment of the Senator from Louisiana that the jobs bill was not the most appropriate bill on which to offer the amendment.

If the Senator from Louisiana had been planning to offer that amendment, he would have offered it on the social security bill. I do not know that I am going to offer it on the social security bill, but I want to make clear that a Senator has that right, if he wants to do so.

When one studies the amendment, I am not sure that the Kasten amendment will get from here to the House of Representatives even if the Senator has a majority of votes here in the Senate.

I have read Mr. DOLE's remarks which appear earlier in today's RECORD. They make it clear that the Senator from Kansas and those who agree with him would have a right to debate the Kasten amendment on the trade bill as long as they want to, and they would have a right to conduct a postcloture filibuster on it, if that be their desire.

It is clear that that is the right of Senators.

This Senator is willing to go along with the unanimous-consent agreement.

This Senator salutes the Senator from Wisconsin for the noble fight he has made on this matter. At least he did succeed in getting a showing of strength. He gave the Senate an opportunity to go on record in favor of repealing withholding, and he did have a majority of the votes, 59 votes, as I recall. So he has made a noble contribution to the cause.

I am frank to say that many Senators—in fact, by the time they think it over, maybe a majority of those who favor what Mr. KASTEN is trying to do—may feel that they are compelled to offer a similar amendment on the social security bill or some other bill. As I understand it, that is their privilege if the unanimous-consent agreement is agreed to.

Mr. BAKER. Yes. As the Senator knows, Mr. President, I had earlier hoped we could include in this agreement a prohibition against the interest withholding amendment on either the jobs bill or social security. As the Senator from Louisiana points out, that would be unlikely to be agreed to by the Senate. There are a number of Senators on both sides of the aisle who have indicated they wish to preserve that right. I continue to hope they do not do that because we do need to pass social security. But I did not include that request at this time for that very reason. Of course, any Senator is free to offer any amendment that they wish and that qualifies to the social security bill without any effect on this agreement.

Mr. LONG. I just want the Senator to understand that if a request had been made that no such amendment be offered to the social security bill, I would have been compelled to object today. I might have wanted to reconsider my position over the weekend, but today I would be compelled to object to the request. I will not object to the pending request, and I hope other Senators will not object.

SEVERAL SENATORS addressed the Chair.

Mr. BAKER. Let me yield to the Senator from Wisconsin once more.

Mr. KASTEN. I want to thank the majority leader for yielding. I wanted to direct my comments to the Senator from Louisiana.

He is correct. The possible flaw in this agreement is that this particular bill will not have the power or legislative strength, if you will, to go all the way through the process. I recognize that. It is my feeling that at this time we wanted to get a vote by which we could pass it out of the Senate Chamber without slowing down the jobs bill.

If it turns out that the Senator's remarks are correct, that this will be tucked away in some back corner desk in the Ways and Means Committee, we have not in any way cut off our chances for amending the debt ceiling bill, for amending other appropriations matters, for amending a tax bill when it comes.

This issue is going to be before the Senate and this issue is going to be before the American people until it is repealed. We are going to repeal it. The question is how are we going to get from where we are to there. We are in no way precluded from any other mechanisms or benefits.

Mr. LONG. I just want to make clear Mr. President, that that is the situation, that the Senator from Wisconsin, certainly he or any other Senator, is not barred if he feels he wants to offer this amendment on the social security bill or any other bill. In my judgment, such an amendment should have been offered on what is clearly a revenue bill.

Over in the House of Representatives they have a way of doing business where they regard an appropriations bill as being a bill to raise revenue. Just read the Constitution. It says bills to raise revenue must orignate in the House of Representatives. My imagination defies me to see how an appropriations bill to spend money can be determined to be a bill to raise revenue.

If we try to send them an appropriation bill that originates in the Senate, they will say it is a revenue bill and send it back to us. If we take another bill that has nothing to do with revenue, and if we put on an amendment to reduce revenue, not raise it, they will send it back. We do not get a chance to appeal their action because we have no right to make an appeal over there in the House or to make a motion there. We have to act over here when it gets sent back to us. We are powerless to do anything about it when those people in the House put a construction on a bill that is obviously wrong. But who are we going to appeal to?

We have no recourse. We just have to go along with them on the theory that you can offer an amendment on a

revenue bill, and while at it you might as well offer it on a real revenue bill.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, you have heard from a man who never served in the House, and I am one of those who never served in the House. [Laughter.]

I confess freely I do not understand the ways of the House. But I do understand that the Senator from Louisiana is absolutely right. They will do that to us. The Founding Fathers gave us nothing to do in return, I am afraid, so there is not much we can do about that, at least right now.

I want to subscribe absolutely and totally to the description of that situation by the distinguished Senator from Louisiana.

Now I will yield to the Senator from Nebraska and then to the Senator from Iowa.

Mr. EXON. Reserving the right to object, and I will not object, I would like to take the time to ask two questions, if they will answer, first a question to the Senator from Wisconsin and then to the Senator from Louisiana.

Mr. BAKER. Mr. President, I yield for that purpose.

Mr. EXON. I will first ask a question of the Senator from Wisconsin, reminding him and the body that I am a cosponsor of the amendment he has fought so hard for, to eliminate the withholding on interest and dividends come July 1.

My question has to do with a news report that I read earlier today that was attributed to the Senator from Wisconsin indicating that he was suggesting that we move up the cloture petition vote to this afternoon, that he intended at that time to vote for cloture and then move to overrule the likely ruling of the Chair that his amendment would not be germane.

Is it in order and could he answer the question as to whether that effort has failed, or does the Senator think that the recommendations that have just been outlined by the majority leader better serve the cause that the Senator and I are dedicated to?

Mr. KASTEN. In response to the Senator from Nebraska, I want to say that I thank him for his strong support and coauthorship of the amendment and his strong support in the effort to repeal this regulation concerning withholding on interest and dividends.

This morning when I spoke, I said to the Senate it would be my hope that we not delay this whole process, that either we follow the outline just described by the Senator or that we work with the leadership to try to accommodate our needs. We have been trying to work with them since last Thursday. Significant changes were made today which made it possible for a bill to be brought up, for an amendment to be attached to it, and for that to be, if you will, boxed into a date certain. These were not agreements possible before today.

I think the fact that we talked about pushing the cloture vote and, frankly, pushing the Senate into a postcloture situation where that ruling would have been difficult and that vote on postcloture germaneness would have started to push against the rules of the Senate, although there have been precedents in 1980, thinking of the Kassebaum amendment, I chose, and I believe our cause is best served, to not push on that at this time, by not forcing ourselves into a postcloture filibuster situation, and by not slowing down the jobs bill any further.

We have what we wanted from last Thursday. We now have the opportunity for the up or down vote on a particular date certain and without intervening business that can be used to fence us out.

We have what we wanted. Last Thursday, we got to it in part by talking about going through the cloture situation this afternoon.

Mr. EXON. I thank my friend from Wisconsin for his explanation. Now I would like to pose a question to my learned friend and master of the parliamentary procedure, the Senator from Louisiana.

The measure upon which the compromise is based is the reciprocity bill; is that correct?

The Senator from Nebraska happens also to be a cosponsor of that reciprocity bill. I do not know whether or not this idea has been cleared with the sponsors of that bill, but I am inquiring of the Senator from Lousiana as to what he thinks the chances are of the amendment ever getting to the House of Representatives and being passed if we follow the route that has been suggested by the majority leader. Or might it be that attaching this measure that I am a cosponsor of with the Senator from Wisconsin to the reciprocity bill that I am a cosponsor of might not, indeed, mean that neither one of them will ever see the light of day?

Mr. LONG. Mr. President, I have no doubt that they will see the light of day on the Senate floor, because that is called for in the unanimous consent request. They will see the light of day on the Senate floor.

Mr. EXON. I mean off the Senate floor.

Mr. LONG. I assume that if the opponents of this measure are as firm in their opposition as they are now—and the statement of Mr. DOLE, the chairman of the Committee on Finance, indicated that he is still as firm in his views as he has been up to this point—I would say that the chances of anything happening other than the bill coming back from the House with a blue slip on it are little or none. All it takes is a single objection over there and it comes back to us with a blue slip on it, and that is the end of it. We can pass the bill and it will come back from the House with a blue slip.

Mr. BAKER. Mr. President, a few minutes ago I indicated that I do not know anything about the House rules. I do not know much, but I know a little, because I have been enlightened on this subject by the chairman of the House Ways and Means Committee and others. I understand that a majority of the House would have to support a challenge of that bill with a blue slip. If the majority of the House wants to accept that bill, a single objection would not stop it.

Mr. LONG. Mr. President, that may be, and I would be glad to check it out the best I know how.

My understanding is that the reciprocity bill is an S-numbered bill, a bill originating in the Senate. We on the committee know that that bill itself violates the Constitution. If we send the House a bill that is unconstitutional on the face of it then under the Constitution, they have no business considering it.

Mr. BAKER. Mr. President, we are talking as professed Members of the Senate who know the least about House procedures.

Mr. LONG. But I know something about the Constitution.

Mr. BAKER. I recommend that we defer to our friends in the House about it.

Mr. LONG. If he wants to plead ignorance about the Constitution, the Senator from Tennessee is free to do that. I do not plead ignorance.

Mr. BAKER. I do not plead ignorance, Mr. President, but I do not know.

Mr. LONG. Well, I do. If the Senator wants to come to me and ask questions on the point of constitutional law, I will be glad to talk to him. I have studied it many times.

Mr. EXON. If the Senator will yield, Mr. President, the majority leader has always been courteous and candid with me. I do not wish to go against his wishes, but I feel I must play ball with the people I have cosponsored the amendment with.

Mr. SYMMS. Will the Senator yield to me?

Mr. BAKER. Yes; I yield.

Mr. SYMMS. Mr. President, if I had not given my word to the distinguished majority leader that I would not object to this amendment, I am not sure just what my attitude would be. I wanted to propound a question.

To which bill was the Senator from Louisiana speaking that is going to get the blue slip on it? Was he talking

about the jobs bill, or the reciprocity bill?

Mr. LONG. I said that the reciprocity bill is a revenue bill; it is plainly a bill to raise revenue, because it has to do with tariffs.

Mr. SYMMS. This reciprocity bill, did it not passed the Senate previously and never come out of the Ways and Means Committee?

Mr. LONG. No, Mr. President; it has not passed the Senate. But there is no doubt about it, if the reciprocity bill on the calendar goes from here to the House, it is not going to be acted on in the House. The House is going to tell us that is a revenue bill, and with an S. number on it, that is just like a red flag to make them send it back over here. If I had a blue slip, I would show it; the blue slip says the House reminds the Senate that a revenue bill must originate in the House of Representatives, period, and here is your bill back. It is a very polite thing to do. They could just burn the bill. [Laughter.]

Mr. SYMMS. As is so often the case, Mr. President, I think, from my experience in the other body, the Senator from Louisiana is right. But it may be that the Senator from Louisiana also is right that the proper bill for the proponents of the repealing the withholding on interest and dividend income is the social security bill. Maybe that is the bill to which it should be attached. Maybe the Senators from Nebraska and Wisconsin and the other Senators who are authors of this amendment could offer it there instead of having it on the jobs bill if it pleases the leadership to have it there.

Mr. LONG. It was the thought of the Senator from Louisiana that if somebody wanted to ask me what bill to put his amendment on, I would have suggested the social security bill. I salute the Senator from Wisconsin for the try he made. It takes the hide of a rhinoceros to tackle one of those big bills against the leadership on his side of the aisle, or this side of the aisle, for that matter, when he is told that a bill is urgent, we cannot take time to think about matters, this bill has to pass right now, people are hungry, they have needs across the width and breadth of America and there is some unemployment insurance money here, and something has to happen. I think the Senator from Wisconsin has stood up nobly against the kind of pressure he has faced. But as a practical matter, if one wants to amend this bill or that one, he had better to prepared to face that type of calumny.

At the same time, it seems to the Senator from Louisiana that if you want to offer your amendment, you would do well to try to amend what is clearly a House revenue bill to begin with, because when it gets to the House side, they are going to challenge it if it is not a House revenue bill.

Mr. SYMMS. I thank the Senator. If I may reserve the right to object a little further, I shall not object. I would like to join in those compliments of the Senator from Wisconsin for his noble efforts. I am sorry to be at odds with my distinguished chairman, whom I have so much respect for on the Finance Committee. I do think when we passed the 1982 TEFRA Act, we made a mistake to include that in the bill. I was one of those who voted for it, and I am willing to admit I made a mistake.

I wish we could stop fighting this issue and allow the American people—whom we have told for years and years they ought to take an active part in politics. I have told my own people, "You ought to take the time to try to influence the people you do business with, whether it is on the payroll slips or anything else." That is all they have done in this case. The people have responded.

I think as rapidly as possible, we ought to give them a vote on the House floor and the Senate floor and let the President make the decision that he wants to. I wish we could bring up a clean bill, pass it, and send it over to the House. But that is not the choice of the leadership.

I do not object.

Mr. BAKER. I yield to the Senator from North Carolina.

Mr. HELMS. Mr. President, let me see if I have the scenario straight. First of all, we are going to lay aside the social security bill temporarily and proceed to S. 144, which is sponsored by Senator DANFORTH, Senator LONG has correctly said that that is a cadaver on its face. It is a legislative corpse. So what we are looking at are two legislative corpses if this unanimous-consent request is agreed to. I say to my friend from Wisconsin, as I have said to him in private, that for all practical purposes, the fight is over on the proposal to repeal 10-percent withholding of dividend and interest income.

What we are talking about, I say to the majority leader, is simply giving Senator KASTEN a rollcall vote on this amendment this afternoon on the reciprocity bill. Is that it?

Mr. BAKER. No, Mr. President, it is not that. What we are talking about is calling up the reciprocity bill this afternoon for the purpose of permitting the Senator from Wisconsin to offer his amendment dealing with dividend and interest withholding.

But after the Kasten amendment is reported, then we would go off that bill and back to the jobs bill. There would be no vote on that today.

Mr. HELMS. So we will not even get a show of strength out of this unanimous-consent agreement?

Mr. BAKER. I think he has shown about all the strength we can handle.

Mr. HELMS. I beg the Senator's pardon? I am sorry, I did not understand.

Mr. BAKER. I say that I think our friend from Wisconsin has shown about all the strength we can handle.

Mr. HELMS. He at one time this morning had 62 votes.

Mr. BAKER. Fifty-nine is strength.

Mr. HELMS. It had been watered down to 59 in the well. [Laughter.]

Mr. BAKER. The Senator and I were in the well together, as I recall.

Mr. HELMS. Yes. He just outwatered me.

There is nothing implicit, let alone explicit, no misunderstanding, no hard feelings if this proposal comes back on social security?

Mr. BAKER. No. Mr. President, the Senator is absolutely right. I made it clear, and I will reiterate here, nothing in this agreement affects in any way the right of any Senator to offer a dividend and interest withholding amendment to any other bill including social security. I hope that does not happen, but the answer to the question of the Senator is that he is correct.

Mr. HELMS. I understand. Mr. President, my dear friend, the majority leader, knows my affection for him, and he also knows that we have been to this well before time and time again and always came out all right. I will say to him that if it were my judgment call to make, if it were my amendment—and I have said this to the Senator from Wisconsin—I would object to the unanimous-consent.

But it is not my judgment call to make. It is, uniquely, the judgment of the Senator from Wisconsin and I respect that, whatever the reason.

Mr. BAKER. I thank the Senator.

Mr. MATTINGLY. Mr. President, will the majority leader yield for a question?

Mr. BAKER. Yes.

Mr. MATTINGLY. Would it be out of order to bring up the reciprocity bill today and just vote on the first amendment thereto and then come back April 15?

Mr. BAKER. Mr. President, the Senator from Georgia is my friend, he is my colleague, he adjoins me to the South. We have a common unfortified boundary between Tennessee and Georgia, but I earnestly ask him not to disturb one comma, not one letter in this agreement. I do not believe he knows how much trouble we have gone through over a period of days to see this done. I hope the Senator will not object to this agreement. I must say to him, in all candor, that it is not possible in my opinion to change this agreement at all.

Mr. MATTINGLY. I can tell by the pained expression.

Mr. DOLE. Will the Senator from Georgia yield?

Mr. MATTINGLY. Yes.

Mr. DOLE. It might not be out of order, but the Senator from Kansas would not be going to Savannah with the Senator from Georgia for some Hibernian event this evening. [Laughter.]

Mr. MATTINGLY. We might be able to get somebody else. [Laughter.]

Mr. BAKER. Mr. President, I hope the Chair——

Mr. DOLE. It is not too late for that.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. I hope the Chair will put the request.

The PRESIDING OFFICER. Is there objection to the agreement?

The Chair hears none, and it is so ordered.

RECIPROCAL TRADE OPPORTUNITIES

Mr. BAKER. Mr. President, what is the business now pending before the Senate?

The PRESIDING OFFICER. The clerk will report S. 144.

The assistant legislative clerk read as follows:

A bill (S. 144) to ensure the continued expansion of reciprocal market opportunities in trade, trade in services, and investment for the United States, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance, with amendments, as follows:

On page 2, line 5, strike "Reciprocal", and insert "International";

On page 2, line 6, strike "of 1982";

On page 5, line 11, strike "Reciprocal", and insert "International";

On page 5, line 12, strike "of 1982";

On page 5, strike line 18, through and including line 23, and insert the following:

"(2) REPORTS TO INCLUDE INFORMATION WITH RESPECT TO ACTION BEING TAKEN.—The Trade Representative shall include in each report submitted under paragraph (1) information with respect to any action taken (or the reasons for no action taken) to eliminate any act, policy, or practice identified under subsection (a), including, but not limited to—

"(A) any action under section 301, or

"(B) negotiations or consultations with foreign governments.

On page 29, line 20, strike "Reciprocal", and insert "International"; and

On page 29, line 21, strike "of 1982";

So as to make the bill read:

S. 144

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF TRADE ACT OF 1974.

(a) SHORT TITLE.—This Act may be cited as the "International Trade and Investment Act".

(b) AMENDMENT OF TRADE ACT OF 1974.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Trade Act of 1974.

SEC. 2. STATEMENT OF PURPOSES.

The purposes of this Act are—

(1) to foster the economic growth of, and full employment in, the United States by expanding competitive United States exports through the achievement of commercial opportunities in foreign markets substantially equivalent to those accorded by the United States;

(2) to improve the ability of the President—

(A) to identify and to analyze barriers to (and restrictions on) United States trade and investment and

(B) to achieve the elimination of such barriers and restrictions;

(3) to encourage the expansion of international trade in services through the negotiation of agreements (both bilateral and multilateral) which reduce or eliminate barriers to international trade in services; and

(4) to enhance the free flow of foreign direct investment through the negotiation of agreements (both bilateral and multilateral) which reduce or eliminate the trade distortive effects of certain investment-related measures.

SEC. 3. ANALYSIS OF FOREIGN TRADE BARRIERS.

(a) IN GENERAL.—Title I (19 U.S.C. 2111 et seq.) is amended by adding at the end thereof the following new chapter:

"CHAPTER 8—BARRIERS TO MARKET ACCESS

"SEC. 181. ACTIONS CONCERNING BARRIERS TO MARKET ACCESS.

"(a) NATIONAL TRADE ESTIMATES.—

"(1) IN GENERAL.—Not later than the date on which the initial report is required under subsection (b)(1), the United States Trade Representative, through the interagency trade organization established pursuant to section 242(a) of the Trade Expansion Act of 1962:

"(A) identify and analyze acts, policies, or practices which constitute significant barriers to, or distortions of—

"(i) United States exports of goods (including agricultural commodities) or services, and

"(ii) foreign direct investment by United States persons, especially if such investment has implications for trade in goods or services; and

"(B) make an estimate of the trade-distorting impact on United States commerce of any act, policy, or practice identified under subparagraph (A).

"(2) CERTAIN FACTORS TAKEN INTO ACCOUNT IN MAKING ANALYSIS AND ESTIMATE.—In making any analysis or estimate under paragraph (1), the Trade Representative shall take into account—

"(A) the relative impact of the act, policy, or practice on United States commerce;

"(B) the availability of information to document prices, market shares, and other matters necessary to demonstrate the effects of the act, policy, or practice;

"(C) the extent to which such act, policy, or practice is subject to international agreements to which the United States is a party; and

"(D) any advice given through appropriate committees established pursuant to section 135.

"(3) ANNUAL REVISIONS AND UPDATES.—The Trade Representative shall annually revise and update the analysis and estimate under paragraph (1).

"(b) REPORT TO CONGRESS.—

"(1) IN GENERAL.—On or before the date which is one year after the date of the enactment of the International Trade and Investment Act, and each year thereafter, the Trade Representative shall submit the analysis and estimate under subsection (a) to the Committee on Finance of the Senate and to the Committee on Ways and Means of the House of Representatives.

"(2) REPORTS TO INCLUDE INFORMATION WITH RESPECT TO ACTION BEING TAKEN.—The Trade Representative shall include in each report submitted under paragraph (1) information with respect to any action taken (or the reasons for no action taken) to eliminate any act, policy, or practice identified under subsection (a), including, but not limited to—

"(A) any action under section 301, or

"(B) negotiations or consultations with foreign governments.

"(3) CONSULTATION WITH CONGRESS ON TRADE POLICY PRIORITIES.—The Trade Representative shall keep the committees described in paragraph (1) currently informed with respect to trade policy priorities for the purposes of expanding market opportunities.

"(c) ASSISTANCE OF OTHER AGENCIES.—

"(1) FURNISHING OF INFORMATION.—The head of each department or agency of the executive branch of the Government, including any independent agency, is authorized and directed to furnish to the Trade Representative or to the appropriate agency, upon request, such data, reports, and other information as is necessary for the Trade Representative to carry out his functions under this section.

"(2) RESTRICTIONS ON RELEASE OR USE OF INFORMATION.—Nothing in this subsection shall authorize the release of information to, or the use of information by, the Trade Representative in a manner inconsistent with law or any procedure established pursuant thereto.

"(3) PERSONNEL AND SERVICES.—The head of any department, agency, or instrumentality of the United States may detail such personnel and may furnish such services, with or without reimbursement, as the Trade Representative may request to assist in carrying out his functions.".

(b) CONFORMING AMENDMENT.—The table of contents for title I is amended by adding at the end thereof the following:

"Chapter 8—Barriers to Market Access

"Sec. 181. Actions concerning barriers to market access.".

SEC. 4. AMENDMENTS TO TITLE III OF THE TRADE ACT OF 1974.

(a) PRESIDENTIAL ACTION IN THE CASE OF UNFAIR TRADE PRACTICES.—Section 301(a) (19 U.S.C. 2411(a)) is amended to read as follows:

"(a) DETERMINATIONS REQUIRING ACTION.—

"(1) IN GENERAL.—If the President determines that action by the United States is appropriate—

"(A) to enforce the rights of the United States under any trade agreement; or

"(B) to respond to any act, policy, or practice of a foreign country or instrumentality that—

"(i) is inconsistent with the provisions of, or otherwise denies benefits to the United States under, any trade agreement, or

"(ii) is unjustifiable, unreasonable, or discriminatory and burdens or restricts United States commerce;

the President shall take all appropriate and feasible action within his power to enforce such rights or to obtain the elimination of such act, policy, or practice.

"(2) SCOPE OF ACTION.—The President may exercise his authority under this section with respect to any goods or sector—

"(A) on a nondiscriminatory basis or solely against the foreign country or instrumentality involved, and

"(B) without regard to whether or not such goods or sector were involved in the act, policy, or practice identified under paragraph (1).".

(b) OTHER ACTION BY PRESIDENT.—Section 301(b) (19 U.S.C. 2411(b)) is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) in paragraph (2)—

(A) by inserting "notwithstanding any other provision of law," before "impose";

(B) by striking out "products" and inserting in lieu thereof "goods"; and

(C) by striking out the period and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following:

"(3) propose legislation where necessary and appropriate to carry out the objectives of subsection (a).

Any legislation proposed under paragraph (3) shall be treated as an implementing bill pursuant to the provisions of section 151, except that, for purposes of section 151(c)(1), no trade agreement shall be required and the day on which the implementing bill is submitted shall be treated as the day on which the trade agreement is submitted. The President shall notify Congress, and publish notice in the Federal Register, of his intention to propose legislation under paragraph (3) at least 90 days before the implementing bill is submitted.".

(c) INITIATION OF INVESTIGATIONS BY OR ON MOTION OF TRADE REPRESENTATIVE.—

(1) IN GENERAL.—Section 302 (19 U.S.C. 2412) is amended to read as follows:

"SEC. 302. INITIATION OF INVESTIGATIONS BY UNITED STATES TRADE REPRESENTATIVE.

"(a) FILING OF PETITION.—

"(1) IN GENERAL.—Any interested person may file a petition with the United States Trade Representative (hereinafter in this chapter referred to as the 'Trade Representative') requesting the President to take action under section 301 and setting forth the allegations in support of the request.

"(2) REVIEW OF ALLEGATIONS.—The Trade Representative shall review the allegations in the petition and, not later than 45 days after the date on which he received the petition, shall determine whether to initiate an investigation.

"(b) DETERMINATIONS REGARDING PETITIONS.—

"(1) NEGATIVE DETERMINATION.—If the Trade Representative determines not to initiate an investigation with respect to a petition, he shall inform the petitioner of the reasons therefor and shall publish notice of the determination, together with a summary of such reasons, in the Federal Register.

"(2) AFFIRMATIVE DETERMINATION.—If the Trade Representative determines to initiate an investigation with respect to a petition, he shall initiate an investigation regarding the issues raised. The Trade Representative shall publish a summary of the petition in the Federal Register and shall, as soon as possible, provide opportunity for the presentation of views concerning the issues, including a public hearing—

"(A) within the 30-day period after the date of the determination (or on a date after such period if agreed to by the petitioner) if a public hearing within such period is requested in the petition; or

"(B) at such other time if a timely request therefor is made by the petitioner.

"(c) DETERMINATION TO INITIATE BY MOTION OF TRADE REPRESENTATIVE.—

"(1) DETERMINATION TO INITIATE.—If the Trade Representative determines with respect to any matter that an investigation should be initiated in order to advise the President concerning the exercise of the President's authority under section 301, the Trade Representative shall publish such determination in the Federal Register and such determination shall be treated as an affirmative determination under subsection (b)(2).

"(2) CONSULTATION BEFORE INITIATION.—The Trade Representative shall, before making any determination under paragraph (1), consult with appropriate committees established pursuant to section 135.".

(2) CONFORMING AMENDMENTS.—

(A) Section 141(d) is amended—

(i) by striking out "and" at the end of paragraph (6),

(ii) by striking out the period at the end of paragraph (7) and inserting in lieu thereof a semicolon and "and", and

(iii) by adding at the end thereof the following new paragraph:

"(8) provide, where authorized by law, copies of documents to persons at cost, except that any funds so received shall be credited to, and be available for use from, the account from which expenditures relating thereto were made.".

(B) Section 303 (19 U.S.C. 2413) is amended—

(i) by striking out "with respect to a petition";

(ii) by inserting "or the determination of the Trade Representative under section 302(c)(1)" after "in the petition"; and

(iii) by inserting "(if any)" after "petitioner".

(C) Section 304 (19 U.S.C. 2414) is amended by striking out "issues raised in the petition" and inserting in lieu thereof "matters under investigation" in paragraph (1) of subsection (a).

(D) The item relating to section 302 in the table of contents is amended to read as follows:

"Sec. 302. Initiation of investigations by United States Trade Representative.".

(d) EXTENSION OF TIME FOR REQUESTS FOR CONSULTATIONS.—Section 303 (19 U.S.C. 2413) is amended—

(1) by inserting "(a) IN GENERAL.—" before "On"; and

(2) by adding at the end thereof the following new subsection:

"(b) DELAY OF REQUEST FOR CONSULTATIONS FOR UP TO 90 DAYS.—

"(1) IN GENERAL.—Notwithstanding the provisions of subsection (a)—

"(A) the United States Trade Representative may delay for up to 90 days any request for consultations under subsection (a) for the purpose of verifying or improving the petition to ensure an adequate basis for consultation, and

"(B) if such consultations are delayed by reason of subparagraph (A), each time limitation under section 304 shall be extended for the period of such delay.

"(2) NOTICE AND REPORT.—The Trade Representative shall—

"(A) publish notice of any delay under paragraph (1) in the Federal Register, and

"(B) report to Congress on the reasons for such delay in the report required by section 306.".

(e) DEFINITIONS.—

(1) COMMERCE DEFINED.—Paragraph (1) of section 301(d) (19 U.S.C. 301(d)) is amended to read as follows:

"(1) DEFINITION OF COMMERCE.—The term 'commerce' includes, but is not limited to—

"(A) services associated with international trade, whether or not such services are related to specific goods, and

"(B) foreign direct investment by United States persons with implications for trade in goods or services.".

(2) UNREASONABLE, UNJUSTIFIABLE, AND DISCRIMINATORY DEFINED.—Section 301(d) (19 U.S.C. 2411(d)) is amended by adding at the end thereof the following new paragraphs:

"(3) DEFINITION OF UNREASONABLE.—The term 'unreasonable' means any act, policy, or practice which, while not necessarily in violation of or inconsistent with the international legal rights of the United States, is otherwise deemed to be unfair and inequitable. The term includes, but is not limited to, any act, policy, or practice which denies fair and equitable—

"(A) market opportunities;

"(B) opportunities for the establishment of an enterprise; or

"(C) provision of adequate protection of intellectual property rights.

"(4) DEFINITION OF UNJUSTIFIABLE.—

"(A) IN GENERAL.—The term 'unjustifiable' means any act, policy, or practice which is in violation of, or inconsistent with, the international legal rights of the United States.

"(B) CERTAIN ACTIONS INCLUDED.—The term 'unjustifiable' includes, but is not limited to, any act, policy, or practice described in subparagraph (A) which denies national or most-favored-nation treatment, the right of establishment, or protection of intellectual property rights.

"(5) DEFINITION OF DISCRIMINATORY.—The term 'discriminatory' includes where appropriate any act, policy, or practice which denies national or most-favored-nation treatment to United States goods, services, or investment.".

(3) CONFORMING AMENDMENT.—Section 301(d) (19 U.S.C. 2411(d)) is amended by striking out the heading and inserting in lieu thereof:

"(d) DEFINITIONS; SPECIAL RULE FOR VESSEL CONSTRUCTION SUBSIDIES.—For purposes of this section—".

(f) AMENDMENTS TO SECTION 305.—Section 305 of the Trade Act of 1974 (19 U.S.C. 2415) is amended by adding at the end thereof the following new subsection:

"(c) CERTAIN BUSINESS INFORMATION NOT MADE AVAILABLE.—

"(1) IN GENERAL.—Except as provided in paragraph (2), and notwithstanding any other provision of law (including section 552 of title 5, United States Code), no information requested and received by the Trade Representative in aid of any investigation under this chapter shall be made available to any person if—

"(A) the person providing such information certifies that—

"(i) such information is business confidential,

"(ii) the disclosure of such information would endanger trade secrets or profitability, and

"(iii) such information is not generally available;

"(B) the Trade Representative determines that such certification is well-founded; and

"(C) to the extent required in regulations prescribed by the Trade Representative, the person providing such information provides an adequate nonconfidential summary of such information.

"(2) USE OF INFORMATION.—The Trade Representative may—

"(A) use such information, or make such information available (in his own discretion) to any employee of the Federal Government for use, in any investigation under this chapter, or

"(B) may make such information available to any other person in a form which cannot be associated with, or otherwise identify, the person providing the information.".

SEC. 5. NEGOTIATING OBJECTIVES WITH RESPECT TO INTERNATIONAL TRADE IN SERVICES AND INVESTMENT AND HIGH TECHNOLOGY INDUSTRIES.

(a) NEGOTIATING OBJECTIVES.—

(1) IN GENERAL.—Chapter 1 of title I is amended by inserting immediately after section 104 the following new section:

"SEC. 104A. NEGOTIATING OBJECTIVES WITH RESPECT TO TRADE IN SERVICES, FOREIGN DIRECT INVESTMENT, AND HIGH TECHNOLOGY PRODUCTS.

"(a) TRADE IN SERVICES.—Principal United States negotiating objectives under section 102 shall be—

"(1) to reduce or to eliminate barriers to, or other distortions of, international trade in services (particularly United States service sector trade in foreign markets), including barriers that deny national treatment and the rights of establishment and operation in such markets; and

"(2) to develop internationally agreed rules, including dispute settlement procedures, which—

"(A) are consistent with the commercial policies of the United States, and

"(B) will reduce or eliminate such barriers or distortions and help ensure open international trade in services.

"(b) FOREIGN DIRECT INVESTMENT.—Principal United States negotiating objectives under section 102 shall be—

"(1) to reduce or to eliminate artificial or trade-distorting barriers to foreign direct investment, to expand the principle of nationlal treatment, and to reduce unreasonable barriers to establishment; and

"(2) to develop internationally agreed rules, including dispute settlement procedures, which—

"(A) will help ensure a free flow of foreign direct investment, and

"(B) will reduce or eliminate the trade distortive effects of certain investment related measures.

"(c) HIGH TECHNOLOGY PRODUCTS.—Principal United States negotiating objectives shall be—

"(1) to obtain and preserve the maximum openness with respect to international trade and investment in high technology products and related services;

"(2) to obtain the elimination or reduction of, or compensation for, the significantly distorting effects of, foreign government acts, policies, or practices identified in section 181, with particular consideration given to the nature and extent of foreign government intervention affecting United States exports of high technology products or investments in high technology industries, including—

"(A) foreign industrial policies which distort international trade or investment;

"(B) measures which deny national treatment or otherwise discriminate in favor of domestic high technology industries;

"(C) measures which impair access to domestic markets for key commodity products; and

"(D) measures which facilitate or encourage anticompetitive market practices or structures;

"(3) to obtain commitments that official policy of foreign countries or instrumentalities will not discourage government or private procurement of foreign high technology products and related services;

"(4) to obtain the reduction or elimination of all tariffs on, and other barriers to, United States exports of high technology products and related services;

"(5) to obtain commitments to foster national treatment;

"(6) to obtain commitments to—

"(A) foster the pursuit of joint scientific cooperation between companies, institutions or governmental entities of the United States and those of the trading partners of the United States in areas of mutual interest through such measures as financial participation and technical and personnel exchanges, and

"(B) ensure that access by all participants to the results of any such cooperative efforts should not be impaired; and

"(7) to provide effective minimum safeguards for the acquisition and enforcement of intellectual property rights and the property value of proprietary data.

"(d) DEFINITION OF BARRIERS AND OTHER DISTORTIONS.—For purposes of subsection (a), the term 'barriers to, or other distortions of, international trade in services' includes, but is not limited to—

"(1) barriers to the right of establishment in foreign markets, and

"(2) restrictions on the operation of enterprises in foreign markets, including—

"(A) direct or indirect restrictions on the transfer of information into, or out of, the country or instrumentality concerned, and

"(B) restrictions on the use of data processing facilities within or outside of such country or instrumentality.".

(2) CONFORMING AMENDMENT.—The table of contents for chapter 1 of title I is amended by inserting after the item relating to section 104 the following new item:

"Sec. 104A. Negotiating objectives with respect to trade in services, foreign direct investment, and high technology products.".

SEC. 6. PROVISIONS RELATING TO INTERNATIONAL TRADE IN SERVICES.

(a) COORDINATION OF UNITED STATES POLICIES.—

(1) IN GENERAL.—The United States Trade Representative, through the interagency trade organization established pursuant to section 242(a) of the Trade Expansion Act of 1962 or any subcommittee thereof, shall, in conformance with other provisions of law, develop (and coordinate the implementation of) United States policies concerning trade in services.

(2) FEDERAL AGENCIES.—In order to encourage effective development and coordination of United States policies on trade in services, each department or agency of the United States responsible for the regulation of any service sector industry shall, as appropriate, advise and work with the United States Trade Representative concerning matters that have come to the department's or agency's attention with respect to—

(A) the treatment afforded United States service sector interests in foreign markets, or

(B) allegations of unfair practices by foreign governments or companies in a service sector.

(3) NO ALTERATION OF EXISTING AUTHORITY.—Nothing in this section shall be construed to alter any existing authority or responsibility with respect to any specific service sector.

(b) SERVICE INDUSTRIES DEVELOPMENT PROGRAM.—

(1) IN GENERAL.—The Secretary of Commerce is authorized to establish a service industries development program. Such program shall be designed to—

(A) promote the competitiveness of United States service firms and American employees through appropriate economic policies;

(B) promote actively the use and sale of United States services abroad and develop trade opportunities for United States service firms;

(C) develop a data base for policymaking pertaining to services;

(D) collect and analyze, in consultation with appropriate agencies, information pertaining to the international operations and competitiveness of United States service industries, including information with respect to—

(i) United States regulation of service industries;

(ii) tax treatment of services, with particular emphasis on the effect of United States taxation on the international competitiveness of United States firms and exports;

(iii) antitrust policies as such policies affect the competitiveness of United States firms;

(iv) treatment of services in international agreements of the United States; and

(v) adequacy of current United States export promotion activities in the service sector;

(E) provide, together with other appropriate agencies, staff support for negotiations on service-related issues by the United States Trade Representative and the domestic implementation of service-related agreements;

(F) collect such statistical information on the domestic service sector as may be necessary for the development of governmental policies toward the service sector;

(G) conduct sectoral studies of domestic service industries;

(H) collect comparative international information on service industries and policies of foreign governments toward services;

(I) develop policies to strengthen the export competitiveness of domestic service industries;

(J) conduct a program of research and analysis of service-related issues and problems, including forecasts and industrial strategies; and

(K) provide statistical, analytical, and policy information to State and local governments and service industries.

(2) AVAILABILITY OF FUNDS.—The Secretary of Commerce shall carry out the program under this subsection from funds otherwise made available to him which may be used for such purposes.

(c) COORDINATION WITH STATES.—

(1) STATEMENT OF POLICY.—It is the policy of Congress that the President shall, as he deems appropriate—

(A) consult with State governments on issues of trade policy affecting the regulatory authority of non-Federal governments, or their procurement of goods and services; and

(B) establish one or more intergovernmental policy advisory committees on trade which shall serve as a principal forum in which State and local governments may consult with the Federal Government with respect to the matters described in subparagraph (A).

(2) ESTABLISHMENT OF NON-FEDERAL GOVERNMENTAL TRADE ADVISORY COMMITTEES.—Section 135 (19 U.S.C. 2155) is amended—

(A) by inserting "and the non-Federal governmental sector" after "private sector" in subsection (a),

(B) by adding at the end of subsection (c) the following new paragraph:

"(3) THE PRESIDENT.—

"(A) may establish policy advisory committees representing non-Federal governmental interests to provide, where the President finds it necessary, policy advice—

"(i) on matters referred to in subsection (a), and

"(ii) with respect to implementation of trade agreements, and

"(B) shall include as members of committees established under paragraph (2) representatives of non-Federal governmental interests where he finds such inclusion appropriate after consultation by the Trade Representative with such representatives.";

(C) by inserting "or non-Federal government" after "private" each place it appears in subsections (g) and (j);

(D) by inserting "government," before "labor" in subsection (j); and

(E) by adding at the end thereof the following new subsection:

"(m) NON-FEDERAL GOVERNMENT DEFINED.—The term 'non-Federal government' means—

"(1) any State, territory, or possession of the United States, or the District of Columbia, or any political subdivision thereof, or

"(2) any agency or instrumentality of any entity described in paragraph (1)."; and

(F) by inserting "or Public" after "Private" in the heading thereof.

(3) CONFORMING AMENDMENTS.—

(A) Section 104(c) (19 U.S.C. 2114(c)) is amended by inserting "or non-Federal governmental" after "private".

(B) Sections 303 (19 U.S.C. 2413) and 304(b)(2) (19 U.S.C. 2414(b)(2)) are each amended by striking out "private sector".

(C) The table of sections for chapter 3 of title I is amended by inserting "and public" after "private" in the item relating to section 135.

SEC. 7. NEGOTIATING AUTHORITY WITH RESPECT TO FOREIGN DIRECT INVESTMENT.

Paragraph (3) of section 102(g) (19 U.S.C. 2112(g)(3)) is amended to read as follows:

"(3) the term 'international trade' includes—

"(A) trade in both goods and services, and

"(B) foreign direct investment by United States persons, especially if such investment has implications for trade in goods and services.".

SEC. 8. NEGOTIATION OF AGREEMENTS CONCERNING HIGH TECHNOLOGY INDUSTRIES.

(a) AUTHORIZATION TO ENTER INTO AGREEMENTS.—The President may enter into such bilateral or multilateral agreements as may be necessary or appropriate to achieve the objectives of this section and the negotiating objectives under section 104A(c) of the Trade Act of 1974.

(b) MODIFICATION OR CONTINUANCE OF DUTIES.—

(1) IN GENERAL.—Chapter 2 of title I is amended by inserting at the end thereof the following new section:

"SEC. 128. MODIFICATION AND CONTINUANCE OF TREATMENT WITH RESPECT TO DUTIES ON HIGH TECHNOLOGY PRODUCTS.

"(a) In order to carry out any agreement concluded as a result of the negotiating objectives under section 104A(c), the President may proclaim, subject to the provisions of chapter 3—

"(1) such modification, elimination, or continuance of any existing duty, duty-free, or excise treatment, or

"(2) such additional duties,

as he deems appropriate.

"(b) The President shall exercise his authority under subsection (a) only with respect to the following items listed in the Tariff Schedules of the United States (19 U.S.C. 1202):

"(1) Accounting, computing, and other data processing machines provided for in item 676.15.

"(2) Data processing machines provided for in item 676.30.

"(3) Transistors provided for in item 687.70.

"(4) Monolithic integrated circuits provided for in item 687.74.

"(5) Integrated circuits provided for in item 687.77.

"(6) Electronic components provided for in item 687.81.

"(c) TERMINATION.—The President may exercise his authority under this section only during the 5-year period beginning on the date of the enactment of the International Trade and Investment Act.".

(2) CONFORMING AMENDMENT.—The table of contents of chapter 1 of title I is amended by adding at the end thereof the following new item:

"Sec. 128. Modification and continuance of treatment with respect to duties on high technology products.".

Amend the title so as to read: "A bill to ensure the continued expansion of international market opportunities in trade, trade in services, and investment for the United States, and for other purposes.".

UP AMENDMENT NO. 79

(Subsequently numbered amendment No. 522.)

(Purpose: To repeal the withholding of tax from interest and dividends and to require statements to be filed by the taxpayer with respect to interest, dividends, and patronage dividends)

Mr. KASTEN. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Wisconsin (Mr. KASTEN) proposes an unprinted amendment numbered 79.

Mr. KASTEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. BYRD. Mr. President, I object to that request.

The PRESIDING OFFICER. The clerk will continue to read.

Mr. BYRD. The clerk does not need to continue to read if I may ask the Senator one question.

Mr. KASTEN. I am pleased to yield to the minority leader.

Mr. BYRD. I take it that the amendment that is being offered now is the same amendment that has been the subject of discussion, with no changes?

Mr. KASTEN. It is the same amendment that has been the subject of discussion, which is the amendment to the committee amendment, also the Abdnor amendment, and is the text of Senate bill 222, so there is no modification.

Mr. BYRD. I do not object to the request of the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, insert the following:

REPEAL OF WITHHOLDING ON INTEREST AND DIVIDENDS, AND REQUIREMENT OF FILING OF DUPLICATE STATEMENTS

(a)(1) Subtitle A of title III of the Tax Equity and Fiscal Responsibility Act of 1982 (relating to withholding of tax from interest and dividends) is here by repealed.

(2) The Internal Revenue Code of 1954 shall be applied as if such subtitle A (and the amendments made by such subtitle) had not been enacted.

(b) Section 6049 of the Internal Revenue Code of 1954 (relating to returns regarding payments of interest) is amended—

(1) in subsection (a)—

(A) by inserting "or" at the end of paragraph (1),

(B) by striking out "or" at the end of paragraph (2),

(C) by striking out paragraph (3), and

(D) by striking out "tax deducted and withheld,",

(2) in subsection (b)(2)—

(A) by striking out subparagraph (C),

(B) by redesignating subparagraph (D) as subparagraph (C), and striking out "not described in subparagraph (C) of this paragraph", and

(C) by redesignating subparagraph (E) as subparagraph (D),

(3) in subsection (b)(3) by striking out "paragraph 2(D)" each place it appears and inserting in lieu thereof "paragraph 2(C)",

(4) in subsection (c)(1)—

(A) by inserting "and" at the end of subparagraph (A),

(B) by striking out ", and" at the end of subparagraph (B) and inserting in lieu thereof a period, and

(C) by striking out subparagraph (C), and

(5) in subsection (c) by adding at the end thereof the following new paragraph:

"(4) DUPLICATE STATEMENT TO BE INCLUDED IN RETURN OF PERSON WITH RESPECT TO WHOM INFORMATION IS FURNISHED.—A duplicate of the statement required to be furnished to a person under paragraph (1) shall be included with the return of the person receiving such statement for the taxable year which ends with or within the calendar year to which the statement relates.".

(c) Section 6402 of such Code (relating to returns regarding payments of dividends) is amended by adding at the end thereof the following new subsection:

(e) DUPLICATE STATEMENT TO BE INCLUDED IN RETURN OF PERSON WITH RESPECT TO

WHOM INFORMATION IS FURNISHED.—A duplicate of the statement required to be furnished to a person under subsection (c) shall be included with the return of the person receiving such statement for the taxable year which ends with or within the calendar year to which the statement relates.".

(d) Section 6044 of such Code (relating to returns regarding payment of patronage dividends) is amended by adding at the end thereof the following subsection:

"(f) DUPLICATE STATEMENT TO BE INCLUDED IN RETURN OF PERSON WITH RESPECT TO WHOM INFORMATION IS FURNISHED.—A duplicate of the statement required to be furnished to a person under subsection (e) shall be included with the return of the person receiving such statement for the taxable year which ends with or within the calendar year to which the statement relates.".

EMERGENCY JOBS APPROPRIATIONS, 1983

The PRESIDING OFFICER. The clerk will now report the jobs bill.

The assistant legislative clerk read as follows:

A bill (H.R. 1718) making appropriations to provide emergency expenditures to meet neglected urgent needs to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The question is on the excepted committee amendments.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, the Senator from Kansas, during all the discussion, was very silent because I think we have done the right thing. I would hope that everyone who has an interest in either maintaining withholding on interest and dividend income or repealing it will have ample opportunity starting April 15, which I think is a significant day, to bring up the bankers' effort to escape helping us balance the budget and do a lot of other things. I think April 15 is the day we ought to start this debate. I think we can focus in that debate of the American Bankers Association multimillion dollar effort to repeal withholding, which is not a new tax. It is only compliance. It is only collection. I am prepared to debate this proposal at great lengths and there are a number of ways to do that. I have learned a lot from the distinguished Senator from North Carolina, I would hope we would not have to start the debate all over on the social security package although that is an option every Senator has and it may happen. I do hope, however, that when we finish the jobs bill, we might be able to return to social security, take up some amendments this afternoon that are not in dispute and try to wrap it up tomorrow or Monday, but not later than Tuesday of next week.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, I inquire of the distinguished chairman of the Appropriations Committee as to how long he thinks it might take us to complete action now on the jobs bill.

Mr. HATFIELD. Mr. President, to respond to the leader, when we go back to the jobs bill, we will be faced with the Abdnor amendment to the committee amendment which will take a unanimous-consent to withdraw. Senator ABDNOR and other Members of the Senate, who worked out a compromise, have a substitute that has already been adopted, so there should be no objections to withdrawal of the Abdnor amendment. Then we will be on the committee amendment, which we have worked out with Senator PRYOR of Arkansas, so that we ought to be able to adopt that very quickly by a voice vote.

We completed all the known amendments the other night, so I would say to the majority leader that it seems to me we ought to be able to finish it up with a rollcall vote on final passage probably within about 5 minutes.

Mr. BAKER. Mr. President, have the yeas and nays been ordered on final passage?

The PRESIDING OFFICER. They have not.

Mr. BAKER. I ask for the yeas and nays, Mr. President, on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HATFIELD. Mr. President, I wonder if the Chair would lay down the bill.

The PRESIDING OFFICER. The bill is before us. The excepted committee amendment is pending.

Mr. HATFIELD. Mr. President, I now ask unanimous consent to withdraw the Abdnor amendment to the committee amendment.

The PRESIDING OFFICER. Without objection, the Abdnor amendment is withdrawn.

Mr. HATFIELD. Mr. President, I move the adoption of the excepted committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. HATFIELD. Mr. President, I ask unanimous consent that for the purpose of numbering amendments for conference consideration, this amendment be considered as two amendments. This will allow the conferees full flexibility to accept some or all of both delivery proposals for the emergency food and shelter program.

Why I ask for this is that Senator PRYOR of Arkansas and the managers of the bill worked out an agreement the other night on the matter of this particular committee amendment, and this is necessary now to keep the two tracks open so when we go to conference we can achieve the objective of the Senator from Arkansas as well as our objective. It has been cleared with the Senator from Arkansas, the author of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I now ask for third reading.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

May I say for the moment that I withhold that suggestion.

I want to make sure that there are no Senators on this side who have an amendment to be offered. I know of none, but I would be remiss in my duty if I did not check that.

So if the Senator will allow me a quorum call——

Mr. HATFIELD. I have no objection, so long as this does not constitute an invitation.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

Mr. HELMS. Mr. President, will the Senator withhold that?

Mr. BYRD. I withhold that suggestion.

Mr. HELMS. I thank the Senator.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, much has been said about procedures in the Senate, month after month and year after year, and we hear declarations that we ought to stop having legislation on appropriations bills. The distinguished Senator from Oregon has made that point many times.

I feel obliged to raise a point of order, the point of order being that under the provisions of rule XVI, paragraph 2, further consideration of the committee substitute amendment is not in order, in that the committee substitute amendment contains a multitude of general legislation.

Mr. HATFIELD. Mr. President, if the Senator will yield, I am not sure I understand what the Senator is referring to as the substitute amendment. We do not have a substitute amendment that I am aware of.

Mr. HELMS. Well, that is what it amounts to.

Mr. HATFIELD. We adopted a series of amendments.

Mr. HELMS. I understand.

All right, I will not identify it as a substitute amendment, but the pending amendment, the pending legislation.

Mr. HATFIELD. Mr. President, there is no pending amendment.

Mr. HELMS. I said "pending legislation."

If the Chair wants me to specify legislation on an appropriations bill, I will go down the page.

The PRESIDING OFFICER. The Senator has made a point of order against the pending amendment, the committee amendment.

Mr. HATFIELD. Mr. President, if the Senator will yield, the committee amendment has been adopted.

The PRESIDING OFFICER. The committee amendment has been adopted. Therefore, the point of order comes late.

Mr. HELMS. Will the Chair restate that?

The PRESIDING OFFICER. The committee amendment has been adopted. Therefore, the point of order against that amendment comes too late.

Mr. HELMS. All right. Then, Mr. President, I raise the point of order against the bill, in the same manner.

The PRESIDING OFFICER. The only points of order that will lie are that the committee has reported amendments which are legislative in nature, and that point of order must be raised before those amendments are agreed to. Those amendments have all been agreed to. Therefore, the point of order comes too late.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I will give the Parliamentarian time to get back to his chair.

Mr. President, a parliamentary inquiry: Is it not customary that protection of Senators generally is written into the unanimous-consent agreement at the outset, to protect their right to raise a point of order? Is that not correct?

The PRESIDING OFFICER. It is customary.

Mr. HELMS. It was not done in this instance.

The PRESIDING OFFICER. It was not.

Mr. HELMS. I thank the Chair.

Mr. President, I will level with the Chair and with other Senators——

Mr. HATFIELD. Mr. President, will the Senator yield for a moment?

Mr. HELMS. Let me finish one sentence, and then I shall be through.

It was my intent to withdraw the point of order. I simply wanted to make the point that this bill is laden with legislation, much of it proposed by the committee. So what I am really doing is trying to place a perspective on the criticism I have received in the past, as have others, relating to efforts to accomplish certain legislative goals.

I just want to point out—and I was using this device to do that, with no intent to pursue the point of order—that the committee, itself, in this instance, and I think in others, violates the admonition that it so often gives to the rest of us.

I yield to the Senator from Oregon.

The PRESIDING OFFICER. Will the Senator withhold? The Chair was in error. A subsequent unanimous-consent agreement did preserve points of order.

Mr. HATFIELD. I wanted to make sure of that, because I made the motion early on in the presentation of this bill, and we adopted the committee amendments en bloc, without waiving the rights of point of order. That was the phraseology I recall we used.

Mr. HELMS. As I said, I say to my friend that it is customary, and I was a little surprised when the Parliamentarian advised me initially that that had not been done.

Mr. HATFIELD. I understand. I assure the Senator there was no intent to try to do this. There was every intent to preserve those rights of points of order.

Mr. HELMS. I am gratified that that explanation has been made.

I appreciate the comment of the Senator.

Mr. BAKER. I thank the Senator.

Mr. HELMS. I thank the Senator.

Mr. GORTON. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. MOYNIHAN. May I ask my distinquished colleague from Oregon to clarify for me one point concerning the committee's intent in appropriating funds to the Federal Emergency Management Agency (FEMA) to provide grants to States to carry out a program of emergency shelter and food distribution within the States.

Mr. HATFIELD. I would be pleased to answer any questions that the distinquished Senator from New York may have about that section of the bill.

Mr. MOYNIHAN. Was it the committee's intent that the States could use the FEMA funds distributed to them to directly fund local governments to support local efforts to provide shelter for the homeless?

Mr. HATFIELD. Yes. Under the language in the bill the committee gives the States that discretion.

Mr. MOYNIHAN. I thank the Senator from Oregon for his kindness in responding to my question.

Mr. GORTON. Mr. President, although I will vote for final passage of this bill, I will do so with some reluctance. I do not believe that this bill is likely to create as many jobs as the increased deficits and consequent upward pressure on interest rates will destroy. Moreover, many of the jobs which will be created will be in areas with relatively low rates of unemployment.

It is for this reason that I voted in favor of the amendment of the distinguished Senator from Georgia, Mr. MATTINGLY, which would have stricken all provisions of title I of the bill, other than the humanitarian aid provisions. Senator MATTINGLY, as chairman of the subcommittee with jurisdiction over military construction, knew quite well how greatly this bill had departed from its stated goals. For instance, nearly as much money for construction of military housing in the bill went to States with unemployment rates at or below 7.8 percent as went to States with unemployment rates above 9.7 percent. While I do not doubt that States with unemployment rates of under 7.8 percent have pockets of terribly high unemployment or that 7.8 percent unemployment is itself unacceptably high, I do not think that a rate of unemployment of 7.8 percent in a State warrants a jobs bill unless we are certain that the funds will go to those pockets of higher unemployment within that State. The citizens of Washington State, I might add, would be delighted to have an unemployment rate of only 7.8 percent at this time.

This is but one example of the failure of this bill to create the jobs that are needed in the areas in which they are most needed. Our Nation's unemployed need more from Congress than the mere lipservice of enacting a jobs bill, particularly one which I believe will prove to be wholly inadequate at achieving its purpose. The women of this country, moreover, need more from us than a jobs bill which is aimed, by a ratio of roughly 2 to 1, toward creating jobs in the area of heavy construction.

I do not quarrel with the motives behind this bill. We are all deeply troubled by the Nation's unemployment. We all want to put America back to work. There may be a place in that process for a jobs bill, if that bill is true to its purposes. I am afraid this one is not. Moreover, the best jobs bill is the discipline inherent in a budget deficit low enough to encourage lower interest rates and strong incentives for private job creation.

Mr. President, having said all that, I will nonetheless vote for this bill. This is one of the most parochial votes I have had to make since I became a Member of this body. Washington State, in large part because of its dependence on the timber industry, has one of the highest rates of unemployment in the country. Under the formulation of targeting contained in this bill, Washington State will be one of the States targeted. That is a distinction I would prefer that I could not claim resulting as it does from the

high rate of unemployment in the State. But it is because of the targeting of this much needed aid for Washington that I will vote for this bill. I cast my vote today not simply as Senator GORTON but as Senator GORTON, the Senator from Washington. I regret that this bill will not serve the Nation and the Nation's unemployment problem as well as it will serve my State.

Mr. THURMOND. Mr. President, I rise today in support of H.R. 1718, a bill making emergency appropriations for a much-needed jobs program and humanitarian assistance.

Mr. President, our Nation is just now beginning to recover from a deep and prolonged economic recession. Unemployment, which reached a post-World War II high of 10.7 percent in December of last year, remains above 10 percent, meaning that over 11 million Americans are still out of work.

The bill now under consideration will hasten the recovery and provide productive employment, directly or indirectly, for several hundred thousand of these workers.

Mr. President, the jobs created by this measure will not be dead-end, make-work jobs. Rather, the work will be performed on long-delayed but very important capital improvement projects all across the Nation. These improvements will yield benefits long after the expenditures authorized by the bill are made. Moreover, many of the projects funded in this jobs bill are provided for in the fiscal year 1984 budget proposed by the administration. This legislation would merely accelerate their initiation into the current fiscal year.

Mr. President, in addition to providing for the acceleration of many much-needed public works projects, this bill also provides funding for many support and associated services in the form of increased block grants to the States and local communities. Among the programs which will receive increases in funding under this legislation are the community development block grant program, which will receive $1 billion for section 108 loan guarantees, and the social services block grant program, which will receive an additional $300 million for this fiscal year.

Mr. President, this bill also contains provisions for much-needed humanitarian assistance, including an extension of unemployment benefits for our many unemployed. The depth and length of the recession have caused many hardships which the provision of jobs alone will not remedy. This additional assistance is necessary to address many basic, yet critical, human needs.

Mr. President, from the standpoint of cost and budget impact, this bill is more reasonable and responsible than the version passed by the House. We must do what we can to help those hardest hit by the recent recession, but a bill that adds too much to the already sizable deficit will drive up interest rates and impede economic recovery. I believe the version of this bill reported by the Senate Appropriations Committee strikes the proper balance in that regard. While not perfect, it is a moderate and much-needed measure which should be promptly enacted.

TRAINING SUBSTITUTE FOR PUBLIC WORKS

Mr. HATCH. Mr. President, it is with regret that I must voice my opposition to this bill. With an unemployment rate that is still unacceptably high, I was hoping that the Congress could agree on an employment measure which would put people back to work in stable, permanent jobs. But all we have provided in H.R. 1718 is a politicians' cornucopia of special projects that will not dent unemployment. The jobs provided by these Government projects are imaginary. They are not real and they will disappear like a mirage. There is not one, single, private sector job in this entire package.

It is important to remember that the economic stimulus efforts of the Federal Government have never worked. Testimony presented by Dr. Alice Rivlin, Director of the Congressional Budget Office, and Dr. Martin Feldstein, Chairman of the Council of Economic Advisers, repeatedly stated the dangers of a public employment program. Increases in the deficit and increased competition between Government and the private sector effectively raises the rate of interest and crowds out private investment so crucial to creating new jobs, as well as maintaining existing private sector jobs. As Dr. Rivlin accurately noted in her testimony to Senator QUAYLE's Employment and Productivity Subcommittee, the main effect of a public employment program is, at best, a shifting of unemployment between sectors of the economy. So, on top of the fact that the jobs provided by this measure are temporary, is the probability that there will be no net gain of jobs, and perhaps even a net loss. I submit, in all sincerity, Mr. President, that this is no way to help the unemployed.

We have concentrated on public works projects which may or may not be beneficial, but when our country faces a tremendous, $200 billion deficit, such projects are not the solution. The tax-and-spend policies of the past will not help—they never have. If we were concerned enough about this deficit to vote for spending cuts during the last Congress, and we were concerned enough to vote for the tax increase of 1982, then why are we now unconcerned about the effect of increasing the deficit on our Nation's workers. It is they who bear the brunt of our public spending—they pay first in taxes, then in higher prices at the supermarket and clothing stores, and finally, in higher interest rates at the automobile dealer, mortgage bank, or appliance store.

This legislation, Mr. President, ignores the plight of the unskilled and it is unaware of the potential problems to be faced by youth. It devotes precious little of this $3.9 billion to training. The legislation I was hoping the Congress would produce would have recognized the absolute necessity for training as a key to resolving unemployment. Our unemployment problem is not cyclical—it is structural. We are leaving behind those who do not possess skills commensurate with the demands of a revitalized economy.

To help the structurally unemployed, we need training that will encourage private sector businesses to hire the structurally unemployed. This will not by itself create these jobs—it will not finance wages, salaries, or employee benefits. We need a program that provides an employer with a grant to cover the costs of training or retraining a structurally unemployed individual. There are many jobs which are even now going begging—jobs in the computer field, in health care, in sales, engineering, machining and tooling, accounting, and many other fields. As I noted in my statement introducing S. 649, the Emergency Structural Unemployment Relief Act, a brief survey of want ads in three major city newspapers on Thursday, February 17, indicated that there were 700 advertisements in the Washington Post, 800 in the New York Times, and 1,500 in the Los Angeles Times. The Daily Labor Report for March 1 indicated that the volume of help-wanted ads has increased since the beginning of the year. The February issue of Black Enterprise magazine ran an article about the employment look in the 1980's. There are a variety of employment fields which are projecting an increase of as high as 109 percent. These trends tell us that if pubic employment programs were ever an antirecession tool, they are now too late. What we need is a training program to ride the crest of recovery—a program which will provide immediate funds for training workers in the new jobs being created right now. S. 649 would supply those funds so that the natural matching process of workers to employers can be accelerated. Instead of speeding up public works projects, let us accelerate putting people into real jobs.

Under S. 649, $1.5 billion would be provided for training grants to be administered by State Governors. Employers who commit to hire a structurally unemployed or displaced worker can apply for a grant to cover the costs of training the individual for a specific job in his workforce.

It may be important to note that such an approach does not discrimi-

nate. It would apply to any individual who is certified as structurally unemployed by the employment security or unemployment insurance office, not just to skilled workers in the construction trades. Further, it would apply to all businesses—large or small—in any industry—who had job openings.

Finally, Mr. President, an approach such as the one outlined in S. 649 does not forget that the cause of much of our unemployment is the hopelessness felt by our Nation's young people. While they are still in school, we need to reach this generation. We need to identify those who are struggling and provide them with the proper counseling, job training, and placement services. We need to give them some real hope for the future. If our appropriations bill cannot do that, we really have put political blinders on. S. 649 would provide such assistance by providing additional funds for programs such as the Jobs for America's Graduates program.

Mr. President, our unemployed citizens need to be equipped with state-of-the-art skills to match the state-of-the-art industries our economy is now building. Our recovery will be worthless without the superior labor force we have always had. I am concerned that we may be missing the problem that this legislation is designed to correct.

Nonetheless, I am also aware that this bill has both the blessing of the administration and the benefit of identifiable State projects.

It is important, however, that we remember that H.R. 1718 is not a relief bill for our unemployed. It will not assist in the development of permanent private sector jobs. I hope that in the near future, Congress will find the time to take up the issue of the structurally unemployed and consider how best to provide them with the training they so desperately need.

Mr. GRASSLEY. Mr. President, all of us in the Congress have a stake in producing emergency jobs legislation to meet our most immediate unemployment problem. The number of unemployed has risen by more than 4 million in this recession and has remained at record-high post-Depression levels. Even with economic recovery currently underway, which holds the greatest potential for job creation, it is unlikely that the unemployment rate will drop below 6 to 7 percent for months to come. Most of us in Congress and the administration recognize that we cannot wait until a full economic recovery to aid those suffering from the effects of lagging productivity. We know that we will have to continue to work together to develop policies to reduce structural unemployment and revive our economic strength.

This jobs bill is by no means a comprehensive or enduring program to achieve and sustain a healthy economy. It is not a national industrial policy targeted toward increased productivity and full employment. This legislation, however, does provide immediate additional support to meet human needs in the areas of nutrition, health care, and housing. It also creates employment opportunities through the acceleration of previously approved public works construction and repair projects.

There is little question that funding in this bill will be beneficial to those truly suffering from an economic downturn. Additional appropriations are provided for emergency food and shelter, increased commodities distribution, and other forms of humanitarian aid. This legislation also includes $100 million in additional funding for the womens, infants and children supplemental nutrition program, which in my State is struggling with an unprecedented increase in participation. Most importantly, $5.033 billion is provided for urgently needed advances to State unemployment trust funds to continue the issuance of unemployment compensation benefits to the jobless.

To stimulate productive employment, this legislation provides an acceleration of long-delayed but highly necessary capital improvements projects throughout the Nation. Many are included in the administration's fiscal year 1984 budget and represent needed attention to our neglected infrastructure. I support the acceleration of funding for selected projects provided that such outlays are discounted against future spending. However, as a comprehensive job creation measure, I feel this bill falls far short of its goals.

There is little in this bill to prepare the Nation's work force for structural changes, both present and future, in the jobs market and economy. This Nation is currently undergoing a fundamental economic transition from older manufacturing industries to rapidly growing high technology and service industries. The resulting displacement within the work force is not a fleeting problem but one which must be addressed by long-range, effective training programs for workers to meet today's labor market needs. Furthermore, manpower experts anticipate that the worker of the future will need to be retrained seven times during his employment. However, less than 10 percent of the funds in this legislation are allocated for training and retraining.

It is widely accepted that the structurally unemployed represent 60 to 75 percent of our current 10.4 percent unemployment rate. The structurally unemployed workers—the low-skilled disadvantaged, the long-term unemployed, the dislocated worker, the inexperienced youth—have failed to achieve appropriate employment in the working marketplace. They need education and training to gain skills to compete in the job market, not just an expansion of immediate job opportunities. Yet this bill fails to address their long-term needs except by a slight increase in funding for a few existing programs.

We must recognize that jobs are not created by money alone. The Congress should pursue comprehensive fiscal and monetary policies to enhance, rather than impede business and job creation. We must concentrate our efforts on reviving the economy, and encouraging small, innovative businesses capable of providing permanent employment for our jobless. We must remove the present disincentives in our unemployment compensation program for recipients to seek training and employment. We should build on our current education and training system to more effectively prepare our work force for the present and future job market. These objectives will contribute far more in addressing our unemployment problem than the provisions of this emergency jobs bill.

● Mr. MURKOWSKI. Mr. President, it is with great reluctance that I must oppose H.R. 1718, the so-called jobs bill. If I believed that this bill would solve the unemployment problems of this country, I would be among its most zealous advocates. This bill, however, will not solve those problems. Approximately 11.5 million Americans are now unemployed. Additional members of discouraged workers have left the work force and are no longer reflected in the unemployment figures. At best this bill will create several hundred thousand new jobs, and hence not come close to solving the unemployment problem. The rate of unemployment will decline only when the economy fully recovers from the recession. That recovery is now underway.

I am concerned that passage of this bill will actually have the result of impeding the recovery, thereby preventing the real medicine for the unemployment problem from taking effect. This recession is due in large part to the high interest rates that this country has experienced in the last several years. Although the prime rate has declined from its high rate of 21 percent to 10½ percent, interest rates are by historical standards still extremely high relative to the inflation rate. This large differential is due to instability in the financial markets due to the concern with the high Federal Government budget deficits projected for fiscal 1983 and future years. Those in the financial markets know that these deficits will have to be financed in the credit markets.

The Federal Government is projected to consume 59 percent of the money available in the credit markets

this year to finance its deficits, with that percentage projected to be well over 50 percent in fiscal 1984, even if the President's budget is adopted. This has to have an upward pressure on interest rates. If the Federal Reserve Board attempts, by increasing the money supply, to control interest rates, the hard won battle that this country has fought to control inflation will be lost, and the inflation rate will increase, again putting an upward pressure on interest rates as lenders attempt to guarantee a real rate of return on money put into the credit markets.

Mr. President, a substantial increase in interest rates will choke off this recovery, and leave this Nation with high unemployment. The most effective way for this body to insure that interest rates continue to decline, not increase, is to exercise fiscal responsibility and reduce Federal budget deficits. This jobs bill is a step in the wrong direction. Another $5 billion added to the deficit will not create jobs, but instead will create higher deficits, higher interest rates, and a continuing high unemployment rate.●

● Mr. TSONGAS. Mr. President, this nation faces an economic emergency because of the disgracefully large number of our people who are unemployed. The need for this emergency jobs bill is self-evident. In supporting it, I want to underscore its limited scope. It is only a shot in the arm to treat what is a severe and chronic ill: a jobless rate that has soared to its highest point since the Great Depression. A lasting cure can come only when the Nation has programs and policies in place that attack the underlying causes of high unemployment.

In December 1982, unemployment reached a postwar high of 10.8 percent. More than 12 million individuals were looking for work. Nearly 2 million more had so despaired of finding work that they had given up the search altogether.

For some Americans, the situation is comparable to the Great Depression. More than 20 percent of black workers were unemployed in the fourth quarter of last year. Almost a quarter of teenagers in the labor force were unemployed.

Some industries are particularly hard hit. Unemployment in the construction industry exceeded 22 percent last quarter. Persistent unemployment has so demoralized steel and autoworkers that their outlook has fundamentally changed. Fear has replaced hope as their dominant emotion.

The great concern that our economy is gripped by some fundamental ailment affects those who are working and the unemployed alike. They share the same fear of the future, and, too often, the same lack of hope.

In my State of Massachusetts we have weathered the recession with an average unemployment rate of 7.9 percent. While the statistic is low in comparison to the rate in some States, the hardship of unemployment has nonetheless been very real for 250,000 persons in my State. That level of unemployment is totally unacceptable. The mere numbers, moreover, do not adequately describe the hardship suffered by many communities such as Fall River and New Bedford.

Not that the picture is uniformly bleak. There have been some glimmers of progress. On Monday, for example, the General Motors plant in Framingham, Mass. returned to operation and produced its first car in 5 months. Four thousand employees had been laid off at this plant. Many have still not returned to work.

In communities that depend on basic industries and even in those parts of my State where the economy is relatively healthy because of a service and high technology industrial base, there is a shared concern that the United States is losing its competitive edge.

This bill does not answer these concerns. This bill is necessary, but limited. It may provide jobs for 500,000 workers, but it does nothing for another 11 million unemployed. It does little to create new economic opportunities or improve the competitiveness of existing enterprises.

After this bill is passed, we will need to turn to the far more difficult task of shaping true employment legislation that solves our structural problems and offers some real hope.

We will need to expand access to education and job training so that more Americans can qualify for the knowledge-intensive jobs that will predominate.

We need to encourage firms to invest in their workers, as they currently do in plant and equipment. They ought to provide enough training and retraining to help workers prepare for the jobs of the future.

And we need to do much more to coordinate the efforts of training institutions to match employment opportunities. Massachusetts has some highly innovative programs toward this end: The Boston Compact, the Bay State Skills Corp., the Humphrey Occupational Resource Center, and the Private Industry Council, among others.

While we work on solutions to our long-term problems, this bill offers important short term relief. I am heartened by the increased humanitarian assistance spending in this bill. The need for emergency relief for the homeless and destitute is vast. This bill will help fill that need. The legislation also will assist hard-pressed cities and towns. By accelerating revenue-sharing payments, it should ease the financial crunch they face as a result of the continued recession.

Mr. President, it is a sign of neglect that we have to pass this emergency measure. I am hopeful that it appears likely to pass with so much accord. I hope it is also a sign of our commitment to a fundamental overhaul of our economy so that such emergency measures will be unnecessary.●

● Mr. ROTH. Mr. President, I regret that I must oppose this so-called jobs bill, because it will provide too few jobs far too slowly. I would like to make the record clear, however, that I do not oppose the emergency supplemental appropriations contained in title II. The funds in title II are necessary for the States to meet their unemployment benefits obligations, and provide benefits to the unemployed in a timely manner.

On Monday, March 7, 1983, my colleague, the distinguished Senator from Indiana (Mr. QUAYLE), stated four principles which must be followed in order for any measure which is considered a measure to create jobs, to be effective as a countercyclical tool. I found these standards to be excellent, and I have applied them to the bill as it now stands.

First, the measure must provide a reasonable number of jobs in relationship to the proposed expenditure. Approximately two-thirds of the funds contained in this bill are to be appropriated to programs which will create jobs in a capital intensive industry. In addition to this misuse, those workers which will be hired through this public works jobs program are among the most highly paid workers in this country. The cost of the jobs does not represent a cost-effective way of providing the unemployed with marketable skills which will enable them to obtain permanent, full-time employment, and not just temporary wages. Under this public works jobs program, we will spend between $40,000 and $400,000 per job, depending upon the program, and for $4,000 or less we could retrain the long-term unemployed and provide them with necessary skills. When we consider a cost comparison of such jobs with the cost of retraining and providing the unemployed with marketable skills, there is no doubt that we are not using our funds in the most cost-effective way to provide jobs for the unemployed.

Second, a measure to create jobs should provide these jobs during the current high unemployment. Yet, according to CBO, 40 percent of the funds contained in title I which promise to provide jobs to the long-term unemployed will not even be spent until 1985 through 1987. Additionally, the Senate voted against Senator QUAYLE's amendment which would not have allowed appropriations to be spent in programs in which 50 percent or more of the funds would not be spent out during the years 1983 and 1984. The projected level of high unemployment are for the years of 1983 and 1984.

With 40 percent of the funds being spent during the years of 1985 through 1987, we obviously are not providing the maximum number of jobs during our present high unemployment.

Third, a jobs measure must concentrate jobs in areas of high unemployment. According to the Senate Appropriations Committee targeting formula, only 21 States will receive over 85 percent of the funds to be appropriated in programs which amount to $1.9 billion under title I. The present target formula ignores rural areas which depend on agriculture and/or small business for employment opportunities. These areas have large numbers of long-term unemployed and underemployed individuals. Some States may have urban areas with large populations and lower unemployment rates. These urban areas put a downward pressure on the State's unemployment rate, disqualifying them for additional funds under title I. This targeting formula only helps those States who have experienced high unemployment in their urban areas where the greater number of persons reside.

Finally, funds should be targeted to those individuals who are hardest hit by unemployment. Approximately 44 percent of the funds under title I will go toward programs to create jobs which are not covered by Senator QUAYLE's targeting formula that requires the recipient of the funds to be unemployed for at least 15 weeks. Therefore, there is no insurance that jobs provided for individuals in these programs will go to individuals who are unemployed for a long period of time.

One last comment on this jobs bill: My State, the State of Delaware can expect to receive only one-tenth of 1 percent of the funds under this bill. This one-tenth of 1 percent will be spent in more than 30 programs which are funded under this bill. The funds Delaware will receive will be so fragmented, the impact will be insignificant in terms of helping the unemployed in the State of Delaware.●

● Mr. PELL. Mr. President, I strongly support final passage of H.R. 1718, the Emergency Jobs and Human Assistance Act. The citizens of my State are facing record unemployment with little sign of recovery in sight, and this bill will provide jobs and emergency assistance to those most in need.

When this bill was first reported by the Senate Appropriations Committee, Mr. President, I did not think that the bill did nearly enough to recognize and assist the great number of long term unemployed in Rhode Island. Rhode Island's unemployment rate last year was 10.2 percent, well above the national average of 9.7 percent, yet Rhode Island received among the smallest percentages of funds for States with severe unemployment.

Since the time that this bill was reported out of committee, I have been working with the floor managers of the bill and with the Senate leadership, and I can now say with confidence that the emergency jobs bill will provide jobs and assistance that are needed in Rhode Island. Rhode Island is now included within the group of 21 long term unemployment States that receive special attention under the bill. The use of the most recent available unemployment statistics, which required a change in the bill, will guarantee that Rhode Island's current unemployment rate of 12.2 percent will help guide those funds which are distributed according to current unemployment.

The emergency jobs bill will provide over $10 million in funding for jobs and emergency assistance into Rhode Island. That assistance will come in the form of expanding funding for dozens of existing programs. Surplus food distribution, the WIC nutrition program for women and infants, small business loan guarantees, repairs for Veterans' Administration hospitals, community development block grants, emergency mortgage assistance, and urban mass transit will all receive greatly increased funding, and each of these programs will be able to provide new jobs for Rhode Islanders. I am particularly pleased that training for dislocated workers would be increased by $125 million in the Senate bill; these funds are urgently needed to train workers for the new jobs that will be available once this recession has come to an end. Also helpful to Rhode Island workers will be an increase in funding for job search assistance.

Older workers, who have been hit so hard by this recession, will also receive attention from this bill. The title V senior community service employment program, which provides almost 300 part-time jobs for seniors in Rhode Island, will receive an increase in funding of $25 million, or enough for 5,000 additional jobs nationwide.

Our educational system receives additional help through $100 million for college work-study money and $60 million in impact aid. In addition, schools will be able to receive weatherization aid. Weatherization for low-income Americans, thankfully, has been increased in the Senate bill by $100 million; this amount will provide jobs this summer in addition to providing protection against the cold next winter.

In the health area, Mr. President, I believe that our efforts have recognized the increased health problems of our citizens that have been due to this recession, but I believe that our efforts have not gone far enough. Community and home health services and maternal and child health receive an additional $60 million in total, but the Senate bill did not originally include any funding for preventive health services. I have therefore supported amendments by Senator EAGLETON to add $100 million in health care funding, and by the Democratic Task Force on Emergency Human Needs, on which I sit, to add $290 million for maternal and child health, community health centers, and preventive health services.

I am also disappointed that the Senate bill did not include the $90 million allocated by the House for Amtrak. This money would help to improve rail service in Rhode Island, and I earnestly hope that the conference committee on the House and Senate bills is able to retain this funding.

Mr. President, a jobs and emergency assistance bill of this scale can not hope to assist more than a small number of the unemployed and the desparate. A sustained and unfaltering recovery in our economy is the only device which can return the jobs and the prosperity that we need, and more work remains to be done by Government, business, and labor to bring that recovery about. In the meantime, this jobs and assistance bill will be significant because it will put those who need work most back to work, and give food and shelter to those who need food and shelter most. I am therefore proud to have voted for this legislation, and I urge the President to speedily sign the act.●

Mr. ABDNOR. Mr. President, in order to avoid an uncontrollable rush which would inflate the cost of the bill beyond reason, the committee has resisted efforts to direct that specific projects be funded. The agencies have been asked to list priorities for funding, however, and we are assured that several South Dakota projects will be considered at the appropriations levels recommended by the committee for various programs and agencies.

First, the committee recommends $101 million for the Bureau of Reclamation, to include construction funding for rural water development. Since the WEB pipeline is the only rural water development under the Bureau's jurisdiction, it is quite evident that the committee intends the project to be funded. Furthermore, even at a lower total appropriations level the Bureau has assured us that WEB could receive $3 million in supplemental fiscal year 1983 funding.

In fact, if the funds are available and WEB is in a position to spend them, we have been told the Bureau may allocate as much as $5 million to the project, although they believe $2 million may be more realistic in view of the shortness of time remaining in the fiscal year. Hopefully, the regular fiscal year 1984 appropriations will be enacted in time to assure continuity of

funding, though, and in that context whether the WEB project receives $2 million or $5 million in this measure is not critical as long as the project advances as rapidly as possible and the necessary funds are available when needed.

Second, the committee has recommended $39 million for the Indian Health Service, which we are assured will enable funding of initial stage development of the Rosebud rural water system. In addition, the $30 million recommended for repair of existing irrigation systems by the BIA is tailored for needed renovations on the Rosebud Sioux Tribe's irrigation operations, and we have been assured by the BIA that perhaps $300,000 to $400,000 could be provided to the tribe at the recommended appropriations level.

On a related matter I should point out that the BIA is processing a reprograming request in the amount of $400,000 for initial development of the Yankton Sioux Tribe's proposed Tower-Greenwood irrigation project, and we have been advised that will be a more certain and equally expeditious means of funding that worthy project.

I ask unanimous consent to have reprinted at this point in the RECORD the March 7, 1983, letter I have received from Sidney L. Mills, Director of the BIA's Office of Trust Responsibilities, along with the South Dakota delegation's letter of February 23.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MARCH 7, 1983.

Hon. JAMES ABDNOR,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ABDNOR: Thank you for the joint letter of February 23 from the South Dakota Congressional delegation expressing support for funding through reprogramming, if possible, in the amount of $400,000 for construction of irrigation facilities on the Yankton Sioux Indian Reservation. You point out that such development is consistent with the policy of this Administration to support tribal economic self-sufficiency.

We in the Office of Trust Responsibilities recommend the reprogramming and have started the administrative clearance process. We realize the importance of the April 1 target date if any irrigation benefits are to be realized this cropping season.

If we can be of further assistance, please let us know.

Sincerely,

SIDNEY L. MILLS,
Director, Office of Trust Responsibilities.

FEBRUARY 23, 1983.

Mr. SIDNEY I. MILLS,
Director, Office of Trust Responsibilities, Bureau of Indian Affairs, Department of the Interior, Washington, D.C.

DEAR DIRECTOR MILLS: Thank you very much for meeting yesterday with the Yankton Sioux Tribe and members of our staff. We are encouraged by your response to the request made by the Yankton Sioux Tribe to reprogram $400,000 of the Fiscal Year 1983 appropriation for the Bureau of Indian Affairs and by your decision to take action next week in support of the requested reprogramming. As you are aware, the $400,000 requested by the Tribe will make possible construction in Fiscal Year 1983 of the first phase of the Yankton Sioux Tribe irrigation project.

We are strongly supportive of construction this fiscal year of the sub-Tower and sub-Greenwood units of the Yankton Sioux Tribe irrigation project. We believe the reprogramming of $400,000 in Fiscal Year 1983 administrative savings currently identified by the Bureau for construction of the initial phase of the Tribe's irrigation project in this fiscal year is consistent with the policies of the Administration in support of increased tribal economic self-sufficiency.

Again, we are pleased by your decision to take action next week in support of the Fiscal Year 1983 reprogramming requested by the Yankton Sioux Tribe and by the April 1, 1983, target date for completion of Administration action on the requested reprogramming.

Sincerely,

LARRY PRESSLER,
U.S. Senate.
JIM ABDNOR,
U.S. Senate.
TOM DASCHLE,
Member of Congress.

Mr. ABDNOR. Mr. President, third, the committee recommends supplemental funding for the rural water and waste program administered by the Farmers Home Administration. While the amount to be provided falls far short of that needed to insure sufficient funds for South Dakota rural water systems, I am hopeful that it will help in some measurable way to accelerate completion of these important projects.

Fourth and finally, Chairman BEVILL of the House Subcommittee on Energy and Water Development has said that the Missouri national recreation river and streambank stabilization project is eligible for funding by the corps under the House version of the bill; but the corps has told us the House bill is explicitly directed toward accelerating ongoing construction activities, implying that this project is not eligible.

It would seem to me that the chairman would know better the intent of his bill than does the corps, though, and it is certainly my hope that some level of funding can be provided. Equally importantly, and perhaps more so from a jobs-creation standpoint, however, is funding to match the moneys the State of South Dakota already has put up for Missouri River reservior recreational improvements.

Assistant Secretary Gianelli has assured me that an agreement has been reached with the State which will permit funding of the recreational improvements proposed and cost shared by the State, and the supplemental funds provided by this bill should make doubly sure the corps can live up to its end of the bargain in a timely fashion.

SUPPORT OF SURPLUS COMMODITIES DISTRIBUTION

● Mr. CHAFEE. Mr. President, I support the Hatfield amendment which calls for distributing excess domestic commodities to the hungry. I commend the Senator from Oregon for this attempt to solve the problems dealing both with surplus commodities and hunger in America.

Price support programs have resulted in billions of pounds of surplus dairy products and millions of bushels of grain spilling out of Government warehouses. One-tenth of the Nation's entire dairy production is currently being bought and stored by the Federal Government—an amount equal to 75 pounds of stored dairy products for every person in the country at a cost to the U.S. taxpayer of more than $2 billion a year. Meanwhile, millions of Americans are lining up for food stamps and at soup kitchens.

With mountains of stored commodities, our choice is either to continue to pay for storage, with the attendant risk of spoilage that entails, or to give the products to food banks, churches, other groups, or the school lunch program to help people in dire need of food assistance.

Senator HATFIELD's amendment will provide administrative funding to pay for the distribution of these commodities. Part of the administrative costs will be defrayed by transferring funds that now are used to pay storage. Over 1 billion dollars' worth of commodities—dairy products, wheat, corn, and rice—will be distributed under this amendment. Clearly these provisions will go a long way in insuring that the great wealth and bounty of this Nation is distributed among the millions who go hungry each day.●

Mr. MITCHELL. Mr. President, the bill before us takes the first step in addressing the serious human needs that have resulted from the current recession.

Although signs of economic recovery have, thankfully, been appearing in recent weeks, the uncertainty about the strength and duration of that recovery makes it imperative that some action be taken to alleviate the worst of those human needs.

Neither the administration itself nor the Congressional Budget Office is predicting a vibrant economic recovery. According to the Budget Office, the end of this year will still find 11.9 million workers without jobs and the 1984 jobless rate will mean no work for 11.2 million. One of the most severe effects of this particular recession has been the unprecedented duration of unemployment. Two percent of the total work force today has been jobless for 27 weeks or more. Such extended periods of unemployment do more than simply cost an individual

his income: They threaten his entire economic security.

When people are out of work for 6 months or more, they are forced to exhaust their savings, to sell their furniture and cars, and to risk the loss of their homes. Workers in their middle years cannot hope to recoup those losses, even with an economic recovery that will give them a job. Many of our working people are losing the investment of 10 or 20 years of work in a decent life.

And the tragic fact is that many formerly middle-income workers have been reduced to utter destitution. They have taken to the roads in an effort to find work. They are forced to live with families, with friends, or to camp out in cars. The plight of these people cannot be ignored.

The bill before us will not turn that situation around overnight. Indeed, no single action could be expected to do so. But it marks a first essential step in providing at least minimal assistance to those who, for no fault of their own, have borne the brunt of the shrinking economy.

I firmly believe that the majority of working Americans, who have benefited from the lowered inflation that this recession has caused, cannot turn their backs on those who have paid the full price for that improvement. We surely must assist those among us who have exhausted their resources and face an uncertain future.

The proposed additional package of assistance which is now before us will help improve the bill reported by the Appropriations Committee by providing more funds for the essential shelter and emergency food aid that too many of our people depend upon from day to day.

It will improve the package by making more money available to cities and urban areas through the community development block grant process, which our local governments are adept at channeling to areas of greatest local need.

And it improves the bill by making small but important additions for such programs as senior citizens employment, maternal and child health programs, and assistance to local community and public hospitals which have treated indigents at no cost.

At a time when qualified younger men and women cannot find work, it is particularly difficult for older Americans, who count on a small earned income to supplement their social security benefits, to compete in the job market. The Senior Citizens Employment Act is a way to provide that assistance and it should be approved.

Recent news reports indicate a frightening increase in infant mortality and child health problems which experts say are a direct result of poorer nutrition for pregnant women and small infants in this recession. Families whose jobs have gone are also unprotected by health insurance. The additional funding for maternal and child health will make sure that the most vulnerable segment of that population does not suffer health damage while this recession endures. The bill itself contains additional funds for infants' nutrition aid. The expansion of health care is a way to make certain that families do not delay getting needed health care for their infants because of the fear of incurring bills they cannot pay.

So these add ons, like the others in the bill, are important humanitarian efforts to extend emergency help to those people who have no one else to look to but the Government. Private charities and churches around the country have done a superb job in this emergency. But their funds are not inexhaustible, and they need the additional resources that this amendment will provide.

In addition to emergency humanitarian aid, the amendment adds $100 million for a program which holds out the real hope of jobs, which is the best form of long-term, permanent aid. That is the inclusion in this amendment of funds for the public works programs of the Economic Development Administration.

EDA is a program that has a proven track record of channeling aid to low-income, high-unemployment communities. Its public works section is specifically geared to the creation of the kinds of structures needed to retain existing companies and the jobs they provide and to create conditions which will attract industry to otherwise economically depressed areas. This additional money would substantially contribute to one of the major goals of the bill before us: To get jobs programs geared up and moving as quickly as possible. EDA has projects ready to move, and the agency has the expertise to do this most efficiently and with least additional overhead cost.

Thousands of Maine workers who have jobs today would not be employed were it not for past EDA projects that created the conditions to attract business to their regions. EDA public works would be a particularly efficient way to complement the other speeded up construction efforts under way and, at the same time, to channel jobs and the benefits of finished projects to those communities and regions which need help the most.

Several projects in Maine are in this category. The Portland Fish Pier project, for instance, will create almost 2,200 private sector jobs, with low entry-level skill requirements of the kind that are particularly important to the long-range structurally unemployed. The Searsport Cargo Port development would employ people in its construction and ultimately enhance the competitiveness of an American export port against nearby Canadian ports—and it would do so in Washington County, a region which has long had double-digit unemployment.

I urge my colleagues to support this package of additional program funding and emergency aid. It is urgent. It is essential. And it is the right thing to do.

WEB PROJECT ESSENTIAL

Mr. PRESSLER. Mr. President, in my home State of South Dakota, there is a great deal of interest in the jobs bill and particularly the possibility of the WEB rural water project receiving funding. I am also very concerned about this and am optimistic that WEB will benefit from the jobs bill. A recent editorial in the Aberdeen American News outlined the importance of this project to South Dakota and why funding should be included in the jobs bill. Mr. President, I request that the editorial be printed following my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Aberdeen American News, Mar. 11, 1983]

WEB COULD USE FINANCIAL SHOT IN THE ARM AND SHOULD GET IT

The WEB rural water pipeline for north-central South Dakota deserves to receive funding from the jobs bill now being considered in Congress.

It is the intent of the Reagan administration to use the jobs measure to speed up existing public works projects already approved, rather than resorting to make-work, deadend undertakings. WEB fills the bill in this category.

WEB has had a rocky road since its inception in the early 1970s. It has often fallen innocent victim to water politics within the state. Because the WEB reauthorization bill was approved by Congress too late last fall, it was not included in fiscal year 1984 appropriations. Consequently it is short money which it had counted on to finance development.

WEB will eventually serve about 60 towns and 30,000 people in 10 north central counties of South Dakota providing treated Missouri River water. Construction is scheduled to start this spring with work on the intake structure on the Missouri River south of Mobridge.

The project can be started because there is about $2.8 million in start-up money available, including $1.9 million in federal funds, $300,000 in state loan funds, $300,000 in Oahe Sub-district funds, and $300,000 in local funds. Lack of appropriated federal funds for fiscal year 1984, however, could slow the long-range planning and continuity needed for uninterrupted construction.

This is why the jobs bill nearing approval by Congress seems ideally adapted to a project such as WEB. The project is badly needed by north central South Dakota, it is authorized, planning is in place, and it will provide jobs. It will be completed eventually so it makes good sense to speed it up.

South Dakota's entire congressional delegation is behind using jobs bill money for the project. The administration, through the Bureau of Reclamation, is reportedly backing the plan. There is no reason why

WEB should not receive some of the funds to atone for being missed in the 1984 appropriations bill.

A few million additional federal dollars for WEB now could provide the shot in the arm which the embattled project has sorely needed for so many years.

Mr. HATFIELD. Mr. President, we began consideration of this emergency jobs bill on last Wednesday. Debate continued throughout that day, and on Thursday, Friday, Monday, Tuesday, yesterday, and today.

Mr. President, the net effect of all these days of debate was the addition of $94,600,000 in budget authority to the bill as reported from the Appropriations Committee.

Mr. President, the House passed bill provided $4,898 million in budget authority for these programs compared to Senate action to date of $4,025 million, for a savings of $873 million.

I ask unanimous consent that a short table illustrating the cost of the amendments be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Action to Date on the Senate-Reported Jobs Bill, H.R. 1718

[In thousands of dollars] Jobs portion	Budget authority
Senate-reported bill	3,930,001
Floor action: Sponsor of amendment and topic:	
Hatfield: VA hospitals	−263,400
Ford: Railroad retirement	+125,750
Eagleton: Health services	+115,000
Heinz: General revenue-sharing trust fund (outlay effect only)	
Bradley: Mass transit grants	+20,000
Wilson: Cable cars	+2,300
DeConcini: Bureau of Reclamation	+15,000
Melcher: Forest Service	+55,000
Levin: Older Americans	+25,000
Senate action to date	4,024,651
Senate action to date compared to:	
Senate-reported bill	+94,650
House-passed (House title I)	−873,499

● Mr. BOSCHWITZ. Mr. President, the President's fiscal year 1983 budget contained funding for construction of a number of National Park Service projects. One of these projects was a visitors center at Voyageurs National Park in northern Minnesota. These projects, including the one at Voyageurs, were not funded when the Interior Appropriations Subcommittee reduced the National Park Service construction budget by $20,575,000 during markup of the fiscal year 1983 Interior appropriations bill.

I am concerned about the visitors center project at Voyageurs because the President's fiscal year 1984 budget has no funding provided for it, even though the fiscal year 1983 budget did. Therefore, this meritorious project may not receive any funding until fiscal year 1985, if then.

This is a project that should be funded. When Voyageurs National Park was authorized in 1971, $19 million was authorized for development. To date, $300,000 has been appropriated for construction.

I have drafted an amendment which I am prepared to offer, that would restore $20.5 million to the National Park Service construction account. This would provide funds for construction of projects recommended, but not funded in the fiscal year 1983 Appropriation Act.

This amendment is consistent with the objectives of the legislation, to create jobs in the short term. As a matter of fact, funds were provided for these projects in Senator HATFIELD's original bill. Unfortunately, the House did not provide any Park Service construction funds and their bill, rather than Senator HATFIELD's was marked up in the Senate Appropriations Committee.

Mr. McCLURE. The Senator is correct. There was, indeed, some consideration given to providing the Park Service with construction funds in this bill. Rather than adding funds for Federal projects, however, the committee chose to fund development projects through the historic preservation fund and the land and water conservation fund; $75 million has been recommended for these activities. As these funds must be matched by the States, the $75 million Federal expenditure will generate an additional $75 million in matching funds, thus we adopted this approach to maximize the number of jobs to be created and to place those jobs in State and local parks rather than in Federal parks.

May I say to the distinguished Senator that we are not unsympathetic to the request for construction at Voyageurs National Park. If I am correct, however, the amount requested for that project in fiscal year 1983 was only $2,700,000. We would prefer not to add $20 million to meet this concern. In order to get our appropriation bill passed last year, it was necessary to make some very difficult choices. In general, we favored continuing projects and programs rather than initiating new projects.

We hope to have more flexibility this year. I anticipate that funds will be added above the Park Service's request for construction for fiscal year 1984. We are inclined to give strong consideration to those projects which we had to delete from last year's budget when distributing these funds. I would ask that the Senator not press his amendment at this time, but rather allow us to attempt to work it out as part of the regular fiscal year 1984 Interior appropriation bill.

Mr. BOSCHWITZ. I want to thank the chairman of the Interior Appropriations Subcommittee for his attention to this project at Voyageurs National Park. I look forward to working with him in seeing that it be funded in the fiscal year 1984 bill.●

AGRICULTURAL EXPORT CREDIT REVOLVING FUND

● Mr. BOREN. Mr. President, ever since the 1981 farm bill was enacted into law, we have repeatedly attempted to provide funding for the agricultural export credit revolving fund. I am extremely pleased to see that the Senate Appropriations Committee recognized the urgent necessity for appropriating "seed money" for this fund. I want to commend the distinguished Senator from Missouri [Mr. EAGLETON], for his efforts in this regard.

The bill before us now includes $500 million for the export credit revolving fund. Though I would like to see $1 billion placed in the fund, at least we have made a long-awaited start. This funding will allow for the financing of short-term commercial exporting of agricultural commodities and export sales of breeding animals. The present situation in the agricultural sector necessitates that we insure that agricultural exports be accorded the support which they deserve.

Agriculture is the largest industry in this Nation. Agriculture employs more workers—23 million—than any other industry and is larger than the auto, steel, and housing industries combined. One out of every five jobs in private enterprise is related to agriculture. About 20 percent of the gross national product is generated by agriculture.

Agricultural exports have a considerable impact upon the economy. In 1982, the overall trade deficit was reduced by the $23.7 billion agricultural trade surplus. Over the past two decades the value of agricultural exports has grown over tenfold, from $4 billion in 1960 to over $40 billion in 1980.

However, the U.S. share of the world market for certain commodities has declined recently due to subsidized competition from the European Community and other nations. For example, the EC's share of world wheat trade has increased from about 6 percent in 1970 to 16.5 percent in 1982–83. In poultry meat, the EC has moved from the world's largest importer in the mid-1960's to the world's largest exporter. The community now accounts for 35 percent of the world boiler market. The EC is the world's largest dairy exporter, accounting for about 60 percent of world trade. Prior to 1973–74, the EC was a net importer of beef and veal. Now, the EC is the world's second largest exporter behind only Australia. Total EC export subsidy expenditures amounted to $7.6 billion in 1981 and $8 billion in 1982.

Not only have our exports for certain commodities been on the decline, but net farm income, adjusted for inflation, is lower than it was in 1932, the worst year of the depression. It appears that farm income, adjusted for inflation, in 1982, was the lowest since

the Department of Agriculture began keeping records of farm income in the early part of this century. In my own home State of Oklahoma, the net income per farm in 1981 amounted to only $14, down from $5,460 per farm in 1980.

Exports make a very significant contribution to new farm income. One-third of all farmland is used to grow crops for export. Farmers attribute approximately one-fourth of their income to exports. For certain commodities, the percentage of income derived from exports is even higher. Sixty cents out of every dollar of income from rice sales is attributable to exports; wheat and flour, 60 cents; soybeans, 50 cents; cotton, 60 cents, and coarse grains, 30 cents.

Agricultural exports not only provide American consumers with a good food bargain, they also provide jobs. USDA estimates that for every $1 billion of agricutural exports, 35,000 jobs are created. In 1979, agricultural exports alone provided jobs for over 1 million Americans. Further, each dollar of agricultural exports stimulates an additional $1.05 of output in the U.S. economy. About 70 percent of the additional economic activity accrues to nonfarm sectors of the economy.

Exports help farmers make the most efficient use of their resources and keep costs lower, enabling U.S. consumers to spend a smaller share of disposable income on food than consumers in other nations. If production had to be reduced to the level of domestic demand alone, farmers would have no choice but to allocate fixed costs to the remaining output. This would increase unit costs substantially. In 1979, U.S. consumers spent an average of 14 percent of total expenditures on food whereas in Japan, consumers spent about 22 percent of their income on food and in the U.S.S.R. about 32 percent. If we allow agricultural exports to continue to decline, we will probably see a rise in the percent of income spent on food in the United States.

To export, we must have credit available on a continuing basis. A self-supporting revolving fund will obviate the arbitrary process of the budget which ignores the fact that the credits are repaid with interest, realizing a profit for the U.S. Government.

Mr. President, enhancing our ability to finance agricultural exports is an important objective. A self-supporting revolving fund, in which the credits are repaid with interest, thereby continually replenishing the fund, is a desirable and cost-effective means for accomplishing this goal.

I commend my colleagues on the Senate Appropriations Committee for including this provision. One of the reasons I intend to vote for the jobs bill is because this provision is included.●

Mr. MATSUNAGA. Mr. President, I rise to express my support for final passage of this emergency jobs and humanitarian aid relief package. I am indeed pleased that we were able to resolve our differences to pass this crucial legislation.

As with all of my colleagues, I hope to see the long-awaited economic recovery take hold and reduce our unacceptable levels of unemployment. Certainly, a vital and thriving economy would be the best job stimulus scenario we could hope to see. However, I fear that the best we can expect in the near future is a weak recovery that will not provide relief to the millions of Americans currently without jobs, without food, without shelter, without proper medical care, without all the basic necessities, and above all, without hope. These Americans cannot wait for economic recovery. They need jobs now. They need food now. I repeat, the basic needs of the jobless and their families must be met now.

For this reason, I am pleased that the Senate will pass this jobs package which is a first step toward creating employment opportunities for the nearly 12 million jobless Americans. We will have acted wisely in adopting this measure. But we must not lose sight of the fact that unemployment in the United States remains at an unacceptable level of 10.4 percent, with nearly 12 million Americans jobless. This figure does not, of course, reflect the additional 1 million discouraged workers who have given up seeking employment. In the past 2 months, the unemployment rate has gone down slightly. Nonetheless, the Congressional Budget Office estimates that an average of 11.9 million Americans will be unemployed each month in 1983.

Because of this desperate situation, I regret that the Senate did not adopt the Democratic task force amendment offered by the Senator from Michigan, Mr. LEVIN, myself and others last week that would have provided an additional $1.6 billion to the jobs and humanitarian aid bill. It is my fervent hope that both Houses of Congress will continue working on legislation to create jobs and fund programs to retrain displaced workers and train new workers for high technology positions.

We are taking an important step today in passing this legislation, but we must continue to work diligently to meet the needs of our deserving citizens.

THE JOBS BILL

Mr. BYRD. Mr. President, I am relieved that it was possible for the parliamentary tangle which had developed on this legislation to be cleared up, so that the Senate can pass this jobs bill. The Nation—and its 11 million unemployed workers and their families—are desperate for help, and this bill will offer a significant measure of relief.

In my opinion, the bill we are passing unfortunately does not do enough to meet the staggering need throughout the country. I and a number of my colleagues offered a carefully crafted amendment designed to increase the number of jobs the bill will provide by 365,000, and provide additional emergency food, shelter, and health care assistance to additional tens of thousands. I regret that the amendment was not agreed to by the Senate.

However, several very important elements of that package were accepted as separate amendments, including an amendment by Senator EAGLETON providing additional funds for community health centers and maternal and child health programs, an amendment by Senator LEVIN providing additional funds to employ senior citizens, and an amendment by Senator PRYOR providing assistance to private organizations such as the United Way, whose financial resources have been taxed to their limits as they attempt to provide shelter to the homeless and food to those who cannot afford to eat.

In all, the bill that the Senate is passing today takes an important step toward meeting the needs of the unemployed and toward attempting to put the jobless back to work. It is, assuredly, only a first step toward addressing these matters. It is only the down payment on our obligation to help those whose lives and fortunes have been harmed by economic forces beyond our control.

In the weeks ahead, I intend to be diligently at work with my colleagues to determine what additional steps we should take in phase 2 of our aid to the unemployed. Simultaneously, we will be seeking action that will result in further reduction in high interest rates and in stimulating renewed economic growth. We all know, Mr. President, that until we undo the economic damage visited upon us by the failed economics of the Reagan administration, and put the Nation back on its feet, we will be seeking an unattainable objective of spot-patching a crumbling structure.

Nevertheless, Mr. President, it is reassuring to see that the Congress has been able to take this first step. This bill will provide real help to many thousands, while also resulting in completion or advancement of a number of important public works projects of benefit to millions more. The bill also contains essential funding to assure that the payment of unemployment insurance benefits will not be interrupted during the next several weeks because the unemployment insurance account has been exhausted.

I congratulate the chairman of the Appropriations Committee, the distin-

guished Senator from Oregon, and the ranking Democratic member, the distinguished Senator from Mississippi, on their work on this bill. It was a privilege to work with them in assuring that the funding contained in this bill is better targeted to areas that have suffered the most severe unemployment during this recession. I am confident that the Senate conferees on this bill will work to protect this important Senate improvement in the bill.

I urge my colleagues to support this legislation—this first installment of aid to the victims of the recession.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

Mr. BAKER. Mr. President, let me point out a fact that may not have escaped the notice of all Senators that today is St. Patrick's Day. I had nothing green to wear today but I was reassured by my staff. My staff pointed out that my complexion has been green for some days now.

Mr. President, the fact remains, however, that a number of Senators are away from the Chamber attending a special ceremony at the Irish Embassy in connection with St. Patrick's Day.

I hope that the distinguished manager of the bill might permit us to recess for about 30 minutes while we try to get Members back to the Chamber. I know all of them would wish to be here when this final vote is taken on the jobs bill.

Mr. HATFIELD. Mr. President, will the Senator yield for a question?

Mr. BAKER. I yield.

Mr. HATFIELD. I say to the majority leader I would have no objection as one of the managers of the bill, but I wish to consult with my comanager about the possibility of a recess, but predicated on the understanding that immediately upon the expiration of the recess we proceed to the vote.

Mr. BAKER. Yes.

Mr. President, I am told now that the chairman of the Finance Committee is willing to go back to social security.

UNANIMOUS-CONSENT AGREEMENT

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now temporarily lay aside the jobs bill and resume consideration of the social security bill but that at 3:10 p.m. today the Senate then once again lay aside the social security bill and resume consideration of the jobs bill and that without intervening action by the Senate or debate the vote occur on final passage as previously ordered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Without objection, it is so ordered.

SOCIAL SECURITY ACT AMENDMENTS OF 1983

The PRESIDING OFFICER. The clerk will state the bill.

The legislative clerk read as follows:

A bill (H.R. 1900) to assure the solvency of the Social Security Trust Funds, to reform the Medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes.

The Senate resumed consideration of the bill.

Mr. HELMS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the amendment of the Senator from New Jersey to the amendment of the Senator from Kansas to the social security measure.

Mr. HELMS. Mr. President, is a further amendment in order?

The PRESIDING OFFICER. The amendment of the Senator from New Jersey is a first-degree amendment. A second-degree amendment would be in order.

Mr. DOLE. Mr. President, I ask unanimous consent that the amendment of the distinguished Senator from New Jersey be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 80

Mr. HELMS. Mr. President, I send an unprinted amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an unprinted amendment numbered 80.

Mr. HELMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter proposed to be inserted by the amendment insert the following new matter:

SHORT TITLE

SECTION 1. This Act, with the following table of contents, may be cited as the "Social Security Guarantee and Individual Retirement Security Act of 1983".

TABLE OF CONTENTS

Sec. 1. Short title.
TITLE I—INDIVIDUAL RETIREMENT SECURITY ACCOUNTS
Sec. 101. Establishment of individual retirement security accounts.
Sec. 102. Tax credit for amounts contributed to individual retirement security account.
Sec. 103. Exclusion from gross income of income earned on amounts contributed to individual retirement security account.
Sec. 104. Reduction of OASI tax and establishment of mandatory IRSA contributions.
Sec. 105. Reduction in primary insurance amount to reflect reduction in OASI tax.
TITLE II—OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE PROGRAM
Sec. 201. Certificate of guaranteed tax-exempt benefits.
Sec. 202. Annual contribution and benefit statement.
Sec. 203. Tax credit for benefit amounts to OASDI returned to trust funds.
Sec. 204. Repeal of 1985 and 1990 tax increases.
Sec. 206. Shift of cost-of-living adjustments.
Sec. 207. Proration of cost-of-living adjustment.
Sec. 208. General revenue funding for administrative costs.
Sec. 209. Crediting amounts of unnegotiated checks to trust funds.
Sec. 210. Transfer to trust funds for benefits attributable to military service before 1957.
Sec. 211. Payments to trust funds of amounts aquivalent to taxes on service in the uniformed services performed after 1956.
Sec. 212. Increase in dropout years for time spent in child care.
Sec. 213. Benefits for surviving divorced spouses and disabled widows and widowers who remarry.
Sec. 214. Determination of primary insurance amount for deferred survivor benefits.
Sec. 215. Benefits for divorced spouse regardless of whether former spouse has retired.
Sec. 216. Increase in benefit amount for disabled widows and widowers.
Sec. 217. Sharing of earnings by married couples.
Sec. 218. Restrictions on payment of benefits to nonresident aliens.
Sec. 219. Due process requirements for termination of disability benefits.
Sec. 220. Repeal of earnings limitation for beneficiaries age 65 or older.

TITLE I—INDIVIDUAL RETIREMENT SECURITY ACCOUNTS

ESTABLISHMENT OF INDIVIDUAL RETIREMENT SECURITY ACCOUNTS

SEC. 101. Title II of the Social Security Act is amended by adding at the end thereof the following new section:

"ESTABLISHMENT OF INDIVIDUAL RETIREMENT SECURITY ACCOUNTS

"SEC. 234. (a) After December 31, 1993, the Secretary of Health and Human Services and the Secretary of the Treasury shall establish for each individual—

"(1) upon whom section 1401(a) or 3101 of the Internal Revenue Code of 1954 imposes a tax, and

"(2) who does not have an individual retirement security account with a qualified fiduciary pursuant to section 130(d)(1)(A)(i) of the Internal Revenue Code of 1954,

an individual retirement security account, to be maintained in the Treasury as a separate book account.

"(b)(1) The Secretary of the Treasury shall pay into the individual retirement se-

curity account established under subsection (a) or under section 130(c)(1)(A)(i) of the Internal Revenue Code of 1954 with respect to such individual an amount equal to the amount of taxes paid with respect to the wages and self-employment income of such individual under sections 1401(d), 3101(e), and 3111(d) of the Internal Revenue Code of 1954.

"(2) The Secretary shall pay such amounts into such account within 30 days of the date on which such taxes are paid.

"(c) An individual may contribute to such account amounts other than the amounts contributed to such account on his behalf by the Secretary of the Treasury under subsection (b).

"(d) The Secretary of the Treasury shall invest amounts deposited in individual retirement security accounts in obligations of the United States, and amounts so invested shall earn interest in accordance with the terms of such obligations.

"(e) Amounts deposited in an individual retirement security account established with respect to an individual under subsection (a) may be withdrawn before such individual attains age 62 only if—

"(1) the amount withdrawn from such account is used for a purpose described in section 130(a)(2)(B) of the Internal Revenue Code of 1954, or

"(2) the amount withdrawn from such account is deposited immediately in an individual retirement security account established by such individual with a qualified fiduciary (as defined in section 130(c)(2) of the Internal Revenue Code of 1954).

"(f) The interest of an individual in the balance of an individual retirement security account established with respect to such individual pursuant to subsection (a) shall not be forfeitable.".

TAX CREDIT FOR AMOUNTS CONTRIBUTED TO INDIVIDUAL RETIREMENT SECURITY ACCOUNT

SEC. 102. (a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable against tax) is amended by inserting after section 44G the following new section:

"SEC. 44H. CONTRIBUTIONS TO INDIVIDUAL RETIREMENT SECURITY ACCOUNT.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 20 percent of the amounts contributed by the taxpayer to an individual retirement security account of the taxpayer during the taxable year (other than amounts paid into such account on behalf of such individual under section 234(b) of the Social Security Act).

"(b) LIMITATION.—The amount of any contributions taken into account under subsection (a) shall not exceed the amount of taxes paid by the taxpayer to the Federal Old Age and Survivors Insurance Trust Fund under section 3101 for the taxable year.

"(c) INDIVIDUAL RETIREMENT SECURITY ACCOUNT.—For purposes of this section, "the term 'individual retirement security account' shall have the meaning given to such term by section 130(c)(1).".

(b)(1) Subsection (b) of section 6401 of such Code (relating to excessive credit is treated as overpayments) is amended—

(A) by striking out "and 43 (relating to earned income credit)," and inserting in lieu thereof "43 (relating to earned income credit), and 44H (relating to contributions to individual retirement security account),", and

(B) by striking out "39 and 43" and inserting in lieu thereof "39, 43, and 44H".

(2) Paragraph (2) of section 55(f) of such Code (defining regular tax) is amended by striking out "39 and 43" and inserting in lieu thereof "39, 43, and 44H".

(c) In prescribing the forms by which any individual liable for any tax imposed by subtitle A of the Internal Revenue Code of 1954 shall make a return for taxable years beginning after December 31, 1983, the Secretary of the Treasury shall ensure that any such individual who is eligible for a credit under section 44H of such Code may claim the credit allowable under such section on any such form.

(d) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting before the item relating to section 45 the following new item:

"Sec. 44H. Contributions to individual retirement security account.".

(e) The amendments made by this section shall apply to taxable years beginning after December 31, 1983, and before January 1, 2004.

EXCLUSION FROM GROSS INCOME OF INCOME EARNED ON AMOUNTS CONTRIBUTED TO INDIVIDUAL RETIREMENT SECURITY ACCOUNT

SEC. 103. (a) Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 130 as section 131 and by inserting after section 129 the following new section:

"SEC. 130. INCOME FROM INDIVIDUAL RETIREMENT SECURITY ACCOUNT.

"(a) IN GENERAL.—Gross income does not include income which—

"(1) accrues on amounts contributed to an individual retirement security account, and

"(2)(A) remains in such account until the taxpayer attains age 62, or

"(B) is withdrawn from such account before the taxpayer attains age 62 for the purchase of life insurance, health insurance, or disability insurance for the taxpayer.

"(b) ACCOUNT EXEMPT FROM TAX.—Any individual retirement security account is exempt from taxation under this subtitle.

"(c) DEFINITIONS.—For purposes of this section—

"(1) INDIVIDUAL RETIREMENT SECURITY ACCOUNT.—The term 'individual retirement security account' means an account—

"(A) which is established by—

"(i) the taxpayer with a qualified fiduciary, or

"(ii) the Secretary of Health and Human Services and the Secretary of the Treasury on behalf of the taxpayer pursuant to section 234 of the Social Security Act;

"(B) which by written agreement or applicable law provides that—

"(i) amounts may be withdrawn therefrom before the taxpayer attains age 62 only for the purposes specified in subsection (a)(2)(B), and

"(ii) the interest of the taxpayer in the balance of his account is not forfeitable; and

"(C) to which—

"(i) the taxpayer makes contributions,

"(ii) contributions are made on behalf of the taxpayer pursuant to section 3101 (e), 3111 (d), or 1401 (d), or

"(iii) contributions are made if the manner described in both clause (i) and clause (ii);

in order to ensure the taxpayer an adequate retirement income upon attaining age 62.

"(2) QUALIFIED FIDUCIARY.—The term 'qualified fiduciary' means a bank or other person who demonstrates to the satisfaction of the Secretary that the manner in which he will administer the account will be consistent with the requirements of this section. An account shall not be disqualified under this paragraph merely because a person other than the fiduciary so administering the account may be granted, in the instrument creating the account, the power to control the investment of the account funds either by directing investments (including reinvestments, disposals, and exchanges) or by disapproving proposed investments (including reinvestments, disposals, and exchanges).".

(b) The amendments made by this section shall apply to taxable years beginning after December 31, 1983.

REDUCTION OF OASI TAX AND ESTABLISHMENT OF MANDATORY IRSA CONTRIBUTIONS

SEC. 104. (a)(1) Section 3101(a) of the Internal Revenue Code of 1954 (relating to rate of tax on employees), as amended by section 204 of this Act, is amended—

(A) by striking out the period at the end thereof and inserting in lieu thereof a semicolon; and

(B) by adding at the end thereof the following new paragraphs:

"(6) With respect to wages received during the calendar year 1994, the rate shall be 4.975 percent;

"(7) with respect to wages received during the calendar year 1995, the rate shall be 4.2 percent;

"(8) with respect to wages received during the calendar year 1996, the rate shall be 4.145 percent;

"(9) with respect to wages received during the calendar year 1997, the rate shall be 3.73 percent;

"(10) with respect to wages received during the calendar year 1998, the rate shall be 3.315 percent;

"(11) with respect to wages received during the calendar year 1999, the rate shall be 2.9 percent;

"(12) with respect to wages received during the calendar year 2000, the rate shall be 2.485 percent;

"(13) with respect to wages received during the calendar year 2001, the rate shall be 2.07 percent;

"(14) with respect to wages received during the calendar year 2002, the rate shall be 1.655 percent;

"(15) with respect to wages received during the calendar year 2003, the rate shall be 1.24 percent;

"(16) with respect to wages received during the calendar year after 2003, the rate shall be .825 percent.".

(2) Section 3111(a) of such Code (relating to rate of tax on employers) is amended—

(A) by striking out the period at the end thereof and inserting in lieu thereof a semicolon; and

(B) by adding at the end thereof the following new paragraphs:

"(6) with respect to wages paid during the calendar year 1994, the rate shall be 4.975 percent;

"(7) with respect to wages paid during the calendar year 1995, the rate shall be 4.2 percent;

"(8) with respect to wages paid during the calendar year 1996, the rate shall be 4.145 percent;

"(9) with respect to wages paid during the calendar year 1997, the rate shall be 3.73 percent;

"(10) with respect to wages paid during the calendar year 1998, the rate shall be 3.315 percent;

"(11) with respect to wages paid during the calendar year 1999, the rate shall be 2.9 percent;

"(12) with respect to wages paid during the calendar year 2000, the rate shall be 2.485 percent;

"(13) with respect to wages paid during the calendar year 2001, the rate shall be 2.07 percent;

"(14) with respect to wages paid during the calendar year 2002, the rate shall be 1.655 percent;

"(15) with respect to wages paid during the calendar year 2003, the rate shall be 1.24 percent;

"(16) with respect to wages paid during calendar years after 2003, the rate shall be .825 percent.".

(3) Section 1401 (a) of such Code (relating to rate of tax on self-employment income) is amended—

(A) by striking out the period at the end thereof and inserting in lieu thereof a semicolon; and

(B) by adding at the end thereof the following new paragraphs:

"(6) in the case of any taxable year beginning after December 31, 1993 and before January 1, 1995, the tax shall be equal to 7.4625 percent of the amount of the self-employment income for such taxable year;

"(7) in the case of any taxable year beginning after December 31, 1994 and before January 1, 1996, the tax shall be equal to 6.3 percent of the amount of the self-employment income for such taxable year;

"(8) in the case of any taxable year beginning after December 31, 1995 and before January 1, 1997, the tax shall be equal to 6.2175 percent of the amount of the self-employment income for such taxable year;

"(9) in the case of any taxable year beginning after December 31, 1996 and before January 1, 1998, the tax shall be equal to 5.595 percent of the amount of the self-employment income for such taxable year;

"(10) in the case of any taxable year beginning after December 31, 1997 and before January 1, 1999, the tax shall be equal to 4.9725 percent of the amount of the self-employment income for such taxable year;

"(11) in the case of any taxable year beginning after December 31, 1998 and before January 1, 2000, the tax shall be equal to 4.35 percent of the amount of the self-employment income for such taxable year;

"(12) in the case of any taxable year beginning after December 31, 1999 and before January 1, 2001, the tax shall be equal to 3.7275 percent of the amount of the self-employment income for such taxable year;

"(13) in the case of any taxable year beginning after December 31, 2000 and before January 1, 2002, the tax shall be equal to 3.105 percent of the amount of the self-employment income for such taxable year;

"(14) in the case of any taxable year beginning after December 31, 2001 and before January 1, 2003, the tax shall be equal to 2.4825 percent of the amount of the self-employment income for such taxable year;

"(15) in the case of any taxable year beginning after December 31, 2002 and before January 1, 2004, the tax shall be equal to 1.86 percent of the amount of the self-employment income for such taxable year; and

"(16) in the case of any taxable year beginning after December 31, 2003, the tax shall be equal to 1.2375 percent of the amount of the self-employment income for such taxable year.".

(b)(1) Section 201(b)(1) of the Social Security Act is amended by striking out all beginning with "and before January 1, 1985" through "December 31, 1989,".

(2) Section 201(b)(2) of such Act is amended by striking out all beginning with "(L) 1.4250 per centum" through "December 31, 1989,".

(c)(1) Section 3101 of the Internal Revenue Code of 1954 (relating to rate of tax on employees) is amended by adding at the end thereof the following new subsection:

"(e) INDIVIDUAL RETIREMENT SECURITY ACCOUNT.—In addition to other taxes, a mandatory contribution shall be made from the income of every individual to the IRSA account of such individual in an amount equal to the following percentages of the wages (as defined in section 3121 (a)) received by him with respect to employment (as defined in section 3121 (b))—

"(1) with respect to wages received during the calendar year 1994, the rate shall be .425 percent;

"(2) with respect to wages received during the calendar year 1995, the rate shall be 1.2 percent;

"(3) with respect to wages received during the calendar year 1996, the rate shall be 1.615 percent;

"(4) with respect to wages received during the calendar year 1997, the rate shall be 2.030 percent;

"(5) with respect to wages received during the calendar year 1998, the rate shall be 2.445 percent;

"(6) with respect to wages received during the calendar year 1999, the rate shall be 2.860 percent;

"(7) with respect to wages received during the calendar year 2000, the rate shall be 3.275 percent;

"(8) with respect to wages received during the calendar year 2001, the rate shall be 3.690 percent;

"(9) with respect to wages received during the calendar year 2002, the rate shall be 4.105 percent;

"(10) with respect to wages received during the calendar year 2003, the rate shall be 4.520 percent;

"(11) with respect to wages received during the calendar year 2003, the rate shall be 4.575 percent.".

(2) Section 3111 of such Code is amended by adding at the end thereof the following new subsection:

"(d) INDIVIDUAL RETIREMENT SECURITY ACCOUNT.—In addition to other taxes, there is hereby imposed on every employer an excise tax, with respect to having individuals in his employ, equal to the following percentages of the wages (as defined in section 3121 (a) and (f)) paid by him with respect to employment (as defined in section 3121 (b))—

"(1) with respect to wages paid during the calendar year 1994, the rate shall be .425 percent;

"(2) with respect to wages paid during the calendar year 1995, the rate shall be 1.2 percent;

"(3) with respect to wages paid during the calendar year 1996, the rate shall be 1.615 percent;

"(4) with respect to wages paid during the calendar year 1997, the rate shall be 2.030 percent;

"(5) with respect to wages paid during the calendar year 1998, the rate shall be 2.445 percent;

"(6) with respect to wages paid during the calendar year 1999, the rate shall be 2.860 percent;

"(7) with respect to wages paid during the calendar year 2000, the rate shall be 3.275 percent;

"(8) with respect to wages paid during the calendar year 2001, the rate shall be 3.690 percent;

"(9) with respect to wages paid during the calendar year 2002, the rate shall be 4.105 percent;

"(10) with respect to wages paid during the calendar year 2003, the rate shall be 4.520 percent;

"(11) with respect to wages paid during the calendar years after 2003, the rate shall be 4.575 percent.".

(3) Section 1401 of such Code is amended by adding at the end thereof the following new subsection:

"(d) INDIVIDUAL RETIREMENT SECURITY ACCOUNT.—In addition to other taxes, there shall be made for each taxable year, from the self-employment income of every individual, a mandatory contribution to the IRSA account of such individual as follows:

"(1) in the case of any taxable year beginning after December 31, 1993, and before January 1, 1995, the contribution shall be equal to .6375 percent of the amount of the self-employment income for such taxable year;

"(2) in the case of any taxable year beginning after December 31, 1994, and before January 1, 1996, the contribution shall be equal to 1.8 percent of the amount of the self-employment income for such taxable year;

"(3) in the case of any taxable year beginning after December 31, 1995, and before January 1, 1997, the contribution shall be equal to 2.4225 percent of the amount of the self-employment income for such taxable year;

"(4) in the case of any taxable year beginning after December 31, 1996, and before January 1, 1998, the contribution shall be equal to 3.045 percent of the amount of the self-employment income for such taxable year;

"(5) in the case of any taxable year beginning after December 31, 1997, and before January 1, 1999, the contribution shall be equal to 3.6675 percent of the amount of the self-employment income for such taxable year;

"(6) in the case of any taxable year beginning after December 31, 1998, and before January 1, 2000, the contribution shall be equal to 4.29 percent of the amount of the self-employment income for such taxable year;

"(7) in the case of any taxable year beginning after December 31, 1999, and before January 1, 2001, the contribution shall be equal to 4.9125 percent of the amount of the self-employment income for such taxable year;

"(8) in the case of any taxable year beginning after December 31, 2000, and before January 1, 2002, the contribution shall be equal to 5.535 percent of the amount of the self-employment income for such taxable year;

"(9) in the case of any taxable year beginning after December 31, 2001, and before January 1, 2003, the contribution shall be equal to 6.1575 percent of the amount of the self-employment income for such taxable year;

"(10) in the case of any taxable year beginning after December 31, 2002, and before January 1, 2004, the contribution shall be equal to 6.75 percent of the amount of the self-employment income for such taxable year; and

"(11) in the case of any taxable year beginning after December 31, 2003, the contribution shall be equal to 6.8625 percent of the amount of the self-employment income for such taxable year.".

CHANGE IN PRIMARY INSURANCE AMOUNT TO REFLECT REDUCTION IN OASI TAX

SEC. 105. Section 215 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(j)(1) For purposes of determining old-age and survivors insurance benefits based upon the wages and self-employment income of an individual with respect to whom contributions are made to an individual security retirement account, such primary insurance amount shall be reduced by an amount that bears the same ratio to such primary insurance amount (as determined without regard to this subsection) as the IRSA offset amount determined with respect to such individual bears to the present value of the OASI annuity amount determined with respect to such individual.

"(2) For purposes of this subsection—

"(A) The term 'individual retirement security account' shall have the meaning given to such term in section 130(c)(1) of the Internal Revenue Code of 1954.

"(B) The term 'IRSA offset amount' means, with respect to an individual described in paragraph (1), an amount equal to the sum of—

"(i) amounts—

"(I) contributed by such individual to the individual retirement security account established with respect to such individual, and

"(II) taken into account for purposes of determining a credit allowed to such individual under section 44H of the Internal Revenue Code of 1954,

(compounded, for the period beginning with the date on which the return in which such credit was claimed was required to be filed and ending with the date on which such individual retires, by the social security yield rate determined with respect to such individual); and

"(ii) amounts paid to the individual retirement security account of such individual under sections 1401(d), 1301(e), and 1311(d) of the Internal Revenue Code of 1954 (compounded, for the periods beginning with the date on which such amount was paid into such account and ending with the date on which such individual retires, by the social security yield rate determined with respect to such individual);

"(C)(i) The term 'present value of OASI benefit annuity amount' means an amount that would, if invested at a rate of interest equal to the rate of interest payable on United States Treasury bills at the beginning of the period of entitlement determined with respect to the wages and self-employment income of an individual, produce by the end of such period of entitlement, an amount equal to the amount of benefits which would be payable under section 202 on the basis of such wages and self-employment income (but for the application of paragraph (1)) for such period of entitlement.

"(ii) In determining the amount of benefits which would be payable for the period of entitlement determined with respect to the wages and self-employment income of an individual, the rate of the cost-of-living increase under subsection (i) for the cost-of-living computation quarter immediately preceding the beginning of such period of entitlement shall be assumed to apply to each base quarter in such period of entitlement.

"(D) The term 'period of entitlement' means, with respect to the wages and self-employment income of an individual described in paragraph (1), the period beginning with the date on which such individual retires and ending with the date on which such individual would attain the expectation of life (determined in accordance with the official life table and in accordance with the applicable provisions of this Act as in effect on the first day of such period).

"(E) The term 'social security yield rate' means with respect to an individual described in paragraph (1), the rate of yield that, if earned on the OASI tax amount determined with respect to such individual, for the period beginning with the date of which such taxes were paid and ending with the date on which such individual retires, would produce an amount equal to the present value of the OASI benefit annuity amount determined with respect to such individual.

"(F) The term 'OASI tax amount' means with respect to an individual described in paragraph (1), the amount of taxes paid to the Federal Old-Age and Survivors Insurance Trust Fund with respect to such individual under sections 3101(a), 3111(a), and 1401(a) of the Internal Revenue Code of 1954 during the 80 highest quarters of coverage for such individual.

"(G) The term 'cost-of-living computation quarter' shall have the meaning given to such term in subsection (i)(1)(B).

"(H) The term 'base quarter' shall have the meaning given to such term in subsection (i)(1)(A).

"(I) The term 'quarter of coverage' shall have the meaning given to such term in section 213(a)(2).

"(J) The term 'official life table' means the life table for total persons in the United States that is prepared decennially by the National Center for Health Statistics for the 3-year period centering around the year of the decennial population census.".

TITLE II—OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE PROGRAM

CERTIFICATE OF GUARANTEED TAX-EXEMPT BENEFITS

SEC. 201. (a) Title II of the Social Security Act is amended by adding at the end thereof the following new section:

"CERTIFICATE OF GUARANTEED TAX-EXEMPT BENEFITS

"SEC. 235. (a) The Secretary shall issue to each individual who is entitled to an old-age insurance benefit, or who has attained age 62 and is entitled to any other benefit under this title, a certificate of guaranteed tax-exempt benefits. Such certificate shall be issued at the time such individual first becomes entitled to a benefit under this title, or attains age 62, whichever is later.

"(b) The certificate issued pursuant to this section shall pledge the full faith and credit of the United States to guarantee that benefits shall be paid to such individual (and to other individuals on the basis of such individual's wages and self-employment income) under the provisions of this title as in effect on the date of issuance of such certificate (or as such benefits may be increased thereafter by Congress or under any automatic cost-of-living adjustment), and that such benefits shall not be subject to the tax on income under subtitle A of the Internal Revenue Code of 1954.

"(c) The certificate issued under this section shall also contain—

"(1) a statement of the total amount of the taxes paid by such individual and his employers under sections 3101(a), 3111(a), and 1401(a) of the Internal Revenue Code of 1954 with respect to such individual's wages and self-employment income; and

"(2) a statement that the certificate is nonnegotiable and nontransferrable.".

(b) The amendment made by subsection (a) shall apply to all individuals entitled to a monthly benefit under title II of the Social Security Act on or after the date of the enactment of this Act. The Secretary shall issue such certificates to those individuals who have attained age 62 and are entitled to such benefits on the date of the enactment of this Act within six months after such date of enactment, in the same manner as if they had first become entitled to an old-age insurance benefit on such date of enactment.

ANNUAL CONTRIBUTION AND BENEFIT STATEMENT

SEC. 202. (a) Section 205(c) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(9)(A) The Secretary shall issue an annual statement to each individual having a social security account number which shall indicate the amount of the taxes paid by such individual under sections 3101(a) and 1401(a) of the Internal Revenue Code of 1954 with respect to his wages and self-employment income for such year. The statement shall be issued prior to March 31 with respect to the wages and self-employment income for the preceding calendar year.".

"(B) The annual statement issued under subparagraph (A) shall also include a chart developed by the Secretary which shall list the approximate amount of the primary insurance amount of an individual who will attain age 65 during the succeeding 40 year period (broken down into such incremental time periods as the Secretary determines to be appropriate), based on current annual earnings levels (broken down into increments of $5,000) from covered employment, and based upon the projections of future wage and price levels then being used by the Secretary to predict long range actuarial status of the Federal Old-Age and Survivors Insurance Trust Fund. Such chart shall also show the amount of the taxes which are payable at each stated earnings level under section 3101(a) of the Internal Revenue Code of 1954. The chart shall also indicate that the benefit level of a worker aged 65 is equal to the primary insurance amount, and shall indicate the proportion of such primary insurance amount which is payable as an old-age or survivors benefit to other persons, in addition to such worker.

"(C) For the year in which an individual attains age 62, the Secretary shall also issue to each such individual a statement showing the amount of the monthly benefit for which such individual is eligible for the first month after attaining such age.".

(b) The amendment made by subsection (a) shall be effective with respect to calendar year 1983 and each calendar year thereafter.

TAX CREDIT FOR BENEFIT AMOUNTS RETURNED TO OASDI TRUST FUNDS

SEC. 203. (a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable against tax) is amended by inserting after section 44H (as added by section 102 of this Act) the following new section:

"SEC. 44I. BENEFIT AMOUNTS RETURNED TO OASDI TRUST FUNDS.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the amount of social security benefits which are—

"(1) paid to the taxpayer from the Federal Old Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, and

"(2) returned by the taxpayer to such Trust Fund,

during such taxable year.

"(b) LIMITATION.—The amount of any credit allowed to a taxpayer under subsection (a) shall not exceed—

"(1) $100, or

"(2) in the case of a married individual filing a joint return, $200,

for a taxable year.

"(c) SOCIAL SECURITY BENEFIT.—For purposes of this section, the 'social security benefit' means any amount paid to the taxpayer by reason of entitlement to a monthly benefit under title II of the Social Security Act.".

(b)(1) Subsection (b) of section 6401 of such Code (relating to excessive credit is treated as overpayments) is amended—

(A) by striking out "and 44H (relating to contributions to individual retirement security account)", and inserting in lieu thereof "44H (relating to contributions to individual retirement security account), and 44I (relating to benefit amounts returned to OASDI trust funds),", and

(B) by striking out "43 and 44H" and inserting in lieu thereof "43, 44H, and 44I".

(2) Paragraph (2) of section 55(f) of such Code (defining regular tax) is amended by striking out "43 and 44H" and inserting in lieu thereof "43, 44H, and 44I".

(c) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting before the item relating to section 45 the following new item:

"Sec. 44I. Benefit amounts returned to OASDI trust funds.".

(d)(1) Social security benefits returned to the Treasury of the United States pursuant to section 44I of the Internal Revenue Code of 1954 shall be credited to the trust fund from which such benefits were paid.

(2) For purposes of this subsection, the term "social security benefit" shall have the meaning given to such term in section 44I(c) of such Code.

(e) The amendments made by this section shall apply to taxable years beginning after December 31, 1983.

REPEAL OF 1985 AND 1990 TAX INCREASES

SEC. 204. (a) Section 1401(a) of the Internal Revenue Code of 1954 is amended by inserting "and" at the end of paragraph (4) and by striking out paragraphs (5), (6), and (7) and inserting in lieu thereof the following:

"(5) in the case of any taxable year beginning after December 31, 1981 and before January 1, 1994, the tax shall be equal to 8.05 percent of the amount of the self-employment income for such taxable year.".

(b) Section 3101(a) of such Code is amended by inserting "and" at the end of paragraph (4) and by striking out paragraphs (5), (6), and (7) and inserting in lieu thereof the following:

"(5) with respect to wages received during the calendar years 1982 through 1993, the rate shall be 5.40 percent.".

(c) Section 3111(a) of such Code is amended by inserting "and" at the end of paragraph (4) and by striking out paragraphs (5), (6), and (7) and inserting in lieu thereof the following:

"(5) with respect to wages paid during the calendar years 1982 through 1993, the rate shall be 5.40 percent.".

COVERAGE OF ALL FEDERAL EMPLOYEES

SEC. 205. (a) Section 210(a) of the Social Security Act is amended—

(1) by repealing paragraph (5); and

(2) by amending paragraph (6) to read as follows:

"(6) Service performed in the employ of the United States or any instrumentality of the United States if such service is performed—

"(A) in a penal institution of the United States by an inmate thereof;

"(B) by any individual as an employee included under section 5351(2) of title 5, United States Code (relating to certain interns, student nurses, and other student employees of hospitals of the Federal Government), other than as a medical or dental intern or a medical or dental resident in training; or

"(C) by any individual as an employee serving on a temporary basis in case of fire, storm, earthquake, flood, or other similar emergency;".

(b) Section 210(p) of such Act is amended—

(1) by inserting "performed prior to January 1, 1984" after "any service"; and

(2) by inserting ", as in effect in January 1983," after "provisions".

(c) Section 3121(b) of the Internal Revenue Code of 1954 is amended—

(1) by repealing paragraph (5); and

(2) by amending paragraph (6) to read as follows:

"(6) service performed in the employ of the United States or any instrumentality of the United States if such service is performed—

"(A) in a penal institution of the United States by an inmate thereof;

"(B) by any individual as an employee included under section 5351(2) of title 5, United States Code (relating to certain interns, student nurses, and other student employees of hospitals of the Federal Government), other than as a medical or dental intern or a medical or dental resident in training; or

"(C) by any individual as an employee serving on a temporary basis in case of fire, storm, earthquake, flood, or other similar emergency;".

(d)(1) Section 3121 of the Internal Revenue Code of 1954 is amended by striking out subsection (u) thereof.

(2) Section 1402(b) of such Code is amended in the second sentence thereof by inserting "and" before "(B)" and by striking out ", and (C)" and all that follows through "3111(b)".

(3) Section 3122 of such Code is amended by striking out "including service which is medicare qualified Federal employment (as defined in section 3121(u)(2)),".

(e) The amendments made by this section shall be effective with respect to remuneration paid after December 31, 1983.

SHIFT OF COST-OF-LIVING ADJUSTMENTS

SEC. 206. (a)(1) Section 215(i)(2)(A)(ii) of the Social Security Act is amended by striking out "June" and inserting in lieu thereof "September".

(2) Section 215(i)(2)(A)(iii) of such Act is amended by striking out "May" and inserting in lieu thereof "August".

(3) Section 215(i)(2)(B) of such Act is amended by striking out "May" each place it appears and inserting in lieu thereof in each instance "August".

(4) Section 203(f)(8)(A) of such Act is amended by striking out "June" and inserting in lieu thereof "September".

(5) Section 230(a) of such Act is amended by striking out "June" and inserting in lieu thereof "September".

(6) Section 215(i)(2) of such Act as in effect in December 1978, and as applied in certain cases under the provisions of such Act as in effect after December 1978, is amended by striking out "June" in subparagraph (A)(ii) and inserting in lieu thereof "September", and by striking out "May" each place it appears in subparagraph (B) and inserting in lieu thereof in each instance "August".

(7) Section 202(m) of such Act (as it applies in certain cases by reason of section 2 of Public Law 97-123) is amended by striking out "May" and inserting in lieu thereof "August".

(8) The amendments made by this subsection shall apply with respect to cost-of-living increases determined under section 215(i) of the Social Security Act for years after 1982.

(b)(1) Section 215(i)(1)(A) of the Social Security Act is amended by striking out "March 31" and inserting in lieu thereof "June 30", and by striking out "1974" and inserting in lieu thereof "1982".

(2) Section 215(i)(1)(A) of such Act as in effect in December 1978, and as applied in certain cases under the provisions of such Act as in effect after December 1978, is amended by striking out "March 31" and inserting in lieu thereof "June 30".

(3) The amendments made by this subsection shall apply with respect to cost-of-living increases determined under section 215(i) of the Social Security Act for years after 1983.

(c) Section 215(i)(4) of such Act is amended by inserting ", and as amended by section 201 (a)(6) and (b)(2) of the Social Security Amendments of 1983," after "as in effect in December 1978".

PRORATION OF COST-OF-LIVING ADJUSTMENT

SEC. 207. (a) Section 215(i)(2)(A)(ii) of the Social Security Act is amended, in the second sentence, by inserting before the semicolon the following: ", and by adjusting such amount as required by paragraph (5) in the case of the initial cost-of-living increase".

(b) Section 215(i) of such Act is amended by adding at the end thereof the following new paragraph:

"(5)(A) The primary insurance amount, maximum benefit amount under section 203(a), and benefit amount under section 227 or 228 of any individual for the initial cost-of-living increase (as defined in subparagraph (B)(i)) shall be determined under paragraph (2)(A)(ii) by substituting for the percentage increase in the Consumer Price Index otherwise applicable under such paragraph, a percentage equal to—

"(i) such otherwise applicable percentage, multiplied by the number of months in the initial cost-of-living computation period (as defined in subparagraph (B)(ii) which follow the month in which such individual becomes eligible for an old-age or disability insurance benefit, dies, or (in the case of benefits under section 227 or 228) becomes eligible for such benefit, divided by

"(ii) the number of months in such initial cost-of-living computation period.

"(B) For purposes of this paragraph—

"(i) the term 'initial cost-of-living increase' means the first increase under this subsection applicable to the primary insurance amount, maximum benefit amount under section 203(a), or benefit amount under section 227 or 228 of such individual; except that if a new primary insurance amount is determined with respect to an individual previously entitled to a disability insurance benefit (as described in subsection (a)(2)(C)), the first increase under this subsection applicable to such new primary insurance amount and maximum benefit amount shall also be an 'initial cost-of-living increase'; and

"(ii) the term 'initial cost-of-living computation period' means the period ending with the last day of the cost-of-living computation quarter (as determined under paragraph (1)(B)) used for purposes of the initial cost-of-living increase, and beginning with the first day of the quarter following (I) the most recent calendar quarter prior to such cost-of-living computation quarter which was a base quarter under paragraph (1)(A)(ii), or (II) if later, the most recent prior cost-of-living computation quarter.".

(c) The amendments made by this section shall be effective with respect to any "initial cost-of-living increase" (as defined in section 215(i)(5) of the Social Security Act) occurring after the date of the enactment of this Act.

GENERAL REVENUE FUNDING FOR ADMINISTRATIVE COSTS

SEC. 208. (a) Section 201 (g) of the Social Security Act is amended—

(1) by striking out paragraph (1);

(2) in paragraph 93), by striking out "or (2)"; and

(3) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2).

(b) The amendments made by this section shall be effective with respect to costs incurred after the date of the enactment of this Act.

CREDITING AMOUNTS OF UNNEGOTIATED CHECKS TO TRUST FUNDS

SEC. 209. (a) The Secretary of the Treasury shall take such actions as may be necessary to ensure that amounts of checks for benefits under title II of the Social Security Act which have not been presented for payment within a reasonable length of time (not to exceed twelve months) after issuance are credited to the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, whichever may be the fund from which the check was issued. Amounts of any such check shall be recharged to the fund from which they were issued if payment is subsequently made on such check.

(b)(1) The Secretary of the Treasury shall transfer from the general fund of the Treasury to the Federal Old-Age and Survivors Insurance Trust Fund and to the Federal Disability Insurance Trust Fund, as appropriate, such sums as may be necessary to reimburse such Trust Funds in the total amounts of all currently unnegotiated benefit checks. After the amounts appropriated by this subsection have been transferred to the Trust Funds, the provisions of subsection (a) shall be applicable. There are hereby appropriated into such Trust Funds such sums as may be necessary to reimburse such Trust Funds for the amount of currently unnegotiated benefit checks. The first such transfer shall be made within 30 days after the date of the enactment of this Act with respect to all such unnegotiated checks as of such date of enactment.

(2) As used in paragraph (1), the term "currently unnegotiated benefit checks" means the checks issued under title II of the Social Security Act prior to the date of the enactment of this Act, which remain unnegotiated after the twelfth month following the date on which they were issued.

TRANSFER TO TRUST FUNDS FOR BENEFITS ATTRIBUTABLE TO MILITARY SERVICE BEFORE 1957

SEC. 210. (a) Section 217(g) of the Social Security Act is amended to read as follows:

"APPROPRIATION TO TRUST FUNDS

"(g)(1) Within 30 days after the date of the enactment of the Social Security Amendments of 1983, the Secretary shall determine the amounts which are the amounts estimated to be necessary to be transferred into each of the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and the Federal Hospital Insurance Trust Fund on such date of enactment so that each such Trust Fund will be in the same position at the close of September 30, 2015 as each such Trust Fund would otherwise be in at the close of September 30, 2015 if section 210 of this Act as in effect prior to the Social Security Act Amendments of 1950, and this section, had not been enacted (less any amounts previously transferred under the provisions of this subsection as in effect prior to the date of the enactment of the Social Security Amendments of 1983). The rate of interest to be used in initially determining such amount shall be the rate determined under section 201(d) for public debt obligations which were or could have been issued for purchase by such Trust Funds on the date of the enactment of the Social Security Amendments of 1983, and the assumptions with respect to future increases in wage and price levels shall be consistent with such rate of interest. The Secretary of the Treasury shall transfer the amounts determined under this paragraph into such Trust Funds from the general fund in the Treasury within 30 days after the date of the enactment of the Social Security Amendments of 1983. There are hereby appropriated into such Trust Funds sums equal to the amounts to be transferred in accordance with this paragraph into such Trust Funds.

"(2) The Secretary shall revise the amount determined under paragraph (1) within one year after the date of the transfer made under paragraph (1), and every five years thereafter, as warranted by data which may become available to him after the date of the transfer under paragraph (1) based upon actual benefits paid under this title and title XVIII. Any amounts determined to be needed for transfer shall be transferred annually by the Secretary of the Treasury into the appropriate Trust Fund from the general fund in the Treasury, or out of the appropriate Trust Fund into the general fund in the Treasury, as may be appropriate. There are authorized to be appropriated to such Trust Funds sums equal to the amounts to be transferred in accordance with this paragraph into such Trust Funds.".

PAYMENTS TO TRUST FUNDS OF AMOUNTS EQUIVALENT TO TAXES ON SERVICE IN THE UNIFORMED SERVICES PERFORMED AFTER 1956

SEC. 211. (a) Section 229(b) of the Social Security Act is amended to read as follows:

"(b) There are authorized to be appropriated to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and the Federal Hospital Insurance Trust Fund, for each fiscal year, amounts equal to the additional amounts which would be appropriated into each such Trust Fund for such fiscal year under sections 201 and 1817 of this Act if the amounts of the additional wages deemed to have been paid by reason of subsection (a) constituted remuneration for employment (as defined in section 3121(b) of the Internal Revenue Code of 1954) for purposes of the taxes imposed by sections 3101 and 3111 of the Internal Revenue Code of 1954.".

(b) The amendment made by subsection (a) shall be effective with respect to wages deemed to have been paid for calendar years after 1982.

(c)(1) Within 30 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall determine the amounts equal to the additional amounts which would have been appropriated into the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and the Federal Hospital Insurance Trust Fund under sections 201 and 1817 of the Social Security Act, if the additional wages deemed to have been paid under section 229(a) of the Social Security Act prior to 1983 had constituted remuneration for employment (as defined in section 3121(b) of the Internal Revenue Code of 1954) for purposes of the taxes imposed by sections 3101 and 3111 of the Internal Revenue Code of 1954, and the amount of interest which would have been earned on such amounts if they had been so appropriated.

(2)(A) The Secretary of the Treasury shall, within 30 days after the date of the enactment of this Act, transfer into each such Trust Fund, from the general fund in the Treasury, an amount equal to the amount determined with respect to such Trust Fund under paragraph (1), less any amount appropriated into such Trust Fund under the provisions of section 229(b) of the Social Security Act prior to the date of the determination made under paragraph (1) with respect to wages deemed to have been paid for calendar years prior to 1983. There are hereby appropriated into such Trust Funds sums equal to the amounts to be transferred in accordance with this subparagraph into such Trust Funds.

(B) The Secretary shall revise the amount determined under subparagraph (A) within one year after the date of the transfer made under paragraph (1), as warranted by data which may become available to him after the date of the transfer under subparagraph (A) based upon actual benefits paid under this title and title XVIII. Any amounts determined to be needed for transfer shall be transferred by the Secretary of the Treasury into the appropriate Trust Fund from the general fund in the Treasury, or out of the appropriate Trust Fund into the general fund in the Treasury, as may be appropriate. There are authorized to be appropriated to such Trust Funds sums equal to the amounts to be transferred in accordance with this subparagraph into such Trust Funds.

INCREASE IN DROPOUT YEARS FOR TIME SPENT IN CHILD CARE

SEC. 212. (a) Section 215(b)(2)(A) of the Social Security Act is amended, in the third sentence thereof—

(1) by striking out "clause (ii)" each place it appears and inserting in lieu thereof in each instance "clause (i) or (ii)";

(2) by striking out "the age of 3" each place it appears and inserting in lieu thereof in each instance "the age of 6";

(3) by striking out "a combined total not exceeding 3" and inserting "a combined total not exceeding 11"; and

(4) by striking out "had no earnings as described in section 203(f)(5) in such year" and inserting in lieu thereof "had earnings in such year (as described in section 203(f)(5)) of not more than an amount equal to 50 percent of the average of the total wages (as determined by the Secretary for purposes of paragraph (3)(A)(ii)(I)) for the second calendar year preceding such year".

(b) The amendments made by this section shall apply with respect to monthly benefits payable for months beginning after the date of the enactment of this Act.

BENEFITS FOR SURVIVING DIVORCED SPOUSES AND DISABLED WIDOWS AND WIDOWERS WHO REMARRY

SEC. 213. (a)(1) Section 202(e)(3) of the Social Security Act is repealed.

(2) Section 202(e)(4) of such Act is amended to read as follows:

"(4) For purposes of paragraph (1), if—

"(A) a widow or a surviving divorced wife marries after attaining age 60, or

"(B) a disabled widow or disabled surviving divorced wife described in paragraph (1)(B)(ii) marries after attaining age 50,

such marriage shall be deemed not to have occurred.".

(b)(1) Section 202(f)(4) of such Act is repealed.

(2) Section 202(f)(5) of such Act is amended to read as follows:

"(5) For purposes of paragraph (1), if—

"(A) a widower marries after attaining age 60, or

"(B) a disabled widower described in paragraph (1)

"(B)(ii) marries after attaining age 50, such marriage shall be deemed not to have occurred.".

(c)(1) The amendments made by subsection (a) shall be effective with respect to monthly benefits payable under title II of the Social Security Act for months after December 1983.

(2) In the case of an individual who was not entitled to a monthly benefit under title II of such Act for December 1983, no benefit shall be paid under such title by reason of such amendments unless proper application for such benefit is made.

DETERMINATION OF PRIMARY INSURANCE AMOUNT FOR DEFERRED SURVIVOR BENEFITS

SEC. 214. (a) Section 215(a) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(8)(A) If a person is entitled to benefits under subsection (e) or (f) of section 202 on the basis of the wages and self-employment income of a deceased individual whose primary insurance amount would otherwise be determined under paragraph (1), the primary insurance amount of such deceased individual shall be determined, for purposes of determining the amount of the benefit under such subsection, as if such deceased individual died in the year in which the person entitled to benefits under such subsection first became eligible for such benefits or, if earlier, the year in which such deceased individual would have attained age 60 if he had not died (except that the actual year of death of such deceased individual shall be used for purposes of section 215(b)(2)(B)(ii)(II)).

"(i) is entitled to benefits under subsection (e) or (f) of section 202 on the basis of the wages and self-employment income of a deceased individual, and

"(ii) was entitled to benefits under this title on the basis of the wages and self-employment income of such deceased individual in the month before the month in which such person became eligible for the benefits described in clause (i).

the primary insurance amount of such deceased individual shall be the primary insurance amount determined under the rules which would apply (but for subparagraph (A)) or the primary insurance amount determined under subparagraph (A), whichever is larger.

"(C) For purposes of determining the maximum family benefit amount with respect to a deceased individual for whom a primary insurance amount is determined under this paragraph, the primary insurance amount of such deceased individual shall be the primary insurance amount determined under the rules which would apply (but for this paragraph) of the primary insurance amount determined under this paragraph, whichever is larger.".

(b) The amendments made by subsection (a) shall apply to the benefits of individuals who become eligible for benefits under sections 202 (e) and (f) of the Social Security Act after December 1983.

BENEFITS FOR DIVORCED SPOUSE REGARDLESS OF WHETHER FORMER SPOUSE HAS RETIRED

SEC. 215. (a) Section 202(b) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(5) For purposes of determining the entitlement of a divorced wife to a benefit under this subsection and the amount of such benefit, in the case of a wife who has been divorced from her former husband for a period of not less than 24 months—

"(A) such former husband shall be deemed to be entitled to an old-age insurance benefit if he would be entitled to such a benefit if he applied therefor; and

"(B) the amount of such benefit for such divorced wife shall be determined without regard to reductions which are or would be made under section 203 on account of work performed by such former husband.".

(b)(1) The amendment made by subsection (a) shall be effective with respect to monthly benefits payable under title II of the Social Security Act for months after December 1983.

(2) In the case of an individual who was not entitled to a monthly benefit under title II of such Act for December 1983, no benefit shall be paid under such title by reason of such amendment unless proper application for such benefit is made.

INCREASE IN BENEFIT AMOUNT FOR DISABLED WIDOWS AND WIDOWERS

SEC. 216. (a)(1) Section 202(q)(1) of the Social Security Act is amended by striking out the semicolon at the end of subparagraph (B)(ii) and all that follows and inserting in lieu thereof a period.

(2) Section 202(q)(6) of such Act is amended to read as follows:

"(6) For purposes of this subsection, the 'reduction period' for an old-age, wife's husband's, widow's, or widower's insurance benefit is the period beginning—

"(A) in the case of an old-age or husband's insurance benefit, with the first day of the first month for which such individual is entitled to such benefit,

"(B) in the case of a wife's insurance benefit, with the first day of the first month for which a certificate described in paragraph (5)(A)(i) is effective, or

"(C) in the case of a widow's or widower's insurance benefit, with the first day of the first month for which such individual is entitled to such benefit or the first day of the month in which such individual attains age 60, whichever is later.

and ending with the last day of the month before the month in which such individual attains retirement age.".

(3) Section 202(q)(7) of such Act is amended by striking out the matter preceding subparagraph (A) and inserting in lieu thereof the following:

"(7) For purposes of this subsection, the 'adjusted reduction period' for an old-age, wife's, husband's, widow's, or widower's insurance benefit is the reduction period prescribed in paragraph (6) for such benefit, excluding—".

(4) Paragraphs (1)(B)(i), (3)(E)(ii), and (3)(F)(ii) of section 202(q) of such Act are each amended by striking out "(6)(A)" and inserting in lieu thereof in each instance "(6)".

(5) Section 202(q)(3)(G) of such Act is amended by striking out "paragraph (6)(A) (or, if such paragraph does not apply, the period specified in paragraph (6)(B))" and inserting in lieu thereof "paragraph (6)".

(6) Section 202(q)(10) of such Act is amended—

(A) by striking out "or an additional adjusted reduction period";

(B) in subparagraphs (B)(i), (C)(i), and (C)(ii) by striking out ", plus the number of months in the adjusted additional reduction period multiplied by 43/240 of 1 percent"; and

(C) in subparagraph (B)(ii), by striking out ", plus the number of months in the additional reduction period multiplied by 43/240 of 1 percent".

(b)(1) The amendments made by this section shall be effective with respect to monthly benefits under title II of the Social Security Act for months after December 1983.

(2) In the case of an individual who was not entitled to a monthly benefit under title II of such Act for December 1983, no benefit shall be paid under such title by reason of such amendments unless proper application for such benefit is made.

SHARING OF EARNINGS BY MARRIED COUPLES

SEC. 217. (a) Title II of the Social Security Act is amended by adding at the end thereof the following new section:

"SHARING OF EARNINGS BY MARRIED COUPLES

"SEC. 236. (a)(1) The combined earnings of an individual and his or her spouse, to the extent that such earnings are attributable to the period of their marriage (as determined under paragraph (2)), shall be divided equally between them and shared in accordance with this section for purposes of determining their eligibility for old-age or disability insurance benefits and the amount of the old-age or disability insurance benefits to which each of them is or may become separately entitled, if they are divorced, and either of them elects, in such manner and form as the Secretary shall prescribe but in any event within 12 months after the divorce becomes final, to have such combined earnings so divided and shared.

"(2) For purposes of this section with respect to any two individuals who are mar-

ried to each other and are then divorced, the 'period of their marriage' is the period—

"(A) beginning with the first day of the calendar year in which their marriage occurred, and

"(B) ending with the last day of the calendar year in which their divorce becomes final.

"(b)(1) Except to the extent otherwise provided in subsections (c) and (d), whenever two individuals are to have their combined earnings divided and shared in accordance with subsection (a) they shall each be credited for all of the purposes of this title with wages and self-employment income, for each calendar year for which either of them is credited with any wages and self-employment income without regard to this section during the period of their marriage, in an amount equal to 50 percent of the combined total of the wages and self-employment income otherwise credited to both of them for that year.

"(2) Nothing in this section shall have an effect upon the crediting of wages and self-employment income to any individual for any calendar year not included in the period of such individual's marriage; but to the extent that wages and self-employment income are credited pursuant to this section the other provisions of this title specifying the manner in which wages and self-employment income are to be credited shall (to the extent inconsistent with this section) not be applicable.

"(c) This section shall not apply with respect to any surviving divorced spouse for any month, and any widow's, widower's, or mother's insurance benefit payable to which such spouse is entitled under this title for any month shall be determined as though this section has not been enacted, if the application of this section would result in either divorced spouse becoming ineligible for any benefit under this title by reason of an insufficient number of quarters of coverage.

"(d) Notwithstanding any of the preceding provisions of this section—

"(1) benefits payable under subsection (d) or (h) of section 202 on the basis of the wages any self-employment income of any individual, and benefits payable under subsection (b), (c), (e), (f), or (g) of such section 202 (on the basis of such wages and self-employment income) to any person other than a divorced spouse or surviving divorced spouse who has shared in or been credited with a part of such individual's earnings under subsections (a) and (b) of this section, shall be determined as though this section had not ben enacted if (A) the application of this section has changed such individual's primary insurance amount from what it would otherwise have been, and (B) the crediting of wages and self-employment income to such individual and his or her former spouse without regard to this section would increase the amount of such benefits; and

"(2) in the application of section 203(a) (relating to maximum family benefits) with respect to benefits payable on the basis of the wages and self-employment income of any individual, where all or any part of the wages and self-employment income of such individual and his or her former spouse was credited to them in accordance with this section, the primary insurance amount of such individual (and the crediting of his or her wages and self-employment income) shall be determined in accordance with this section but the benefits payable to any other person on the basis of the wages and self-employment income of such individual shall be determined as though this section had not been enacted and as though such person had made application for any benefit or benefits to which he or she would (upon such application) be entitled.".

(b) Section 205(c)(5) of the Social Security Act is amended—

(1) by striking out "or" at the end of subparagraph (I);

(2) by striking out the period at the end of subparagraph (J) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new subparagraph:

"(K) to reflect any changes in the crediting of wages and self-employment income which may be necessitated by section 236.".

(c) Section 215(b) of such Act is amended by adding at the end thereof the following new paragraph:

"(5) The determination of the wages and self-employment income to be credited to an individual under this subsection shall in all cases be made after the application of section 236.".

(d) The amendments made by this section shall apply only with respect to divorces occurring or becoming final after the date of the enactment of this Act, and with respect to the payment of benefits for months after such date of enactment.

RESTRICTIONS ON PAYMENT OF BENEFITS TO NONRESIDENT ALIENS

SEC. 18. (a) Section 202(t)(1) of the Social Security Act is amended to read as follows:

"(1) (A) Notwithstanding any other provision of this title, any monthly benefits otherwise payable under this section or section 223 for any month to any individual who is not a citizen or national of the United States, if such individual—

"(i) has not been lawfully admitted to the United States for permanent residence, or

"(ii) has been outside the United States for a period of more than six consecutive calendar months while entitled to benefits under this title;

and any monthly benefits otherwise payable to any person for any month under this section or section 223 on the basis of the wages and self-employment income of an individual who is himself subject to the preceding provisions of this subparagraph for that month, shall be subject to the limitations set forth in subparagraph (B).

"(B) The total amount of any monthly benefits described in subparagraph (A) payable to an individual described in such subparagraph shall be limited to—

"(i) in the case of an individual entitled to such benefits who is the only individual so entitled to benefits on the basis of the wages and self-employment income upon which such benefits are payable, an amount equal to the sum of—

"(I) the total amount of taxes paid under sections 3101 and 1401 of the Internal Revenue Code of 1954 (or the corresponding provisions of prior law) with respect to such wages and self-employment income; and

"(II) the interest payable on the taxes so paid (computed at the prevailing rate of interest payable on United States Treasury bills for the period after such taxes were paid and before such individual became entitled to such benefits); or

(ii) in the case of an individual entitled to such benefits who is one of several individuals so entitled to benefits on the basis of the wages and self-employment income upon which such benefits are payable, an amount equal to that portion of such taxes and such interest which is attributable to such individual's entitlement, as determined in regulations by the Secretary.

After monthly benefits totalling such amount have been paid, such individual shall have no further entitlement to benefits based upon the same wages and self-employment income.

"(C) For purposes of subparagraph (B) benefits paid under section 202 or 223 before the date of enactment of this paragraph to an individual to whom subparagraph (A) applies shall be taken into account in determining the total amount of monthly benefits paid to such individual.

"(D) Subparagraph (A)(i) shall not apply with respect to any individual within the United States if the benefit involved is payable to such individual as the wife, husband, child, or survivor of a citizen or national of the United States or of an alien lawfully admitted to the United States for permanent residence.

"(E) Subparagraph (A)(ii) shall not apply with respect to any individual if—

"(i) the benefit involved is payable to such individual as the dependent or survivor of a citizen or national of the United States who resides outside the United States and has attained age 50 (or who died outside the United States after attaining that age), and

"(ii) the spousal, filial, parental, or other relationship upon which the entitlement of such individual to such benefit is based existed at the time such citizen or national attained age 50.

"(F) The application of subparagraph (A) to an individual by reason of clause (ii) thereof shall not preclude such individual from being paid benefits under this title under an entitlement to such benefits established on the basis of wages and self-employment income other than the wages and self-employment income on the basis of which he was entitled to benefits at the time he was outside the United States for more than six consecutive months.

"(G) An individual to whom subparagraph (A) applies by reason of clause (ii) shall not, upon returning to the United States, become entitled to the benefits which would be payable to such individual (but for such subparagraph) on the basis of the wages and self-employment income with respect to which he was entitled to benefits at the time he was outside the United States for more than six consecutive months.

"(H) For purposes of this paragraph, an individual shall be considered to have been outside the United States for any calendar month if the Secretary, on the basis of information furnished to him by the Attorney General or information which otherwise comes to his attention, determines that such individual was outside the United States during all of such calendar month. In applying the preceding sentence, an individual who has been outside the United States for any period of 30 consecutive days shall be treated as remaining outside the United States until he has been in the United States for a period of 30 consecutive days.

"(I) For purposes of this paragraph, the term 'United States' (when used in either a geographical or political sense) means the States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.".

(b) Paragraphs (2) and (3) of section 202(t) are repealed.

(c) Section 202(t)(4) of such Act is amended—

(1) by striking out subparagraphs (A) and (B);

(2) by redesignating subparagrahs (C), (D), and (E) as subparagraphs (A), (B), and (C); and

(3) by striking out the semicolon at the end of subparagraph (C) (as so redesignated) and all that follows and inserting in lieu thereof a period.

(d) The heading of section 202(t) of such Act is amended by adding at the end thereof the following: "; Restrictions on Payment of Benefits to Nonresident Aliens".

(e) The amendments made by this section shall apply with respect to months after the month in which this Act is enacted.

DUE PROCESS REQUIREMENTS FOR TERMINATION OF DISABILITY BENEFITS

SEC. 219. (a) Section 221(d) of the Social Security Act is amended by inserting "(1)" before "(d)" and by adding at the end thereof the following new paragraph:

"(2)(A) In any case where—

"(i) an individual is a recipient of disability insurance benefits, or of child's, widow's, or widower's insurance benefits based on disability, and

"(ii) a preliminary finding is made that the physical or mental impairment on the basis of which such benefits are payable has ceased, did not exist, or is no longer disabling (as determined in accordance with subparagraph (B)),

such benefits may not be terminated until such preliminary finding has been upheld after a hearing by the Secretary as provided in section 205(b). The Secretary shall provide opportunity for such hearing at a time and place reasonably accessible to the individual. Failure without good cause to appear at such hearing shall constitute a waiver of the right to such a hearing prior to termination.

"(B)(i) Except as provided in clause (ii), no benefits described in subparagraph (A) may be terminated on the grounds that the physical or mental impairment on the basis of which such benefit was payable has ceased, did not exist, or is no longer disabling, unless the Secretary makes a finding that there has been a medical improvement in the case of such individual's impairment such that the individual is no longer under a disability under the standards for disability in effect at the time of such prior decision, or that the prior decision that such individual was under a disability was clearly erroneous under the standards for disability in effect at the time of such prior decision.

"(ii) Clause (i) shall not apply in the case of a termination of benefits based upon a finding made in accordance with section 223(d)(4) that services performed or earnings derived from services demonstrate an individual's ability to engage in substantial gainful activity, or to a termination based on a finding of fraud.".

(b) Section 223 of such Act is amended by striking out subsection (g).

(c) Section 205(b) of such Act is amended by striking out "(1)" after "(b)" and by striking out paragraph (2).

(d) Section 5 of Public Law 97-455 is repealed.

(e) The amendments made by this section shall apply with respect to determinations (that individuals are not entitled to benefits) made after the date of the enactment of this Act.

REPEAL OF EARNINGS LIMITATION FOR BENEFICIARIES AGE 65 OR OLDER

SEC. 220. (a) Section 203(c)(1) of the Social Security Act is amended by striking out "seventy" and inserting in lieu thereof "65".

(b) The last sentence of section 203(c) of such Act is amended by striking out "nor shall any deduction" and all that follows and inserting in lieu thereof "nor shall any deduction be made under this subsection from any widow's or widower's insurance benefits if the widow, surviving divorced wife, widower, or surviving divorced husband involved became entitled to such benefit prior to attaining age 50.".

(c) Section 203(d)(1) of such Act is amended by striking out "seventy" and inserting in lieu thereof "65".

(d) Section 203(f)(1) of such Act is amended—

(1) in clause (B), by striking out "seventy" and inserting in lieu thereof "65";

(2) by amending clause (D) to read as follows: "(D) for which such individual is entitled to widow's or widower's insurance benefits if such individual became so entitled prior to attaining age 60,"; and

(3) by striking out "the applicable exempt amount" each place it appears and inserting in lieu thereof in each instance "the exempt amount".

(e) Section 203(f)(3) of such Act is amended—

(1) by striking out "applicable exempt amount" and inserting in lieu thereof "exempt amount"; and

(2) by striking out "70" and inserting in lieu thereof "65".

(f) Section 203(f)(4)(B) of such Act is amended by striking out "applicable exempt amount" and inserting in lieu thereof "exempt amount".

(g) Section 203(f)(8)(A) of such Act is amended by striking out "exempt amounts (separately stated for individuals described in subparagraph (D) and for other individuals) which are to be applicable" and inserting in lieu thereof "exempt amount which is to be applicable".

(h) Section 203(f)(8)(B) of such Act is amended—

(1) by striking out "Except as otherwise provided in subparagraph (D), the exempt amount which is applicable to individuals described in such subparagraph and the exempt amount which is applicable to other individuals, for each month of a particular taxable year, shall each be" and inserting in lieu thereof "The exempt amount for each month of a particular taxable year shall be";

(2) in clause (i), by striking out "corresponding"; and

(3) in the matter following clause (ii), by striking out "an exempt amount" and inserting in lieu thereof "the exempt amount".

(i) Section 203(f)(8) of such Act is amended by striking out subparagraph (D) thereof.

(j) Section 203(h)(1)(A) of such Act is amended—

(1) by striking out "applicable exempt amount" and inserting in lieu thereof "exempt amount"; and

(2) by striking out "70" each place it appears and inserting in lieu thereof in each instance "65".

(k) Section 203(j) of such Act is amended—

(1) by striking out "Seventy" in the heading thereof and inserting in lieu thereof "Sixty-five"; and

(2) by striking out "seventy" and inserting in lieu thereof "65".

(l) Section 202(w)(2) of such Act is amended by inserting "prior to January 1, 1984" after "the total number of months".

(m) The amendments made by this section shall be effective with respect to taxable years beginning on or after January 1, 1984.

Mr. STENNIS. Mr. President, what is the pending matter before the Senate?

The PRESIDING OFFICER. The pending question is the amendment of the Senator from North Carolina.

Mr. DOLE. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOLE. We are back on the social security bill?

The PRESIDING OFFICER. The Senator is absolutely correct.

The Senator from North Carolina.

Mr. HELMS. Mr. President, the amendment I am offering today substitutes for the pending amendment the provisions of S. 541, the Social Security Guarantee and Individual Retirement Security Act of 1983.

Mr. President, S. 541 is the bill I introduced this past month to strengthen the social security system and to guarantee once and for all the retirement security of elderly Americans.

Before I discuss the provisions of the pending amendment I want to commend my very good friend, the distinguished Senator from Kansas (Mr. DOLE) for his remarkable leadership in this effort to salvage social security.

As all Senators know who followed the deliberations of the so-called Social Security Reform Commission, there were many and divergent viewpoints about which way to proceed. So what emerged was a compromise which was not really acceptable to any member of the Commission. I do not think, once the American people learn of the provisions, that they will find it acceptable either. But in any case we should all be grateful to BOB DOLE's tireless search for the solution to the immediate funding problems of the system.

Also, I would pay my genuine respects to the distinguished Senator from Colorado (Mr. ARMSTRONG) for his diligent study of this matter and the enormous amount of work that he did—truly an incredible job under the circumstances. And I am grateful to Senator DOLE and Senator ARMSTRONG and others.

I would say, furthermore, that every member of the Finance Committee deserves our gratitude for offering the American people a better reform package than the one recommended by the National Commission on Social Security Reform. That is not to say that the Senator from North Carolina is pleased with H.R. 1900 or will even vote for it, but in no way do I want my personal convictions or those of so many citizens of North Carolina who have contacted me to detract from the diligence of the Senator from Kansas.

I reiterate he has done a remarkable job.

Second, I am pleased that the Finance Committee dealt favorably with a number of the sections of the reform bill that I introduced. Of course I refer to S. 541. In fact, upon examination, I find that the Finance Committee bill that we are now considering includes 11 of the 20 sections of my bill. And that is a pretty good average, Mr. President.

The bill before us does cure, for example, a number of inequities that women suffer under social security as it now exists. It gradually phases out the retirement earings test for people 85 and over and it cuts off benefit payments to aliens and their dependents and survivors who reside outside the United States and its territories. Several other sections of S. 541 are included in the bill now before us, but I will not use the Senate's time to discuss these in any great detail.

Let me simply say that the bill under consideration is certainly an improvement over its predecessor legislation.

Having said that, Mr. President, despite the improvements made thus far, the social security reform bill, is, in my judgment, still lacking. I am convinced that Americans, young and old, want and I think deserve more than the bill before us now provides. The more than 36 million elderly Americans who receive social security checks each month need a retirement system they can depend on. Equally important, the 119 million workers whose payroll taxes make those checks possible deserve a fully funded system that will be able to pay benefits when they retire.

Mr. President, one of the problems with social security in the United States is that so few know anything about it. Some weeks back I met with members of the news media and it occurred to me that it might be interesting to see how much those who daily report on social security developments know about social security itself. So we prepared 20 multiple choice questions. I gave part of the test to media representatives and, I must say, they did very poorly. And I will say also that before I began looking into the social security system, I would have done perhaps even more poorly.

For example, let me read two or three of the questions and the multiple choice answers for each and see how the Chair would do if he can follow these in his mind as we go along. The first question:

If you went to work when social security began in 1937 and earned enough to pay the maximum tax from 1937 to 1982, today you would have paid into the system: A. $127,650; B. $98,450; C. $16,950; D. $47,650.

The answer is C, $16,950, Mr. President.

The second question:

If you retired today and paid the maximum tax possible since 1937, your annual social security benefits for you and your spouse would be: A. $19,000; B. $12,200; C. $14,000; D. $8,000.

The correct answer is B.

Mr. President, I ask unanimous consent that this test given to the news media be printed in the RECORD at this point.

There being no objection, the test was ordered to be printed in the RECORD, as follows:

Social Security is the Nation's largest domestic program, and affects the lives of almost every American. How much do you know about this important program? Here are 20 multiple choice questions to test your knowledge.

1. If you went to work when Social Security began in 1937, and earned enough to pay the maximum tax during 1937 to 1982, today you would have paid into the system: A. $127,650; B. $98,450; C. $16,950; D. $47,650.

2. If you retired today, and had paid the maximum tax possible since 1937, your annual Social Security benefits for you and your spouse would be: A. $19,000; B. $12,200; C. $14,000; D. $8,000.

3. The social security deficit projected over the next 75 years is: A. $3.8 million; B. $2.7 billion; C. $1.6 trillion; D. $9 zillion.

4. The average number of years that a woman lives after reaching age 65 in 1982 is: A. 11; B. 15; C. 19; D. 9.

5. The average number of years that a man lives after reaching age 65 in 1982 is: A. 11; B. 15; C. 19; D. 9.

6. Social Security pays full retirement benefits for those age 65. Social Security also pays benefits, though at a reduced amount, for those who opt for early retirement after age 62. Today, what percent of Americans opt for early retirement? A. 28 percent; B. 65 percent; C. 90 percent; D. 50 percent.

7. For all current Social Security retirees, their lifetime Social Security benefits they and their families will receive exceed by what ratio their lifetime Social Security taxes paid? A. 11:1; B. 10:1; C. 2:1; D, 5:1.

8. To be fully eligible for Social Security retirement benefits, what is the minimum number of years you have to have worked in a Social Security covered job, and therefore had paid Social Security taxes? A. 7¾; B. 21¾; C. 30; D. 50.

9. President Roosevelt, when he proposed the Social Security Act in 1935, said its basic goal was:

A. To fully meet all of the economic needs of the elderly, the nation's most cherished national resource.

B. To provide supplemental retirement income to replace earnings lost by industrial and commercial workers because of retirement.

C. To guarantee that taxes paid to Social Security by workers would be fully repaid, with interest, when the worker attained retirement.

10. Since 1970, Social Security benefit increases have:

A. Increased faster than average increases in wages and prices.

B. Stayed the same as increases in average wages and prices.

C. Have not kept pace with average wage or price increases.

11. What percent of all American families pay more in Social Security taxes than federal income taxes? A. 27 percent; B. 51 percent; C. 62 percent; D. 11 percent.

12. Since 1935, how much in Social Security benefits have been paid out? A. $655 billion; B. $235 billion; C. $1 trillion; D. $300 billion.

13. In the next four years, how much Social Security benefits wil be paid out? A. $655 billion; B. $235 billion; C. $1 trillion; D. $300 billion.

14. In 1959, what percent of the elderly had incomes below the official poverty level? A. 35 percent; B. 14 percent; C. 52 percent; D. 17 percent.

15. In 1978, what percent of the elderly had incomes below the official proverty level? A. 35 percent; B. 14 percent; C. 52 percent; D. 17 percent.

16. U.S. citizenship is currently not a requirement to receive Social Security benefits. How many dollars are paid annually in benefits to non-U.S. citizens living outside the United States? A. $35 million; B. $700 million; C. $235 million; D. $94.6 million.

17. The OASDI Trust Fund pays benefits out of current reserves. The funds have enough reserves to pay benefits at present levels for how long? A. 2 years; B. 4 months; C. 10 years; D. 7 weeks.

18. Social Security is a "pay as you go" system . . . meaning benefits paid today are financed through taxes paid by today's workers. In 1940, there were 16 workers for every beneficiary. How many workers are there today for each beneficiary? A. 3; B. 25; C. 12; D. 17.

19. Since 1935, the maximum Social Security taxes have increased what percent A. 2,000 percent; B. 200 percent; C. 6,900 percent; D. 4,000 percent.

20. What percent of Social Security current beneficiaries are over age 65, the full retirement age? A. 92 percent, B. 65 percent; C. 78 percent; D. 51 percent.

Mr. HELMS. I will run down the answers. 1, C; 2, B; 3, C; 4, C; 5, B; 6, C; 7, D; 8, A; 9, B; 10, A; 11, B; 12, C; 13, C; 14, A; 15, B; 16, B; 17, D; 18, A; 19, C; 20, D.

Mr. President, my bill, S. 541, the Social Security Guarantee and Individual Retirement Security Act of 1983, would guarantee to every American the social security benefits to which he or she is now entitled without raising taxes. As a matter of fact, it would repeal all future scheduled payroll tax increases. It has both a long-term and a short-term goal for addressing the funding problems facing social security.

In the long run, Mr. President, it would phase in a new kind of private savings account, called an individual retirement security account (IRSA), in which each working American could invest for his or her own retirement. These federally insured accounts would guarantee for all time absolute retirement security for every American. They would also help the Nation's economy by providing a capital pool for investment to create jobs and put people back to work, lower interest rates, boost GNP, and help this Nation toward a much needed economic recovery.

In the short run, it would keep our present social security system solvent

while the long-term plan has a chance to take effect.

THE PRESENT PROBLEM

We will be deceiving ourselves if we do not face up to the seriousness of the social security crisis. In my view, it is both a national tragedy and a national disgrace. What is more, too few Americans understand the nature and extent of these problems. Certain politicians and members of the media have made a political football out of social security.

Let us examine for a moment how so many Americans have been misled, even deceived, by political and bureaucratic words and phrases that have created false impressions of their minds. To put it bluntly, the people have been hoaxed by expressions that have crept into the American vocabulary.

First, how many times have we heard references to the "Social Security Trust Fund"? There is no trust fund. It does not exist. It has never existed. Just ask someone to point out the vault where the money is kept. From the first days of social security, the American people have been led to believe that every worker has an accumulated savings account in Washington with his or her name and social security number on it. That is what employer and employee payroll taxes were supposed to be paying for. But such accumulated savings accounts do not exist; they have never existed.

Second, how many times have American workers been told that they "contribute" a specified sum of money to social security, and their employer "contributes" a like amount? But that is not correct either. All of the money—what workers contribute and what employers contribute—all of it is a part of the total payroll expenses that an employer has allotted for a particular job, including salary and other costs involved in his having hired someone in the first place. So every penny is really the worker's money, the money an employer has to pay in a dozen different ways to employ someone.

So, Mr. President, that contribution is not a contribution. It is a tax, and nothing more. Social security, as it now exists, is not really a retirement insurance and savings program. It is a program of taxation that is in fact bankrupt; and the retirement benefits of every American are, and have been, at the mercy of politicians who decide how much money from the Federal Treasury retired Americans will receive.

THE COMMISSION PLAN

Along with other Americans, I waited—perhaps too patiently—for the 15-member, blue-ribbon, bipartisan Social Security Reform Commission to come up with proposals that, we had all hoped, would realistically and honestly address the problems facing the social security system. But after more than a year's work, the Commission submitted proposals to the President that reflect a total absence of creativity and imagination—and, worse still, a total lack of understanding of where they would lead the American economy. The Commission asks Congress to raise taxes and reduce social security benefits. Taxes on working people and their employers would be increased. Taxes on self-employed persons such as farmers, doctors, and lawyers would be increased. For the first time ever, the benefits of social security recipients would be taxed. Nonprofit organization employees would be brought into the system, and employees of State and local governments would be prohibited from withdrawing from the system.

But these painful changes and others recommended by the Commission may still not, by the Commission's own admission, be enough to cover either the short-term funding needs and surely will not cover the long-term social security deficit.

According to the Commission's report, the short-term deficit—that is, the deficit that would accumulate between now and 1989—would come to between $150 and $200 billion. Their short-term remedy would take care of $168 billion of that projected shortfall.

Estimates of the long-term deficit—that is, for the next 75 years—vary depending on your source of information. Or perhaps I should say it gets worse each time it is calculated.

The Commission report estimates a long-term deficit of 1.82 percent of payroll—estimated to be roughly $1.6 trillion. The Commission's proposal would reduce this deficit by only two-thirds. The members came to no agreement on whether to recover the remaining one-third by gradually raising the retirement age or by increasing the payroll tax on employers and employees.

Shortly after the report was published social security actuaries revised their estimate of the deficit. They now project it will amount to 2.1 percent of payroll, which is equal to several hundred billion dollars more than previously estimated. The Commission plan, then, falls woefully short of resolving the long-term deficit, even if the retirement age were to be raised or payroll taxes increased.

Clearly, then, Mr. President, however well intended the report of the Social Security Reform Commission is, it not only fails to address all the problems facing our social security system, but it does not adequately solve even those it does address.

DISTRUST OF SOCIAL SECURITY

Is it any wonder, then, that the American people have lost faith in social security? Some weeks back, I saw the results of two polls that had been taken among younger Americans now in the work force. A 1982 Washington Post-ABC News poll stated 66 percent of those under 45—and 70 percent of those under 30—believe that social security will not be in existence when they retire. A 1981 New York Times-CBS News poll found that 75 percent between ages 25 and 34 doubt they would receive any of the social security benefits they have been promised. The same poll found that 73 percent of all Americans have lost confidence in social security.

The same doubts and fears have been expressed to me in letters and telephone calls from countless Americans—young, middle aged, and elderly, including some who are already retired. These people are concerned, and rightly so, about their futures, and about the futures of their children and grandchildren.

HELMS PLAN WILL NOT

In a moment I will describe in greater detail what my proposal would do, but first let me emphasize what it will not do.

It will not—I repeat not—reduce any promised benefits to anyone—not to retired Americans, not to those about to retire, and not to anyone else who has a right to any retirement benefits.

It will not—and again I repeat not—raise social security taxes in the future. In fact, it would repeal the social security tax increases already scheduled to take effect in 1985 and 1990.

It will not raise taxes on self-employed individuals.

It will not bring any employees of nonprofit, tax-exempt organizations into the social security system.

It will not require employees of State and local governments to participate in social security.

It will not tax benefits of social security recipients.

It will not make our senior citizens wait 6 months for the annual cost-of-living adjustment they depend on so much.

It will not raise the retirement age.

THE IRSA ACCOUNT

My plan would authorize every American worker to establish an "Individual Retirement Security Account" in whatever authorized institution he or she chooses, be it a local bank, credit union, savings and loan association, or whatever. These fiduciaries would be qualified under standards similar to those under Treasury Regulations section 1.401-12(n).

This new kind of account would be similalr to the IRA accounts most people know about already, but with a big difference. The difference would be that a tax credit, instead of a tax deduction, would be given for deposits in these individual retirement security accounts. A tax credit means a dollar-for-dollar tax writeoff, the kind that

means something to the small- and medium-income taxpayer.

Individuals could contribute to these IRSA's any amounts they choose. For every dollar contributed to an IRSA, the individual would be entitled to claim a 20-cents-on-the-dollar credit against the income tax liability, up to a maximum credit of 20 percent of the amount paid that year by the individual to the social security trust fund. To the extent the individual elects to take advantage of the income tax credit, his future pension claims against the common social security trust fund would be reduced according to an actuarial formula. Maximum utilization of the income tax credit each year for 20 years would reduce the individual's OASI claims to zero. Lesser utilization would reduce the trust fund's liabilities proportionately.

GUARANTEED BENEFITS

My proposal would guarantee all current pension obligations with the full faith and credit of the United States. Many Americans are surprised when they learn that social security benefits are not guaranteed under current law. In fact, in 1960, the U.S. Supreme Court rules in *Flemming* v. *Nestor* (363 U.S. 603) that the Federal Government can renege on social security benefits at any time. That case is still the law today. If Congress wants to reduce social security benefits, it is free to do so. I want to change that.

Under my plan, every participant, upon retirement, would receive a certificate made out in his or her name. It would be an obligation backed by the "full faith and credit of the United States." This bond would guarantee continued social security benefits. Never again will a retired American feel that his or her social security benefits would be cut by an act of Congress, the courts, or any other agency of Government. No one could ever be denied the credits he or she has earned or will earn in the future under the Government system.

Everyone's retirement credits must be guaranteed.

MOBILIZE PRIVATE SECTOR VIA IRSA'S

But in the long run, we also need to offer workers something more—a supplement, an alternative to the Government-managed system.

No system of taxes can improve real benefits to Americans because taxes are not productive. They destroy the incentive to create jobs and the incentive to save. What we need is a system of savings and investment. A lot of people originally thought that was what the social security system was supposed to be. But in fact we have a system where the taxes collected this month are paid out in benefits next month, and this system is bankrupt. I want to expand the system to create individual worker's investments in the private sector. I want to encourage savings and investment, create jobs, help lower interest rates, and thereby restore the strength and vitality of America.

Interest, dividends, and capital gains accumulated in the IRSA account would be tax exempt, and annuities and withdrawals from it upon retirement anytime after age 62 would be tax free. Funds held in an IRSA account could be used tax free by a worker before age 62 to acquire life insurance, health insurance, or disability insurance. The individual could participate with his fiduciary in managing the IRSA account as a fully funded individual retirement program.

For the first 10 years after enactment, an individual could set up an individual retirement security account and receive tax credits. Then, starting in 1994, there would begin a phased transfer in which employers and employees would be required to pay part of their social security taxes to the respective worker's individual retirement security account instead of to the Federal Government. As more of the individual's and employer's taxes go to the worker's IRSA, less would be paid to the common OASI trust fund to pay benefits for a declining number of social security beneficiaries.

By the year 2004 the phased transfer would be complete, and all payroll tax payments would be made to employees' IRSA's. Tax credits would be available between 1994 and 2004 for amounts invested in an IRSA above the amount deposited by employees and employers via the FICA deduction. The credit would phase to zero as the OASI component of the FICA deduction phased to zero by the year 2004.

I asked experts to estimate the amount of money that would be saved and invested in the private sector as gradually increasing percentages of the population began to participate in IRSA's. For example, if only 38 percent of our Nation's workers elect to establish IRSA's during the next 10 years, a whopping $271,401,000,000 will have been invested. Think what this new supply of savings could do for our economy.

The following table provides a breakdown of the experts' estimates:

ESTIMATED IRSA PARTICIPATION AND INVESTMENT

[Dollars in billions]

Year	Participation rate in IRSA's	Amount invested
1984	0.01	$0.894
1985	.03	3.072
1986	.07	7.802
1987	.10	12.050
1988	.13	16.926
1989	.16	22.432
1990	.19	31.037
1991	.24	42.288
1992	.30	57.000
1993	.38	77.900
Total		271.401

OASI liabilities would shrink as participation in IRSA's increased. By the year 2045, according to my projections, residual OASI liabilities would be reduced to zero.

The following table shows projected OASI and IRSA participation and fiscal impact through the year 2050:

PROJECTED OASI AND IRSA PARTICIPATION AND FISCAL IMPACT [1]

[Thousands of individuals]

Year	FICA covered workers	OASI annuitants	IRSA annuitants	OASI cost (percent of payroll)
1982	115,308	31,483	0	10.42
1985	123,300	33,106	0	10.32
1990	132,410	63,428	33	9.87
1995	137,644	83,403	53	8.29
2000	142,248	39,814	4,460	7.14
2005	146,798	41,725	16,897	6.46
2010	149,515	45,359	32,218	4.92
2015	150,148	51,048	51,048	2.51
2020	149,873	57,753	57,753	1.22
2025	150,205	64,500	64,542	.79
2030	151,750	45,323	68,234	.46
2035	153,889	16,873	71,277	.03
2040	156,015	997	71,440	([2])
2045	157,777	0	71,824	0
2050	159,545	0	73,034	0

[1] Alternative II–B assumptions; source of data for covered workers, OASI annuitants, 1982 trustees report. ISRA participation rate, 1984–93 assumed 20 percent of covered workers with 50 percent retiring by 1995; increase in IRSA coverage and decrease in OASI coverage computed by applying smoothed exponential decline rate/growth rate curve to population data with parameters as given in Helms proposal (universal IRSA coverage in 1994 with maximum coverage in 2004; no new OASI retirees after 2024).

[2] OASI cost is percent of taxable payroll (Alt. II–B) adjusted for computed decline rate on OASI benefit claims, 1994–2040.

Taxable payroll was not adjusted for economic growth and increase in real wages that would be expected from increased savings rate and capital formation as retirement income source shifts from transfer payment via OASI tax on payrolls to annuity withdrawals by individuals from IRSA accounts. By 1995 this impact on real GNP and real wages would be significant, further reducing the percentage of taxable payroll represented above as OASI cost.

SOLVING TODAY'S DEFICIT

My proposal also addresses the short-term financing crises facing the social security system. Undeniably, a short-term infusion of funds is needed to keep the system afloat, at least until my long-range plan has a chance to take effect. The Commission estimates a deficit of from $150 to $200 billion between now and 1989. They propose to raise $168 billion through a combination of tax increases and benefit cuts. Using the Commission's own numbers and assumptions, I have come up with a package of proposals and reforms that will yield $167 billion in additional revenues between now and 1989. Quite frankly, my proposals should actually yield more than this because of the favorable effect on employment of my proposed tax cut. With lower taxes and greater savings, the economy will grow faster than the Commission assumes, thus boosting the tax base and lowering benefit outflows.

INCLUDE ALL FEDERAL WORKERS

The first thing I propose is to include all Federal workers under social security—not just new ones, as the Commission has proposed—but all of them, beginning with all Members of Congress and their staffs. The social security problem is a national problem, and all of us ought to participate in solving the crisis.

My proposal would not affect the civil service retirement system in any way. Federal employees could continue to participate in civil service retirement much the same way employees in the private sector participate in their employer-sponsored retirement plans.

COLA DELAY

Second, I propose to delay for 3 months—from July to October—the social security cost-of-living adjustment. I do not agree that there should be a 6-month delay, as was proposed by the Commission. That is an unfair burden on our senior citizens. A 3-month delay would be much fairer, and it would help a great deal to solve the short-term deficit.

PRORATION OF COLAS

Third, cost-of-living increases should be prorated to reflect the month of retirement. The present system is unfair to the senior citizen who retires in, say, January—because the person who retires the following December now receives the same cost-of-living adjustment as the senior citizen who retired early in the year.

ADMINISTRATIVE COSTS

Fourth, I propose that the expenses of administering the social security system be counted against general revenues rather than the social security accounts. Payroll tax revenues should only be used to pay benefits, and should not go to pay administrative expenses.

UNCASHED CHECKS

Fifth, I propose we adopt the Commission's recommendations regarding crediting the social security system for all uncashed social security checks. Until I began my detailed study of the social security system, I was not aware that millions of dollars in social security checks are never cashed each year. I was astonished to learn that the money represented by these uncashed checks does not have to go back to the social security system—but instead may be used for other Government spending. My proposal would require that the money be credited to the social security system.

MILITARY BENEFITS

Sixth, I propose the social security fund also be credited for all military benefits the social security system pays out with no Government contribution.

REVENUE CALCULATIONS

The following table reflects the short-term revenue increase under my proposal:

Short-term revenue increase under Helms plan (1983-90)

	Billions
1. Bring all Federal employees into the social security system	$61.4
2. Delay payment of COLA from July to October	35.0
3. Prorate COLA to reflect month of retirement	40.0
4. Charge administrative costs to general fund	18.0
5. Credit uncashed social security checks to social security system	.5
6. Credit social security system for military benefits paid without a government contribution	17.5
Total	172.4

Short-term revenue increase under Helms plan (1983-90)—Continued

PAYROLL TAX CUT

The revenue figure shown here, $172.4 billion, does not reflect the projected revenue loss as a result of repealing the 1985 payroll tax increase. Under present law, the combined employer-employee payroll tax rate, which is now 13.4 percent, is scheduled to increase to 14.3 percent by 1986 and 15.3 percent by 1990. The maximum payroll tax would become $6,263.40 in 1986 and $8,690.40 in 1990.

The Congressional Budget Office estimates the 1977 payroll tax increases cost 500,000 Americans their jobs. Higher payroll taxes would only exacerbate the unemployment crisis and contribute to further economic stagnation.

My proposed payroll tax cut is projected to reduce the social security system's revenue by only $5.4 billion by 1990. With this projection, my package of short-term proposals would result in a net increase in social security revenues of $167 billion, almost the same amount as the Commission proposes to bring in by raising taxes and cutting benefits.

I emphasize these projections are based on the same assumptions used by the Commission and their figures. Quite frankly, I believe my proposed tax cut will have a more favorable result than projected, and that between now and 1990 the social security system will be much better off under my short-term plan than under the Commission's proposals.

EQUITY REFORMS

Mr. President, along with proposals for solving the long and short term funding problems facing the social security system, my bill also contains proposals for reforming social security in certain areas. I include these reform proposals because of the pressing need for Congress to address issues relating to women, the disabled, nonresident aliens, and older Americans with productive abilities who wish to continue working past age 65.

EQUITY FOR WOMEN

Mr. President, clearly our present social security system treats women unfairly. The problems have become more acute as more women have entered the workforce. When the social security system was created, only 20 percent of women were in the work force. Today that figure is roughly 60 percent.

The National Commission on Social Security Reform addressed a number of issues relating to women. They made several proposals that have merit that I have included in my bill. These proposals are as follows:

First, present law permits the continuation of benefits for surviving spouses who remarry after age 60. This would be extended to disabled surviving spouses aged 50 to 59, disabled divorced surviving spouses aged 50 to 59, and divorced surviving spouses aged 60 or over.

Second, spouse benefits for divorced spouses would be payable at age 62 or over, subject to the requirement that the divorce has lasted for a significant period, if the former spouse is eligible for retirement benefits, whether or not they have been claimed, or if they have been suspended because of substantial employment.

Third, deferred surviving-spouse benefits would continue to be indexed as under present law, except that the indexing would be based on the increases in wages after the death of the worker instead of by the increases in the CPI, as under present law.

Fourth, the benefits rate for disabled widows and widowers aged 50 to 59 at disablement would be the same as that for nondisabled widower and widowers first claiming benefits at age 60—that is, 71½ percent of the primary insurance amount—instead of the lower rates under present law—gradually rising from 50 percent at age 50 to 71½ percent for disablement at age 60. Such change would not only be applicable to new cases, but would also be applicable to beneficiaries of this category who are on the rolls on the effective date of the provision.

Unfortunately, the Commission's proposals do not go far enough in insuring equal treatment for women. My bill contains additional protections.

Under present law, the method of calculating social security benefits creates a disincentive for a parent to remain at home with children. Such years are calculated as zero earning years in the determination of the person's social security benefits. Often a parent, usually the mother, needs to spend time at home during a child's early years of development. The Government should not discourage mothers from spending time at home with their children during the children's formative years.

My bill would allow a person to exclude from the calculation of his or her social security benefits each year spent at home with their child as long as the child is younger than 6 years old. Up to 6 years could be excluded, and this exclusion could be taken in addition to every individual's already guaranteed 5-low-year exemption. During the years excluded, the parent could earn up to one-half the average

wage of all social security covered workers each year.

I also propose extending additional equity to divorced spouses. Both members of a household should be considered to have made equal contributions to their family and thus retain equal property rights for the income in their family structure. This is not the case under social security today. My legislation would correct this situation by crediting each divorced spouse half the earned family income during the marriage for the purpose of determining social security retirement and disability benefits.

EQUITY FOR DISABLED

Mr. President, another part of my bill addresses serious problems involving the arbitrary cutoff of benefits to disabled citizens. Often disability payments, which provide life-sustaining funds for so many individuals, are terminated by an overzealous Social Security Administration before the beneficiary is actually interviewed. Administrative law judges have reversed roughly 70 percent of disability cutoff cases reviewed. This indicates the seriousness of the problem.

I would be the first to acknowledge that there has been much abuse of social security disability. But the movement to correct this situation must have guidelines and it must be fair. Therefore, I propose that Congress insure due process to every individual receiving disability benefits before any benefits can be cut off. My bill provides this. Each disability beneficiary would be entitled to a hearing before an administrative law judge before benefits could be cut. The Social Security Administration could not bring a case before a judge for determination unless they could show a change of circumstances or conditions affecting the individual, fraud, or mistake in the initial determination of disability.

My bill would leave the disability trust account untouched. It will remain in good shape, capable of paying benefits well into the future, if the remaining social security accounts would stop borrowing from it.

LIMIT ALIEN RECEIPTS

Another reform I propose would limit payment of social security benefits to nonresident aliens. The social security system pays out $80 million each month to individuals outside this country. Most of the people, 67 percent to be exact, who receive such funds are aliens. Many of them entered the United States as resident aliens during the 1950's when the social security payment premiums and quarter requirements were low qualified for social security, and then returned to their respective countries to live off social security benefits. In many cases these benefits provide them with a higher standard of living than they could have in the United States. These individuals often go home and adopt children, parents and grandparents or marry a much younger person to increase their benefit entitlement and insure the continuation of the U.S. support to their survivors. The payments these aliens receive from the United States almost always exceed their original contributions to the system. Consider this—more than 50 percent of the benefits paid overseas are survivor benefits. In the United States, only 30 percent of the benefits are paid to survivors.

We cannot continue to increase taxes on the American people in order to send social security benefits overseas. My bill strengthens the existing social security provision requiring aliens who leave the United States for a period of 6 months to forfeit social security benefits. The legislation provides that aliens can draw benefits only to the extent they have paid into the system, irrespective of their employers' contribution, plus the Treasury bond rate of interest on that amount. Nonresident aliens who are drawing social security benefits beyond their contribution to the system must be cut off.

EQUITY FOR OLDER WORKERS

And finally, Mr. President, I propose a reform of utmost importance. I propose elimination of the earnings limit on retired persons.

A person's age does not necessarily determine his or her physical or mental condition. Our social security system often forces people into retirement at age 65 no matter what their abilities. A person who chooses to work past age 65 is penalized by loss of retirement benefits—retirement benefits they worked for all their lives. The loss amounts to 50 cents on the dollar, which creates a tremendous disincentive for people 65 and older to continue to work. It means an effective increase in the marginal tax rate for that worker of greater than 50 percent.

No one should be discouraged from continuing to fulfill their life through work. Therefore, I propose we remove this penalty by repealing the earning limit for social security recipients 65 and older. Older Americans ought to be able to work if they want to without financial penalty.

Mr. President, the retirement security of American workers is as important to the future of this country as any issue Congress will deal with this year. Sooner or later, a plan such as I have proposed will have to be adopted. It may not happen this year, or even next. Eventually, the politicians will no longer be able to paper over the enormous deficit. As fewer and fewer workers support more and more retirees, Members of Congress will be unable to duck the long-term funding problems. All else having failed, they will be obliged to turn to commonsense.

I urge my colleagues to study my proposal closely, and to support it.

Mr. President, I yield the floor.

Mr. BAKER, Mr. President, I ask unanimous consent that there be an additional 5 minutes debate on the social security bill before the provisions of the unanimous-consent agreement to return to the jobs bill, under the same terms and conditions.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. Mr. President, I thank the distinguished majority leader for his action. I want to respond briefly to the Senator from North Carolina and then take the amendment of the Senator from Connecticut.

I first want to say that we appreciated very much the Senator from North Carolina taking the time to come before the Finance Committee to testify.

Senator HELMS took the courageous position of offering his own comprehensive reform bill which aimed at reducing the tax burden and planning for private retirement.

As he pointed out in his statement on the floor, the Senator from Kansas thinks the bill which the Senate Finance Committee reported, is an improvement on the Commission's recommendations. There were incorporated in that bill about 11 of the provisions the Senator from North Carolina had in his comprehensive package. Senator HELMS addresses head on the major retirement income policy questions which have been ignored for a long time. Obviously, he has used the current funding crisis as much more than an opportunity for patching up the financing problem. We hope we made some changes in the right direction in our committee to avoid that characterization. Certainly the distinguished Senator from North Carolina was willing to face the challenge to take a fresh approach to social security reform.

As I have indicated, a number of the Senator's provisions mirror suggestions made by the National Commission, with the addition of changes in the earnings test, and in the women's equity area. I believe, as the Senator indicated, that the committee bill goes part way in addressing some of the Senator's major concerns.

Again, I appreciate the Senator's input into the process.

Mr. HELMS. Mr. President, I thank the Senator for his comments. I want to reiterate what I said at the outset. I have great admiration for his truly remarkable job in bringing forth the legislation before us. As he indicated, he very graciously welcomed me to appear before his committee. Eleven out of twenty of our proposals, I be-

lieve, are incorporated if this legislation.

I was telling a group earlier this afternoon, a group of North Carolinians, that I believe in incremental success; you go a step at a time, do the best you can. I believe the Senator from Kansas believes in the same philosophy. He certainly has demonstrated that in the way he has handled various pieces of legislation.

I will not ask for a vote on this amendment, but I did want to present it for the consideration of the Senate and for the people of this country for their future assessment. Maybe as we move down the road step by step we can bring about, in the end, a system that will be meaningful and certainly beneficial to the people.

I again thank the Senator for his comments.

Mr. DOLE. I thank the distinguished Senator from North Carolina.

Mr. HELMS. Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The amendment of the Senator from New Jersey will be temporarily set aside and the Senator from Connecticut is recognized.

Mr. DODD. I thank the Chair.

UP AMENDMENT NO. 81

Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Connecticut (Mr. DODD) proposes an unprinted amendment numbered 81.

Mr. DODD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place add the following:

( ) Sections 201(e), 1817(d), and 1841(d) of the Social Security Act are repealed.

( )( ) The next to last sentence of section 201(c) of such Act is amended by striking out "Such report shall also include" and inserting in lieu thereof the following: "Such report shall include an actuarial opinion by the Chief Actuary of the Social Security Administration certifying that the techniques and methodologies used are generally accepted within the actuarial profession, a statement of key economic and demographic assumptions underlying projected trust fund revenues and outlays, and shall also include".

( ) Section 1817(b) of such Act is amended by inserting immediately before the last sentence the following new sentence: "Such report shall also include an actuarial opinion by the Chief Actuarial Officer of the Health Care Financing Administration certifying that the techniques and methodologies used are generally accepted with the actuarial profession, and a statement of key economic and demographic assumptions underlying projected trust fund revenues and outlays.".

( ) Section 1841(b) of such Act is amended by inserting before the last sentence the following new sentence: "Such report shall also include an actuarial opinion by the Chief Actuarial Officer of the Health Care Financing Administration certifying that the techniques and methodologies used are generally accepted within the actuarial profession, and a statement of key economic and demographic assumptions underlying projected trust fund revenues and outlays.".

Mr. DODD. Mr. President, very briefly, this amendment would codify an already existing practice by requiring the inclusion of an actuarial opinion in the OASDI and HI trustees' annual reports. This amendment would also require the inclusion in those reports of the economic and demographic assumptions underlying the conclusions in those reports.

The art of economic and actuarial forecasting is by no means perfect and I do not pretend that passage of this legislation would enable us to predict the future with any more certainty than we can now. However, by strengthening the process under which such forecasting and analysis is generated, we can create a sounder basis for future social security planning and administration.

For these reasons, I urge that this amendment be adopted.

The PRESIDING OFFICER. If the Senator from Connecticut will yield, time has expired.

Mr. BAKER. Mr. President, I ask unanimous consent that the Senator may speak for an additional 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. In 1977, for example, Congress relied on economic and actuarial forecasts which led to conclusions on social security which were far more optimistic than the reality that followed. Back then, we were told that the 1977 social security amendments would leave the system sound well into the 21th century.

This amendment will not guarantee that that will not happen again. But it will write into law a step which is essential to minimizing the likelihood of such an occurrence.

Mr. BENTSEN. Mr. President, I will say that the distinguished Senator from Louisiana finds this amendment acceptable to him and, as ranking minority member on the floor, I believe it is a good amendment that we would be delighted to accept.

Mr. DODD. I thank the Senator.

Mr. DOLE. Mr President, we have reviewed this amendment carefully and we have had an opportunity to discuss the amendment, with the Senator and his staff. We have made some slight modification which was satisfactory. We have no objection to the amendment in its present form.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 81) was agreed to.

EMERGENCY JOBS APPROPRIATIONS, 1983

The PRESIDING OFFICER. Under the previous order, the hour of 3:10 p.m. having arrived, the Senate will vote on passage of H.R. 1718. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Arkansas (Mr. BUMPERS) and the Senator from South Carolina (Mr. HOLLINGS), are necessarily absent.

The PRESIDING OFFICER (Mr. WILSON). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 82, nays 16, as follows:

[Rollcall Vote No. 30 Leg.]

YEAS—82

Abdnor	Ford	Mitchell
Andrews	Glenn	Moynihan
Baker	Gorton	Nunn
Baucus	Grassley	Packwood
Bentsen	Hart	Pell
Biden	Hatfield	Percy
Bingaman	Hawkins	Pressler
Boren	Hecht	Proxmire
Boschwitz	Heflin	Pryor
Bradley	Heinz	Quayle
Burdick	Huddleston	Randolph
Byrd	Inouye	Riegle
Chafee	Jackson	Sarbanes
Chiles	Jepsen	Sasser
Cochran	Johnston	Simpson
Cohen	Kassebaum	Specter
Cranston	Kasten	Stafford
D'Amato	Kennedy	Stennis
Danforth	Lautenberg	Stevens
DeConcini	Laxalt	Thurmond
Denton	Leahy	Trible
Dixon	Levin	Tsongas
Dodd	Long	Wallop
Dole	Lugar	Warner
Domenici	Mathias	Weicker
Durenberger	Matsunaga	Wilson
Eagleton	Melcher	
Exon	Metzenbaum	

NAYS—16

Armstrong	Humphrey	Rudman
East	Mattingly	Symms
Garn	McClure	Tower
Goldwater	Murkowski	Zorinsky
Hatch	Nickles	
Helms	Roth	

NOT VOTING—2

Bumpers	Hollings

So the bill (H.R. 1718), as amended, was passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STENNIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended so as to read:

An Act making appropriations to provide productive employment for hundreds of thousands of jobless Americans, to hasten or initiate Federal projects and construction of lasting value to the Nation and its citi-

zens, and to provide humanitarian assistance to the indigent for fiscal year 1983, and for other purposes.

THE JOBS BILL—ONE SMALL STEP

Mr. HART. Mr. President, the jobs bill, which the Senate has just passed and which I supported, should be recognized for what it is—a first small step providing a quick infusion of aid and assistance for the seriously hurt victims of the Reagan recession. It will create some jobs and it will bring much needed emergency shelter, food, and health care to Americans who desperately need it at this time. So in that sense, it is really a necessary bill.

We should also be clear about what it is not. It is not a solution to America's unemployment problem. It does not even address any of the underlying causes for our depression level double digit unemployment. To address our real unemployment problem—the over 11 million unemployed Americans—we have to go far beyond this bill.

First and foremost, we must get back to a sustained period of strong economic growth. This, after all, is the only real job generator.

Recovery—the goal of this administration and many others—is not enough. It should not be our goal, for it is not up to meeting the immense challenges inherent in America's serious unemployment problem. To recover to the weak and stagnant economy now projected for 1983, with only 1.4 percent real economic growth and unemployment of 10.7 percent, is no recovery at all. It is a roller coaster, with many potential problems to take us down hill once again: Very high real interest rates, huge projected budget deficits, a real possibility of a return to tight controls by the Federal Reserve, a projected record high $75 billion merchandise trade deficit, and the potentially explosive international debt situation.

It is precisely because of the precarious nature of the recovery that I recently introduced, with Senator MOYNIHAN, an economic growth-monetary resolution. It is a clear statement to the American people and the people of the world that the U.S. Government is going to make strong economic growth its primary economic priority. I believe the American people are tired of 4 years of no growth. They also do not want to hunker down for a decade of low economic growth as the Reagan budget projects.

Simply stated, the resolution calls on the Federal Reserve Board to manage monetary policy so as to achieve the average real growth rate of most previous post-World War II recoveries, namely 5.4 percent during the first 2 recovery years. Calling for average economic growth after 4 years of stagnation does not seem to be asking too much.

Even a sustained period of strong economic growth, however, is not enough to meet the critical employment and labor market challenges of the next decade. We need an agenda for national economic renewal. Rather than 1-year patchwork jobs bills, we need a 15-year infrastructure rebuilding program which would provide both immediate and long-term employment emphasizing areas of greatest need.

We also need a new employment strategy that invests in this country's most precious resource—its people—in order to obtain the highest and most productive return for the economy, the Nation and the workers themselves.

We are used to thinking of investment in terms of physical plant and equipment. We must recognize that the health, education, and trained skills of our citizens are even more valuable. Industries of the future will depend less for their success on physical hardware than on the human ingenuity which will shape and keep America's technological edge. Investment today in people—in training our youth and retraining older workers—will earn huge dividends in the near future. And what we neglect today in basic and advanced education will soon return to haunt and eventually cripple us.

Our employment strategy for the 1980's must focus on two challenges.

First, we need more jobs—not just to turn recession into recovery but to insure opportunity for new entrants into the labor market and for those who are certain to be displaced by technological change.

Second, we need more skilled workers now and far more workers with different skills in the near future—to increase productivity and to preserve for the United States the momentum that keeps ours a revolutionary society in a revolutionary time. We know technology will displace many workers in existing manufacturing jobs. And while new technology will create many new employment opportunities, we are beginning to see a widening gap between jobs that need to be filled and the skills of jobhunters. Without a major effort made by a private and public partnership the mismatch will only get worse.

And we need more imagination and experiment in the workplace itself—to expand the scope for the individual as dramatically as machines are expanding the range of tasks workers perform. We must find ways to make such employment—whether in services, manufacturing, or agriculture—satisfying, creative, and fulfilling, for all Americans increasingly seek more than a paycheck. We all want challenge, a feeling of accomplishment and a sense of our own contribution and individual talent being used to the maximum.

Over the past year, I have been developing both the framework and some of the specific elements of a new employment strategy for the 1980's and 1990's. I found that just the major elements of such a strategy constitute quite a lengthy agenda: Reform in education, vocational education, job creation, prevention of plant closings when advisable, training, and retraining, adjustment assistance, quality of work life, flexitime, worker participation, and employee ownership.

This is not a job for the Federal Government alone. It will take concerted and often coordinated action by corporations, unions, universities, local, and State governments, and the Federal Government.

Beyond the first small step of the jobs bill, therefore, lies a long path requiring a vigorous commitment to strong economic growth and a comprehensive and creative employment strategy. This is the real message of hope that Congress should be sending along with its job bill to the American people.

Mr. BAKER. Mr. President, what is the business before the Senate?

The PRESIDING OFFICER. The pending business is the appointment of the conferees.

Mr. HATFIELD. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Mr. HATFIELD, Mr. STEVENS, Mr. WEICKER, Mr. MCCLURE, Mr. LAXALT, Mr. COCHRAN, Mr. ANDREWS, Mr. ABDNOR, Mr. D'AMATO, Mr. SPECTER, Mr. STENNIS, Mr. PROXMIRE, Mr. INOUYE, Mr. HOLLINGS, Mr. EAGLETON, Mr. CHILES, Mr. JOHNSTON, Mr. HUDDLESTON, and Mr. BURDICK conferees on the part of the Senate.

ORDER FOR CONVENING AT 10 A.M. TOMORROW

Mr. BAKER. Mr. President, is there an order for the Senate to convene tomorrow?

The PRESIDING OFFICER. The Senate is scheduled to convene at 9 a.m. tomorrow.

Mr. BAKER. Mr. President, I ask unanimous consent that the time for tomorrow be changed to 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY ACT AMENDMENTS OF 1983

The Senate continued with the consideration of H.R. 1900.

The PRESIDING GDFICER. The Senate will now rescue consideration of H.R. 1900.

The pending question is the amendment of the Senator from New Jersey.

Mr, DOLE. Mr. President, I yield to the distinguished majority leader.

Mr. BAKER. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER, The Senate will be in order.

The majority leader is recognized.

Mr. BAKER. Mr. President, if I may have the attention of Senators, we are back on the social security bill. It is my hope that we can dispose of at least one more substantial amendment to that bill today.

I am advised by the manager of the bill, the chairman of the Finance Committee, that there may be one more rollcall vote today. I expect that the Senate will be on this measure for perhaps an hour, and longer, if possible.

Mr. President, it is my hope—and I hope that other Senators will cooperate in this—that we can finish this bill tomorrow, at least through third reading. That may be an ambitious undertaking, but I think it is important that we try to do that.

I also understand that, for a variety of reasons, it might be desirable to have the vote on final passage on Monday instead of Friday. If we get all these amendments out of the way tomorrow, at least the staff of the Finance Committee, majority and minority, can prepare for the conference; because then they they will know the shape of the bill, they will know that no more amendments will be offered, and they can get most of the detail work out of the way.

I have not fixed in my mind a time to ask for final passage on Monday. I will be flexible on that point, because I know Senators will have travel arrangements to complete, to return to the city after the weekend.

Mr. President, I hope we can have a good, active day tomorrow, complete all the amendments, if possible; and if that is not possible, as many as possible. In any event, it is almost certain that we will have rollcall votes tomorrow on these amendments, and Senators should expect that there will be a number of rollcall votes tomorrow.

Once again, I express the hope that we can get to third reading and then have final passage of the social security bill on Monday.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. LONG. Mr. President, so far as the Senator from Louisiana is concerned, it is all right to complete our action and pass the bill tomorrow.

I must alert the distinguished majority leader—who has done a great job under adverse circumstances in moving the Senate along—to the fact that there is always a possibility that we could run into a snag. This might occur, for example, if we have a significant amendment and the sponsors lose by a single vote and they look at the absentees and see that if all the absentees had been present they would have won. The Senator can understand how men dedicated to what they are doing will not give up that easily. All they have to do is stall until Monday and do whatever they deem is necessary in order to prevail in the matter.

The distinguished majority leader has done a great job, and we want to continue to have the benefit of his efforts to bring people together, and maybe we can pass the bill on Friday.

Mr. BAKER. I thank the Senator.

Mr. President, no one in this Chamber has a higher regard for the Senator from Louisiana than I do. I welcome his remarks, and I am grateful for them. I offer whatever services I am capable of and have remaining, to try to get this matter to third reading.

Of course, the Senator is correct. It may not be possible to get to third reading on Friday, and I recognize that. If we can get to third reading on this bill on Friday, and final passage on Monday, and get to conference, we will have only two things remaining before we go out. Those are the conference report on the jobs bill and the conference report on social security. We have all next week to do that.

What it really boils down to is that if we can get to the conference on Monday, we might be out of here on Wednesday, and that would be a result much to be wished for, in my judgment.

Mr. President, does the minority leader seek the floor?

Mr. BYRD. I seek to ask the Senator a question.

Mr. BAKER. I yield to the minority leader.

Mr. BYRD. Mr. President, there are some reports circulating that I want the rollcall vote on final passage put over until Monday. We had some discussion about it which possibly led to that conclusion.

My idea was that if we could finish the bill tomorrow and get it to third reading, there would be some absentees, undoubtedly, on both sides of the aisle, and all Senators should be put on notice as to when exactly the final vote will occur, so that they could plan to be here.

That was my only reason for suggesting that the final vote be on Monday. I am not wedded to that idea. If all Senators are ready to have the final vote tomorrow, if we reach the final vote in the normal course of things, it would be satisfactory to me to have the final vote tomorrow.

Mr. BAKER. Mr. President, it would suit me to have final passage tomorrow.

I suppose the best way to go, then, is just to play it by ear.

I withdraw any suggestion that we would wait until Monday to have final passage, and I suggest, instead, that we do the best we can tomorrow, Friday, that we get to final passage if we can, or that we get to third reading if we can, or get as far as we can.

Mr. LONG. Mr. President, will the Senator yield?

Mr. METZENBAUM. Mr. President, will the majority leader yield for a question?

Mr. BAKER. Let me first yield to the Senator from Louisiana and then I will yield to the Senator from Ohio.

Mr. LONG. Mr. President, the thought occurs to the Senator from Louisiana that we might be able to achieve the majority leader's objective if between the majority leader and the minority leader and others here we can arrange some live pairs for some absent Senators. I personally am willing to pair with anyone who is absent, provided those on the other side of an issue are doing likewise.

It may be in order to get this job done that we could accommodate one another by pairing some of our absentees who incidentally have been coming to me and urging that we postpone the matter so they can be here.

Every Senator has a different schedule, and I have avoided trying to promise Senators that I was going to hold this matter up for them because when you try to accommodate one Senator who cannot be here Friday afternoon, the next Senator cannot be here Monday, and another Senator cannot be here Tuesday, and so it goes. So, I have not been promising anyone.

If it can be done, I would like to accommodate Senators who very much want to vote and who may be necessarily absent on that occasion.

Maybe the majority leader can help me work it out so I can try to find some pairs over here and give one myself, and maybe he could find someone on the other side to help pair.

Mr. BAKER. Mr. President, I also will give a pair, I say to my friend from Louisiana.

I think his suggestion is an excellent one. I shall work with him and the minority leader to see if that will expedite the passage of the measure.

Mr. President, I yield now to the Senator from Ohio.

Mr. METZENBAUM. Mr. President, will the majority leader be good enough to clarify what was a little confusing to the Senator from Ohio? I understood the other day that he had indicated that if we were able to bring the social security matter and the jobs bill to a conclusion by the end of this week the majority leader would look very favorably upon sending all of us out to meet with our constituents and bringing us back only for the purpose

of acting on the conference report when it was ready to be acted upon.

Mr. BAKER. I think we are saying about the same thing.

Mr. President, if we finish these bills, and I think we are going to, or I hope we are going to, the only thing remaining are the conference reports. It may be that Senators do not need to be here while those conference reports are in progress except the conferees. That is a matter we should examine when we get closer to the event.

I guess what I should say to the Senator is somewhat what I have already said to the minority leader and that is that other than the conference reports I have no other must legislation to deal with between now and the time we go out for the Easter recess.

Mr. METZENBAUM. I appreciate the comments of the majority leader.

Mr. PRESSLER. Mr. President, will the Senator yield?

Mr. MITCHELL. Mr. President, will the majority leader yield for a question?

Mr. BAKER. May I yield first to the Senator from South Dakota and then to the Senator from Maine.

Mr. PRESSLER. Mr. President, I suggest that we work late tonight and get final passage tomorrow and come back Wednesday or Thursday for 1 day and do the conference reports and then those of us who go home could stay at home until Wednesday and make just one trip back to the city.

Mr. BAKER. I thank the Senator. It is not a bad idea. I sort of like it. But I think it also points up one other fact and that was the observation made by the Senator from Louisiana, that everyone has his own schedule. I admire and respect that, and I assure the Senator from South Dakota that I will explore that possibility, trying to arrive at the most convenient arrangement for the Senate in that respect.

I must say it is sort of like my wife finding things on the church calendar. We have not earned this money yet. We have not passed this bill yet. We have to do that before we have the high-class problem of deciding how we arrange the business while we wait for the conference report.

I now yield to the Senator from Maine.

Mr. MITCHELL. Mr. President, recognizing the demands on everyone, everyone wishes to leave sometime late tomorrow. Could we not begin at 9 instead of 10? It seems to me if we start early we will finish early and accommodate Senators who have planes to catch.

Mr. DOLE. Mr. President will the majority leader yield?

Mr. BAKER. I yield.

Mr. DOLE. Mr. President, the reason is no one will show up at 9. We were here this morning at 9:30 and could not find anyone to do business with.

What we might do is lay down an amendment that we could take up. We could have something pending and have everyone on notice for a vote.

Mr. MITCHELL. If the Senate were to schedule a vote after 9 I guarantee there will be Senators here.

Mr. DOLE. I would be happy to start at 9. I think that is about the time I will get back from Savannah.

Mr. BAKER. I thank the Senator for his suggestion. Let me explore that as well if I may.

Mr. President, there is time for one more vote. I hope we can get on with it.

I yield the floor.

The PRESIDING OFFICER (Mr. GORTON). The Senator form Kansas is recognized.

Mr. DOLE. Mr. President, I suggest that we do not have that many amendments and there are a number of them that we hope we can accommodate Senators on. There is one long amendment offered by the distinguished Senator from Louisiana that may be somewhat troublesome, and we have the Presiding Officer who has an amendment which we can agree upon.

I understand now that the Senator from Idaho has an amendment which we will have a rollcall vote on and hopefully dispose of it.

Is that correct?

Mr. SYMMS. Mr. President, the Senator is correct.

However, the amendment I shall proposed, and I tell the chairman it is not on withholding on savings, so he can sigh relief there, is not the amendment that the distinguished chairman is speaking of. It is the amendment that affects the COLA stabilizer, and it is an amendment that I think does have considerable merit. I wish to offer that amendment at this time.

The PRESIDING OFFICER. The Chair must announce that an amendment of the Senator from New Jersey is pending.

Mr. DOLE. Mr. President, I ask unanimous consent that that amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Idaho.

UP AMENDMENT NO. 82

(Purpose: To provide that the cost-of-living-adjustment stabilizer shall apply to adjustments made in 1983 and thereafter.)

Mr. SYMMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Idaho (Mr. SYMMS) proposes unprinted amendment numbered 82.

Mr. SYMMS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 90, line 23, strike out "1988" and insert in lieu thereof "1983".

On page 94, line 19, strike out "1988" and insert in lieu thereof "1983".

Mr. SYMMS. Mr. President, the amendment I offer is to change the effective date of the so-called stabilizer from January 1, 1988 to January 1, 1983.

In the bill that is currently being considered by the Senate today, there is a provision which will automatically adjust the cost-of-living increases when the trust fund ratio falls below 20 percent, effective in 1988. This provision was also one of the recommendations made by the President's Commission on Social Security Reform.

Specifically, beginning in 1988, if the OASDI trust fund ratio—reserves as a percentage of outgo—as of the beginning of the year is less than 20 percent, the adjustment of OASDI benefits would be based on the lower of the increase in the CPI or average wages. Subsequently, when the balance in the trust funds has risen to at least 32 percent of estimated annual outlays, catchup payments would be made during the following year, but only to the extent that sufficient funds are available over those needed to maintain a fund ratio of 32 percent. Catchup payments would supplement monthly benefits otherwise payable to make up for any COLA losses that result from basing the adjustment on wages rather than prices.

My amendment would not apply to the COLA for the supplemental security income (SSI) program because those senior citizens who are receiving SSI benefits are truly the senior citizens who are most in need. I believe that we should make every effort to protect those seniors who are at that income level. So, they would be held harmless.

There are several reasons why I believe we should adopt this amendment. First, and foremost, if the Commission thought that the COLA stabilizer was a good idea for 1988, why not implement the COLA stabilizer in 1983 and help bring the outflow and the income to the social security trust funds back in balance.

Second, and perhaps more importantly, I believe we should make every effort to insure the wage earners in our economy that the retirees will not receive a larger cost-of-living adjustment in their retirement benefits than the wage earners are getting in their paychecks, if the OASDI trust fund is insolvent.

Mr. President, keeping the COLA increase indexed to the CPI until 1988, in my opinion, strikes at the very issue of fairness. Flaws in the CPI create an issue of fairness when it comes to eva-

luating the automatic Federal COLA. Erosion in the value of entitlement benefits from inflation is rightly decried by our Government—even though the Government is the primary reason we have inflation. However, it is not fair to overcompensate recipients for inflation under the inflation protection rationale for which COLA's were designed.

Virtually all experts are in agreement that the CPI has not been an accurate gage of inflation in recent years. It has overstated increases in the cost of living for people who already own their homes, who act rationally to conserve energy when energy prices rise, and who pay attention to price swings in the supermarket in choosing what to buy week-to-week.

My amendment would simply bring the wage earners—those paying for social security retirement benefits at the current time—and the retiree—those receiving social security benefits—in line with one another as long as the OASDI trust fund is in imbalance.

Continuing to compensate recipients of Federal entitlements more generously for inflation than the average American is a striking inequity in the present indexing practices in the Federal Government. The full CPI entitlement COLA is not only responsible for recent budget uncontrollability and destabilization of the OASDI trust fund.

More basically, it is unfair to the taxpayers, whose incomes are not fully insulated against increases in the CPI.

I might just mention at this point, Mr. President, that recently when I was visiting my home State of Idaho, I sat down and met with the manager of a small wholesale fuel jobbing company where they employ 80 people in the Boise Valley.

The employees of that company voted voluntarily to take a 10-percent cut in pay, from the president of the company, the general manager, on down to the cleanup crew in order to avoid having any layoffs at the firm.

I believe that to ask those people to continue to have to pay for COLA's based on the CPI instead of the wage index strikes at the question of equity. I think the Commission recognized that, the committee recognized that, and I praise the committee for recognizing it. But we should implement the provision now instead of 1988.

I think we will find that our constituents will support us if we do what is right for the American economy and what is right for the social security fund. I hope we will accept this amendment.

The investigation of why benefit growth has exceeded wage growth since 1977 has focused on poor productivity performance and the recession. Yet, there were 5 million more Americans employed at the end of 1982 than at the end of 1977, and productivity growth has been falling for more than a decade.

The most important reason for the current short-term solvency problem in social security is the different indexing practices followed by the Government and the private sector in the face of rapid inflation from 1978-81.

When automatic indexing was implemented for social security, the belief was that it would hold down benefit growth. Ad hoc benefit increases for social security from 1968 through 1972 were substantially greater than increases in the CPI. Unfortunately, when that legislation for a full automatic COLA passed in 1972, nobody was predicting double-digit increases in the CPI.

The primary reason the 1977 reform for social security failed under conditions of rapid inflation was because social security COLA's are fixed at the full increase in the CPI, whereas indexation of wages in the private sector is considerably less than 100 percent of the CPI. As represented by data on automatic COLA's in major collective bargaining agreements, the degree of private sector indexation varies over time between 50 percent and 70 percent of increases in the CPI. On average, automatic COLA's in the private sector recover 60 percent of increases in the CPI.

It is this difference in indexing, along with low productivity growth and recession, that explains the recent phenomenon of benefit growth outpacing wage growth noted by social security actuaries.

The full CPI COLA is also the primary reason why growth in other entitlement benefits created a situation of budget uncontrollability from 1978 through 1982.

Compensating recipients of Federal entitlements more generously for inflation than the average American is a striking inequity in the present indexing practices of the Federal Government. The full CPI entitlement COLA is not only responsible for recent budget uncontrollability and destabilization of the OASDI trust fund. More basically, it is unfair to the taxpayers whose incomes are not fully insulated against increases in the CPI.

I want to make clear that the amendment I am now offering does not compensate the wage earners for the taxes they are paying and have paid for overcompensating the retirees in the last few years. My amendment simply guards against overcompensating the retirees in the future, beginning in 1983, should the OASDI trust fund balance not be at a sufficiently solvent level.

In other words, if it is sufficiently solvent it would not be triggered, but if it is not sufficiently solvent it would be triggered.

In addition, my amendment also has a provision to protect the retirees in the event that the trust fund reserves reach a 32-percent level, the retirees will get compensated for their previously reduced benefits as long as the trust fund reserves remain at 32 percent.

The general effect of my amendment will be to reduce the COLA's in the near term to about the increases that wage earners will be having their paychecks increased while the trust fund balance is building up. Then, over the longer term senior citizens will be getting the full COLA as long as the trust fund reserves are at 32 percent—even though I personally believe we should review this as a matter of equity in the future.

Now, many of you might think that this amendment is somehow unfair to the senior citizens—although I fail to see why. Nevertheless, I do want to address this popular misconception, which I believe is based on the common perception that the economic status of the elderly is based on conditions that prevailed in 1959, not those in 1982.

They do have time to organize into effective political blocks and to finance organizations which protect and enhance what has become their major source of retirement income—Federal transfer payments. One-third of the Federal budget is now devoted to benefit payments for the elderly.

In 1959, 35 percent of America's elderly were below the poverty threshold. The image of elderly widows subsisting on canned dog food was a national disgrace. Amendments to the social security system which increased benefits across the board had been sporadic. No benefit increases were forthcoming in the first 10 years of the system. In 1950, benefits were increased 77 percent, but this barely compensated for CPI inflation between 1940 and 1950. Further benefit hikes of 12½, 13, and 7 percent INF 1952, 1954, and 1959, respectively did outpace inflation during the 1950's. Yet the incidence of poverty among the population aged 65 and over was still 13 percent greater than among the general population at the start of the 1960's, and the next general benefit increase was not enacted until 1965. Even that amendment did not match the rise in inflation during the intervening 6-year period.

During the next decade, the economic status of the elderly changed dramatically. In 1965, medicare was established, and between 1968 and 1974, five double-digit increases in social security benefits were legislated by Congress. These five benefit increases in total were 22 percent greater than inflation during that period. Along with the development of several in-kind benefits programs for the elderly legislated in

the 1970's, automatic indexing to the CPI established annual benefit increases for OASDI payments starting in 1975. In the past 5 years, those COLA's have further increased social security benefits by almost 50 percent.

The trend of entitlement growth for the elderly and increases in payroll taxes to finance part of this benefit liberalization have led to a progressive redistribution of income from young to old on a per capita basis. One effect of this redistribution policy has been a reversal in the incidence of poverty between the young and old.

Clearly, there are a variety of forces at work in the changing incidence of poverty. The most dramatic change is not the reversal of incidence between generations, but the absolute decline in poverty among all age groups since 1959. Still, a growing lack of intergenerational equity in programs to relieve poverty appears to characterize the dynamics of current entitlement laws.

An element of fairness in a permanent program like social security should be some degree of equity in benefits across generations. Overtaxing the son to pay the father violates equity in the social compact between generations that is really at the heart and soul of social security.

It appears to me that it is foolish for Congress to allow a system to continue where the wage earner is not keeping up with the recipient of benefits because the formula is out of balance. That system allows for a division to grow among the generations in America. There is absolutely no reason for Congress to stand idly by and not do something about the fact that the younger generation will start resenting the percentage of the payroll tax they must pay to support the older generation.

It is unfair to both generations and it is not good for the future of the country.

The tax rates and tax payments for social security have grown tremendously over the years. And, most of the tax increases have come from increasing the maximum amount of income taxed, not increasing the tax rate. On an after tax basis, the oftennoted inequity between recent benefit growth and wage increases is even greater than before taxes.

It is clear that today's retiree can expect a much better deal from social security than a person 37 years old now paying for that person's benefits. Indeed, today's 65-year-old will be getting a 200 percent better deal than today's 37-year-old, and a 225 percent better deal than a 1982 college graduate just entering the work force.

My amendment makes a slight attempt in trying to adjust the inequities in the current system and I urge my colleagues to join me in the amendment.

I hope that the committee and the Members of the Senate will give this careful consideration before rejecting it out of hand. I think the chairman understands this as well as anybody in the U.S. Senate. The problem is that we have been on a track where if you chart the growth of the payments to the recipient we see that they have had increases of up to 227 percent in the last 10 years while the wage index has only gone up 121 percent and it has the entire system out of balance.

I might say again there would be no reduction in any benefits that anybody is now receiving, only a difference in the formula, if the total of the trust fund balance is below 20 percent.

I thank the chairman for his consideration.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I appreciate the discussion of the Senator from Idaho. I do not want to shut off debate, but the Senator from Kansas is going to have to leave here very quickly.

I would just say we had a similar amendment offered in the committee which was defeated by a vote of 5 to 11. I do not quarrel with anything the Senator from Idaho has said. However, by making the COLA stabilizer in the committee bill effective in 1984 rather than 1988, which was recommended by the National Commission, it might be viewed as a change that would violate the intent of the compromise.

Mr. SYMMS. Mr. President, may we have order so we may hear the chairman?

The PRESIDING OFFICER. The point is well taken. The Senate will be in order.

Mr. DOLE. The National Commission consensus package included a provision which is in the committee bill that would allow indexing by the lower of the increase in wages or prices if trust fund reserves fall below 20 percent. Catch-up payments would be provided when reserves rise above 32 percent. The provision is effective in 1988.

What the amendment of the distinguished Senator from Idaho would do would be to modify the effective date of the provision. In so doing, the amendment would alter an essential feature of the consensus package.

On that basis—it is not that the Senator from Kansas does not believe the amendment does not have merit—it would seem to me to be contrary to the provisions in the Commission report. For that reason, I would have to oppose the amendment.

Mr. GRASSLEY. Will the Senator from Kansas yield?

Mr. DOLE. Yes.

Mr. GRASSLEY. Mr. President, I would only raise one point in support of the amendment. I am going to vote for it. I think what is good in 1988 ought to be even better now.

But will the Senator from Kansas admit that one of the really uncertain things about the package—and perhaps the only uncertain thing about the package—is whether or not we will get by the next 2 or 3 years?

Mr. DOLE. That is correct.

Mr. GRASSLEY. This seems to me as though it would add a little more soundness to the system. If we have a revitalization in the economy, as we hope we will, then there is no doubt about getting by the next 2 or 3 years. But there is still some doubt whether or not we will have the improvement in the economy that we all hope for. To the extent which there is that doubt, then the amendment by the Senator from Idaho will make more certain that social security will remain solvent over the next 2 or 3 years. If we can get by those years which are probably the most questionable, we can answer with certainty that solvency is no longer doubtful for the short term.

Mr. DOLE. Mr. President, let me say that we have, in addition to this proposal, the so-called stabilizer, we did adopt in the committee the amendment of the distinguished Senator from Louisiana, Senator LONG. That provision provides for a COLA "failsafe" mechanism. In addition, we have the "normalization" amendment. Given each of these provisions, we believe—again, based on the advice of actuarial experts—that we are going to survive those years. As I understand it, it is going to be close, although some would say we are going to have a big surplus.

Mr. President, I would like to come to a vote on this.

Mr. SYMMS. Mr. President, if the chairman would yield, I would say one more thing. I thank the Senator from Iowa for bringing that point up. The effect of this amendment would be that we would probably be on the wage index immediately which is nothing more than you are asking of wage earners. I will bet the farm on the fact that if we would adopt an amendment like this we will restore the long-term capital markets in this country and help get people back to work in our respective States. It will not in any way affect those people on SSI benefits. They are held harmless in the amendment. So the neediest and the poorest of the senior citizen recipients are protected, as I and everyone in this Chamber think they should be.

What it would do is give the confidence to the country that the Congress really is doing the right thing. It will not take any present benefits away from any recipient. They would

still get an increase, but it would not be quite as much of an increase as they would have otherwise received.

I do not want to have any Member misunderstand that. I think the amendment would reduce the pressure for another tax increase on the social security system and will reduce the necessity of continually increasing the payroll taxes at the present time. I think it is an amendment the Senate would do well to adopt and accept. If the conference somehow came back and said, "OK, we will go to 1986," that would be some help instead of 1988. I would urge the committee to take this amendment.

Mr. DOLE. Mr. President, let me say in conclusion that I think I started off in our Commission deliberations about where the Senator from Idaho is now. I argued for 1985 rather than 1988. But we could not reach any consensus. Finally, along with about 15 or 20 other items, we had to make a judgment; 1988 may not be early enough—for those of us who believe it should be earlier—but that is the earliest date we could have. I do not quarrel with anything the Senator said, but I would hope that the amendment would not be adopted.

Mr. SYMMS. Mr. President, I ask unanimous consent that the Senator from Oklahoma (Mr. NICKLES) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Vote.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Idaho (Mr. SYMMS). The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Arkansas (Mr. BUMPERS), the Senator from Colorado (Mr. HART), and the Senator from South Carolina (Mr. HOLLINGS), are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 25, nays 72, as follows:

[ROLLCALL VOTE No. 31 LEG.]

YEAS—25

Andrews	Hatch	Nunn
Armstrong	Helms	Quayle
Boren	Humphrey	Rudman
Boschwitz	Jepsen	Simpson
Denton	Laxalt	Symms
East	Mattingly	Wallop
Garn	McClure	Wilson
Goldwater	Mitchell	
Grassley	Nickles	

NAYS—72

Abdnor	Bingaman	Chiles
Baker	Bradley	Cochran
Baucus	Burdick	Cohen
Bentsen	Byrd	Cranston
Biden	Chafee	D'Amato
Danforth	Jackson	Pressler
DeConcini	Johnston	Proxmire
Dixon	Kassebaum	Pryor
Dodd	Kasten	Randolph
Dole	Kennedy	Riegle
Domenici	Lautenberg	Roth
Durenberger	Leahy	Sarbanes
Eagleton	Levin	Sasser
Exon	Long	Specter
Ford	Lugar	Stafford
Glenn	Mathias	Stennis
Gorton	Matsunaga	Stevens
Hatfield	Melcher	Thurmond
Hawkins	Metzenbaum	Tower
Hecht	Moynihan	Trible
Heflin	Murkowski	Tsongas
Heinz	Packwood	Warner
Huddleston	Pell	Weicker
Inouye	Percy	Zorinsky

NOT VOTING—3

Bumpers	Hart	Hollings

So the Symms amendment (UP No. 82) was rejected.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, as I indicated earlier, I hoped that we could get one more amendment out of the way, one rollcall vote. We have done that, and there will be no more rollcall votes today. The Senate will come in at 10 tomorrow. We anticipate early votes tomorrow. Senators should anticipate that by 10:30, perhaps, we will have an opportunity to vote on another amendment. I reiterate, I would like to see us get as far as we can tomorrow, perhaps even to third reading, maybe final passage but, anyway, to do the best we can.

Tomorrow will be an active day. There will be a number of votes, I predict, and I would urge Senators to be here and to participate, as I am sure they will.

Now, Mr. President, could I inquire of the distinguished manager of the bill if there is anything further that can be done this evening because, otherwise, I intend to make a provision for a brief period for the transaction of routine morning business and then we have a number of special orders that had been anticipated for this morning that I am going to provide time for now if there is no objection. Could I inquire of the manager if he is prepared to go off the bill?

Mr. HEINZ. If the leader will yield, I am advised that there are two amendments. I am further advised that they are not controversial and that no rollcall votes would be required on them.

Mr. BAKER. Very well. Does the manager want to go forward with them at this time?

Mr. HEINZ. Yes, Mr. President.

Mr. STENNIS. Mr. President, will the Senator yield? He used the term special orders. Does that mean special orders as a part of the bill?

Mr. BAKER. No, no, Mr. President. May I say that some Senators had requested time this morning to speak on an unrelated subject, and I had asked them to forebear until the end of the day to do that instead of the beginning.

Mr. STENNIS. I thank the Senator.

Mr. LONG. Will the Senator yield?

Mr. BAKER. Yes; I yield to the distinguished ranking minority member of the Finance Committee.

Mr. LONG. Mr. President, I ask unanimous consent that the following Senators be added as cosponsors to my amendment No. 512: Messrs. DODD and FORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question recurs on the Bradley amendment.

Mr. BAKER. Mr. President, is there another amendment that the Senator wishes to take up?

Mr. HEINZ. Mr. Leader, we have a Kassebaum amendment and a Nickles amendment.

Mr. BAKER. Both of which will be accepted, do I understand, or disposed of by voice vote?

Mr. HEINZ. Let me say to the majority leader that I know of at least one and possibly two amendments that we can take up now. I am certain we can take up and pass the Kassebaum amendment without a record vote. If, on the basis of further discussion, it appears we cannot take up the Nickles amendment and pass it without a recorded vote, I would not proceed to do so.

Mr. BAKER. Very well. But the Senator is prepared now to proceed to the Kassebaum amendment?

Mr. HEINZ. Yes, Mr. Leader.

Mr. BAKER. Mr. President, I ask unanimous consent that the Bradley amendment be laid aside temporarily and that the Senate proceed to the consideration of the Kassebaum amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 83

Mrs. KASSEBAUM. I thank the Senator from Pennsylvania. Mr. President, I send to the desk my amendment to H.R. 1900 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mrs. KASSEBAUM), for herself and Mr. HATFIELD, proposes an unprinted amendment numbered 83.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 96, line 18, delete "2009" and insert in lieu thereof "1995".

On page 96, line 22, delete "1/48" and insert in lieu thereof "5/72".

On page 96, line 24, delete "2008" and insert in lieu thereof "1994".

On page 97, delete lines 1 through 3 and insert the following:

(c)(1) Paragraph (2)(A) of section 202(w) of such Act is amended by striking out "and prior to the month in which such individual attained age 72".

(c)(2) Paragraph (3) of section 202(w) is amended by striking out the material that follows the semicolon.

On page 97, line 4, delete "(2)" and insert in lieu thereof "(3)".

Mrs. KASSEBAUM. Mr. President, the amendment I am offering has been agreed to by the chairman of the Finance Committee, and I appreciate being able to bring it up at this time and getting it taken care of. It is designed to enhance the work incentives incorporated into S. 1 by coordinating an increase in the delayed retirement credit with the phaseout of the outside earnings limitation.

The chairman of the Finance Committee, the senior Senator from Kansas (Mr. DOLE), has been a strong advocate of addressing the outside earnings limitation issue, and I salute him for these efforts.

S. 1 would gradually increase the delayed retirement credit to 8 percent per year over the period between 1990 and 2010. My amendment would accelerate this increase so that the 8 percent annual credit would take effect in 1995, the year in which the limit on outside earnings would be totally lifted. In addition, this amendment would permit an individual to receive the delayed retirement credit for every month after age 65 in which receipt of benefits is deferred. At this time, the delayed retirement credit is not made available for benefits deferred after age 72. The Office of the Social Security Actuary has estimated that adoption of this amendment would result in negligible additional cost to the package.

Currently, a worker who does not receive social security benefits until after age 65 is eligible for a delayed retirement credit. The benefit amount is increased for each month after age 65 and prior to age 72 during which benefits are not received. This increase occurs at a rate of 3 percent each year. Although current law rewards delayed retirement, the 3-percent credit is inadequate from an actuarial standpoint. The actuarially fair level is 8 percent, which would be attained by the year 2010 under the measure reported by the Finance Committee.

The current Social Security Act also provides for a $1 reduction in benefits for each $2 earned over certain exempt amounts by beneficiaries under the age 70. This year, the annual exempt amount of earned income is $6,600 for individuals age 65 and older. The outside earnings limitation, which has long been criticized as a disincentive for longer work lives, would be phased out between 1990 and 1994 under S. 1. For individuals age 65 and older, the exempt amount would be increased by $3,000 per year beginning in 1990. In 1995, the earnings limitation would be completely eliminated.

The purpose of my amendment is to have these two reforms work in tandem. Consider the situation of an individual reaching age 65 in 1995. He or she will have the option of beginning to receive full social security benefits regardless of the amount of earned income expected in that year. By delaying receipt of benefits for 1 year, the potential recipient would be eligible for a delayed retirement credit of 4½ percent. Under my amendment, the choice would be between immediate receipt of benefits or delayed retirement with an 8-percent credit.

In my view, the prospect of receiving the actuarially fair 8 percent credit offers a much more compelling case for delaying receipt of benefits. This is particularly true when the benefit taxation features of S. 1 are taken into consideration. The decision to delay retirement would be a form of savings for the older worker, with the 8 percent credit representing interest on the deferred social security income. In many cases, while earning interest on their deferred social security check, they will be able at the same time to defer receipt of their taxable social security income until they are fully retired and in a lower tax bracket.

Provision of my amendment which remove the upper age limit on provision of the delayed retirement credit simply allow the repeal of the outside earnings limit and the increased delayed retirement credit to continue working together for all age groups. Although relative few individuals would probably defer receipt of benefits after age 70 or 72, those who do consider such an option should be able to take advantage of the same incentives provided to others who continue work after age 65.

The features of S. 1 described above, coupled with provisions of the bill which gradually increase the normal retirement age beginning at the turn of the century, demonstrate considerable congressional support for extending work lives. I commend Senator DOLE and other members of the Senate Finance Committee for their initiative in this area, which I feel is an extremely positive emphasis. Older workers do make significant contributions to our society. As life expectancies increase and the number of younger workers decline, we will be placing increasing reliance on the skills and exprience of our older population. In addition to the sense of well-being which accompanies continued productivity on the part of older workers, prolonged work lives also boost the economy as a whole through the availability of additional tax revenues.

Obviously, it is difficult to pinpoint the total effect of these incentives on work behavior. However, a study conducted by the Urban Institute in 1978, entitled "The Aging of America: A Portrait of the Elderly in 1990," suggests that the results will be positive. This study assumed several changes in the social security benefit structure, including an increase from 3 to 5 percent in the delayed retirement credit and a liberalization of the outside earning limit. The study concluded that costs and tax rates of the social security program would be lower than would otherwise be the case. Moreover, projected income levels of the elderly would increase by 12 to 38 percent due to increased work effort. The report notes:

> The major conclusion of this study is that it may be possible to reduce the tax burden on the working population and increase the income going to the elderly, through changes in the retirement incentive structure to delay retirement.

Believing that we should actively encourage individuals to work longer, I am attempting today to bring better coordination to the efforts already underway in this area. This amendment is supported by the American Association of Retired Persons—a group long committed to eliminating work disincentives to older persons—and I urge its adoption by the Senate.

I thank the Senator from Pennsylvania for yielding to me.

Mr. HEINZ. Mr. President, I have examined the Kassebaum amendment, and I compliment the Senator from Kansas on offering it. It is indeed an improvement on what is in the Senate bill. It will accelerate the delayed retirement credit by a considerable amount.

It is also my understanding, after checking with the actuaries, that it is revenue neutral. Anything we can do to give people a worthwhile incentive to continue their active working career is an incentive.

On this side, we are happy to accept the amendment. Perhaps the minority manager would concur in so doing. I know of no objection to this amendment.

Mr. MOYNIHAN. Mr. President, I wish to reinforce the statements of the Senator from Pennsylvania.

This is an improvement to the proposal. It is attractive, and it approaches that happy condition called pareto optimality, where everyone gains and no one loses. Only the Senator from Kansas can think of things like that. It continues to amaze and delight us and adds to the proceedings in this body.

Mrs. KASSEBAUM. I say to the Senator from New York that I appreciate his very kifd remarks. I had a lot of help in thinking of this amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. LONG. Mr. President, the amendment is acceptable to this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 83) was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DENTON). The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, I ask unanimous consent that the Bradley amendment be temporarily laid aside.

Mr. HEINZ. For what purpose shall it be temporarily laid aside?

Mr. SYMMS. For the purpose of laying down an amendment that we can work on in the morning.

The PRESIDING OFFICER (Mrs. HAWKINS). Without objection, it is so ordered.

UP AMENDMENT NO. 84

(Subsequently numbered amendment No. 525.)

(Purpose: To provide that no social security cost-of-living adjustments be made in 1983 and 1984)

Mr. SYMMS. Madam President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Idaho (Mr. SYMMS) proposes an unprinted amendment numbered 84.

AMENDMENT No. 502

At the appropriate place in the bill, insert the following new section:

1-YEAR FREEZE ON COST-OF-LIVING ADJUSTMENTS

SEC. . Section 215(i) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(7)(A) Notwithstanding any other provision of this subsection, no increase shall be made under paragraph (2) in any benefit amount, primary insurance amount, or amount of monthly benefits based on any primary insurance amount for any cost-of-living computation quarter occurring during calendar year 1983.

"(B) For purposes of determining the extent to which the Consumer Price Index for the base quarter occurring in 1984 exceeds such index for the most recent prior cost-of-living computation quarter, the base quarter occurring in 1983 shall be treated as the most recent prior cost-of-living computation quarter.".

Mr. SYMMS. Madam President, the amendment I propose tonight and will discuss tomorrow for those Senators who are in their office would move the COLA for the next social security COLA for 1 year, a 1-year COLA freeze, to put the social security recipients on the same basis that we are putting retired military, veterans, and civil service pensioners, and I think it is only fair and equitable. So it would change the COLA 1 year. Instead of December 1983 it would be moved over to the same time commensurate with what is proposed by the administration with respect to those other people.

Mr. BAKER. Madam President, I understand that this is the amendment that we will take up tomorrow and that Members do not wish to debate it further tonight.

I gather from the acknowledgement of the manager and the distinguished minority manager that that is the case.

Mr. HEINZ. Madam President, if the majority leader will yield, that is correct.

Mr. BAKER. I thank the Senator.

ROUTINE MORNING BUSINESS

Mr. BAKER. Madam President, I ask unanimous consent that there now be a period for the transaction of routine morning business to extend not past the hour of 6 p.m. today in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN addressed the Chair.

Mr. BAKER. Madam President, before the Senator speaks, may I say during this period it is my expectation that the Senator from Alabama will wish to speak about 20 minutes. There is no limitation on the amount of time that Senators may speak.

I see the Senator from New York seeking recognition at this time. If there are other Senators who wish to speak, I urge them to do so because if we can finish before 6 p.m. we will go out before that.

ST. PATRICK'S DAY STATEMENTS

Mr. MOYNIHAN. Madam President, on this St. Patrick's Day of 1983 four statements of extraordinary clarity, courage, and conviction have been made here in the Capitol and in St. Patrick's Cathedral, in New York.

They speak to the issue of violence. They speak to the issue of reconciliation. And they speak to the issue of the constitutional imperative in that nation and on that island.

Madam President, the President of the United States, at the Irish Embassy today, made a truly eloquent, enormously impressive, and encouraging statement calling on Americans to refrain from contributing to organizations engaged in violence and calling on the United States to play a part, as it can, in the return to the path of peace, as Pope John Paul II has called it, in that nation. He spoke in response to a not less eloquent and convincing statement by the Foreign Minister of Ireland, the Honorable Peter Barry, a Member of the Parliament there.

A large number of U.S. Senators and U.S. Representatives have signed a statement to almost precisely the purpose and intent and import of the President and the foreign minister here in our own body, our own House, and in the other body.

Finally, at St. Patrick's, the rector of that venerable cathedral, James F. Rigney, gave the homily this morning, speaking as a man of God and as a man of peace, and he called for just exactly those goals we would all share, and he announced the establishment of a fund for peace and justice in Ireland at the cathedral to be used in as many nonviolent ways as possible to reconcile in peace and justice the people of St. Patrick's adopted land.

I ask unanimous consent, Madam President, that these historically important messages and statements be printed in the RECORD in order that they may be disseminated through the Nation and reproduced for those who have a special interest in them.

I thank the Chair.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
March 17, 1983.

STATEMENT BY THE PRESIDENT

For those of us whose ancestors come from Ireland and for those of us who share the spirit of Irish humor, hard work and spiritual faith, St. Patrick's Day is a time of grateful celebration and much happiness.

Today is a time to honor and celebrate the enormous contribution to American life made by Irish immigrants. As frontiersmen in the American colonies and citizen soldiers in Washington's army they helped found our republic. Their ingenuity and effort built our economy, added to our spiritual values and enriched our literature. Their humor enriches life's happy moments and makes life's setbacks more bearable.

And yet our joy is tempered by the tragedy that divides neighbor from neighbor in Northern Ireland. We deeply regret that some would use this day to enlist support for more violence and conflict on that small island which is so much in our hearts today. We cannot remain indifferent to the tragedy that confronts the people of Northern Ireland and which affects the Republic of Ireland, Britain and their friends in the United States. Those who advocate or engage in violence and terrorism should find no welcome in the United States.

We condemn all such acts and oppose the forces of discord in Northern Ireland, which obstruct the process of reconciliation so essential for peace. We ask all Americans to refrain from supporting, with financial or other aid, organizations involved directly or

indirectly in perpetuating violence. And we urge that those Americans—and there are many—who wish to help, lend their support and contributions to legitimate groups and organizations which work to promote reconciliation and economic cooperation.

The United States Government continues to take specific actions to hasten an end to this violence and discord by:

Discouraging Americans from contributing to organizations engaged in violence.

Arresting and prosecuting those engaged in the illegal export of arms to those groups.

Confiscating weapons intended for terrorists.

Next to peace and reconciliation, Northern Ireland's greatest need is for jobs to bring hope and opportunity to all its people, especially the young. American companies which have invested in Northern Ireland already employ a significant percentage of its industrial work force, making a real contribution to its well-being. This administration will continue to encourage private investment in and the creation of more job opportunities in both Northern Ireland and the Republic.

We recognize that it is not for the United States to chart a course for the people of Northern Ireland, but we do have an obligation to urge our long-time friends in that part of the world to seek reconciliation between the two traditions in Northern Ireland and accommodation through democratic means. Durable, equitable solutions and peace cannot be imposed by outsiders, however well meaning. Our role, accordingly, is to support efforts by the people and governments directly involved.

So on St. Patrick's Day 1983 let us all celebrate our Irish heritage in fine style. But let us also remember those in Northern Ireland for which 1983 is one more year of terrorism and dim economic prospects—and let us rededicate ourselves to helping to bring these twin evils to an end.

STATEMENT MADE AT A RECEPTION TO HONOR THE PRESIDENT OF THE UNITED STATES OF AMERICA, MR. RONALD REAGAN, BY THE FOREIGN MINISTER OF IRELAND, MR. PETER BARRY, T.D., AT THE EMBASSY OF IRELAND, ON ST. PATRICK'S DAY, MARCH 17, 1983

Cead Mile Failte. You are all most welcome to this house today.

The feast of Saint Patrick is a day which brings all the Irish and all the Friends of Ireland together to exchange greetings and extend the hand of friendship.

It is especially fitting, Mr. President, that in paying us the honor of visiting here today you do so having come with us from a lunch where we were guests of another great Irishman, our friend the Speaker of the House, Tip O'Neill. It is of course no surprise to those in Ireland that two great Irishmen occupy the Houses on both sides of Pennsylvania Avenue. Naturally, we expect no less of the Irish in America.

Not that the Irish boast of having invented politics Mr. President—but at least we have tried to ensure that America should never be wanting in good politicians—and that American politics should never be wanting in good humor. For, if politics is the art of the possible, Mr. President, good humor is what makes good politics possible and keeps debate alive and well. The luncheon you graciously hosted today showed that, I think you'll agree, Mr. Speaker.

It is a particular privilege for me to welcome so many distinguished friends to our Embassy.

Those who carry the names of Irish forebearers (whether Reagan or O'Neill, whether Kennedy or Foley, whether Moynihan or Dodd, whether Carey or Shannon and many more).

Those who cherish proudly their mother's heritage and whose love of Ireland is no less great.

Those who have come to know the heritage of Ireland through their friends and neighbors and who join with us as friends today.

All who wish to know the generosity of America as a haven for successive generations of immigrants need look no further than this room today. All who seek out the achievements of the Irish in America need hardly search beyond this room today. All who wish to know Ireland's loyal friends in the United States need go no further than this room today.

The good will, friendship and sympathy of the American people we proudly cherish in Ireland and this has special importance for us as we seek in the period ahead to check the violence in Northern Ireland and end the divisions of the Irish people. We particularly appreciate the support already received from our friends in the United States Congress and the encouragement which you personally have given, Mr. President, to my Prime Minister, Dr. Garret FitzGerald, for his efforts to promote reconciliation between the two Irish political traditions and between Britain and Ireland. The strong condemnations of violence which you have all made and your consistent commitment to stemming the flow of U.S. dollars to the agents of terror in Northern Ireland we heartily applaud.

The Ireland we seek is one which will never be achieved by violence. Our goal is a new Ireland founded on agreement, free of intolerance and fear, where justice and compassion prevail, where the rights and identities of all traditions are respected and where all the Irish people can find unity and courage in the shared symbol of Patrick which is a symbol of peace, and friendship and reconciliation.

To this end, my Government has recently proposed, in agreement with the political parties concerned, to establish a forum for consultations on the means by which peace and stability can be achieved in a new Ireland through the democratic process. The views of those of all traditions in Ireland who agree with the purpose of these consultations and who reject violence will be sought by the forum. We believe that this initiative can point the way to a lasting peace and we look for the support of our friends in America as we advance these efforts to establish peace, to end division and move towards a new Ireland.

In Ireland, we send shamrock to our friends overseas and the wearing of shamrock expresses our hope for peace in the year ahead. Mr. President, it is my privilege to present to you today shamrock from Ireland as a mark of the enduring friendship between Ireland and the United States and as a symbol of our hopes for the future.

THE FRIENDS OF IRELAND, 1983 ST. PATRICK'S DAY MESSAGE

Those of us in Congress who follow Irish affairs have in recent years chosen the occasion of St. Patrick's Day to reaffirm our commitments both to help end the violence in Northern Ireland and to contribute by peaceful means to the great goal of Irish unity.

Two years ago, we founded the Friends of Ireland to provide a forum for an informed American role in assisting an overall political settlement. As Friends of Ireland, we shall continue to do all we can in the year ahead to inform the Congress and the American people about the conflict in Ireland, and to further the goal of a just and enduring peace.

It must surely be clear that any lasting political settlement in Northern Ireland can be achieved only by peaceful and constitutional means, through negotiation, compromise, and with the consent of all those involved—not by ultimatum, intimidation, or violence, which serve only to prolong the anguish of that deeply divided community and frustrate progress toward unity and political reconciliation.

On this St. Patrick's Day, therefore, we appeal again to our fellow Americans to reject those who believe in bloodshed, to renounce organizations which are the agents of violence and to deny American dollars to any group that condones or contributes to the killing. Instead, we urge our fellow citizens to be unyielding in their commitment to peaceful political change.

1982 was a year of disappointment and concern for all of us who hope for peace in Northern Ireland. Callous bombings, vicious assassinations, and reckless maimings of the innocent carried out by terrorist organizations have contributed to the atmosphere of despondency and aggravated the cycle of vengeance in a community that has already suffered too much for too long. Disturbing allegations about a recent pattern of shooting incidents by the security forces in Northern Ireland, and continued reliance by law enforcement authorities on lethal plastic bullets are cause for deep concern. Chronic unemployment, the continuing British commitment to an unworkable political proposal, and the lack of progress toward ending institutionalized discrimination in Northern Ireland have dimmed the hope of early progress in resolving economic and political problems.

At the heart of the Northern Ireland conflict lies a profound crisis of identity and allegiance. Just as the troubles will not be battered or bombed away by terrorists, so they cannot be wished away by measures that serve only to preserve the status quo. The roots of the conflict lie deep in the history of Ireland and in the record of Britain's involvement there. As such, we believe it requires the bold cooperation of both the British and the Irish Governments jointly pursuing at the highest levels a new strategy of reconciliation.

In the summit agreements of Irish and British Prime Ministers, there exists the framework for pursuit of such a strategy. We therefore would welcome—and encourage—revival of contacts between the two Governments at this level.

We are also heartened by the progress within Ireland of the debate on reconciliation. We commend the important recent decision by the Irish Government to establish a forum for consultation on the means by which peace and stability can be achieved in a new Ireland through the democratic process. We are especially encouraged by the agreement of all the political parties in the Republic of Ireland and of the Social Democratic and Labour Party in Northern Ireland to participate in this forum. And we welcome their action in seeking the views of all peoples of both traditions in Ireland, North and South, who share the objectives of this constructive new undertaking.

We hope that steps such as these will lead in the very near future to a solemn commitment by all the parties to heal the divisions within the Northern Ireland and to reconcile the two major traditions that exist in Ireland.

There should also be an American dimension to this healing process. As Friends of Ireland, we have been heartened by the support we have received for our endeavors from the Irish Government and Parliament. We believe that the cause of reconciliation between the Protestant and Catholic traditions in Ireland and between Britain and Ireland is one which merits the full support and the responsible involvement of the United States.

To this end, the Friends of Ireland have sought to foster a close working relationship with the Parliament in Ireland, with the Government there, and with the main political parties of that Nation. Last year, at the invitation of the Speaker of the Irish Parliament, a delegation of the Friends of Ireland visited Ireland for meetings with party leaders and with the Government. Since then, a sister organization has been established in the Irish Parliament to advance our shared goal of greater understanding and cooperation between our two peoples. We sent greetings to our friends in the Irish Parliament. We warmly welcome their message of support today, and look forward to receiving them soon in Washington.

On this St. Patrick's Day, we renew our commitment to the great goal of Irish unity, and reiterate our conviction that the only sure road to a just and lasting peace is to end the division of the Irish people. We seek a unity based on democratic principles, achieved by negotiation and persuasion, secured with consent freely given by a majority of the people of Northern Ireland and with full constitutional safeguards for the rights and traditions of all concerned.

U.S. SENATE

Edward M. Kennedy of Massachusetts.
Daniel Patrick Moynihan of New York.
Christopher J. Dodd of Connecticut.
Joseph R. Biden, Jr., of Delaware.
Jeff Bingaman of New Mexico.
Dale Bumpers of Arkansas.
William S. Cohen of Maine.
Alan Cranston of California.
Alan J. Dixon of Illinois.
Pete V. Domenici of New Mexico.
Thomas F. Eagleton of Missouri.
John Glenn of Ohio.
Gary Hart of Colorado.
John Heinz of Pennsylvania.
Ernest F. Hollings of South Carolina.
Daniel K. Inouye of Hawaii.
Paul Laxalt of Nevada.
Patrick J. Leahy of Vermont.
Carl Levin of Michigan.
Spark M. Matsunaga of Hawaii.
Howard M. Metzenbaum of Ohio.
Claiborne Pell of Rhode Island.
William Proxmire of Wisconsin.
Donald W. Riegle, Jr., of Michigan.
Paul E. Tsongas of Massachusetts.
Lowell P. Weicker, Jr., of Connecticut.
Bill Bradley of New Jersey.

HOUSE OF REPRESENTATIVES

Thomas P. O'Neill, Jr., of Massachusetts.
Thomas S. Foley of Washington.
James M. Shannon of Massachusetts.
Frank Annunzio of Illinois.
Edward P. Boland of Massachusetts.
Don Bonker of Washington.
Frederick C. Boucher of Virginia.
Baltasar Corrada of Puerto Rico.
Tom Downey of New York.
Brian J. Donnelly of Massachusetts.
Richard J. Durbin of Illinois.
Bernard J. Dwyer of New Jersey.
Roy Dyson of Maryland.
Joseph D. Early of Massachusetts.
Don Edwards of California.
Edward F. Feighan of Ohio.
Geraldine A. Ferraro of New York.
Edwin B. Forsythe of New Jersey.
Barney Frank of Massachusetts.
Sam Gejdenson of Connecticut.
Dennis M. Hertel of Michigan.
James J. Howard of New Jersey.
Barbara B. Kennelly of Connecticut.
Tom Lantos of California.
Elliott H. Levitas of Georgia.
Lynn Martin of Illinois.
Frank McCloskey of Indiana.
Joseph M. McDade of Pennsylvania.
Matthew F. McHugh of New York.
James F. McNulty, Jr., of Arizona.
Edward R. Madigan of Illinois.
Edward J. Markey of Massachusetts.
Joseph G. Minish of New Jersey.
Joe Moakley of Massachusetts.
Jim Moody of Wisconsin.
Robert J. Mrazek of New York.
Austin Murphy of Pennsylvania.
Nick Rahall of West Virginia.
Peter W. Rodino, Jr., of New Jersey.
James H. Scheuer of New York.
Pat Schroeder of Colorado.
John F. Seiberling of Ohio.
Lawrence J. Smith of Florida.
Al Swift of Washington.
Robert G. Torricelli of New Jersey.
Bob Traxler of Michigan.
Tom J. Vandergriff of Texas.
Pat Williams of Montana.

ST. PATRICK'S DAY MESSAGE TO THE FRIENDS OF IRELAND GROUP IN THE U.S. CONGRESS FROM MR. TOM FITZPATRICK, T.D., CEANN COMHAIRLE (SPEAKER), DAIL EIREANN AND CHAIRMAN OF THE IRISH-UNITED STATES PARLIAMENTARY GROUP

On the occasion of Saint Patrick's Day 1983, I send you from Ireland the greetings and good wishes of all the Members of the Irish-United States Parliamentary Group which we have recently established in the Houses of the Oireachtas as a counterpart to the Friends of Ireland in the United States Congress. We welcome the constructive interest you have taken in Irish affairs over the years and share, with you a deep commitment to the goals of peace, reconciliation and unity in Ireland. It is our certain conviction, as it is yours, that unity can be achieved only by peaceful democratic means, through persuasion, negotiation and agreement and not by violence or intimidation.

We look forward to meeting with you, the Friends of Ireland, in Washington in the near future.

HOMILY, ST. PATRICK'S DAY MASS, MARCH 17, 1983, MSGR. JAMES F. RIGNEY, RECTOR OF THE CATHEDRAL

Your Eminence, my brothers and sisters in the Lord, a warmest welcome to all who gather to celebrate the feast of our Patron Saint. In Roman law, a freed slave became the client of the one who freed him, who was then called no longer his owner but his patron. The freed man, or client, was obliged to give to his patron a share of the products of his toil and craft. The patron had to defend his client legally. Neither could testify against the other nor sue each other. The client was a legal heir of the patron.

Christians since ancient times have honored certain saints as patrons or guardians of special persons, trades, places, and churches. Proudly we today hail St. Patrick as the patron of Ireland, patron of the Archdiocese of New York, and patron of this Cathedral. And quite naturally, we who are his clients hope and fully expect to be protected and defended by our sainted patron. In turn, we know that we ought offer our patron a share of the products of our toil and craft which means, I think, following his Christ-like path toward whatever goals we pursue, including the goal of peace and justice in Ireland.

While Patrick was not the first missionary to go to Ireland, it was he who established and organized a Church in Ireland along episcopal lines and this in a country which was not yet united in any other way. Earlier missionaries made Christians; he made a Church. Earlier missionaries brought the faith to individuals; he created a united family of faith. He introduced unity to Ireland and thus he is the Patron.

Concurrent with this work of forming a united Church in Ireland, with God's inspiration and grace, he himself came to live the Christian life heroically. He labored for 30 years to build the Church in Ireland and he depended more and more through the years on:

God's power to guide him;
God's might to uphold him;
God's wisdom to teach him;
God's eye to watch over him;
God's ear to hear him.

Together here this morning, in this Cathedral bearing his name, we joyfully celebrate our special religious feast day. We gratefully celebrate the precious, life-giving faith that is our Irish heritage. We pray for an end to injustice and oppression which continues to the present day in the North of Ireland, and for peace and unity in all of Ireland, which is still a divided and troubled nation. As we pray, we renew our own convictions. These were clearly and succinctly declared by Cardinal Cooke in his recent statements on the quest for peace in the North of Ireland.

The injustice and continuing denial of basic human rights must be ended. New sustained initiatives for political, social and economic equity for all in the North of Ireland must be pursued. The right to equal opportunity in housing and employment must be guaranteed and enforced. The right to peaceful and quiet enjoyment of homes and businesses must be a fact. A political, constitutional process must be found that will lead to a permanent solution and not to temporary compromises. It will be necessary for the governments of several nations, including our own, to take an active strong role.

Our prayers and convictions are based on a renewed spirit of hope and a realization that reconciliation is truly possible. Ecumenical efforts, often brushed aside, are making progress and can prosper more. Interestingly, at this very moment—a little after 3 p.m. in Ireland—a group of Christians are praying for peace and justice at the tomb of St. Patrick in Downpatrick. The group includes Roman Catholics, Anglicans, Methodists, and Quakers.

The one road that can not be pursued is the way of violence. On this day and in this place, we cannot ignore the words of Pope John Paul II when he went as a Pilgrim for Peace to Ireland. "Violence only delays the day of justice. Violence only destroys the work of justice. Further violence in Ireland

will only drag down to ruin the land you claim to cherish."

Surely the violence of a frustrated people is a reaction to continuing injustice and is not the root cause of the crisis in the North of Ireland. Yet this violence has become an element of the problem and an obstacle to the movement toward peace. Further, indiscriminate violence—no matter what motiviates it or to what end it is directed—is not only futile but immoral.

The work of reconciliation is not an "impossible ethical ideal" that can be put aside. It cannot be scorned as "gradualism", (what big goal isn't reached gradually) or as "cop out". Indeed it may demand more of each of us than we at first suspect.

Surely it is time for every person with even a drop of Irish blood to become interested in securing peace and justice for the people of Ireland. The success of a process that will be religious, ecumenical, constitutional, and political will need the cooperation and support of a great number of the clients of St. Patrick.

As one step, with the approval of Cardinal Cooke, there will be established immediately here at St. Patrick's Cathedral a Fund for Peace and Justice in Ireland. It will be used in as many non-violent ways as possible to reconcile in peace and justice the people of St. Patrick's adopted land. How big and effective an effort it will be, only time will tell. But it will begin—immediately.

After the young Patrick escaped from slavery and returned to his own people, who begged that he not leave them again, he had a dream. He saw the vision of a man coming to him from Ireland with letters and, as Patrick began to read the first letter, he thought he heard the voice of the Irish crying out to him "We ask thee, boy, come and walk among us once more." And St. Patrick writes, "I was quite broken in heart, and could read no further, and so I woke up. Thanks be to God, after many years the Lord gave to them according to their cry."

May our Patron Saint walk among us today and in the days ahead. May he strengthen us to work for the goal of peace and justice in Ireland. And through the intercession of St. Patrick and our efforts, may the Lord again give to the people of Ireland according to their cry.

(During today's proceedings statements were delivered or submitted and routine morning business was transacted, as follows:)

MUTUAL GUARANTEED BUILD-DOWN OF NUCLEAR FORCES

Mr. COHEN. Mr. President, last week I presented the names of 28 of my colleagues who joined Senator NUNN and me in cosponsoring our resolution calling for the negotiation of a mutual guaranteed build-down of nuclear forces by the United States and the Soviet Union. Today, I am pleased to add the names of 11 Senators to the list of cosponsors of Senate Resolution 57: Senator ANDREWS, Senator ARMSTRONG, Senator BENTSEN, Senator BRADLEY, Senator D'AMATO, Senator DOMENICI, Senator HUDDLESTON, Senator MURKOWSKI, Senator PRESSLER, Senator TRIBLE, and Senator DECONCINI.

The growing support for the build-down resolution is gratifying and encouraging. With 41 Senators now backing Senate Resolution 57, I see a clear consensus emerging behind a mutual desire to find a workable means of reducing the risk of nuclear war.

The 11 Senators who have joined us in recent days are from both sides of the aisle and include advocates of a nuclear arms freeze and proponents of U.S. military force moderization. I believe that this coalition can provide a strong mandate for a major step toward reducing international tensions and enhancing the propsects for lasting peace.

The build-down concept has received a good deal of attention in recent days in the media and in Congress. As a matter of fact, last evening in the other body there was considerable debate on this subject.

The discussion generated by the idea has included the airing of a number of views and interpretations. I welcome this and feel that it will contribute to better understanding of the principles behind the build-down concept and fruitful development of the idea. I underscore, however, that the formula is intended to lead to real and significant reductions in the nuclear arsenals of the United States and Soviet Union. This means a sharp reduction in the number of warheads each side possesses. Hence, "build-downs" which allow net increases in warheads are not consistent with the formula Senator NUNN and I have developed. Neither are proposals which would result in forces which remain vulnerable to attack.

I have read, for example, that one interpretation of the build-down proposal calls for the elimination of two Minuteman missiles for each MX missile deployed in a Minuteman silo launcher. This would have an effect diametrically opposed to that intended by Senate Resolution 57. It would result in an increase in the number of warheads and would not enhance the survivability of the resulting missile force. Senate Resolution 57 is premised on the need to reduce warheads while enhancing survivability, thereby reducing tensions and giving less cause for turning to strategies calling for hair-trigger responses to perceived threats.

Mr. President, I wish to make clear that implementation of Senate Resolution 57 would require significant reductions and would encourage only that modernization which enhances survivability and stability. The emerging coalition of forces in the Senate around the build-down concept reflects the shared objective of freeze proponents and advocates of military force modernization: reducing the risk of nuclear war. I welcome the recent cosponsors of Senate Resolution 57 and look forward to working with them in our effort to achieve this goal.

Mr. President, I yield to the Senator from Georgia.

Mr. NUNN. Mr. President, I congratulate the Senator from Maine in taking the leadership in trying to find a rational and responsible way to guarantee that nuclear warheads in the world, on both sides of the Iron Curtain, are reduced. I believe that this is an innovative proposal. It is obvious that the Senate of the United States has paid careful heed to this proposal, because we now have approximately 40 cosponsors. I believe that at the rate cosponsors are being added to this resolution, we may approach a majority of the Senate in the next few days. Also, I can report to the Senator from Maine that there is considerable interest in this proposal on the House side. I have talked with a good many Members of the House, and I believe there is going to be increasing interest there.

I completely agree with my colleague's explanation of what this resolution intends to do—that we are not counting launchers but are counting warheads and are seeking a net reduction.

Mr. MOYNIHAN. Mr. President, I am a cosponsor of the amendment so creatively proposed by the Senator from Maine and the Senator from Georgia.

I have said to them earlier that, either by their own initiative or one separate, I would propose a minor amendment—not minor, but wholly consistent with their purposes—to say that not only must we reduce the number of warheads, but also we have to reduce the amount of megatonnage of those warheads, because we could find ourselves in a situation that this, in some respects, almost invites having fewer but bigger warheads. I think that is easily resolved.

I congratulate both Senators for what they are doing.

Mr. NUNN. In answer to the Senator from New York, I say that that is an interesting suggestion, and I would be delighted to work with him in trying to find a way to make certain that this result is achieved.

Mr. MOYNIHAN. I thank the Senator from Georgia and the Senator from Maine.

CANADIAN FILM TREATMENT BY DEPARTMENT OF JUSTICE

Mr. DENTON. Mr. President, there has been a plethora of print and electronic news media accounts, opinion editorials, and other comments about the Department of Justice's treatment of certain Canadian films under the Foreign Agents Registration Act.

Mr. President, I am compelled to observe that those accounts and comments have demonstrated an apparent lack of attention by journalists, and by a few Congressmen and Senators, to

the facts upon which the determination was based, and to the history of enforcement of the provisions of the Foreign Agents Registration Act of 1938, by the Registration Unit of the Department of Justice.

It is not the policy of the Department of Justice to censor films, books, or other materials distributed in this country because of the substance or political implications of the content of the materials. Neither has the Justice Department sought to "chill the air," as some have claimed, by requiring the disclosure of the identities of particular individuals who may choose to view a particular film.

To paraphrase the regulations, they simply require that a foreign agent must file a brief report with the Department of Justice if the agent distributes a film which is reasonably adapted to, or which the disseminator believes will prevail upon, indoctrinate, convert, induce, or in any other way influence a recipient or any section of the public within the United States about the political or public interests, policies, or relations of a government of a foreign country or a foreign political party, or with reference to the foreign policies of the United States, or promote in the United States racial, religious, or social dissensions. The report requires only that the numbers of viewers be listed, not their names.

Moreover, in no case do the law and regulations require that the label "Political Propaganda" be placed on any film or other document distributed by a registrant.

Mr. President, I am aware that, because of the subject matter of these films, there has been a rush to judgment and a display of righteous indignation by some of our more outspoken champions of the first amendment. I must state, however, that since 1938, 32 prosecutions and 17 civil cases of injunctive relief under he Foreign Agents Registration Act have been brought by the Department of Justice, and that the constitutionality of this act has repeatedly been upheld.

In the last civil case brought by the Department of Justice, William A. (Billy) Carter was the defendant. In that case, the staff of the Registration Unit was accused of making a political decision on a substantive violation of the act, and many such allegations were made by individuals who were apparently ill-informed. The staff of the unit was entirely vindicated; but the vindication came only after a time consuming and very costly investigation. That investigation was conducted during the summer of 1980 by a special Subcommittee to Investigate the Activities of Individuals Representing the Interests of Foreign Governments, which was chaired by former Senator Birch Bayh.

In the current case, the statute requires that, when an agent of a foreign country distributes material which fits the statutory definition of political propaganda, the identity of the agent must be disclosed to the public. The term "political propaganda" as I have stated, is defined in the act as any communication—

> Reasonably adapted to • • • influence a recipient or any section of the public within the United States with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party or with reference to the foreign policies of the United States • • •.

The films being disseminated clearly fall under that definition. The decision was made solely by career personnel who are charged with the responsibility to enforce the Foreign Agents Registration Act and have been doing so for years and through many administrations.

The label that is required by the act is neutral. It reads:

> This material is prepared, edited, issued or circulated by (name and address of registrant) which is registered with the Department of Justice, Washington, D.C. under the Foreign Agents Registration Act as an agent of (name and address of foreign principal). Dissemination reports on this film are filed with the Department of Justice where the required registration statement is available for public inspection. Registration does not indicate approval of the contents of this material by the United States Government.

The label states only that "this material" is being disseminated by an agent of a foreign principal registered under the act, and that no indication of approval of the materials by the U.S. Government should be drawn from the mere fact of registration. The purpose of the label is to notify viewers that the material is being disseminated by a foreign agent. It does not comment on any specific position that may be advocated in the film. The label is a disclosure, not unlike the disclosures that are required on almost all political advertisements and commercials, and on packages sold in supermarkets to comply with the "truth in packaging" laws enacted by Congress.

The agent involved in this instance, the National Film Board of Canada, is an agency of the Canadian Government and has been registered as a foreign agent under the Foreign Agents Registration Act since February 1947. In the past, it has complied without complaint with the act; moreover, in an exchange of at least six letters between the Justice Department and the film board specifically about the movies in question, at no time did the film board raise any complaint about compliance with the filing and the labeling requirements of the act.

Parenthetically, I must note that one national commentator, Jody Powell, reported on Thursday, March 10, 1983, that one of the films on nuclear war promotes dissension since it urges Americans to occupy and close down SAC (Strategic Air Command) bases. Moreover, the Canadian Broadcasting Co. refused to air the film because of its "excessive bias."

Mr. President, I ask unanimous consent to place in the RECORD a listing of 55 films and other materials that have been labeled in accordance with the Foreign Agents Registration Act during the past 6 years. It is interesting to note that the listing covers a broad variety of subjects, issues, and countries. I also ask unanimous consent that Mr. Powell's article, which was published in the Washington Post, be placed in the RECORD immediately following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 10, 1983]

IT WASN'T CENSORSHIP

(By Jody Powell)

By now, most of the nation and a good portion of the world are familiar with the story of how the U.S. government has begun to censor films. As soon as news stories revealed that the Justice Department had "labeled" three Canadian films as "political propaganda," politicians, editorialists and commentators rose in righteous indignation.

"The book burners of the 1950s have become the film blacklisters of the 1980s. The attorney general has dropped his own iron curtain across the movie screens of America," charged Sen. Edward Kennedy. The New York Times decided that the Justice Department had "shamed America's democracy." "Philistine ignorance," declared columnist Anthony Lewis. "Outrageous and unconstitutional," said the American Civil Liberties Union. "What country is this? What decade?" asked The Washington Post. "Stupid," declared Jody Powell on ABC's David Brinkley show, going on to imply that the action was unprecedented and political.

Now, more than a week later, it is clear that the real story is that those cited above, and quite a few more, went off half-cocked. Our rhetoric exceeded our knowledge of the facts by an embarrassing margin.

There is no requirement that a list of viewers be sent to the Justice Department—contrary to reports by CBS, The New York Times, The Washington Post, the Baltimore Sun, columnist Mary McGrory and others, although the names of organizations that show the films must be filed.

Nor does the label that must be attached to the film contain the words "political propaganda" or any other pejorative description of the contents of the film. The label simply states that the material is sponsored by a foreign government or one of its agents—which is not in dispute with regard to these three films—and that registration of the film with the U.S. government does not indicate approval of its content.

The decision to require labeling is not necessarily based upon a determination that the film advocates "the violent overthrow of the government" or "promotes dissension," as implied by several news reports and editorials. Those criteria are in the law, but labeling can also be required solely on the grounds that the material is an attempt to

influence the policies of the government—which all three of these films clearly are.

(One of the films, on nuclear war, probably does fall into the "promote dissension" category since it urges right-thinking Americans to occupy and close down SAC bases. Nor can that film be accurately described as a "documentary," as it was in some news reports. The Canadian Broadcasting Co. refused to air it because of "excessive bias.")

The action on these films is not unprecedented. Dozens of films were so labeled during the '60s and '70s, including "A Conversation With Golda Meir" from Israel, "African Powerhouse" from South Africa, "Trade—Who Needs It?" from Japan, and "Flag of Freedom" from South Korea.

Some of the confusion and then misinformation resulted from an inexplicable delay by the Justice Department in getting out its side of the story. It took almost a week to come up with 23 other films that had been labeled, and it was not completely accurate. But that does not excuse excesses of journalists and commentators, including this one.

In short, the Justice Department appears to be correct in its original claim that it was simply enforcing the law and that the law itself is less Orwellian than some would have us believe. But that is not to say that improvements may not be in order.

One can argue that the reporting requirement, although limited to the names of organizations that show or buy the films, might have a chilling effect on the free flow of information.

A case can be made that the wording of the disclaimer and the label "does not indicate approval . . . By the United States government" can be read to imply disapproval, although I personally have no objection to the American government's saying flat-out that it disapproves of views promulgated by another government any time it feels like doing so.

The term "political propaganda" with its undeniably negative connotation does appear in the law, and there is some evidence that the selection of films to which it is applied may be influenced by the political philosophy of the administration in power.

Repeal of the law would be an overreaction. A foreign government that is trying to influence American policy should be willing to own up to it. If some group with an attractive name of indeterminate origin puts out a film on trade policy, human rights, the Middle East or petroleum, those who view it have a right to know if the organization happens to be financed by Japan, South Africa, Israel or Saudi Arabia.

If we can get past all the wailing and flailing about, a simple requirement that any film sponsored by a foreign government, whatever its content or purpose, be clearly identified as such would avoid much litigation, misunderstanding and paper work.

LIST OF FILMS THAT HAVE BEEN DETERMINED TO FALL WITHIN THE LABELING REQUIREMENTS OF THE ACT AND/OR FOR WHICH DISSEMINATION REPORTS HAVE BEEN FILED DURING THE YEARS INDICATED

Film	Foreign principal	Foreign agent	1977	1978	1979	1980	1981	1982	1983
Berlin Means Business and More	Berlin Economic Development Corporation	Modern Talking Picture Service					X	X	
Crisis in the Rain	Ontario Ministry of the Environment	do					X	X	X
President Chiang Kai-Shek	Coordination Council for North American Affairs	Public Service Audience Planners					X		
The Wall of Terror	German Consulate General	Association Films	X						
Berlin-Destiny of a City	do	do	X						
A City of Crisis	do	do	X						
Israel in Germany	do	do	X						
Hong Kong Style	Government of Hong Kong	Hong Kong Tourist Association	X		X	X	X		
Made in Hong Kong	do	do	X			X			
A Race Against People	do	do			X		X		
A Million Lights Shall Glow	do	do	X	X	X	X	X		
Home at Last	Consulate General of Israel	Jerome Shapiro d/b/a Alden Film, et al	X	X	X	X	X	X	
Israel Air Force	do	do	X	X	X	X	X	X	
May Peace Begin With Me	do	do	X	X	X	X	X	X	
Beyond the Mirage	do	do	X	X	X	X	X	X	
Go Through the Gates	do	do	X	X	X	X	X	X	
War on Yom Kippur	do	do	X	X	X	X	X	X	
Plight of Soviet Jewry: Let My People Go	do	do	X	X	X	X	X	X	
A Conversation With Golda Meir	do	Modern Talking Picture Service							X
Korea in Review	Korean Consulate	Association Films	X	X	X	X	X		
The Flag of Freedom	do	do	X	X	X	X	X		
Ties Across the Pacific	do	do	X	X	X	X	X		
Axe Murders at Panmunjom	do	do	X						
Aggression and Resistance	Lebanese Forces	Lebanese Information and Research Center					X	X	
Edge of Understanding	Rhodesian Information Service	Association Films	X	X					
What a Time	Government of Rhodesia	Rhodesian Information Office			X	X			
Face of Rhodesia	do	do			X	X			
Viscount Survivor	do	do			X				
Doppies	do	do			X				
Chimoio Report	do	do			X				
Rhodesia Unafraid	Government of Zimbabwe Rhodesia	Zimbabwe Rhodesian Information Office			X				
Election 1979	do	do			X				
R.B.C—T.V. Survey	do	do			X				
This Is Rhodesia	do	do			X				
Gaza Report	do	do				X			
Tsanga	do	do				X			
African Powerhouse	Information Service of South Africa	Association Films	X	X	X	X	X		
Land of Promise	do	do	X	X	X	X	X		
Vision of Gold	do	do	X	X	X	X	X		
Bantu Toddlers	do	do	X						
Mosaic of Progress—South Africa Today	South Africa Department of Information	Image Industries, Inc.	X	X					
Strategic Minerals	South African Consulate	Modern Talking Picture Service					X		
Ballad of a Soldier	Sovexportfilm Artkino Pictures, Inc.		X						
Potemkin	do	do	X						
Alexander Nevsky	do	do	X						
Crime and Punishment	do	do	X						
10 Days That Shook the World	do	do	X						
The following TV public service announcements, in the form of videotapes, on United States-Japan trade were distributed by Donald Lerch & Co. on behalf of the Government of Japan:									
The Pacific Lifeline					X	X			
How Exports Create Jobs					X	X			
Persian Gulf Oil							X		
How We're Selling More to Japan							X		
Ever Sell Overseas?							X		
What is Japan Doing About Energy?							X		
Trade—Who Needs It?							X		
What Makes a Job							X		

NATIONAL EDUCATION FOR BUSINESS WEEK

Mr. HATCH. Mr. President, today I am pleased to express my support for Senate Joint Resolution 41, introduced by my colleagues on the Labor and Human Resources Committee, Senators STAFFORD and PELL. This resolution justifiably asks the President to designate the week of April 10, 1983, through April 16, 1983, as National Education for Business Week.

Innovative business educators at all levels have been instrumental in helping employers adjust to the demands of our knowledge-based society for the highly skilled individuals needed as the application of computer technologies to the operation of our Nation's enterprises becomes more a routine

function in the management of our industries.

As Senator STAFFORD points out in his insightful statement introducing Senate Joint Resolution 41, designation of a special week will acknowledge the often unnoticed contribution of those business educators responsible for developing skilled workers for codifying and managing increasing amounts of information and data necessary to keep the wheels of our economy turning.

I would want to add, however, that many of the business schools which have done an unusually fine job of responding to the needs of society are private and proprietary schools. This is especially true in my State of Utah where for several decades such schools as the L.D.S. Business College, Stevens Henager Colleges, and others have established an enviable record of responsiveness to the needs of employers. They have had remarkable success in the training and placement of thousands of their graduates, some of whom have ascended to the highest levels in industry management in Utah.

These and other private business colleges in Utah are representative of the hundreds of other private and proprietary schools across the Nation which are, in the true sense of private free enterprise, responding to the unmet needs in the marketplace for highly qualified secretarial, clerical, marketing, merchandizing, data processing, and other related business skills requiring post high school educational experiences that are not otherwise available.

As we set aside a week in which to pay tribute to the leadership of the business education community, we would be remiss if we did not also recognize the significant contribution being made by the nonpublic sector in this important education field.

Mr. President, again, I commend my distinguished colleagues, Senators STAFFORD and PELL of the Committee on Labor and Human Resources, for their prescience in introducing Senate Joint Resolution 41, and join with them in urging all Members to support this resolution.

NEWMAN'S DEPARTURE: RHODE ISLAND'S LOSS; NATION'S GAIN

Mr. PELL. Mr. President, it is with a very real regret and a deep sense of loss that we in Rhode Island face the coming departure of President Frank Newman from the University of Rhode Island. In his 9-year tenure, President Newman has made tremendous contributions on behalf of an education of excellence and achievement at our State's only public university.

The Providence Journal recently carried two excellent editorials paying tribute to the fine work of President Newman, and I ask unanimous consent that the text of those editorials be printed following these remarks in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 1.]

Mr. PELL. Mr. President, later this year President Newman will become a Presidential fellow with the Carnegie Foundation. In that capacity he will undertake new and important responsibilities in drafting a statement of national policy for higher education. I know he will bring to his new position the quality and excellence that have been the hallmarks of his presidency.

We Rhode Islanders have been fortunate indeed to have had Frank Newman as our university president, and we join together in wishing him and his wife, Lucile, the very best in their new pursuits.

EXHIBIT 1

SOUND DECISION BY FRANK NEWMAN

University of Rhode Island President Frank Newman knew a storm would break over his proposed sabbatical leave. The payment of $30,000 to an outgoing president who has no plans to return to the Kingston campus would be a large pill for the public to swallow. And soon after the proposal was announced there were signs that legislative fallout could be damaging to the URI budget request.

So Mr. Newman did the right thing: he declined the offer by the state Board of Governors of Higher Education. In a letter to board chairman Albert Carlotti, he wrote, "I do not wish any action taken by the board on my behalf to be used as an argument about the board's budget or policies."

It is to Mr. Newman's credit that he respected the political pressures that were building in this case. He might have done otherwise, given the board's vote of 7 to 2 in favor of the sabbatical. He might have ignored the negative vote of the board's two legislative members, not concerned himself about budget hearings that will determine how much state money goes to URI in the next fiscal year, and departed next August to work for the Carnegie Foundation without incurring any financial loss over the next year.

He might have followed that course, but he didn't. As a result he will realize a substantial reduction in income for the year when he leaves the university. His decision, made with the interests of URI foremost in mind, was a principled and selfless move.

URI's FRANK NEWMAN: A SOLID CONTRIBUTION

When Frank Newman steps down as president of the University of Rhode Island next summer, the state will lose the services of a distinguished educational leader. In his nine years here, he has set new standards of excellence for URI that will remain in place for others to pursue.

Mr. Newman has had a graceful, low-key approach to his many demanding tasks, and this has given his tenure an illusory quality. He made his job seem easy, but it was anything but that.

Knowledgeable, skilled in administration and graceful under pressure, he took the reins at URI with the confidence and aplomb of one used to getting things done. He has worked with people with consummate diplomacy, striving to improve the state university's quality and earn for it enhanced public respect.

He has reason to be proud of URI's growing national reputation as a research facility. Since his inauguration in 1974, the university has tripled its income from research to the present $25 million. URI's contributions in the field of oceanography are world renowned, and its standing as one of a handful of federally funded robotics research centers in the country speaks for itself.

There is a danger in allowing research to assume dominance in the life of any university, and Mr. Newman freely acknowledges that risk. He notes that predictable enrollment declines and tight funding could work against the quality of undergraduate academic programs unless the state's leaders maintain their support for adequate resources. Only at the state's peril can that warning go unheeded.

"The university and the economy of Rhode Island are inextricably linked," Mr. Newman wrote last fall in a report,"Edge of excellence," to the Rhode Island Board of Governors for Higher Education. "Both are deeply involved in and dependent on the technological revolution transforming this country . . . Resources alone are insufficient; everything depends on a climate of excellence. Rhode Island must have the courage to demand quality, to aspire to high standards. This in turn depends on attracting and developing a cadre of the most talented and dedicated people. The state's most important investment must be in human, not physical, capital."

Mr. Newman's new assignment when he leaves Kingston next August reflects the high regard in which he is held. As the first in a series of Presidential Fellows to be named by the Carnegie Foundation, he will head an effort to draft a major statement on national policy for higher education. He is well suited to the task.

Mr. Newman has served this state well, he has made many friends for the university, and he has set a standard for personal ability that will be hard to meet. As the search for a successor gets under way, his emphasis on high educational standards deserves attention. Leadership of high quality, although not irreplaceable, is hard to find.

EL SALVADOR

Mr. HATFIELD. Mr. President, what I am about to say comes neither simply nor without considerable internal strife.

It is interesting to note the ease with which Members of Congress, myself included, can make decisions on policies which have not yet reached the so-called decisive stage. Our thought process becomes deceptively tainted with the false luxury of time. The expectation is that as the policy evolves, so too will our understanding and competence. Criticism and praise tend to emerge more from political reflex than thoughtful analysis. Positions are reduced to harmless and inexpensive gestures. But there comes a time, and we must pray that these periods of reckoning fall upon us sparingly, when comfortable self-deception must give way to intellectual confrontation

with reality. The decisions facing this chamber over the next few days and weeks regarding El Salvador require that we face this challenge squarely.

I want to make certain, Mr. President, that those of us who must deliberate on this issue comprehend the gravity of our task. The implications may well extend far beyond the obvious. By sheer symbolism alone, the fate of a government and the political landscape of a region may be unalterably transformed. There can be no washing away of the blood which will flow over our hands should we fail to perceive clearly the path we must travel in the Southern Hemisphere.

Failure to act courts apocalyptic disaster. Conversely, if we move too abruptly, too thoughtlessly, or too arrogantly, we loosely gamble with the lives of those who are today perceived, justly or unjustly, as protectors of an indefensible status quo. There are no simple answers. There are no attractive alternatives.

On one side of the political spectrum are those who speak as though the Kremlin is the dominant political force in Central America. They are more concerned about the outcome of the East-West chess game than the question of whether the game could have been avoided or whether it should be brought to an end now. The unfortunate label on their strategy in the East-West game is democratic process.

Mr. President, this Congress should not casually permit democracy to be maligned in the name of East-West confrontationalism. If, as the administration states, our goal is to entice the opposition into an election process, one would assume that the timetable for future elections would be extended to allow reasonable time for the process to work. Politicial campaigns take time, security arrangements must be made, international observers must be present. If this election is genuinely intended to bring about national reconciliation, and if the process is sincere: Implementation is unlikely to occur between now and December. Instead, the Salvadoran Government, encouraged and applauded by the United States in the name of democratic process, has announced that it will accelerate the timetable for elections. Mr. President, this is a curious way to attain national reconciliation and inject meaning into the term "democratic process."

On the other side of this political spectrum are those who justly feel shame over the identification of this Nation with another nation unworthy of the phrase "democratic ally." But their shame provides no answer to the historic proven and reproven fact that violent recourse, however understandable, infects the hearts and minds of its perpetrators. Their noble cause is doomed to tragically reflect the vile and terrorist order which they set out to correct. Those who place their hopes on the dim prospect that somehow this insurgency will prove different from the others are forsaking the lessons of history for the passion of blindness. Their motto is a simplistic appeal to "stop—get out—let events take their natural course."

Examine the case of those who embrace the term "dialog" as the preferred instrument for achieving peace. This seems reasonable enough. Yet they recoil in horror at the prospect of having the term "negotiation" substituted for their chosen term. In their view, negotiation denotes a de facto admittance that there is a real "need," as distinguished from a mere "desire" to discuss the points of dispute with their adversaries. It denotes an admission of vulnerability. And if the Salvadorans are sufficiently vulnerable to negotiate then it also follows that their adversaries have gained legitimacy on the battlefield. Mr. President, El Salvador is vulnerable. Central America is vulnerable. Because of these truths, the United States too, is vulnerable. We cannot go on pretending that none of this is so. Let us abandon this charade. One need not view the world through the narrow spaces of tottering dominoes to recognize that the situation is grave and the responsibility ominous. The question, Mr. President, is the form which our response must take.

The guerrillas did not emerge from a vacuum, brainwashed by the Kremlin. El Salvador is vulnerable because carnage and repression and torture, malnutrition, poverty, and illiteracy are the pillars of its nationhood. These constitute the only foundation upon which a Fidel Castro can build his empty dreams. I have lost my patience with those who would admonish us to ignore, no matter what the cost in blood and deprivation and terror, fundamental reality that we are not dealing from a position of strength in El Salvador. People, instead of guns, must begin to do the talking.

Perhaps the most valid doubt regarding the advisability of negotiations is that they might signal to discontented groups in other Central American nations that armed insurrection is a viable course for accomplishing political ends. This argument would be more powerful if the fires of revolution had not already begun to spread as a result of centuries-old conditions of poverty, illiteracy, repression, and neglect.

Those nations which have thus far escaped the throes of insurgency are principally those which have addressed inequities and injustices. Relatively prosperous nations, such as Costa Rica and Mexico, now find themselves subject to the perils of financial instability. They, too, may someday be ripe for insurgency encouraged and exploited by Soviet and Cuban adventurism. Yet when we measure the urgency of our commitment to these nations against our effort to draw the line against insurgency in El Salvador, it pales in comparison. These nations deserve our assistance on a scale unprecedented in history. The hard fact is that with each passing day the national disgust level rises. Through our policies in El Salvador, we are forsaking the public trust we will need to constructively respond to the needs of the region.

To reject negotiation is to embrace illusions about the unfortunate state of our world. The administration does not have its feet firmly planted on the ground when it claims that talks with the guerrillas are out of the question because of our distaste for their methods. I am surprised that they would open themselves to such cheap and easy charges of inconsistency. We not only participate ourselves but also encourage others to negotiate under circumstances in which the threat or the reality of violence is practiced. In the Middle East, we are attempting to carve out a secure arrangement, using third parties, between the PLO and Israel. Both inspire, alternately, sympathy for their plight and horror for their willingness to use violence as a political instrument. We supported British efforts to find peace in Zimbabwe following an election which satisfied the test of democracy for many but met the test of peace for none. We are seated at the negotiating table with the Soviet Union to find ways to reduce the potential for global annihilation while simultaneously threatening it against one another.

Our willingness to promote a dialog in all of these cases does not indicate that we condone violence as a political instrument against legitimate governments or innocent people. It simply reflects a recognition that here is no alternative but to seek a solution.

The administration seems intent on creating a false distinction between support for negotiation and support for elections. They are not mutually exclusive. The Salvadoran Government's plans for an election will not be thwarted by negotiation. Elections can proceed as planned while negotiations proceed. However, elections should not be used as an excuse to avoid unconditional discussions between hostile parties aimed at ending the war. Conversely, we cannot permit negotiations to be used as an instrument of the insurgency to escape the true test of their support at the polls in a democratic election. But it is fallacious to suggest that negotiations require either party to accept unreasonable proposals. I have every hope and expectation that the Salvadoran Government will, once seated at the negotiating table, put forth the proposition of

elections as an unalterable negotiating position.

Mr. President, call it what you wish; dialog, negotiation, peace talks, whatever. But let us get on with it so that we can move on to the type of Marshall Plan for Central America which Ambassador Kirkpatrick speaks of, and make it mean something. Whatever we brand such a process, the key is that it begin immediately. There is only one avenue which holds forth the promise of immediate talks and that is that they be unconditional for both sides.

Let us also look squarely at the question of resource availability, Mr. President, both at home and within El Salvador. The Salvadoran economy today is in a shambles. It is literally kept alive by U.S. economic support. The gross national product has dropped 25 percent over the last 3 years. Unemployment is above 40 percent. Per capita income has dropped 33 percent over the last 3 years. Capital flight in 1980 was roughly $1 billion. According to our Embassy in San Salvador, capital flight is lower now only because there is virtually no capital left to withdraw. The Salvadoran Government cannot engage upon a meaningful democratic experience without an economic base to sustain it.

At home the patience of the American people has worn thin. They will not continue to float this bill. The nightmare of Vietnam has not faded from our national memory. One's objections to our policy in El Salvador need not be based on moral grounds to grasp the urgent need for a dramatic shift in course. Unless we are prepared to commit human and financial resources to the war on a scale far beyond what has been committed thus far, we will not succeed in preventing the guerrillas from crippling the infrastructure at a faster pace than we can repair it.

In conclusion, the President has my full support and I believe, the support of the Appropriations Committee, in his wise declaration that additional economic support is urgently needed to strengthen Central America. He believes, as I do, that enemies of democracy are poised to exploit current conditions there in order to give birth to new forms of tyranny. The President does not exaggerate when he claims that U.S. national security interests are fundamentally at stake in Central America.

However, Mr. President, the terms upon which this appeal for help is framed are less than persuasive. The choice before us is not between falling dominoes and flying bullets, or negotiations instead of elections. The choice is between war and peace.

There now exists too little evidence that the desire to seek peace is as great as the desire to buy more time and reverse the military stalemate. I will endeavor to convince the Appropriations Committee to alter the course of our policy toward Central America so that it reflects a commitment to peace at least as urgent as our apparent commitment to risk further war. I will offer the following four-point plan when the Appropriations Committee considers the reprogramming and supplemental requests for aid to El Salvador:

First. A significant reduction of the military aid request or a rechanneling of a sizable portion of the military aid request into aid designed to address the basic humanitarian and developmental needs of the Salvadoran people.

Second. A reaffirmation of the Appropriations Committee's expectation, based on explicit assurances given to it by the administration in 1980, that the number of U.S. military personnel in El Salvador will not exceed 55.

Third. To condition any military aid which is approved and the continued presence of military personnel, on a requirement that the Government of El Salvador is engaged in unconditional negotiations with all parties to the conflict. If such negotiations are not underway, the President can rechannel this aid into humanitarian and developmental accounts. The committee will not specify the framework in which such negotiations should take place. It will require a test of sincerity on the part of the insurgents. The administration will not be obligated to comply with this directive if the opposition is unwilling to enter negotiations unconditionally.

Fourth. A declaration making clear the committee's absolute commitment to free, fair and democratic elections in El Salvador. In addition, a directive to the administration to encourage the Salvadoran Government to maintain its steadfast insistence on free and fair elections, once engaged in negotiations. The committee will make clear that its support for unconditional political dialog between hostile parties is intended to supplement, not replace, the elections scheduled to be held in December of 1983.

YET ANOTHER SETBACK TO JUSTICE IN EL SALVADOR, MARCH 17, 1983

Mr. PELL. Mr. President, the incredible news received today that a Salvadoran court has ruled that there is insufficient evidence to bring the five national guardsmen to trial for the murder of the four American churchwomen is an affront to the people of this country who demand that justice be served. The court based its findings on lack of sufficient evidence, yet at the certification hearing held by the Senate Foreign Relations Committee in early February, the lawyer from the Lawyers Committee for International Human Rights, representing the families of the women, told us of the wealth of evidence that is available to the Salvadoran Government and is not being used. In fact, the report of the lawyers committee charged that the Salvadoran authorities "failed to conduct a proper investigation."

This latest incident is another blatant example of the way the Salvadoran authorities have covered up, hampered, obstructed, and, now with this latest act, stalled the valiant efforts of the families of these women who almost singlehandedly forced the case to even this point in what serves as the Salvadoran judicial process.

The administration, which every 6 months certifies that progress is being made in the case, cannot remain silent. The court's decision is as much as a slap at the U.S. Government as it is to the people of this Nation. When is this travesty going to end? When will the lives of those four brave women be vindicated through a just prosecution of the case?

As we approach the time for decisions on further military and economic assistance to El Salvador, both the United States and Salvadoran Governments must be made aware that the tide of frustration in the Nation as well as in the Congress is reaching a peak. A renewed commitment on the part of this administration that everything possible will be done to quickly put this case on its proper track is very much in order.

THE PLIGHT OF SOVIET JEWS

Mr. THURMOND. Mr. President, one of the great freedoms that is all too often taken for granted in America is the right of individuals to worship God without government influence or interference. Unfortunately, this freedom does not exist in the Soviet Union. Not only is worship controlled and restricted, but oftentimes those who exercise this basic human right beyond Soviet parameters find themselves oppressed and even persecuted.

Among such religious groups which experience this unfair treatment are the Jewish people. Anti-semitism has become increasingly pronounced in the Soviet Union, where Jewish cultural activities are suppressed; self-study groups are forced to disband; prayer books and other books dealing with Jewish culture or religion are confiscated. Those who teach Hebrew, the language of the Jews, are often harassed and/or arrested.

Because of this despicable treatment, many Jews have attempted to emigrate from the Soviet Union. Yet, in 1982, the number of Jews permitted to leave Russia was at the lowest level since the emigration movements began 10 years ago. Not only are thousands who desire to emigrate denied this opportunity, but many are prevented from actually applying for emigration. In spite of increased Soviet oppression,

the number of Jews who boldly and publicly proclaim their desire to practice their religion freely has not been diminished.

Mr. President, I have known about and condemned such treatment by the Soviet Union for many years, and through the efforts of an organization called the Student Coalition for Soviet Jewry, many others are aware of the desperate plight of Russian Jews. The coalition was founded in 1977 in response and protest to the arrest of Anatoly B. Shcharansky, a Soviet Jew who remains a prisoner of the Government. Since 1977, the coalition has mobilized concerned students from universities across the country to travel to Washington each year to remind Congress of the tragic situation in the U.S.S.R.

One of the many functions of the coalition is to disseminate specific Jewish individuals and families who have been prevented from leaving the Soviet Union. These people are referred to as refuseniks, and the coalition is committed to making their case heard to students and governmental officials. Eyewitnesses report about the urgency to assist "refuseniks," claiming that "not only is their situation more precarious and grave, but also the possibility that their status might change from 'refusenik' to prisoner becomes greater."

At the request of the Student Coalition for Soviet Jewry, I am writing letters of encouragement to two Jewish families who are unable to emigrate. All correspondence they receive is carefully censored by Soviet officials. Nonetheless, any contact made by concerned U.S. citizens serves as a spark of hope to remind these citizens that they are not forgotten. Their plight is one which cannot be ignored, and I ask that my colleagues in the Senate give careful consideration to contacting the appropriate Federal agencies and other governmental authorities in an effort to help alter the fate of Soviet Jews.

Mr. President, I commend the Student Coalition for Soviet Jewry for its determination and sense of purpose, and I am pleased to respond to its compassionate call to action. It is my hope and prayer that through our involvement "refuseniks" will be able to emigrate freely to a land that allows them to worship God without restraint.

Mr. President, I ask unanimous consent that this statement, which was inadvertently not published in the RECORD, appear in the permanent RECORD for March 17, 1983.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

QUALITY OF AMERICAN EDUCATION—MESSAGE FROM THE PRESIDENT—PM 29

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Finance:

To the Congress of the United States:

I am herewith transmitting to the Congress three bills to improve equity and quality in American education: "The Student Assistance Improvement Amendments", "The Education Savings Account Act" and "The Equal Educational Opportunity Act".

All Americans, and especially today's parents, are deeply concerned about our system of education—and rightly so. For generations we have been justly proud of the quality and openness of our education system from kindergarten to postgraduate levels, both public and private. It has served the nation well, but now it is in need of significant changes in key areas.

The programs and budget requests I recommended to the Congress this year address a wide range of education issues. They reflect my strong conviction that education decisions should be made by parents, students, States and local officials. The national government also has an important, but limited, role to play in the education system. Thus, while I have worked to brake the runaway growth in education spending, my budget calls for over $13 billion for the coming fiscal year. Within this total is over $4 billion for supplemental educational services for the educationally disadvantaged and for the handicapped. I have also included over $5.6 billion for postsecondary student aid.

Despite these huge investments and its own basic strengths, our education system has not been immune to the stresses and strains of a changing society. Its problems are complex and varied. They call for a broad range of creative approaches by concerned parents, by educators, by the private sector, and by government.

Two of these critical problems are the reasons for the bills I am proposing today. These problems are:

—*Meeting Higher Education Costs.* The cost of higher education rose 30% in just three years, from 1978 to 1981, making it more difficult for qualified students from lower and middle-income families to meet the cost of attending many institutions despite very rapidly rising Federal student aid. At the same time, many more affluent families who could contribute more have been paying smaller share of these costs, relying instead on increasingly generous Federal aid.

—*Parental Choice.* At the elementary and secondary level, parents too often feel excluded from the education of their own children by education bureaucracies. Parents who turn to private schools are burdened with a double payment—they must pay private school tuition in addition to taxes for the public schools. As a practical matter the ability to choose and the opportunity to obtain a private education are made difficult if not impossible for many Americans—particularly those from low- and middle-income families.

Administration Proposals

The three bills I am transmitting to Congress today take on squarely these two important issues.

Meeting Higher Education Costs

The "Student Assistance Improvement Amendments" I am transmitting will:

Redirect the present student aid system from one in which some students can get Federal grants without contributing any of their own money, to a system which begins with self-help, with parents and students shouldering their fair share of the cost of education before Federal grants are made;

Increase by almost 60% the funds available for work-study to help students help themselves meet their obligations;

Increase by two-thirds the maximum Pell grant student can receive under current law; and

Require all applicants for guaranteed student loans to prove need before receiving the generous interest subsidy.

With these changes, Federal student aid dollars will help more low-income persons meet the burden of education costs and will help restore confidence in the fairness of our system of education.

In addition, I am asking the Congress to enact my Education Savings Account proposal. This bill speaks to another aspect of the education cost problem I have described: the difficulty parents have in saving for college costs.

Everyone has trouble saving for the future, especially when today's demands on our resources are so great. Nevertheless, the importance of saving for higher education has never been so critical. We need a strong, diverse higher education system to which all Americans have access. Moreover, many of the nation's better job opportunities will be limited to those who have a higher education. So I have today proposed an additional special

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incentive for parents to begin, as early as possible, to set aside money for their children's college education.

Under my proposal many parents will be able to put aside up to $1,000 per year in special accounts whose interest income will be tax free. The full benefit will be available to all those with incomes below $40,000 per year; reduced benefits are included for families with incomes up to $60,000.

Over time, this tax incentive will greatly enhance parents' ability to contribute to the cost of the higher education they want for their children. It cannot, of course, substitute for the student's own work and savings, nor for Federal aid. It will, however, help to restore a better balance in the system and make meeting the family's share of education costs a less burdensome task in future years.

Parental Choice

At the elementary and secondary level, we face different problems. The public education system, as it has evolved over the decades, is the backbone of American education and one of the great strengths of our democracy. However, many parents want to use alternative approaches to meet the educational needs of their children. This option should be theirs in our free society. But there can be meaningful choice only if our system also makes access to alternatives a reality.

Several weeks ago I sent to Congress a bill to make tuition tax credits available to all parents, within eligible income limits, who choose to send their children to nondiscriminatory private schools. Today, I am proposing a bill, the "Equal Educational Opportunity Act," to permit States and localities to offer another kind of choice to parents whose children are selected for participation in our $3 billion compensatory education program, Chapter 1 of the Education Consolidation and Improvement Act.

Chapter 1 helps meet the costs of supplemental educational services, like remedial reading, for millions of educationally disadvantaged children each year. In some cases, we believe that the parents of those children would prefer a greater range of educational choice in their selection of a school. Under this bill, in States or school districts which choose to provide the option, parents would be able to participate in a voucher program to exercise that choice at whatever school they felt provided the greatest educational opportunity for their children.

I firmly believe that in districts where the voucher option is implemented, education will be strengthened for all. The potential for competition for enrollments and resources will raise the quality of both public and private education. Parents will gain a greater measure of control. Children will receive a better education.

Conclusion

These three bills address central issues in American education. They will bring greater order and balance to Federal, family and student efforts to meet the rising cost of higher education. They will help bring parental choice and the benefits of competition to elementary and secondary education. They, and all my proposals in the education area, make clear the limited role of the Federal government and wherever possible restore more choice and control to the family. Their ultimate goal is more diverse, higher quality education for all Americans. I ask your support for rapid consideration and passage of these proposals.

RONALD REAGAN.

THE WHITE HOUSE, *March 17, 1983.*

PRESIDENTIAL APPROVALS

A message from the President of the United States reported that he had approved and signed the following act and joint resolutions:

On February 15, 1983:

S. 61. An act to designate a "Nancy Hanks Center" and the "Old Post Office Building" in Washington, District of Columbia, and for other purposes.

On March 8, 1983:

S.J. Res. 37. Joint resolution providing that the week containing March 8, 1983, shall be designated as "Women's History Week."

On March 11, 1983:

S.J. Res. 15. Joint resolution designating the month of March 1983 as "National Eye Donor Month."

On March 16, 1983:

S.J. Res. 21. Joint resolution to designate April 1983 as "National Child Abuse Prevention Month."

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 11:22 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 271. An act to amend the National Trails System Act by designating additional national scenic and historic trails, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore (Mr. THURMOND).

ENROLLED BILL PRESENTED

The Secretary reported that on today, March 17, 1983, he had presented to the President of the United States the following enrolled bill:

S. 271. An act to amend the National Trails System Act by designating additional national scenic and historic trails, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-600. A communication from the Secretary of the Treasury and the Director of the Office of Management and Budget, transmitting jointly, pursuant to law, the annual report on the performance of functions and duties under the Legislative Reorganization Act by the Office of Management and Budget and the Department of the Treasury, dated March 1983; to the Committee on Governmental Affairs.

EC-601. A communication from the Secretary of Education, transmitting, pursuant to law, a report on program audits of 358 projects funded by authority of part A of the Indian Education Act of 1972; to the Select Committee on Indian Affairs.

EC-602. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the patent laws of the United States; to the Committee on the Judiciary.

EC-603. A communication from the Acting Executive Secretary of the Office of the Secretary of Defense, transmitting, pursuant to law, a report on Department of Defense procurement from small and other business firms for October through December 1982; to the Committee on Small Business.

EC-604. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report evaluating the One-Step Export Information Centers; to the Committee on Small Business.

EC-605. A communication from the Executive Secretary of the Office of the Secretary of Defense, transmitting, pursuant to law, a report on Department of Defense procurement from small and other business firms for November 1982; to the Committee on Small Business.

EC-606. A communication from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to authorize the Administrator to make contributions for construction projects on land adjacent to national cemeteries in order to facilitate safe ingress or egress; to the Committee on Veterans' Affairs.

EC-607. A communication from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to authorize the expansion of the Board of Veterans' Appeals and the designation of certain individuals to act as members of the Board, and for other purposes; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 20. Joint resolution to authorize and request the President to designate March 27, 1983, as "National Recovery Room Nurses Day."

S.J. Res. 32. Joint resolution to provide for the designation of May 1983, as "National Arthritis Month."

S.J. Res. 35. Joint resolution designating the week beginning March 20, 1983, as "National Mental Health Counselors Week."

S.J. Res. 38. Joint resolution to declare March 18, 1983, as "National Energy Education Day."

S.J. Res. 44. Joint resolution to authorize the President, to issue a proclamation designating the week beginning on March 11, 1984, as "National Surveyors Week."

S.J. Res. 49. Joint resolution to authorize and request the President to proclaim the week of April 10-16, 1983, as "A Week of Remembrance for the 40th Anniversary of the Warsaw Ghetto Uprising."

S.J. Res. 52. Joint resolution to authorize and request the President to designate the week of April 10, 1983, through April 16, 1983, as "National Mental Health Week."

S.J. Res. 53. Joint resolution to authorize and request the President to designate the month of May 1983, as "National Physical Fitness and Sports Month."

S.J. Res. 57. Joint resolution to designate the week of April 3, 1983, through April 9, 1983, as "National Drug Abuse Education Week."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

John P. Volz, of Louisiana, to be U.S. attorney for the Eastern District of Louisiana.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. JACKSON:

S. 834. A bill for the relief of Gordon H. Hay; to the Committee on Armed Services.

By Mr. PROXMIRE:

S. 835. A bill to authorize the Secretary of Housing and Urban Development to enter into insurance contracts with private mortgage insurance companies; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PELL:

S. 836. A bill to provide for the continuation of the National Diffusion Network; to the Committee on Labor and Human Resources.

By Mr. GORTON (for himself and Mr. JACKSON):

S. 837. A bill to designate certain National Forest System lands in the State of Washington for inclusion in the National Wilderness Preservation System, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. METZENBAUM:

S. 838. A bill to amend the Trade Act of 1974 to provide for job retraining for workers who have become unemployed due to imports; to the Committee on Finance.

S. 839. A bill to amend the Trade Act of 1974 to implement import relief recommended by the International Trade Commission under title II, and for other purposes; to the Committee on Finance.

By Mr. GOLDWATER (for himself, Mr. JACKSON, and Mr. GARN):

S. 840. A bill to amend the act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act; to the Committee on Rules and Administration.

By Mr. ZORINSKY (for himself, Mr. ANDREWS, Mr. BOREN, Mr. BURDICK, Mr. EXON, and Mr. MELCHER):

S. 841. A bill to amend the Commodity Credit Corporation Charter Act to require the Commodity Credit Corporation to pay rates for the storage of grain on farms which is no less than the rates the Corporation pays for storage of grain in commercial storage facilities; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. WEICKER (for himself, Mr. D'AMATO, Mr. HEINZ, Mr. NUNN, Mr. BOREN, Mr. BAUCUS, Mr. HATCH, Mr. STEVENS, Mr. RUDMAN, Mr. HOLLINGS, Mr. COCHRAN, and Mr. HUDDLESTON):

S. 842. To amend the Internal Revenue Code of 1954 to provide tax incentives for the issuance of small business participating debentures; to the Committee on Finance.

By Mr. COCHRAN (for himself, Mr. HUDDLESTON, Mr. BOREN, Mr. ANDREWS, Mr. JEPSEN, and Mr. EAGLETON):

S. 843. A bill to amend the Agricultural Act of 1949 to authorize the Secretary of Agriculture to make payments to reimburse producers for the cost of applying approved conservation practices to acreage diverted under an acreage limitation program for the 1982 through 1985 crops of wheat, feed grains, upland cotton, rice, and soybeans; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. EAST:

S. 844. A bill to require that the candidates for President and Congress and those for State and local offices be listed separately on a ballot; to the Committee on Rules and Administration.

By Mr. DECONCINI:

S. 845. A bill to amend title V of the United States Code to prohibit Ambassadors and Ministers from making political contributions and taking part in political campaigns; to the Committee on Governmental Affairs.

By Mr. HEINZ:

S. 846. A bill to authorize the Secretary of Housing and Urban Development to guarantee the payment of principal and interest on second mortgage loans made to help defray first mortgage payments on homes owned by persons who are temporarily unemployed; to the Committee on Banking, Housing, and Urban Affairs.

S. 847. A bill to extend for 5 years the existing suspension of duty on crude feathers and down; to the Committee on Finance.

By Mr. CRANSTON:

S. 848. A bill to provide for the orderly termination, extension, or modification of certain contracts for the sale of Federal timber, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ANDREWS:

S.J. Res. 61. Joint resolution to designate the week of May 22, 1983, through May 28, 1983, as "National Digestive Diseases Awareness Week;" to the Committee on the Judiciary.

By Mr. MATHIAS (for himself, Mr. CRANSTON, Mr. DECONCINI, Mr. BAUCUS, Mr. BENTSEN, Mr. BRADLEY, Mr. BURDICK, Mr. CHAFEE, Mr. CHILES, Mr. COHEN, Mr. D'AMATO, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. EAST, Mr. FORD, Mr. GLENN, Mr. GRASSLEY, Mrs. HAWKINS, Mr. HUDDLESTON, Mr. INOUYE, Mr. JOHNSTON, Mr. KENNEDY, Mr. LAUTENBERG, Mr. LAXALT, Mr. LEVIN, Mr. LONG, Mr. MATSUNAGA, Mr. MELCHER, Mr. PRYOR, Mr. RANDOLPH, Mr. SARBANES, Mr. STENNIS, Mr. TSONGAS, Mr. WILSON, and Mr. ZORINSKY):

S.J Res. 62. Joint resolution to provide for the designation of the week beginning on May 15, 1983, as "National Parkinson's Disease Week"; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. MOYNIHAN, Mr. DODD, Mr. BIDEN, Mr. BRADLEY, Mr. BUMPERS, Mr. BYRD, Mr. COHEN, Mr. CRANSTON, Mr. DIXON, Mr. DOMENICI, Mr. EAGLETON, Mr. GLENN, Mr. HART, Mr. PELL, Mr. PROXMIRE, Mr. RIEGLE, Mr. SARBANES, Mr. TSONGAS, Mr. WEICKER, Mr. SPECTER, Mr. HEINZ, Mr. HOLLINGS, Mr. LAXALT, Mr. LEAHY, Mr. MELCHER, Mr. METZENBAUM, and Mr. MITCHELL):

S.J. Res. 63. Joint resolution to end the conflict in Northern Ireland and achieve the unity of the Irish people; to the Committee on Foreign Relations.

By Mr. BOSCHWITZ (for himself, Mr. PROXMIRE, Mr. KASTEN, Mr. ABDNOR, Mr. DIXON, Mr. PELL, Mr. PERCY, Mr. THURMOND, Mr. DURENBERGER, and Mr. GORTON):

S.J. Res. 64. Joint resolution to commemorate the 200th anniversary of the signing of the Treaty of Amity and Commerce between Sweden and the United States; read the first time.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JACKSON:

S. 834. A bill for the relief of Gordon H. Hay; to the Committee on Armed Services.

RELIEF OF GORDON H. HAY

Mr. JACKSON. Mr. President, during the 97th Congress I introduced legislation in behalf of Mr. Gordon H. Hay, a resident of my home State of Washington who applied for Navy retirement but has been denied. Unfortunately, time did not permit congressional consideration of the legislation in the interest of Mr. Hay during the 97th session. Inasmuch as circumstances remain the same for Mr. Hay, I submit this legislation to the 98th Congress.

In brief, Mr. Hay served in the U.S. Navy for almost 4 years during World War II. Upon his release from active duty in December 1945, he agreed to remain in the Reserves. He performed no duties with the Navy following the war as the local reserve units were unorganized and untrained. However, in 1963 a chief warrant officer and Navy recruiter advised Mr. Hay that gratuitous points toward retirement would be awarded for the period from December 1945 to June 1949 if Mr. Hay enlisted in the V-6 program of the U.S. Naval Reserves. The CWO who made the statement has confirmed in writing that he so informed Mr. Hay;

however, it turns out this information was in error.

Believing he was earning retirement points, Mr. Hay was a member of the Naval Standby Reserves during the 1946-49 period following his 13 years of active and reserve duty but he does not have records substantiating the reserve duty. Having been a Member of Congress during the V-6 classification era, I can vouch that the V-6 program had little organization and was administered with a great deal of confusion. It is certainly conceivable that personnel records were not furnished to the personnel serving in the V-6 program.

There is no question that Mr. Hay served honorably for almost 18 years. It is also clear that, on the erroneous advice of a Navy recruiter, Mr. Hay reenlisted in the Navy Reserves for the purpose of earning retirement credit. Under these circumstances, Mr. Hay has had unfair treatment and I feel it is only fair that the United States make special arrangements to grant Mr. Gordon Hay the pension he earned and that he deserves.

I ask unanimous consent that my legislation in behalf of Mr. Hay be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 834

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of determining eligibility for retired pay benefits under chapter 67 of title 10, United States Code, Gordon H. Hay, of Bremerton, Washington, shall be deemed to have performed twenty years of service as computed under section 1332 of such title, the said Gordon H. Hay having reenlisted in the Naval Reserve in 1963 relying on the erroneous representation of a Navy recruiter that the said Gordon H. Hay would receive credit for retirement purposes for service in the V-6 Naval Reserve program from December 1945 to June 1949.

SEC. 2. No benefits shall be paid to the said Gordon H. Hay by virtue of the enactment of this Act for any period prior to such date of enactment.

By Mr. PROXMIRE:

S. 835. A bill to authorize the Secretary of Housing and Urban Development to enter into reinsurance contracts with private mortgage insurance companies; to the Committee on Banking, Housing, and Urban Affairs.

REINSURANCE CONTRACTS

Mr. PROXMIRE. Mr. President, the legislation I am introducing today authorizes the Secretary of Housing and Urban Development to enter into reinsurance contracts with qualified private mortgage insurance companies. It is designed to provide the Federal Housing Administration with an optional tool for delivering mortgage insurance in areas where there is evidence of processing backlogs.

The FHA mortgage insurance program has for years helped meet the housing demand of first-time homebuyers and others. The recent decline in interest rates has produced an extraordinary increase in FHA loan applications both for new financing and refinancing. The volume has more than tripled from an annual rate of 350,000 loans last summer to over 1.8 million today. The Department of Housing and Urban Development announced on January 8, 1983 that 51,841 and 83,545 applications for single family home mortgage insurance were received last October and November, respectively. However, the actual single family mortgages FHA insured after a 60-day delay was 17,000 in December and 14,700 in January.

With the application volume up so dramatically from the volume of actual mortgages insured, there is clearly a processing backlog. If the FHA does not acquire the administrative capacity for reducing its backlog, two things will happen: First, thousands of families will be denied the benefit of low-cost FHA financing; and second, the strength of the housing recovery will be weakened.

With the spring building season upon us, these delays and backlogs translate into houses not being built, houses standing idle, jobs not being filled. Early and effficient processing of these backlogs would do a great deal to get people to work and to keep housing moving.

Fortunately, there is a way the FHA can reduce this backlog while, at the same time, save money. The answer is for FHA to utilize the services of the private mortgage insurance industry to process applications and to assume a major portion of the underwriting risk.

My proposed legislation is simple in design. It authorizes the Secretary of HUD to enter into contracts with mortgage insurance companies who would reinsure a percentage portion of the loans, process the applications, and service any necessary claims. The private mortgage insurance industry has the operational ability and financial capacity to overcome these backlogs and can begin the task within 30 to 45 days. This would be an optional program to be used at the discretion of the Secretary when he or she determines the program can improve FHA's effectiveness.

The program could be used to supplement the existing FHA program or lenders could choose between existing and other new FHA endorsement methods the procedure they prefer or feel would be most efficient for their needs. It could be directed to problem areas when processing backlogs are evident or possibly tried by the Secretary on a pilot program basis. It would be the Secretary's decision based upon market need and forces.

This share risk proposal will reduce the Government's current processing costs, expand the FHA's actual insuring capacity, and there will be absolutely no increase in the premium charges to the homebuyer. In fact, both processing cost savings and reduction in claims payments will deliver real savings to the Government. For example, FHA is likely to save money in three ways:

First, the premiums paid by the FHA for the mortgage reinsurance over the life of the loan will be less than the standard premium FHA collects from the homebuyer.

Second, the amount of losses from the FHA insurance fund will be substantially less since the private mortgage insurance company will be assuming the top portion of the risk; and

Third, the FHA will not have to bear the administrative expense of processing the FHA loan which has been estimated to be approximately $100 per mortgage.

Mr. President, the Secretary of Housing and Urban Development should have the authority to execute such reinsurance agreements with private mortgage insurers. This legislation would give him an optional mechanism which he could utilize as he sees fit, primarily in areas plagued by substantial processing backlogs. Shared risk would be a workable tool. We should make it an available option. I urge its immediate consideration by the Senate and its adoption.

Mr. President, I ask unanimous consent that the text of the legislation be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 835

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title II of the National Housing Act is amended by adding at the end thereof the following:

"REINSURANCE CONTRACTS

"SEC. 247. (a) Notwithstanding any other provision of this Act inconsistent with this section, the Secretary is authorized to provide mortgage insurance with respect to one- to four-family dwellings under sections 203(b), 234, and 245 through reinsurance contracts with private mortgage insurance companies which have been determined to be qualified insurers under section 302(b)(2)(C) of this Act. Such contracts shall require private mortgage insurance companies to—

"(1) assume a percentage of loss on any mortgage insured pursuant to sections 203 (b), 234, or 245 of this Act covering a one- to four-family dwelling, which percentage of loss shall be set forth in the reinsurance contract; and

"(2) carry out (under appropriate delegation) such credit approval, appraisal, inspection, commitment, claims processing, property disposition, or other function as the Secretary pursuant to regulations, shall approve as consistent with the purposes of this section.

"(b) Any contract of reinsurance under this section shall contain such provisions re-

lating to the sharing of premiums on a sound actuarial basis, establishment of insurance reserves, manner of calculating claims on such insurance, conditions with respect to foreclosure, handling and disposition of property prior to claim or settlement, right of assignees, and other similar matters as the Secretary may prescribe pursuant to regulations. Pursuant to a contract under this section, a private mortgage insurance company shall endorse loans for insurance and take such other actions on behalf of the Secretary and in the Secretary's name as the Secretary may authorize.".

By Mr. PELL:

S. 836. A bill to provide for the continuation of the National Diffusion Network; to the Committee on Labor and Human Resources.

NATIONAL DIFFUSION NETWORK ACT

● Mr. PELL. Mr. President, I am again introducing the National Diffusion Network Act. This program was created in 1974 as a means of carrying out a congressional mandate to improve educational quality through the dissemination of information on exemplary programs to school districts throughout the United States. The idea behind this program was that a local school district could more easily and with less cost implement a program addressing a specific problem if that program had already been tested and was in operation in another school district.

Since its inception, this small Federal program has compiled a remarkable number of achievements. For instance, in the 1979-80 school year, almost 10,000 schools adopted 1 of the 139 programs active within the National Diffusion Network. As a result, some 87,000 teachers received in-service training and 2.7 million students received benefits from these programs.

The importance of continuing the Network's efforts was recognized in the Education Consolidation and Improvement Act of 1981. That act provided for the Network's funding out of the discretionary funds reserved for the Secretary of Education. This placed the Network in the unusual position of being named in the law but not being defined or described.

This legislation would correct the present discrepancy by providing a statutory definition for the National Diffusion Newtork. It would allow funding for the Network to continue either through the Secretary's discretionary fund or through a separate congressional appropriation.

I would urge my colleagues to seek information about the work of the National Diffusion Network from school districts in their own home States. I am confident they will discover and come to recognize, as I have, the valuable and lasting contributions to educational quality made by the Network. I also invite my colleagues to support and cosponsor this important legislation, the text of which follows.

Mr. President, I ask unanimous consent that the full text of the bill be printed at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 836

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Diffusion Network Act".

SEC. 2. (a) The Secretary of Education (hereinafter referred to as the "Secretary") shall carry out a program to promote the spread of exemplary educational programs, products, and practices to interested elementary and secondary schools throughout the Nation and, in so doing, improve the quality of education through the adoption of validated innovations and improvements in such programs, products, and practices.

(b) In carrying out the program described in subsection (a), the Secretary shall—

(1) acquaint persons responsible for the operation of elementary and secondary schools with information about exemplary educational programs, products, and practices;

(2) assist them in adopting programs, products, and practices, which those persons determine to hold promise for improving the quality of education in the schools for which they are responsible by providing materials, training, and technical assistance; and

(3) ensure that all such programs, products, and practices are subjected to rigorous evaluation with respect to their effectiveness and their capacity for adoption.

(c) For the purpose of carrying out the program described in subsection (a), the Secretary is authorized to make grants to, and contracts with, local educational agencies, State educational agencies, institutions of higher education, and other public and nonprofit private educational institutions and organizations.

(d) The program described in subsection (a) shall be deemed to be a continuation of the National Diffusion Network for which provision is made in section 583(a)(1) of the Education Consolidation and Improvement Act of 1981. The Secretary shall allocate to the program established by this Act funds available to the Secretary under section 583 of such Act. In addition to the funds available for any such fiscal year for the purposes of this section, there are authorized, for the purpose of carrying out this section, such sums as may be necessary for each of the fiscal years 1983 through 1986.●

By Mr. GORTON (for himself and Mr. JACKSON):

S. 837. A bill to designate certain National Forest System lands in the State of Washington for inclusion in the National Wilderness Preservation System, and for other purposes; to the Committee on Energy and Natural Resources.

WASHINGTON STATE WILDERNESS ACT OF 1983

Mr. GORTON. Mr. President, today I am pleased to introduce with Senator JACKSON legislation entitled, "The Washington State Wilderness Act of 1983." This legislation marks the beginning of our efforts to resolve RARE II issues in Washington State.

Since the Forest Service completed its second review of the wilderness potential of national forest roadless lands in 1979, Congress has been struggling with national forest wilderness bills on a State-by-State basis. This process is working. Nine Statewide bills have been enacted and several others have passed either the House or Senate and are being considered again in this session of Congress. Our legislation continues this approach.

In Washington State, 2.5 million acres of national forest lands were studied during the RARE II process. The decisions that Congress will make with respect to these lands are of vital concern to Washingtonians. National forest lands contribute greatly to the quality of life Washingtonians have come to appreciate and to cherish. These lands provide an important source of timber and thousands of jobs for the State's forest products industry; these lands provide wonderful recreational opportunities throughout the State; these lands provide watershed and fish and wildlife protection; and these lands provide spectacular scenic beauty.

It is vitally important to protect and preserve those areas in the State which have outstanding natural characteristics and high value as wilderness. Those areas should be preserved for the benefit of future generations. At the same time, we realize the value and importance of the timber resources in our State and the concerns of the forest products industry on the uncertainty that has resulted from the RARE II process. For this reason, it is advisable to move expeditiously to release lands not appropriate for wilderness designation for other uses.

I believe a consensus can be reached which balances the need to protect those areas in Washington State that have outstanding natural characteristics with the need to insure that our national forests provide an adequate supply of timber for the forest products industry, as well as assuring adequate recreational opportunities. It is time to complete the RARE II process and to resolve these longstanding issues. We hope that this vehicle will accomplish those goals and settle these issues in Washington State during this session of Congress.

Mr. President, I want to emphasize that this bill is a starting vehicle to hold hearings so that all interested parties can express their views on areas that should or should not be included in this legislation. The important point is to get the process started so that these issues can be resolved during this Congress.

The bill consists of two titles. Title I lists the wilderness recommendations made by the Carter administration in May of 1979. It also includes the compromise release language which has

become known as the "California release/sufficiency language." This release language has been included in several wilderness bills already enacted by Congress. The language directs that the RARE II environmental impact statement is a "sufficient" examination of national forest roadless lands, thus protecting the EIS from further court challenges similar to the California against Bergland lawsuit. It is important to insure that management activities on national forest lands can proceed once a wilderness bill is enacted.

Title II lists several areas in Washington State which were not recommended for wilderness but are of concern to many Washingtonians and should be considered during congressional deliberations of this legislation.

Mr. President, I will emphasize again that this is a starting vehicle to hold hearings, and I think I can speak for Senator JACKSON when I say that we are not locked into any positions on what to include in a Washington State wilderness bill. We intend to hold field hearings in the State in the near future and look forward to working with all interested parties to resolve RARE II issues in Washington State.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 837

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be referred to as the "Washington State Wilderness Act of 1983".

TITLE I

SEC. 101. (a) The Congress finds that—

(1) many areas of undeveloped National Forest System lands in the State of Washington possess outstanding natural characteristics which give them high values as wilderness and will, if properly preserved, contribute as an enduring resource of wilderness for the benefit of the American people;

(2) the Department of Agriculture's second Roadless Area Review and Evaluation (RARE II) of National Forest System lands in the State of Washington and the related congressional review of such lands have identified areas which, on the basis of their landform, ecosystem, associated wildlife, and location, will help to fulfill the National Forest System's share of a quality National Widerness Preservation System; and

(3) the Department of Agriculture's second Roadless Area Review and Evaluation of National Forest System lands in the State of Washington and the related congressional review of such lands have also identified areas which do not possess outstanding wilderness attributes or which possess outstanding energy, mineral, timber, grazing, dispersed recreation and other values and which should not now be designated as components of the National Wilderness Preservation System but should be available for nonwilderness multiple uses under the land management planning process and other applicable laws.

(1) designate certain National Forest System lands in the State of Washington as components of the National Wilderness Preservation System, in order to promote, perpetuate, and preserve the wilderness character of the lands, protect watersheds and wildlife habitat, preserve scenic and historic resources, and promote scientific research, primitive recreation, solitude, physical and mental challenge, and inspiration for the benefit of all the American people, to a greater extent than is possible in the absence of wilderness designation; and

(2) insure that certain other National Forest System lands in the State of Washington be available for nonwilderness multiple uses.

SEC. 102. (a) In furtherance of the purposes of the Wilderness Act, the following lands in the state of Washington are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System:

(1) certain lands in the Olympic National Forest, Washington, which comprise approximately forty-three thousand five hundred acres, as generally depicted on a map entitled "Buckhorn Wilderness—Proposed", dated January 1979, and which shall be known as the Buckhorn Wilderness;

(2) certain lands in the Olympic National Forest, Washington, which comprise approximately twelve thousand two hundred acres, as generally depicted on a map entitled "Colonel Bob Wilderness—Proposed: date January 1979, and which shall be known as the Colonel Bob Wilderness;

(3) certain lands in the Wenatchee National Forest, Washington, which comprise approximately one hundred twenty-eight thousand acres, as generally depicted on a map entitled "Cougar Lakes Wilderness—Proposed", dated April 1979, and which shall be known as the Cougar Lakes Wilderness;

(4) certain lands in the Mount Baker-Snoqualmie and Wenatchee National Forests, Washington, which comprise approximately ninety thousand acres, as generally depicted on a map entitled "Glacier Peak Wilderness Additions—Proposed", dated January 1979, and which are hereby incorporated in and shall be deemed to be a part of the Glacier Peak Wilderness;

(5) certain lands in the Gifford Pinchot National Forest, Washington, which comprise approximately fourteen thousand three hundred acres, as generally depicted on a map entitled "Mt. Adams Wilderness Additions—Proposed", dated January 1979, and which are hereby incorporated in and shall be deemed to be a part of the Mt. Adams Wilderness;

(6) certain lands in the Olympic National Forest, Washington, which comprise approximately fifteen thousand seven hundred acres, as generally depicted on a map entitled Mt. Skokomish Wilderness—Proposed", dated January 1979, and which shall be known as the Mt. Skokomish Wilderness;

(7) certain lands in the Okanogan National Forest, Washington, which comprise two thousand eight hundred acres, as generally depicted on a map entitled "Pasayten Wilderness Additions—Proposed", dated January 1979, and which are hereby incorporated in and shall be deemed to be part of the Pasayten Wilderness;

(8) certain lands in the Kaniksu and Colville National Forests, Washington, which comprise approximately twenty-seven thousand four hundred acres, as generally depicted on a map entitled "Salmo-Priest Wilderness—Proposed", dated January 1979, and which shall be known as the Salmo Priest Wilderness;

(9) certain lands in the Gifford Pinchot National Forest, Washington, which comprise approximately thirteen thousand four hundred acres, as generally depicted on a map entitled "Tatoosh Wilderness—Proposed", dated January 1979, and which shall be known as the Tatoosh Wilderness; and

(10) certain lands in the Olympic National Forest, Washington, which comprise approximately sixteen thousand one hundred acres, as generally depicted on a map entitled "The Brothers Wilderness—Proposed", dated January 1979, and which shall be known as The Brothers Wilderness.

SEC. 103. (a) As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file the maps referred to in this Act and legal descriptions of each wilderness area designated by this Act with the Committee on Energy and Natural Resources, United States Senate, and the Committee on Interior and Insular Affairs, House of Representatives, and each such map and legal description shall have the same force and effect as if included in this Act: Provided, however, That correction of clerical and typographical errors in such legal descriptions and maps may be made. Each such map and legal description shall be on file and available for public inspection in the office of the Chief of the Forest Service, Department of Agriculture.

(b) Subject to valid existing rights, each wilderness area designated by this Act shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act of 1964 (78 Stat. 892) governing areas designated by that Act as wilderness areas, except that, with respect to any area designated in this Act, any reference in such provisions to the effective date of the Wilderness Act of 1964 shall be deemed to be a reference to the effective date of this Act.

SEC. 104. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second Roadless Area Review and Evaluation program (RARE II); and

(2) the Congress has made its own review and examination of National Forest System roadless areas in the State of Washington and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II Final Environmental Statement (dated January 1979) with respect to National Forest System lands in states other than Washington, such statement shall not be subject to judicial review with respect to National Forest System lands in the State of Washington;

(2) with respect to the National Forest System lands in the State of Washington which were reviewed by the Department of Agriculture in the second Roadless Area Review and Evaluation (RARE II), except those lands remaining in further planning upon enactment of this Act, areas listed in section 102 of this Act, or previously designated congressional wilderness study areas, that review and evaluation shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974 as amended by the National Forest Management Act of 1976 to be an adequate consideration of the suitability of such lands for inclusion in the National

Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revision of the initial plans and in no case prior to the date established by law for completion of the initial planning cycle;

(3) areas in the State of Washington reviewed in such Final Environmental Statement and not designated as wilderness or for study by Congress or remaining in further planning upon enactment of this Act need not be managed for the purpose of protecting their suitability for wilderness designation pending revision of the initial plans; and

(4) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide Roadless Area Review and Evaluation of National Forest System lands in the state of Washington for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

TITLE II

SEC. 201. Certain other areas in the State of Washington not included in the previous Administration's RARE II recommendations are of concern to many citizens of Washington State and the Nation and should be considered during congressional deliberations on any legislation to designate wilderness in Washington State. These areas include:

(a) Boulder River.
(b) Clearwater.
(c) Dark Divide.
(d) Eagle Rock.
(e) Glacier View.
(f) Goat Rocks Wilderness boundary adjustments.
(g) Indian Heaven.
(h) Juniper Forest.
(i) Kettle Range.
(j) Lake Chelan-Sawtooth.
(k) Mt. Baker.
(l) Norse Peak.

Mr. JACKSON. Mr. President, today, Senator GORTON and I are introducing the "Washington State Wilderness Act of 1983." The introduction of this measure signals the beginning of our efforts in the Senate to resolve the RARE II wilderness issue in the State of Washington.

Mr. President, since the completion of RARE II in April 1979, the Congress has made considerable progress in resolving the RARE II controversy. Individual statewide bills have been enacted for Alaska, Colorado, New Mexico, Indiana, West Virginia, Alabama, South Carolina, South Dakota, and Louisiana. In addition, bills for Oregon, California, and Wyoming have been considered and passed by either the House or Senate and are under active consideration again this year. This State-by-State process has served us well. The legislation we are introducing today continues that process.

Our bill consists of two titles. Title I includes the wilderness recommendations made by the Carter administration in May of 1979. It also includes the so-called "California release/sufficiency language" which has been incorporated in a number of bills in the past. Most importantly, this language declares that the RARE II environmental impact statement is not subject to legal challenge in Washington State. Thus insuring that a California against Bergland type of lawsuit will not hinder forest management activities in our State once the wilderness issue has been addressed by the Congress. This language also directs that the Department of Agriculture shall not be required to review the wilderness option again for these lands prior to the revision of the initial land management plans.

Title II consists of a list of additional areas in the State that were not recommended by the previous administration for wilderness but are considerable interest to many citizens of our State.

We cannot emphasize too strongly our position that this bill is a legislative vehicle—a starting point from which to begin our deliberations on this important issue. I have made no decisions relative to the merits of these areas. I want to hear from conservationists, the timber industry, the mining industry, oil and gas interests, snowmobile users, ORV enthusiasts and others regarding their views on these or perhaps other areas not included in the bill. This measure is structured in such a way so as to encourage input for all interested parties and locks no one into a predetermined position.

We are proceeding in this manner so that we can get the process started. It is imperative that a Washington State RARE II bill be enacted in this Congress. This issue has lingered for too long, and it is time that we resolve it. I think we can resolve it. I think we can work together and find a reasonable and fair compromise that balances the need for wilderness and the portection of our outstanding wildlands with the need to insure that our forests continue to provide an adequate source of raw materials, jobs, and a variety of recreation opportunities. I am particularly interested in accurately and thoroughly assessing the impact of any wilderness proposal on employment and jobs. With the current unemployment rate in our State at 13.7 percent, it is imperative that we not make things worse. This does not mean that we cannot make significant additions to the wilderness system in Washington State. In some instances, wilderness designation can actually lead to increased employment opportunities in an area. In other instances, there may be no real impact on jobs as a result of wilderness designation. The point is, we need to examine the employment issue carefully and do what is best for the citizens of our State.

Mr. President, Senator GORTON and I will be asking the chairman of the Committee on Energy and Natural Resources and the chairman of the Subcommittee on Public Lands and Reserved Water to schedule field hearings on this measure in Washington State in the near future. With the introduction of this bill, we have an opportunity to resolve a longstanding controversy. We are ready to work with all interested parties toward this resolution.

By Mr. METZENBAUM:

S. 838. A bill to amend the Trade Act of 1974 to provide for job retraining for workers who have become unemployed due to imports; to the Committee on Finance.

S. 839. A bill to amend the Trade Act of 1974 to implement import relief recommended by the International Trade Commission under title II, and for other purposes; to the Committee on Finance.

TRADE LEGISLATION

● Mr. METZENBAUM. Mr. President, 1982 was a tortuous and painful year for Americans who believe in a free international trading environment. Faced with a mounting trade deficit, especially with Japan, Congress has increasingly focused on the need to enact new laws that more effectively deal with the new realities of international trade.

The United States has been slow to respond to the new trade order. Both the Carter and Reagan administrations have preferred bilateral and multilateral talks to protect American industry and workers from unfair trading practices. But this quiet diplomacy has been only moderately successful. Serious problems remain and it is clear that Congress must intervene. Our trading partners still routinely subsidize their goods to gain advantages selling abroad; the Congress has virtually ceded its constitutional role in setting trade policy to the President; world currencies are woefully out of balance, particularly the value of the U.S. dollar versus the Japanese yen, and there is no effective international system to establish and then maintain currency equilibrium.

Finally, American workers who lose their jobs as a result of imports are left drifting in a no man's land of diminished opportunity.

Over the last year, Congress has examined bills to make America competitive again. While some of these proposals have merit, none offers a comprehensive solution to our trade woes. Accordingly, I am introducing two bills that I hope will advance the search for solutions.

One measure would, for the first time, create a program which would truly lead to the retraining of millions of workers in trade impacted industries.

Earlier trade adjustment assistance programs helped these workers but did not lead to substantial retraining. This proposal has several new features that

distinguish it from the current program.

First, it would earmark one-third of all tariff revenues to be placed into a retraining trust fund administered by the Department of Labor. This approach clearly established the principle that those who are causing industry dislocation, the importers, should pay for the cost of readjustment.

Second, the bill would require individuals to enter qualified retraining programs in order to be eligible for assistance. Individuals who do not begin job retraining will not receive any funds under this program.

Participants would be elibible for 2 years of retraining and would also receive subsistence funds equal to their unemployment compensation levels for the entire period that they are engaged in retraining. This money would be drawn from the trust fund not the unemployment insurance fund. Assuming that it would cost $15,000 per worker per year for retraining and subsistence, this bill would assist 200,000 workers in the first year alone.

Workers would be certified for the program if the industry in which they work has won a positive finding from ITC under section 201, regardless of whether the ITC relief is implemented, or through a firm by firm certification with the Department of Labor.

Rather than create a new bureaucracy to determine qualified retraining programs, the bill would rely on the private industry councils created by the job partnership and training act to accredit retraining programs. JPTA already requires them to perform this function.

The bill would encourage industries to relocate to trade impacted areas by authorizing the trust fund to pay the costs of retraining programs required by the company. This incentive will hopefully help create jobs for those individuals going through retraining.

The second measure would amend section 201 of the Trade Act of 1974 by lowering the threshold test triggering an international trade commission determination of serious injury.

Currently, the ITC must find that imports are the "substantial cause" of serious injury to an industry. It defines substantial cause as "a cause no less than any other cause." Using this standard, the ITC has recommended relief in 23 of 46 cases. In nine cases, it failed to find that imports were the substantial cause of injury, including the celebrated automobile case.

In fact, the auto case highlights the problem with "substantial cause." The ITC found that the domestic industry was suffering serious injury from imports. But it also found that the recession was a greater cause of distress. Thus, it could not recommend relief, even though it clearly believed that imports were hurting the industry.

Today, our laws set a tougher standard for proving that imports have injured an industry than that required under article 19 of the GATT code. I think it is unrealistic, unfair, and unnecessary to have a sterner test than required under international trading codes.

Thus, my bill would change "substantial cause" to "considerable cause" and define that phrase as "a cause which is important but not necessarily the most important cause of serious injury." Such a change will make it marginally easier for some industries, such as the auto industry, to successfully petition the ITC for relief. Second, it will offer a way to assist an industry without violating GATT standards.

A second feature of the bill involves the implementation of positive ITC findings. Since 1975, the ITC has recommended relief in 23 cases, but the President has accepted those recommendations only nine times. While Congress has the discretionary authority to review negative Presidential findings, in practice, it does not do so. Thus, Congress has effectively ceded to the President the authority to set national trade policy.

Under my bill, Congress would reassert its constitutional role in making trade policy. It would, in effect, give more weight to positive ITC findings of injury. The President would be required to notify Congress if he disapproves an affirmative ITC finding. Congress would have 90 days to review the issue. Unless Congress adopts a resolution concurring with the President's negative decision, the ITC recommendations would be implemented. The bill retains Presidential authority to repeal or modify relief once it is instituted if foreign policy or other considerations compel a reevaluation of the matter.

I believe this provision will force Congress to reassert a more active role in trade policy.

The final feature of this measure is a new mechanism for Congress to warn trading partners of its dissatisfaction with their conduct. It would allow Congress to "shoot across the bow" of trading partners, providing an outlet to express its anger over a particular policy of a foreign country.

My bill would give the Senate Finance and House Ways and Means Committees the power to initiate section 301 complaints. Such complaints would automatically go to the GATT, triggering the formal dispute settlement procedures in that forum. It is true that many have given up on the GATT as an effective policeman of our world trading system. But a GATT complaint, I believe, can still be a powerful inducement to an offending country to correct its ways, particularly if that complaint has been initiated by Congress. Implicit in such an action would be the threat of more punitive measures should the country fail to reform.

These bills are not final answers to our trade problems. Legislation is urgently needed to promote U.S. exports and to forge a more direct link between monetary and trade policy. But I believe these two proposals suggest some responsible, effective options that may provide some relief without prompting disastrous retaliation.

Mr. President, I ask that brief highlights of these bills be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HIGHLIGHTS OF THE FAIR TRADE IMPROVEMENTS ACT

THRESHOLD TEST TRIGGERING AN ITC DETERMINATION OF INJURY

Under Section 201 of the Trade Act of 1974, the ITC must find that imports are the "substantial cause" of serious injury before recommending relief. This "substantial cause" test is defined as a "cause no less important than any other cause." Using this stringent standard, the ITC recommended relief in only 23 of the 46 cases it has considered since 1975.

This bill would change this standard to "considerable cause," defined as "a cause which is important but not necessarily more important than any other cause." This change will make it marginally easier for some deserving industries to successfully petition for relief and it is consistent with the protection a country can currently provide a domestic industry under Article XIX of the General Agreements on Tariffs and Trade.

IMPLEMENTATION OF ITC FINDINGS

Currently, the President can accept, reject or ignore an ITC decision. Congress may override this negative determination if it chooses. Of the 23 cases where the ITC recommended relief, Presidents have rejected these findings in all but nine cases. Congress has never exercised its override discretion.

This bill would require a finding of injury and a recommendation for relief to go into effect unless the presidential decision against relief was upheld through a Congressional Concurrent Resolution. This change will provide the forcing mechanism needed to make ITC determinations of injury meaningful.

CONGRESSIONAL ROLE IN ELIMINATING UNFAIR FOREIGN TRADE BARRIERS

Section 301 of the Trade Act of 1974, and subsequent amendments to it in 1979, grant the President broad power to take "all appropriate action," including retaliation, necessary to obtain removal of foreign trade barriers. Under this provision, the U.S. Trade Representative is granted broad authority to quash 301 cases. As a result, this section has had little impact on U.S. trade policy.

This bill would provide specific authority to the Senate Finance Committee and the House Ways and Means Committee to initiate Section 301 complaints with the United States Trade Representative. Furthermore, the Trade Representative would be required to take such complaints to the GATT and implement the formal dispute settlement procedures available through that body. This change would commit the U.S. to using

the international trading forums to the maximum extent possible as well as provide Congress with a viable role in removing foreign trade barriers.

HIGHLIGHTS OF THE TRADE ADJUSTMENT RETRAINING ACT OF 1983

TRUST FUND

The bill would earmark one-third of existing tariff revenues for placement in a new retraining trust fund each year. This feature is eminently sound since it establishes the principle that those who cause industry dislocation—importers—should pay for the domestic readjustment.

GROUP CERTIFICATION OF ELIGIBILITY

Currently, the Department of Labor reviews petitions for trade adjustment assistance on a firm-by-firm basis. Laid-off workers in these certified firms must then demonstrate individual eligibility. Although mandated to review these group petitions within 60 days, DOL is taking as much as 14 months to certify.

In addition to permitting firms to continue to file petitions directly with DOL, my bill would create a fast-track approval process based on affirmative 201 ITC decisions. For instance, if the ITC found that imports were injuring the specialty steel industry, all laid-off workers in that industry would be eligible to apply for assistance regardless of whether the ITC relief is ever actually implemented. In addition, workers would be automatically certified if the Secretary of Labor failed to act on their application within the required 60-day period. These changes would eliminate the need for costly and redundant investigations on the part of the Labor Department thereby speeding up a process that now takes as long as 14 months.

RETRAINING ALLOWANCES

This bill would create a direct link between any assistance and retraining. Workers could not receive any funds unless they were enrolled and remained in a certified retraining program.

Workers would have to enter a program within three months after certification by the Labor Department.

Retraining allowances would be available for a maximum of two years and would be capped at $5,000.

A worker enrolled in a training program would also receive a subsistence allowance equal to his or her unemployment level through the duration of the training program. This allowance would come from the retraining trust fund, not the Unemployment Insurance Fund.

ASSISTANCE TO FIRMS PROVIDING RETRAINING

The current trade adjustment retraining program—and other federal retraining efforts—lack a pivotal feature—they do little to increase the prospect of employment at the end of the retraining program. This bill would provide incentives for private industry to provide jobs to workers when they complete the program, chiefly by paying 90 percent of a firm's retraining costs if it locates in a trade-impacted area. Assistance would also be available to firms that retrain their own workers for other jobs within their company.

OTHER FEATURES

The current trade adjustment assistance program is due to expire in October 1983. No new money is envisioned for it in the Administration's 1984 budget proposal. Under this bill, the Retraining Assistance Trust Fund would be funded at about $3 billion for the program in FY '83.

This bill would utilize the Private Industry Councils, created by the passage last year of the Job Partnership and Training Act, to approve training requests and offer counseling to the displaced workers.●

By Mr. GOLDWATER (for himself, Mr. JACKSON, and Mr. GARN):

S. 840. A bill to amend the act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act; to the Committee on Rules and Administration.

NATIONAL MUSEUM ACT

● Mr. GOLDWATER. Mr. President, I am introducing today along with my distinguished colleagues, Senator JACKSON and Senator GARN, a bill to reauthorize the National Museum Act of 1966.

Existing authority under the National Museum Act of 1966 expired September 30, 1982. However, funding for continuing program activities was provided by Public Law 97-276, the continuing resolution enacted October 2, 1982, and in Public Law 97-394, the Department of the Interior and Related Agencies Appropriations Act for fiscal year 1983, approved December 30, 1982.

In the 97th Congress H.R. 6089, to extend the authorization for appropriations through fiscal year 1985, was introduced April 6, 1982. S. 2390, a companion measure, was introduced April 15. The latter passed the Senate on June 9, but no House action was taken on either measure. Legislation extending the authorization for appropriations through fiscal year 1986 is now needed.

Since it was initially funded in 1971, the National Museum Act has contributed significantly to the upgrading of the quality and standards of the museum profession. Though the dollar amounts involved have been small, it has played a key role in assisting the profession to provide improved care for and to make better use of museum collections and to deal more effectively with urgent new problems that have arisen as a result of increased public visitation and the need to reach new audiences. The National Museum Act has been particularly effective in fostering training through seminars, workshops, stipend support, and fellowships for museum professionals and trainees in a wide variety of fields, particularly conservation.

The act is the only federally supported program that has systematically concentrated on the vital needs of museum conservation with respect both to training and research in new techniques. From its inception, the administrators of the National Museum Act have been sensitive to the hazards of duplicating the efforts of other Federal programs—the National Endowments for the Arts and Humanities, the National Science Foundation, and more recently, the Institute of Museum Services. By maintaining close liaison with members of the staffs of these organizations, duplication has been avoided. The Advisory Council of the National Museum Act carefully reviews grant programs on a yearly basis, and the guidelines represent the concerted opinion of museum professionals from large and small organizations covering the main museum disciplines from various parts of the country.

There is ample testimony to the effectiveness of the act and to the warm regard in which it is viewed by the museum profession. By extending the act for another 3 years, the Smithsonian will be building on a tradition of service to the museum profession, nationally and internationally, and doing so with little extra burden on its own administrative staff.

Our bill provides that the National Museum Act be reauthorized for fiscal year 1984 at the level of $786,000 and for such sums as may be necessary for fiscal years 1985 and 1986.●

By Mr. ZORINSKY (for himself, Mr. ANDREWS, Mr. BOREN, Mr. BURDICK, Mr. EXON, and Mr. MELCHER):

S. 841. A bill to amend the Commodity Credit Corporation Charter Act to require the Commodity Credit Corporation to pay rates for the storage of grain on farms which is no less than the rates the Corporation pays for storage of grain in commercial storage facilities; to the Committee on Agriculture, Nutrition, and Forestry.

UNIFORM GRAIN STORAGE RATES

● Mr. ZORINSKY. Mr. President, last year I introduced a bill which amended the Commodity Credit Corporation Act to require the Commodity Credit Corporation to pay rates for the storage of grain in commercial storage facilities. I am reintroducing the same bill today and request that the text of the bill appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 841

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That the third proviso of the second sentence of section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(h)) is amended by inserting before the colon at the end thereof the following: ", except that the rate the Corporation pays for the storage of grain on farms in any area may not be less than the rate the Corporation pays for the storage of grain in commercial storage facilities in such area.

Mr. President, subsequent to the introduction of this legislation last year I offered it in the form of an amendment to the agricultural appropriations bill on September 28. The amendment was narrowly defeated on a vote of 50 to 48.

UNIFORM GRAIN STORAGE RATES

I am reintroducing this bill because I am convinced that the reasons given by the Secretary of Agriculture for the inequity in grain storage payment rates are without justification.

Last year an outstanding Nebraska farmer, a State senator, and former chairman of the Nebraska Legislature's Agriculture Committee, the Honorable Loran Schmit, wrote to me about the need to equalize Commodity Credit Corporation grain storage rates. Inasmuch as Senator Schmit's letter explains the discrepancy between farm and commercial storage rates, I am including it in this part of my remarks. The letter follows:

DEAR SENATOR ZORINSKY: I am once again writing to you to ask your help to correct what I believe is a serious injustice to Nebraska farmers. At the present time any Nebraska farmer who stores grain in his facilities on his farm receives a storage payment of 26.5 cents per bushel. The same grain stored in a commercial facility in David City receives a storage payment of 29.1 cents per bushel and beginning July 1st will be paid at the rate of 32.4 cents.

The difference in the on-farm storage versus the commercial storage rate represents a loss of millions of dollars to an already financially strapped agricultural economy. I do not believe the elevators should be paid any less for storage services but that farmers should be paid an equal amount. I believe that at a time when the federal government is writing three year guarantee storage construction contracts that farmers would be willing to build additional grain storage even without government loans or a three year guarantee as in the commercial program.

I would appreciate it very much if you would use your considerable influence with the Department of Agriculture to raise the storage rate for on-farm to the equivalent of commercial storage.

With every good wish.

Sincerely,

LORAN SCHMIT,
State Senator.

Mr. President, in a letter received from an assistant to the Administrator of the Agricultural Stabilization and Conservation Service in regard to this matter, I was informed that the grain storage rates are negotiated between CCC and commercial storage facilities but the farmer has to accept a fixed rate. Further, commercial storage rates have been increasing in the last few years especially in newly constructed facilities. Therefore, the commercial rate of 32.4 cents per bushel is a very conservative estimate of the storage rates on a State average basis.

In the letter to Secretary Block last year, I asked the specific question as to the justification for a difference of 5.9 cents per bushel on stored grain between the farm and commercial facilities and whether there was some problem with agricultural statutes that should be corrected. I indicated that if there is need for correction, I would like to have his recommendations.

The Secretary's response confirmed the fact that a discrepancy does exist and that in some instances the rate paid per bushel may be as high as 50 cents depending on the type of grain stored and the elevator location. His response also indicated that farmer-owned grain stored in a commercial facility is only entitled to the 26.5-cent per bushel rate even though the rate paid on CCC-owned grain is higher. This means that during the time farmers are required to pay storage on grain under loan to CCC, that the farmer has to make up the difference.

I believe that Senator Schmit and other Nebraska farmers that I have heard from have good cause to ask for equal rates for farm-stored grain and commercially stored grain.

The farmer is accountable for keeping stored grain under loan to CCC in condition as is the commercial facility accountable for keeping grain in condition. I can ascertain no good reason for the differential. Therefore, Mr. President, not having received a satisfactory response from Secretary of Agriculture John Block, I am reintroducing today a bill that would amend the Commodity Credit Corporation Charter Act to require that the grain storage rate paid by CCC be the same in the area where the grain is stored whether farm or commercially stored.●

By Mr. WEICKER (for himself, Mr. D'AMATO, Mr. HEINZ, Mr. NUNN, Mr. BOREN, Mr. BAUCUS, Mr. HATCH, Mr. STEVENS, Mr. RUDMAN, Mr. HOLLINGS, Mr. COCHRAN, and Mr. HUDDLESTON):

S. 842. An act to amend the Internal Revenue Code of 1954 to provide tax incentives for the issuance of small business participating debentures; to the Committee on Finance.

SMALL BUSINESS PARTICIPATING DEBENTURES

● Mr. WEICKER. Mr. President, I am today introducing legislation along with Senators D'AMATO, HEINZ, NUNN, BOREN, BAUCUS, HATCH, STEVENS, RUDMAN, HOLLINGS, COCHRAN, and HUDDLESTON to create a small business participating debenture (SBPD), a new hybrid vehicle that would open up an important new source of external capital to the Nation's small businesses.

We all know that small businesses are having an extremely difficult time raising capital from outside sources in today's economic climate. Affordable growth financing needed to expand or purchase new equipment is crucial to the success of many small firms, particularly those struggling to make it in their early years. Yet, for some time, this type of financing just has not been available to our smaller businesses.

The issue is one which has been addressed time and again by small business groups. In 1980, 1,600 delegates to the White House Conference on Small Business devoted a large part of that historical meeting to the discussion of small business capital formation needs. More recently, the first annual SEC Government-business forum on capital formation brought 200 persons from all branches of the public and private sector together for a 2-day conference to examine possible solutions to the capital formation problem. In both of these instances the creation of an SBPD—a concept I first introduced in July 1979—was listed as one of the top recommendations for stimulating small business capital formation.

Simply put, the SBPD is sort of a cross between a stock and a bond. It is designed specifically for the small business which seeks to expand, but for a variety of reasons, does not wish to go public. Small businesses, administering the SBPD themselves, would directly issue the instrument as a general obligation with a fixed maturity date. The SBPD would carry a fixed, nominal rate of interest, and would offer the investor a varying share of the company's profits for the period the SBPD was in effect.

The advantages to both the small business owner and the investor are many. Small business owners may retain total ownership and control of their business, while at the same time receiving much needed low-cost, external capital. And too, the owner is entitled to deduct as a business expense, both the basic interest payments and the share of earnings. Investors' interest on the SBPD would be taxable as ordinary income, but their share of the company's earnings would be taxed at the preferential long-term capital gains rate.

I believe this legislation is uniquely suited to the needs of our small businesses. By making affordable private capital available to them, SBPD's will help small firms to expand, and thus, to provide the jobs so necessary to our national economic recovery.

In a May 25, 1981 article, written following my introduction of identical legislation in the 97th Congress, Forbes magazine called the SBPD concept "imaginative" and said it "offers both a convincing approach to financing for small business and an enticing tax break for investors." Mr. President, at this point I would like to insert in my statement the following excerpt from that Forbes article, entitled "We All Live Off Those Little Guys."

WE ALL LIVE OFF THOSE LITTLE GUYS

(By Barbara Rudolph)

The small businessman is everybody's friend and nobody's partner. For many years Congress has debated various forms of relief. But today the little guy is especially harassed, stung by sky-high interest rates and strapped for new capital. For most small companies the sign at the bank teller's window still says "Prime plus 2 percent, take it or leave it."

But in February Senator Lowell P. Weicker (R-Conn.) introduced an imaginative bill in Congress that offers both a convincing approach to financing for small business and an enticing tax break for investors.

What Weicker is proposing is a new financial instrument called a Small Business Participating Debenture (SBPD).

Here's how an SBPD might work: A small company writes an SBPD for $100,000 over a seven-year period. The stated interest to be paid is 8 percent, and there's a 20 percent share of the pretax profits to be distributed to one investor. Let's say the company earns $48,000 before deductions for interest and taxes. $8,000 is paid as basic interest. On the balance of $40,000, another $8,000 (or 20 percent of earnings) is paid to the investor. This $8,000 is taxed at the maximum capital gains rate of 28 percent. Let's assume that the investor is in the 70 percent bracket. With $8,000 taxed at 70 percent, and $8,000 taxed at 28 percent, he rakes in earnings of $8,160—which is the equivalent of a 27 percent pretax ordinary return. And while the lender has made a 27 percent return, the borrower has paid only 16 percent, after his deductions for all interest payments are made.

Most important, the small businessman gets a much needed infusion of capital. Says Larry Stevens, who owns a retail shop, Complete Lumber, Inc., in Evansville, Ind.: "I think SBPDs would be really good for us." Stevens wants to open another store; he already has an option on the site and has been trying for five months to raise the capital. "There's no way you can borrow from the bank at today's rates. It's a guaranteed failure. We were hoping to get industrial revenue bonds, but they haven't worked out. And we'd wind up paying an average 12.5 percent interest for them anyway, so these SBPDs sound better."

"At these interest rates, it's darn hard to bet capital. SBPDs would be terrific for us," says Charles Burnett, general manager of a Ramada Inn in Henderson, Ky., who would like to add about 70 rooms to his motel.

William Barth, director of small-business practice at Arthur Andersen & Co., guesses that there are about 2,000 small businesses that would use SBPDs, averaging about $250,000 of debt apiece. That's a $500 million rush of capital into the sector of the economy that in the last decade provided 87 percent of all new jobs.

There is an urgent need for such aid. Small businessmen have traditionally had trouble raising capital for obvious reasons—any investment in a small business can be risky. SBPDs won't change that. An SBPD will give the investor profits taxed as capital gains—but that's only worthwhile if there are any profits to be taxed.

So investors will have to be careful about negotiating fair terms. Profits will have to be precisely defined, for example, so that a business owner can't declare a hefty bonus for himself. And the owner will have to modify his plans in other more important ways: With an outside investor impatiently waiting for a piece of the pie, the small businessman won't be able to continue plowing his profits back into the business.

Investors in SBPDs will undoubtedly be in high tax brackets, with the money to make a risky investment as well as the need for tax relief. And for such an investor, an SBPD may prove more attractive than most limited stock offerings because an SBPD gives him a guaranteed way out of his investment that he won't get with a minority interest in a company. Says Barth: "A 49 percent interest in a company may be worth nothing unless you've gotten a commitment from the owners to buy you out." With an SBPD, the stipulated maturity ensures that you won't be stuck, as long as the company stays in business.

Small banks—which are tied to the prime but must still support local business—are also likely to embrace SBPDs. "Sure we endorse the idea," says John Rogers, executive vice president of the First National Bank of Toledo. "But we need a carrot for both the lender and the borrower. That small businessman is our lifeblood—we live off those little guys out there, and we love 'em." That price, he says, has to be right.

Big brokerage houses may get into the act as well, selling groups of SBPDs to their high-bracket customers as they do second mortgages. "Small businesses are always risky investments, but we might decide to sell and package these things—if we could monitor them and get a large enough pool to spread the risk," says Anthony Lamport, head of venture capital at Drexel Burnham Lambert. Might we then see a mini-new-issue boom of SBPDs reminiscent of the late Sixties? Not likely. There's no way to get rich quick here and, with a $1 million ceiling per company, the scale is kept deliberately small.

Says Arthur Little, chairman and CEO of Narragansett Capital *(see* FORBES, *Mar. 17, 1980)*, a $9 million (1980 revenues) Providence, R.I.-based venture capital firm: "SBPDs are one of the best; most innovative ideas I've heard of in a long time."

Mr. President, I hope my colleagues will give careful consideration to this legislation. If we are to shore up the economy, we must first make sure that its small business foundation is strong. That will never take place as long as the Nation's small firms are kept starving for affordable capital. The jobs we so desperately need, the innovations and economic growth that we must have if we are to come out of this economic morass and regain our former strength, are largely dependent on the health of our smaller businesses.

This legislation will help to put the small business community back on a firm footing once again. At little cost to the Government, it will provide a means of getting them the low-cost, private capital they need to expand and create new jobs.

The SBPD is, I believe, a concept uniquely suited to these times when Federal economic development and loan programs are being cut back, and alternatives to traditional forms of financing must be found. I urge my colleagues to join me in supporting this important legislation.

Mr. President, I ask unanimous consent that the legislation I am introducing today be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 842

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TREATMENT OF INCOME, GAINS, LOSSES, ETC. ON SMALL BUSINESS PARTICIPATING DEBENTURES.

(a) CAPITAL GAINS TREATMENT OF EARNINGS.—Part IV of subchapter P of chapter 1 of the Internal Revenue Code of 1954 (relating to special rules for determining capital gain and loss) is amended by adding at the end thereof the following new section:

"SEC. 1256. EARNINGS DISTRIBUTIONS UNDER SMALL BUSINESS PARTICIPATING DEBENTURES.

"(a) IN GENERAL.—For purposes of this subtitle amounts actually paid during the taxable year to a taxpayer in respect of a small business participating debenture which constitute the distribution of a share of the earnings of the issuer, shall be treated as long-term capital gain.

"(b) SPECIAL RULES FOR PAYMENTS.—For purposes of this section and section 163(e)—

"(1) TIME FOR PAYMENT.—Payments under subsection (a) shall be deemed to have been made on the last day of a taxable year if the payment is on account of such taxable year and is made not later than the time prescribed by law for the filing of the return for such taxable year (including extensions thereof).

"(2) ORDER OF PAYMENTS.—Any payment in respect of a small business participating debenture shall be treated first as a payment of interest until all interest required to be paid under the debenture for such taxable years is paid and then as a payment of earnings.

"(c) SMALL BUSINESS PARTICIPATING DEBENTURE DEFINED.—

"(1) IN GENERAL.—The term 'small business participating debenture' means a written debt instrument issued by a qualified small business which—

"(A) is a general obligation of the qualified small business,

"(B) bears interest at a rate not less than the rate prescribed by the Secretary under section 483(c)(1)(B),

"(C) has a fixed maturity,

"(D) grants no voting or conversion rights in the qualified small business to the purchaser, and

"(E) provides for the payment of a share of the total earnings of the issuer.

"(2) QUALIFIED SMALL BUSINESS.—

"(A) IN GENERAL.—The term 'qualified small business' means any domestic trade or business (whether or not incorporated)—

"(i) the equity capital of which does not exceed $10,000,000 immediately before the small business participating debenture is issued,

"(ii) with respect to which, at the time the small business participating debenture is issued, the face value of all outstanding small business participating debentures issued (including such debenture) does not exceed $1,000,000, and

"(iii) which has no securities outstanding which are subject to regulation by the Securities and Exchange Commission at the time of issuance of the small business participating debenture.

"(B) CONTROLLED GROUPS.—For purposes of determining under subparagraph (A) the equity capital and outstanding small business participating debentures of—

"(i) a member of the same controlled group of corporations (within the meaning of section 153(a), except that 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears in section 1563(a)(1)), and

"(ii) a member of a group of trades or businesses (whether or not incorporated) which are under common control, as determined under regulations prescribed by the Secretary which are based on principles similar to the principles which apply under clause (i),

the equity capital and outstanding debentures of all members of such group shall be taken into account.

"(C) EQUITY CAPITAL.—For purposes of this paragraph—

"(i) CORPORATION.—In the case of a corporation, the term 'equity capital' means the aggregate amount of money and other property (taken into account in an amount, equal to the adjusted basis to the corporation of such property for determining gain, reduced by any liabilities to which the property was subject of which were assumed by the corporation at such time) received by the corporation for stock, as a contribution to capital, and as paid in surplus.

(ii) NONCORPORATE BUSINESS.—In the case of a trade or business which is not organized as a corporation, equity capital shall be determined under regulations prescribed by the Secretary which are based on principles similar to the principles which apply under clause (i).

"(D) SECURITY SUBJECT TO REGULATION BY THE SECURITIES AND EXCHANGE COMMISSION.—For purposes of this paragraph, the term 'security subject to regulation by the Securities and Exchange Commission' means a security—

"(i) registered on a national securities exchange under section 12(b) of the Securities Exchange Act of 1934;

"(ii) registered or required to be registered under section 12(g) of such Act (or which would be required to be so registered except for the exemptions in subparagraphs (B) through (H) of such section); or

"(iii) issued by a company subject to the reporting requirements of section 15(d) of such Act.

"(d) RELATED PARTIES; PERSONAL HOLDING COMPANIES.—

"(1) DEBENTURES ISSUED BY A RELATED PARTY.—Subsection (a) shall not apply to amounts paid in respect of a small business participating debenture issued by a small business in which the taxpayer has an interest.

"(2) DEBENTURES ISSUED BY PERSON HOLDING TAXPAYER'S DEBENTURES.—If—

"(A) a taxpayer acquires a small business participating debenture from a small business, and

"(B) such small business or a person with an interest in such small business acquired, before the acquisition described in subparagraph (A), any such debenture from the taxpayer or any small business in which the taxpayer has an interest,

subsection (a) shall not apply with respect to any payment in respect of a debenture or portion of a debenture which is equal to the amount of the proceeds of any such debenture acquired from the taxpayer or the small business in which the taxpayer has an interest.

"(3) INTERESTED TAXPAYER.—For purposes of this subsection, a taxpayer shall be considered as having an interest in the issuer of a small business participating debenture if—

"(A) in the case of a small business participating debenture issued by a corporation, the taxpayer is considered, under section 318, to own—

"(i) 10 percent or more in value of the stock, or

"(ii) stock which represents 10 percent or more of the voting rights;

in the corporation or in a corporation which is a member of the same controlled group of corporations (within the meaning of section 1563(a)), or

"(B) in the case of a small business participating debenture issued by a small business not organized as a corporation, the taxpayer owns, or is considered to own (under regulations prescribed by the Secretary similar to the regulations prescribed under section 318), more than 10 percent of the profits or capital in the business.".

(b) INTEREST DEDUCTIBLE AS INTEREST EXPENSE.—Section 163 of such Code (relating to interest) is amended by redesignating subsection (e) as (f) and by inserting after subsection (d) the following new subsection:

"(e) INTEREST AND OTHER AMOUNTS PAID ON SMALL BUSINESS PARTICIPATING DEBENTURE.—For purposes of this section (other than subsection (d)), amounts paid as interest, and amounts paid as a share of earnings, on a small business participating debenture (as defined in section 1256(b)) shall be treated as interest.".

(c) TREATMENT OF ORIGINAL ISSUE DISCOUNT INTEREST.—Section 1232 of such Code (relating to bonds and other evidences of indebtedness) is amended by adding at the end thereof the following new subsection:

"(e) SMALL BUSINESS PARTICIPATING DEBENTURES.—Any small business participating debenture (as defined in section 1256(b)) issued by a trade or business other than a corporation shall be treated, for purposes of this section, as if it were issued by a corporation.".

(d) LOSSES ON SMALL BUSINESS PARTICIPATING DEBENTURES TREATED AS ORDINARY LOSS.—Section 1244 of such Code (relating to losses on small business stock) is amended by adding at the end of subsection (d) the following new paragraph:

"(5) SMALL BUSINESS PARTICIPATING DEBENTURES TREATED SAME AS SECTION 1244 STOCK.—For purposes of this section, any loss on a small business participating debenture (as defined in section 1256(c)) issued to an individual shall be treated as if it were a loss on section 1244 stock issued to that individual.".

(e) CLERICAL AMENDMENT.—The table of sections for such part is amended by adding at the end thereof the following new item:

"Sec. 1256. Earnings distributions under small business participating debentures.".

SEC. 2. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1982, and to small business participating debentures acquired after the date of enactment of this Act.

(b) PROCEEDS USED TO REPAY LOANS.—The amendments made by this Act shall not apply to any small business participating debenture issued before or during calendar year 1983 if the proceeds of such debenture are used to repay any loan of the issuing small business other than a loan—

(1) with a stated rate of interest in excess of the prevailing rate of interest for businesses in the area in which such small business is located, and

(2) secured by the inventory or accounts receivable of such small business.●

● Mr. NUNN. Mr. President, as the ranking member on the Senate Small Business Committee, I am pleased to join the chairman of the committee, Senator WEICKER, in introducing legislation to create a "small business participating debenture." The bill, if enacted, would provide a means for small business to seek out additional sources of capital that would be treated as "equity" in the business, while at the same time allowing the business owner to treat the infusion of capital as debt, and deduct interest payments on the repayment.

Mr. President, the small business participating debenture is not a new idea. It received the strong support of the delegates to the 1980 White House Conference on Small Business. It was highly rated by the 1982 Securities and Exchange Commission's Forum on Small Business Access to Capital Formation. It is among the top on the list of issues for a large number of small business organizations.

I am cosponsoring this bill so that the legislation can be considered by the Senate. We need to insure that this legislation can be considered by the Senate. We need to insure that this legislation can meet the needs of the small business community in addressing one of its major problems—access to affordable capital.●

By Mr. COCHRAN (for himself, Mr. HUDDLESTON, Mr. BOREN, Mr. ANDREWS, Mr. JEPSEN, and Mr. EAGLETON):

S. 843. A bill to amend the Agricultural Act of 1949 to authorize the Secretary of Agriculture to make payments to reimburse producers for the cost of applying approved conservation practices to acreage diverted under an acreage limitation program for the 1982 through 1985 crops of wheat, feed grains, upland cotton, rice, and soybeans; to the Committee on Agriculture, Nutrition, and Forestry.

CONSERVATION PROGRAM FOR IDLED ACRES

Mr. COCHRAN. Mr. President, I am pleased that Senators BOREN, JEPSEN, EAGLETON, HUDDLESTON, and ANDREWS are joining me in introducing this bipartisan legislation to enhance the conservation achievements on acreage idled under the current acreage reduction programs. This bill amends the Agricultural Act of 1949 to provide the Secretary of Agriculture the authority to make payments, either in cash or in kind, to producers for the cost of applying approved conservation practices to acreage taken out of production under an acreage limitation program. This authority applies through the 1985 crops of wheat, feed grains,

upland cotton, soybeans, and rice. It could be activated only if an acreage reduction program is in effect.

USDA's current acreage reduction programs provide an excellent vehicle to achieve a rapid increase of conservation on the land. According to early estimates, an additional 23 million acres or more will be diverted from production under the PIK program bringing the total diverted acres to approximately 50 million acres. These acres will be the steeper, shallower, more erosive, less productive, problem soils that are almost always in need of conservation treatment. An effective conservation program will require additional, and in some cases, large amounts of conservation effort, cost, and related inputs.

We should not miss this opportunity to intensify our efforts on the 94 million acres of cropland where sheet and rill erosion is exceeding the rate considered tolerable. The current trend of decreasing national emphasis on conservation needs to be reversed. We need to get started in 1983.

Adding to my concern that current efforts are inadequate is the historical experience that conservation often takes a backseat during periods of surplus and economic adjustment. Cost is a strong deterrent to carrying out needed conservation during hard times. To quote from the Delta Farm Press: "Until the economic situation improves, we will not see much improvement." Participating farmers will drop conservation activities out of their operating budgets because the costs are short run and the returns are long run. The current funding level of the agricultural conservation program did not take into consideration the conservation demands associated with the current acreage reduction programs. The sum effect of all this is that needed conservation will receive only modest attention unless innovative initiatives are taken.

The bill being introduced today is a step in that direction. It provides authority for the Secretary to make payments to defray part or all of the cost of conservation on the acres taken out of production. The payments may be in cash or in kind (PIK).

Thus this bill allows the Secretary to formulate and implement, as a part of the commodity reduction program, a corresponding conservation program for sharing part of the cost of applying approved conservation treatment on diverted acres. I believe that such a conservation program should be used to carry out recommended practices which in some cases may be over and above the conservation cover and management practices required under the acreage reduction programs. For example, the participant would apply recommended conservation and submit a bill to ASCS for either cash or payment in kind for the portion of the total cost approved by the Secretary.

The Secretary may want to set up the program with the flexibility to reimburse the participant in advance of applying the conservation due to financial difficulties of the participant or to reduce administrative costs, and so forth. The bill allows this as well as the traditional reimbursement procedures.

Such a conservation program would provide the opportunity for additional conservation application on over a million farms expected to participate in the PIK program. It takes advantage of idled acreage to apply conservation that is often deferred to avoid disturbing planted acreage.

Even though this conservation program would be in place only when acreage reduction programs are in effect, it would provide an immediate, strong catalyst to complement the ongoing conservation program efforts such as the agricultural conservation program and the conservation technical assistance program of the Soil Conservation Service, and the various State initiatives.

Conservation assistance would be limited to those who request participation. In this way, the technical assistance needed to help those requesting assistance should not be excessive or unmanageable.

Mr. President, I believe that the authorities contained in this bill will greatly improve the ability of the Secretary, through the use of cash and/or surplus stock payments, to meet the immediate effort needed to assure that the lands idled through the current acreage reduction program are actually receiving the level of conservation that is needed.

I urge my colleagues to join me in support of this legislation, and I ask unanimous consent that the bill be printed in the RECORD.

S. 843

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 107B of the Agricultural Act of 1949 (7 U.S.C. 1445b-1) is amended by adding at the end thereof the following new subsection:

"(l)(1) The Secretary may make payments to producers to reimburse such producers for all or part of the cost of applying approved conservation practices to all or part of the acreage diverted under the program authorized by this section.

"(2) Payments under this subsection may be made in cash or in kind and on a prospective, installment, or retrospective basis.".

"(b) Section 105B of such Act (7 U.S.C. 1444d) is amended by adding at the end thereof the following new subsecton:

"(l)(1) The Secretary may make payments to producers to reimburse such producers for all or part of the cost of applying approved conservation practices to all or part of the acreage diverted under the program authorized by this section.

"(2) Payments under this subsection may be made in cash or in kind and on a prospective, installment, or retrospective basis.".

"(c) Section 103(g) of such Act (7 U.S.C 1444(g)) is amended by adding at the end thereof the following new paragraph:

"(19)(A) The Secretary may make payments to producers to reimburse such producers for all or part of the cost of applying approved conservation practices to all or part of the acreage diverted under the program authorized by this subsection.

"(B) Payments under this paragraph may be made in cash or in kind and on a prospective, installment, or retrospective basis.".

(d) Section 101(i) of such Act (7 U.S.C. 1441(i)) is amended by adding at the end thereof the following new paragraph:

"(13)(A) The Secretary may make payments to producers to reimburse such producers for all or part of the cost of applying approved conservation practices to all or part of the acreage diverted under the program authorized by this subsection.

"(B) Payments under this paragraph may be made in cash or in kind and on a prospective, installment, or retrospective basis.".

(e) Section 201(g) of such Act (7 U.S.C. 1446(g)) is amended by adding at the end thereof the following new paragraph:

"(3)(A) The Secretary may make payments to producers to reimburse such producers for all or part of the cost of applying approved conservation practices to all or part of acreage diverted under an acreage limitation program established for soybeans under this Act or the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.).

"(B) Payments under this paragraph may be made in cash or in kind and on a prospective, installment, or retrospective basis.".

Mr. BOREN. Mr. President, I am pleased to join my distinguished colleague from Mississippi, Senator COCHRAN, in offering this legislation. As many of you may know, I introduced a similar proposal as part of a comprehensive farm bill.

The legislation we are introducing today is designed to complement the payment-in-kind (PIK) diversion program which the Secretary of Agriculture is currently offering to producers of wheat, feed grains, upland cotton, and rice. Under current law, producers of these commodities who participate in an acreage reduction program must devote the reduced acreage to approve conservation uses. Because of the lack of sufficient financial resources, the farmer is often limited to merely planting a cover crop.

At a time when we are pulling large amounts of land out of production under the PIK program, it is imperative that we take advantage of this opportunity to implement much needed conservation measures and practices on the land that is idled.

Some of the most productive agricultural areas of the United States are also those having the most serious and chronic erosion-related problems. Nearly 3 billion tons of soil erode from the Nation's cropland each year, thereby reducing the agricultural productivity capacity of this Nation. Over the next 50 years, productivity losses

due to soil erosion could equal the output of 25 to 62 million acres of cropland, or production of 50 to 75 million metric tons of grain annually. We must act now if we are to sustain our productive capacity. If we do not, the future needs for food and fiber will not be met.

Mr. President, our Nation's conservation programs have reduced erosion over the past years. Yet, there remains to be an unfilled need to do more. In my home State of Oklahoma, the Great Plains program provided $1,206,722 in fiscal year 1982 for 125 new contracts. But, 347 applications were not approved because of a lack of funding. Right now, we have a 3-year backlog for this one program. For each year the land is not brought into approved conservation uses or under approved conservation practices and measures, we continue to lose valuable soil at an alarming rate. Resources that we do not protect today will be unavailable to produce commodities tomorrow.

Mr. President, we are now entering the fourth year of declining net farm income. Net farm income, adjusted for inflation, in 1982 was a mere $7 billion. Because of the current economic crunch our farmers are in, they simply cannot afford to implement the necessary conservation practices. The costs incurred, or income foregone, in soil and water conservation investments are rarely recovered in the short-term cash flow of farm businesses.

The bill we are introducing today will allow the Secretary of Agriculture to provide financial assistance to producers of wheat, feed grains, upland cotton, and rice, who are participating in an acreage reduction program and who devote the acreage reduced to approved conservation practices and measures. The Secretary would have the authority to make the payments to the producers in cash or in kind and further, the Secretary could make the payments in advance of the measures performed. Further, if an acreage reduction program is ever offered to producers of soybeans, the Secretary would have the authority to make conservation payments in cash or in kind to them.

This measure will allow for the preservation of this Nation's cropland through the implementation of muchneeded conservation practices and measures. Our bill will be cost-effective as it will allow the Secretary to make the payments in kind at a time when we have surpluses in these commodities. The provision for advance payments will be particularly helpful to those producers who are experiencing cash flow problems—this will allow them to implement the measures.

Mr. President, in light of the severity of this Nation's erosion problems and in light of the current payment-in-kind program, the passage of this measure is imperative. This bill is indeed both timely and cost-effective.

I commend Senator COCHRAN for his efforts to preserve this Nation's productive capacity.

● Mr. HUDDLESTON. Mr. President, I am pleased to join Senator COCHRAN in cosponsoring legislation authorizing the Secretary of Agriculture to reimburse farmers for part of the cost of applying approved conservation practices on diverted acreage.

A am particularly supportive of the provision authorizing these payments to be made with surplus agricultural commodities. These payments in kind will promote sound conservation practices while reducing the surplus commodities that are being stored at great expense.

There is a growing awareness of the problems we face in conserving our Nation's natural resources. We cannot afford to gamble with our Nation's greatest resource, our productive farmland. The Federal Government needs to provide leadership in addressing this national problem.

A conservation PIK program could be a key element in a sound, workable soil and water resource conservation program. Such a program can provide the assistance that farmers need as an incentive to apply often costly conservation practices.

I urge my colleagues to join me in supporting this legislation.●

By Mr. DECONCINI:

S. 845. A bill to amend title V of the United States Code to prohibit ambassadors and ministers from making political contributions and taking part in political campaigns; to the Committee on Governmental Affairs.

PROHIBITING POLITICAL CONTRIBUTIONS BY AMBASSADORS AND MINISTERS

Mr. DECONCINI. Mr. President, I am introducing today legislation which would amend the Hatch Act to prohibit ambassadors from making political contributions and taking part in political campaigns.

Currently, ambassadors and Cabinet members are exempt from the limitations on political activity which the Hatch Act applies to the vast majority of Government employees. I am not a supporter of the Hatch Act in terms of its broad implications—in my view, Federal workers—except in the case of sensitive Justice Department, intelligence agency, and Internal Revenue Service positions—should have the same political rights as other citizens. However, if the intent of the Hatch Act is to prevent partisan politics from interfering in the way Federal workers do their jobs, it seems particularly important that this proviso be applied to the position of ambassador. Our ambassadors' main function is to convey a certain image of the United States—an image that is as consistent and clear as possible. Professionalism is a highly prized attribute of an ambassador. Unfortunately, when an ambassador engages in partisan politics, campaign rhetoric combined with the expediency of the moment tends to lead to the distortion of American foreign policy.

The State Department's official policy frowns upon such partisan activity by ambassadors, but this does not seem to deter some ambassadors who are willing to sacrifice professionalism for the sake of grinding a particular political ax for the sake of pleasing political superiors. An ambassador to a foreign country serves as a vital link between our Government and the government of the country to which he or she is accredited. Statements the ambassador may make are carefully scrutinized by the government of the host country as reflections of the policies of the government the ambassador represents. An ambassador becomes an almost totally public personna who cannot afford to make offhand comments or to engage in partisan politics.

During my recent reelection campaign, one particular individual accredited as an American ambassador to a Latin American country came to Arizona and interjected himself in the campaign. He made commercials endorsing my opponent on the basis of a series of statements about Central America that ran counter to official American policy. Frankly, I found the behavior startling and terribly damaging to our Central American policy.

I was equally amazed to discover that while a lowly clerk in the bureaucracy whose participation in politics carries with it absolutely no implications about Government policy is forbidden to do so by the Hatch Act, an ambassador whose every work and action conveys to foreigners the views and attitudes of the American Government is under no such structure. Surely, this must be an oversight resulting from the simple fact that the situation has never arisen. I believe most of us, Mr. President, assume that ambassadors would have better sense than to embroil themselves in a political campaign. It certainly requires an incredible lack of judgment to do so.

The legislation I am introducing will eliminate the loophole which presently allows Ambassadors to engage in overt political activity. I urge my colleagues on the Governmental Affairs Committee to give this matter their attention as soon as possible. I also ask that the text of the bill be printed in the RECORD at this point.

The bill follows:

S. 845

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 7323 of title 5, United States Code, is amended by inserting "(other than an ambassador or minister)" after Senate.

(b) Paragraph (3) of section 7324(d) of such title is amended by striking out "in its relations with foreign powers or".

By Mr. HEINZ:

S. 846. A bill to authorize the Secretary of Housing and Urban Development to guarantee the payment of principal and interest on second mortgage loans made to help defray first mortgage payments on homes owned by persons who are temporarily unemployed; to the Committee on Banking, Housing, and Urban Affairs.

UNEMPLOYED HOMEOWNERS' MORTGAGE ASSISTANCE ACT

● Mr. HEINZ. Mr. President, today I am introducing legislation to protect jobless Americans and their communities from the tragedy of foreclosure. Across the country tens of thousands of hard-working individuals idled by the recession, stand to lose their homes before they can find new work. This legislation authorizes $750,000,000 in Federal loan guarantees to help prevent such foreclosures.

Under normal circumstances lenders assist homeowners who cannot make mortgage payments because of temporary unemployment by allowing the homeowner to make partial payments of monthly mortgage installments. The homeowner still owes the lender the full monthly payment but part of the payment is deferred until a later time. This procedure is known as forebearance.

In many areas of the country normal forebearance procedures have been strained severely by the recession. Unemployment has contributed greatly to the rise in mortgage delinquencies to record levels. When payments from homeowners are slow coming in lenders have a hard time finding the cash to pay interest to depositors and other investors. This cash squeeze puts pressure on lenders to hold foreclosure sales simply to generate funds the bank must have to do business.

The legislation I am introducing provides the lenders with the support they need to continue normal, responsible forebearance procedures.

This process will spare thousands of families and their communities from the tragedy of foreclosure. It does so without providing a subsidy or an incentive to either lenders or borrowers to court foreclosure. Most importantly my mortgage assistance program does not carry a billion dollar price tag which would boost the deficit and aggravate interest rates.

I call on my colleagues to support this legislation. It is based on a principle that dates back to the first barnraisings. When hard times come we must stand ready to help those who are willing but temporarily unable to help themselves.

My proposal establishes a working partnership between jobless homeowners, lenders, and the Federal Government. Through the use of a tightly targeted Government loan guarantee, similar to the FHA and VA programs, lenders and therefore homeowners are given preferential access to the $80 billion pool of funds in the secondary mortgage markets. The cash squeeze of an institution can be relieved and the lender and homeowner can enter into a normal cooperative forebearance arrangement without suffering a financial penalty.

The program will save the homes of thousands of families around the country without increasing the Federal deficit and without creating a new bureaucracy. Instead of using Government funds the program uses private investment.

Under the program when a lender's normal forebearance procedures are unavailable, a homeowner will obtain the cash he needs to make full monthly payments on his current mortgage by adding a second lien on top of the existing first mortgage lien. In normal forebearance procedures the first mortgage is directly increased as unmade payments accrue.

In exchange for the second lien, an escrow account is opened for the homeowner. That money is then disbursed to make the monthly payments on the first mortgage. The amount of the second lien may cover up to 24 months of mortgage payments. No payment is made against the second lien during that period.

The Government guarantees the payment in full of this loan. The lender knows that loan has a specific cash value just like a corporate or municipal bond. The loan can then be sold, like a bond, to an investor. The lender becomes a conduit for funds from the investor to the homeowner and is relieved of the costs and risks of tying up his own funds.

By charging a minimal fee for the Government guarantee, a reserve would be established from which any defaults could be covered. Properly managed, this program would be financially self-sufficient.

I ask unanimous consent that the text of the bill be printed in full following this statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 846

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION. 1. This Act may be cited as the "Unemployed Homeowners' Mortgage Assistance Act".

AUTHORITY

SEC. 2. The Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary"), acting through the Government National Mortgage Association, is authorized to guarantee the payment of the principal and interest on second mortgage loans made under this Act in order to assist homeowners in avoiding foreclosure on their first mortgage loans.

ELIGIBILITY

SEC. 3. (a) To be eligible for a guarantee under this Act, a second mortgage shall have been executed by a mortgagor—

(1) who has incurred a substantial reduction in income as a result of involuntary unemployment or underemployment due to adverse economic conditions and is financially unable to make full mortgage payments;

(2) who is in default on a mortgage secured by a single family dwelling which is his principal residence; and

(3) who, prior to becoming unemployed, maintained good mortgage payment practices.

(b) A guarantee may be made under this Act only if the Secretary finds that—

(1) the holder of the mortgage has indicated to the mortgagor that it intends to foreclose, that all available forebearance remedies have been exhausted, and that foreclosure would result if assistance under this Act were not provided; and

(2) there is a reasonable prospect that the mortgagor will be able to make the adjustments necessary for a full resumption of mortgage payments.

MAXIMUM AMOUNT AND ESCROW PROCEDURES

SEC. 4. (a) The principal amount of a loan guaranteed under this Act may not exceed the sum of the total amount of payments due under the first mortgage for principal, interest, taxes, and insurance for any delinquent payments during the 3-month period prior to the date of the loan and for payments becoming due during a period of not to exceed 24 months after the date of the loan, plus a premium representing an amount equal to the amount of interest which will accrue on the unpaid principal balance of the loan during the period beginning on the date of the loan and ending when the mortgagor's repayment obligation commences. Notwithstanding the preceding sentence, the Secretary shall require the mortgagor to make partial payments on the first mortgage in amounts not to exceed 15 per centum of the monthly mortgage payment during the period covered by the guaranteed loan.

(b) A guarantee under this act may be made only pursuant to an agreement under which the lender will—

(1) assume the first 25 per centum of any loss on an insured mortgage; and

(2) deposit the loan proceeds in an escrow or trust account which shall be available for (A) payments to the first mortgagee on the first mortgage, and (B) payments of interest to the lender during the period prior to the commencement of the repayment period.

(c) The mortgagor's repayment obligation on any loan guaranteed under this act shall commence not later than the expiration of 24 months following execution of the second mortgage, and a loan shall be fully amortized not later than 12 years after repayment commences.

(d) No guarantee may be made under this act with respect to a loan which the Secretary determines bears an interest rate which is excessive.

(e) The Secretary may make such delegations and accept such certifications with respect to the processing of guarantees provided under this Act as he deems appropriate to facilitate the prompt and efficient implementation of the assistance authorized under this Act.

CERTIFICATION

SEC. 5. A guarantee under this Act shall be provided by the Secretary upon certification by a lender approved by the Secretary for the purpose of any mortgage or loan insurance program under the National Housing Act that—

(1) the second mortgage loan conforms to the requirements of this Act and is secured by a lien on the mortgagor's principal residence;

(2) the mortgagor has met the eligibility requirements of this Act; and

(3) the lender or its agent has provided appropriate credit counseling to the borrower.

GUARANTEE TERMS

SEC. 6. (a) The full faith and credit of the United States is pledged to the payment of all guarantees made under this Act. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee with respect to principal and interest, and the validity of any such guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligations.

(b) The Secretary may impose a fee of not to exceed 1 per centum for any guarantee under this Act.

LIMITATION

SEC. 7. The aggregate amount of guarantees outstanding under this Act may not exceed $750,000,000 at any time.

REGULATIONS

SEC. 8. The Secretary shall issue final regulations implementing this Act not less than 30 days after the date of enactment of this Act.●

By Mr. CRANSTON:

S. 848. A bill to provide for the orderly termination extension, or modification of certain contracts for the sale of Federal timber, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

CONTRACTS FOR SALE OF FEDERAL TIMBER

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to provide relief to purchasers of timber from Federal lands. Specifically the bill authorizes the Secretaries of Agriculture and Interior to modify any Federal timber sales contract bid prior to January 1, 1982. The modifications could include termination of a portion of the timber sales contracts and extension of the termination dates for up to 5 years.

Mr. President, in the 97th Congress I joined with Senator MARK HATFIELD in sponsoring legislation to provide for the termination, extension or modification of certain contracts for sale of Federal timber. Following Senate Energy and Natural Resources Committee hearings on the legislation, the committee amended the bill in a number of respects. One amendment provided for the transfer of unused purchaser road credits between national forests and timber purchasers. Such credit is now limited to the estimated value of the timber. Conservationists are concerned that this purchaser credit provision could result in road construction in undeveloped areas with marginal timber. Moreover, they point out that the provision is not designed to help timber industry overcome the current economic problem of inoperable timber contracts, but is a permanent change in law. I share their concerns about this provision.

I understand that the Senator from Oregon will soon be reintroducing this bill with the purchaser road credit provision. While I cannot support that bill, I feel that the issue of helping our Nation's distressed forest products industry should be faced up to and I want to have this legislation before the Congress. For this reason, I am today introducing my own bill which is essentially the same as the one approved by the Senate Energy Committee last year except for the road credit provision.

Mr. President, I ask unanimous consent that the text of the bill appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 848

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that in order to avert widespread bankruptcies, sustain the flow of income from Federal forest lands to the Federal Treasury and to units of local government, and assist in restoration of employment, it is in the national interest to provide for the modification of certain contracts for the purchase of timber from Federal lands.

SEC. 2. (a)(1) Subject to the provisions of section 4, the Secretary of Agriculture for National Forest lands and the Secretary of the Interior for public lands under their respective jurisdictions are authorized and directed to terminate, at the request of the purchaser, up to 40 per centum of the estimated timber volume specified in any purchaser's timber sales contracts bid prior to January 1, 1982, less any volume cut, removed and paid for.

(2) In lieu of the 40 per centum limitation in paragraph (1), the appropriate Secretary shall terminate at the request of the purchaser, contracts bid prior to January 1, 1982, having a cumulative volume of 15 million board feet, or terminate one contract bid prior to January 1, 1982, in its entirety.

(3) In addition to the contracts in paragraph (1), one contract per purchaser which was bid prior to January 1, 1982, but bid after the date of all other contracts to be terminated, shall be terminated by the appropriate secretary at the request of the purchaser. The estimated timber volume terminated under this paragraph shall not exceed 10 million board feet per contract.

(4) Contracts terminated by the appropriate Secretary pursuant to this Act shall require the purchaser to pay the Secretary holding the contract a sum equal to $3 per 1,000 board feet or equivalent measure for the costs which will be incurred by such Secretary in terminating such contracts and for reoffering the timber terminated for resale, not to exceed $20,000 per contract terminated.

(b)(1) The Secretary of Agriculture for National Forest lands and the Secretary of the Interior for public lands are further authorized and directed to adjust, at the written request of the purchaser, the termination dates of any contracts for the purchase of timber, not otherwise terminated in subsection (a), that were bid prior to January 1, 1982, without penalty or payment that might otherwise be required for such adjustments, for a period not exceeding five years from the termination date in effect on the date of enactment of this Act.

(2) Any contract with the termination date adjusted for a period of four or more years under paragraph (1) shall require—

(A) removal of 25 per centum of the estimated timber volume by the conclusion of the third operating season of the additional period provided by the adjusted termination date; or

(B) payment by the purchaser of 25 per centum of the contract price, including all payments to date under the contract, by the start of the fourth operating season the additional period provided by the adjusted termination date.

SEC. 3. A purchaser granted termination of a contract pursuant to this Act shall not, if otherwise eligible, be prevented on account of the termination from bidding on any resale of timber included in a terminated contract.

SEC. 4. (a) Contracts to be terminated pursuant to this Act under which no harvest has taken place shall be terminated in full.

(b) Contracts terminated by the appropriate Secretary pursuant to this Act under which harvest has begun, shall be terminated conditionally with the termination becoming final after the purchaser has completed all contractual obligations for the units on which harvest has begun. All remaining unharvested units must be terminated.

(c) The appropriate Secretary may not terminate a contract if he determines, in his discretion, that the remaining unharvested units or a logical unit as determined by the Secretary are not representative of all units that were to be harvested on the contract areas in terms of species and logging methods.

SEC. 5. Timber from terminated contracts shall be offered for resale in an orderly fashion as part of the normal timber sales program, and in a manner which does not disrupt regional markets or artificially depress domestic timber prices. Timber from terminated contracts shall be given preference for resale in the 1983 timber sales program. The Forest Service timber sales offerings for Forest Service Region 6 shall not exceed 4.1 billion board feet for fiscal year 1984.

SEC. 6. The Secretary of the Interior and the Secretary of Agriculture shall publish procedures for the implementation of the Act in the Federal Register within 30 days after the date of the enactment of this Act.

SEC. 7. The authority granted in sections 2, 3, and 4 pursuant to this Act shall expire one year after the date of enactment of this Act.

SEC. 8. (a) This section may be cited as the "Emergency National Forest Productivity Act of 1983."

(b) The Secretary of Agriculture shall establish a special program to remove dead, dying, diseased, downed, and insect of disease-threatened timber on national forest system lands. The purpose of this program shall be to make these lands more productive, through reforestation and other forms of enhancement, including road construction; to accomplish additional thinning and other forms of timber stand improvement; to reduce the hazards of wildfire; to reduce the damage from forest insects and disease;

to accomplish more extensive utilization of low grade materials; to provide employment in and around communities that are dependent on timber production; and to provide increased public availability to firewood and other forest products.

(c) The Secretary, in carrying out the purpose of this section, may enter into contracts or other types of agreements, or may conduct the work, within the Department of Agriculture, if contractors are not available.

(d) In designing and implementing the program authorized under this section, the Secretary—shall take steps to ensure that the program contributes to the productivity and environmental protection of the national forest system; including, minimum impact roads.

(e) There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section; *Provided further,* That the Secretary is authorized to carry out provisions of this section using regular National Forest System and construction accounts after approval by the Appropriation Committees through the established reprograming procedures.

By Mr. ANDREWS:

S.J. Res. 61. Joint resolution to designate the week of May 22, 1983, through May 28, 1983, as "National Digestive Diseases Awareness Week"; to the Committee on the Judiciary.

NATIONAL DIGESTIVE DISEASES AWARENESS WEEK

● Mr. ANDREWS. Mr. President, I am today introducing a joint resolution designating the week of May 22 through May 28, 1983, as "National Digestive Diseases Awareness Week." As I understand, the distinguished Member of Congress from Florida, CLAUDE PEPPER, is the primary sponsor in the House.

Diseases of the digestive system might seem unimportant to those of us who have been fortunate enough to escape them, but to one who suffers from a condition or disease affecting an organ of the digestive tract, the prospect ranges from mild discomfort to the severest threat to life itself. The digestive system is, indeed, the lifeline to survival.

It is not generally known that the category of digestive diseases accounts for an economic loss to the Nation of some $40 billion every year in lost wages, disability payments, health care costs, and lost tax revenues. It is not generally known that almost one-third of all cancers affect some part of the digestive system. It is not generally known that 20 million Americans suffer from chronic digestive disorders, and that about 14 million cases of acute digestive diseases are treated in this country every year.

By introducing this joint resolution, I urge my colleagues to join me in recognizing the disastrous effects of digestive diseases and implore the U.S. Senate to support this resolution to heighten awareness of the American public as to the devastating manner in which diseases of the digestive system affect many, many Americans.●

By Mr. MATHIAS (for himself, Mr. CRANSTON, Mr. DECONCINI, Mr. BAUCUS, Mr. BENTSEN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BURDICK, Mr. CHAFEE, Mr. CHILES, Mr. COHEN, Mr. D'AMATO, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. EAST, Mr. FORD, Mr. GLENN, Mr. GRASSLEY, Mrs. HAWKINS, Mr. HUDDLESTON, Mr. INOUYE, Mr. JOHNSTON, Mr. KENNEDY, Mr. LAUTENBERG, Mr. LAXALT, Mr. LEVIN, Mr. LONG, Mr. MATSUNAGA, Mr. MELCHER, Mr. PRYOR, Mr. RANDOLPH, Mr. SARBANES, Mr. STENNIS, Mr. TSONGAS, Mr. WILSON, and Mr. ZORINSKY):

S.J. Res. 62. Joint resolution to provide for the designation of the week beginning on May 15, 1983, as "National Parkinson's Disease Week"; to the Committee on the Judiciary.

NATIONAL PARKINSON'S DISEASE WEEK

Mr. MATHIAS. Mr. President, on behalf of myself and the Senator from California (Mr. CRANSTON), and other Senators, I send to the desk today a joint resolution to designate the week of May 5, 1983, "National Parkinson's Disease Week."

Parkinson's disease strikes 1 percent of all Americans over 60 and affects 1 person in 1,000 in the general population. Although the disorder was first identified in 1817, scientists have yet to discover a cure for or even the cause of Parkinson's disease. Researchers are looking at viral infection, exposure to environmental toxins, and abnormal acceleration of the aging process as possible explanations. We do know that Parkinson's is connected with a serious deficiency of dopamine, a chemical substance necessary for the transmission of nerve impulses. This deficiency must be addressed to give the patient any relief from the debilitating symptoms of Parkinson's disease: uncontrollable tremors, muscular rigidity, and difficulty in initiating movement.

Fifteen years ago, the new drug levodopa brought hope to many Parkinson's sufferers. A metabolic precursor of dopamine, it promotes dopamine production. Initially hailing it as a wonder drug, users found that after 3 or 4 years of levadopa treatment, the drug started to work less effectively and, for some, produced unwanted side effects, such as hallucinations and the so-called on-off syndrome—the complete cessation or involuntary initiation of movement.

Although levodopa compounds are still considered the most effective treatment for Parkinson's, the problems surrounding the drug have stimulated research into possible supplementary or substitute treatments. Doctors and scientists, with the help of the National Institute of Neurological and Communicative Disorders and Stroke, are experimenting with bromocriptine and lisuride, two drugs that mimic the action of dopamine. Researchers from the National Institute of Mental Health have transplanted healthy brain tissue into the dopamine-deficient brains of laboratory rats and monkeys. And, last July, surgeons in Sweden transplanted healthy dopamine-producing tissue from a patient's adrenal gland into his brain, the first and only time such surgery has been performed on humans.

It is clear that much more remains to be done if doctors are to find a cure, or even relief, for victims of Parkinson's disease. I am confident that the biomedical community will continue to work toward these goals. Senate Joint Resolution 62 recognizes the contributions made in research, treatment, and rehabilitation by the American Parkinson Disease Association, the National Parkinson Foundation, the Parkinson's Disease Foundation, and the United Parkinson Foundation.

Equally important are the contributions made by the more than 100 Parkinson's self-help groups in this Nation. The recent growth of this movement has given hope and encouragement to Parkinson's victims and their families who must live with this illness every day. The Parkinson Education Program/USA, and the Parkinson's Support Groups of America, an all-volunteer, nonprofit, independent organization, have organized Parkinson's support groups nationwide.

The work being done both by the research and the support groups is making life better for Parkinson's sufferers everywhere. National Parkinson's Disease Week will be a time to recognize the contributions these organizations have made, and to encourage their continued commitment.

I ask unanimous consent that the text of the joint resolution appear in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S.J. RES. 62

Whereas Parkinson's disease is one of the most devastating illnesses threatening the citizens of the United States;

Whereas Parkinson's disease afflicts one out of every one hundred persons over the age of sixty;

Whereas Parkinson's disease is one of the most severely crippling disorders of the nervous system;

Whereas the American Parkinson Disease Association, the National Parkinson Foundation, the Parkinson's Disease Foundation, and the United Parkinson Foundation are major contributors to research on Parkinson's disease and to treatment and rehabilitation programs for the victims of such disease;

Whereas the Parkinson Education program/USA and the all-volunteer Parkinson Support Groups of America are devoted to helping Parkinson patients and their families cope with their ailment; and

Whereas research on the causes of and the search for a cure for Parkinson's disease are continuing to be conducted and patient support groups continue to grow and bring new hope to those who bear the burden of this affliction: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of May 15, 1983, through May 21, 1983, is designated as "National Parkinson's Disease Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate activities and programs.

Mr. CRANSTON. Mr. President, today I join with my distinguished colleague, the senior Senator from Maryland (Mr. MATHIAS), in introducing Senate Joint Resolution 62, designating the week of May 15, 1983, as "National Parkinson's Disease Week." I am pleased to add my support to this effort to increase the public's awareness and understanding of Parkinson's disease and help in the fight to overcome this disease.

Mr. President, Parkinson's disease is a nervous system disorder that can be crippling. It is a progressively degenerative disease marked by impaired muscular control. Fortunately, we have learned a great deal about this disease since it was first described in the medical literature in 1817 by Dr. James Parkinson. Research into the causes of Parkinson's disease have helped unravel some of the brain's mysteries. We have found that several neurological and neuropsychiatric diseases result either from the loss of or a deficiency in one of the neurotransmitters—chemical substances essential for the functioning of brain cells. Approximately half a dozen major neurotransmitters in the brain have now been identified, isolated, and described in great detail, enabling drugs to be developed that can mimic their functions.

This research, supported largely by the National Institute of Neurological and Communicative Disorders and Stroke, led to the discovery that Parkinson's disease results from the degeneration of a specific group of nerve cells in the brain which leads to a deficiency in the brain's supply of the neurotransmitter dopamine. The deficiency or blockage of this neurotransmitter produces the symptoms of Parkinson's disease. A major breakthrough in the treatment of Parkinson's disease soon followed with the development of the drug Levodopa—L-dopa—to replace the brain's supply of dopamine in Parkinson's patients. L-dopa is the first effective drug for controlling the most debilitating symptoms of the disease—tremors, spasms, and paralysis of the muscles.

But L-dopa is not a cure, and it provides only temporary relief. After several years of treatment, the patient develops a tolerance to the drug and it no longer works as effectively.

Other developments also show promise. Scientists are testing many new drugs developed as a result of our expanded knowledge of the brain's biochemistry. Recently, the Food and Drug Administration approved the drug bromocryptine to be taken in conjunction with L-dopa as a way to extend its effective use. Also, recent experiments in Sweden have raised the possibility that someday brain tissue will be able to be transplanted from one person to another to reestablish the functions that become lost as the disease progresses. We must push forward to find better answers.

One in every one thousand Americans is afflicted with Parkinson's disease. It is primarily a disease associated with older people; 1 out of every 100 persons over the age of 60 suffers from this disease. As is the case with so many disorders associated with the process of aging, we have yet to understand the cause of Parkinson's disease or fully understand its mechanisms. Greater research efforts, particularly in the area of basic research, which often leads to the most effective methods of prevention, are needed to gain that understanding. With our capabilities and leadership in science, no serious disease or disability—including Parkinson's disease—should be considered beyond our ability to find the answers to its prevention or ultimate cure.

Mr. President, while research holds the greatest promise for Parkinson's patients, we can also offer them more immediate help by educating ourselves about the disease. Increased public awareness of Parkinson's disease can help eliminate the stigma that too often is attached to this disorder. Many people afflicted with this disease are more than capable of continuing to work and of maintaining productive activity for the full span of their lives. But because the symptoms of Parkinson's disease are so visible, people afflicted with this disease are often discriminated against in job opportunity and advancement or are insensitively treated by the public.

Mr. President, I have a deep personal interest in combating this affliction. My wife, Norma, has been diagnosed as having Parkinson's disease. It is a challenge for her, but her outlook is wonderful and she continues her activities the same as always. She serves on the board of the Parkinson's Disease Foundation which is headquartered in New York. This is one of four national organizations which, through endowments and donations provide funding for research, supporting training programs, provide referral and information services, and, in some cases, provide treatment to people with Parkinson's disease. Affiliated with these organizations are over 100 local groups which provide counseling to Parkinson's patients and their families and friends, helping them to cope with the emotional and physical stress of the disease. These organizations and groups provide a tremendously valuable service of public education and personal support.

By designating a week in May as "National Parkinson's Disease Week," and educating ourselves and others about this disease, perhaps we will have a better understanding of the need to fine a cure for it and be more supportive of those who are afflicted by it.

● Mr. LAUTENBERG. Mr. President, I am pleased to join with Senator MATHIAS and other of my colleagues in cosponsoring a joint resolution to provide for the designation of the week of May 15, 1983, as "National Parkinson's Disease Week."

Parkinson's disease is one the most common diseases of the nervous system among older people and one of the most crippling. An estimated 1 in 100 people over the age of 60 are afflicted with the disease. The symptoms include uncontrollable tremors, muscle rigidity, and difficulty in moving. As the disease progresses, the patient often experiences increasing difficulty in performing such everyday activities as walking, talking, writing and other actions involving a great deal of muscle coordination. Not surprisingly, Parkinson's disease patients frequently also suffer from depression.

Psychological support from family and friends is very important to Parkinson's disease patients, both for maintaining a positive frame of mind and for keeping the patient as active as possible. Valuable assistance and support comes from several national groups which are involved in research and treatment programs, and also from other groups which provide support to patients and their families. Research is going forward, but no cure has yet been found. There are drugs which help to relieve the symptoms, although their long term efficacy remains to be proven.

Those who suffer from Parkinson's disease face a daily struggle. I think it is very fitting for the Congress to recognize the needs and problems of people who live daily with this troubling disease and to designate a week in which appropriate activities and programs can be conducted. I hope that the Senate can act quickly to approve this resolution to designate "National Parkinson's Disease Week."●

By Mr. KENNEDY (for himself, Mr. MOYNIHAN, Mr. DODD, Mr. BIDEN, Mr. BRADLEY, Mr. BUMPERS, Mr. BYRD, Mr. COHEN, Mr. CRANSTON, Mr. DIXON, Mr. DOMENICI, Mr. EAGLETON, Mr. GLENN, Mr. HART, Mr. HEINZ, Mr. HOLLINGS, Mr. LAXALT, Mr. LEAHY, Mr. MELCHER, Mr.

METZENBAUM, Mr. MITCHELL, Mr. PELL, Mr. PROXMIRE, Mr. RIEGLE, Mr. SARBANES, Mr. SPECTER, Mr. TSONGAS, and Mr. WEICKER):

Senate Joint Resolution 63. Joint resolution to end the conflict in Northern Ireland and achieve the unity of the Irish people; to the Committee on Foreign Relations.

PEACE AND UNITY IN NORTHERN IRELAND

Mr. KENNEDY. Mr. President, on behalf of myself and a bipartisan group of 28 Senators—Senators MOYNIHAN, DODD, BIDEN, BRADLEY, BUMPERS, BYRD, COHEN, CRANSTON, DIXON, DOMENICI, EAGLETON, GLENN, HART, HEINZ, HOLLINGS, LAXALT, LEAHY, MELCHER, METZENBAUM, MITCHELL, PELL, PROXMIRE, RIEGLE, SARBANES, SPECTER, TSONGAS, and WEICKER—I send to the desk a "United Ireland" resolution, and I ask that it may be referred to the Senate Committee on Foreign Relations. A companion resolution is being introduced today in the House of Representatives by Congressmen FOLEY, MCDADE, SHANNON, and other sponsors.

We are deeply concerned by the tragic violence in Northern Ireland and by the continuing failure of the parties to achieve a peaceful settlement of the conflict. The resolution we are introducing today is grounded in our firm belief that violence is not the road to peace; the only realistic prospect for lasting peace is through a political settlement that achieves the goal of a united Ireland and that has the consent of all the parties. To this end, our resolution is based on two fundamental principles:

First, it unequivocally condemns the violence on all sides in Northern Ireland, and it urges American citizens to refrain from any action that contributes in any way to the violence. The path of the bomb and the bullet leads only to the death of Irish men and women and children, and to the grave of Irish dreams.

Our views on this fundamental issue of peace and nonviolence for Northern Ireland, are widely shared by Americans of every faith and philosophy. Today, at the Irish Embassy, President Reagan used the occasion of his visit to make an eloquent appeal against such violence. As he stated:

> Some few but vocal Americans believe that differences between Irishmen can only be solved by violence and intimidation. They are no friends of Ireland. They disgrace the principles for which both Ireland and America stand.

Second, it urges the parties to seek a peaceful settlement through a process of consent and reconciliation that achieves the goal of Irish unity and ends the three basic divisions at the heart of the present conflict—between Protestant and Catholic in Northern Ireland, between north and south in Ireland, and between Britain and Ireland.

The present troubles in Northern Ireland are rooted in the centuries of ancient conflict between Ireland and Britain. The lesson of the past decade of relentless violence and unremitting destruction is that timid statesmanship cannot yield a peaceful settlement; no progress toward such a settlement is likely unless and until both sides approach the task in a spirit of accommodation and reconciliation. Just as the 500,000 Catholics in Northern Ireland cannot be endlessly dominated and downtrodden by the Unionist majority with the acquiescence of the British Government, so the 1 million Protestants in Northern Ireland can never be bombed into a united Ireland.

That is why one of the most hopeful developments in recent years may turn out to be the decision last week by the Irish Government to establish a forum for consultations on the manner in which lasting peace and stability in a new Ireland can be achieved. All of the nationalist parties in Ireland—the three major parties in the Republic and the Social Democratic and Labour Party in Northern Ireland—have agreed to participate in these consultations, which offer new hope for demonstrating to the Unionist community in Northern Ireland that their interests truly lie in a united Ireland and that their rights and traditions can be fully protected in that new Ireland.

As President Reagan wrote to Prime Minister FitzGerald of Ireland on December 1, 1981:

> We believe a lasting solution can be found only in a process of reconciliation between the two Irish political traditions and between Britain and Ireland. The United States welcomes the efforts of the Irish and British Governments in widening the framework of their cooperation to this end.

That goal is the essence of the resolution we are offering today. By reason of the longstanding historical relationship of the United States with Britain and Ireland, and our close continuing ties with both nations, we believe that America has a constructive role to play in encouraging this Anglo-Irish cooperation, in facilitating a peaceful settlement of the conflict in Northern Ireland, and in reconciling the two great traditions of the Irish people.

Finally, it is appropriate that so many Members of the Senate and the House of Representatives are acting to introduce this resolution on St. Patrick's Day. For this is the special occasion each year when Americans celebrate their Irish heritage and the far-reaching contributions of Ireland and her people to the history, political life, and culture of the United States. Perhaps, through efforts like this in Congress and with the support of the administration, we can in some measure repay our Nation's debt to Ireland, by helping at this difficult time to bring peace and unity to that troubled and divided land.

Yesterday, at the National Press Club, Mr. Peter Barry, the Minister of Foreign Affairs of the Irish Government, delivered an eloquent address on the nature of the conflict in Northern Ireland and on the current possibilities for peace. It is a hopeful and a thoughtful message and I hope that it will be widely read by all Members of Congress and by all Americans who care about peace in Ireland.

I ask unanimous consent that the text of our resolution, the remarks of President Reagan, and the text of Mr. Barry's address may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 63

Whereas the continuing violence in Northern Ireland has taken the lives of more than two thousand men, women, and children in the past decade;

Whereas lasting peace in Northern Ireland cannot be achieved through violence, but only through a political settlement with the consent of all the parties;

Whereas the most appropriate avenue to lasting peace is through a political settlement that promotes reconciliation and achieves the goal of Irish unity.

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That—

(1) Congress condemns the violence on all sides in Northern Ireland;

(2) Congress urges all citizens of the United States to avoid any action by word or deed that encourages or contributes to the violence in Northern Ireland;

(3) Congress urges the parties concerned to seek an early political settlement of the conflict in Northern Ireland, with the consent of all those involved, that promotes reconciliation between the two traditions in Ireland and between Britain and Ireland, that secures full respect for the rights of the two sides of the community in Northern Ireland, and that ends the divisions of the Irish people and achieves the goal of Irish unity;

(4) Congress believes a lasting solution can be found only in a process of reconciliation between the two Irish political traditions and between Britain and Ireland, and welcomes all efforts of the Irish and British Governments in widening the framework of their cooperation to this end; and

(5) Congress requests the President of the United States to make known to the Government of Britain and the Government of Ireland the desire of the American people for early progress toward lasting peace in Northern Ireland in accord with the terms of this resolution.

REMARKS OF PRESIDENT RONALD REAGAN AT A RECEPTION AT THE EMBASSY OF THE REPUBLIC OF IRELAND, MARCH 17, 1983

Thank you very much. Foreign Minister Barry and Ambassador O'Sullivan, Excellencies. On this day that is so special to all Americans, but especially to the 30 million of us that take pride in our Irish heritage, I want to thank you for the hospitality that

you've again offered me here at the Irish Embassy. Like the seeds of the shamrock, Ireland has scattered its sons and daughters to the four winds, and everywhere they've taken root they've made a unique contribution to their adopted country. Here in America the men and women whose patron saint we honor today have made an immeasurable contribution to the development of this Nation. Even the White House has not been exempt from Ireland's spell. Many of our Presidents traced their roots to Ireland, and I'm proud to trace mine to Ballyporeen in County Tipperary.

Our links to Ireland are many and varied. We are grateful for the closeness of our historic heritage, just as we respect the proud independence of today's Ireland whose troops have worn the blue helmet of the United Nations in so many lands, including service today with the UNIFIL forces in Lebanon.

I've previously spoken about our concerns over the violence in Ireland and do not need to either elaborate, nor in any way detract from what I and my predecessors in this office have already said, other than to emphasize again my support for a just and peaceful solution to the problems of Ireland and my strong condemnation of all acts of terrorism and violence. (Applause.) As I've said before, we believe that a lasting solution to the problems of Ireland can be found only in a process of reconciliation. And I again take this occasion on St. Patrick's Day to join with my fellow Americans who work and pray for an end to terrorism and violence.

The Bishop of Down and Connor, Bishop Daly, speaking at the funeral mass of Judge William Doyle, who was gunned down by the Provisional I.R.A. on a Sunday morning as he left church in Belfast, told the assembled congregation, representing both Irish communities, ". . . We commit ourselves once more to work for peace and reconciliation. Our belief in peace is unshaken. Our hope for peace is irrepressible."

I'm told that in Armagh, the ecclesiastical capital of Ireland since the days of St. Patrick, that there are two great cathedrals on the hills of that town, each dedicated to St. Patrick. I understand that late last year the archbishop of the Protestant Church of Ireland and the Primate of the Roman Catholic Church in Ireland, the incumbents of those cathedrals, came together in a spirit of brotherhood and reconciliation to jointly sponsor a town celebration dedicated to peace and harmony. It is that message that I wish my fellow Americans to hear on this St. Patrick's Day. I encourage Americans of all faiths to walk together in such a spirit of reconciliation, rejecting violence in any form.

Some few but vocal Americans believe that differences between Irishmen can only be solved by violence and intimidation. They are no friends of Ireland. They disgrace the principles for which both Ireland and America stand. I would urge my fellow Americans not to listen to such people. I know that Foreign Minister Barry joins me in calling upon people everywhere to turn away from the moral bankruptcy of the men of violence and to help or heed, instead, the call for peace and reconciliation that is the true message which St. Patrick himself first brought to Ireland. (Applause.)

Foreign Minister Barry: My friends, can I ask you to join with me in a toast to the President of the United States of America.

Ambassador O'Sullivan: To the President of the United States. (Exchange of Toasts.)

The President: And, Mr. Foreign Minister, Mr. Ambassador, those of Irish heritage and those not so fortunate (laughter) would you join me in a toast to the President and the people of Ireland. (Exchange of Toasts.)

ADDRESS BY MR. PETER BARRY, T.D., MINISTER FOR FOREIGN AFFAIRS, REPUBLIC OF IRELAND, NATIONAL PRESS CLUB, MARCH 16, 1983

Early in the last century an Irish exile in the United States wrote to a friend in Ireland in the following terms:

"America is not what you saw it, nor what even your sanguine mind could anticipate; it has shot up in strength and prosperity beyond the most visionary calculation. It has great destinies, and I have no doubt, will ameliorate the condition of man throughout the world".

The writer of these lines was Thomas Addis Emmet, brother of the Irish patriot Robert Emmet. His words, written when the United States were just two generation old, are strikingly perceptive. They are also typical of the faith and commitment which countless Irish people before and after him brought to this, their country of adoption. Their energy, courage and skills contributed much to translating into reality Emmet's prophetic vision of the future greatness of the United States. Today their descendants are to be found in the highest offices of the land and in every field of endeavour. Their presence here constitutes a special bond between Ireland and the United States and gives a special dimension to the relationship between the two countries. From the very beginning, that relationship is one which has enriched both countries. As one historian has written: "An Irishman was among the five who died in the Boston Massacre, and eight signers of the Declaration of Independence, the secretary of Congress who certified it, the officer who first read it to a public gathering, and even the printer who turned out the first copies were all Irish-born or the descendants of Irish immigrants."

If the Irish contributed significantly to the establishment of this nation, the achievements and the concern of the Irish in the United States were a source of strength and encouragement to people in Ireland in times of difficulty and despondency. The energies and the capacity for hard work of the Irish people helped to lay the first foundations of the prosperity of the United States. Today the performance of American corporations who generate employment and exports in Ireland are a valued element in our industrial development. Our overall record of economic development since independence has been a very positive one. The average Irish family is now three times better off than when the State was founded. Yet, as a small open economy, Ireland has felt in full measure the chill of the current world recession. The Irish Government have taken the necessary steps to ensure the future health of our economy. We are determined to protect the basis of our economic growth. Our current difficulties can and will be overcome. They are nevertheless real and painful. They add to the importance for us of our economic partnership with the United States. That partnership is again one of mutual benefit. The 350 U.S. corporations manufacturing in Ireland enjoy the benefits of a generous system of incentives, access to the European market, a consistent industrial policy and an educated and highly motivated work force. In spite of the climate of recession the average rate of return on investment in Ireland by U.S. corporations is 31%. For us in Ireland that partnership provides employment opportunities which are particularly important because of our young and growing population. They are particularly appreciated in a country where the painful memory of widespread emigration is all too recent.

My presence here in the United States on this St. Patrick's Day is to celebrate the bonds of friendship between Ireland and the United States—countries so different in history and scale, yet so akin in many of the fundamental values which their peoples hold dear. It is also to share with you our concern on a problem which touches all of us deeply, as it must touch all who have the welfare of Ireland at heart. The continuing and unresolved tragedy of Northern Ireland casts a shadow over our celebration of the joyful feast of the patron saint of Ireland. Our many friends in the United States share our anguish at what is happening. They ask us: how has this tragedy come about? Can it be resolved? Are there ways in which we can help? Here on a day when interest is focussed on Ireland and in the capital city of a people whose sympathy and interest in Ireland has been a cherished part of our relationship, I would like to try to answer those questions.

The Northern Ireland problem is a product of the long and complex history of the relationship between Britain and Ireland. Its most recent manifestation arises from the attempt made by Great Britain some sixty years ago to resolve the problem of division of Irish opinion on the basis of a division of Irish territory. It aimed to protect the unionist minority in Ireland by creating the new entity of Northern Ireland in which the unionist community was ensured a local majority. However, that measure went beyond the protection of a minority. To the extent that it did so it sowed the seeds of instability. It created a new minority—the nationalist population which found itself dominated by the permanent unionist majority of Northern Ireland. Each of the two communities in Northern Ireland is determined to avoid permanent minority status—whether as a nationalist minority in Northern Ireland or a unionist minority in Ireland as a whole. It is that which gives the conflict its particular bitterness.

Nationalist opinion in Ireland opposed the partition of Ireland. It believes that the elimination of division between the two parts of Ireland is an important goal. But there are two sharply different perceptions of how this can be attained. There are two fundamentally divergent approaches to the problem of ending the division between the two Irish traditions which partition cast in territorial form.

In recent years in Ireland we have seen the effect of a destructive approach which has systematically attacked the links which tie North and South together. It has done so on the level of physical infrastructure. It has done so in relation to the personal and commercial relations which draw people of the two parts of Ireland together. That is the approach of the IRA. There is the constructive approach which seeks to hold on to the bonds between North and South which already exist in many fields of endeavour. That is the policy of the Irish Government.

There is a form of nationalism that has been frozen or warped by the burden of past history. It is so vengeful and narrow as to be rejected by the great majority of nationalist people living in Ireland, not to speak of the

unionist community. That is the outlook of the IRA. There is a spirit of Irish nationalism which is generous and forward-looking. It seeks to accommodate the basic concerns of all the people living on the island of Ireland in a spirit of reconciliation and harmony. That is the philosophy of the Irish Government and the majority of the Irish people.

There is an approach which invokes the rhetoric of Irish unity to justify a campaign of violence in Northern Ireland which is tribal and sectarian in practice. A recent survey showed that in Northern Ireland one Protestant in four now has personal experience of the killing or serious injury of a relative or personal friend. The victims are most often gunned down while about their daily business—a police officer murdered in sight of the children he was helping across the road, a postman shot delivering a letter which had been mailed to lure him to an isolated farmhouse, a bible teacher killed in front of his class, a school bus driver murdered in the presence of his passengers. There are recent additions to a long litany of victims. Each and every such atrocity gives fresh intensity to the fears and hatreds which—on anyone's definition—must be dismantled if Irish unity is to become a reality. Yet the Provisional IRA and their allies, who according to a recent count have been responsible for more deaths than all other agencies involved in Northern Ireland combined, persist in the campaign of violence which inflicts these fresh wounds which will take so long to heal.

The Irish Government take seriously the implications of our aspiration to unite the Irish people. Our position says in effect to the unionist community: "We see you as future partners in a new Ireland. Even if you do not yet, in Wolfe Tone's phrase, invoke 'the common name of Irishman' and we will spare no effort to protect your basic human right to life and for freedom from violence".

The last twelve years have demonstrated beyond all doubt the tragic futility of violence. In the name of all that is good and honourable in the Irish tradition, I appeal to those engaged in or supporting violence to think again about what they are doing. At successive elections, in both parts of Ireland, over the last ten years the Irish people have rejected those associated with violence. They have given a clear mandate to those of us who believe that political change in Ireland can be brought about only through the peaceful, constitutional process.

My message to the IRA and to those in this country who support it by sending guns, money or organising propaganda support is very simple. We have attainable objectives. You don't. We have the support of the Irish people. You don't. The Irish people want you out of the way. The Pope has pleaded with you to cease. Political leaders in this country who wish Ireland well—including President Reagan and Speaker O'Neill—have pleaded with you to cease. All the Churches in Ireland, have individually and jointly urged you to cease. A joint report of the Roman Catholic Church and all the main Protestant Churches in Ireland said it starkly and simply: "In spite of the complicated historical and social issues involved and without prejudice to any political aim, we find unanimously that there is no justification in the present situation in Ireland for the existence of any para-military organizations."

The approach of the Irish Government aims at uniting Irish people rather than dividing them. It is based on the realities of the political situation rather than on the wishful thinking which denies these realities. It is concerned with the position of the minority in Northern Ireland. It strives also to take account of the concerns of the unionist community in Northern Ireland rather than relying on dehumanising stereotypes of them. It advocates a constitutional and political approach to the problem of Northern Ireland and seeks patiently to establish the conditions for a coming together of all the people of Ireland. This clearly involves agreement between the two communities in Northern Ireland, between North and South and between Ireland and Britain. We have said that the campaign of violence is a serious obstacle to progress on all of these fronts. But we are concerned also to provide positive leadership, as an Irish Government must. We wish to point out the direction in which we believe progress can be attained.

Since taking office some three months ago, the Irish Government and I personally have devoted the most serious consideration to the challenge posed for all of us in Ireland by the continuing problems of Northern Ireland. Let me tell you precisely what we want to achieve and how we aim to achieve it.

Our objectives are the ending of violence, the reconciliation of the two Irish political traditions, the establishment of normal relations between the peoples of Britain and Ireland and the attainment of lasting peace and stability on the island of Ireland.

Towards this end, the Irish Government propose to arrange, in agreement with the political parties concerned, for the establishment of a forum for consultations on the manner in which lasting peace and stability in a new Ireland through the democratic process can be achieved.

Participation will be open to all democratic parties which reject violence, and which have members elected or appointed to the Oireachtas (Irish Parliament) or the Northern Ireland Assembly. The views of other people of all traditions who agree with the purpose of these consultations and who reject violence will also be sought by the forum.

It would be the intention that the forum will report before the end of the year on possible new structures and processes through which its objective might be achieved.

The Taoiseach (Prime Minister) will arrange a meeting of the leaders of all the parties who wish to participate at an early date to discuss the arrangements involved.

We believe that the forum we have created will make a significant contribution to progress. It will help to define the conditions necessary for the process of reconciliation and clarify the different models which might best serve this purpose. It will provide a focus for what is most constructive in the traditions of Irish nationalism. It will enable us to pool ideas towards solving problems. It will highlight the resources of goodwill and peaceful purpose of those who relect the commitment of the consistent majority of Irish people to democratic and constitutional methods.

As a second avenue of approach, the Irish Government is setting out to persuade the people and Government of Britain that the British role should not be merely to reflect the real or imagined fears of one million unionists in the island of Ireland. This produces nothing but immobility and policies of mere containment which ultimately will serve the interests of the unionist community as little as they will serve the interest of Angle-Irish relations. We believe that both interests will be better served by a policy of cooperation with us in which Britain too plays a role in dismantling past fears and suspicions. We believe that Britain too must join actively and imaginatively in the search for an accommodation between the two traditions in Ireland and between Ireland and Britain. Such a development would constitute a far more reassuring guarantee of the welfare of the unionist community than anything which can be devised in a climate of dissension or uncertainty.

The task facing us in Ireland is to dismantle those fears by which the two communities in Northern Ireland are held hostage. We do not underestimate the difficulties in our path. We will be opposed in our task by extremist paramilitary groups on both sides who rely on fear in its most distilled form—the effect of indiscriminate terrorism. We are being, and will be, opposed also by those who rely on possibly less drastic but no less pervasive forms of fear. There are politicians on the unionist side who seek to derive a personal ascendancy from feeding the sense of threat to their community. Already they have hastened to interpret our proposal in terms of threat rather than in terms of opportunity. If there is any threat in our proposal it is only to those merchants of fear who stand to lose from the process of reconciliation and accommodation in Ireland—whether it be extremists on the unionist side who continue to deny the realities of the aspirations of the nationalist community in Northern Ireland—or the extremists on the other side who dismiss the unionist populations as so many incidentals to be disposed of.

Because of the difficulty of the task we are undertaking we consider the support of our friends in other countries will be of particular importance to us. This brings me to the third question which I raised at the outset. Are there ways in which Americans can help? What would we wish Americans to do?

In the first place let me make clear that American concern and sympathy is something which we greatly value. We believe it has enormous potential to contribute to a solution. For that potential to be realised we would ask our friends in America to distinguish, as we in Ireland do, between the two distinct and mutually exclusive approaches to the Northern Ireland problem which I spoke about earlier. It is of great importance for the future welfare of all Ireland that the influence of the American people should be on the side of that spirit of nationalism which sees as its mission the creation of a new spirit of reconciliation and accommodation in Ireland. It is important that you join with us in opposing those who seek the preservation and exploitation of ancient hatreds. We ask you to align yourselves with those who seek to build a new Ireland generous enough to accommodate all of its people and diverse traditions. We ask you to reject with us those who maintain that the legacy of death and hatred which they add to almost daily will in some unexplained way generate into a spirit of trust and harmony or provide a basis for future agreement.

We welcome and share your rightful concern for the human and political rights of the minority in Northern Ireland. But we would ask you not to be swayed by those who say that concern for the rights of the nationalist people in Northern Ireland is

measured by or must imply a readiness to countenance violence against Irish people of another tradition.

We welcome support for our aspiration to unite the Irish people. But we also ask you to listen to the consistent majority of people actually living in Ireland and to their elected representatives who say that violence is morally wrong and a serious obstacle in our progress towards unity. There are not two paths to Irish unity—a peaceful path and a violent one. There is only the peaceful one. There are not two platforms which can unite Irish people at home and abroad in their endeavours to promote progress. The peaceful platform alone can achieve that.

Here in the United States on this St. Patrick's Day two very different signals are being sent home to the land we commemorate. In New York those who have inherited the trust of organizing the St. Patrick's Day Parade have chosen, wittingly or unwittingly, to allow what should be a joyous commemoration of all our Irish traditions to be presented as a gesture of support for the narrowest and most bitterly divisive element in Ireland today—the IRA campaign of violence. This development signals despair. We who actually live in Ireland know that violence offers no foundation on which to build. Here in the Capital of this great nation I perceive a different signal. It is a signal of hope. In the course of my visit here I shall be discussing the situation in Ireland and our latest proposal with the President of the United States, with Speaker O'Neill, with the Secretary of State and with Senators and Congressmen who are members of the friends of Ireland. I shall be conveying to President Reagan the appreciation of the Irish Government and people for his support for the process of reconciliation between the two Irish political traditions and between Britain and Ireland. The President shares with us his opposition to those elements in this country which threatens this process.

In setting up a Forum for consultation on the path to peace and stability in Ireland, we believe we have taken a significant first step. We hope it will prove a rallying point for the forces of moderation and constructive nationalism in Ireland. We hope that it can be the beginning of a process which will provide the basis of a new and fruitful cooperation between Britain and Ireland in addressing this, the last outstanding problem of their relationship. We hope too that the process we have launched will attract the support of all those in the United States who have the true welfare of Ireland at heart.

Mr. PELL. Mr. President, each year the arrival of St. Patrick's Day offers occasion for millions of Americans to celebrate the valued contribution of Ireland to the history and heritage of the United States. Our annual remembrance of Ireland's National Patron also invites reflection on the passion-ridden human conflict that plagues that beautiful isle. Indeed, for Americans concerned to see an end to violence in Northern Ireland, it becomes necessary to take a stand. Do we support those who argue that a solution can be attained by further acts of terror? Or do we side with those who seek peace through determined negotiation and compromise?

The Friends of Ireland, of which I am proud to be a charter member, is a bipartisan group of Americans who have made their choice. We condemn the violence on all sides in Northern Ireland. And we urge our fellow citizens to avoid any act that provides aid, or even moral support, to those engaged in terrorism. Our goal is a political settlement that resolves the three divisions at the heart of the present conflict—between Protestant and Catholic in Northern Ireland, between North and South in Ireland, and between Britain and Ireland. We encourage all parties concerned to seek through negotiations a reconciliation that secures full respect for the rights of both communities in Northern Ireland and, eventually, full unity for the Irish people.

Mr. Presdient, too many Irishmen have suffered and died for us to heed the call of those who have no other vision than the letting of still more Irish blood. True friends of Ireland wish to see the Irish spirit ennobled in a future of peace achieved by peaceful means. I ask my colleagues to support the joint resolution pointed toward that long-sought goal.

ADDITIONAL COSPONSORS

S. 148

At the request of Mr. SASSER, the name of the Senator from Alabama (Mr. HEFLIN) was added as a cosponsor of S. 148, a bill to amend the Internal Revenue Code of 1954 to allow a credit against tax for contributions and payments to sheltered workshops.

S. 212

At the request of Mr. PRESSLER, the names of the Senator from Indiana (Mr. LUGAR) and the Senator from Pennsylvania (Mr. HEINZ) were added as cosponsors of S. 212, a bill to authorize funds for the U.S. Travel and Tourism Administration.

S. 213

At the request of Mr. LUGAR, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 213, a bill to amend title II of the Social Security Act to provide generally that benefits thereunder may be paid to aliens only after they have been lawfully admitted to the United States for permanent residence, and to improve further restrictions on the right of any alien in a foreign country to receive such benefits.

S. 432

At the request of Mr. RANDOLPH, the names of the Senator from Kentucky (Mr. FORD) and the Senator from Texas (Mr. BENTSEN) were added as cosponsors of S. 432, a bill to amend the Clean Water Act to extend the 1984 compliance date for certain recently established requirements.

S. 450

At the request of Mr. STEVENS, the name of the Senator from Illinois (Mr. PERCY) was added as a cosponsor of S. 450, a bill to amend title 39, United States Code, to strengthen the investigatory and enforcement powers of the Postal Service by authorizing certain inspection authority and by providing for civil penalties for violations of orders under section 3005 of such title (pertaining to schemes for obtaining money by false representation or lotteries), and for other purposes.

S. 480

At the request of Mr. PRESSLER, the names of the Senator from Indiana (Mr. LUGAR), the Senator from Hawaii (Mr. INOUYE), and the Senator from Connecticut (Mr. WEICKER) were added as cosponsors of S. 480, a bill relating to the transfer of civil land remote sensing space satellite systems and meteorological satellite systems to the private sector.

S. 544

At the request of Mrs. HAWKINS, her name was added as a cosponsor of S. 544, a bill to promote economic revitalization and facilitate expansion of economic opportunities in the Caribbean Basin region.

S. 553

At the request of Mr. HART, the name of the Senator from Alabama (Mr. HEFLIN) was added as a cosponsor of S. 553, a bill to authorize a national program of improving the quality of education.

S. 563

At the request of Mr. CHILES, the name of the Senator from Alabama (Mr. HEFLIN) was added as a cosponsor of S. 563, a bill to reform the laws relating to former Presidents.

S. 655

At the request of Mr. PELL, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 655, a bill to authorize appropriations to carry out the national sea grant program for fiscal years 1984, 1985, and 1986, and for other purposes.

S. 813

At the request of Mr. MOYNIHAN, the name of the Senator from Florida (Mrs. HAWKINS) was added as a cosponsor of S. 813, a bill to prohibit all U.S. economic and military assistance and exports (except food and medicine) to, and all imports from, any country whose government has failed to take adequate measures to prevent opium and its illicit derivatives from being produced or refined for export to the United States.

SENATE JOINT RESOLUTION 31

At the request of Mr. THURMOND, the names of the Senator from Georgia (Mr. MATTINGLY), the Senator from Maine (Mr. COHEN), the Senator from Alabama (Mr. HEFLIN), the Senator from South Carolina (Mr. HOLLINGS),

and the Senator from Indiana (Mr. QUAYLE) were added as cosponsors of Senate Joint Resolution 31, a joint resolution to authorize and request the President to designate April 23, 1983, as "Army Reserve Day."

SENATE JOINT RESOLUTION 38

At the request of Mr. HEINZ, the names of the Senator from Arizona (Mr. GOLDWATER) and the Senator from Alabama (Mr. HEFLIN) were added as cosponsors of Senate Joint Resolution 38, a joint resolution to declare March 18, 1983 as "National Energy Education Day."

SENATE JOINT RESOLUTION 44

At the request of Mr. THURMOND, the name of the Senator from Alabama (Mr. HEFLIN) was added as a cosponsor of Senate Joint Resolution 44, a joint resolution to authorize the President to issue a proclamation designating the week beginning on March 11, 1984, as "National Surveyors Week."

SENATE JOINT RESOLUTION 57

At the request of Mr. CHILES, the name of the Senator from Arkansas (Mr. BUMPERS) was added as a cosponsor of Senate Joint Resolution 57, a joint resolution to designate the week of April 3, 1983, through April 9, 1983, as "National Drug Abuse Education Week."

SENATE CONCURRENT RESOLUTION 17

At the request of Mr. D'AMATO, the names of the Senator from Hawaii (Mr. INOUYE), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Florida (Mrs. HAWKINS) were added as cosponsors of Senate Concurrent Resolution 17, a concurrent resolution to recognize Irish Peace, Freedom, and Unity Day.

SENATE RESOLUTION 57

At the request of Mr. COHEN, the names of the Senator from North Dakota (Mr. ANDREWS), the Senator from Colorado (Mr. ARMSTRONG), the Senator from Texas (Mr. BENTSEN), the Senator from New Jersey (Mr. BRADLEY), the Senator from New York (Mr. D'AMATO), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Alaska (Mr. MURKOWSKI), the Senator from South Dakota (Mr. PRESSLER), the Senator from Virginia (Mr. TRIBLE), and the Senator from Arizona (Mr. DECONCINI) were added as cosponsors of Senate Resolution 57, a resolution expressing the sense of the Senate that the Government of the United States and the Government of the Union of Soviet Socialist Republics should adhere to the principle of a mutual guaranteed build-down of nuclear forces.

SENATE RESOLUTION 72

At the request of Mr. HEINZ, the name of the Senator from Iowa (Mr. JEPSEN) was added as a cosponsor of Senate Resolution 72, a resolution to assure Israel's security, to oppose advance arms sales to Jordan, and to further peace in the Middle East.

SENATE RESOLUTION 90

At the request of Mr. LEVIN, the names of the Senator from California (Mr. CRANSTON), the Senator from Colorado (Mr. HART), and the Senator from Tennessee (Mr. SASSER) were added as cosponsors of Senate Resolution 90, a resolution expressing the sense of the Senate that the Soviet Government should immediately release Anatoly Shcharansky and allow him to emigrate.

AMENDMENT NO. 512

At the request of Mr. LONG, the names of the Senator from Rhode Island (Mr. PELL), the Senator from Ohio (Mr. GLENN), the Senator from South Dakota (Mr. PRESSLER), the Senator from Delaware (Mr. BIDEN), the Senator from Virginia (Mr. WARNER), the Senator from Connecticut (Mr. DODD), and the Senator from Kentucky (Mr. FORD) were added as cosponsors of amendment No. 512 intended to be proposed to S. 1, a bill to implement the consensus recommendations of the National Commission on Social Security Reform.

AMENDMENT NO. 520

At the request of Mr. BRADLEY, the name of the Senator from Maine (Mr. MITCHELL) was added as a cosponsor of amendment No. 520 proposed to H.R. 1900, a bill to assure the solvency of the social security trust funds, to reform the medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes.

UP AMENDMENT NO. 48

At the request of Mr. HATFIELD, the name of the Senator from Florida (Mrs. HAWKINS) was added as a cosponsor of UP amendment No. 48 proposed to H.R. 1718, a bill making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes.

AMENDMENTS SUBMITTED FOR PRINTING

RECIPROCAL TRADE AND INVESTMENT ACT

AMENDMENT NO. 522

(Ordered to be printed and to lie on the table.)

Mr. KASTEN (for himself, Mr. HELMS, Mr. BOREN, Mr. HEFLIN, Mr. MATTINGLY, Mr. RANDOLPH, Mr. EAST, Mr. GLENN, Mr. FORD, Mr. NUNN, Mr. DENTON, Mr. NICKLES, Mr. BAUCUS, Mr. HOLLINGS, Mr. MURKOWSKI, Mr. HUMPHREY, Mr. DECONCINI, Mr. EXON, Mr. MELCHER, Mr. D'AMATO, Mr. PRYOR, and Mr. GOLDWATER) proposed an amendment to the bill (S. 144) to insure the continued expansion of reciprocal market opportunities in trade, trade in services, and investment for the United States, and for other purposes.

SOCIAL SECURITY ACT AMENDMENTS

AMENDMENT NO. 523

(Ordered to be printed and to lie on the table.)

Mrs. HAWKINS submitted an amendment intended to be proposed by her to the amendment No. 516 proposed by Mr. DOLE to the bill (H.R. 1900) to assure the solvency of the social security trust funds, to reform the medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes.

AMENDMENT NO. 524

(Ordered to be printed and to lie on the table.)

Mr. DECONCINI submitted an amendment intended to be proposed by him to the bill H.R. 1900, supra.

AMENDMENT NO. 525

(Ordered to be printed.)

Mr. SYMMS proposed an amendment to the bill H.R. 1900, supra.

SECURITY AND DEVELOPMENT ASSISTANCE

AMENDMENT NO. 526

(Ordered to be printed and referred to the Committee on Foreign Relations.)

Mrs. KASSEBAUM submitted an amendment intended to be proposed by her to the bill (S. 637) to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize security and development assistance programs for fiscal years 1984 and 1985, and for other purposes.

Mrs. KASSEBAUM. Madam President, the President has called on Congress to join in the development of a common course for American policy in Central America and to provide the administration with a consensus for action in El Salvador. I am today introducing an amendment to the Foreign Assistance Act, for consideration by the Foreign Relations Committee, which I believe offers a framework for such a consensus.

The amendment would accomplish three important goals which I believe most of us in Congress share: First, it would provide sufficient additional military aid to the Government of El Salvador to prevent a military takeover by the insurgents in that country. Second, it would clearly state in statutory language that the United States will encourage—and provide incentives for—an open dialog between both sides and a political resolution of the conflict. And third, the amendment would encourage a regional approach to solving the political and economic prob-

lems that so obviously underlie the Salvadoran conflict.

My amendment would provide that an additional $23.7 million in military aid for El Salvador be provided in fiscal year 1983, to be added to the $26.3 million already appropriated by the continuing resolution. That would make a total of $50 million for fiscal year 1983—rather than the President's total of $136.3 million.

My amendment would further authorize $50 million in military aid for fiscal year 1984. In each year the President would be granted the flexibility to allocate the $50 million authorized between the various military aid accounts—MAP, FMS, and IMET—as he deems appropriate.

The second part of my amendment would put the United States on record as supporting a nonmilitary, political resolution to the conflict of El Salvador. Such a resolution would logically grow out of a dialog among the major elements of the conflict, without preconditions limiting that dialog either to the sharing of power or to participation in elections.

The amendment states that any additional U.S. military aid to the Government of El Salvador beyond the amount provided in my amendment, depends in large part upon the efforts of both sides to initiate and pursue an open dialog. This would act as a balanced incentive, telling the insurgents that if they refuse to sit down in good faith their refusal would encourage the United States to provide additional military aid to the Government of El Salvador. By the same token, if the Salvadoran Government proved intransigent in initiating and pursuing a dialog, that intransigence would be likely to discourage additional U.S. military aid.

Recognizing that the conflict in El Salvador cannot be divorced from the Central American region, the third part of my amendment would put the United States on record as supporting cooperative regional action to solve the conflict and would make it clear that the United States is willing to contribute to such actions. The proposal calls specifically for an immediate conference of all governments in the region to implement the objectives of the San Jose Conference, at which representatives of the United States and regional governments agreed to respect the principles of democracy and nonintervention throughout Central America.

Madam President, the American people are frustrated by the lack of progress toward a peaceful resolution of the conflict in El Salvador. The levels of aid I propose, if used effectively by the Salvadorian Armed Forces, would be sufficient to prevent a victory by insurgents. The approach I am proposing today would show continued U.S. support for democracy in El Salvador while encouraging both sides to engage in a good-faith effort to find a political solution that will lead to peace in El Salvador.

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS AND RESERVED WATER

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of public hearings before the Subcommittee on Public Lands and Reserved Water.

On Monday, April 11, beginning at 9:30 a.m., the subcommittee will hold a hearing to consider S. 49, to redesignate public land in Alaska to allow hunting.

On Friday, April 15, beginning at 9:30 a.m., the subcommittee will hold a hearing to consider S. 457, to require the protection, management, and control of wild, free-roaming horses and burros on public lands.

Both hearings will be held in room SD-366 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Subcommittee on Public Lands and Reserved Water, Committee on Energy and Natural Resources, room SD-360, Washington, D.C. 20510.

Witnesses are requested to provide the subcommittee with 25 copies of their written statements 24 hours before the hearing, as required by the rules of the committee. Witnesses may be arranged in panels and are requested to limited their oral testimony to 5 minutes.

For further information regarding these hearings, please contact Mr. Tony Bevinetto of the subcommittee staff at 224-5161.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON LABOR

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Labor of the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Monday, March 21, at 9:30 a.m., to hold an oversight hearing on ERISA.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, March 17, at 10 a.m., to hold a hearing on S. 121, Trade Reorganization Act of 1983.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, March 17, at 2 p.m., to hold a markup on the following bills:

S. 35, Commission on More Effective Government;

S. 338, Competition and Contracting Act;

S. 373, Arctic Research and Policy Act;

S. 376, Debt Collection Act amendment;

S. 450, mail-order consumer protection amendments;

S. 461, reauthorization of the Office of Government Ethics; and

S. 531, Uniform Relocation Act amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSUMER AFFAIRS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Consumer Affairs of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 17, at 9:30 a.m., to hold an oversight hearing on consumer interest rates.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Consumer Affairs of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thurday, March 17, at 2 p.m., to hold an oversight hearing on consumer interest rates.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Thursday, March 17, at 1:15 p.m., to hold a hearing on S. 800, OCS revenue sharing.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

EXCLUSIVE ECONOMIC ZONE PROCLAIMED FOR THE UNITED STATES

● Mr. HELMS. Mr. President, on March 10, President Reagan proclaimed an exclusive economic zone in which the United States will exercise sovereign rights over all living and nonliving resources within 200 nautical miles of its coast. This proclamation is an exceedingly significant action that affects more than 4 million nautical miles of ocean around the

continental United States and Pacific Islands.

This exclusive economic zone affirms U.S. rights over mineral resources of the ocean floor beyond the continental shelf out to 200 miles. This means that all minerals—such as manganese nodules, sulfide deposits, and gas, and oil—when located within 200 miles of the coast and regardless of whether they are on the shelf, are under the jurisdiction of the United States. The United States will also reap economic benefits from the production of energy from the winds, waves, tides, and thermal conditions within the zone. In addition, the proclamation will enable the United States to take further steps to protect the marine environment by assisting in the development of uniform international measures.

The exclusive economic zone will not interfere with nonresource related high seas freedom. The President made it clear, in his statement of March 10, that all nations will continue to enjoy high seas rights and freedoms that are not resource-related, particularly the freedoms of navigation and overflight.

In proclaiming an exclusive economic zone, the United States joins with over 50 other nations that claim a 200 mile exclusive economic zone, 14 nations which claim a 200 mile territorial sea, and 23 nations which claim a 200 mile fisheries zone.

An exclusive economic zone will be a tremendous boon to America. The Senate and House of Representatives now need only to act in an expeditious manner to adopt implementing legislation that will make the advantages of an exclusive economic zone a reality.●

MARCH OF DIMES SALUTE TO BABIES CAMPAIGN

● Mr. DIXON. Mr. President, I would like to take this opportunity to cite a noble campaign being conducted by the March of Dimes, entitled "Salute to Babies."

The highlight of this campaign will be a dinner on April 7 in Chicago which will raise funds, but more importantly, will focus attention on responses to reduce infant mortality and coordinate the leadership necessary to improve the quality of life from the very beginning.

Mr. President, the infant mortality rate for the Nation is currently running at 11.7 per 1,000 live births. To address this tragedy, the salute to babies campaign has outlined several goals to which it is committed.

First, the expansion and extension of perinatal health care.

Second, the intensification of efforts toward assuring total health care for infants during their first year of life, especially in high risk and underserved areas.

Third, the promotion of activities to insure the orderly growth and development of all children as they move toward maturity.

These are certainly worthwhile goals, Mr. President, and without doubt deserving of recognition by this body and everyone concerned with the lives of our young.

I am particularly encouraged about the prospects for the success of this effort by the individual selected to serve as the general chairman.

Dr. Effie O. Ellis, who will serve in this capacity, is nationally and internationally recognized as an advocate for the improvement of maternal and infant health care.

A graduate of Spellman College in Atlanta and an honor graduate of the University of Illinois, Dr. Ellis has held many prestigious medical posts. Of particular note, she served as chief of the department of pediatrics at the University of Illinois Medical School and Center and held the coveted residency in pediatrics at Massachusetts General Hospital. Johns Hopkins School of Medicine awarded Dr. Ellis a fellowship in cardiology in which she distinguished herself, along with the renowned physician Helen Taussig, M.D. Their contributions were in researching and clinically treating the blue baby syndrome. Today, newborns rarely die from that defect.

In Government service, Dr. Ellis has served as director of maternal and child health for the State of Ohio, where many of her innovations and administrative practices are still observed.

On the Federal level, Dr. Ellis served as the medical director of the U.S. Childrens Bureau for Region 5, and as the regional commissioner for the Social Rehabilitation Service.

Dr. Ellis served as the consultant to the March of Dimes Birth Defects Foundation and helped to bring about the launching of the parenting education programs which the March of Dimes piloted in 22 States across the Nation.

In 1970, President Richard M. Nixon appointed Dr. Ellis to the White House Conference on Children and the White House Conference on Nutrition. Most recently, Gov. James R. Thompson of Illinois appointed Dr. Ellis to the Governors' task force on children and youth.

Mr. President, the salute to babies campaign is truly an effort whose time has come, and I feel confident that with a chairman of the stature and distinction of Dr. Ellis, the purposes to which the campaign is dedicated will surely receive the kind of attention and success they deserve.●

SOCIAL SECURITY

● Mr. GOLDWATER. Mr. President, the Valley National Bank in Arizona has prepared an excellent article entitled "Will Social Security Survive?"

It is about as sensible an approach to the whole problem that I have seen, and, while it does not cover every aspect of the problem any more than the President's Commission on Social Security covered every aspect, it at least will tell people about what they can expect.

Way back in 1964 when I was a candidate for President, I tried to tell the American people that the social security system was in dire straits. In fact, at that time, I considered it to be bankrupt or on the verge of bankrupcy, but I could not get people to listen and, of course, my opposition told the American people the opposite.

This whole situation, that is social security, requires a great big blast of honesty. I told the President following the report of the Commission that I thought he should appear before the American people and tell them the exact state of social security. Because once you tell the American people the truth about the problems they are in, the American people will buckle down and help in every way they can to correct the troubles so that they can come out with something that will work.

I have to say that the present measure that we have begun work on is far better than the House version, far better than the Commission's suggestion, but it is still deficient in some areas, in my personal opinion. I think it is perfectly fine that we take care of people through the 1980's and the 1990's. But, if I were a young person, I would have a great big question mark. What is going to happen to me when I grow old enough to get social security after the year 2000?

There are still a lot of questions in this whole, broad field, but I thought my colleagues would be interested in this interesting approach to the social security question presented by one of the largest banks in the Southwest.

I ask that the article be printed in the RECORD.

The article follows:

WILL SOCIAL SECURITY SURVIVE

Rescue of the Social Security System from financial disaster was the first item on President Reagan's agenda in his recent State of the Union address. There is concern among people of all age groups about social security's soundness. Retirees and disabled persons worry about benefit cuts, those approaching retirement fear eleventh hour changes, and young workers question whether the system will be viable when they retire. These concerns are not without basis. In fact, pressures on the nation's social security system are so severe that, without congressional action by mid-'83, July social security payments cannot be made on time. In the near term, government estimates are that, under the current setup, social security shortfalls will be $150-$200 billion from 1983 to 1989. Looking ahead thirty years, an aging baby boom generation

will be hard-pressed to receive sufficient payments from a smaller workforce of contributors. Strain on the system, stemming from both cyclical and demographic pressures, requires major change of one of our nation's most politically sensitive social programs.

In order to dispel common myths about social security, following is a discussion of what social security is not. Social security is not, and was never intended to be, a complete retirement plan. Social security, as enacted in 1935, provides for an individual's or family's minimal protection upon retirement or in the event of disability or death of the provider. Yet, over the years, added beneficiaries and increased benefit payments have over-burdened the system's capacity and exceeded its intent.

Secondly, social security is not an investment fund which workers contribute to for future use. The system is an almost immediate transfer of funds, via payroll taxes, from current workers to current beneficiaries. The social security trust funds (Old Age and Survivor's Insurance, OASI; Disability Insurance, DI; and Hospital Insurance, HI) are merely contingency reserves good for 3 to 12 months of payments. This self-sufficiency feature of the system makes it highly sensitive to cyclical pressures.

CYCLICALITY—THE CATALYST

The stagnant economy of the past four years hastened attention to social security's solvency problems. A healthy economy—characterized by low inflation, high employment, and high productivity—makes for a healthy social security system as well. Stagflation of recent years has exacerbated the system's short term financial problems. In fact, in late 1982 OASI dried up and had to borrow from DI and HI reserves.

Inflation and unemployment rates in the past ten years have been far higher than the averages of the 1950s and 1960s. Social security is financed through payroll taxes, thus, high unemployment decreases revenue collections. Also, beginning in 1975, social security benefits were indexed to the Consumer Price Index (CPI). Increasing inflation rates mean increasing benefits paid—despite employment levels. High productivity means less inflation and greater economic growth, thus more jobs. But U.S. productivity has been low in recent years. Higher levels of inflation and unemployment from 1977 through 1981 and worsening of unemployment in 1982 pressured social security to its limit.

U.S. ECONOMIC INDICATORS FOR SELECTED YEARS

	Average annual percentage		
	Real GNP growth	Inflation (CPI)	Unemployment
Year:			
1960–64	4.0	1.3	5.7
1965–69	4.4	3.4	3.8
1970	−.2	5.9	4.9
1975	−1.1	9.1	8.5
1976	5.4	5.8	7.7
1977	5.5	6.5	7.0
1978	4.8	7.7	6.0
1979	3.2	11.3	5.8
1980	−.4	13.5	7.1
1981	+1.9	10.4	7.6
1982	−1.8	6.1	9.7

A related problem is that the CPI (which determines benefits adjustments) has been increasing at a faster rate than increases in average wages (which determine revenues). The CPI soared in the last 1970s through 1981 due to, among other things, accelerating mortgage rates and home prices. However, the increase in the average wage of workers contributing to social security increased less quickly. The system saw a deficit in 1975 as benefits paid quickly. The system saw a deficit in 1975 as benefits paid exceeded revenues collected. By 1977, the inevitable increases in payroll taxes began. In 1977 the combined contribution of employers and employees to social security was 11.7 percent of the first $16,500 of taxable earnings. Currently, 13.4 percent of the first $32,400 is contributed, and that will increase to 15.3 percent on the first $57,000 of taxable earnings by 1990.

BEYOND THE EIGHTIES

The nation's weak economic performance threatens social security in the near term. Also, there are fundamental changes which threaten the system now and some thirty-plus years from now. These changes include the long run impact of an aging baby boom and a trend toward longer life expectancy for retirees.

The postwar baby boom generation will begin retiring between years 2010 and 2015. Baby boomers had fewer children than previous generations, thus there will be fewer workers to contribute to social security. When social security began, 16 workers supported each beneficiary. Now the ratio is 3.2 to 1. When baby boomers retire, the ratio could be 2 workers for each beneficiary. The Social Security Administration, using "intermediate" economic and demographic assumptions, projected that a payroll tax rate of 25 percent could be required to make benefit payments to retired baby boomers. More pessimistic assumptions yield a much higher tax rate.

Retirees are living longer than they did when social security was set up. In 1940, life expectancy at 65 was an additional 12.1 years for men and 13.6 years for women. By 1980 these years increased to 14.1 for men and 18.4 for women. The Social Security Administration estimates that in the year 2010 the life expectancy at age 65 will be 16.1 years for men and 21.6 years for women.

The decreasing ratio of workers to retirees in the long run, coupled with longer life expectancy, mean rising tax rates, or other measures to reduce strain on the system. One frequently cited measure is to gradually increase the retirement age. Some arguments in favor of increasing retirement age include:

The transition from a production to service oriented society, from heavy to light industry means less physically demanding jobs, and

On the average, people spend more time in school, thus start working later in life than their parents did. Total working years might be comparable.

Dissenters argue:

It would be a breach of faith with contributing workers who were intending to collect full benefits at age 65, and

The increasing tendency to take early retirement indicates that many do not prefer to work even until age 65.

Whether planning ahead ten, thirty, or eighty years, the social security system must accommodate fundamental economic and demographic change. No accommodation means either higher and higher taxes, or bankruptcy. Key questions are: How much tax are workers really willing to pay to support the retired and disabled? What are the alternatives to higher and higher taxes?

A SOLUTION?

President Reagan established a 15 member bipartisan National Commission on Social Security Reform with a mandate for a cure for the system's ills. The Commission projected a deficit over the next seven years of $150–$200 billion, as well as longer term difficulties. In mid-January, after more than a year of deliberations, the Commission revealed its rescue proposal, which the President has endorsed.

The Commission proposes raising $169 billion for social security from 1983–1989 through a combination of increased taxes, decreased benefits, broadened membership, and other measures. Following are key elements of the Commission's proposal:

Acceleration of Scheduled Tax Hikes. This measure, designed to raise $40 billion by 1989, will accelerate the timing of the increases in tax rates and maximum taxable earnings through the 1980s. However, the tax rate and maximum earnings levels proposed by 1985 and 1990 are the same as required under current law. But the 1985 tax hike would be moved forward to 1984, and about half of the 1990 increase would take effect in 1988. There would be a refundable tax credit for 1984 for part of the rescheduled employee rate.

Delay in Cost of Living Adjustments. Social security benefits, scheduled for adjustment in July 1983, would be adjusted in January 1984. This shift of automatic benefit increases to a calendar year basis is estimated to save the system $40 billion.

Also, since benefits have been indexed to the CPI, and the CPI has risen faster than wage gains, inequities have occurred in favor of beneficiaries and to the detriment of current workers. The Commission proposed that, starting in 1988, benefits be indexed to the lower of prices or wages if the balance in the OASI trust fund falls below 20 percent of the amount required to make a year's payments. If the OASI reserve exceeds 20 percent, the CPI would be used and, if the balance exceeds 32 percent, social security benefits would be increased.

Tax on Social Security Benefits. This proposal aimed at taxing mid-to-upper income beneficiaries, is expected to yield $30 billion by 1989. A single retiree with adjusted gross income (not including social security benefits) of $20,000 or more would be taxed on half of his social security benefits. For couples, the dividing line would be $25,000. Proceeds would be credited to the old age and disability trust funds.

More Taxes for the Self-Employed. Employers and employees share the social security tax contribution. However, the self-employed currently pay three-fourths of that combined employer/employee rate. The Commission suggests the self-employed pay the full tax amount as of January 1984. They also proposed some relief for the self-employed in that half of their contributions will be deductible as a business expense. This measure is expected to contribute $18 billion to social security by 1989.

Broadened Membership. All new federal civilian hires, as of January 1984, would be brought into the social security system. Loss of their contributions to the federal pension system will tap the Treasury to pay pensions to retiring government employees. Also included would be the employees of non-profit organizations now outside the program. Broadened membership requirements would net the social security system about $20 billion.

The Commission also proposed that state and local government employees be banned from withdrawal from the system. To encourage working beyond age 65, they recommended that the bonus benefits granted to

workers over 65 be raised in 1990-2010 from 3 percent to 8 percent.

The Commission ignored some of Social Security's major problems. They sidestepped Medicare, specifically the fact that the HI reserve, which is a primary source of Medicare funding, is expected to dry up by 1990. A key factor behind the HI reserve's problem is the rapid escalation in medical care costs.

The social security requirement of aging baby boomers were mostly ignored. Commission Republicans suggested gradually increasing the retirement age at which full benefits can be drawn from 65 to 66 by 2015 for those born 1949 or later. Commission Democrats propose a .45 percent increase in payroll tax in 2010 to meet their needs. In general, more attention was paid to the next ten, rather than thirty, years—a politically, if not economically or socially, understandable position.

There is some concern about the impact of an accelerated payroll tax hike on the struggling economic recovery. The resulting decline of disposable personal income for individuals and increased costs for employers will dampen aggregate economic activity.

The Commission's specific economic assumptions concerning economic growth, inflation and unemployment have not yet been released. The importance of underlying assumptions is apparent from the last overhaul of social security in 1977 when the Carter administration raised payroll taxes and predicted social security solvency in 1980 through 2030.

Unfortunately, this prediction of the system's fiscal soundness was based on an inflation rate of less than 5 percent in 1980, and 4 percent by 1982. In actuality, inflation soared to 13.5 percent in 1980 and began to moderate in 1982 at 6.1 percent. The nation's gross national product, in price-adjusted terms, was assumed to grow 5 percent in 1980—the actual figure was slightly negative. Annual average unemployment, assumed to be about 5 percent in 1980 and 1982, was 7.1 percent and 9.7 percent, respectively. High and continuing inflation and unemployment, coupled with low growth, has put social security on the edge of bankruptcy.

We can hope that the government profited from its 1977 experience with social security reform, and that the Commission's underlying economic assumptions, when revealed, will be conservative. Risk to the social security outlook, especially in the near term, hinges on fairly accurate projections of unemployment and growth in average real wages.

The Commission's proposal requires some sacrifice from most groups: workers, beneficiaries, better-off retirees, government employees, and the self-employed. As final details are hammered out in the coming months, we can only hope that the last minute fixup approach to social security in the 1980s is not viewed as a substitute for an effective strategy for the year 2015.●

THE PANAMA CANAL

● Mr. HELMS. Mr. President, among the gravely important policy questions that have faced the National Government of the United States since 1931 are those relating to the major increase of capacity and operational improvement of the Panama Canal.

A project for constructing a third set of larger locks was authorized in 1939, started in 1940 and, because of more urgent war needs, suspended in May 1942 after the expenditure of more than $76 million. The major parts completed included two huge lock site excavations at Gatun and Miraflores, a rail-vehicular bridge across the Miraflores locks, and a roadbed for relocating the Panama Railway near Gatun. In addition, some $95 million was spent on the enlargement of Gaillard Cut from 300 feet minimum width to 500 feet, making a total of more than $171 million already expended toward major modernization.

In these connections, Mr. President, attention is invited to two of my addresses: "Panama Canal: Evolution of a Plan" in the CONGRESSIONAL RECORD of August 25, 1978, pages 27878-27882, and "U.S. Isthmian Canal Policy" in the RECORD of March 30, 1982, page 5847.

The second of those addresses includes two important resolutions, one by the American Legion and the other by the Friends of the Earth International, which merit careful reading by serious students of the canal question.

The latest development in the evolving Ishmian situation was a notable program at the Noon Forum of the Cosmos Club in Washington, D.C., on January 18, 1983, before a distinguished gathering, which included Senate staff members, when the speaker was Capt. Miles P. DuVal, Jr., U.S. Navy, retired, former captain of the Port, Balboa, C.Z., who gave a highly informative illustrated address on this timely subject: "Panama Canal: Its Marine Operational Problems and the Solution."

On the same day of Captain DuVal's address, Janaury 18, 1983, the U.S. Administration of the Panama Canal Commission, Lt. Gen. Dennis McAuliffe, U.S. Army, retired, was quoted in USA Today, page 9A, an important Washington newspaper, as favoring "two new and larger sets of locks at the Atlantic and Pacific Terminals" of the Panama Canal—an amazing and timely coincidence from knowledgeable sources as to the proper solution for increased canal capacity and operational improvement.

Mr. President, because the subject of the major modernization of the Panama Canal is one of global geopolitical importance and crucial for both interoceanic commerce and hemisphere security, I request that the full texts of the Cosmos Club Noon Forum Proceedings, including Captain DuVal's notable address, and the news story quoting General McAuliffe be printed in the RECORD.

The material follows:

PANAMA CANAL: ITS MAJOR MARINE OPERATIONAL PROBLEMS AND THE SOLUTION ILLUSTRATED, ADDRESS BEFORE THE COSMOS CLUB NOON FORUM BY CAPT. MILES P. DUVAL, JR., U.S. NAVY, RETIRED, JANUARY 18, 1983, WASHINGTON, D.C.

COSMOS CLUB NOON FORUM

Members of the Cosmos Club and guests, the Cosmos Club Noon Forum was started in 1971 for the purpose of providing an opportunity for club members and their guests to hear authoritative presentations on major issues, to analyze, and to discuss them. Its attendance has been gratifying as well as a measure of their success.

I now call upon our fellow club member, Fred Dyer, who was once a civilian assistant to the Secretary of the Navy and long familiar with the subject of today's program, to introduce our speaker, moderate the session, and adjourn at 1:55 p.m.

REMARKS OF FRED C. DYER, INTRODUCING CAPTAIN DUVAL

Good afternoon: As students of geopolitics realize, one of the major choke points for naval power and ocean commerce is the canal across the American Isthmus. Our speaker today, because of his long association with the problems of trans-Isthmian transit and contributions, has become recognized as a leading authority in that field.

A graduate of the Naval Academy, the Naval War College, the Naval Post Graduate School and Georgetown University, he was awarded at the last the degree of master of science in foreign service (M.F.S.). His career includes service on various types of vessels in many parts of the world.

During World War II while in charge of marine operations in the Pacific sector of the canal, 1941-44, he developed the widely acclaimed terminal lake—third locks plan for its major increase of capacity and operational improvement. In the opinion of some of the best informed Panama Canal engineers, that achievement will make him the architect of the future canal and eventually win the gratitude of navigators, both naval and commercial.

After returning from service in the Pacific, 1944-45, he was designated by Secretary of the Navy James Forrestal as the principal adviser of the Navy Department on Canal Policy Matters, 1946-49.

Since retirement from active duty, he has written extensively on the historical and marine operational aspects of the canal problem.

Books by him include a series on the canal:

I. "Cadiz to Cathay: The Story of the Long Diplomatic Struggle for the Panama Canal," 1502-1904;

II. "And the Mountains Will Move: The Story of the Building of the Panama Canal," 1904-14, both first published by Stanford University Press with later editions of both by the Greenwood Press of Westport, Conn.

III. "Let the Waters Rise," covering the period, 1914-79, is now ready for publication.

In addition to numerous articles and addresses, his writings include contributions on the canal question to professional magazines and the Encyclopaedia Britannica.

Incidentally, if any of you have books on seapower or Isthmian Canal matters you might consider contributing them to his collection on interoceanic canal and naval history at Georgetown University.

Members and guests, may I now present Capt. Miles Duval who will address us on

this timely subject: "Panama Canal: Its Major Marine Operational Problems and the Solution."

PANAMA CANAL: ITS MAJOR MARINE OPERATIONAL PROBLEMS AND THE SOLUTION BY CAPT. MILES P. DU VAL, JR., U.S. NAVY, RETIRED

Mr. Chairman, fellow members of the Cosmos Club and guests, at the outset, I dedicate my remarks to the great Americans largely responsible for the successful launching of the Panama Canal: Adm. John G. Walker, President of the U.S. Isthmian Canal Commission for Exploration, 1899-1902; President Theodore Roosevelt; Secretary of War William Howard Taft; and John F. Stevens who, as chief engineer of the Isthmian Canal Commission for Construction, 1905-07, was the basic architect of the Panama Canal.

The story of the Panama Canal is not new. It traces back in a vast literature to the age of discovery. On his fourth voyage of exploration, Christopher Columbus sailed southward along the east coast of the Central American Isthmus, passed the mouths of the San Juan River in Nicaragua and the Chagres River in Panama, and spent the Christmas of 1502 in Limon Bay at what is today the Atlantic entrance to the Panama Canal. The cities of Cristobal and Colon are named in his honor.

In 1513, Vasco Nuñez de Balboa, from a peak in Darien, discovered the Pacific Ocean, then called the Southern Sea, thus completing the historical setting for what was to follow. That discovery is memorialized in the name of the Port of Balboa at the Pacific entrance of the canal.

Within a relatively short time after the voyage of Columbus the Spanish colonizers, recognizing the strategic location of the Isthmus, explored it for transit routes all the way from Tehuantepec in Mexico to the Atrato River in Colombia. The first plan for the Panama Canal was prepared in 1529 by the Spanish engineer, Alvaro Saavedra.

Because of the lower continental divides at Nicaragua and Panama and penetration of the jungles of both by navigable rivers, the early Spanish developed important trade routes over these two natural avenues that for many years were the leading competitors for Trans-Isthmian Transit.

It was not until the 19th century, however, that serious explorations for canal sites were conducted, most notably by the U.S. Army and Navy.

The first specific step toward undertaking the Panama Canal was the construction by United States interests of the Panama Railroad—the first transcontinental railway in the Americas that was opened for traffic in 1855.

The second major step was the great French canal effort at Panama, 1880-89, under the leadership of Ferdinand de Lesseps, the hero of the Suez Canal. Though that attempt ended in tragic failure, it did prepare the way for the United States, under the dynamic leadership of President Theodore Roosevelt, to acquire control of the U.S. Canal Zone and launch the construction of the Panama Canal, which was opened to traffic in 1914, just in time to render vital services in World War I.

During the era of exploration by the United States, there evolved a definite pattern of investigation emphasizing two key issues: First, the question of site; and second, the matter of type. Their purposes were to secure the best site for the best type of canal, and this pattern has been repeated each time the canal issue has come up for major consideration.

The problem of site for the first canal across the Isthmus was decided in 1902 only after a searing struggle in the Congress, 1899-1902, known as the "Battle of the Routes" between the proponents of the Nicaragua and Panama locations, which ended with the choice of the Panama site. The matter of type was decided in 1906 only after another scorching debate in the Congress, 1905-1906, known as the "Battle of the Levels" between supporters of a canal to be formed largely by fair-sized lakes and proponents of one of "sea-level" design, which resulted in victory for the high-level-lake and lock type. History has completely established the wisdom of those two great decisions: The Panama site for the lake-lock type.

Now let us look at some aerial views of the Panama Canal from the Atlantic to the Pacific to see it in operation.

In early 1941, it was my good fortune to have been ordered for duty at a critical period in history as captain of the Port of Balboa in the Canal Zone, with responsibility for marine operations in the Pacific half of the Panama Canal. This sector included the southern part of the summit level Gatun Lake: The hazardous Gaillard Cut, 8 miles long: Two sets of Pacific locks; the small intermediate level Miraflores Lake, separating those locks; and the Pacific sea-level section of the canal to deep water in the Pacific, including the Port of Balboa.

Soon after arrival of the Isthmus, a series of serious marine accidents in the Pacific sector focused my attention on the crucial problems of marine operations. The ensuing efforts included the examination of records of hundreds of investigations of marine accidents since 1914, the plotting of their locations throughout the entire length of the canal, and the study of their proximate causes.

The results were quite revealing. The more serious accidents occurred in the narrow rocky channels of Gaillard Cut. Few occurred in Gatun Lake, where the channels are wide, or in the sea-level sections of the canal. Accidents in the lock chambers were of relatively minor character and proportional in numbers to the number of steps in the locks. The Pedro Miguel locks, located squarely in the southern end of Gaillard Cut, had the highest number of accidents to vessels entering and leaving those locks, making it the most dangerous of all the locks.

In May 1942, the 1939 projcet for the construction of a third set of larger locks then underway was suspended because of more urgent war needs after the expenditure of more than $76 million. The major parts completed, which will be useful in future major modernization, included two huge lock site excavations at Gatun and Miraflores, a rail-vehicular bridge across the Miraflores locks, and a bed for relocating the Panama Railroad near Gatun.

Although stopping that tremendous work, which left the canal essentially as it was in 1914, appeared regrettable at the time, that action made it possible to make a deep study of the marine problems of ship transit and for evolving a plan that would provide the best canal for navigation.

Those efforts included many visits to two mountain tops near the Pedro Miguel locks to observe vessels in transit, frequent trips on vessels during transits, discussions with experienced engineers and pilots, obtaining data on night fogs in Gaillard Cut, learing about lockage surges in Gaillard Cut, and an examination of the terrrain of the Pacific side of the Continental Divide.

As shown by those inquiries and confirmed by later studies, the canal had, and still has, the following major marine operational problems:

(1) The dangerous bottleneck at the Pedro Miguel locks, at times causing southbound vessels to slow in a restricted channel, thereby losing steerage way and often forcing them to maneuver to avoid grounding.

(2) The double handling of vessels at the Pacific locks, with resulting inconvenience, increased numbers of accidents, and loss of time.

(3) The adverse effect of night fogs in Gaillard Cut on canal capacity and operations.

(4) The surges of 3 feet maximum amplitude in the Gaillard Cut water level caused by the operation of the locks at Pedro Migues.

(5) The limited operating range of the summit water level of Gatun Lake from a high of 87 feet to a low of 82 feet.

(6) The navigation hazards in the rocky Gaillard Cut restricted channels, originally of 300 feet minimum bottom width but since 1970 of 500 feet.

(7) The limited dimensions of the present locks, 110 feet by 1,000 feet.

In contrast with the acute marine problems caused by the Pedro Miguel locks in the southern end of Gaillard Cut, there were no such problems at the northern end, where there were no locks but only the widening channels of Gatun Lake affording virtually unrestricted navigation. What was needed at the southern end of Gaillard Cut was a summit level lake between the narrow cut and the Pacific locks to serve as an expansion chamber for traffic.

In line with my request, canal engineers checked the impounding perimeter around the Miraflores Lake basin and found that a smaller Pacific terminal lake at the same level as Gatun Lake, then 87 feet maximum, could be created with relatively small dike construction. Those associated with the studies at the time were thrilled by that discovery, for they recognized its significance.

Before deciding what to do, it was necessary to determine, by careful evaluations, whether the maximum water level of Gatun Lake should be lowered or raised. That study conclusively established that lowering the Summit Lake water level by extending the length of Gaillard Cut would impair navigation and that raising the level would improve navigation.

What are the solutions for the previously listed seven major marine problems?

1. For that of the dangerous bottleneck at the Pedro Miguel locks, it is their complete physcial removal.

2. For the problem of the double handling of vessels at the separated Pacific locks, the proper remedy is their consolidation south of Miraflores at Aguadulce in continuous steps similar to the lock arrangement at Gatun.

3. For the adverse effect of night fogs in Gaillard Cut, the corrective is an elevated Miraflores Lake, which is fog free, for use as a traffic reservoir during fog periods.

4. For the problem of lockage surges, the creation of the elevated Pacific terminal lake will reduce them to negligible magnitudes, probably less than an inch.

5. For increasing the present 5 feet operating range of the Gatun Lake summit water level, the solution is to raise its maximum level of 87 feet to its optimum level of 92 feet, thus doubling the reserve water capacity for lockages and improving navigation.

6. For reducing the navigational hazards of Gaillard Cut, the corrective is its continued enlargement as shown to be needed by marine experience.

7. For the handling of larger vessels, the answer is construction of one set of larger locks.

The above remedial measures combined, known as the terminal lake-third locks plan, also as the balanced lake plan, were approved in principle by two experienced Governors of the Panama Canal for the major modification of the original third locks project and received strong support from the most knowledgeable Panama Canal engineers; and it is unanimously supported by Panama Canal pilots, who are the best informed professional group on the problems of the marine operational needs of the canal.

Most of the individual remedial measures so far taken are not basic solutions but mere symptomatic treatments that do not solve the major marine problems, but only provide needed temporary relief pending major modernization.

What will the terminal lake—third locks plan accomplish? It will eradicate the dangerous bottleneck at Pedro Miguel, create a summit level lake between Gaillard Cut and the Pacific locks thereby aiding vessels in the summit level when leaving or approaching them, provide uninterrupted summit level navigation from the Atlantic locks to the Pacific locks, reduce accidents, eliminate lockage surges, mitigate the effect of fog on operations, decrease transit time about 1 hour and simplify canal management thereby providing the best canal for operations practicable of achievement, and at least cost. Moreover, this plan has been tested for more than half a century of satisfactory operations at Gatun, and can be accomplished with full assurance of success. Such construction is authorized under both the 1903 and the 1977 canal treaties.

Most significantly, the terminal lake third locks solution will enable the maximum utilization of all work so far accomplished on the Panama Canal during its construction and since 1914, which is considerable. In addition the more than $76 million expended on the third locks project and some $95 million spent of the enlargement of Gaillard Cut from 300 feet to 500 feet minimum width, make a total of over $171 million already expended toward major modernization. In 1983 currency, all of the original cost estimates would be far greater.

The plan is so obvious and so simple that many have asked why it was not proposed earlier in the history of the canal. It was.

In 1908, Col. William L. Sibert, an important Panama Canal Builder, made determined efforts to change the approved plans so as to consolidate the Pacific locks in an arrangement similar to the Atlantic locks. He did not succeed, because construction had started and such a change would have delayed opening of the canal, which was a controlling factor at that time.

In 1906, an able canal engineer, William Gerig, made the same proposal to chief engineer, John F. Stevens, who let him take full credit for the idea.

Also, earlier in 1906, prior to Gerig, chief engineer, Stevens made the same recommendation to the Congress. Unfortunately, his later investigations for foundations proved unsatisfactory and he was constrained by economic and political hazards that could not be ignored to proceed according to the approved plans for separating the Pacific locks that he had sought to consolidate as he had done for the Atlantic locks.

Many have asked also why it was not considered by the French at the Paris Congress of 1879 called by Ferdinand de Lesseps to decide the questions of site and type for an Isthmian Canal. It was.

In that Congress of some 134 distinguished leaders from various countries, one engineer, when he saw the way the gathering was being directed toward adopting the predetermined objective for a canal at Panama of "sea-level" design based on the success of the Suez Canal, rose in strong protest and stated that rather than have his name associated with what he knew would be a great disaster, he voted no.

Then, showing the insight of true genius based on study of the key problems involved, he explained what he described as a "practical plan" for constructing the Panama Canal: "build a dam at Gatun and another at Miraflores, or as close to the seas as the configuration of the land permits. Let the waters rise to form two lakes about 80 feet high, join the lakes thus formed with a channel cut through the continental divide, and connect the lakes with the oceans by locks. This is not only the best plan for engineering, but also the best for navigation."

In large measure, this 1879 plan was eventually adopted in 1906, mainly through the efforts of Chief Engineer Stevens, Secretary of War Taft, and President Roosevelt. But its originator was the notable French engineer, Adolphe Godin de Lepinay, who, by so speaking, won lasting fame as the precursor of the Panama Canal.

The terminal lake—third locks solution is not presented as a new idea for it is not. What is new is the fact that it is the first comprehensive plan for the future Panama Canal developed from actual marine experience.

The philosophy on which its evolution during those critical years of World War II was based is nowhere better expressed than by one of our country's most eminent builders of ports who, in 1915, stated: "There is no profession in which experience is a greater factor than that of the engineer, especially as to the design of works affecting navigation; the adaptability of such works to the needs fo the navigator, the chances of accidents and the necessary appliances to reduce such chances to a minimum are questions that experience largely determines." These words of power, so applicable to the planning of the future Panama Canal, are those of the great Army engineer who supervised the construction of the Gatun locks and dams, 1907-14. They are the words of Gen. William L. Sibert.

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[From the USA Today, Jan. 18, 1983]

BIG SHIPS, VOLUME DAM UP SEAWAY

(By Susan Morgan)

PANAMA CANAL.—The Panama Canal is in danger of becoming just a tourist and history book attraction unless it receives a major overhaul.

With last year's record $320 million in earnings and joint U.S.-Panamanian administration assured through the end of the century, it might be reasonable to assume Panama can sit back and watch the tolls roll in.

The chief problem, however, is capacity. Most analysts believe the present canal can survive through the end of the century, but improvements will be vital after that.

The 51-mile-long canal's three main locks, which raise ships 85 feet above sea level, can only accommodate vessels of up to 67,000 tons.

Current energy costs mean it is cheaper for bulk cargo vessels of up to 250,000 tons to take the longer route around South America with some cargoes. The second problem concerns volume. In the 1970's, as traffic increased, severe bottlenecks became common, with up to 180 ships sometimes waiting for a week.

As a result of what canal administrator Dennis McAuliffe calls "the chill that passed through the industry," capacity was raised to around 43 ships a day. At the same time, congestion is being relieved by the new trans-Panamanian oil pipeline.

Nevertheless, Panamanian analysts concede that new, long-term answers are needed.

One group, to which McAuliffe belongs, favors expanding the canal. This would require two new and larger sets of locks at the Atlantic and Pacific terminals, and widening and straightening of the Gaillard Cut, often dubbed "the Snake."

The project, costing up to $3 billion, would open the canal to vessels of up to 170,000 tons, putting it on a par with the Suez Canal.

The more daring solution is to build an entirely new sea-level canal 10 miles west of the present one for up to $10 billion. The main advocate of this option is Japan, second to the United States in canal usage.

Panamanians are irked by the U.S. lack of interest in development. Even though less than 6 percent of U.S. maritime traffic passes through the canal, the total is 62 percent of all traffic. The 1977 Panama Canal Treaty, however, removed any serious stimulus for significant U.S. investment in the canal.●

EMBARGOES AND PUBLIC POLICY

● Mr. DIXON. Mr. President, I would like to call to the attention of my colleagues an editorial which appeared in the March 13, 1983, edition of the Chicago Sun-Times.

The editorial is entitled "Japan's Gain, Our Loss," and makes the point—inarguable, I believe—that our recent policies regarding the use of economic sanctions as a foreign policy tool have been misguided and counterproductive to America's interest.

I have made this same point numerous times on the Senate floor, regarding both the Carter embargo against agricultural commodities and the Reagan embargo against technology that would be used in construction of the Soviet natural gas pipeline.

Mr. President, there are a number of reasons why embargoes make poor public policy: They give the impression that the United States is an unreliable supplier in the marketplace; they increase the volatility of the marketplace; they have an adverse impact, of course, on our balance of payments.

The Sun-Times editorial highlights the recent award of a multimillion-dollar contract for the Soviet pipeline to Komatsu of Japan, a chief competitor with Caterpillar Tractor Co. of Illinois.

As unemployment soars to 13.5 percent in Illinois, American trade policy gives Komatsu a competitive edge in the world marketplace.

Mr. President, our experience of the past few years has taught us what a deleterious effect embargoes have on our economy, but we need to be reminded.

The Sun-Times editorial does just that, and I commend it to my colleagues.

Mr. President, I ask that the text of the editorial be reprinted in full at this point.

The editorial follows:

[From the Sunday Times, Mar. 13, 1983]

JAPAN'S GAIN, OUR LOSS

Sometimes it's no fun saying "We told you so."

Last month we warned in an editorial that, because of President Reagan's misguided policy on economic sanctions, Japanese industry might gain at America's expense through trade talks with the Soviet Union.

That's just what happened last week.

Komatsu, Japan's biggest construction machinery company, nailed down a multimillion-dollar deal to supply large pipelayers for the Soviet's big Siberian natural gas pipeline. Caterpillar Tractor Co. of Peoria might well have won that contract, except for two factors:

Reagan's embargo on selling pipeline equipment to the Soviet's which opened the door to foreign suppliers.

A prolonged strike at Caterpillar, which made the Illinois company an unreliable supplier. That was damaging, too, but less important than the government ban.

It's frustrating. You can't blame Komatsu for doing what Caterpillar would do if it could. But Illinois, with one of the highest unemployment rates in the country, needs the jobs and tax revenues that would have come from the profitable Soviet pipeline deal.

The goal now is to prevent a recurrence of such nonsense. Rep. Robert H. Michel (R-Ill.), House GOP leader, has decried the jobs bill passed by the House as "mediocre." But he voted for it; his Peoria district needs help. It's a bill Reagan is lukewarm about, too.

Obviously, Caterpillar jobs would have been better.

Maybe Michel can get the word to Reagan that reckless economic sanctions can backfire. The Soviets haven't been hurt. Illinois has. Don't let it happen again.●

GOLD: THE MONETARY SOLUTION

● Mr. HELMS. Mr. President, this week's Barron's contains an interview with Prof. Robert Mundell, whom Prof. Arthur Laffer calls the greatest economist of our times.

Mundell shows why he is considered by many to be one of the most forward thinking of today's academic economists. He also shows why Federal monetary policy is as bankrupt as that of many Third World nations.

Professor Mundell explains that without monetary reform, we cannot and will not solve any international financial problems. We will simply paper them over for awhile, probably causing more economic stagnation, inflation, and disorder.

What is needed is a new gold standard. Bob Mundell argues persuasively that U.S. leadership could provide the catalyst for such a standard. Unfortunately, as he points out, the United States today appears unwilling or unable to provide that leadership.

Mr. President, I ask that the Barron's interview be printed in the RECORD at the conclusion of my remarks.

The interview follows:

[From the Barron's, Monday, Mar. 14, 1983]

RALLY 'ROUND THE GOLD STANDARD

Robert A. Mundell has been called "the greatest economist of our time"—by Arthur Laffer, another pioneer of supply-side economics. A Canadian who has spent most of his professional career on U.S. campuses, Mundell warned as early as 1969 that the end to fixed exchange rates would create global financial disarray. In 1974, he was urging the Ford Administration to fight OPEC-induced stagflation with a tight money policy to reduce inflation and tax cuts to spur economic growth—the very policy that the Reagan Administration finally adopted.

So is he happy? No. Mundell's been dismayed at the delays in cutting taxes. Now a professor at Columbia University, he sees the world on the "razor-edge between deflation and inflation" and says the recovery cannot be sustained unless the world returns to a system of fixed exchange rates tied to gold. The whys and wherefores are spelled out in the Q and A that follows:

Barron's: Bob, you were, perhaps, the first supply-sider. Certainly, one of the first academics to propose a combination of tax cuts and tight monetary policy to cure what ailed the economy a few years back. That's the policy the Reagan Administration ended up pursuing—and which gave us a pretty severe recession we're just coming out of. In retrospect, where did you go wrong?

Mundell: Well, we didn't get that policy. What we in fact got was tight money for the first year and a half, but no tax cut. Of course, then, the 1981 tax cut of 5 percent started in October. If my arithmetic is correct, 5 percent divided by 4 is 1¼, so for 1981 you got a 1½ percent tax cut, which was more than taken care of by the inflation rate. So people were still moving up into higher income tax brackets. The rest of the tax cut is being phased in so gradually that you only get the full 22 percent-23 percent tax cut in 1985. Now that is substantial, no question. But the tight money practiced by the Federal Reserve in 1981 and 1982 was all on one side. What I had hoped for, as I said in early 1981, was a 30 percent tax cut, 15 percent and 15 percent.

Q: Would that have made a difference?

A: I wanted that, in part, to reduce some unemployment and to stop what I thought was an oncoming recession. But we didn't get that, so we didn't get any fiscal stimulus. In the meantime, we've had a devastating tight money policy.

Q: Which really hurt.

A: It's affected the entire world. If you go back, the deceleration in the monetary expansion started in the middle of 1980, even before Reagan came into office. The price

of gold went from $800 down to $300 in the course of two years. Well, world reserves are over half in gold, and when the dollar value of gold reserves goes down from $800 billion to $300 billion, it has a devastating deflationary effect. Then last June, July and August, there was a turnaround in the monetary policy. It began to be eased and gold shot up from $300 to $500. Now it's gone down again. There are a billion ounces of gold in world reserves. Every time you change the price of gold by $50 billion, you change the dollar value of international reserves by $50 billion. That's vastly more important than increasing the reserves of the International Monetary Fund. So, as a result of the drastic drop in the price of gold, you've had deflation throughout the entire world on a scale unprecedented even in the Great Depression.

Q: Even though we're not on a gold standard, we've suffered the consequences of the decline in the price of gold?

A: The tremendous deflation stemmed from the fall in the price of gold, and tremendous inflation will come if the price of gold shoots way up again.

Q: So its recent decline is a good omen?

A: I think it's shocking that gold's so unstable. We're on the razor's edge in the economy, in danger of shooting into either another acceleration of inflation or another huge deflation. Gold signals what happens. It's terribly important because, apart from foreign exchange dollars, it's still the basis of the international monetary system.

Q: You've been an advocate of returning to a system of fixed exchange rates based on a gold standard. Considering the volatility in the price of gold that you just referred to, isn't that an awfully risky course?

A: Well, we need a gold standard precisely to stabilize it, to make gold stable. If we had a gold standard during the period when the Federal Reserve was tightening too much, then, in the middle of 1981, when the price was shooting down, at a certain point, the Treasury would have had to go in and upset some of the tight money policies of the Fed by buying up gold. That would have been a signal to the Fed that money was being made too tight. Or, just going back three years, to when the price of gold was climbing from $200 to $800, that would have been the signal that the Fed was loosening too much, that it was too inflationary. The Treasury would have had to sell gold, reducing the reserves in the banking system, and that would have stopped the inflation. So with a gold standard, we'd take off the peak of inflation and we cut off the peak of recession. Gold would operate as stabilizing force, signaling the correct monetary rule to be followed.

Q: It sounds too simple . . .

A: Since 1971, we've completely lost our rudder for monetary policy. Every year we have a new theory on what the Fed should be doing. Under the old gold standard, the Fed had one simple job to do, which was to stabilize the price of gold and that automatically meant interest rates came down during a recession and they went up during an inflationary boom. That kept things stable.

Q: But how could we have coped with the oil price shocks?

A: The European countries would have had to immediately cut their oil purchases, resulting in a quick excess supply of oil, and a recession, almost a panic type. But the OPEC countries wouldn't have been able to build up their huge bankroll of cash balances. When we expanded the money supply to accommodate the oil deficits, we built up the billions of dollars of cash that the oil exporting countries used to raise prices again, from $14 a barrel to $34. It comes down to this: nobody can succeed in an attempt to exercise monopoly power, unless there is a monetary accommodation to it. Without that, errant behavior is punished quickly, and things come back down again.

Q: Talking about errant behavior, what about all the Third World countries that aren't paying their debts?

A: I think that all the way along, fixed exchange rates would have worked much better for all the less developed countries. Mexico, after discovering its oil, wouldn't have built up such huge dollar debts and wouldn't be in the pickle it's in today. The banks wouldn't have had the reserves to expand to the extent that they did. Mexico was a perfectly stable economy, up to 1976. For 20 years, Mexico had a peso that was worth 12½ to the dollar; their inflation rate always less than 10 percent. Then they listened to monetarists and let their exchange rate float and everything shot up. Now they are at 100 percent inflation. The same thing is true with Chile, Costa Rica, Argentina, Uruguay.

Q: Are you blaming the whole mess on bad advice from Chicago?

A: Well, no, not all. Mexico has been getting its advice from the Marxists at Cambridge.

Q: Are you still giving advice to Uruguay?

A: No. I was, up until August, and then they removed the central banker who'd gotten the inflation rate down to 10 percent and had a perfectly stable monetary policy. A few months after he left, they went on floating rates and grew from 10 percent, 12 percent, 15 percent inflation to—I don't remember the latest figure—but I imagine it's about 80 percent or 100 percent.

Q: If everything was going so well, why'd they change?

A: Well, it was hard to live in, and hard to manage policy in, a country that is suffering from the worldwide agricultural recession. There were problems with bankruptcies. It was a tough disciplinary road to follow, to keep the exchange rate down.

Q: So the cure was killing the patient?

A: What was hurting Uruguay was the Afghanistan effect. At first the Soviet invasion of Afghanistan was a great benefit to Uruguay, because the Americans put an embargo on grain shipments. So the Russians turned to Argentina with a big grain deal. Agrentina got $5-$8 billion of foreign exchange in about a year and a half. And the Argentine generals and what not invested lots in the little country next door. But when that tremendous import of capital was reversed, there was a big recession. So anybody trying to stabilize the country over that period was not going to win.

Q: But didn't you say once that Uruguay was the best example of a supply-side economy?

A: I didn't say that, but other people did. In a sense it was, because in the late 'Seventies they had a problem with their income tax, which they eliminated and replaced with a value-added tax. And it had controlled exchange rates, a controlled monetary base, and allowed completely free capital movement.

Q: Bob, you mentioned before that we're on the razor's edge between inflation and deflation. On which side are we going to fall?

A: Well, we've already fallen on both. We had excessive inflation in 1979 and 1980 without question, and then we had excessive deflation in 1981 and 1982. We wanted to have the deceleration in inflation; we shouldn't have done it so quickly, though. The way to correct inflation is to tighten money to some extent. But you must supplement that with an output-expanding policy. Because the best way to bring inflation down, if there is any slack in the economy, is to expand the output of goods and services.

Q: But what we've had is declining inflation and declining output.

A: Yes, because we didn't have the tax cut that would have expanded supply. In order to expand supply you've got to increase employment.

Q: What about the federal deficit, Bob? There's lots of concern that tax cuts will only make a bad situation worse.

A: We always run big deficits when we've had a big recession.

Q: So deficits don't bother you?

A: The deficit does bother me, because it's a symptom of an economy running maybe $500 billion below capacity. Half a trillion dollars worth of goods and services aren't being produced in this economy that could be produced. If you took the 11.5 million unemployed and the 30 percent of capacity that isn't being utilized, and put them together, GNP would be $500 billion higher. You've got an unemployed labor force in the U.S. bigger than the entire trade union labor force. You've got a GNP potential within the U.S. economy that is almost the entire production of Canada. Get that excess capacity working, tax it in reasonable measure, and you could pay those welfare benefits and buy whatever defense goodies and other things that people think are necessary.

Q: It sounds wonderful. But how do we get there? And who, or what, is going to soak up all that supply?

A: Well, you see, we've made some mistakes in the past. But by and large, I would give the Reagan Administration very high marks. At least they stopped the inflation. We can now go ahead and expand and get more out of the economy without crazy inflation. In order to do that, I would like to see them stabilize gold again, and then we need to expand the economy.

Q: But how?

A: Through a combination of measures which encourage supply by increasing incentives to employ people. What causes unemployment is the lack of incentives for entrepreneurs to employ people. You have to work to encourage employment, by making profits higher. That's why tax cuts are extremely important. But you won't get that far unless you also have enough money in the hands of the public so they can spend. Right now, the world's facing very weak markets internationally and domestically. We are in a world depression. So we have to expand the demand as well.

Q: That sounds very Keynesian!

A: Well there's a strong element of truth in Keynesianism. I'm a Keynesian, but I'm not just a Keynesian. I'm a supply-sider, as well as a demand-sider. People are beginning to buy houses again. That's fine, it's good for all of us. We need more demand in the economy. And the way you get more demand is not to increase taxes, but to decrease taxes, allowing enough room for profits to grow and making it worth hiring people. Right now, you must have expansionary monetary policy and you must have credit. You should have low interest rates

and you should have a big budget deficit. I'd be happier if we had a bigger budget deficit.

Q: So you are a fair-weather supply-sider?

A: No. I'm a supply-sider, because I would always change taxes in ways that will stimulate supply. Some taxes are just nuisances because they don't gain much in the way of revenue. The corporation tax has become a nuisance tax, it doesn't produce much revenue for the government. You can't politically cut out the corporate tax, but cut it to 25% and you'd gain revenue, rather than lose it.

Q: How so?

A: Because you gain more employment and output. You don't gain any revenue from income taxes after the 30 percent or 35 percent level.

Q: Then what do you suggest?

A: I would like to see a major value-added tax system of, say, 10 percent or 15 percent, and then an income tax system of 10 percent-20 percent on top of that.

Q: Wouldn't that be awfully regressive?

A: Our present system is even more regressive. We have 100 percent tax rate on people who are unemployed.

Q: Huh? 100 percent of zero is still zero.

A: If you are unemployed right now, or on welfare, anytime you earn an extra dollar, you lose a dollar of benefits. That's a 100 percent tax rate at the margin. That's a form of stupidity. No economist would ever invent such a system. Politicians or lawyers would put that through.

Q: Okay, economist, how would your idea work?

A: If we want a progressive tax system, then we should get rid of the things that are making it very regressive. Simply eliminate loopholes: loopholes are terribly regressive. But I don't mind particularly, whether the tax system is more regressive or less progressive, as long as the economy is producing at full capacity.

Q: What exactly does that mean?

A: I mean, this economy is so wealthy in its potential, it should not have to worry about whether it gives away $2 billion or $5 billion for a program for children. Or $2-3 billion in research money or if it buys a $25 billion missile or battleship rather than a $10 billion one. If reducing the budget deficit really is your principal concern, then stop producing tanks. We probably spend about $5 million or so on each, the Germans produce one for about $2 million that's better. And if you want to get an even better one, cheaper, you could probably buy tanks from the Soviet Union for about $1 million.

Q: Bob, you started out saying that the supply-side prescription has been slow to take effect because the tax cuts were likewise slow in coming . . .

A: That's once reason. There are two.

Q: And the other is?

A: The third plank of the Republican party platform was to restore order to the international monetary system. That has a big effect on the supply-side program because that's the way to restore confidence in the dollar. Over the long run, that's the way to get interest rates down. I want to see this economy get down to not just a 4 percent unemployment rate but to 4 percent interest rates again.

Q: And the way to do that, you've said, is to return to a gold standard. But how?

A: Through an agreement among the Big Seven countries, who are meeting this spring in Williamsburg. Something on the order of the deal we had. The other countries would keep their exchange rates from moving too much against the dollar, with the Federal Reserve cooperating in that movement. And the U.S. would put a band around gold prices, not letting gold prices go below a certain amount or above a certain amount.

Q: How are you going to pick those prices?

A: I'd pick them within some reasonable range that seems to be the market trading range. What's the price of gold today?

A: About $420.

A: At the beginning, you see, we wouldn't know exactly where the prices should be, but I would say somewhere between $300 and $600. I think we could narrow that down to, temporarily, provisionally, say, $450 and $550. Or maybe $400 and $500. and then let the market decide.

Q: Seems a pretty wide range.

A: If you put the band around the price between $400 and $500, then it's automatic that the market price will go down towards $400, the low part of the range. Because nobody would want to hold gold. So I'm afraid, on the one hand, you don't want to set it too low, and on the other, you don't want to set it too high. You have to decide how much gold the central banks want to hold. You don't want them just dumping huge amounts on the market. Or taking huge amounts off the market. You would want to have an agreement that takes into account how much gold Saudi Arabia wants to hold. And the European countries. You don't want everybody dumping all their gold on the United States.

Q: The Big Seven haven't even been able to agree on coherent statements about their problems, at summit meetings of late.

A: Well, they haven't known what to do and the U.S. is mainly at fault. It has not developed any important monetary leadership.

Q: Even if the U.S. tried to lead, who would follow?

A: I think the U.S. would now find a sympathetic audience in Japan and in Europe for a gold stabilization agreement. But before we'd get that, we'd have to get people on the U.S. side, as negotiators, who at least know the arguments on both sides; people who aren't ideologues who just go on saying the same things without listening to informed opinion. We haven't had that in this Administration.

Q: Why not?

A: I think that, looked at objectively, while the Reagan Administration gets good marks for the first steps it's taken toward improving the monetary system, it's not enough. They haven't done any more than their predecessors on the international side; they get bad marks there. But they get high marks for having stopped inflation. Probably, their timing on that wasn't appropriate, given the fiscal arrangements, but they've at least stopped inflation and got the stage set for a healthier recovery.

Q: Are you bullish about the recovery?

A: I have to say that I'm cautiously optimistic about the economy, but in the short run rather than the long run.

Q: Why is that?

A: Because I don't think we've made the big structural adjustments to the economy. I think we are going to have an inventory boom now. I think we are going to get people running out of inventories and they will want to put more inventories on the shelf and so we'll expand production, but it won't be lasting. The only structural thing, apart from electronics, that seems to be new is defense systems. And I don't think that is going to carry the economy through the eighties. We need sustained recovery. I'm rather optimistic that the job can be done. But so far, it's just been half done.

Q: So it might stall out in a year or two?

A: The recovery will fizzle out again if the world monetary system isn't put back in its place, maybe next year or in a year and a half.

Q: What would you do about the LDC debts?

A: Well, the best thing we could do for the LDCs would be to restore full employment in the West and buy more of their goods and services. And then the LDC debt won't appear so large. It's only because they can't sell what they are capable of producing, that they are having serious problems. Now, we can do a lot through banking and financial institutions to help these countries fund their debts. We can do that through world central banks. But as you know, funding and restructuring debts are not true solutions. Basic adjustments only come through getting those economies back in the state where they are producing much more.

Q: Bob, one of the objections to returning to the gold standard is that the Soviet Union and South Africa are the major producers of the stuff. Wouldn't we be dependent on them for making decisions on how much gold comes on the market?

A: Well, we may need some kind of stabilization from a gold pool, a gold-buying authority. We don't need more physical gold in the international monetary system. And, I don't recommend it, but if new supplies got to be a very serious problem, we could put a tariff on gold. But, the Soviet Union and South Africa's interests are too tied up with getting good prices for their gold, to upset the market for political reasons. They are interested in their gold as a commercial venture. The Soviet Union has always taken a very hard-nosed capitalistic line toward this important industry. And the Soviet Union doesn't have all that much gold, maybe 5 percent of current production.

Q: Bob, your calls for a return to the gold standard or for fixed exchange rates seem to be falling on deaf ears in Washington these days.

A: I don't accept the idea that it doesn't have much of a political constituency.

Q: What happens if nothing happens?

A: Flexible exchange rate monetarism may win out for another few years in the United States. It may be that if this Administration doesn't adopt a policy of stabilizing the exchange rate, it will become an issue in the 1984 Presidential campaign. Somebody else is certain to bring it up as an important part of their own platform. They'll make political hay out of it.

Q: Why?

A: If we go on muddling through, the unemployment rate won't respond except sluggishly to the inventory boom. There will be great pressure on the Fed to expand. And the Fed will probably do it. A year and a half before the election, we'll rev things up again and we'll get back to a new inflation. Interest rates will push up again and all the pain—we've paid a heavy price to wring inflation out of the system—will be for naught. If we don't go to a stable international monetary system, we'll go back to more inflation and this time it will be far worse than ever before.

Q: Go on . . .

A: Once it's perceived that there is going to be no control over future monetary policy, once it's perceived that the current Administration policy has been unsuccessful in permanently stopping inflation, then ex-

pectations will shoot up again, interest rates will come back and we'll move to the wrong policies. We will have people trying to raise taxes to balance the budget and expand the money supply to increase employment—which is the policy mix that got us into the trouble we are now in.

Q: Cheery note to end on. Thanks, Bob.●

INTERNATIONAL CONFERENCE ON SOVIET JEWRY

● Mr. LEVIN. Mr. President, today concludes the 3-day International Conference on Soviet Jewry taking place in Jerusalem. This is the third conference and like the two earlier conferences—held in Brussels in 1971 and 1976—it is orchestrated to call world attention to the troublesome conditions under which Soviet Jews are living and the emigration rates from the U.S.S.R. This year's conference is particularly important in light of the dismal emigration figures and the stepped-up harassment Soviet Jewry has been subjected to by Soviet authorities.

Mr. President, I ask that the remarks I sent to the conference be included in the RECORD.

The remarks follow:

U.S. SENATE,
Washington, D.C., March 10, 1983.

Mr. THEODORE MANN,
Chairman, National Conference on Soviet Jewry, Presidium of the World Conference on Soviet Jewry, Jerusalem, Israel.

DEAR MR. MANN: Although I can't be present at the Third International Conference on Soviet Jewry, I am with you in my thoughts. Like you, I am thinking about the dismal status of emigration of Soviet Jews, about the despicable treatment they receive at the hands of Soviet authorities, and about the deteriorating cultural, educational and religious conditions they must endure.

The precipitous drop in emigration figures from 1979 through the close of 1982 is alarming. A marked decrease from the 1979 figure of 51,320 to a paltry 2,670 in 1982 tells the story in quantitative concrete terms—avenues of emigration have been nearly choked off.

And we know that this isn't the whole emigration story. A cruel and ironic twist in the story shows that while an emigration application fails to secure the cherished exit visa, it succeeds in bringing on a life of harassment, repression and deprivation. Countless refuseniks have lost jobs and have been subject to police harassment, threat of arrest or actual arrest and subsequent imprisonment. In the recent past we've seen an increase in the number of revocations of higher academic degrees earned by distinguished Jewish scientists. Labeled "unpatriotic" by the Soviet government and stripped of their degrees because they applied to emigrate, the scientists are effectively barred from contributing to scientific or academic communities and are deprived of their livelihood. We haven't seen such a grievous affront to the Soviet Jewish intelligentsia since the imposition of the 1972 "diploma tax."

The assault on Soviet Jewry is not limited to emigration applicants nor are punitive measures restricted to job dismissal and police harassment. The entire Soviet Jewish population is under siege and Jewish identity and tradition are being systematically undermined. What we are witnessing is a campaign by the Kremlin to isolate Soviet Jews from the world Jewish community by stripping them of their religious, cultural, and educational practices and severing their historical roots.

These thoughts about emigration, repression and denial of cultural traditions are haunting—but more than that, they are a call to conscience and a call to action. We must act to prevent further letting of the lifeblood of Soviet Jews. International forums like the International Conference on Soviet Jews help to bring public attention to the problem and serve to put pressure on the Soviet government to respect commitments made in human rights treaties and agreements. Bilateral relations should also be used to promote a more open emigration policy and increased respect for fundamental human rights and political and civil liberties. These issues ought to be worked into the very fabric of bilateral relations with the Soviet Union by including them in the agendas at diplomatic summit meetings, trade negotiations, etc.

Like you, I believe that with perseverance and indomitable spirit we can help to open the avenues of emigration and see that Soviet Jews are treated more humanely and equitably. I applaud the efforts of the Third International Conference on Soviet Jewry to focus global attention on this tragic situation and wish you a most successful meeting.

Sincerely,

CARL LEVIN.●

MISTER DEMOCRAT

● Mr. SARBANES. Mr. President, for the past 46 years the people of Maryland have been privileged to have an outstanding, remarkable public servant working with tireless dedication, enthusiasm, and effectiveness.

Louis Goldstein, who just began his seventh term as comptroller of the treasury of the State of Maryland after earlier service in the house of delegates and State senate, as well as in the U.S. Marine Corps in the Pacific during World War II, is one of the very best State comptrollers in the country. Besides serving the people of Maryland with great dedication, the comptrollers office under Louis Goldstein serves as a model to other States' fiscal offices, leading the way in new, efficient methods and serving as a teacher.

Louis is also a campaigner renowned for his tirelessness. One story has it that campaigning in western Maryland one day, he shook hands all the way across the bridge into West Virginia and kept shaking hands. Known as "Mister Democrat" all across Maryland, Louis brings the same energy to innumerable groundbreakings, civic events, club meetings, and political affairs as he does to his State duties. He is a truly remarkable man.

Mr. President, this week Louis Goldstein reaches his 70th birthday and will be honored in a tribute in his home, Calvert County, in southern Maryland. I ask that an article recording Louis Goldstein's record seventh swearing in as comptroller of Maryland and a brief biography of this true public servant as inserted in the RECORD at this point.

The article follows:

GOLDSTEIN SWORN IN RECORD SEVENTH TIME

ANNAPOLIS.—Maryland's entire state budget totaled just $36 million when Louis L. Goldstein began his career as an elected official in the House of Delegates in 1939.

As he took the oath of office Monday for a record seventh term as state comptroller, Goldstein said he helps oversee a state government which now spends almost that much money every two days.

Speaking in a House of Delegates chamber filled to capacity by friends, relatives and high-ranking politicians, Goldstein ticked off the statistics which point up the enormous growth in government since he first came to Annapolis—$193 spent by state agencies every second, $696,523 every day, more than $500 million every month, more than $6 billion a year.

There were other statistics tossed out at the comptroller's swearing in ceremony.

Gov. Harry Hughes, who administered the oath of office, noted that Goldstein's election to seven terms as comptroller is a record. Hughes said he also believes that Goldstein has served longer in elective office than anyone else in Maryland history.

John C. Donohue, the master of ceremonies, said he figures Goldstein has driven 540,000 miles, or 21 times around the earth, just going to and from work in his 24 years as comptroller. That, Donohue noted, wouldn't include all the other miles the comptroller has driven attending innumerable political affairs, club meetings, ground breakings, dedications, bull roasts and civic events.

Hughes, after giving the oath, told the audience that despite all of Goldstein's years of service, "he has lost none of his enthusiasm, none of his energy, none of his excitement he gets out of his work. . ."

"No one works harder or takes his job more seriously," the governor said.

The comptroller's swearing-in drew most of the state's top elected officials. Among those sharing the spotlight in addition to Hughes were the new lieutenant governor, J. Joseph Curran, Attorney General Stephen Sachs, U.S. Sen. Paul Sarbanes, State Treasurer William S. James and Robert Murphy, chief judge of the Court of Appeals.

Louis L. Goldstein was born in Prince Frederick, March 14, 1913. He was educated in Baltimore City and Calvert County public schools, Washington College, Chestertown, Maryland (B.S., 1935), and the University of Maryland School of Law (J.D., 1938). From 1937 to 1942 he was an elected delegate from Calvert County to the Maryland General Assembly. In 1942 he enlisted in the U.S. Marine Corps as a private and was discharged in 1946 as a first lieutenant after service in the Asiatic and Pacific theatres.

From 1947 through 1958 Mr. Goldstein was an elected State Senator from Calvert County, and during this time he was Majority Leader (1951-1955) and President of the Senate (1955-1958). He was a member of the Legislative Council (1947-1958) and served as its Chairperson between 1955 and 1958. In 1958 he was elected Comptroller of the

Treasury; he was reelected in 1962, 1966, 1970, 1974, and 1978.

Mr. Goldstein is married to the former Hazel E. Horton and has three children, Philip, Louisa, and Margaret Senate. They reside at Oakland Hall, Prince Frederick, Maryland.

He and his wife have shared a legal practice in Prince Frederick. He also operates several farms. He is active in veterans, charitable, and civic organizations. He served as the President of the National Association of State Auditors, Comptrollers and Treasurers for 1969. He is Chairperson of the Board of Visitors and Governors of Washington College. He has also served as a delegate or alternate to ten Democratic National Conventions, and was a member of the Platform and Resolutions Committee at the 1964, 1968, 1972, and 1976 conventions.

Morgan State University, Western Maryland College, Washington College, and the University of Baltimore have each awarded Mr. Goldstein honorary doctorate degrees, and he has received the President's Medal from Mt. St. Mary's College as well as additional awards for his interest in education, historic preservation, promotion of tourism, outstanding management, and conservation.●

SUPERFUND EXTENSION NEEDED NOW

● Mr. SASSER. Mr. President, yesterday I joined my distinguished colleagues, Senator BRADLEY, Senator LAUTENBERG, and Senator MITCHELL in sponsoring S. 816 legislation which extends the authorization for the superfund program through 1990. It is time for Congress to bring down the curtain on the administrative irregularities at the Environmental Protection Agency. We must begin the more vital task of assuring that Americans are adequately protected from the hazards of toxic waste sites.

S. 816 seeks to insure that there is both the sufficient time and money necessary to clean up the thousands of hazardous waste sites throughout this country. More importantly, S. 816 will insure that resources will be available for the cleanup of the 416 sites recently designated by the Environmental Protection Agency as the most dangerous in the Nation. Mr. President, 6 of the 416 priority sites are within Tennessee, I believe that Tennesseans and all other citizens of this country should not live under the cloud of fear created by toxic dumps. We must take the necessary steps to insure the cleanup of these waste sites.

Mr. President, the improper disposal of hazardous wastes can cause serious health hazards for our citizens. Improper waste disposal can cause respiratory diseases, cancer, emphysema, and birth defects. We cannot turn our backs on the victims of improper disposal of toxic chemicals. We can and must renew the Federal commitment to protect all Americans from the improper dumping of toxic wastes in our environment.

Mr. President, at a time when the American public is rightfully questioning the Government's commitment to a safe and clean environment, it is vital that the Congress will show its intent by backing this vital program. It is imperative that the Superfund program be continued in order to clean up these ecological nightmares.

Mr. President, we are seeing daily press accounts of the politicization of the Environmental Protection Agency, There is altogether too much talk of "hit lists" and the use of EPA funding for political purposes today.

The American people want a safe and healthful environment. They want constructive action in cleaning up toxic waste dumps that pose serious health hazards. This administration contends that the EPA is undergoing unwarranted political attacks. They keep indicating that they want EPA to get on with the job of protecting the environment. Well, one excellent means of getting on with the job is for this administration to back S. 816 and extend the superfund through 1990.●

THE VOCABULARY OF ARMS CONTROL: PART III—SPACE SYSTEMS AND CONCEPTS

● Mr. PRESSLER. Mr. President, as part of an on-going effort to clarify strategic and arms control concepts, today I shall enter into the RECORD a further elaboration of terms that are key to understanding the security debate. Unlike parts 1 and 2 which have previously appeared in the RECORD, and deal with the general topics of security and arms control, part 3 specializes in space-related terms and concepts.

As I have previously noted, the debate on arms control and security policy ultimately involves every man, woman and child in this Nation. For it is the American taxpayer that bears the burden of military spending, and it is the public which will either benefit from or face the consequences of success or failure in arms control. The public, therefore, has a legitimate right to demand that U.S. defense and arms control policy be debated in the open.

The absence of a common vocabulary and the use of confusing and often undefined words and concepts are a roadblock to this open debate. I fully share the concerns of many who believe that the technical and linguistic barriers to discussion are artificial ones. These barriers can and should be lowered. In the highly specialized area of space weapons development, this problem is particularly great. The consequence has been a lack of debate on space policy decisions that have major budgetary and security implications. I, therefore, offer the following vocabulary on space systems and concepts. In preparing this glossary, two books have proven invaluable: Robert B. Giffen, "U.S. Space System Survivability"; and Bhupendra Jasani (editor), "Outer Space—A New Dimension of the Arms Race." This vocabulary draws heavily on the definitions provided in both books.

The glossary follows:

Accelerator—A machine for increasing the velocity of charged elementary particles and ions.

Aerospace Defense—All measures to intercept and destroy or otherwise neutralize hostile aircraft, missile and space vehicles in the atmosphere and beyond.

Anti-Satellite Weapon—A weapon designed to disrupt, interfere with, destroy or damage a satellite. This weapon could be another satellite called a killer satellite; an interceptor that is launched from a missile or an aircraft; or an energy beam weapon which could attack a space system from space or from the ground. Some might include jamming equipment, or equipment used to issue false commands to satellites as anti-satellite weapons.

Apogee—That point in the orbit of an Earth satellite which is farthest away from the Earth.

Ascending Node—When a satellite passes the Earth's equatorial plane from the south, the node is called an ascending node and when it passes from the north, a descending node.

Atmospheric Drag—Decelerating force due to air acting upon a satellite.

Autonomy—The ability of a satellite to operate independently without command and control from the ground; includes the ability to perform navigation, attitude control, internal system control, and self-diagnosis.

Booster—A rocket used to give extra power during lift-off or at another stage of a spacecraft's flight.

Capsule—A container carried on a rocket or spacecraft with the instruments or photographic films intended to be recovered after the flight.

Centrifugal Force—A force that appears to act outwards on a body that moves in a curved path.

Connectivity—The ability to maintain continuous communication between the National Command Authority and strategic and tactical forces.

Critical Node—That component of a system whose failure results in total system failure.

Decay—Various forces acting on a satellite cause it to reenter the Earth's atmosphere and eventually to burn up (or decay) in the atmosphere.

Direct Attack—Direct attack by a variety of ASAT weapons is the surest way of killing a satellite, but also the most expensive. Direct attack includes employing directed-energy weapons, orbital interceptors and space mines.

Direct-Ascent Interception—ASAT interception of a satellite in orbit by launching directly from the earth (as opposed to maneuvering an ASAT already pre-positioned in orbit).

Eccentricity—The amount an orbit varies from the circular; the more eccentric an orbit becomes, the more squashed it is.

EHF—Extremely high frequency (30,000 to 300,000 MHz).

EMP—Electromagnetic pulse; a propagated bundle of electromagnetic energy.

Exoatmospheric—At an altitude abode the sensible atmosphere (approximately 40km).

Fault-Tolerant Precessors—Microprocessor computers capable of internally correcting or overcoming self-induced errors.

Gamma Rays—Electromagnetic rays which have wavelengths in the range 10^{-10} to 10^{-13} meter.

Geosynchronous Satellite—A satellite which revolves around the earth in exactly one day so that it appears stationary to an observer on the earth. Such a satellite orbvits at an altitude of 22,300 miles above the earth.

Gravitation—The mutual attraction of bodies as a result of their mass; a mass has an associated gravitational field characterized by the fact that a force is exerted on a second mass placed in this field.

Ground Track—The projected path traced out by a satellite over the surface of the Earth.

Ground-Based Directed Energy Weapons—Directed-energy weapons use either coherent-light energy (laser) or particle-beam energy to irradiate and damage the target satellite. Both these weapons systems require enormous amounts of power and accurate pointing systems to keep the beam on target. Range is limited because of atmospheric dispersion and attentuation of the beam. The advantage of these weapons is that, once developed, they can instantaneously damage or interfere with any low earth orbit satellite passing over their position. Laser weapons can be effective against satellite sensors and solar panels, while particle-beam weapons have the potential to destroy systems internal to the satellite. Both weapons demand precise targeting information and extremely accurate pointing systems to find and then to eliminate their target.

Guidance System—A system which directs the movements of a rocket or a spacecraft with particular reference to the selection of a flight path.

Health Management—The ability of a satellite to maintain its own environmental systems; e.g., temperature control.

Inclination—The angle between a satellite's orbital plane and the plane of the Equator.

Instantaneous Field of View (IFOV)—This is defined as the size of the spot on the ground which just fills the area of the sensor of a scanner at the instant of observation.

Ionosphere—The atmospheric shell characterized by high ion density; its base is at about 75-km altitude and it extends to an indefinite height.

Jamming—One of the most effective means of defeating a space system is to jam or block the communications link between either the satellite and the user or the satellite and the ground command and control station. Electromagnetic interference, exoatmospheric nuclear detonation, and elimination of communications relay satellites are all effective methods of blocking communications.

Killer Satellite—An anti-satellite weapon which orbits prior to intercepting its target.

Launcher—A rocket vehicle used to orbit a satellite.

Lifetime (of satellite)—The period of time during which instruments on board a satellite remain functioning, or the period from lift-off to decay of the satellite.

Molniya Orbit—A highly eccentric semi-synchronous orbit inclined 63.4 degrees to the Equator.

Multispectral Scanner (MSS)—An instrument used to produce imagery data by scanning the Earth's surface below the satellite across the orbital path in two or more wavelength bands.

Neutron—An elementary particle with zero charge and a rest mass of 1.67492×10^{-27} kg.

Orbit—The path of a satellite under the influence of the Earth's gravitational force; the path is a closed one so that the satellite returns periodically to the same point in the path.

Parking Orbit—An orbit of a spacecraft around a celestial body, used for assembly of components or to wait for conditions favourable for the departure from the orbit.

Payload—Load which a rocket or a spacecraft carries over and above what is necessary for the operation of the vehicle for its flight; for example, camera equipment, etc.

Perigee—That point in the orbit of an Earth satellite which is closest to the Earth.

Period (orbital)—The time required for a satellite to go around the Earth once.

Perturbations—Small disturbances of a satellite in orbit caused by gravitational anomalies, drag, solar pressure, etc.

Photon—The elementary quantity or quantum of radiant energy.

Pixel or Pel—Picture elements in a satellite photograph.

Polar Orbit—Satellite orbit such that the orbital plane contains the Earth's axis of rotation.

Precession—The fact that the Earth is flat at the poles causes the orbit of a satellite to turn round the Earth's axis while keeping its orbital inclination constant. This effect is known as precession.

Propellant—The fuel, including the oxidant, used in a rocket.

Radar Cross Section—The picture produced by recording radar waves reflected from a given target surface.

Radiometer—An instrument which detects natural electro-magnetic radiation (for example, in the infra-red or microwave regions).

Resolution—Ground resolution is the ground dimension equivalent to one line at the limit of resolution; photograghic resolution is defined as the minimum observable spacing between black and white lines in a standard pattern.

Retrograde Orbit—An orbit with an orbital inclination greater than 90° and less than 180°.

Right Ascension—The angular distance (usually stated in time, 24 hours = 360 degrees) eastward along the celestial equator, measured from the first point of Aries to the meridian circle passing through any celestial object.

Sabotage—Most fixed ground stations are dependent upon central support systems for continuous operation. In many cases, sabotaging one of these support functions is relatively simple; in fact, it may be difficult to detect as an overt act. Since many satellite systems are dependent on nearly realtime command and control for continued operation, any interruption of this link could degrade satellite operation and ultimately lead to the loss of the satellite. So sabotage can be an effective method of degrading or negating an enemy's space capabilities prior to actual outbreak of hostilities. Sabotage is particularly attractive because it's cheap and, when operating against a free and open society such as the United States, it's easy.

Satellite, Artificial—A man-made spacecraft which revolves round a spatial body, such as the Earth.

Semi-Synchronous Satellite—A satellite that completes exactly two orbits per day.

Space Mines—After launch, a space mine stays dormant in the vicinity of the target satellite (withing 1000 km). When the time to attack comes, the mine is switched on, locks onto the target satellite, maneuvers within lethal range, and explodes its conventional or nuclear charge. Satellites at geosynchronous altitude are particularly vulnerable to space mines.

Space-Based Directed-Energy Weapons—Multiple-shot laser and particle-beam weapons mounted on a satellite platform pose a unique threat. With little atmospheric dispersion or attenuation, these weapons have a built-in defense against orbital interception. Power requirements, pointing accuracy, and targeting information still present significant challenges, but such a weapon, particularly if manned, would be formidable.

Spoofing—Spoofing is a subtle, effective means of defeating a satellite. Spoofing is either controlling an enemy satellite directly or making the satellite—or the ground controller managing the satellite systems—think that an on-broad system needs to be controlled when it actually does not. For example, if you know the correct frequencies, codes, and transmission sequences to control the maneuver engines of an enemy reconnaissance satellite, then when the satellite is over your territory, you simple send a transmission to fire the engines. The satellite will either become disoriented or lost, or will burn all its fuel. The advantage of spoofing an enemy satellite is that the enemy may never know what happened. Even if he suspects foul play, he may have difficulty proving it.

Spread Spectrum—When transmitting many different signal waveforms in a wide band, power is spread thinly over the band so that narrow-band radios can operate within the wide-band without interference.

Stealth Technology—Technology enabling an object to become "invisible" to both radar and optical sensors.

Sun-Synchronous Orbit—A low earth orbit inclined at about 98 degress to the Equator, which always maintains the same relative position to the sun.

Synthetic Aperture Radar (SAR)—This is a side-looking radar with a relatively short antenna which is made to behave like a very long one with a narrow beam; a long antenna can be synthesized by taking advantage of the motion of the platform (a satellite).

Telemetry—Transmission of data using microwaves (for example, housekeeping data, imagery data from satellite sensors, etc.), often using coded signals.

Terminal (ground)—A place or places on the Earth at which a transmitter or a receiver or both form a link between it and a communications satellite.

Tracking systems—Systems such as radars or optical telescopes which follow the movements of satellites in Earth orbit.

Trajectory—The dynamical path followed by an object under the influence of gravity and/or other forces. A satellite's orbit is a trajectory which is closed so that the satellite returns periodically to the same point.

Transponder—A combined receiver and transmitter the function of which is to transmit signals automatically when commanded.

Upper Stage—A second or later stage in a multistage rocket.

Vernier Control Rocket—Small rockets attached to a satellite to make small adjustments in the orbital flight of the satellite.

Vulnerability—The susceptibility of any country, military force, or weapon system to any action by any means through which its effectiveness may be reduced.●

RALLY IN ISRAEL TO PRESS FOR SOVIET EMIGRATION

● Mr. TSONGAS. Mr. President, today in Jerusalem, the World Conference on Soviet Jewry concluded its meetings convened to call attention to the continued repression of religious practice in the U.S.S.R.

The Soviet Union signed the Helsinki accords, yet it has flagrantly violated all the human rights provisions in that agreement. All members of the Helsinki Monitoring Committee have been arrested. Jews in the Soviet Union are systematically deprived of religious freedom: of the right to observe their religion; of the right to study their religion, language, history, philosophy, and literature; of the right to an open trial; of the right to express their thoughts without risking imprisonment or commitment to a psychiatric ward; of the right to emigrate; and of the right to join their families.

In the last decade, as many as 50,000 Jews each year fled the repression they faced in the Soviet Union. Now this tide has slowed to a trickle. This January, only 81 were permitted to leave.

Our tradition of religious freedom makes us a beacon among the nations. Soviet Jews look to us as their sole source of support. Conscience demands that we keep their cause before the eyes of the world while we work together to ease their road to freedom.

Mr. President, I request that the article, "1300 Rally In Israel To Press for Soviet Emigration," by David Shipler, New York Times, March 15, be printed in the RECORD.

1,300 RALLY IN ISRAEL TO PRESS FOR SOVIET EMIGRATION

(By David K. Shipler)

JERUSALEM, March 14.—In the midst of the tightest restrictions on the emigration of Soviet Jews since 1970, about 1,300 delegates from 32 countries, including many prominent Americans, have gathered here for a three-day conference to help the morale of Soviet Jewish activists and generate pressure on the Soviet authorities.

The World Conference on Soviet Jewry, which begins Tuesday, is the third such meeting since the emigration movement began in 1971. The first two were in Brussels in 1971 and 1976.

The conference is meant not as a strategy and working session but as "an international demonstration," according to Theodore R. Mann, chairman of the National Conference on Soviet Jewry. He said one of its goals would be to dramatize to the United States Government the broad American interest in the issue.

Mr. Mann had both praise and criticism for the Reagan Administration's efforts. "I think it's in the consciousness of the President and the Secretary of State," he said, noting that Secretary of State George P. Shultz had raised the issue with Foreign Minister Andrei A. Gromyko of the Soviet Union.

But the general state of Soviet-American relations worked against relaxation of the restrictions, he said. "I don't see the point in being uncivil in relations between nations," Mr. Mann said, speaking of some of President Reagan's harsh comments about the Soviet Union. "I don't think calling them liars and cheats and an evil empire is proper discourse among superpowers in a dangerous world. I think this has something to do with the Soviet Union's treatment of human rights issues the United States thinks important."

MRS. KIRKPATRICK DISAGREES

Jeane J. Kirkpatrick, the United States representative at the United Nations, disagreed. She said at a news conference here that it was impossible to read the minds of Soviet leaders. "The Soviets turn on and off the flow of emigration," she said, "and they've been doing it for some time. None of us is quite sure what the causal relationship is at a given time."

Since 1971, about 270,000 Jews have emigrated from the Soviet Union, about 10 percent of the Soviet Jewish population, according to Jerry Goodman of the National Conference on Soviet Jewry. Of those, he said, about 170,000 have come to Israel, with most of the rest going to the United States. The rate of emigration has plummeted in recent years, down from a high of about 4,000 a month in 1979 to just 81 in January and 125 in February.

"We had more Jews come out of Ethiopia in January than out of the Soviet Union," Mr. Mann said.

Last week, a 16-member delegation from the American Jewish Committee visited Leningrad and Moscow, talking with 25 to 30 people who have been refused exit visas and gathering impressions of what they portrayed as a hardening Soviet policy.

Maynard I. Wishner, president of the committee, said at a news conference today that many of those applying for permission to emigrate were being turned down without being given reasons and that the authorities appeared to be intercepting official invitations mailed by relatives abroad. Soviet procedure requires such invitations as evidence that emigration is being sought to reunify a family.

Soviet officials have adopted the argument that all those who wanted to leave have left, Mr. Wishner reported, and that those few remaining have been held because of special technical reasons, such as their possession of state secrets.

"I'm here to tell you that's a lie," Mr. Wishner declared, saying many Jews wanted to leave but could not. Nobody can say with certainty how many, he said, although another member of his party said that approximately 300,000 requests for family invitations had been received in the west from Soviet Jews.

Mr. Wishner also conveyed reports of a surge of anti-Semitism. In Leningrad, he said, his group was told by Jewish activists of a game called concentration camp that is played by some children of early high school age.

"A child is given a number," Mr. Wishner explained, "and invariably, we are told, it is a Jewish child who's given a number and by his school comrades is referred to by that number over the next period of days—called not by name, but by that number."

Tuesday's opening session is to be addressed by Mrs. Kirkpatrick, President Yitzhak Navon of Israel, and Simon Viel of France, former President of the European Parliament.

The meeting has drawn about 500 American delegates. Mr. Mann said. Among those scheduled to attend are Newman Flanagan, District Attorney of Boston and President of the National Association of District Attorneys Elizabeth Holtzman, District Attorney of Brooklyn; Mario Merola, District Attorney of the Bronx; Albert Shanker president of the American Federation of Teachers; the Rev. Robert F. Drinan, head of Americans for Democratic Action; Representative James H. Scheuer, Democrat of Queens; Gov. Thomas Kean of New Jersey; Donald R. Manes, Borough President of Queens; Stanley Simon, Borough President of the Bronx, and Howard Golden Borough President of Brooklyn.●

CAMP FIRE: HAPPY 73D BIRTHDAY

● Mr. DANFORTH. Mr. President, Missouri takes a special pride in the good work of Camp Fire. Since 1977, Camp Fire's national headquarters has been located at 4601 Madison Avenue in Kansas City, Mo. From Camp Fire's national office comes service and support for the programs that help one-half million young women and men to develop their talents and their capacity for caring and effective involvement in our society.

Camp Fire offers a variety of progams and is open to all, regardless of race, creed, religion, national origin, or gender. Members meet in clubs with volunteer adult leaders to enjoy the outdoors, and to participate in tutoring programs, self-reliance courses, youth employment programs, and other activities designed to meet the needs of young Americans.

Adult members are vital to Camp Fire. Volunteer leaders offer guidance and friendship for girls and boys. They offer examples for responsible citizenship.

Luther Halsey Gulick and Charlotte Vetter Gulick founded Camp Fire in 1910. Today, this national, nonprofit youth agency has 500,000 members. Boys began joining Camp Fire in 1975 and make up 15 percent of its membership.

On behalf of the people of Missouri, I am pleased to extend congratulations to Camp Fire members, youth and adults, across the country as they look forward to many more years of serving the young and speaking on their behalf.●

GENERAL TADEUSZ KOSCIUSZKO—POLISH PATRIOT AND AMERICAN REVOLUTIONARY SOLDIER—237TH BIRTHDAY, FEBRUARY 12, 1983

● Mr. MURKOWSKI. Mr. President, I would like to commemorate the 237th birthday of Tadeusz Kosciuszko which occurred on February 12 of this year. Unfortunately, I have been away from Washington in my home State of Alaska, meeting with contitutents and with our new Governor, and for these and other reasons, was unable to present this statement until today.

It is fitting that we take a few moments to remember General Kosciuszko and the heroic battles for freedom which he fought both here in America and in his homeland, Poland. As a soldier in the American Revolutionary Army, General Kosciuszko made crucial contributions to the successful outcome of the Revolutionry War against the British. As a true Polish patriot, General Kosciuszko led an equally heroic effort in his homeland to bring true freedom and independence to the Polish people. For a time, General Kosciuszko seemed to have achieved that lofty purpose, but his dream of freedom for the Poles was short-lived. The independent government in Poland which General Kosciuszko fought for does not yet exist today.

General Kosciuszko drafted plans for fortifying not only West Point, but also the Delaware River and other battlefields, which plans helped to assure that the American Revolution would not be lost. Indeed, were it not for General Kosciuszko's consistent efforts in support of our forefathers, many historians believe that the Revolution might have had a different ending. General Kosciuszko's brilliant engineering is credited with making possible the remarkable American victory at Saratoga in the fall of 1777. That victory probably marked the turning point of the war in the colonists' favor.

Innumerable American lives were saved by General Kosciuszko's knowledge of terrain and his logistical planning during the inevitable retreats of the American Army in the face of the often overwhelming British forces. Yet, while other foreign soldiers fighting by the side of the colonists clambored for promotions and decorations, General Kosciuszko on more than one occasion declined a commission.

General Kosciuszko eventually returned to his homeland and, after a time, joined the struggle for Polish independence. His battle for freedom and liberty in Poland was not nearly so fruitful as the American war. Nearly 20 years after his participation in the stunning victories of the American Revolution, General Kosciuszko returned to this country, no longer a free man from a free country. Poland had been divided and was embattled.

Sadly, the situation in Poland 200 years later does not seem to have changed much from General Kosciuszko's time. Poland is a country united in spirit, but divided by dictators who are not responsive to the wishes of the Polish majority. The Communists have made the Polish people as repressed and bitter as they were during the days when General Kosciuszko fought for the liberty of his people.

Recent demonstrations in Gdansk and Posnan and elsewhere in Poland by brave people who dare to support the efforts of the Solidarity underground and other groups working to secure fundamental civil liberties in Poland serve as a reminder that the proud Polish spirit cannot be bridled. All Americans should reflect upon those freedoms which we all too often take for granted, and which we might not enjoy but for the valiant and selfless efforts of General Kosciuszko. It is only fitting that we make every reasonable effort now to help the Polish people achieve those same fundamental freedoms.●

BACKDOOR IMMIGRATION

● Mr. HUDDLESTON. Mr. President, in 1981 the U.S. Attorney General and the Secretary of State entered into an agreement to circumvent the immigration laws of this country. At the urging of the Secretary of State, the Attorney General agreed to order the INS to "presume" that all individuals migrating from Laos, Cambodia, and Vietnam were refugees.

This presumption would have automatically qualified those migrants for the extremely generous refugee resettlement program in the United States. Although no one knows exactly how much this resettlement program is costing U.S. taxpayers, a Presidential report released late last year revealed that total U.S. refugee assistance programs have cost about $9 billion over the last 4 years.

At the time this agreement was being made there was evidence produced by Government officials in the field which showed that a substantial number of the "refugees" were really economic migrants. According to this evidence, many did not belong to that special group of people who we classify as refugees under our immigration laws because they were not fleeing persecution in their home countries. In essence, the refugee program was being used to operate a back-door immigration program which was costing U.S. taxpayers billions of dollars.

On July 22, 1981, I introduced Senate Resolution 191 which called for an immediate investigation of that situation.

Following the introduction of this resolution, hearings on both the Senate and the House side were held which substantiated my charges that the immigration law was being circumvented. In fact, the Office of Legal Counsel of the U.S. Justice Department issued a legal memo which stated that the Attorney General had exceeded his authority and that the law did not permit such a blanket presumption.

The memo went on to say that what the law requires is a case-by-case review to determine if an applicant qualifies for that very special class of persons we refer to as "refugees."

At one of the hearings, the Attorney General recanted on his agreement with the Secretary of State and assured the Congress that new guidelines would be issued. Although it took the Attorney General 9 months to issue these new guidelines, they were ultimately put into place.

As a result of this skirmish, the INS officials who had balked at violating the immigration laws as a result of the presumption agreement were vindicated. It was clearly shown that INS officials were correct and that State Department officials were guilty of circumventing the law.

However, I have dealt with State Department officials for 7 years on this subject and I know that their determination is exceeded only by their nearsightedness on this issue. Accordingly, I knew that it would only be a matter of time before they would again attempt to escalate the refugee program in Indochina far beyond the intent of Congress.

I have recently obtained copies of communications which reveal that the State Department is again attempting to circumvent the immigration law by classifying migrants as refugees even if they do not qualify under the law. State Department officials have again been putting extreme pressure on INS officials to resettle in the United States tens of thousands of migrants who are not refugees. Ambassador John Gunther Dean has been reported by reliable sources to have told INS that a denial rate of more than 25 percent would be "unacceptable" to him.

In other words, the State Department wants to again institute a "presumption" that 75 percent of all migrants who are interviewed are automatically given the special classification of "refugee."

This is an obvious departure from the letter and intent of the Refugee Act which Congress passed in 1980. Under this act, refugees are considered to be very special people who are deserving of a special kind of treatment. This is why we defined refugees as people who are fleeing persecution which is directed specifically at them in their own countries because of their political or religious activities.

In other words, the true freedom fighters of the world were our intended beneficiaries, not economic migrants who simply want a better standard of living. Because true refugees are unique, we have extended to them the opportunity to resettle in the United States and a broad assortment of financial assistance programs.

The Refugee Act of 1980 was not intended to be a back-door immigration program, nor was it intended to be an international welfare program. However, this is exactly what the State Department has sought to create in Indochina. As a result, it should now be ob-

vious to everyone that the State Department cannot carry out its function in the area of refugee resettlement in a responsible manner.

The Department has consistently ignored the intent and letter of the law and permitted other objectives to interfere with its duties in the refugee program. If we are to preserve any respect at all for our already tattered and torn immigration system, I believe that the U.S. State Department must be substantially removed from any direct involvement in the system.

Mr. President, because the statement I made in 1981 in regard to State Department manipulation of the Refugee Act is as pertinent today as it was then, I ask that it be printed in the RECORD.

The statement follows:

SENATE RESOLUTION 191—RESOLUTION REGARDING PROGRAMS FOR THE RESETTLING OF INDOCHINESE REFUGEES

Mr. HUDDLESTON submitted the following resolution, which was referred to the Committee on Foreign Relations:

S. RES. 191

"Whereas the United States terminated all active and direct military involvement in Indochina in 1975;

"Whereas since that time the United States has accepted almost 500,000 Indochinese refugees for resettlement in one of the largest and most expensive resettlement efforts in our history;

"Whereas United States taxpayers have been required to spend billions of dollars to resettle and assist Indochinese refugees;

"Whereas the flow of individuals in Indochina claiming to be refugees is at a very high level;

"Whereas reliable sources claim that liberal first asylum conditions, together with the prospect for rapid resettlement, is expected to continue the increased flow, and that most recent arrivals are "low-risk" refugees that do not belong to harassed minority groups, do not have close family ties in the United States and were not associated with American programs during the war;

"Whereas officials of the Immigration and Naturalization Service have concuded that thousands of Indochinese individuals claiming to be refugees do not fit the definition of "refugee" in our Immigration and Nationality Act;

"Whereas the compelling and paramount economic reasons which require that Federal spending be substantially reduced necessitate a reduction in many domestic Federal assistance programs;

"Whereas the basic requirements of the needy and deserving citizens of the United States must be placed first;

"Whereas the concentration of Indochinese refugees has placed severe strains upon the State and local governments which must deal with their social and economic impact; and

"Whereas it is necessary for the United States to maintain an equitable refugee policy and demands are increasing for the resettlement of refugees from other parts of the world: Now, therefore be it

"*Resolved*, That it is the sense of the Senate that the program for resettling Indochinese refugees shall be immediately and thoroughly investigated by the Executive and Congress to determine if the program is classifying as refugees large numbers of individuals who are migrating primarily for economic reasons, is encouraging the mass migration of individuals and is being administered in the strict manner Congress intended. Should the findings of this investigation so warrant, the program shall be phased out as soon as possible.

"The investigation shall give substantial weight to the testimony and professional opinions of Immigration and Naturalization Officers who have direct experience with the Indochinese resettlement program."

RESETTLING OF INDOCHINESE REFUGEES

Mr. HUDDLESTON. Mr. President, since the fall of Vietnam, the United States has undertaken one of the largest and most expensive refugee assistance efforts in our history. Almost 500,000 refugees have been resettled in the United States and approximately $2 billion has been spent for Indochinese refugee assistance. However, even after this monumental effort, the end is not in sight for the flow of refugees from Indochina.

I believe that ample evidence exists to prove that many of the individuals claiming to be persecuted in Indochina are in reality immigrants who are seeking a better economic life and that our resettlement policies are encouraging this continuing flow of people.

Therefore, I am submitting a resolution today which would recommend that the Executive and the Congress conduct an immediate investigation into these allegations to determine if the program is being administered in accordance with the intent of Congress. Although I believe that sufficient evidence exists to justify immediate phasing out of this program. My resolution only calls for an investigation at this time.

I do not make this recommendation lightly. No one can deny that the individuals claiming to be refugees in that area are needy people, but there is no convincing evidence that their needs are any greater than those of the 16 million other refugees in the world today. Furthermore, at a time when we are cutting billions of dollars out of domestic assistance programs, we should not continue this expensive foreign program which is misguided and counterproductive.

There is no doubt that our well publicized resettlement program has actually made the refugee situation worse by encouraging individuals to leave their countries. A study entitled "Indochinese Refugees: The Impact of First Asylum Countries and Implications for American Policy," which was prepared for the use of the Joint Economic Committee on November 25, 1980, made basically this finding. The study states:

"The success of the program for Laotians and Vietnamese has the effect of increasing the flow of refugees attracted by liberal first asylym conditions and the prospect for rapid resettlement."

This finding comes as no surprise to those of us who have followed closely the Indochinese refugee problem from its very beginning. Several years ago it was not uncommon for the "boat people" to be picked up by our Navy. Nor was it unusual for these people to know which State in our country they wanted to go because of its reputation for the best refugee resettlement program.

They learn of these generous and rapid resettlement programs from many sources. The Voice of America and the BBC are constantly broadcasting about the type of receptions these people are getting, and then there is the flow of information from friends and relatives. The South China Morning Post recently ran an article on the exodus and reported that refugees "are sent a photo of a relative standing in front of a car which probably doesn't belong to him and then telling of jobs, houses, purchases . . . The Vietnamese seem to expect that they will be welcomed wherever they go . . .".

As long as this type of advertising continues, we should not be surprised to learn that the flow of refugees is still as high as it once was. This is substantiated by the New York Times which reported on June 26, 1981 that:

"The number of refugees leaving Vietnam on small boats rose in April and May to the highest level in two years, and partial statistics obtained from the United Nations High Commissioner for Refugees indicate that the rate of departure remains high this month despite heavy monsoon weather in the South China Sea."

This discouraging fact was underscored by the publication of the 1981 World Refugee Survey prepared by the U.S. Committee for Refugees. The title of one of the lead articles in this publication tells the whole story—"Indochina Refugees: No End in Sight."

It is time that the United States faces up to the fact that continuing our present policies in this area of the world will only make the problem worse in the long run. The United States is not a bottomless well from which assistance can be extracted for an indefinite time. The Joint Economic Committee study says that as many as one million more people are willing to come out of Vietnam. I do not believe that we should continue to provide the encouragement for these people to do so.

If the present flow of individuals out of Indochina truly consisted of refugees, I would have more reservations about proposing this phase-out. But the most recent evidence strongly indicates that 70 percent or more may not fit our very liberal definition of "refugee." Section 101(a)(42) of the Immigration and Nationality Act defines a refugee as the following:

"Any person who is unable or unwilling to return to, and is unable or unwilling to avail himself or herself of the protection of, that country because of persecution or a well-founded fear of persecution."

Unfortunately, it appears that many of those who claim to be refugees under this section are fleeing economic hardships and do not have a fear of persecution in its true sense. The Joint Economic Committee study found that:

"Most recent arrivals are 'low-risk' refugees that do not belong to harassed minority groups, do not have close family ties in the United States, and were not associated with American programs during the war (66% of those in the initial processing phase for entry into the United States in March-April 1980 fell in this category IV of "other" under the American preference criteria for Indochinese refugees)."

This argument of lack of refugee status is supported from other sources. The South China Morning Post reported on June 23, 1981 that:

"For about 90 percent of the people who want to leave the reasons are economic,' a diplomat said. 'Some say they want to go for their children's education future, others complain about health care."

On June 26 the New York Times reported:

"An argument increasingly voiced is that more than six years after the Communist victory in Indochina the genuine political refugees have already left and those who now are risking their own lives and those of

their families to escape are doing so for economic gain."

This point of view has been openly discussed in the press for a long time now. On March 24, 1981 the Christian Science Monitor ran an article which said:

"A growing number of immigration officers, refugee workers, and even a few social workers are claiming that many of the refugees are not really refugees but "assisted immigrants."

Now a large percentage are young unemployed, draft dodgers, students, and many others who may find life in Vietnam hard, but are not being persecuted."

While this problem has been reported in the press, it has also been strongly debated within the Reagan administration. The Department of State has taken the position that all individuals leaving Vietnam, Laos and Cambodia are to be presumed to be refugees. After a great deal of hard infighting by the Department of State, the Attorney General agreed with the Department, although there is no provision in the law for this kind of blanket, automatic classification.

The unfortunate aspect of this capitulation by the Attorney General is not that it will continue a counterproductive foreign policy but that the Nation's chief law enforcement officer has decided that he will not enforce the immigration law as it was written by Congress last year. The order which went out to INS officers in the field from the Acting Commissioner of INS states that "INS officers will limit their findings to admissibility under Section 212(a) of the Immigration and Nationality Act." The effect of this order was to prohibit the use of section 101(a)(42), which is where "refugee" is defined.

The internal fight between INS and the Department of State was an extremely bitter one and there are files full of cables, letters, and memos which provide convincing evidence that the refugee policy in Southeast Asia is not in compliance with the law.

It should come as no surprise to anyone that the Department of Justice is trying to cover up this evidence. Although I have been trying since June 15, 1981 to secure copies of this correspondence, the Department has refused to release it. Fortunately, it has become well known within the administration that I am seeking these documents and some have begun to see the light of day through unofficial channels.

From their content, I can understand why the Attorney General does not want them released, as can be seen from the following excerpt:

"An assessment of the presently arriving Vietnamese has been made by the American Consul stationed in Songkhla, Thailand and his report taken by a Consular Officer who has been at his post for approximately 2 years indicates that 72 percent of the persons arriving at that location are economic immigrants. Further that the U.S. acceptance rate is acting as a magnet to a group who are tired of being deprived of the many things available in the western world and more exactly in the U.S."

Other documents make an even stronger case for the argument that a large percentage of those claiming to be political refugees are in reality economic refugees. There is also considerable evidence that many officials from friendly governments involved in Southeast Asia believe that our overly generous refugee policy is actually encouraging the flow of refugees.

Even those few who are true refugees do not have an automatic claim to resettlement in the United States. We have done more than our share by resettling more Indochinese refugees than all the other countries combined and by expending billions of dollars for assistance. I do not believe that it is fair to the American taxpayer to continue to ask him to contribute to an endless stream of people from Southeast Asia seeking a better life. There is no light at the end of the tunnel for this program in Indochina.

It will go on as long as we are willing to fund the major portion of it, and offer the hope to every immigrant for settlement in the United States.

If the only immigration problem we faced in the United States involved the Indochinese, the argument to continue to admit them might be more convincing. But this is not the case. Last year immigration to the United States was at its highest level in our history. We admitted over 800,000 legal immigrants and probably as many illegal immigrants. A major portion of the legal ones were refugees.

Our refugee program has grown so large that we can no longer afford to think of it outside of our total immigration policy. Refugees come to this country as permanent residents and they contribute to the economic and social problems caused by a growing population. However, because of their special needs, they also generate direct costs for taxpayers. In fiscal year 1980 we spent $2 billion for refugee assistance and will probably spend $2.5 billion in fiscal year 1981. Furthermore, State and local governments are becoming more worried about the increased cost they must shoulder for refugees. A New York Times article reported in July that, "each month, California officials estimate, from 5,000 to 6,000 Southeast Asian refugees move to their State, and more than half seek public financial assistance."

If this administration is committed to telling our elderly who have spent their lifetimes working for the good of this country that they must accept less in the way of domestic assistance programs and social security, I do not believe that we can continue a policy which admits hundreds of thousands of refugees each year who will require very expensive special assistance programs.

The United States has gone far beyond the original intent of our Southeast Asian refugee resettlement program. We have created a multi-million dollar refugee recruiting program which is spearheaded by the State Department and which contravenes our own laws. Hundreds of voluntary agencies have been created to process refugees and even though they operate on very humanitarian principles, they rely on millions of dollars of grants through the refugee program in order to exist.

We have in effect created a special interest group both within and without the Government which is programed for one purpose—to process and resettle refugees in the United States. An example of this can be seen in recent activity. Earlier this year the Department of State committed the United States to accepting several thousand African refugees, again more than the rest of the world combined.

Now it appears that the administration has agreed to double the admission level for refugees from Poland. In order to accomplish this increase, the Department of Justice is using a little deception. On the one hand, they claim to be off-setting the Polish admissions by decreasing Indochinese refugee admissions. However, since the total refugee admissions greatly exceed the statutory yearly level of 50,000 by four or five times, there is no real reduction or offset. The administration has merely played games with numbers which are already too high.

It is time that we declare that the United States cannot be the resettlement colony for all the refugees of the world. There are 16 million refugees in the world and this number will probably increase due to the uncertain and volatile political and economic situations which exist in many countries of the world today.

This does not mean that we must completely stop the admission of refugees. The United States should always stand ready to do its fair share and even more. But we can no longer afford the luxury of an unlimited, open-ended policy.

Our immigration law established 50,000 refugees a year as a normal flow, yet, even though this legislation is less than 2 years old, we have never adhered to its limits. We admitted about 235,000 refugees in fiscal year 1980, we will admit about 217,000 in fiscal year 1981, and the number being suggested for fiscal year 1982 is 178,000. Actions beyond our control in Cuba, Haiti, or a dozen other countries could push that total much higher. Congress did not intend that the Refugee Act be abused in this fashion. If this, or any other administration, cannot use good judgment in administering the statute, Congress should take back some of the unlimited authority given to the President.

Mr. President, we cannot continue to administer our refugee policy in an ad hoc fashion as we have in the past. The only way to gain control of our total immigration policy is to include refugees within one total ceiling. Without the one ceiling to force us to set our priorities on immigration, we will continue on the same treadmill we presently are on. There are enough present and future hot spots in the world to keep the number of refugees in the millions and there will always be special-interest groups demanding that a particular group of people be given special treatment. In the past it has been Cuba, Haiti, and Indochina. Tomorrow it will be El Salvador, Poland, or any number of other countries.●

TRIBUTE TO ARTHUR GODFREY

● Mr. WILSON. Mr. President, it is with a profound sense of sorrow that I rise today to pay tribute to the memory of one of America's most popular radio and television personalities of all time, Arthur Godfrey.

I was fortunate enough to serve with Arthur Godfrey on the Citizens Advisory Committee on Environmental Quality appointed by the President. Arthur, as a private citizen, was an avid supporter of environmental movements. He also supported pay increases for the military and benefits for the Boy Scouts of America. Arthur Godfrey's concerns and dedication to the improvement of our society is something I truly respect and hope to emulate.

Arthur Godfrey was a man who simply wanted to make people happy. He was able to make each individual,

while speaking to millions, feel as if the rigamarole of his show was just for that one person.

This brave, kind man, did not let his serious illness deter him from his chosen work.

I extend to his wife, Mary, and other members of his family, my sincerest sympathy and condolences.●

ORDER OF PROCEDURE

Mr. SYMMS. Madam President, I make an inquiry of the Chair for the benefit of my colleagues on the floor. There were several Senators who wished to participate in a colloquy this afternoon addressing the subject of El Salvador and the U.S. policy in Latin America, specifically in Central America and the Caribbean Basin, and some of the recent events that have happened with the sightings of continued violations of the Kennedy-Khrushchev agreements with respect to Cuba that were signed in 1962 and have been repeatedly violated by the Soviets and Cubans, and some of those things were going to be discussed. I wanted to inquire of the Chair as to how much time is remaining before the Senate is set to go out this afternoon.

The PRESIDING OFFICER. There is a period for morning business until 6 p.m.

Mr. SYMMS. Then at 6 p.m. what happens, Madam President?

The PRESIDING OFFICER. It is not clear. Morning business may be extended or we may go out.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. SYMMS. Madam President, I ask unanimous consent that morning business be allowed to be extended not beyond 7 p.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EL SALVADOR AND U.S. POLICY IN CENTRAL AMERICA AND THE CARIBBEAN BASIN

Mr. SYMMS. Madam President, I would like to say here on the floor is one of our distinguished Senators, the junior Senator from Alabama, who has a most distinguished record in the U.S. Navy. He has been very well-trained with respect to intelligence; he has held very responsible positions both inside and out of the free world, I might mention, and the distinguished Senator has truly meant a lot to many of us as far as his inspirational leadership in his time in captivity in the prison camps of North Vietnam. Not only that, I might say his experience with respect to the Soviet menace, the Communist menace, to this world in the U.S Navy brings a great deal of wisdom to this body.

I would like to yield to him and thank him for being here today to speak to us with respect to the subject of what is happening in El Salvador and his opinion of the situation. I yield the floor to the Senator from Alabama.

Mr. DENTON. I thank my friend, the distinguished Senator from Idaho, for his remarks.

It is a privilege to lead off this colloquy on the important subject of El Salvador. It is a situation to which our President is somewhat vainly, from the number of Senators on the floor, attempting to direct our attention and get some help for. I deeply appreciate those whom I see on the floor being here. I am aware that some are listening on their boxes, because they have told me they shall.

I think this subject of whether or not to send aid to El Salvador demands our close attention and study. I hope we give it the same attention that we give matters that concern us with regard to our respective States, which we represent.

Madam President, our vital interests in Latin America are directly threatened. The situation cries out for thorough and comprehensive Senatorial attention. In no other region of the world are we so rapidly approaching a sharp point of decision, a point of no return in pursuing our foreign policy interest. The consequences of a failure of knowledge, or wisdom, or will, will be grave indeed. We must make the proper choices, and the time of decision is upon us.

I believe this body has the wisdom, but may lack the knowledge and perspective required to act effectively to exercise our national will and to protect our vital interests.

The situation in El Salvador is, in one vitally important sense, not unique. The strategy of the terrorists is essentially a repetition of that previously followed and now being followed in many other countries. There are variations, but the commonality of the theme is the important feature, a conspicuous and familiar feature to anyone versed in international affairs.

It is particularly conspicuous and familiar to me in my role as chairman of the Judiciary Subcommittee on Security and Terrorism. We have had many hearings on this subject. My colleague on my left, the junior Senator from North Carolina, has attended many. We have been almost boycotted in the press and I would hope that my colleagues would at least hear the authentic findings of a government body duly assigned the task of dealing with terrorism, because terrorism has a lot to do with what is happening in El Salvador.

The distinguished Members of this body must come to recognize, as our President does, as our Secretary of State does, the familiar Communist strategy now being applied in El Salvador so that we can deal with it accordingly. The strategy is to swallow a nation by introducing escalating terrorism until the inevitably increasing government repression to fight the terrorism is focused upon by a standard propaganda method. This propaganda method is their most powerful modern weapon. The weapon is the portrayal of the Government as inhumane while it tries desperately, as in El Salvador, to conduct liberal reforms while fighting against terrorists.

The terrorists cold-bloodedly follow a game plan called "The Mini-Manual for Urban Guerrilla Warfare" by Carlos Marighella in 1969, a manual for using terrorism disguised as wrapped in popular causes, but actually a Marxist-controlled movement aimed at communizing the country.

Here are Marighella's own words as to what the terrorism and propaganda are designed to achieve with terrorism rampant.

> The Government has no alternative except to intensify repression. The police roundups, house searches, arrests of innocent people, make life in the city unbearable. The general sentiment is that the Government is unjust, incapable of solving problems, and resorts purely and simply to the physical liquidation of its opponents. The political situation is transformed into a military situation, in which the militarists appear more and more responsible for errors and violence. When pacifiers and right-wing opportunists see the militarists on the brink of the abyss, they join hands and beg the hangmen, for elections and other tripe designed to fool the masses.

I go on with his quote.

> Rejecting the "so-called political solution," the urban guerrilla must become more aggressive and violent, resorting without letup to sabotage, terrorism, expropriations, assaults, kidnappings, and executions, heightening the disastrous situation in which the government must act.

Those are Carlos Marighella's words in the "Mini-Manual for Urban Guerrilla Warfare." That handbook can be found in Detroit, Mich. It can be found in Los Angeles, Calif. It can be found in Managua, Nicaragua. It can be found in Laos. It can be found all over the world. They have used it. They continue to use it.

While all that terrorism goes on internally in the nation, the full force of the KGB active measures machine distorts the situation for worldwide consumption. And that is where the propaganda comes in, which goes along with the terrorism. The aim of it, which is enjoying some success in the United States vis-a-vis the El Salvador situation, is to isolate the Government of El Salvador from outside aid while Communist aid continues to pour into the terrorists.

There are chords in the U.S. media which the Communists know how to strike. There are similar chords in American academe. Too many in this

Congress dance to that tune, and find themselves regarding it a difficult task, as they did during and after Vietnam, to respond favorably to Presidential requests for aid to beleaguered countries.

While a prisoner in Vietnam, I would read a paragraph amounting to a "big lie" in the Communist Soviet, and Vietnamese press. My captors, at that time thinking I would never return home, would admit in discussions with me that the statement was a lie, and I would predict to them that my country's people would never be foolish enough to believe that lie. Increasingly, my predictions became inaccurate.

Finally, there would be less than a week's interval between the Communist publication of a written lie and its repetition, often in the same or nearly the same words, by U.S. writers or national publications. That is, it would appear in the newspaper in Hanoi, and within a week the same words, or nearly the same words, would be uttered by U.S. journalists, TV commentators, or national politicians.

They would show that to me. They would shove it in my face. They would say, "There, that is where we are going to win. We are going to win in Washington as we won in Paris before."

That is how we lost Vietnam. Unfortunately, that is how tens of millions of people in Southeast Asia, in accordance with the domino theory, which has been proved valid, went down to the enslavement of communism. We lost it by politically and blindly forfeiting, through congressional action, that which had been won by a just application of military force. Such force need never have been required in Vietnam in the degree ultimately applied had we recognized early on the truth of the issue in Vietnam. And we need not have lost Vietnam had we recognized early on the truth of the issue.

No American force need ever be applied in El Salvador if we can now but see the truth of the issue there and act accordingly.

My generally assigned task in this colloquy is to put El Salvador and our security problem there in context with an overall world problem, so with that preliminary important point, I will turn to the task in more detail.

I cannot help noting that no less a journalistic figure than Meg Greenfield, who writes for the Washington Post and also for Newsweek, as my colleagues know, wrote words I believe yesterday, to the effect that it is becoming unstylish, indeed an object of derision, to praise the virtues of this Nation or to place it in context as threatened by those who would take us over, do us in.

I respect her courage for saying that, but by no means do I mean to imply that she would approve of the words that I am about to say, or agree with them. But they are words like that. I am going to try to put the truth in context, even if it be laughed at in the liberal media.

The forces that are hostile to freedom, democracy, and human rights are active throughout the world. Their activities have discernible objectives, and they are moving steadily toward them. The Soviet Union and its surrogates seek control of the treasure chest of Middle Eastern oil, of African ore, of Southeast Asian resources. They seek to surround China. They strive to isolate this country, isolate her from her alliance commitments in Europe, from her friends in Latin America, from friends and potential friends throughout the world.

We have seen the manifestations of their overall strategy. Terrorism is the constantly used weapon. It is used within the Soviet Union. That is how they govern. But it is also the constantly used weapon internationally and it is backed, when necessary, by the armed forces of the Soviet Union and its surrogates.

Through the one or the other, the terrorism or the armed forces, or both working together, a growing number of nations and people have fallen under their control: Vietnam, Laos, Cambodia, Afghanistan, Ethiopia, Angola, Cuba, Nicaragua. Terrorist movements are active in Asia, in the Middle East, in the Horn of Africa, in sub-Saharan Africa, in Central America, in South America.

In all of those places you will find the urban guerrilla handbook, and yet this body and the body on the other side of the Hill tend to look at each of them as something unique, some different problem that has arisen involving human rights violations or something of that kind, when if fact terrorism insures that there will be chaos and repression by the government in order to survive.

I am not saying that each of those governments is good. I am saying that in the case of El Salvador there were free elections and people voted at the risk of their lives, and they have a sovereign nation which is trying to improve itself.

The terrorists, though, represent only a small portion of that population or of any other population in which they cause that kind of problem.

Harry Truman recognized this early on. The same technique was applied in Greece and Turkey. He did not swallow it. The Congress was not dumb enough to swallow it there. And we took action.

The proof of the small number of the terrorists was never more evident than in the absence of Vietcong activity during the final sweep in South Vietnam by many North Vietnamese divisions in 1975.

It is all there in the past if you want to study it. It is evident now. There is no mystery.

But apart from the conventional warfare just mentioned in Vietnam in 1975, much can be achieved by terrorism, a lesser level of warfare. When terrorism is rampant, the indigenous government, whatever its policies and political orientation, must try to take whatever action is necessary to end the terrorism. Since Communist nations are ruled by terror, the presence of externally applied or sponsored terrorism in them is nearly impossible, a contradiction in terms.

But for a non-Communist government, more or less democratic, whatever action is necessary to end the terror, simply to insure survival, leads easily to repression, and repression often leads to revolution. And, I must emphasize, revolution is the goal of the Soviet Union, its allies and its agents. Or, more appropriately, it is the means to an end.

If, as a result of terrorism, a revolution produces a leftwing or Communist government, the nation is easily and shortly absorbed into the Soviet orbit. It is lost to the free world and to any prospect of freedom for its people. We know that the lot of the people, their economic and social welfare, their freedoms and human rights, are dreadfully worsened when they fall under the totalitarian yoke.

Can we not see the situation in Vietnam, Laos, and Cambodia? This body saw those who championed the Government of North Vietnam, those who violently criticized the Government of South Vietnam. Can they not see what they have wrought?

We are their successors. I hope we will see what they have wrought.

We know of the situation in Afghanistan. We know what has happened in Cuba and in Angola. The recent visit of the Pope has highlighted what is going on right now in Nicaragua.

I believe that the Pope is peace loving. I agree with every word he said in Central America. Some of those words have been distorted, taken out of context. He called a spade a spade in the nations he visited. He would call a spade a spade in the United States, and he has, and we are not perfect. But I love peace as he does, and I think I see it pretty much the way he just depicted it through his statements as he went through that trip.

If, on the other hand, the revolution produces a right wing or conservative government, that government is held up for world denunciation, castigation by its friends as well as by its enemies, and the application of further terror which is presented as a struggle against an antidemocratic force.

Consider what, to my colleagues from New York, is a classic case. I am sure he can address this in other

terms, and probably will in opposition to what I am saying, but I acknowledge his expertise in this field.

Consider that illustrative case of Uruguay. Once the shining example of popular democracy in South America, the threat and application of terrorism produced the inevitable repression. It brought about a situation in which Uruguay was roundly castigated by those, like the United States, who should have been its strongest supporters. The fact that Uruguay is now making great progress toward the practice of the sort of democracy that we, and the Uruguayan people value is a tribute to the common sense.

Mr. MOYNIHAN. Will the Senator yield for a comment at this point?

Mr. DENTON. Yes.

Mr. MOYNIHAN. I would not disagree in the least with his reference to Uruguay, and I would not tell him what he knows, that it is an elemental tactic of the Marxist-Leninist group in the world to try to create a crisis which will bring about a right extremist reaction, whereupon a moderate regime of the center is destroyed.

The distinguished Senator from Alabama will recall that the German Communist Party sat passively by watching the rise of Adolf Hitler and they adopted a policy which, for the longest while, was thought to be the most outrageous mistake. They said, "Nach Hitler uns"—After Hitler, us.

The man who was the head of the party at that time and formulated that policy lived a comfortable life in Moscow during the war and came back with the Red Army and ruled half of Germany until he died peaceably in his bed. How mistaken was he?

I just want to say I am listening with great attention to the Senator.

Mr. DENTON. I admire the Senator very much, as I said before, for his depth of knowledge of history on this subject. In that sense, I am often his student.

The pattern is that Soviet supported—and, in many cases, Soviet directed—terrorism seeks to destroy democracy, to cause repression, to promote revolution, to produce a dictatorship. Sometimes that dictatorship is of the left, and another free people falls under Moscow's sway in one quick step. But a right-wing dictatorship also provides the Soviet Union with priceless advantages, for it is a ready target for terrorism and revolution that will produce a left-wing regime and inevitable subjugation. While it takes a little longer, the result is the same.

All types of dictatorship—left or right, Conservative or Fascist, Socialist or Communist—fear democratic ideals and sincerely held religious faith. We in this country cannot ever be comfortable with any regime that denies the fundamental human rights of its people.

But, Madam President, our media, and I fear many of out political figures, ignore or obscure the fundamental and essential fact that it is much easier to influence, or replace if need be, a right-wing authoritarian regime, with only local resources, than it is to replace or influence a left-wing dictatorship supported by Moscow and its surrogates, and amply supplied with weapons, money, and supportive propaganda.

Similarly, too many in this country do not realize that other nations do not easily or willingly take their direction from Washington, The President and the administration cannot direct other governments how to proceed, not in El Salvador any more than in Vietnam or Israel or France. The Congress of the United States cannot legislative for the people of another country, nor impose its priorities and standards upon that country.

I think my colleague from New York will recall that John F. Kennedy, before he became President—as perhaps my colleague from New York when he was younger and myself when I was younger—envisaged that when he became President, he would be able to bring American pressure to bear to cause change in regimes that required liberalization in their countries, to promote the march of civilization and so on. Within 90 days, John F. Kennedy was almost in despair with realization of the limitation on the power of an American President to influence the leaders of another sovereign nation.

I cannot help recalling that the Shah of Iran was, by most accounts, to some degree dancing to the tune of the United States in terms of the general trend of his liberalizing, such as it was. He may have underestimated the effect of that liberalization on the religious right in his country, and down he went. And down he went by the same kind of propaganda that I am talking about operating here, although I do not consider that to have been in any sense a Communist-directed operation.

We must always be concerned, Madam President, if we have compassion, if we have interest in what Wendell Wilkie called one world, if we love our neighbor as ourselves. We must always be concerned when a friendly nation, or indeed any nation that is striving for democracy and the betterment of its people, is threatened by actions of international terrorism.

Madam President, I am not talking about one man's terrorist being another man's freedom fighter; I am talking about international terrorists who are using that label, "freedom fighter" as part of a centralized and calculated effort to overthrow governments.

We have too few friends to be indifferent to the prospect of a friendly government being brought to its knees through the bloody instruments of the terrorism trade. We must be concerned when any democratic government is subjected to terrorism, even if that government is not always friendly to or supportive of the United States. Democracy is such a fragile system, so rare in the world, that a threat to it anywhere is a threat to our own essential practices, beliefs, and values. Have we not learned at least that from the stream of refugees that has flowed into this country from places around the world where human freedoms and values have been suppressed, where terror has come into power? Those who fled from tyranny in Eastern Europe and Southeast Asia, and those who now flee from tyranny and terrorism in Afghanistan and Latin America, provide the latest reaffirmation of that fundamental truth.

Since the founding of our Nation, we have considered the peoples of Latin America to be our friends. The relationship has frequently been an uneasy one, and the smaller and poorer nations to our south have understandably been resentful of the power and richness that our country has developed, and of the arrogance that we have sometimes displayed—indeed, I would say, the economic exploitation that we have sometimes used in the past. But even so, we have shared and cooperated to further the ideals of freedom, independence, democracy, human rights and liberties, and economic and social betterment.

I cannot think of anyone I would praise more for his fortitude and courage than Senator MOYNIHAN when he was Ambassador to the United Nations. I do not know how many times I got goose pimples, watching when he appeared on television and would say it as it was. I have the same feeling about Mrs. Kirkpatrick. I regret that she was not allowed to come to a college recently because of concern for her physical safety, which has something to do with the propaganda I am talking about.

However sporadic and insufficient may have been our commitment of resources and attention, there has been no question that the peoples of Latin America and the United States have shared a common perception of the things for which all responsible and compassionate human beings must strive.

Now, perhaps more than at any time since the Latin American countries obtained their independence, they and the ideals we share with them are under frontal attack by the forces of international terrorism and oppression. Their welfare and future is threatened, and our own essential security is threatened.

Vietnam was a commitment of principle. Vietnam was a commitment that

had to do with the general idea of preventing the expansion of communism, and with the compassion that we had for those whom communism enveloped. It was not as direct a threat as is communism present in Central or South America, and what that communism can become in a very short time.

I point out that recently someone in the administration said that if military activity were to develop in Latin America and we become involved, it would mean that the United States would have to suck away some of the forces committed to the NATO alliance. It is true. If that comes to pass, it will be a tragedy because of blindness and inaction, a failure to provide the lower levels of economic, social, and military aid that are possible at this point.

Much is made in the press of the authoritarian nature of Latin American governments. Some of them are indeed authoritarian, frequently for reasons beyond their own control. But many are striving successfully for greater democracy. Venezuela, for example, has an enviable record of democratic achievement, a record maintained in the face of Cuban threats and terrorism during the 1960's. Colombia, which was also a target of the terrorists, held successful democratic elections last year, an achievement almost totally ignored by the press in this country. Costa Rica has been a paragon of democracy and human rights; Mexico has a long tradition of political competition and democracy; and the seeds have been planted and are growing in many other places.

Even so, the Soviet campaign to undermine and ovethrow all governments that are not under its control has made great progress in this hemisphere. Cuba is a wholly controlled surrogate of Moscow.

We had testimony from Gerardo Peraza, a defector from the DGI, the Cuban intelligence organization, who talked to us in the subcommittee at the risk of his life. We have already lost one man who testified before that subcommittee, and there were liberals, and I use the term inadvisedly, who were making fun of the protection we were providing that gentleman. He was murdered as a result of his testimony. His name was Hlapane. He was from South Africa.

That gentleman, Peraza, having been a member of the DGI, told us that all of the Cuban operatives were in the service of the KGB in Havana. All their activities in America—North, South, and Central—were in Russia's interests, with the single objective of destroying the United States of America. That is printed testimony. I wish my colleagues would read it.

Nicaragua has slipped away. El Salvador and Guatemala teeter on the brink. Brazil and Chile and Argentina and Uruguay have been on the brink, and even now, despite progress, their implementation of democratic principles is less than we would ideally like to see.

We must understand, as we assess the prospects for democratic development in Latin America, that the primary targets for terrorists are governments that are democratic or striving for democracy. If we fail to recognize the poison, we cannot apply the antidote. The fundamental and inevitable consequence of the unopposed application of Communist terrorism will be the destruction of the prospects for democratic governments and the loss of the rights and freedoms of the peoples to Communist enslavement.

In Central America, that result would be more, more immediately threatening to our country, as I said, than it was in Vietnam. I believe we all can agree that what happened in Vietnam was a tragedy for the Vietnamese and for the principles that we strongly espouse. The estimates of the numbers of refugees that might come from Central America run into figures that raise the hair on your head.

As in Vietnam, we see in Central America needs for social and economic progress, and there are people who are legitimately disaffected. But, as in Vietnam, we now see creation of the myth that there is, in El Salvador for example, a revolutionary movement that is free of outside aid or influence, that commits no violence on its own initiative, that is interested only in building schools and hospitals, that is supported universally by all the people in its "free zones" with an enthusiasm that one can only rarely, if ever, find in the real world.

We must recognize that the general terrorist strategy is manifest in a pipeline from Moscow to Cuba, to Nicaragua and into El Salvador of materiel, of control, of training, of propaganda and disinformation.

In Nicaragua, when the Sandinistas came in, there was a feeling among the people in some of those cities and towns that they were being liberated and there would be applause for the Sandinistas. That has not happened in one instance in El Salvador.

When Mr. Peraza, the Director from the Cuban DGI whom I mentioned earlier, appeared before the Subcommittee on Security and Terrorism, his testimony was stunning. His appearance before us was his first public appearance since he sought refuge in the United States in 1971. He testified about the activities of the Cuban Government and its intelligence agency, the DGI, against the United States and its interests. The DGI, he said, is not in any sense a partner of the Soviet KGB. It is a subordinate entity, taking its direction from agents of the Kremlin. Its target, and the target of Cuban policy as a whole, is always the United States. Even Cuban involvement in Angola with its organized armed forces, he said, was designed as a step to defeat the United States. We also know that the Cuban Government is an active participant in the drug trade to this country, and that it uses that trade to raise money and to undermine our interests.

The pipeline through Cuba delivers $400 million a year in aid to Nicaragua, and that money supports the oppressive Nicaraguan regime and finances the terrorism in El Salvador. Through that pipeline the guerrillas in El Salvador have received captured American military supplies from Vietnam, massive supplies. And people on television are trying to make a big point that they are not using Russian weapons, that they are using American weapons, as if somebody here had provided them. Well, they are using American weapons, and those weapons came from Vietnam.

Yassir Arafat has admitted the presence of PLO operatives in El Salvador. The Soviet Union orchestrates and sends aid directly, and keeps up a flood of propaganda notable more for its enthusiasm and quantity than for its accuracy or originality.

Those who are familiar with operation of the worldwide Soviet strategy will find other instances of commonality. For example, my colleagues will recall that the Communist negotiating position in Vietnam was based on the demand that the United States first overthrow its non-Communist ally and assist in the transfer of power to a Communist regime.

The position in El Salvador is virtually identical, and those who advocate vociferously that the United States should force the Government of El Salvador to enter into "negotiations" with the forces dedicated to its overthrow should recognize that they may in effect be demanding that that Government preside over its own demise.

The United States now supports negotiations "within the framework of democratic institutions," a position with which it is difficult to argue. As the Washington Post pointed out yesterday, however, the terrorist groups reject Government-sponsored elections and demand an undefined "unconditional dialog."

I heard that over and over in Vietnam. That means that, when you start talking with them, what is mine is mine, what is yours is mine, and we start from there.

They say that the United States must first cut off El Salvador's military supplies while the terrorist groups are continuing to get theirs and creating terrorism. They demand that elections must be preceded by a comprehensive political settlement that includes overhauling the armed forces, initiating socioeconomic reform

and changing El Salvador's international position.

In other words, the terrorists ask that capitulation precede negotiation, the same demand that was made in Vietnam. It would be ironic, indeed, if the Washington Post were to recognize the situation and the Congress of the United States fail to do so.

Yet the regime in El Salvador is repeatedly attacked as if it were grindingly oppressive of all that is good in men and in governments. It is attacked by those who know full well that the only alternatives are a brutal Communist dictatorship from the left or a truly reactionary and oppressive regime from the right. It is criticized, indeed, for having conducted remarkably open and free elections, which apparently suffered from the defects of not having produced the result that the critics desired and having been accompanied by terrorist violence and murder to prevent people from voting.

The Government and people of El Salvador face a deliberately created, terrorist produced chaos. They are faced with the simultaneous requirements of fighting a war, rebuilding the economy, redestributing land, writing a new constitution, holding another fair election, and protecting and providing for a growing refugee population. The limited resources of the Salvadoran Government have been severely taxed, yet many criticize that Government for not being perfect.

I ask my colleagues, would we in the United States act at the urging of a foreign nation to dismantle the General Motors Corp., break up Weyerhaeuser, and distribute it around and not reimburse those who had it before? That is the kind of thing they have done through land reform in El Salvador and other nations, and they have done it at our urging.

The terrorists thus have a simple objective: to bring about chaos. They are not distracted by the requirement of a positive building project like the Government is. They want only to destroy, to undo order. They are well supplied by the pipeline from Moscow.

As I mentioned a moment ago, the pipeline provides $400 million to Nicaragua. The President is asking for $60 million now and $50 million later for El Salvador for military purposes, and most of that is for training. And of course we must provide aid for social and economic purposes as well as for military ones, as he called for in his Caribbean Basin Initiative.

The question is not whether those amounts are too much. Western European banks provide more money to Nicaragua than the President is asking for El Salvador. The question is whether we should be doing more to help control the terrorist threat and to encourage and support internal reform and development. For example, we could be looking actively at the possibility of creating a multilateral force, perhaps through the Organization of American States, that would monitor and interdict the air and sea routes by which the terrorists are supplied.

The decision we must make about the President's request is not one that we can view in isolation. It is but the latest in a series of decisions that have been made, and but the first in a series that remain to be made, not only about El Salvador but also about other trouble spots in our world. We cannot expect that provision of the aid we are now considering will solve the problem of El Salvador and make the difficulties go away. The only way that will happen is if the terrorist forces are isolated and rendered ineffectual. But if we do not provide that aid, and if we do not continue to support efforts to make democracy prevail over terrorism, we will condemn El Salvador to the abyss, indeed we will have helped to push it over.

And, of even greater purport, we will soon again have to gather on this floor to wrestle with the same kind of hard decision about aid and support to another country that is confronted by the same kind of terrorist threat. We will gather on this floor to consider how we assist the new flood of refugees that will have to come into our country.

We will read in the RECORD long speeches bewailing the situation that has arisen, and we will blame it on somebody else.

We in the Congress are challenged to face up to the reality of the comprehensive threat that we face. We do not have the luxury of picking and choosing facts, or of making them up as suits our individual views. We have the duty to work with the administration, and with those who have committed themselves to our side and our values, to conduct a reasonable, responsible, and workable policy that will stop the strategy of terrorism. Only in that way will we protect our security, our values, and the opportunities for freedom and liberty that all men should have.

What is it about us in the West that prevents many of us from recognizing the true nature of the Soviet Union and the threat that it presents to free people everywhere? Meg Greenfield of the Washington Post noted more than a year ago that Western writers have a weakness for seeing unfriendly forces as always representative of the masses, always more admirable than the forces that are friendly to us and share our values.

In an interview, Aleksandr Solzhenitsyn spoke of the failure of the West to recognize what was going on in Cuba and Vietnam and Nicaragua, that totalitarian gangs were acting to seize power. He was asked why it is so fashionable to praise the regimes in Nicaragua and Vietnam, the terrorists in El Salvador.

He replied:

> That is the fatal Historical mistake of liberalism, not to see the enemy on the left, to consider that the enemy is always on the right, and that there is no enemy on the left. It is the same mistake which ruined Russian liberalism in 1917. They overlooked the danger of Lenin. And the same thing is being repeated today—the mistake of Russian liberalism is being repeated on a worldwide scale everywhere.

We see that same mistake today in this country, and even in this Chamber. We can only hope and pray that it will not be fatal. Let us use our wisdom to see what we face, and act upon that knowledge with will and determination.

I thank the Senator from South Carolina and the Senator from Idaho for their patience.

Mr. SYMMS. Madam President, I thank the Senator from Alabama. I appreciate his comments.

I do not know whether the Senator has had the opportunity to visit El Salvador. I had that opportunity. I see him nodding his head, and I take it that he has been to El Salvador.

Mr. DENTON. I have recently been in Panama, where I was briefed by the presidents of 34 Christian Democratic parties. They are to the left of center. All of them said the same things the Senator from Idaho and I know, and they told me plenty about El Salvador.

Mr. SYMMS. I appreciate the Senator's comments. I have to say that he is absolutely right on target in his discussion of the situation in El Salvador.

I had the opportunity to spend 4 or 5 days in El Salvador around Memorial Day of 1982, and during that time had the opportunity to go to the field, talk to a lot of people, talk to leaders of the political parties.

I came away totally convinced that what had been done down there in the late 1970's was that the Government and the people underwent all kinds of terrorism. There was the terrorism going on from the guerrillas and the terrorists throwing hand grenades into the powerplants and shooting innocent women and children, and there was the terrorism that the Senator alluded to, the economic terrorism, wherein property was confiscated in the name of land reform but no compensation was given for it.

The result of that was that because of our overzealousness to push a land reform policy, which many of the leaders of the country admitted they wanted, there was a reverse effect. Cotton went down, agricultural production went down, and cattle disappeared. The cattle were simply sold. Cash was received for them, and the money was deposited in a bank or some place else, as a haven. Those farms were being taken away, with no compensation to the families. An abso-

lute property right was being overlooked.

There was an election. The new government took over, and they have been trying to put the proposition of land reform in perspective, so that private property rights could be respected.

The Senator is absolutely correct. We hear all the criticism. I am not going to stand here and say that everything is perfect in El Salvador and that it is a model society. But, under the circumstances, compared to what? That is the point the Senator from Alabama makes. Compared to what?

What do the Sandinistas do for the people of El Salvador; or, better yet, what would they do for the security of the United States?

The Senator from Virginia properly proposed a question to the Senator from Alabama with respect to the immigration problem. He also posed the question to Senator MOYNIHAN, and I sense that there was somewhat of an agreement that the potential for immigration problems in the United States is astronomical in terms of aid.

We can talk about $60 million or $600 million or something in between, which the President is asking for—I believe the figure is $100 million—to support the people in El Salvador who are trying to liberalize and respect human rights and are trying to bring about what we would consider a government we would support. History teaches that the 10-percent rule would probably be applied so far as people leaving Communist countries is concerned. The Senator knows that people were leaving South Vietnam in leaky boats.

Mr. DENTON. With a 50-percent chance of losing their lives.

Mr. SYMMS. With a 50-percent chance of losing their lives. Just to escape the tyranny of the Communists who had taken over. People were fleeing from Cambodia, Vietnam, and Laos, the countries which fell, as the domino theory was proved to work.

If that happens in Central America, the cost to the United States in terms of social, economic, and other problems will far outweigh the costs we are talking about in trying to help at this time. What these people need is our support and our help.

Mr. DENTON. That is an excellent point. What is $50 million or $60 million compared to the cost of caring for the refugees who could come across that border.

Mr. SYMMS. If we have 10 million walking across that border, we have big problems.

I point out that in 1961, when President Kennedy was giving his magnificent address on the east side of the Capitol of the United States, on that cold January day, he made a very clear statement—that the United States was willing to support their friends and oppose their enemies.

I think the question always comes back: The New York Times and others said how terrible Batista was and how Fidel Castro was such a wonderful George Washington of Latin America, or some such term. But what happened was that we tried to compare Batista to John F. Kennedy or to Dwight Eisenhower. They are not in the same category. But compared to what? That is exactly what you have to do in El Salvador.

Madam President, we all know that El Salvador is not a model society. Its imperfections are well known.

However, a reasonable discussion of El Salvador's destiny must not revolve around the question of whether or not El Salvador is a perfect society. It is not. Rather, the question we should be asking is this: Which would be better—a government in El Salvador that is friendly to us, or a government in El Salvador that is hostile to us? The old question is compared to what? Will the people of El Salvador benefit from a Communist government?

As far as we here in the United States are concerned, this is the one issue that stands out above all the rest: What is in the best interests of the United States?

Does this amount to framing the issue too narrowly? I submit that it does not. We know that we cannot remake the world in our own image. Granted, there are many factors that are important is the formulation of our foreign policy, and there are considerations that are more humanitarian than strategic. But ultimately we as foreign policymakers come back to the overarching question: What is best for us?

In El Salvador, we must decide whether a government dominated by the guerrillas would be more sympathetic to the United States than a government that is not dominated by the guerrillas.

Of course, to ask the question is to answer it. A government dominated by the guerrillas would not be more sympathetic to the United States. To the contrary, it would be extremely hostile to us.

This is not a matter of speculation. The Salvadoran revolutionaires repeat endlessly denunciations of our rotten capitalist ways in the most radical language imaginable.

Furthermore, we need not theorize about the kind of government the Salvadoran revolutionaires would establish. We have, almost next door, the example of Nicaragua to instruct us. I cannot imagine that there is a person in this chamber who would suggest that the Sandinistas are our good friends, or that they are our allies, or that they harbor a wealth of good feelings for us.

This would be patently absurd. The Nicaraguan rulers, like their comrades in El Salvador, are rigid, hard-line Marxist-Leninist ideologues. Anti-Americanism is one of the pillars of their creed.

So, I challenge those who want us to abandon El Salvador, for whatever reason, to explain how this would further the interests of the United States. How would a guerrilla victory enhance our strategic position in the region? How could a Marxist-Leninist dictatorship in El Salvador that is stridently anti-American be in our best interests?

Remember, I am not suggesting that our interests are the only factors at play here. We also have to consider the fate of the Salvadoran people. But, even if we were to consider only the humanitarian aspect of the problem, I would challenge my colleagues to explain how a Nicaraguan-style regime would be good for the people of El Salvador.

The Sandinistas have invaded and burned whole villages to the ground and forced thousands of Nicaraguans into concentration camps. Many basic foods, once abundant, are now rationed. There is no freedom in Nicaragua today, and I speak not only of freedom of the press and freedom of speech, which some consider bourgeois freedoms that matter little to most people.

One of the most basic freedoms is freedom of religion. In Nicaragua, the Government has marshaled all its resources to destroy the church and substitute in its place a theology of dialectic materialism cloaked in the language of a kind of Christian revolution. The archbishop can no longer speak on the state-controlled radio. But the most dramatic image of the new Nicaragua was revealed on the occasion of the Pope's recent visit to Managua. The Pope was not allowed to be heard. He was outshouted by government agitators, in an attack on religious freedom unprecedented in modern times.

Is this the kind of society we envision in El Salvador? Nicaragua is now an armed camp. Its tremendous military buildup has been well documented. The Sandinistas are sending armed men and weapons, not only into El Salvador, but into Honduras and Costa Rica, to foment subversion and further revolutions in those countries.

If the guerrillas in El Salvador, who may be even more radical than the Nicaraguans, succeed in taking over, we can expect El Salvador to join Nicaragua as a base for revolution in this hemisphere. I ask, would this be in the best interests of the United States?

Again, to ask these questions, the basic questions we should be asking, is to answer them. U.S. interests cannot be served by a guerrilla takeover in El

Salvador. To the contrary, our interest will be served by working to insure that El Salvador, remains an ally of the United States, prepared to cooperate with us and work together for common goals, peace and prosperity.

Mr. WARNER. Madam President, will the distinguished Senator yield to me for a minute? Our colleague from New York has informed me that he has to leave the floor at this time, and I think in fairness I would like to pose the question that my distinguished colleague from Alabama has raised. I wish to raise it also because I want to support our President in this effort. One of the things that concerns me most is this threat of uncontrolled illegal immigration due to the area north of the Isthmus of Central America falling to the domination to a greater degree of Communist influence than it is presently.

Mr. DENTON. Madam President, I am delighted to yield.

Mr. WARNER. I thank the Senator from Alabama.

Before our distinguished colleague parts, could the Senator give his views on this point?

Mr. MOYNIHAN. I surely can, which is to say that if there were to appear, if Mexico were to fall under a totalitarian Marxist-Leninist regime, you could predict the same exodus from Mexico north or in every direction that was available as has been the experience in every nation where such an event has occurred and some escape was possible.

It is the history of the last 60 years of the world over. We do not know a great deal about many things, but we do know that there has never been a mass exodus into a Communist nation, and there has never been a nation become Communist that has not had either a mass exodus or attempted mass exodus away from that country to such neighbors as could be found.

Mr. WARNER. We recognize that there are more guards here in the Nation's Capitol where we are tonight as opposed to the entire border between the United States and Mexico. If El Salvador were to fall and if other countries contiguous were to fall, would that not spark an exodus up the isthmus through Mexico and across our borders?

Mr. MOYNIHAN. It might. I do not want to speak beyond my knowledge, but the historical experience is clear.

I thank the Senator from Virginia for raising this question.

Mr. WARNER. I thank my colleague from New York for letting me interrupt.

I thank my colleague from Alabama.

Madam President, the situation in Central America and the Caribbean should be of concern to every American, for its domestic implications as well as its impact on the foreign policy of the United States. Central America is not a far away land, Mr. President; El Salvador is within walking distance of the United States, and we have only a token force on our southern border with which to enforce our laws on immigration.

One need only look at the problems of internal refugees in El Salvador to understand the magnitude of the problem which would be caused by a downfall of the democratically elected government in that country. Today, hundreds of thousands of Salvadorans have fled the areas occupied by the leftist terrorist and are internal refugees elsewhere in that country. These populations are presently harbored in government-sponsored refugee camps, and have at least a subsistence level of food and shelter with which to survive. If, however, the entire country falls into the hands of the left, these refugees and hundreds of thousands more like them will find no problem in making their way over the thinly populated and virtually unpatrolled borders with the neighboring countries of Guatemala and Honduras. Once they are started, Mr. President, I fear that many of them would not stop until they reached our own country.

One need only look at the southern border of Honduras, where over 100 refugees from the Sandinistas in Nicaragua are entering Honduras each and every day. During the last week in December, one whole tribe of 500 Indians came over in 1 day, fleeing Sandinista persecution on the Atlantic coast of Nicaragua, and they are now to be found in the refugee camp on Mocoron. Nicaragua is a sparsely populated country, much larger than El Salvador, and more distant from the United States. But El Salvador is densely populated, and hundreds of thousands of Salvadorans have already fled their country in search of more peaceful surroundings; many thousands of Salvadorans are now residents, at least temporarily, of the United States.

The United States enjoys a rich tradition of variety in the ethnic background of its citizens. Every country in the Caribbean and Central America is represented in our own population. It is a virtue of our country that we can assimilate various cultures, maintaining the variety of their traditions and, at the same time, celebrate the unity of our own Nation. Nonetheless, Mr. President, we must ask: Would it be wise to allow a conflagration in Central America that would send to our shores perhaps the greatest wave of refugees we have ever had to accommodate?

Many of my colleagues have spent long and arduous hours of work drafting alternatives to our present immigration policy, Mr. President. Under no circumstances can I imagine that the downfall of Central America would mean anything less than havoc for our internal problems with immigration and illegal aliens. These policies should be approached with deliberation and prudence, not with the ad hoc and ultimately contradictory reactions which have already given us firsthand experience with the immigrants from Mariel. The repercussions from the influx of those refugees, among whom were numbered violent criminals, the mentally ill, and no doubt a good number of Cuban agents, are still being felt all over south Florida.

Madam President, we need only to consult our colleagues from the State of Florida to be assured that we do not want a nationwide Mariel. By no means should we invite it by the strategy of appeasement of the left, which is suggested by the opponents of President Reagan's plan to stabilize the path to democracy and free institutions in Central America.

I hope that my colleagues and the American people will join me in my support of President Reagan's initiative in that region.

Mr. SYMMS. Madam President, I yield to the distinguished junior Senator from North Carolina.

Mr. EAST. Madam President, I should like to make a parliamentary inquiry.

What are the time restrictions on this colloquy?

The PRESIDING OFFICER. There are no time restrictions on this colloquy.

Mr. EAST. Madam President, I realize that the hour is very late and that many are anxious to move on, and that is fully understandable.

I should like to feel that the value of this short colloquy in this late afternoon, after grappling with jobs bills and social security and who knows what all, is to begin at least to get the U.S. Senate to focus upon the problem in El Salvador, and the comments already made suggest the great importance of it. I simply should like to add my voice to it.

I contend that it is the most vital issue—or the symbol of it—facing the country today. We need a strong economy, and we are moving in that direction, thankfully. But one senses in all this discussion in the Senate today that we are back in the 1930's when the United States seemed to be reverting to a policy of isolationism and unilateral disarmament.

Madam President, I feel that this issue is as vital as anything we confront; and if we do not have the will or the strength of spirit in this country to provide a modest amount of money to a country that simply needs ammunition to defend itself against Communist guerrillas, aided and abetted by Cuba and the Soviet Union, if we have reached a point of moral and spiritual bankruptcy where even that modest contribution cannot be made, I submit

that we are back in the same posture we were in the 1930's.

And that display of weakness brought on ultimately the worst war that we have known in our history, and if we fail to respond to the challenge that we face in El Salvador I agree with the comments that have been made here and I sense shared by many Members of this body that if we do not meet that challenge we fail the greatest challenge of our time here serving in the Senate.

I hope in the days and the weeks ahead that this body along with our companion body in the House of Representatives will rise to the challenge.

Thank you, Madam President.

I yield the floor.

Mr. SYMMS. Madam President, I thank the Senator from North Carolina, and I just say to the acting majority leader that I will be happy to yield the floor as soon as he gets the leaders here, and I believe that Senator HELMS will be here shortly. He has some remarks to make, and I have a few remarks to make. Then we will be able to wrap up.

THE STRATEGIC IMPORTANCE OF EL SALVADOR

● Mr. LAXALT. Madam President, for the past year, one of the primary foreign policy concerns of the Reagan administration has been the situation in El Salvador. As one would expect with an issue of this nature, many different viewpoints exist within the Executive and the Congress regarding questions such as military aid, human rights violations, and the possibility of negotiations with the guerrillas. With so many viewpoints, it becomes apparent that we are far from reaching a consensus concerning the primary issues and the solutions.

It has occurred to me that the press has contributed to the confusion by focusing on these differences, and amidst all the conflicting charges, little analysis of the fundamental issues has taken place. The foundations of our policy toward El Salvador have also been obscured by the popular fear that El Salvador will become another Vietnam.

The idea that El Salvador is similar to Vietnam appears to me to be an unrealistic notion. First, Vietnam was a large war fought thousands of miles away; the small war in El Salvador is taking place in our front yard. Second, Vietnam was a war fought between two countries. The war in El Salvador is being fought in one country, although it has, and this should be emphasized, tremendous regional implications. Dredging up bitter memories of Vietnam hurts us rather than helps us in formulating our policy toward El Salvador.

Third, there is no question that the increasing Soviet presence in the Caribbean basin region is currently a real threat to U.S. economic and military security. By gaining a foothold in Nicaragua, the Soviets have taken a giant step toward undermining the security of Central America, the geopolitical keystone of the Western Hemisphere. According to Defense Secretary Caspar Weinberger, if El Salvador goes the same way as Nicaragua, there would be "another very repressive regime that would be then much more in a position to make that kind of Communist gain further north up toward Mexico and toward our own borders." The prospect of Mexico, our long-time friend and trading partner, becoming a member of the Communist bloc is a frightening possibility.

The guerrillas in El Salvador now openly admit they receive assistance from Cuba and Nicaragua, while Cuba and Nicaragua consistently reaffirm their solidarity with the Salvadoran guerrillas. More important than this is the lack of support within El Salvador for the guerrillas. The peasants do not support the guerrillas, who have systematically destroyed the infrastructure, including the coffee and cotton crops which the peasants depend on for their livelihood. In sum, there is no doubt that the guerrillas are fighting an externally supported war. Consequently, it appears to me that the conflict in El Salvador has become more than just a domestic conflict, between those trying to conserve the status quo and those trying to alter it.

Obviously, our presence in El Salvador cannot be viewed as an isolated issue. The need for a regional perspective becomes even stronger with the realization that the Salvadoran guerrillas perceive their role in a regional context. In a recent radio broadcast, the guerrillas claimed, "We are not so naive as not to know that we cannot and ought not to fail to place our plans in the framework of a regional conflict."

Thus, Madam President, the current ferment in El Salvador raises a number of regional questions for the United States. First, is the United States prepared to provide the kind of economic and military aid that may be required to enable the reformist elements in the region to work toward stability? Can the United States live with regimes that articulate leftist rhetoric but pose no overwhelming threat to the military balance of power in the Caribbean? How do we deal with these groups that desire to internationalize their domestic conflicts? What should be the U.S. response when American interests are threatened by groups allied or in sympathy with the Soviet Union? Madam President, how we answer these questions will affect the future course of events in Central America.

In our national interest, it appears to me that our foreign policy in El Salvador must be pursued from a regional perspective.●

A U.S. COMMITMENT TO A FLEDGLING DEMOCRACY

● Mr. DOLE. Madam President, our distinguished colleague from across the aisle, Senator HENRY JACKSON from Washington has stated, and wisely so: "The target of all of the Castro-Soviet activity in Central America, El Salvador, Honduras, Nicaragua, et cetera, the target is Mexico." The Senator is right. And because he is right it is time that we give pause and then distance ourselves from partisan politics on this serious situation which confronts us on our southern flank. Let us get back to that time-honored approach to foreign relations we used to pride ourselves upon in our deliberations affecting United States national security; a jointly studied, dispassionate, and measured analysis which would lead us in our shaping of a truly bipartisan foreign policy.

There have been clear warning signs emanating from Cuba, Nicaragua, and El Salvador. But most of us have not been ready to receive them. We have had a parade of witnesses from the executive branch cite the buildup of Soviet arms, men, and equipment in Cuba and photographic evidence of the military buildup in Nicaragua. The administration has formulated a case proving Nicaraguan Sandinista support for the guerrilla activity conducted against the government of El Salvador; a country who under our encouragement and tutelage is making positive steps toward democracy. Later this year they will have Presidential elections and a new constitution. The United States has a special obligation to continue this sponsorship as we have used our economic and military assistance programs as an inducement for them to follow in our footsteps. We feel confident their path will bring a better standard of living for all El Salvadorans and better opportunities for peace to the region.

Let us agree that we do not see eye to eye on the origins of the problems in Central America. Let us not argue whether a better form of government in El Salvador or Nicaragua some 50 years ago, or even 10 years ago could have avoided the problems we have today. Let us deal with today. Is there anyone of us that believes communism can provide a better life for citizens of El Salvador, Nicaragua, or Mexico? Is there any Communist country in the world that is providing better opportunities for their citizens than the democracies?

Some of you will say that is not the issue. Some will say that the countries in Central America can move into modified mixed economies and various forms of socialism or central governments which may not do for their people that capitalism has done for ours; but it would be their own home grown forms of government. Let us reject that. Can we not see what Fidel

Castro has brought to Cuba—and to this hemisphere. What choice does a Cuban have in Havana compared to the Cuban now living in Miami? But we have a much more recent example. Nicaragua.

Do all of my colleagues realize that it was less than 4 years ago that the Sandinistas came to power with our encouragement and even blessing. Did we pay any attention to those who told us what a mistake it was? We rushed to folly with relish and enthusiasm to force Somoza from Managua. In that year following his departure we gave more economic assistance to the Sandinistas than we had in the previous ten to Somoza. Was the Sandinistas' revolution homegrown? Most thought it was—but not now. The Sandinistas now heavily censor their press, control their television, murder and relocate thousands of Indians from their ancestral homes and have anywhere from 3,500 to 7,000 political prisoners in their jails. A population with 2.7 million has an army of over 25,000, double that of Somoza's National Guard, reserves of 50,000, has brought in Soviet tanks, helicopters, surface-to-air missiles and thousands of Cuban military personnel. Some reports out of Nicaragua state there are hundreds of Soviet military personnel in the country.

The Sandinistas did not buildup their forces and consolidate their strength in response to United States' threats but because they wanted to consolidate their own power. Testimony to this analysis are the hundreds of Nicaraguans who helped throw out Somoza who have fled to the United States to denounce the Sandinistas' actions. Thousands more have reached not only the United States but Costa Rica and Honduras. The fact of the matter is that the Sandinistas are in the Cuban and Soviet orbit. Do we want that to happen in El Salvador?

The situation is very different in El Salvador. A group of army officers anxious to restructure the politics and economics of the country staged a coup in 1979. Whether they were right or not in their objectives we could argue. Today however, with United States support, they have had elections in which 80 percent of the electorate participated. Most international observers were convinced the elections were fair. The guerrillas threatened with death those who participated, but it did not deter them. It is obvious that El Salvadorans want an end to the fighting and want democracy. Their fledgling democracy is not perfect. Far from it. There is a great deal of lawlessness in a society with a history of violence. We cannot force El Salvador into our mold. It takes careful cultivation. Justice is difficult to administer as judges and witnesses are intimidated and threatened with their lives. Many have been murdered. That is not to say that El Salvadorans do not desire a fair and impartial judicial system; but a small minority can often intimidate the majority.

The breakdown in the judicial system does tell a larger and more urgent story. There is always a danger of a complete breakdown in government. The United States should not be encouraging that breakdown with threats of withholding assistance. Most of us realize how fragile is this thin veneer we call civilization and what courage and determination it takes to make a democracy work. Let us give confidence to those in El Salvador who are striving to emulate our democracy by our encouragement and through our sustained support. Let us commit the United States to El Salvador's victory over the guerrillas and their Sandinista and Castro supporters through democratic means. When we commit ourselves to the El Salvadorans' survival in the fight against the self-declared Marxist guerrillas leaders we give them renewed confidence. They know then we will not forsake them. For too easily now they can recall United States allies forsaken for what many Americans believed were good reasons. But the fact remains; they were forsaken. When we commit ourselves to see them through this life and death struggle, individuals make careful decisions and thoughtful choices. They too can then commit and rededicate themselves to their own future in their own country. We owe this to them and to ourselves. As President Reagan said the other day, "We face a special threat in Central America where our own national security is at risk. Central America is too close to us, and our strategic stake in the Caribbean sea lanes and the Panama Canal is too great for us to ignore reality. The specter of Marxist-Leninist controlled governments in Central America with ideological and political loyalities to Cuba and the Soviet Union poses a direct challenge to which we must respond."●

● Mrs. HAWKINS. Madam President, I join my colleagues in urging the Congress to throw its support behind the experiment in democracy underway in El Salvador. It is nothing short of a betrayal of the principles on which our Nation was founded to abandon a democratically elected government to Communist insurgents. Insurgents, I might add, that refused to participate in the March elections held last year—insurgents who preferred to find their own solution from the barrel of a gun in the so-called final offensive, rather than in the ballot box. I have no illusions about the situation in El Salvador. Grave problems exist. The country is embroiled in a bloody civil war. The judicial system is not working. Untrained soldiers occasionally violate the rights of civilians. But the solution to these problems is to increase the positive influence of American assistance, not to abandon our friends in their hour of need. If we think by holding back on our aid, and giving the military edge to the Marxists that we will somehow improve the situation in the country we are only deluding ourselves. The more the Marxists believe that they can find a military solution to the situation in El Salvador, the greater will be their efforts to overthrow that government. The insurgents must be convinced that a military option does not exist for them—that if they ever hope to share in the power they will have to win in free and fair elections. The current military stalemate is compounding the problems. Additional aid is needed. I am firmly convinced that the aid requested by the administration will ultimately bring with it an end to the killing in El Salvador, and an improvement in the economic, social, and human rights situation in the country.

The situation in El Salvador has been improving over the 3 years since U.S. aid began 3 years ago. There will be some 60,000 new beneficiaries of land reform on the most recent applications processed. More than 20 percent of the arable land has been redistributed. I have long been a firm supporter of fair land reform as the best means of redresssing the year's economic and social injustice, and I have been heartened by these improvements.

In addition, the administration has reported that the Salvadoran troops that have received training in this country have not only proven themselves to be superior soldiers to their untrained colleagues, but also they have produced a significantly improved human rights record. Given this, it seems only rational that we increase this training, an essential ingredient in the administration's proposal, in order to accomplish two goals at once—first, we show the insurgents that they cannot win militarily, and second, we improve the human rights situation in the country.

Given these facts and the overall improvement in the human rights record of the Salvadoran Government reported by the State Department, I hope that the Congress will have the boldness to act in support of the President, and in support of democracy in El Salvador.●

Mr. DENTON. Madam President, will the Senator yield for one moment?

Mr. SYMMS. I am happy to yield to the Senator from Alabama.

Mr. DENTON. Am I correct in my understanding that the majority whip would like to conduct just a few moments of routine business so that I can depart and then resume this colloquy?

Mr. SYMMS. That is correct.

Mr. STEVENS. If the Senator will yield, that is correct, and we did not mean to constrain this colloquy at all, as we have some routine business to take place, and when the distinguished Democratic leader comes to the Chamber, we will do that with the Senator's permission, and then provide that the Senator will stay in session as long as those who wish to conduct this colloquy wish to stay here.

There is no business to be transacted for the remainder of the evening execpt the colloquy that the Senators are participating in now, but there is no intention to try to terminate that. We just would like to get this routine business out of the way so staff can take care of it while this colloquy is still going on.

Mr. DENTON. I thank the Senator. I was not sure whether the Senator from Idaho knew that because the Senator from North Carolina had not known it, and the message had been delivered to me, and I wanted to be sure he knew it.

Mr. SYMMS. I thank the Senator. I hope I conveyed that message to the Senator from North Carolina so he knew that he was not in any way shortened on his time.

It is very interesting that in the problems in El Salvador, and I think we can all see that this is right in our front yard, there is a 2,100 mile border between us and our friends in Mexico, and it is very obvious to an observer of Soviet expansionism and a student that El Salvador is not the ultimate target. It is Mexico, and there is nothing that our adversaries, the Soviets, would rather have happen than to stir up a Marxist-Leninist revolution in Mexico, create real problems for the United States, and crack our pipeline to the NATO alliance, which the good Senator from Alabama commented on, because the argument then would not be over it we wanted to build the C5B or the five 747's, the argument will be whether or not we have enough flatcars to move the troops and tanks to the Texas border. That is what the argument will be.

I think we are literally in a discussion here which is critical to our supreme national security interests, and I see that the minority leader is in the Chamber so I reserve the remainder of my time and yield to the acting majority leader.

ORDER OF BUSINESS

Mr. STEVENS. I thank the Senator from Idaho.

There is an order for convening tomorrow, is there not, at 10 a.m.?

The PRESIDING OFFICER. The Senator is correct.

ORDER FOR THE RECOGNITION OF CERTAIN SENATORS ON TOMORROW

Mr. STEVENS. Madam President, I ask unanimous consent that there be special orders entered for tomorrow, Friday, March 18, for Senators BOSCHWITZ, STENNIS, PROXMIRE, and MURKOWSKI for a period not to extend beyond 15 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL ENERGY EDUCATION DAY

Mr. STEVENS. Madam President, I ask that the Chair lay before the Senate, Senate Joint Resolution 38, a resolution to declare March 18, 1983, as "National Energy Education Day," reported from the Judiciary Committee today.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 38) to declare March 18, 1983, as "National Energy Education Day."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The joint resolution (S.J. Res. 38) was considered, ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

S.J. RES. 38

Whereas adequate and competitively priced energy is essential to the economic growth of our great Nation and all nations of the world;

Whereas affordable energy resources are required to fuel the economic growth that will provide new jobs and employment opportunities so that all people of our society may enjoy a higher standard of living and greater prosperity;

Whereas the free market has stimulated American energy development, reducing our reliance on oil imports and thereby improving the United States balance of trade;

Whereas people throughout America and around the world are striving to reduce energy waste in their homes, transport systems, and workplaces;

Whereas the energy needs of the future will require greater attention to alternative sources of supply, including synthetic fuels and solar power;

Whereas fundamental changes in energy economics require the educational system at all grade levels to prepare our youth for the new demands and challenges that lie ahead;

Whereas the celebration of a National Energy Education Day (NEED) will bring together students, teachers, school officials, and the community members to focus attention on the need for a greater understanding of energy issues; and

Whereas such celebration should be conducted in a manner that encourages a deeper understanding of the global, national, and community aspects of today's energy economics: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 18, 1983, is hereby designated as "National Energy Education Day" to promote and enhance energy education programs at all grade levels of public and private schools, and the President of the United States is authorized and requested to issue a proclamation calling upon the people and educational institutions of the United States to observe such day with appropriate ceremonies and activities, to direct all appropriate Federal agencies to cooperate with and participate in the observance of National Energy Education Day, and to issue a copy of said proclamation to the Governor of each State and to each Member of Congress.

Mr. STEVENS. Madam President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REREFERRAL OF S. 731

Mr. STEVENS. Madam President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of S. 731, for the relief of the Grace Baptist Church, Portland, Maine, and that the bill be referred to the Committee on Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMEMORATION OF 200TH ANNIVERSARY OF SIGNING OF TREATY OF AMITY AND COMMERCE

Mr. STEVENS. Madam President, I send to the desk a joint resolution in behalf of Senator BOSCHWITZ and others and ask that it be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. STEVENS. Madam President, I ask that the Chair lay before the Senate en bloc Calendar Orders 45 and 46 and that those resolutions be immediately considered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. BYRD. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRINTING OF SENATE REPORT

The resolution (S. Res. 30) authorizing the printing of additional copies of volume 1 of the Senate report entitled "Developments in Aging: 1982," which was considered and agreed to, as follows:

S. RES. 30

Resolved, That there shall be printed for the use of the Special Committee on Aging the maximum number of copies of volume 1 of its annual report to the Senate, entitled "Developments in Aging: 1982", which may be printed at a cost not to exceed $1,200.

GRATUITY TO FREDRIC B. COURTNEY

The resolution (S. Res. 89) to pay a gratuity to Fredric B. Courtney, was considered and agreed to, as follows:

S. RES. 89

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Fredric B. Courtney, widower of Mary P. Courtney, an employee of the Senate at the time of her death, a sum equal to four months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. STEVENS. Madam President, I move to reconsider the vote by which the resolutions were agreed to.

Mr. BYRD. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. STEVENS. Madam President, I ask unanimous consent that the Senate go into executive session for the purpose of considering items on page 2 of the Executive Calendar beginning with "New Reports," that being Calendar No. 47 through all of the items on page 3 and page 4, through Calendar No. 56 and including the nominations placed on the Secretary's desk.

Mr. BYRD. Madam President, there is no objection and this side of the aisle is ready, willing, able, and eager to transact this business.

There being no objection, the Senate proceeded to the consideration of executive business.

Mr. STEVENS. Madam President, I move that all of those nominations to which I have referred be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered en bloc and confirmed en bloc.

(The nominations considered and confirmed en bloc are as follows:)

DEPARTMENT OF STATE

Edward J. Derwinski, of Illinois, to be Counselor of the Department of State.

James R. Bullington, of Tennessee, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Burundi.

Wesley William Egan, Jr., of North Carolina, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea-Bissau.

John Melvin Yates, of Washington, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cape Verde.

John Davis Lodge, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Bernard A. Maguire, of Virginia, to be an Associate Director of the Federal Emergency Management Agency, vice Gloria Cusumano Jimenez.

IN THE NAVY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. James R. Sanderson, 571-26-0483/1310, U.S. Navy.

IN THE MARINE CORPS

The following-named brigadier generals of the Marine Corps for promotion to the permanent grade of major general, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

Richard M. Cooke	Dennis J. Murphy
Richard T. Trundy	Donald J. Fulham
Clyde D. Dean	Anthony Lukeman
Frank E. Petersen, Jr.	Jacob W. Moore

The following-named colonels of the Marine Corps for promotion to the permanent grade of brigadier general, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

John P. Monahan	Jim R. Joy
Robert R. Porter	Hollis E. Davison
Orlo K. Steele	James M. Mead
Walter J. Donovan, Jr.	Robert F. Milligan
Robert J. Winglass	Gene A. Deegan

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Forrest S. McCartney, 535-24-8198FR, U.S. Air Force.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nominations beginning David G. Alexander, and ending William C. Johnson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 8, 1983.

Army nominations beginning James P. Basista, and ending Gary L. Franch, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 8, 1983.

Army nominations beginning Paul M. Balson, and ending Lee S. Thompson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 9, 1983.

Marine Corps nominations beginning Robert S. Abbott, and ending Stephen L. Dubinsky, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 8, 1983.

Navy nominations beginning Jeffrey S. Huskins, and ending John D. Yeast, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 16, 1983.

Mr. STEVENS. Madam President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Madam President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

REFERRAL OF NOMINATION

Mr. STEVENS. Madam President, I ask unanimous consent that the nomination of Joseph H. Sherick to be Inspector General of the Department of Defense be referred to the Committee on Armed Services, and I further ask unanimous consent that once the Committee on Armed Services reports the nomination it then be referred to the Committee on Governmental Affairs for not to exceed 20 days.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. BYRD. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. STEVENS. Madam President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW UPON COMPLETION OF COLLOQUY ON EL SALVADOR

Mr. STEVENS. Madam President, it is my understanding that there is a colloquy to continue here. I have discussed the matter with the distinguished minority leader, and it is our desire that this colloquy continue as long as the Senators involved in it wish to do so.

I would like to have an understanding, and I ask unanimous consent, that there be no further business transacted this evening, and that when the Senators involved in the El Salvador colloquy have concluded their collo-

quy that the Senate then stand in recess until the hour previously set by the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I thank the Chair.

INCREASED SOVIET OFFENSIVE WEAPONS IN CUBA ARE AN EFFORT TO INHIBIT U.S. AID TO EL SALVADOR

Mr. SYMMS. Madam President, to continue right where I was, I think it is ironic that just as the House of Representatives is engrossed in a debate over a nuclear weapons freeze resolution, we are hearing reports of increased Soviet military activity 90 miles off our coast in Cuba. While all peace-loving Americans are in favor of preventing nuclear war and achieving equitable, balanced, and verifiable arms reductions agreements with the Soviets, provocative Soviet offensive military activity in Cuba works against arms control and world peace.

Now, what is past and present Soviet activity in Cuba which causes concern? Since 1969, the Soviets have been sending TU-95 Bear bomber-type aircraft to Cuba on a regular basis. These Bears have always had an inherent nuclear weapons delivery capability. Moreover, since 1970, the Soviets have built a strategic submarine base in Cuba, and in 1972 and 1974 even sent strategic submarines with long-range nuclear missiles to Cuba. In 1978, the Soviets sent two squadrons of nuclear delivery-capable MIG 23/27's to Cuba, and in 1979 the Soviet combat brigade was detected in Cuba. In 1982, the Soviets shipped three times as much military equipment to Cuba than in any year since 1962, the year of the Cuban missile crisis. Recently, I have received reports from reliable sources outside the Reagan administration that the Soviets have sent TU-95 Bear aircraft to Cuba which clearly have operational, functioning bomb bays and bomb bay doors. These Bear bombers and strategic submarines and fighter-bombers are clearly offensive weapons. The TU-95 Bears seen in Cuba since 1969 and recently are all capable of delivery of nuclear missiles and bombs, as are the Mig 23-27's. The Soviet strategic submarine base has a nuclear warhead handling facility, and missile submarines have visited there, with long-range missiles aboard. Thus it can be concluded that the Soviets have established strategic bomber, strategic fighter-bomber, and strategic submarine bases in Cuba. They may also have sent nuclear weapons to Cuba, and we might not even be able to detect their presence there until it was too late to react.

The Kennedy-Khrushchev agreement of 1962 established the obligation that the Soviets not deploy "offensive weapons" to Cuba. This essential element of the Kennedy-Khrushchev agreement of 1962 has long been public.

Have the Soviets complied with the Kennedy-Khrushchev agreement by not deploying offensive weapon to Cuba?

CIA Director William Casey was asked by U.S. News & World Report of March 1982:

> Does what is happening now in Cuba violate the 1962 Kennedy-Khrushchev agreement ending the missile crisis?

CIA Director Casey answered:

> Oh sure it does, because the 1962 agreement said the Soviets would send no offensive weapons, and it also said that there would be no export of revolution from Cuba. The agreement has been violated for 20 years.

Our top military leader agreed with CIA Director Casey that the Soviets have violated the 1962 Kennedy-Khrushchev agreement.

On March 8, 1982, Congressman JACK KEMP asked the then Chairman of the Joint Chiefs of Staff in a House Foreign Operations Appropriations subcommittee hearing:

> . . . is it not true that . . . there is a de facto, if not a de jure violation by the Soviet Union of understandings that this countrty has had with them?

Gen. David Jones testified that:

> We interpret . . . Soviet actions in Cuba as a violation . . . In my judgment, they (the Soviets) have gone beyond the 1962 accords.

On March 11, 1982, Under Secretary of Defense for Policy Fred Ikle confirmed press reports that the Soviets had bases in Cuba capable of nuclear attack and testified to Congress that the 1962 Kennedy-Khrushchev agreement "had been eroded away to nothing—" by Soviet actions. Thus a top civilian Defense Department leader agreed with the CIA Director and the JCS Chairman that the Soviets have violated the 1962 Cuban missile crisis agreement.

In May 1982 President Reagan himself stated in a nationally televised press conference that:

> The only place he (i.e., the late Soviet President Leonid Brezhnev) could install them (i.e. Soviet nuclear weapons) in this Hemisphere would be in Cuba, which is his (Brezhnev's) satellite now . . . But this would be in total violation (i.e. of the 1962 Kennedy-Khrushchev agreement.) You know there's been other things we think are violations also of the 1962 agreement.

Thus the President of the United States and three other top Reagan administration officials have stated that the Soviets are violating the 1962 Kennedy-Khrushchev agreement.

If the Soviets are violating the very agreement that settled the Cuban-missile crisis, the most dangerous crisis in world history, then the whole world must be back in a crisis situation. Indeed, I fear that the Soviet nuclear threat from Cuba is today even greater than it was in October 1962. In 1962, the Soviets had only 32 SS-4 and SS-5 nuclear missiles, and only a few IL-28 Beagle nuclear delivery capable bombers and missiles in Cuba. Today, the Soviets may have over 50 nuclear weapons delivery capable intercontinental bombers, fighter-bombers, and submarine-launched missiles. They may also have nuclear weapons there.

This dangerous reenactment of the Cuban crisis is occurring at the same time we are debating the freeze. I think the significance of this—and I will be happy to yield to my friend in just a moment—is on March 17, today, in which we are going to help our friends in El Salvador to resist what is going on, which is a clear-cut case of external force coming into this country and disrupting it—and what I found in El Salvador was that the people were willing to resist and fight—but what we need to do is not only to give them the wherewithal to fight but also I think we should be more aggressive in cutting off those sources of supply that come from Cuba to Nicaragua and across the border into El Salvador.

Only today, Madam President, March 17, the Soviet official newspaper Pravda quoted a noted, top-level Soviet propagandist making an extraordinary Soviet nuclear blackmail threat. This threat is intended to intimidate all Americans. Georgiy Arbatov, a Central Committee member and adviser to the late Soviet President Brezhnev, stated:

> As far as equality of weaponry is concerned, for the sake of this equality, we would have not only to add to our missiles in Europe, but also to deploy them near American borders.

Is he talking about Nicaragua? Cuba? Wherever? What Arbatov was talking about was a threat to deploy Soviet missiles in our own backyard. I think it is interesting to note that if you are in New York City it is closer to El Salvador, or Washington, D.C., it is closer to El Salvador, than it is to San Francisco. So we are talking about right here in our backyard, and it is somewhat different than someplace that is thousands and thousands of miles away.

Mr. President, I would like to add the following quotation from a news conference by Adm. James Watkins, U.S. Navy, Chief of Naval Operations, on March 15, 1983:

> They [i.e. the Soviets] now have 4 Bear aircraft in Cuba. Two are the conventional reconnaissance [i.e. type]. But two for the first time are the ASW variant of the Bear called the TU-142 or Bear Foxtrot. And that is of concern . . . that is the kind of es-

calatory step annually we are seeing, and we are worried about it . . .

I think in view of what is happening, in view of the constant pressure, and in view of some of the recent information that the administration has chosen to declassify and release to the American people, it is all part of one big picture. There is El Salvador, there is Nicaragua, there is Cuba, there is the strategic fight going on whether we are going to be able to deploy weapons in Europe, whether we are going to be able to defend our own country, whether we are going to be able to build the forces necessary to provide us with a deterrent so that Presidents will never be in a situation where the policy of this country may have to be much less restrained because of the weakened position we have put ourselves in.

The whole thing fits into one big picture, and I hope our colleagues will support the administration in its efforts.

Thus it is a very strange time to be debating and voting on a nuclear weapons freeze in Congress. Instead of debating a nuclear weapons freeze, we should be debating how to best meet the Soviet threat so that we can maintain peace. While no stone should be left unturned in our efforts to achieve a verifiable reduction of nuclear arsenals, we should also be discussing how our defense capabilities can deter Soviet aggression. And we should be debating Soviet-Cuban subversion and aggession in Central America, and how we can best aid El Salvador and freedom fighters around the world in defeating the Marxist revolutionaries.

Madam President, the new March 1983 Defense Department Book Entitled "Soviet Military Power" contains some interesting information about Soviet Bear bombers that I want to present to the Senate now. First, on page 24 it states that:

> The antisubmarine warfare variant (i.e. of the Bear) has continued in production in 1982.

So what we are dealing with in Cuba now is a modern Soviet intercontinental bomber which is still in production. It is a Soviet first line weapon, or they would not still be producing it.

Second, on page 26 of "Soviet Military Power" it states:

> The Soviets are developing at least one long-range air-launched cruise missile (ALCM) with a range of some 3,000 kilometers. Carried by the Backfire, the Blackjack, and possibly the Bear, it would provide the Soviets with greatly improved capabilities for low-level and standoff attack in both theater and intercontinental operations.

Thus the Bears in Cuba could be used against both Central America and the United States.

I would now like to ask the administration some additional questions about these Bears recently reported in Cuba by Admiral Watkins.

First, are the Soviets also still continuing to produce the Bear model which carries air-launched cruise missiles?

Did the March 1983 Defense Department book "Soviet Military Power" originally contain a reference also to the continued production of Bears which carry air-launched cruise missiles? Did this reference get deleted because of administration sensitivity about increased Bear activity in Cuba?

Second, have the Soviets tested either old or new air-launched cruise missiles on the antisubmarine warfare version of the Bear?

Third, are there Bears in Cuba which could carry air-launched cruise missiles? How confident can we be of our judgment on this question?

Fourth, are there now as many as 10 Bear bomber variants in Cuba? Were these first detected this week? Is this the largest number of Bears ever seen in Cuba? Are the Soviets building revetments for a total of 12 Bears?

Fifth, are at least 2 of these reported 10 Bear bombers the antisubmarine warfare version? Do these have operable bomb bays and bomb bay doors? Do they have a confirmed military capability because of their bomb bays?

Sixth, are antisubmarine warfare Bears capable of dropping nuclear bombs or nuclear missiles from their bomb bays? Would they be defined as offensive weapons?

As I mentioned, the Defense Department and the Navy Department have just publicly confirmed that the new Bears in Cuba do indeed have a military capability. All that is left is for the administration to decide whether this military capability on an intercontinental bomber constitutes an "offensive weapon" under the definition established by the 1962 Kennedy-Khrushchev agreement. Included, the Reagan administration apparently already has decided that earlier Bear bombers detected in Cuba fit this definition, because the administration has made the accusation that the Soviets are in violation of the 1962 agreement. I might point out that in the State Department Document No. 12B of June 18, 1979, entitled the "Salt II agreement," there is a good description of the main operational characteristics antisubmarine warfare version of the Bear bomber. On page 13, Secretary Vance's analysis of the Salt II Treaty states:

> The fifth agreed statement (i.e.; to Salt II) deals with the Tupolev-142 airplane, (Note: the TU-142 was the Carter administration's preferred designation for the TU-95 F or antisubmarine warfare Bear.) This airplane is configured for antisubmarine warfare, but has the same basic airframe (Bear) as the TU-95 heavy bomber. The TU-142's have bomb bay doors and bomb bays, and therefore cannot be excluded from being considered bombers on the basis of FROD's (i.e., functionally related observable differences.)

Thus, even the Carter administration pointed out that the ASW Bears had bomb bays, and that a case could therefore be made that they were in fact heavy bombers and should therefore be counted in Salt II.

Madam President, I am extremely concerned with the reports that the Soviets may now have more Bear bombers in Cuba than have ever before been seen there. I think the American people should also be extremely concerned by this Soviet threat. I believe that the Soviets may be executing a plan begun last summer to establish a much higher Soviet military presence in Cuba. This increased Soviet military presence in Cuba could help to prevent the United States from increasing its military and economic aid to El Salvador, which is being beseiged by Soviet and Cuban supported Marxist revolutionaries. Second, last March, the late Soviet President Brezhnev stated that if the United States deployed Pershing II and ground-launched cruise missiles in NATO, the Soviet Union would create an "analogous threat." Soviet sources in Moscow stated that this Soviet "analogous threat" would be based in Cuba. Perhaps the increased deployment of Soviet Bear bombers to Cuba is part of this "analogous threat" to all Americans. Indeed, I have already mentioned Arbatov's provocative threat that the Soviets may deploy new missiles near American borders.

I see the distinguished "Freedom Fighter" from North Carolina, Senator HELMS, is on the floor. I know he is the ranking—the chairman of the Latin America Subcommittee of the Foreign Relations Committee which deals with this part of the world. He is very knowledgeable on the subject, and I yield the floor to the distinguished Senator from North Carolina.

Before I yield to the Senator, I have asked the administration if it is true that there are as many as 10 Bear bombers in Cuba, and I think these are questions that we do need to have answered, not necessarily because that Bear bomber provides any more of a threat to us than some of these submarines that probably are prowling the coasts east and west of the United States with Soviet missiles on board, but the point is that the Soviets are so emboldened now that they are brazen enough to come in now and rattle the saber at the United States at this time, right here at a time while this nuclear freeze debate is going on, 90 miles off our coast, and I think the American people need to be aware of this and need to know it.

I yield to the distinguished Senator from North Carolina (Mr. HELMS.)

Mr. HELMS. Madam President, I do not really desire the Senator to yield to me unless he has concluded, but I merely wanted to compliment him on his excellent statement and that of Senator DENTON and others as well.

The Senator alluded in his remarks to the Kennedy-Khrushchev agreement, and that hit a nerve with me because I have been trying for the better part of 2 years to persuade our own State Department to share with us the precise details of the Kennedy-Khrushchev agreement. To date it has not happened.

I will say to the Senator from Idaho that beginning with the confirmation hearings of Secretary of State Haig I was given enthusiastic assurance that Secretary Haig would come up to this Congress and share with my subcommittee or the full Foreign Relations Committee the details of the Kennedy-Khrushchev agreement. It never happened. Just this week I have written to the present Secretary of State, Mr. Shultz, and renewed that request, and I hope he will come up and discuss this subject because I feel that Members of Congress and the American people, for that matter, deserve to know what the agreement was.

What did Mr. Kennedy and Mr. Khrushchev agree to? As of now, nobody knows.

Subsequent to my several invitations to Secretary Haig, he got around to saying: "Well, there are file cabinets full of information related to this question." I said, "Well, bring them all up and let's look at them."

I, frankly, Madam President, do not understand the reluctance to share this information. Either there were precise agreements or there were not. Of course, we have been told over and over again that, of course, there were agreements, but I want to know what they were. We are told, yes, the Soviets have violated this, the Cubans have violated that, but I think, until we know for sure what it was that President John F. Kennedy and Nikita Khrushchev agreed to, we cannot really make a proper assessment of what is going on.

Meanwhile, Central America is almost in flames. And I do not overstate the case when I express my apprehension, as one Senator, that if the United States does not do what it is obligated to do in preventing a takeover by Marxism of the entire region of Central America, this country, the United States, is going to suffer and it may well be that our own economy will be destroyed.

Now, I am amazed when I hear some of the declarations, in this body and out, to the effect that we should shut off all aid to El Salvador, that we should not help them. Well, we had better examine the consequences of what is certain to happen if we fail to support our anti-Communist friends and neighbors in Central America. Cuba is already gone, Mexico is moving rapidly to the left, Nicaragua has gone, and now El Salvador.

(Mr. WILSON assumed the chair.)

Mr. SYMMS. Will the Senator yield on that point?

Mr. HELMS. Certainly.

Mr. SYMMS. I totally agree with what the Senator is saying. Not only that, some of our sincere detractors of what the administration is trying to do that are concerned about the human rights things, if they think human rights are bad now in El Salvador, just cut off all of the American aid and allow America to lose the influence that we have had that is so positive down there. If the Communists take over in El Salvador, it will be much worse. Marxists deny that there are human rights, and they surely do not respect them when they seize power.

I think the Senator is absolutely right on target. It is of critical importance that we do not allow this to happen.

One of the problems with our foreign policy has been the attitude of just containment. Now, the Senator referred to the fact that Cuba is lost and Nicaragua is lost. It is high time that the United States took the policy that we are going to start a little offensive operation in terms of the ideological war, because this is a battle of ideas. It is not necessarily a battle of just bullets and who has the most guns and ammunition, although the Marxists do operate under the thesis that political power comes out of the gun, and that is their mentality and that is what we are confronting.

But we have, I think, a unique opportunity, before they get so deeply embedded in Nicaragua, that the U.S. policy should be one that we would be willing to help those people who would like to free Nicaragua for the humanitarian aspect of liberating the captive people of Nicaragua.

What happens in those countries is the doctors, the lawyers, the engineers, the school teachers, the people who are able to run the basic infrastructure of a country like Nicaragua, all of them that can get out, flee. They will start fleeing from El Salvador, so they will leave the country worse off and they will be unable to produce. The economies of Marxist countries are not productive of human welfare, and they do satisfy human needs.

All you have to do is visit Cuba. I have visited Cuba. It is a hellhole. The phone book that you will find in a Cuban phone booth or hotel room is a 1958 phone book because that is the last year they had any capitalists there to help them try to print a phone book, I assume. It is incredible, the low level of living there.

Going through Havana is like going back to 1958, 1959, or 1960. Since then, progress has virtually stopped. That is not good for the Free World to have that kind of a situation existing right off of our coast.

I think that is why I know the Senator has supported ideas like Radio Marti, so that we can go on the offensive, so that Nicaragua and Cuba will not necessarily have to always be lost, and those people will not always have to be enslaved, and there can be some hope that somehow we are going to turn this ideological war around and start beating the Communists and helping the freedom-loving resistance from within. We could be doing something, I think, that would not only be just and proper, it would be in the best interest of our security, also.

Mr. HELMS. I thank the Senator. The Senator is absolutely correct. I was thinking while he was speaking a few minutes ago of the anomaly that we see in this Chamber.

Some of the very Senators who were so enthusiastic a year prior the distinguished Senator from Idaho coming to the Senate—he may recall that this Senate voted by a substantial margin to send $75 million of the American taxpayers' money to the Sandinistas in Nicaragua—they turn right around and they say: "Oh, no, we can't send any help to the anti-Communists in El Salvadaor." I say to them that they had better take a look at what is almost certain to happen.

Now I do not have a crystal ball. I do not have a whole lot of inside information beyond the classified material we got from our intelligence sources. But I would be willing to predict that if we even send the wrong signal, I say to the Senator from Idaho, to Central America, particularly to El Salvador, that the military will fold up, it will be in disarray, and the duly-elected Government of El Salvador will fall, making El Salvador ripe for a takeover by the Communist terrorists that are slaughtering people in El Salvador, burning buildings, destroying bridges, and all of the rest of the mayhem that somehow is not given very much public attention by the major news media in this country.

Now, I hear constant references to: "Oh, this is another Vietnam." Well, it very well may be, in this sense: the Senator will recall that this Government sent more than a half million American fighting men to the other side of the world, to Vietnam, to fight a war that they were not allowed to win. Then came all of the orchestrated protests, the flag burning in the United States, the smearing of red paint on the Pentagon, that sort of

thing. And all the while the major news media of this country was fanning the flames, "Get out, get out, get out of Vietnam."

Well, we got out. And when we got out, after having not allowed our fighting men to win a war that they very easily could have won, the Communists moved in, took over, and both Cambodia and Vietnam, as the Senator knows, were subjected to a bloodbath. And I am told that 10 percent of the total population of both Vietnam and Cambodia tried to flee. There were thousands upon thousands of them. They climbed on those leaky little boats, wanting to escape communism. Innocent people, men, women, and children. And no one will ever know how many thousands lost their lives.

Now, I say to the Senator, we must bear in mind that between our southern borders and Panama there live 100 million people—100 million. If we walk away from our responsibility—the responsibility as I see it—in this region of Central America, I believe the percentage of people trying to flee the tyranny of communism will be far higher than that 10 percent that occurred in Cambodia and Vietnam. But let us just use the 10 percent.

That will be 10 million people who will flood over our borders with impunity. They cannot be restrained because there are more people guarding this complex where we operate as a Congress, more people guarding the Capitol of the United States, than there are guarding our entire southern border.

They cannot stop these people yearning for freedom, running from communism. They will come over our borders.

I ask the Senator, what will we do, on top of our present economic problems, with 10 million additional aliens who have no homes, most of whom do not speak the English language, who have no jobs, who have nothing, except a yearning for freedom?

Mr. SYMMS. I would just say to the good Senator that his question is right on target, and I think his numbers of 10 million are far too conservative.

Mr. HELMS. I agree.

Mr. SYMMS. I think it would be more likely to be 20 million or 25 million.

It is interesting to note that I have here in my hand an article from the Chicago Sun Times of Thursday, March 10. It is written by a well known and highly respected journalist, Morton Kondracke. He says liberals should favor aid to El Salvador. I know the Senator from North Carolina is sometimes criticized for his conservative stance.

The question the writer puts is, "Who cares if Central America goes Communist?"

Well, liberals should, on several grounds. First, if we genuinely care about the people there, we would like to see them enjoy an expansion of human rights and economic justice.

Second, if liberals were pained at the plight of boat people fleeing Vietnam and Cambodia,

and so forth.

He points out ultimately that we will face more when we have to face the problems that our responsibilities call for us to face.

Mr. President, I ask unanimous consent that this entire article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago Sun-Times, Thursday, Mar. 10, 1983]

LIBERALS SHOULD FAVOR EL SALVADOR AID

(By Morton Kondracke)

It's supposed to be part of our charm as Americans that we always want to get things done fast and don't see why we can't. But this is also a disability. Our corporations can't invest for longterm growth because stodkholders want increased profits every quarter. Presidents are expected to deliver prosperity in two years—and without pain—or we think about replacing them.

Americans also want quick resolution of international conflict: Win it or get out. Liberals are even more susceptible to the quick-results syndrome than conservatives. Being more sensitive to human suffering than conservatives (who seem to think it's character-building, at least for other people), we liberals look at war with horror and say: Make it stop, now. We want instant moral gratification.

Right now, liberals want immediate action, especially in El Salvador, whose civil war arouses not only horror, but also guilt, anger, fear and indignation because the thugs responsible for killing some 400,000 civilians over the last six years seem primarily to be agents of the Salvadoran government, America's ally.

Some far-left liberals actually root for a victory by the communist-led guerrillas, but most American liberals—especially those in Congress now opposing increased military aid to El Salvador—just want the conflict (or at least America's part in it) to end. Some of them fear that President Reagan is headed toward sending U.S. troops into "another Vietnam." Others are indignant that he has done too little to stop the war by negotiation.

But before allowing righteous emotion to take control of national policy, liberals ought to consider what our reactions would be if Reagan turned out to be right in his prediction of the consequences of a communist victory.

Fashionable though it is to dismiss the "domino theory" as having been discredited by Vietnam, not only President Reagan but also the top leaders of Honduras, Guatemala and Costa Rica all genuinely fear that if El Salvador falls, they will follow.

It would not require a Cuban or Soviet master plot for this to occur, though it's naive to think the Cubans and Soviets aren't plotting. The Sandinista victory in Nicaragua clearly emboldened the Marxist-Leninists in El Salvador, and their victory would encourage rebels in other countries and demoralize government forces.

So, who cares if Central America goes communist? Well, liberals should, on several grounds. First, if we genuinely care about the people there, we would like to see them enjoy an expansion of human rights and economic justice. Brutal and unjust as conditions historically have been in El Salvador, democratic elections have been held and land reform is under way. In Cuba, there are no elections and land is owned by the state.

Second, if liberals were pained at the plight of boat people fleeing Vietnam and Cambodia—it seems that refugees are forever trying to escape the joys of Marxist rule—they will be terrified to see what happens when a million or more people begin surging northward out of Central America. Not only the refugees will suffer; so will civil liberties in the United States, as governors, mayors, labor unions and even civil rights groups demand that Washington control the flow. How will we do it? With concentration camps?

And third, there is some danger that communist victories in Central America could upset the fragile stability of Mexico, that one-party oligarchy masquerading as a revolutionary democracy. If America suddenly had a huge, hostile power on its southern border, illegal immigration would become an internal security problem, ethnic tensions might explode, our defense budget would skyrocket and we Americans would feel truly insecure for the first time in our history.

If there is any validity at all to such a scenario, then $60 million in added military aid this year and an increase in the number of U.S. training personnel would seem a small investment for national security and domestic tranquility.

Liberals should press for reforms and for negotiations with democratic leftists, but we will have no influence unless we give military aid. And there will be no peace unless the guerrillas realize they can't win militarily.

It may take years to bring peace and democracy to El Salvador. There is no instant gratification ahead, only long, hard work.

Mr. SYMMS. I might just say that I visited in Vietnam and Cambodia in the latter part of February 1975 and watched American aid being delivered when there was only a perimeter there and the Communist forces were closing the noose. The debate in the United States was whether or not we should continue to help in Cambodia. Then it became a lost cause and the aid stopped. The country collapsed. I saw just how the debate in our Congress over cutting off aid to free Vietnam affected morale in the Vietnamese Army. The hopes and dreams of the Vietnamese soldiers fighting for freedom were constantly stimulated and then disappointed by our congressional debates over how and when to cut our aid.

It later came out that two out of every seven people left in Cambodia were murdered. In terms of a percentage, it was one of the worst genocides or holocausts ever to take place in the

human race, happening right under our nose in 1975 in Cambodia.

Mr. HELMS. Does the Senator ever see a reference to that in the major news media in this country?

Mr. SYMMS. Very little. There is very little. I think it is tragic. I have thought so many times about the people I saw and visited, and I visited all the way up to the battalion CP level with the troops, the hospitals, and the civilian population. Most of those people were murdered in rapid time after I left Cambodia. What a tragedy it is to the history of the world to think that those good, freedom-loving people could not get the help and support from the American Congress which would have been meager in terms of the wealth of this country, just to give them the opportunity to survive. How tragic it was. There, again, it is a question of the matter of attitude, will, and support.

We do have, I think, responsibilities as the leader of the free world. If we shirk them, who is going to do it? There is no one else to do it. I think we have to do it now, and if we choose not to do it, Senator HELMS has pointed out very clearly that there will be problems far greater than we have imagined.

I think the Senator is absolutely correct with respect to Mexico. It is a tinder box waiting for someone to throw a match on it. Yet we stand by and do not seem to recognize the desperation of what is going on.

Senator DENTON gave a very, very excellent speech here earlier this afternoon. I hope the good Senator from North Carolina was able to hear part of that, the sincerity, depth, and understanding of what the problem is, how it is happening, how the Soviets manipulate the free world press to the disadvantage of the United States to have a positive policy.

It makes it very difficult for President Reagan to be able to actually have a policy, or any American President for that matter, that can give a sense of direction to where we are trying to go because of the constant barrage that takes place in these stories being continually manipulated, whether it be the deployment of American missiles in Europe, the defense budget in the United States, aid to El Salvador, or whether or not there will be any effort made to help those freedom-loving people in Nicaragua to overthrow the Communist dictators that are now in power. What is it? It is always a constant struggle that tries to paint the picture that the only threat is from the right and there is no threat from the Communist left.

Mr. HELMS. The Senator is very correct.

As the Senator was speaking, it occurred to me again how short are our memories and attention spans.

The Senator mentioned our distinguished colleague from Alabama (Mr. DENTON). I wonder how many people remember that JEREMIAH DENTON spent more than 7 years as a prisoner of war in Vietnam. He was tortured beyond any comprehension. He was the man, the Senator will remember, who came down that ramp first, with the first contingent of prisoners of war coming back to this country. JEREMIAH DENTON said, "God bless America." If there is an authority on tyranny, it has to be JEREMIAH DENTON and we ought to listen to him.

It comes to mind also that there sat in my living room for about 3 or 4 hours one night a Russian, a Nobel Prize winner, easily the most awesome intellect I have ever known. I would say to my friend from Idaho that if I live to be a thousand, which I certainly will not, I will never forget that evening. Here was a man who had been taken from his home in the middle of the night and sent to a concentration camp hundreds of miles away from his family, and he, too, suffered at the hands of the tyrants of his own country, the Soviet Union. How many times that evening did Alexander Solzhenitsyn leap forward and say, "Senator," beating on a coffee table, "do your people not understand? Do your leaders not understand?"

I had to tell him, "No, I do not think they do."

I still wonder about so many elements in the communications system in this country. I come from the news media, but I simply do not understand the constant carping by the major news media of this country who insist that we must not lay a finger on those terrorists down there in El Salvador, that we must not aid the anti-Communist government in El Salvador.

Have they lost their minds? Do they not know what is going to happen? They ought to ask Alexander Solzhenitsyn.

In any event, Mr. President, I have listened with great interest to this colloquy this afternoon. I commend my colleagues for taking the time to do it. It is now 11 minutes before 7 p.m. Most Senators have gone home, but not STEVE SYMMS and not JEREMIAH DENTON and not JOHN EAST and a few others. They have stayed here to express their concerns about what may very well be the most important decision that this Congress will make in 25 years. I do not say that lightly. What we do now, or what we fail to do, will, in my judgment, affect the stability, if not the survival, of the United States and the American people.

Mr. President, I have listened with great interest to the statements of various spokesmen for the administration on the importance to the security of the United States of the stability and freedom of the countries in Central America and the Caribbean. For too long, Mr. President, the attention of the American people, and of the Congress, has been distracted from the fundamental issues concerning U.S. policy in Central America.

That issue, as Senator SYMMS and others have emphasized so eloquently here this evening, is the continued security of the United States.

That goal is inseparable from the security of the sealanes between the Panama Canal and Key Biscayne, through which so much of our commercial and security needs must pass daily. The stability of our southern border depends on a stable, free, and peaceful Central America and Caribbean. It is no secret, as many Senators have been pointing out in recent weeks, that Mexico, and then the United States, are the ultimate targets of the thrust of the Soviet ideology of terror, conquest, and empire. Events of recent weeks have served to bring this reality into sharp focus. We must now act with deliberation and firm conviction to preserve the peace and freedom of this region.

Mr. President, many of my colleagues have come to this Chamber in the past to voice their concerns about the problems of human rights in Central America. I assure you that there are legitimate grounds for such concern. For we must consider the real alternatives which are presently available to us in Central America. Let us consider, just for a moment, what would happen if the terrorist guerrillas in El Salvador are allowed to take that country by sheer force of arms and turn it into another Nicaragua. Their momentum would certainly not end there, because the leaders of Guatemala, Costa Rica, and Honduras have all been quite emphatic in voicing to us their conviction that the U.S. actions in El Salvador will signal the rest of the Latin American world about our intentions for the rest of the region.

Mr. President, just over a year ago, I attended the inauguration of the President of Honduras, Dr. Roberto Suazo Cordova. Dr. Suazo Cordova was elected democratically on November 29, 1981, in an election which signaled an historic change for Honduras and which set an excellent example for the democratic elections which soon followed in El Salvador and Costa Rica. President Suazo Cordova and his counterpart in Costa Rica, President Luis Alberto Monge, have both been in this very building to tell us of the dangers which revolutionary terrorism poses for their own countries. They have underscored the need for us to join with the democratically elected leaders in

their region to prevent a military victory by leftist forces in El Salvador.

The current President of Guatemala, Efrain Rios Montt, has already promised democratic elections in Guatemala, a pledge which my friends in the religious community in Guatemala and the United States consider very reliable. Nonetheless, Mr. President, Guatemala, El Salvador, Honduras, and increasingly, Costa Rica are beset with varying levels of terrorist violence against their civilian populations. Today, the focus of that violence is El Salvador, with Guatemala a close second; tomorrow, if El Salvador falls, Honduras and Costa Rica could not expect to be immune from the contagion of revolutionary terrorism.

The alternative which faces us, then, Mr. President, if El Salvador falls, is the revolutionary terror which always follows the advent of the rule of the revolutionary party which grasps power through violence. Will violations against human dignity, against the church, against the family, and against all traditional moral standards decrease once the revolutionary morality triumphantly mounts the throne? I think we know the answer to that. We need only look to the jungles of Southeast Asia, to the vast expanses of the Gulag, to the mass executions and countless political prisoners in Cuba, Grenada and most recently, Surinam.

Most especially, Mr. President, I invite my colleagues to reflect upon the treatment to which the Marxist Sandinistas, glorying in their revolutionary power over the Christian people of Nicaragua, treated His Holiness, John Paul II, on his recent visit to that country. Need there be any more sharply drawn symbol of the plight of the people of Nicaragua than the scoffing and jeering soldiers who desecrated the Pope's mass, while the people prayed and cheered him from afar? The people of Nicaragua are suffering, Mr. President, and John Paul II went to Nicaragua to suffer with them.

Mr. President, I have alluded many times in this Chamber to the consequences which will affect our country very quickly and very directly should El Salvador fall to the leftist guerrillas. Millions upon millions of refugees will flee from the terror that will beset the whole region, and we all know where they will want to come: the land of the free. Like their partners in suffering, the poor people of Southeast Asia who fell under communism in the last decade, they will flee; only they will come on foot, not over the water. So we will see our country inundated with "feet people," and our virtually unprotected border to the south will be their goal in their flight to freedom.

Mr. President, the people of this country have a noble tradition of responding valiantly when others are in need. A leader of one of the countries of Central America recently admonished a close associate of mine, in private, because this courageous man was puzzled by the seeming lack of concern on the part of the United States toward the fate of Central America. "I know," he said, "that the people of the United States will suffer if Central America falls. But the tradition of America is more than just avoiding damage to the United States. In your short history, you have always represented the tradition of freedom, of principle, and of virtue. It is not only in self-interest that you help your friends who are threatened by totalitarians, be they Nazis or Communists. It is because you love freedom. And all the captive peoples of the world know that America is their symbol of freedom, their last hope for deliverance."

Mr. President, if the people of the United States resolve to stand by their friends, if we are determined to help them in their quest for freedom, free institutions, and the preservation of the values which bind us all in our common tradition, then we can look forward to a truly peaceful, truly free life in this hemisphere in years ahead. That is the vision which President Reagan brought with him to office, and that is the vision which the American people who elected President Reagan embraced in 1980. Let us not lose sight of that vision and its promise. Let us not underestimate the American people, or the value of human dignity and free institutions.

Mr. President, President Reagan has stated clearly that the United States will stand by its friends on the side of freedom. I am proud to join him in those ranks, and urge my colleagues to support him as well.

Mr. SYMMS. I thank the distinguished Senator very much for his eloquent remarks. I only say to the distinguished Senator, he said he will not live a thousand years. I tell the distinguished Senator that the impression and the mark he is leaving to millions of Americans as a dedicated man of principle, who stands for those things he knows in his heart and soul to be right, will live for a thousand years and more.

Mr. HELMS. I thank the Senator.

I can say I feel the same way about him.

RECESS UNTIL 10 A.M. TOMORROW

The PRESIDING OFFICER. The colloquy having come to a conclusion, under the previous order, the Senate will stand in recess until the hour of 10 a.m. tomorrow.

Thereupon, at 6:51 p.m., the Senate recessed until Friday, March 18, 1983, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 17, 1983:

DEPARTMENT OF STATE

Edward J. Derwinski, of Illinois, to be Counselor of the Department of State.

James R. Bullington, of Tennessee, a Career Member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Burundi.

Wesley William Egan, Jr., of North Carolina, a Foreign Service Officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea-Bissau.

John Melvin Yates, of Washington, a Foreign Service Officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cape Verde.

John Davis Lodge, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Bernard A. Maguire, of Virginia, to be an Associate Director of the Federal Emergency Management Agency.

IN THE NAVY

The following named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. James R. Sanderson, xxx-xx-x... xxx-.../1310, U.S. Navy.

IN THE MARINE CORPS

The following named brigadier generals of the Marine Corps for promotion to the permanent grade of major general, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

Richard M. Cooke	Dennis J. Murphy
Richard T. Trundy	Donald J. Fulham
Clyde D. Dean	Anthony Lukeman
Frank E. Petersen, Jr.	Jacob W. Moore

The following-named colonels of the Marine Corps for promotion to the permanent grade of brigadier general, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

John P. Monahan	Robert J. Winglass
Robert R. Porter	Jim R. Joy
Richard A. Gustafson	Hollis E. Davison
Orolo K. Steele	James M. Mead
Walter J. Donovan, Jr.	Robert F. Milligan
	Gene A. Deegan

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by

the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Forrest S. McCartney, [redacted] FR, U.S. Air Force.

IN THE AIR FORCE

Air Force nominations beginning David G. Alexander, and ending William C. Johnson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 8, 1983.

IN THE ARMY

Army nominations beginning James P. Basista, and ending Gary L. Franch, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 8, 1983.

Army nominations beginning Paul M. Balson, and ending Lee S. Thompson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 9, 1983.

IN THE MARINE CORPS

Marine Corps nominations beginning Robert S. Abbott, and ending Stephen L. Dubinsky, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 8, 1983.

IN THE NAVY

Navy nominations beginning Jeffrey S. Huskins, and ending John D. Yeast, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on February 16, 1983.

EXTENSIONS OF REMARKS

ADMINISTRATION FISCAL 1984 PROPOSALS

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. DASCHLE. Mr. Speaker, the administration's budget for fiscal year 1984 contains many objectionable sections, but the one which I wish to address today concerns the proposals for drastic changes in the Civil Service Retirement System. These proposals constitute another episode in the administration's ongoing politically motivated attacks on the Federal employee. In its recommendations to the House Budget Committee, the Post Office and Civil Service Committee on which I serve has rejected these unfair proposals, and I fully support the committee position on this issue. For the benefit of my colleagues, I would like to insert in the RECORD copies of the administration's proposals, and the position of the Post Office and Civil Service Committee on them. The documents follow:

ADMINISTRATION FISCAL 1984 PROPOSALS

Federal employee retirement and disability.—Federal employee retirement and disability programs include a number of Federal employee retirement programs in the legislative, judicial, and executive branches. The largest program is the civil service retirement and disability program. Outlays for Federal employee retirement and disability are estimated to increase from $20.9 billion in 1983 to $22.2 billion in 1984.

Retirement and disability programs.—The Federal employee retirement system is one of the most generous pension plans available in the United States. Workers' contributions cover only 20% of the cost of the system; the Federal taxpayer pays the remaining 80%.

Legislation is proposed that would reform the civil service system to deal with the problems created by these factors. This legislative package includes:

Annuity adjustment for early retirement.—Current law provides that civil service employees may retire as early as age 55 with 30 years service and receive full benefits. By contrast, social security provides no retirement benefits before age 62. The proposal would continue to permit retirement at age 55 with 30 years service, but annuities would be reduced by an actuarial factor—5% for each year the worker chooses to retire prior to age 65. This change would be phased in over a period of 10 years, and employees age 55 or over at enactment would not be affected. The proposal is a responsible, measured way to address the early retirement problem. Since the average age at which Federal employees retire is 61, few will experience the full reduction. In addition, the reduction would not apply to persons retiring because of disability.

Cost-of-living adjustments (COLAs).—As part of a proposed Government-wide COLA policy, this proposal would freeze the cost-of-living adjustment for 1984. The proposal would also make permanent the current limitation on cost-of-living adjustments (COLAs) for non-disability retirees under age 62 by allowing one-half the full COLA increase after 1985. Under current law, the limitation of one-half of specified COLA increases expires at the end of fiscal year 1985.

Increase employee deductions for retirement.—Although retirement costs have skyrocketed, the amount withheld from Federal employees' salaries has remained constant at 7% since 1969. This has resulted in a significant departure from the principle that employees should pay 50% of the cost of the retirement system. The proposal would increase employee deductions to 9% in 1984 and to 11% in 1985. This represents approximately one-half of the cost of civil service retirement, taking into account the other reforms proposed.

Increase employer deductions for retirement.—Employer contributions for retirement would also increase to match the increase in employee deductions described above. This would include matching contributions from other entities including the U.S. Postal Service, and the District of Columbia Government, for employees who participate in the Civil Service Retirement System.

Base annuity calculations on the retirees' highest 5 years of earnings, instead of the current highest 3.—As recently as 1969, the formula for computing annuities was based on the average of an employee's 5 highest salary years; since then the three highest salary year have been used. With a return to more moderate inflation levels, it is sensible to use the highest 5 years as the base. Employees within 3 years of retirement eligibility would not be affected by the change.

Modify replacement rates.—Currently, a formula is used that determines the percentage of salary that is replaced by retirement benefits. For example, this replacement rate is now 56.25% of the final 3 years' salary for 30 years of service. The administration would alter this formula to reduce the replacement rate, if necessary in conjunction with other proposals, to reduce the cost of the system to 22% of payroll and enable employer contributions to be limited to 11% of salary.

Federal employees workers' compensation.—Federal employees or their survivors are provided tax-free cash and medical benefits for job-related injuries, illnesses, or deaths. About 47,000 workers with long-term disabilities, or their survivors are expected to receive monthly payments in 1984. This is 1,000 fewer than in 1983 because of increased efforts to return recipients to work and to remove those no longer eligible from the rolls. Outlays are estimated to decrease from $218 million in 1983 to $211 million in 1984 as a result of the proposal to delay the cost-of-living increase for 1 year.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE VIEWS AND RECOMMENDATIONS ON PROGRAMS UNDER COMMITTEE'S JURISDICTION

I. CIVIL SERVICE RETIREMENT COLA

Administration proposal.—The Administration proposes to save approximately $2 billion over the next three years by eliminating the COLA due in May 1984. Civil service annuitants would receive the April 1983 COLA but would not receive another COLA until June 1985—a 13-month delay.

Committee position.—There is no justifiable basis to treat Federal retirees more harshly than beneficiaries of other Federal entitlement programs. The Administration proposes only a six-month delay in COLA for social security recipients and other beneficiaries. The Administration's budget contains no explanation for the difference in treatment. A 13-month COLA delay for Federal retirees clearly is inequitable. The Budget Committee should assume only that amount of savings that would result from imposing the same six-month COLA delay on Federal retirees as is proposed for social security recipients.

(Note.—An amendment offered in full Committee to substitute the Administration's COLA proposal for the Committee recommendation was rejected by a record vote of 3 to 19.)

II. PAY FREEZE

Administration proposal.—The Administration proposes to save $3.3 billion in FY 1984 by eliminating the October 1983 pay increase, estimated at 6.5 percent by the Administraton and 5.5 percent by CBO.

Committee position.—The Federal employees' pay increase has been capped the past five years. As of October 1982, they were 14.47 percent behind the private sector and, under the pay comparability provisions of existing law, may be as much as 22 percent behind by next October. Last year's four percent increase generally was eaten up by the medicare tax and increased health insurance premiums, resulting in a reduction in take-home pay for many employees. At a *minimum*, Federal employees should receive the four percent increase assumed in last year's budget resolution. This would result in savings of from $750 million to $9 billion depending on whose estimate of comparability is used.

(Note.—An amendment offered in full Committee to substitute the Administration's pay freeze proposal for the Committee recommendation was rejected by a record vote of 4 to 18.)

III. CIVIL SERVICE RETIREMENT REVISIONS

Administration proposed.—The Administration proposes drastic reform of the civil service retirement system including:

Increasing employee contributions from 7 percent to 9 percent in 1984 and from 9 percent to 11 percent in 1985;

Reducing annuities by 5 percent for each year the employee is under age 65 at the time of retirement;

Calculating annuities on the basis of highest average salary over five years rather than three years; and

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Modifying the formula for computing annuities.

Committee position.—The civil service retirement system has been under attack since 1976 when Congress repealed the one percent add-on to each COLA. This constant chipping away of benefits has resulted in a total reduction in benefits of $6.7 billion. The Committee does not intend to consider the Administration's retirement proposals at this time. The proposal to extend social security coverage to certain Federal employees and the impact of such proposal on the civil service retirement system are more imminent problems the Committee will have to address in the 98th Congress.

IV. FEDERAL EMPLOYEE HEALTH BENEFITS

Administration proposal.—The Administration proposes a major restructuring of the FEHB program. Under the proposal each employee would receive a fixed dollar amount towards the purchase of health insurance. The amount would be based on the average Government contribution for employee health insurance in 1983, indexed in future years to reflect price increases. However, the proposed index would not reflect the substantial annual increases in health care costs. Our preliminary information shows that the average Government contribution for employee health benefits in fiscal year 1984 would be reduced by $172. Existing law which limits the number of participating plans would be repealed.

Committee position.—We have witnessed a steady erosion of Federal employee health benefits under the present Administration. Premiums have increased an average of 55 percent and the overall level of benefits has substantially decreased. According to a study conducted by William M. Mercer, Inc., the value of benefits under the FEHBP now falls below the average value of benefits received by employees in the private sector and state government plans. While changes in the FEHBP are warranted, it is clear that the sole objective of this Administration with respect to the FEHBP is simply to reduce outlays—not improve the program. Our Committee prefers to achieve savings through program improvements and not through arbitrary cuts in the Government's contribution.

V. CLASSIFICATION REVIEW

Administration proposals.—The President's budget assumed savings of $700 million resulting from a review of the manner in which Federal jobs are classified.

Committee position.—The Budget Committee should not assume savings of $700 million resulting from the proposed classification review since the President's assumed savings are undocumented, and the Committee does not believe that such savings can be realized under existing provisions of law.●

TRIBUTE TO TIMOTHY HUNT

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. MINISH. Mr. Speaker, I have been saddened to learn of the death at the young age of 20 of Mr. Timothy Hunt of Montclair, N.J. Tim came to work in my office as an intern late in 1981, and he immediately made his cheerful, cooperative, and energetic personality into a major asset to the staff, constituents, and visitors who came into contact with him. He worked hard and loved being here and learning about the Congress. Although illness cut short his time with us, he looked forward to returning in the next summer, and he kept in touch with calls and visits to the office which were always welcome. Tim Hunt earned our affection and respect.

Born in Glen Ridge, N.J., Tim was valedictorian of his graduating class at Montclair High School. He went on to become an honor student at the Georgetown School of Foreign Service, preparing for what surely would have been a distinguished career in the service of our country.

Our deepest sympathy goes to Tim's parents, Donald and Maxine Hunt; his sisters, Laura Claire Hunt and Marcia Carol Goldberg; and his grandmother, Anne Hunt. His presence in my office gave some idea of the loss they suffer. It is also our country's loss, since Tim was a good citizen and a good man whose strong character and kind disposition promised much for the future.●

WHO SHALL SPEAK?

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. KOSTMAYER. Mr. Speaker, the notion of a free and open exchange of ideas is an American cliche. This tolerance for the diversity and variety of human opinion goes to the soul of American life.

Yet twice recently, this administration—which constantly reminds us of its committment to getting the Government off our backs, has assaulted this historic process in the name of "national security."

The Department of Justice has invoked an obscure provision of the Foreign Agents Registration Act requiring three Canadian films recently released in this country to carry a disclaimer stating that they have been registered with the Department of Justice but that this registration "does not indicate approval of the contents of this material by the United States Government." Furthermore, records will be kept of the names of groups, schools, libraries, and private institutions that have asked to see the films.

This intrusive and intimidating conduct has no place in a free society.

The Justice Department should not render political judgments that are better made by American citizens. Rather, it should concern itself with crime, not the dissemination of ideas.

Fresh from rescuing us from the Canadian films, the administration discovered yet another threat in the form of 68-year-old Hortensia Allende, the widow of the late Chilean President, Salvador Allende. She was denied a visa to travel from her home in Mexico City to speak to church groups in San Francisco on the subject of human rights and women's rights. The State Department said her presence in this country would be prejudicial to the interests of the United States.

It has never been in the interests of the people of the United States for the Government to decide who shall speak and who shall not.

Contrary to what the administration says, it is they, not Mrs. Allende or the Canadian films, which pose the real danger to America.●

REFUNDABILITY OF THE DEPENDENT CARE TAX CREDIT

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Ms. MIKULSKI. Mr. Speaker, I am pleased to be joined by my colleagues Mr. SHANNON and Mr. DOWNEY to introduce legislation making the dependent care tax credit refundable. This legislation is directed toward the needs of low-income families—families caught in the earnings gap between two forms of child care assistance. These are families who are working and earning too much to qualify for AFDC or title XX child care programs but who do not earn enough to benefit from the tax credit program.

A refundable credit will allow families to receive a refund in the amount of the credit they could have claimed had they earned enough to pay income taxes.

The benefit of assisting low-income earners through the Tax Code rather than through other forms of Federal subsidies is that the choice or appropriate child care remains with the family. The refundability provision will reimburse families for a portion of their child care expenses regardless of whether they send their children to a child care center in the neighborhood church or hire the children's grandparent to stay with the children after school.

This bill is part of the Women's Economic Equity Act, introduced today in both the House and the Senate. I urge my colleagues to support this legislation.●

PERSONAL EXPLANATION

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. DASCHLE. Mr. Speaker, on February 2, 1983, the House of Repre-

sentatives voted overwhelmingly in support of House Resolution 16, legislation creating the Select Committee on Children, Youth, and Families. Had I been present for that vote, I would have voted in favor of this resolution.●

SUPPORTERS OF H.R. 1310

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. PERKINS. Mr. Speaker, with the passage of H.R. 1310 on March 2, this body displayed overwhelming support for a Federal initiative to boost mathematics and science education. Many Members voted for H.R. 1310, but I would like to call special attention to 33 Members whose active involvement and strong advocacy contributed greatly to this legislation.

These 33 Members had requested to become cosponsors of H.R. 1310. Unfortunately, confusion over the cosponsorship deadline, stemming from the unusual circumstances of this bill being referred to and marked up by two committees, prevented their cosponsorship from being officially recorded.

I wish to commend these Members for their good work on this bill and emphasize that the Education and Labor Committee considers them to be original cosponsors of H.R. 1310. Their names follow:

Robert G. Torricelli; Robert Durbin; Rod Chandler; Dan Glickman; Joe Skeen; Barbara Boxer; Ron de Lugo; Mickey Leland; Lee H. Hamilton; Timothy J. Penny; Mary Rose Oakar; Frank McCloskey; William H. Gray; Byron Dorgan; Mel Levine; William Goodling; George Gekas; Douglas Bereuter; Sam Gejdenson; Gerry Sikorski; Tim Valentine; Jerry Patterson; Alan Mollohan; Robert Roe; Robert Young; Harold Volkmer; Stanley Lundine; Norman Mineta; Harry Reid; Michael Andrews; James Scheuer; Julian Dixon; and Ike Skelton.●

TIMES NEWS TO MARK 100 YEARS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. YATRON. Mr. Speaker, on April 2, 1983, the Times News, published by Pencor Services, Inc., from Lehighton, Pa., will celebrate its 100th anniversary. The staff of this outstanding newspaper is to be commended in the highest manner for the service they have so long provided to their approximately 60,000 readers in Carbon, Lehigh, Monroe, Northampton, and Schuylkill Counties, 6 days a week.

From its beginning in 1883, when it was established from the consolidation of the Times News, Jim Thorpe, Pa., the Evening Record, Lansford, Pa., and the Evening Courier, Tamaqua, Pa., this newspaper has exemplified the finest in journalistic principles and standards.

Week after week, in issue after issue, the Times News creates and maintains a tradition of informing its readers and serving its community in a most comprehensive and excellent manner. Never relinquishing responsibility, the Times News has sought the truth in its articles and has carried out its duties faithfully and conscientiously. Serving as a symbol of basic constitutional liberty, this newspaper makes clear the reason behind our free speech and press. For 100 years the Times News has shown its courage, wisdom, and commitment to the highest principles while imparting concern for and dedication to the well-being of the citizens of its community.

I know that my colleagues will join me in expressing our deepest appreciation to Mr. Donald G. Reinhard, president and chairman of the board of Pencor Services, Inc.; Mr. Fred L. Masenheimer, general manager of the Times News; Mr. Conrad A. Sthare, assistant to the general manager; and the entire staff. I believe that all who have been touched by this publication's meritorious work will commend the Times News on its 100th anniversary and express our joint hope that its service will continue for many years to come. For as Thomas Jefferson observed, "When the press is free and every man able to read, all is safe."●

TURNING OVER NATIONAL WEATHER SERVICE TO PRIVATE SECTOR IS ILL-CONCEIVED PROPOSAL

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. DASCHLE. Mr. Speaker, last week, Commerce Secretary Malcolm Baldrige issued his Department's annual report for 1982. In that report, Secretary Baldrige described the National Weather Service as an agency which "issues forecasts and warnings vital to public safety and the Nation's economy." A little later in the same report, the Secretary characterized the National Environmental Satellite, Data, and Information Service in the following manner: It "operates the country's operational environmental satellites systems and collects, stores, and disseminates essential environmental records from all sources for use by science and industry." He went on to say the improvements in this agency will "improve services for the food and energy industry."

Now all of us may have disagreements about what Government program are or are not in the national interest. But I would have thought that basic weather information, accurate forecasts, timely weather warnings, and "essential environmental records" are things that all of us, despite party, could agree were in the national interest, and deserving of a commitment of Federal funding.

This, however, turns out not to be the case. The March 8, 1983, issue of the Washington Post contains a story which indicates that the administration, following its creed that there is no function for Government in any area, has decided it wants to sell off not only our weather satellites, but an as yet unnamed other major portion of our entire National Weather Service.

There may be, probably most assuredly are, areas of Government involvement which could sensibly be turned over to the private sector. But to my mind the National Weather Service is certainly not one of them. Talk to a farmer who depends on accurate, timely weather information and see if he wants it turned over to a private company, which will cut corners to turn a profit. Talk to a resident of my State of South Dakota, who has to travel on isolated roads in winter and see if he wants to trust in private enterprise to tell him if the roads are going to be passable. Talk to anyone who has been through a tornado warning, and ask them if prompt weather bulletins should not be something that is in the national interest.

This is, quite plainly, one of the dumbest ideas I have ever heard, and I intend to do all I can to see that this pipedream is buried as quickly as possible.

If there is any saving grace to this idiocy, it is that humor columnists will be able to write quite a few entertaining columns about this ill-conceived proposal. Though Art Buchwald has not had time to get around to it yet, the March 9 issue of the Post contains a column by Judy Mann which amply demonstrates that, if nothing else, this proposal is at least good for a laugh. The only danger is that it could actually happen. And that would be no laughing matter.

The articles follow:

[From the Washington Post, Mar. 8, 1983]

UNITED STATES CONSIDERS SELLING PARTS OF WEATHER SERVICE TO PRIVATE SIDE

(By Philip J. Hilts)

The Reagan administration is considering selling parts of the nation's weather service to private companies.

A Cabinet recommendation to take the first step by selling the nation's land, ocean, and weather satellites is already on President Reagan's desk, John V. Byrne, administrator of the National Oceanic and Atmospheric Administration, said yesterday.

The Cabinet Council on Commerce and Trade, chaired by Secretary of Commerce Malcolm Baldrige, in December recommended asking "the Department of Commerce to oversee the transfer of the civil operational weather, land, and future ocean satellites to the U.S. domestic private sector as soon as possible," according to minutes of the Dec. 15 council meeting."

At the same time, NOAA is reviewing the operation of the National Weather Service and other parts of the agency—including weather monitoring stations all over the United States, and weather analysis and forecasting operations—to decide what part of the services also can be turned over to private companies by sale or contract.

Though land-viewing satellites were long expected to become commercial enterprises, the move to "privatize" weather satellites and parts of the national weather service could fundamentally change century-old international agreements for free sharing of weather data among 100 nations of the world.

Proposals to "commercialize" parts of the nation's weather service have caused concern among other nations as well as weather scientists in this country. They and the news media now receive weather data and satellite photographs without cost and depend on them for storm warnings and other information.

Representative James H. Scheuer (D-N.Y.) has asked the General Accounting Office to study whether such a sale can take place without the consent of Congress. In any case, Byrne has said in writing that no action would be taken without congressional approval.

The chief rationale for selling the weather and land-viewing satellites, one former NOAA official said, is that the United States is quickly falling behind other nations in the commercial exploitation of satellites for agriculture and mineral and oil exploration. France and Japan both are planning to launch commercial satellites to take and sell land pictures. Neither has announced any interest in operating commercial weather satellites.

One university scientist said selling the weather satellite system to a private company could harm the work of professional weather researchers and reduce the quality of data gathered if profit becomes the primary motive. "The whole system could be permanently disabled." he said.

Another scientist, Robert Fleagle, a professor of atmospheric sciences at the University of Washington, said selling of the satellites appears to be only one part of the commercialization of many parts of NOAA that "could come down to dismantling a good portion of the country's weather services."

Since weather monitoring, data analysis and forecasting require a large, well-coordinated organization, he said, "A lack of a government infrastructure would really be a serious thing. A commercial outfit itself would just not have the raw material to work with."

A Canadian offical said his government also was "very concerned" about the satellites being sold to private companies. Noting that the U.S. government already sells non-weather satellite data, he said, "We have a satellite looking down at our country and we don't call it a spy satellite because we have non-discriminatory access to it. . . . But if we were charged 100 times as much by some company, then we might begin to wonder about this.

"Meteorological data has traditionally been free," he added. "Everything that a country gathers is thrown into the pot to make the world weather system work."

Because of its large land masses, Canada spends five times as much as the United States per capita on weather monitoring, with much of the Canadian data becoming part of the daily weather forecast for parts of the United States.

Scheuer said that Congress would have to take "a long and careful look" at any Reagan administration proposal.

"The only serious proposal so far [from the commercial satellite firm Comsat] could cost the government well over $300 million per year [in subsidies], and that may be significantly more than the government now pays for these services, or to provide these data." Scheuer said.

Of the approximately 12,000 employes at NOAA, the jobs of 3,500 will be reviewed for "commercializing," according to NOAA offical William J. Coleman. That figure does not count the possible satellite sale. By one Congressional estimate, 40 percent of the entire agency may be considered for "commercializing."

Byrne said that the White House has not made a decision on selling the satellites or parts of the weather service. But he said the proposed changes are all "geared to a leaner, harder, more efficient operation" of the government.

"I don't think there is any question that in the future we are not going to continue doing business as we have in the past," he said. "The changes are more significant than they have been in the past. When you look at the federal deficit, you can see we've got to do something."

He said service agencies have to be considered candidates to be turned over to commercial hands.

"In some cases someone ought to be able to make a profit on some of these things," Byrne said.

[From the Washington Post, Mar. 9, 1983]

JUDY MANN: WEATHER BIZ

Having done such a terrific job of handling the agency charged with protecting the environment, the Reagan administration has turned its sights to the heavens: In its search for money, it has seized upon the idea of selling off some of our forecasting and monitoring satellites and parts of the National Weather Service to—you got it—private industry.

This news, I have to tell you, came as something of a shock. I am one of those people who grew up after the federal government decided to have a weather service in 1870, and I had come to sort of count on it. I've always operated on the assumption that the weather was something that belonged to all of us, for better or worse, and that information about it was something that government provided in the trust sense of public service.

The satellites the administration proposes to sell have been used by the National Oceanic and Atmospheric Administration and other government agencies to generate scientific data about the ocean, the state of crops, volcanic activity, mineral resources, and weather activity around the world.

NOAA's weather data is supplied to a variety of users, including newspapers, television and radio stations at little or no cost. But instead of generating revenue for the government by simply charging commercial users a handsome fee for the weather service information, the Reagan administration is proposing to dismantle a complex international pool of scientific information.

Think of the possible consequences.

One afternoon, the local weatherman rushes from his hairdresser to the TV station, dials the National Weather Service for the latest information, and gets the bad news. "What do you mean you're not going to give me your weather forecast?"

"Sorry, pal," says the voice on the other end. "We sent you a telegram last week telling you we'd bought part of the weather service and it's a whole new ball game. This information is now the property of the Maryland-Delaware Weather Protection Corp., and you're not about to find this private enterprise subsidizing your private enterprise. From now on, your station has to fork over $250,000 a year to get our weather forecasts."

"You've got to be kidding."

"Hey, you don't like our prices, try the competition, That's what free enterprise is all about, pal."

The weatherman hastily dials the Virginia Weather Development Project, a joint venture formed by a group of Fairfax zoning attorneys who decided to cash in on the weather since land was moving slowly. VWDP's president was shocked. "Two hundred and fifty grand? That's not free enterprise. That's larceny. We're supplying the weather to customers like you for a mere $200,000 a year, which barely covers our satellite costs, you understand."

"Two hundred thousand!"

"Right. See, only one phone call and you saved your station $50,000. There's only one hitch."

"What's that?"

"We only give Virginia weather."

In desperation, our weatherman calls the phone company. A metallic voice comes on. "Good Morning. The weather forecast has been discontinued. Customers wishing to know the weather are being referred to SuperWeather." The weatherman dials the SuperWeather phone number. "Good morning! This is SuperWeather, a new satellite service that beams directly into your home via a televison scrambling device that is yours for only $78 a month, plus installation and a one-month deposit, SuperWeather gives you the latest forecasts for Washington, D.C., and will offer beach weather information beginning in May for a modest additional charge."

It should be noted that while selling the weather service to industry might be good for business, the Reagan administration has produced no figures indicating that it will be good for the public. The evidence it has presented so far shows this scheme will, in fact, cost the government millions. Doubtless, the administration will soon clear up the confusion about what it is really up to in this daffy scheme by announcing in sonorous tones: "It's time to get the federal government out of the weather business!"

In fact, it's time for the general public to get into the weather business and the environment business and to start worrying about whether the scientific, data-gathering functions of government will be able to weather this administration.

REAGAN'S SATELLITE SELLOFF WOULD RIP OFF TAXPAYERS

(By Hobart Rowen)

The Reagan Administration is hereby awarded the Nobel Prize for chutzpah. What other president would have the nerve to suggest selling the government's five

weather and land-resource satellites to a private company at a big loss, and guarantee its profits for 15 years while it buys the information back from the private company?

What other administration would strip its budget for funds for two Landsat satellites, crippling the program, and then claim it must transfer operations to the private sector to stay competitive with France and Japan?

What is involved here, as consumer advocate Ralph Nader said, "is a rip-off of the American taxpayer." Congress ought to let President Reagan know promptly that it makes no sense. "This is a grotesque giveaway; What's next?" asked Nader. "Maybe they'll sell the FBI investigative services to the Wackenhut detective agency."

The real outrage is not so much that the government and taxpayers are certain to suffer an economic loss. It's the crass willingness of the Reaganauts to let weather information, which should be available to all citizens as a community service, degenerate into an ordinary commodity to be trafficked in for profit.

Information on land resources and weather is critical for the health and safety of everybody. Yet we are now verging into a system where only those who have the money to pay for certain specialized information will get it. Snapped National Farmers Union representative Robert Denman: "This is symptomatic of this administration. It becomes a windfall for private weather organizations."

Reagan's plan is justified by White House press aide Larry Speakes on the dubious proposition that the satellites "would be better operated by the private sector." It calls for getting rid of the nation's four weather satellites and Landsat, the one satellite now operating to survey the Earth for crop and other resource information. Three ground-control stations would also be part of the deal.

Even the notion that the government would take bids is something of a sham and charade, because one company, the Communications Satellite Corp. (Comsat), appears to have the inside track for the sweetheart deal being arranged. If it goes through, Comsat will have a monopoly on selling weather information, and the Reagan administration will have perpetrated a mockery of the free-enterprise system.

The whole stupid proposal originated because the budget-pruners at the OMB, after having messed up the Landsat program by ill-conceived cuts in funding, decided that it would dump these remote-sensing satellites altogether. When no private company came forward to pick up Landsat, Comsat, which is not operated by fools, offered to take Landsat in a package deal if the government tossed in the weather satellites. The government would then guarantee that Comsat would not lose money by buying both weather and land information from it for the next 15 years.

What we see here is the ultimate idiocy of the hard-core antigovernment philosophy of the Reagan administration—the theory that the less government the better, and the best government is none at all.

The notion that a private company could manage the satellites more efficiently is totally unproved. As a matter of fact, officials at the National Oceanic and Atmospheric Administration, which operates the five satellites, told reporters after the White House announcement they couldn't confirm that selling the satellites would save any money.

To launch these satellites into orbit cost the American taxpayers at least $1.6 billion. No one in the Reagan administration will say what the government might get back, but you can be certain that it won't be much. (Comsat would like to pay about $300 million.) By guaranteeing the buyer a profit. NOAA officials concede that the government stands to lose hundreds of millions of dollars a year.

Consumer groups, like Nader's, are quite sure that the real effect will be either to raise the cost of getting weather information to those who had been getting it without cost before, or to reduce the general availability of vital data. Scientists express concern that in the hands of a private company, which must pay attention to bottomline profits, some critical research will get short shrift.

And how about the Coast Guard? Since its own satellite isn't working, it's been getting weather information from NOAA. Must the Coast Guard now rely on a private company? Maybe we can sell the Coast Guard itself. And then, there's the Pentagon. Please look into that, David Stockman.●

CALL TO CONSCIENCE FOR SOVIET JEWS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. MATSUI. Mr. Speaker, as part of the Call to Conscience for Soviet Jews, I would like to call your attention to the continued difficulties experienced by Yakov and Tatiana Kogan, who have been denied permission to immigrate to Israel for the past 6 years. The Kogans are of special concern to me because they have been adopted by the Jewish community in my district of Sacramento, Calif.

Yakov Kogan was a member of the Soviet Army until 1969, when he completed his service. Because of his security clearance, Yakov agreed to sign a document stating he would be unable to go abroad for 5 years; 6 years later when he applied for permission to emigrate, however, he was refused on the basis of his army service. His application was turned down again 6 months later.

Tatiana Kogan lost her job when it was learned that she and her husband had applied for emigration visas.

When the Kogans were adopted by the Sacramento community in August 1982, I joined many local citizens in writing to Soviet officials on their behalf. So far, the only response has been a short letter from the Kogans to one of my constituents. No official word has been received and the Kogans continue to be denied the ability to be reunited in Israel with Tatiana's parents and sister.

It is my hope that through our efforts here in Congress with the Call to Conscience Vigil and through efforts in our local communities, the Kogans and other Soviet Jews will be given permission at last to emigrate from the Soviet Union.●

SHIPPING ACT OF 1983

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. BIAGGI. Mr. Speaker, I have recently reintroduced the Shipping Act of 1983. This bill is almost identical in substance to H.R. 4374 which I introduced and which passed the House last September.

Last session, while H.R. 4374 was under active consideration by the House, three east coast newspapers published editorials opposing enactment of the bill. Despite these and other attempts to discredit the legislation, the House of Representatives passed the bill by an overwhelming margin. Because of a threatened filibuster, the Senate did not vote on the measure in the last session. However, 2 weeks ago, a very similar bill was passed by the Senate. The Subcommittee on Merchant Marine will hold a hearing on the bill next week, and I will seek early enactment of this very significant legislation.

Despite the obvious approval by both Houses of Congress—albeit, in different Congresses thus far—a small number of opponents continue to attack the bill. Many of those attacks are based on the assumption that our maritime industry operates in a domestic vacuum, while, in fact, it operates in the international shipping environment where different rules apply. Another undocumented and incorrect charge is that passage of the bill would increase costs to consumers and shippers.

I and other supporters have attempted to dispel these erroneous assumptions and misleading analyses of the Shipping Act. I am pleased to submit for the further edification of my colleagues and the readers of the RECORD a very fine letter to the editor of the New York Times by Lawrence Juda, the chairman of the graduate program in marine affairs at the University of Rhode Island. Professor Juda presents a clear and correct description of the realities of the ocean shipping industry—domestically and internationally.

[From the New York Times, Mar. 10, 1983]

PROBLEMS OF U.S. SHIPPING ARE REAL

To the EDITOR:

I must take issue with your editorial "Down to the Sea in Cartels" (Feb. 21), as it is more a knee-jerk response to the term cartel than it is a considered analysis of the actual situation of conferences and ocean-liner shipping. The problems of the United States cargo fleet are not modest but, in fact, substantial in nature.

The relative decline of the United States fleet participation in the carriage of American trade is a consequence of a number of factors. There can be no denying that it is a

high-cost fleet in terms of labor and, in the past, requirements to build at home.

Yet it may also not be denied that the fleet has been damaged by the existing regulatory system which results in an excess of carrying capacity in the United States trades and which undercuts efforts at rationalization: that is, cooperation among shipping lines so as to minimize excess capacity and improve load factors.

The U.S.-flag fleet has also been damaged by the presence of foreign government-owned and/or subsidized lines as well as the operation of closed conferences in non-United States trades which limit opportunities for American-flag operators to act as cross-traders between foreign ports.

The Shipping Act of 1916 exempted liner conferences from United States antitrust laws while it made those bodies subject to the regulation of what is today the Federal Maritime Commission. The antitrust exemption granted in the 1916 act, however, has been weakened by the courts and by administrative action even in the face of Congressional intent to the contrary.

If the American liner industry is to survive, let alone prosper, it must be allowed to undertake those measures of rationalization which shipping lines in other countries practice regularly and take for granted. In fact, such measures are sometimes encouraged by foreign governmental authorities.

If the rest of the world, including other Western democracies, regulates cargo shipping differently than we do, is it not at least conceivable that our approach merits reevalutaion?

LAWRENCE JUDA.●

SAVE THE HOUSING ALLOWANCE TAX DEDUCTION FOR MINISTERS

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. PARRIS. Mr. Speaker, in January, the Internal Revenue Service issued revenue ruling 83-3 which will prohibit ministers from deducting interest and taxes paid on a personal residence if those amounts are also treated as tax-exempt income. The rule will go into effect on July 1, 1983.

On March 4, 1983, I introduced H.R. 1905 which would exempt ministers from revenue ruling 83-3. This revenue ruling was originally directed toward students and veterans who were deducting education benefits from their taxes. The ruling was then expanded to include ministers, which I feel is unwarranted and an injustice.

The amount of income and housing allowance received by a minister is determined to a large degree on the size of the congregation. Smaller churches are only able to contribute so much toward the salary and expenses of their minister. In difficult economic times, ministers and others who depend on contributions find themselves struggling to make ends meet.

Ministers have come to depend on this tax deduction. To deny them this deduction now would force many members of the clergy to endure severe financial hardship. The small amount of revenue this ruling would produce is insignificant when compared to the burden it will place on congregations and their ministers.●

GREEK INDEPENDENCE DAY

HON. JOHN HILER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. HILER. Mr. Speaker, on Friday, March 25, several hundred citizens of Indiana's Third Congressional District, particularly those of Greek origin or heritage, will be celebrating Greek Independence Day.

To the inhabitants of that well-known nation in the east Mediterranean, Western civilization owes an enduring debt; because it was there, over 2,500 years ago where the philosophical foundations of democratic government were evolved.

The word "democracy," which means so much to American society, is derived from the Greek words, demos—meaning the people—and kratos—meaning authority. Even as the ancient Greeks held that authority should come from the people, the Greeks who have emigrated to the United States and particularly to northern Indiana have demonstrated to their fellow Americans that they hold this concept dear.

When we consider America's heritage of individual liberties and freedom, we would do well to remember the ideals embodied in our system of government. Inevitably, we trace these origins to the birthplace of logic, the city-states of Hellene. There, men became concerned with causes and effects, with abstract ideals of justice, and with practical concepts of equitable government with human dignity.

Our Founding Fathers were thoroughly familiar with such philosophers as Plato and Aristotle. They avidly read the works of such historians as Thucydides and Herodotus. They knew the writings of Homer and Plutarch. Our founders emulated the oratory of Demonsthenes and the statesmanship of Pericles. Thus, ideas and goals upon which America was founded came, in large part, from Hellenistic culture as did the words which described them.

I am honored, Mr. Speaker, that the American Hellenic Educational Progressive Association, or AHEPA, will soon be initiating me as a member of its South Bend, Ind., affiliate. I am proud to be associated with these Greek-Americans and join them in their observance of Greece's liberation from the Ottoman Turks.

It is fitting that we, who owe so much to the ancient Greeks and their ancestors who carry the torch of enlightment and freedom, salute them on this historic occasion.●

A LETTER FROM A CONSTITUENT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. HAMILTON. Mr. Speaker, a constituent has asked me to call this to the attention of other Members.

It seems you may not still understand the truckers. The tax you want them to carry is not 2, 3, 4 times as much, but try 8 or more. No one can take this kind of tax increase. This tax is not to take place until 1984 or so. I guess the roads are going to drop out from under us by then. I think it is wise (that) when federal money goes into roads someone should see that the job is done right, not another rip off.

Do you really know what a person carries these days? Our government is overcharged for everything. Here is where Congress should get tough. Also remember this mess we have has come to us over many years. Too much money too free to use for too long.

Sir, you have been given your raise. Maybe you should be asked to be taxed the equivalent amount you indeed want to impose on others.

I am sure too much was in this tax bill that passed without the needed study to avoid the harm it seems to be bringing with it. It should never be impossible to vote on separate issues so vital.

Maybe you can remember a statement made back a few years. "We shall defeat you from within." The U.S. needs persons who care to get this country back on the right track (not just politicians). I just mailed letters to Congressman Lee Hamilton, Senator Richard Lugar, (and) Senator Dan Quayle about statements from the news of where a lot of the 5% tax will go. It seems not all to roads as the American people are led to believe.

Mrs. MARJORIE CARTER,
Lawrenceburg, Ind.●

SD VFW VOICE OF DEMOCRACY WINNER

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. DASCHLE. Mr. Speaker, with pleasure I would like to insert the speech of the South Dakota VFW Voice of Democracy scholarship program winner, Erik Brendtro, of Crooks, S. Dak. Following is the text of Erik's speech:

In his poem "Voluntaries III" Ralph Waldo Emerson expresses his belief in the essential goodness of youth. He says, "So nigh is grandeur to our dust, So near is God to man; When duty whispers low, Thou must, The youth replies, I can." I see this poem as a call to action, challenging the youth of our country to make commit-

ments—to choose the path of involvement. Many will decline this call, choosing rather the easier path of apathy, indifference, and non-involvement. By contrast, the youth who replies "I can" commits himself to the political and social concerns which are the responsibility of all citizens. As a responsible leader of tomorrow who has accepted the call to action, I see goals to be met and problems to be solved.

Our government has granted us such fundamental rights as freedom of speech, religion, press and assembly. But along with these rights come responsibilities. Soon I will be of voting age. When that time comes, it will be my responsibility to be well-informed on the major issues, to take the time to effect good legislation, and to exercise my right to vote. Further, I should be willing to serve in office or to support the party and candidates who best represent my own beliefs. It is my responsibility to be involved, to sacrifice personal time and convenience for my country to be a doer, not a thumb-twiddler, a finger-pointer, or an excuse-finder. We, as American youth, must realize now that if we are to survive as a nation, we must show the same dedication in serving our country as we expect our country to show in serving us. In the words of Barry Goldwater, Jr.,—"America is not great because of what government has done for its people, but America is great because of what government has permitted its people to do for themselves."

But our commitment extends much farther than civic obligations and also includes social and personal commitment. The Greek philosopher Aristotle was convinced that the fate of nations depends upon the education of youth. Perhaps the best preparation for the future that we can make is to achieve our potential through education. Our generation faces, and will continue to face, numerous crises such as ending world hunger, eliminating the nuclear threat, and promoting world peace, to mention a few. We also have a responsibility to share our technology with underdeveloped nations in order to preserve our democracy by promoting good-will. Contrary to the popular belief that Russia is America's greatest enemy, our deadliest enemy is our own intolerance of other people and our indifference to such social ills as poverty, prejudice, and discrimination. It is my moral responsibility to safeguard the rights of others by voicing my concern whenever and wherever injustice prevails and by being unfailingly honest in my dealings.

In addition, we, the youth of America, must develop a concern not only for our own citizens, but also for people all over the world. When a massacre occurs in Lebanon, or human rights are violated in El Salvador, it is my concern. We must at least develop a sensitivity to the suffering of the world. Elie Wiesel, a survivor of the Nazi extermination camps, recently expressed his concern about our apathy toward the oppressed. He pleaded for people to do something to show their concern—if only to say a prayer or shed a tear. My experiences as a foreign exchange student have brought me to a new awareness that people everywhere share the same concerns, hopes, fears, and dreams. This larger view of the world has helped me to realize that I share responsibility with the youth of America to do whatever I can to promote world understanding.

In the past 200 years America has survived many hardships—war, depression, corruption, and scandal. If we are to continue to survive as a nation, it will be because we youth reject apathy and indifference and accept instead the challenges of tomorrow with a resounding "Yes" for our country.

I challenge the youth of America—If not us, who? If not now, when? Let us choose the path of commitment to our country so that when Duty whispers low, "Thou must," we youth reply, "We can."●

FREEDOM OF INFORMATION DAY

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. EDWARDS of California. Mr. Speaker, today, March 16, commemorates the birthday of our fourth President, James Madison. March 16 has also been designated "Freedom of Information Day."

I thought it fitting on this date to share with my colleagues the excellent speech made yesterday by the chairman of the Energy and Commerce Committee, the gentleman from Michigan, Mr. DINGELL. JOHN'S remarks were made before the Sigma Delta Chi press fraternity, which was meeting to honor the legacy of James Madison.

In his thought-provoking commentary, JOHN examines the troubling assault on basic first amendment freedoms being launched by the administration. I commend his speech to my colleagues attention.

I also take this opportunity to bring to the attention of Members of the House an editorial by David Broder which appeared in today's Washington Post. The editorial also addresses administration efforts to curtail the free flow of information about the activities of executive branch agencies. I believe my colleagues will find in Mr. Broder's editorial some food for thought.

REMARKS OF THE HON. JOHN D. DINGELL BEFORE SIGMA DELTA CHI, THE NATIONAL PRESS CLUB

I believe there are more instances of the abridgement of the freedom of the people by gradual and silent encroachment of those in power than by violent and sudden usurpations.

Those prescient words spoken on the floor of the Virginia Convention on June 16th, 1788 by the statesman we are honoring here this evening have a fresh and disturbing relevance for America today.

One of the most precious freedoms we Americans have is freedom of information: the free and open exchange of information between the governed and the governors. It is a freedom grounded in the First Amendment, nurtured and strengthened by over two hundred years of conflict, tested and expanded by legislation and judicial decisions ranging back to John Peter Zenger—some 60 years before the First Amendment itself was framed—and proven by our very existence as the freest and strongest nation in the world today.

From time to time, this freedom has been challenged, and history shows that it has always emerged from the test stronger and more clearly defined. But I believe that it is fair to say that it has never faced as broad, relentless and determined a challenge as it faces today from this Administration. And I am deeply troubled over the outcome—as I believe you and the American people should be.

I am not only concerned about recent public confrontations such as the attempt to withhold vital information from Congress about EPA's implementation of the toxic waste program or the earlier effort to hide documents pertaining to the enforcement of the Mineral Lands Leasing Act.

The excessive and specious claim of "Executive Privilege," coupled with the even more extraordinary excuse for withholding the so-called "enforcement-sensitive" documents used by this Administration, are matters which have caused major and wholly unnecessary Constitutional confrontations between the Congress and the Executive Branch. The public has understood these matters well. There has been extensive public discussion. And the information was produced.

What concerns me here tonight is a far more pernicious and insidious assault on our basic access to information, an assault which is taking place on many fronts. Some of the cases involve major issues, and have been widely reported in the press, some have escaped notice, some may even appear to be relatively minor when considered alone. But I suggest to you that it is not the significance of the individual case that should concern us, but rather the ominous picture they present when considered in the whole.

This Administration has launched a major campaign to repeal de facto the Freedom of Information Act.

This Administration, by revising the Executive Order on Security Classification, has increased the number of government documents that will be classified.

This Administration has prevented people with opinions it finds repugnant from entering the United States to speak to or to hear from our citizens.

This Administration has, in the name of "leak prevention," walled off officials from the press. The President's Assistant for Communications collects the telephone logs of top White House officials each week to see if anyone has talked with any member of the press.

The Administration tried to gut a host of regulations and information requirements through the President's Private Sector Survey on Cost Control, a nongovernmental, unaccountable group of businessmen. When this effort came to naught, we saw the Administration propose its Regulatory Reform Act, which was one of the most chilling pieces of legislation I've seen in Congress. Fortunately, we were able to block its passage late last year.

The Administration has, through Executive Order 12291, attempted to circumvent the Administrative Procedure Act in order to relieve business of regulations designed to protect the health and safety of the American people.

It required a subpoena to OMB Director Stockman before documents were supplied to my Subcommittee which evidence OMB's mischief in the name of "regulatory reform."

In March of 1982, the Administration refused to send witnesses to testify on its latest secrecy proposals before the the Subcommittee on Government Information and

Individual Rights, the Subcommittee which authored the Freedom of Information Act.

In June of 1982, Murray Weidenbaum refused to provide the Congress with "unpublished working papers" of the Council of Economic Advisors.

In November of 1982, the Attorney General refused to provide information to the House Post Office and Civil Service Committee on the President's Private Sector Survey on Cost Control, which purported to be studying management practices of the Federal Government.

In December of last year, the new Chairman of the Council of Economic Advisors refused to testify before the Joint Economic Committee, citing the pressures of work as an excuse, even though it was observed that Feldstein had made several appearances in public and on television in previous days.

In April of 1982, the late good friend of First Amendment freedoms, Ben Rosenthal, labeled as "ludicrous" the Administration's refusal to provide CIA information on Arab investments in the United States, even though similar information is routinely available through private institutions such as banks.

In April of 1982, the head of the General Accounting Office had to threaten to sue the Drug Enforcement Administration for withholding information from the GAO.

In April of 1982, the Administration announced plans to dismiss a Pentagon official who revealed that the President's arms build-up would cost $750 million more than expected, and Frank Carlucci ordered lie detector tests for those in the know.

In October of 1982, the Administration got embroiled in a battle royal with the United States District Court in a case it ultimately lost, over the refusal by the Administration to provide relevant documents to the court. The Judge was sufficiently concerned to threaten to hold Justice Department employees in contempt of court.

In May of 1982, the Navy was reported as putting a "secret" stamp on an unpublished report indicating that two American aircraft carriers might not have "survived" a simulated Soviet submarine and surface ship attack.

In the spring of 1982, David Stockman revised a 30-year-old OMB Circular, known as A-10, to instruct Federal employees to "refrain from providing plans [to the Congress] for the use of appropriations that exceed the President's request."

Last Friday, Circular A-122 was withdrawn after offending the broadest group of non-profit organizations and trade associations I have ever seen in league together. It was proposed to prevent any organization receiving any Federal funds from informing the Congress of its views on legislation—even if the cost of making those views known was paid for with non-government money.

Also on Friday, there was an even more alarming abridgment of basic freedoms: the President's order tightening procedures for handling classified information and requiring lie-detector tests for a large number of government employees.

Another form of information withholding has taken the form of not gathering the information in the first place or gathering and disseminating it in some new form to prevent embarrassing historical comparisons. Many publications have been discontinued; the Census Bureau (which performs a Constitutional function) has undergone severe budget and personnel cuts; the Energy Department's Energy Information Administration has been put to a slow death, despite the great contribution it has made to providing an independent assessment of what is really happening in our energy industries; and the Commerce Department stopped providing "net business formations" data as a part of the 12 leading indicators in the composite index—even at a time when there were historic levels of bankruptcies.

During this Administration's first two years there has been politicization of the highest levels of all executive departments, and the President has kept many of our most dedicated and competent civil servants from working with Congress and doing their jobs. I might say here that the chilling conditions that were placed on EPA employees has required my Subcommittee to subpoena and interview more than 40 employees in executive session—merely to enable them to testify freely and without intimidation. The law, in case the President and his Attorney General are unaware of it, is clear:

The right of employees, individually or collectively, to petition Congress or a Member of Congress, or to furnish information to either House of Congress, or to a committee or Member thereof, may not be interfered with or denied. (5 U.S.C. 7211).

James Madison and the Founding Fathers envisioned the First Amendment rights as basic to the functioning of the open and democratic society established by our Constitution. They cast the free press in the vital role of defending and protecting these rights. As journalists, your responsibility—and your challenge—is to make the public aware of the insidious assault on its right to know the activities of its government and its right to the fullest and freest dissemination and exchange of ideas—however unpopular they may be with the person in The White House at the time. For if our citizens are fully informed of this assault, the public outcry will surely be felt in the highest levels of our government, just as it was during the Watergate era.

That great contemporary of Madison, Thomas Jefferson said it best:

The basis of our government being the opinion of the people, the very first object should be to keep that right; and were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate a moment to prefer the latter.

Thank you very much for this opportunity.

[From the Washington Post, Mar. 16, 1983]

ONLY SOME LEAKS BUG PRESIDENTS

(By David S. Broder)

Nothing better illustrates the surrealistic, cracked-mirror character of government secrecy edicts than a pair of actions by President Reagan last week.

The president signed an executive order on Friday requiring all federal employees with security clearances—a number reaching into the hundreds of thousands—to submit to lie-detector tests in any investigation of leaked information, or suffer "adverse consequences" for refusing. On the very same day, he stonewalled a press conference question about leaks from his own senior staff that undermined the position of Environmental Protection Agency head Anne M. Burford in the days before her resignation. "I don't know of anything of that kind," Reagan said.

As an example of high comedy, you could hardly improve on that script.

Every reporter in town knows that Reagan did not have to walk more than 50 feet from the Oval Office to find people in his employ who were leaking like crazy that Burford would have to go. "I know that you were all citing these unnamed White House sources that thought she would resign," he told reporters. "I still would like to find them out and identify them."

But he has not. Instead, he has issued the most sweeping secrecy edict in the history of the civil service. The seemingly misplaced emphasis reveals what no government—at least as long as I have worked in Washington—has ever wanted to acknowledge: what bugs a president is not leaks, but leaks from people who may disagree with him.

Time after time, in administration after administration, colleagues and I have sat in the office of some senior official who, promised anonymity, has divulged the substance of, or even read from, highly classified documents. The purpose, in almost every case, was to advance the President's policy line—in Vietnam, in some international negotiation, in some domestic political fight.

No, it's not the leaks that infuriate them. It's the leaks they don't control: the logs of private meetings with interested parties in regulatory matters, or evaluations of weapons systems that cast doubt on a multi-billion-dollar boondoggle. Those leaks, they say, are dangerous.

So be aware, dear reader, of what is really going to happen if Reagan is allowed to tie a lie-detector threat to the tail of every career official of any standing. It will not stop the leaks. The President or his people will no more play the rules of the executive order than the Reagan aides obeyed his supposedly serious order to stand by the embattled Burford. What the executive order will do is shut down your access to information that may contradict or cause you to question the policy judgments of the president and his aides.

It will increase substantially the risks for anyone—bureaucrat or jornalist—who wants you to hear the other side of the policy argument from the one the president is peddling. And, while it lasts, it will increase the odds that the policy adopted will be worse than it would have been had the rules of debate—or leaking—been applied evenhandedly to friends and foes of the President's policy.●

AGENT ORANGE TREATMENT

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. DASCHLE. Mr. Speaker, I would like to bring to the attention of my colleagues the efforts of the McDonagh Medical Center in Kansas City, Mo., where a special treatment program is offered free of charge to Vietnam veterans suffering from the effects of exposure to agent orange. It is refreshing to see efforts like this in the private sector and I commend the doctors and personnel at the center for their fine work on behalf of our Nation's veterans. Following is a letter I received from the center and a press release describing the method of treatment:

McDONAGH MEDICAL CENTER, INC.,
Kansas City, Mo., January 21, 1983.
Hon. THOMAS DASCHLE,
U.S. House of Representatives,
Washington, D.C.

SIR: As Chairman of the Vietnam Veterans in Congress, you may be interested in a special treatment program being offered by our medical center to any serviceman who feels he was exposed to "Agent Orange." It is offered at no charge to the veteran, no charge to the VA, nor the government.

The treatments are being given as a public service by the doctors at McDonagh Medical Center, and results have been tremendous.

Some 19 Vietnam veterans, suffering various symptoms, have undergone this treatment since its start two years ago. Most have been from the Kansas City area, but one man recently came from New York City when he heard of the program, and stayed with us for two months. We are happy to say he is back in New York, and back to work.

Another man, a 35-year-old Kansas Citian, for 10 years was too ill to work a full days work, until his treatments at McDonagh Medical Center.

The doctors at McDonagh use an intravenous treatment that appears to arrest and, they feel, reverse the effects of the toxic defoliant, "Agent Orange."

To further explain the treatment program, I am including a copy of a press release issued on the project.

As you were instrumental in obtaining more immediate, indepth research studies as to whether servicemen in Vietnam actually were harmed by the toxic defoliant, I felt our work could be important to you.

You understand, of course, that we are proceeding on the premise that those Vietnam veterans who come to us are suffering true ailments, and we are treating those ailments now—not waiting until it has been proven, one way or the other, whether "Agent Orange" is responsible for those ailments.

We invite you, and any members of your committee, to visit with our doctors and the veterans undergoing treatment, either in person or by telephone conference, to review our procedures and learn of the heartwarming results.

Please feel free to contact either myself or the McDonagh Medical Center administrator, William D. Johnson, concerning this matter.

Very truly yours,

MARILYN MORRIS,
Public Relations Director.

KANSAS CITY VIETNAM VETERAN SUFFERING "AGENT ORANGE" POISONING SHOWS MARKED IMPROVEMENT FOLLOWING TREATMENT WITH "CHELATION" THERAPY

KANSAS CITY.—William L. Kinkade, II, a 33-year old Kansas City man who was exposed to "Agent Orange" in Vietnam ten years ago is currently undergoing special Chelation therapy that is now being offered free of charge to "Agent Orange" victims by McDonagh Medical Center, Gladstone, Missouri.

"Agent Orange" is a chemical defoliant used by the U.S. Government in Vietman to destroy enemy cover in the jungle areas. It was an extremely effective defoliant. Unfortunately, our own servicemen, as well as the Vietnamese, suffered its effects. Reported symptoms to contact with "Agent Orange" include nerve damage, skin rashes, loss of sensation in the extremities, gastric ulcers, kidney pain, depression, memory and concentration disturbances, cancers of the liver, kidney, and lungs, and a long list of reported birth defects in children.

For Bill Kinkade, a U.S. Army Infantryman, it resulted in severe kidney damage. For ten years he was so fatigued that he often could not work a full days work, having to take to his bed by mid-day to rest and regain his strength.

Now, following "Chelation" therapy he shows marked improvement and can put in a 40 hour work week. He also has gone from 119 pounds to 150 pounds, the weight he held when he left for Vietnam ten years ago.

Although law suits have been brought against the five chemical companies that manufacture "Agent Orange" (including Monsanto and Dow Chemical) the companies contend there is no medical or scientific evidence to link "Agent Orange" with any adverse health effects. The chemical companies now have sued the U.S. Government.

Veteran groups say that U.S. Government medical officials contend there is no specific treatment (for those suffering from "Agent Orange")—nor any routine tests available to determine if someone has been exposed to the defoliant.

The controversy continues. Meanwhile, a Kansas City medical group, McDonagh Medical Center, 2800-A Kendallwood Parkway, in Gladstone, is offering to treat any and all Vietnam veterans exposed to "Agent Orange" with EDTA Chelation therapy, free of charge. The Chelation therapy involves an intravenous feeding of a synthetic amino acid EDTA (disodium edatate) coupled with vitamin C and other vitamins and minerals. The EDTA attracts the foreign particles (in this case the "Agent Orange") and binds it. Both are then harmlessly flushed through the body.

Chelation therapy has been used successfully at McDonagh for the past twenty years for the treatment of degenerative diseases, such as hardening of the arteries, arthritis, gangrenous limbs, senility, high blood cholesterol, high blood pressure and some instances of ulcers and kidney stones.●

COMMENTS BY REPRESENTATIVE AUCOIN

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. LONG of Louisiana. Mr. Speaker, yesterday, testimony was heard by the Rules Committee on the Oregon Wilderness Act of 1983. The controversy over wilderness has been both long and deep. Recent court decisions and the possibility of renewed Forest Service studies could extend the debate even longer. The situation clearly calls out for a legislative solution.

The House failed to pass this bill under the suspense calendar by only 12 votes last year. I believe that the comments presented to the committee by Mr. AUCOIN show why the bill should receive favorable action this year. I commend the gentleman from Oregon, Mr. AUCOIN, for his work on this issue, and commend to my colleagues in the House his recent remarks on the Oregon wilderness bill.

Mr. Chairman, it's a pleasure to appear before your committee today and present my views on the Oregon Wilderness Act. This piece of legislation, of which I am a cosponsor, resolves the decade long debate over wilderness in the State of Oregon.

You may recall that during last December's lame-duck session, the House considered the Oregon Wilderness bill. The House expressed itself positively and overwhelmingly—247 to 141—on the Oregon Wilderness Act but, because of narrow, partisan bickering, we fell a few votes short of the two-thirds required under suspension of the rules. The result was that an issue that could have been resolved was left unresolved and in Oregon, it left in limbo the fate of 3 million roadless acres, some of which ought to be designated wilderness because of their critical nature and extraordinary beauty, and most of which should be returned to commercial and multiple use.

Over the last three months, the necessity to act has gone from crucial to imperative. In the worst of all possibilities, Assistant Secretary of Agriculture John Crowell recently responded to the impasse by ordering the Forest Service to re-evaluate 29 million acres of roadless areas. According to the Forest Service this re-study may take another two years and cost another $30 million. In effect, this would be RARE III, following RARE I and RARE II which together have taken over ten years and cost millions of dollars. I want to say, Mr. Chairman, that Oregon's economy simply cannot cope with this additional delay and uncertainty.

Mr. Chairman, let me put it simply. What we have are two sides—wilderness advocates and those allied with the timber industry—who have been locked in a divisive controversy for over 10 years. Neither side has the political power to legislate its own will over the other. Each side has a political veto over the other. So if there is no give in their positions millions of acres of productive lands will be held hostage. Nothing will be done. Both will lose.

And that's the way it will stay, Mr. Chairman, unless responsible Members of Congress strike a compromise which in a balanced way designates critical areas for wilderness and releases the rest for commercial and multiple use. This bill does that.

When the Ninth Circuit decided in favor of the State of California and against the Forest Service, it quickly became apparent that there were three options available to solve the crisis. One was: the Forest Service could appeal the decision of the Ninth Circuit to the Supreme Court. Well, the January 22nd deadline for appellate action came and went without action as we all knew it would. Clearly, that was no real option.

The second option was passage of the Oregon Wilderness Act of 1982. For want of 12 votes, that bill would have cleared the House three months ago and, in my estimate, would have been law by now.

But because our efforts were sidetracked in December, the third and worst possible option will be exercised by the Administration unless we do something about it. Under this option, the Forest Service will carry out its roadless area re-evaluation as part of the land and resource management plans now being developed for each of the 120 national forest units. In Oregon, that means that 2.7 million acres out of 3 million roadless acres, will be-studied.

In exercising this option. Assistant Secretary Crowell goes one further step. He said, and I quote from the press release prepared

by the Forest Service: current "activities in the roadless areas will continue under existing plans so as to meet program commitments and to assure that jobs dependent on those commitments will continue." Mr. Chairman, I'm no lawyer, but this seems to fly in the face of the Ninth Circuit's decision. It is an open invitation to file suit—one which I fervently hope will not be accepted, but which none of us has any control over.

In combination, the decisions of the Ninth Circuit and the Forest Service are a disaster for the Oregon economy which is based on the forest products industry.

Oregon simply can't afford RARE III and we can't afford law suits. Oregon can't afford 3 million acres tied up by the courts or by bureaucrats. We cannot allow 400 million board feet of timber to be locked up nor can we leave vulnerable to legal challenge over 310,000 acres of oil, gas and geothermal leases.

There was only one reasonable solution last December and Mr. Chairman, there is only one solution today.

Congress must enact an Oregon wilderness bill with adequate release language.

The bill before you today is the result of nearly two years of tough negotiations within the Oregon delegation—it is a compromise which will prevent the lock up of 3 million acres of Oregon's forest lands. It is nearly identical to the bill considered last December and re-introduced last month by myself and my colleagues, Mr. Wyden and Mr. Weaver.

The Oregon Wilderness Act designates approximately 1.2 million acres for wilderness and frees, through the use of release and sufficiency language, two million acres for commercial and multiple use. Mr. Chairman, the Forest Service manages 15 million acres in the State of Oregon. If our bill prevails, there will be a total of two million acres of wilderness and 13 million acres devoted to commercial or multiple use. That splits the last 3 million roadless acres 2 to 1 in favor of commercial and multiple use. No honest person can say that those ratios are in any way balanced against jobs.

In fact, if we do not act to break this deadlock, if we let the courts continue to manage our national forests or if we allow the Forest Service to engage in another round of pencil pushing, between 5,600 and 6,400 jobs will be adversely affected, according to the Forest Service's own estimates.

This bill, then, is the only answer. That there will be additional wilderness designation in Oregon is a certainty. How much is the only question. Responsible members of the Oregon delegation and the Congress will make that decision.

I particularly want to commend my colleagues Congressman Weaver, Congressman Wyden and Senator Hatfield for their perseverance and Senator Packwood and Congressman Bob Smith for their interest in this matter.

I want to make particular note of Senator Hatfield's keen interest in this issue—one that he has taken the lead on, in the Senate. He has made it clear that he wants to move quickly on this problem.

He believes, as I do, that the controversy over RARE II has gone on longer than necessary and that the issue must be resolved.

Clearly, the ranking member of the Oregon delegation, a Republican, is eager to receive a bill from the House. I say we grab the opportunitiy that we now have, send this bill to the Senate, work out whatever differences we may have and send it to the President.

Let me address the question of hearings and process for just a moment. There are some who have spent the last two years on the sidelines taking political pot shots instead of working to find a solution. Reasonable and responsible people can have, and ought to have, honest disagreements over the scope of any wilderness proposal. But it is frankly beyond my comprehension, Mr. Chairman, that when a problem needs to be solved, that some would suggest that nothing be done. None of us were sent here to run away from the tough issues facing us. Oregonians may disagree over particulars, but at the very least they expect a solution and at the very least that is what they deserve.

Mr. Chairman, let me state again: To not act, or to obstruct, will cost at least 6,400 jobs and the certainty Oregon needs for future timber supply.

To not protect some of the last, few acres of pristine wild lands in Oregon would be irresponsible.

To not act or to obstruct turns over management of our forest lands to the courts or, just as bad, locks them up in the hands of planners and the pencil pushers with no guarantee that the courts won't ultimately bring us right back to the point we're at today.

Mr. Chairman, we very nearly succeeded in ending this dispute last December. We simply cannot fail again. I strongly urge you to grant a rule for this important piece of legislation. Thank you again for the opportunity to appear before your committee.●

A NATIONAL ROLE NEEDED TO HELP VICTIMS OF DOMESTIC VIOLENCE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. BIAGGI. Mr. Speaker, on January 5 of this year I reintroduced legislation I have authored in prior years to address a growing national problem which demands a comprehensive, coordinated, and national solution—the problem of physical abuse and neglect of family members of all ages.

The problem of domestic violence is not a new one. It has been a part of society for a number of years, yet has remained ofttimes hidden from view, or more problematically, an issue which is considered unsuitable for discussion because it involves interfamily relationships. Family violence and all its unpleasant aspects is not uncommon to me as I witnessed it on countless occasions during my 23-year career with the New York City Police Department. My experience with household violence as a police officer prompted me to introduce, as one of my first acts upon coming to Congress in 1970, legislation to prevent and treat victims of child abuse. I am proud to have been one of the original authors of the landmark 1974 Child Abuse Prevention and Treatment Act.

Laudibly, while we have identified the problem of child abuse and have adopted a Federal response to address it, we have allowed domestic violence—between spouses and other family members, including the elderly—to continue unabated. In 1978 hearings before the Science and Technology Committee examining research into violent behavior, the then-head of the National Center on Child Abuse and Neglect noted:

> Ultimately, though, we must develop an approach to the prevention of domestic violence which lowers the level of aggression and violence against all family members before family life deteriorates to unremediable breakdown beyond the reach of any number of social agencies. Unfortunately, in many communities, the unresponsiveness of community human service agencies towards . . . victims . . . seems as great as it used to be toward the victim of child abuse.

The need for a solution to the problem of domestic violence is even more pressing if one considers a survey conducted by the University of New Hampshire revealed some startling facts about domestic violence:

> In the survey year, 1976, one out of every six couples had a violent "incident" which was defined as any act which caused physical pain or injury to husband or wife; and one incident out or every 100 had gone beyond this abuse to having been beaten up; almost 4 percent had used a knife or gun;
>
> Nearly two million wives are beaten by their husbands each year, one-third of the couples experience this violence five or more times per year, with a sizable number just about every week.

A 1978 survey of police records presented at the same hearings demonstrated that husbands are often the victims of domestic violence and that husband-wife homicides comprise the single, largest category of homicide.

Another national study in 1978 of victims found that wives committed an average of 10 acts of violence against husbands. The results of this study also indicate that in a 1-year period, husbands averaged 8.8 acts of violence against their wives. In sum, the problem transcends the traditional perception that women are always victims.

The problem of domestic violence does not end with the spouses. The most recent documented form of such violence is the battered elderly parent. In hearings conducted by my Subcommittee on Human Services of the House Select Committee on Aging in 1979, it was revealed that the typical victim of elder abuse was a frail, 75-year old woman. Further, 84 percent of the abusers were relatives and 75 percent of the victims lived with their abusers. As many as 500,000 acts of violence were estimated to occur that year. A primary cause of this abuse was the additional economic stress placed upon families, which is particularly disturbing as the cost of caring for an elderly relative has skyrocketed. These extra costs place a burden on the family budget and create tension in the home which is often translated

into acts of violence against the elderly family member.

A 1981 report released by our committee contained a survey of 22 police chiefs from major metropolitan areas, representing 27 million citizens. Their responses produced the following:

Sixty-four percent said their officers had encountered situations where family neglect or physical abuse of an elderly relative had occurred;

Nearly one-third of the chiefs indicated that this type of abuse occurs frequently within their jurisdictions;

Another 50 percent of the chiefs said they had encountered situations where family members had financially abused their loved ones.

In sum, it appears that domestic violence against the elderly can be classified by physical, psychological, and material (financial) abuse as well as violation of rights through forced placement in nursing homes.

The entire problem of domestic violence has been exacerbated by the fact that it by and large, remains a hidden societal problem, despite its epidemic proportions. The need for a Federal role in this area is critical if we are to supplement what few efforts are underway at the State and local levels. It should be pointed out that the primary funding source for existing programs to assist victims is the social services block grant—formerly title XX—which has been slashed by one-quarter in the past 2 years. As social service, prevention, and treatment programs are often given low priority by States, when budget cuts arrive, these small programs are often the first to go. At the same time, recent reports indicate growing cases of reported child abuse that are directly related to increased levels of unemployment. As the causal link between all forms of family violence has been well documented, it is a fair statement to make that other domestic violence is on the rise with increased cases of reported child abuse.

This bill, H.R. 73, provides help to the estimated 2 million victims of domestic violence by authorizing a total of $65 million over the next 3 years, in the form of grant assistance to States, localities or organizations in order to assist in the prevention and treatment of domestic violence. The emphasis here is upon fiscal restraint, with the intent of providing seed money to encourage efforts by States. It has been our experience that local groups and shelters are best equipped to administer these funds, according to their individual needs. It also encourages grantee to seek financial self-sufficiency by looking to State, local, and private sources of funding. Finally, the bill provides for termination of the program within 3 years as further encouragement to shelters to establish self-sufficiency.

Title II of H.R. 73 provides for a first-time national study of the incidence of elder abuse. This will allow us to more accurately determine the extent of this particular aspect of domestic violence so that funds may be distributed accordingly. While the Administration on Aging as well as the National Institutes of Health have sponsored elder abuse research in the past, there has not, to date, been a coodinated effort which both addresses the extent of the problem as well as offers models for prevention and treatment through existing service agencies.

As in previous years, this legislation has been endorsed by a variety of agencies and organizations ranging from the International Association of Police Chiefs to the American Bar Association to the National Council of Churches. We can no longer afford to wait to find solutions to this problem and the spectre of battered families continues to rise at a time of Federal, State, and local economic retrenchment. Experience shows us that domestic violence cuts across all income groups, at all levels of society.●

LETTER FROM THE NATIONAL COALITION TO EXPAND CHARITABLE GIVING

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mrs. SCHROEDER. Mr. Speaker, I have received the following letter from the National Coalition To Expand Charitable Giving, an organization made up of groups which are likely to be excluded from the Combined Federal Campaign in the future. The campaign is supposed to permit Federal employees to utilize the convenience of payroll deduction to give to the voluntary organizations of their choice. I don't see how this purpose can be met if the President issues rules excluding various types of organizations.

The letter follows:

THE NATIONAL COALITION TO EXPAND CHARITABLE GIVING,
Washington, D.C.

Memorandum To Congresswoman PATRICIA SCHROEDER.

From Olga Corey, Coalition Coordinator.

In the city of Denver, Federal and armed services personnel give more than one million dollars each year to charitable organizations through the Combined Federal Campaign: only 15 cities in the United States make this large a contribution.

This year, however, if Presidential Order 12404 is allowed to stand, Federal employees in your District will be severly restricted in their giving choices.

The new Order, issued last month, proposes drastic changes in the CFC eligibility rules: hardest hit are groups working to protect women, children and minorities.

The poor and the powerless have already been hardest hit by Federal budget cuts: The President says he hopes that private charity can fill the gap.

But non-profit organizations that could help fill the gap will suffer a $33 billion loss in Federal revenue by 1985.

And now the President is making it impossible for millions of Federal and armed service employees to help some of the very groups that have been hardest hit by the recession.

The Combined Federal Campaign raises approximately $100 million a year. Last year, when the choice of recipient organizations was greatest, official figures of the Office of Personnel Management indicate that the amount contributed increased by 7.5 percent—the first time since 1977 that the increase in giving exceeded the rate of inflation.

The National Coalition to Expand Charitable Giving consists of 25 civil rights, environmental, labor, veteran and women's organizations, organized to fight this new assault on the poor and the powerless.

We will be calling on you for your support. We hope you will help us.●

A TRIBUTE TO MONSIGNOR JOSEPH MARJANCZYK

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. RINALDO. Mr. Speaker, on March 13 the parishioners of St. Adalbert's Church in Elizabeth, N.J., gathered to pay tribute to the Reverend Monsignor Joseph Marjanczyk, who for the past several years has served as pastor of the church. The occasion was to mark the end of his remarkable service at St. Adalbert's and the beginning of his new assignment as spiritual leader of Our Lady of Mount Carmel Church in Bayonne, N.J.

During his service at St. Adalbert's, Monsignor Marjanczyk won the respect of the entire community. His spiritual leadership and administration of the affairs of the parish were outstanding. He certainly will be long remembered for the strong parish council and church organizations that were developed under his guidance. His daily contributions to the spiritual life of the citizens of the area are deeply appreciated and will always serve to remind us that we are all much happier, much stronger, and more spiritually alive because he was here among us.

The Monsignor encouraged his priests and parishioners to take on responsibility. They did, responding with enthusiasm and determination, and he leaves St. Adalbert's content in the knowledge that they are devoted to continuing the many worthwhile projects he introduced. I am sure Monsignor Marjanczyk will be missed by the other priests, the nuns, and all of those who have worked so hard for the success of these projects.

Unfortunately, one of the drawbacks of success is that talented administrators and spiritual leaders are drafted to help in other places, too. Especially these days when the Polish Catholic hierarchy has such an important role to play. I say that because their views take on special significance as a result of their cultural heritage and Polish kinship with Pope John Paul. Monsignor Marjanczyk's own experience in meeting with the Holy Father and serving as Archbishop Peter Gerety's translator on a visit with the Pope made his parishioners feel even closer to the Pope.

There is no question but that Monsignor Marjanczyk has done a great job for the people of St. Adalbert's, and the parishioners of Our Lady of Mount Carmel are fortunate to be getting a pastor with his experience and administrative abilities. He has been a good shepherd, and I am delighted to join in wishing the monsignor the best of everything as he assumes his new duties.

I do not have to remind anyone about Monsignor Marjanczyk's spiritual leadership and his administration of the affairs of this parish.

They have been outstanding.

Monsignor Marjanczyk has built a strong parish council and church organizations.

I am sure Monsignor Marjanczyk will be missed by the other priests, the nuns and all to those who have worked so hard for the success of his programs at St. Adalbert's.

The Monsignor has encouraged his priest and parishioners to take on responsibility.

And he will leave St. Adalbert's confident that they are able to continue the many worthwhile programs that he developed.

Unfortunately, one of the drawbacks of success is that talented adminstrators and spiritual leaders are drafted to help in other places, too.

And especially these days, when the Polish Catholic hierarchy has such an important role to play.

I say that because their views take on special significance as a result of their cultural heritage and Polish kinship with Pope John Paul.

Monsignor Marjanczyk's own experience in meeting the Holy Father and serving as Archbishop Gerety's translator on a visit with the Pope makes us feel even closer to the Pope.

We see him through your eyes, Monsignor, and that view of the Holy Father is one of great moral courage.

All of us were very concerned about the Pope's safety on his trip through Central America.

And Monsignor Marjanczyk and the parishioners of St. Adalbert's are also concerned for the people in Poland.

Monsignor, you've been a great inspiration for all of us.

I wish you much success and spiritual satisfaction in your assignment at Our Lady of Mount Carmel.

You've done a great job for the people of St. Adalbert's, and the parishioners at Our Lady of Mount Carmel are fortunate to be getting a pastor with your experience and administrative abilities.

Thank you, and the best of everything in your new assignment.●

COMMEMORATING LITHUANIAN INDEPENDENCE DAY

HON. JOHN R. KASICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1983

● Mr. KASICH. Mr. Speaker, February 16 is both a joyous and a sorrowful day for Lithuanians, Americans of Lithuanian descent, and for all those who champion the cause of freedom worldwide. On this date in 1918, the Lithuanian people freed themselves from the shackles of foreign domination and proclaimed Lithuania to be an independent republic, a nation-state that was recognized by the entire free world.

Sadly, the life of this independent state proved to be a short one. On June 15, 1940, the Soviet Union broke all treaties with the Republic of Lithuania, occupying and illegally annexing it. Its people have remained under the domination of Russian communism ever since.

All who cherish liberty should pause to commemorate Lithuania's Independence Day. We should give thanks for the few short years Lithuanians could bask in the warm light of freedom, but at the same time pray for a valiant country that has endured the cold darkness of Communist tyranny for so long a time.●

THE PLIGHT OF HUNGARIANS IN RUMANIA

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. HORTON. Mr. Speaker, of late, many of my colleagues have taken the opportunity to express their concern for the plight of oppressed ethnic groups from around the world.

I regret that it is necessary to recognize yet another group—the Hungarians of Rumania. These people have suffered an organized repression of their cultural heritage of great magnitude. It is with the plight of these people in mind, and with the hope that public awareness will result in change, that I wish to share the following resolution:

RESOLUTION ADOPTED AT THE THIRD WORLD CONGRESS OF THE FREE WORLD HUNGARIANS ON SEPTEMBER 19, 1982, IN TORONTO

PREAMBLE

The Transylvanian Steering Committee of the Third World Congress, in its sessions on September seventeen and eighteen, discussed the situation of the oppressed Hungarians in Rumania, the measures of the Ceausescu regime, detrimental to the Hungarians, steps taken in defense of these Hungarians and to be taken in the future.

Due to the facts that:

(a) the annexation of Transylvania and other Hungarian territories to Rumania did not solve the minority problem there, on the contrary, it aggravated it,

(b) the peace treaties of Trianon (1920) and Paris (1947) delivered the Hungarians, the original inhabitants of Transylvania, into the hands of the ruling Rumanians, without an adequate guarantee to safeguard the human and national rights of the Hungarians,

(c) the Hungarians in Rumania are doomed to cultural and national annihilation due to the oppressive policies of the Ceausescu regime aimed toward them,

(d) and because the government of the Hungarian People's Republic does nothing to protect the human and national rights of the oppressed Hungarians in Transylvania and other parts of Rumania,

the Third World Congress of the Free World Hungarians came to the following conclusion:

(A) under Rumanian rule the existence and the survival of the Hungarian indigenous population is further imperiled.

(B) as soon as the potentialities present themselves, due to the change in the course of history, a political and territorial rearrangements should be instituted in the Carpathian Basin and the adjoining territories in which Hungarians, Czechs, Croats, Germans, Rumanians, Ruthenes, Slovaks, Slovenes, Serbs and other nationalities living in that region would have equal rights

To develop their national cultures undisturbed,

To use their respective native languages freely and

To utilized their national life potential to its fullest.

Because the peace treaty of Trianon as well as the oppressive policies of the Rumanian Socialist Republic towards the national minorities stand in he way to such enlightened and just reorganization, which would respect the interests and rights of all nationalities concerned, the Third World Congress of the Free World Hungarians passed the following resolution:

RESOLUTION

1. The explanatory work with regard to the grave mistakes of the Peace Treaty of Trianon in unjustly dealing a heavy blow to the Hungarian nation and upsetting the European balance of power with disastrous consequences, shall be pursued with increased effort by intellectual means.

2. The intellectual and political struggle, in order to realize in effect the human and national rights of the Hungarians living in Transylvania and other parts of Rumania, shall be continued with increased vigor with the following main objectives in mind:

(a) Every studying Hungarian child and young man/girl from kindergarten on, through primary and secondary schools to universities and other institutions of higher learning, shall receive his or her education in the Hungarian language and in the spirit

of Hungarian tradition. All discriminatory quotas shall be eliminated. The training of the necessary teachers shall be assured.

(b) In the entire territory of Transylvania the Hungarian language shall be recognized by legislation and in practice as official language co-equal with the Rumanian language.

(c) The Hungarians in Rumania, as a group with separate ethnic and national entity, shall enjoy equal rights and status with the Rumanians in political, cultural, educational affairs, also in matters pertaining to economy and religion, in every sphere of life, guaranteed by legislation and enforced.

(d) The Hungarian University in Kolozsvár (Cluj) and other discontinued, reduced or Rumanianized Hungarian institutes of higher learning, including seminaries and theological colleges as well as Hungarian schools at every educational level, shall be restored as independent Hungarian educational units. The confiscated Hungarian cultural treasures, archives, registers and cultural institutions shall be returned to the Hungarians.

3. The Third World Congress of the Free World Hungarians calls upon the Hungarians living in the United States and urges them to contact their congressmen and senators individually and personally thereby becoming more active in American politics in order to champion the cause of the Hungarians in Rumania.

The World Congress considers, the increased activities of the Hungarians living in the free world of utmost importance, therefore asks them to utilize the press and every other cultural, educational and political means available in order to strive effectively towards informing the concerned governments of the tragic fate of Hungarians in Rumania.

The World Congress asks all Hungarian Transylvanian organizations, which are active in the same country or on the same continent, to collaborate with each other and to co-ordinate their aims, their methods and their activities for the purpose of increasing the effectiveness of their work.

Furthermore the Congress urges these organizations to hasten the dissemination of the samizdat (underground) paper, the Counterpoints (Ellenpontok), an informative publication of the Hungarians in Rumania, in the Hungarian original as well as in other languages throughout the free world.●

DISTRICT HEATING AND COOLING TAX INCENTIVES ACT OF 1983

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. OBERSTAR. Mr. Speaker, yesterday I introduced the District Heating and Cooling Tax Incentives Act of 1983.

District heating and cooling is a system of delivering hot or cold water or steam from a central thermal source through pipes to customers for space heating and cooling and industrial processes. DHC is a flexible energy distribution system that can obtain heat from any number of fuels and deliver it to many different customers. The central source may be from the waste heat of an electric powerplant—cogeneration—refuse incineration, industrial processes, geothermal sources—solar, geothermal, ground water, atmosphere—or manufactured sources—industrial waste heat, and synfuels.

District heating can achieve 80-percent fuel efficiency and such systems can be cost effective in 48 States. By comparison, kinetic energy derived from an electric turbine uses only 30 percent of the energy potential of a conventional fuel burn. District heating harnesses the remaining byproduct which would otherwise be released into the atmosphere or waterways.

My legislation contains amendments to the Internal Revenue Code designed to make available to district heating and cooling property tax benefits granted by present law to many similar energy-related facilities. The bill would accomplish the following:

First, investment tax credit. District heating and cooling equipment would be made eligible for the basic 10 percent investment tax credit.

Second, additional energy credit. The bill would provide an additional 20 percent business energy credit for district heating and cooling property.

Third, accelerated cost recovery. District heating and cooling property would be made eligible for the 5-year category for depreciation that was introduced by the Economic Recovery Tax Act of 1981.

Fourth, use by local governments, et cetera. The bill would permit the investment tax credit to be taken where the property is used by or leased to a government unit. In addition, there would be no recapture of investment credit or depreciation upon sale of a district heating facility to a municipality or tax-exempt organization.

Mr. Speaker, tax incentives are needed to stimulate capital formation for district heating and cooling. Because of the enormous capital outlays required by district heating and cooling systems governmental incentives are highly desirable and perhaps essential if we are to create new district heating construction, expansion and rehabilitation. In its present form, the Federal income tax law contains no provisions specifically recognizing the concept of district heating. Existing tax treatment is quite unfavorable to district heating and cooling.

Tax incentives for district heating and cooling can balance the discrepancy between district heating and cooling and other investment opportunities by giving district heating and cooling tax incentives similar to those now enjoyed by investors in cogeneration equipment, hydroelectric generating equipment, and equipment for utilizing alternative energy sources.

This legislation will result in no revenue loss to the Treasury because of the indirect revenues generated by increased investment in manufacturing, construction and employment that will be produced by the tax incentives. The objective of the bill is to expedite and not subsidize the expansion of district heating and cooling.

We have all actively supported legislation which encourages the development of viable new sources of energy. In order for the United States to become independent, we must not only decrease our dependency upon foreign oil, but encourage the development of alternative forms of energy as well, such as synthetic fuels and solar energy.

I urge my colleagues to support this legislation—for district heating is not an idea whose time has come, it is an idea whose time has been reborn.●

MELAMINE TRADE PARITY

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. MOORE. Mr. Speaker, today I am introducing legislation to increase the column 1 duty on imported melamine. This legislation is similar to H.R. 6030 which I introduced in the last Congress, except that instead of increasing the duty to 11 percent, it is raised to 9.2 percent, which is exactly the level being charged by the European Economic Community on melamine imported to its markets.

This action is not intended to erect a protectionist barrier or to replace the current trade imbalance with another. I am an advocate of free trade and remain one so long as the ground rules of international trade competition are the same. Rather, I seek to correct a mistake made by our own negotiators in previous trade negotiations in which the U.S. duty on melamine was placed at less than half that of the European rate, even though the product is identical and the manufacturing process is exactly the same.

This discrepancy has effectively cut off any melamine export market that domestic producers might have had. Indeed, the method of figuring the European duty, the multiplier effect of the value added tax, and a discrepancy in freight rates has combined to give the Europeans a substantial price advantage over U.S. producers.

In addition to this tariff discrepancy I have evidence that foreign producers of melamine are actively refusing any U.S. entry of melamine into their domestic market while pricing their melamine as much as three times higher in their own country than they charge in the United States to compete against our two domestic producers,

both of which are located in Louisiana.

This matter has been referred to the International Trade Commission, the U.S. Trade Representative, and the Department of Commerce, but no relief has been forthcoming. Therefore, I have found corrective legislation is necessary to insure Congress can have the opportunity to let our trading partners know that free trade should also be fair trade.●

FUTURE CHANGES IN SOCIAL SECURITY

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. ROYBAL. Mr. Speaker, a great deal of misunderstanding has arisen in response to the proposal to reduce future social security benefits by outright changes in the benefit formula as proposed in the Senate Finance Committee, or by raising the age for full retirement benefits as in the recent legislation proposed by this House. As chairman of the House Select Committee on Aging, I would like to share information which shows that either of these proposals will reduce benefits to individuals with already inadequate income and little opportunity or ability to increase it.

FUTURE BENEFIT LEVELS

Even though the annual benefit of a retired worker is, at $4,896, almost identical to the official poverty threshold, there is a growing perception that social security benefits are too generous.

In reality, one-fourth of the elderly depend on social security for 90 percent of their income, and any general benefit cut can be expected to increase poverty and deprivation. Federal, State, and local welfare and health care costs also would expand.

Since the current social security benefit formula is designed to stabilize benefit replacement rates over time, average future benefits will remain close to the poverty figures. And although there will be some growth in pension coverage and private retirement savings, social security will remain the primary retirement income source for an overwhelming majority of older Americans—and the only income source for a great minority of 21st century retirees.

Many people believe that future beneficiaries will be treated much better than was originally intended. In truth, future benefit levels will actually be less than originally projected for the below average earner who is now and will continue to be the group most dependent on social security. Only the highest income earners will get a significantly better return than specified in the 1939 act.

The replacement rate—ratio of initial benefit payments to the previous year's earnings—for low earners has dropped by 8.2 percent—from 57.2 percent under the original 1939 Social Security Act to 52.5 percent under present law—1977 act. For maximum earners the replacement rate has increased 20.5 percent—from 22.9 to 27.6 percent. Any across-the-board benefit reduction will push lowest income groups further behind originally intended benefit levels while even average earners move into the negative column. Higher income workers, who also suffer a cut, would still be significantly better off than intended in the 1939 act.

RAISING RETIREMENT AGE

Support for raising the retirement age is based, in part, on misunderstandings concerning the true nature of early retirement. It is commonly assumed that most early retirees withdraw from work voluntarily, in good health and in comfortable financial circumstances. However, analysis demonstrates that in most cases early retirement is involuntary and presents a significant financial hardship for the persons involved.

There is no question that overall life expectancies have improved since 1940 and will continue to improve in the future. At question, however, is whether there have or will be parallel improvements in health and the ability to work; and whether there are some specific groups who are not affected by the general trend toward longer life.

Although some workers in good health do retire voluntarily because of the availability of early retirement benefits—particularly the 28 percent of workingmen eligible for private pensions—a large proportion of early retirees do so because of poor health and despite the economic deprivation caused by retirement.

According to "Demographic and Economic Characteristics of Social Security Retiree Families," a 1982 General Accounting Office study, almost one-third—30.4 percent—of early retirees cited poor health or job loss as the single most important reason for their early retirement. Forty-three percent cited these reasons as a major factor in their decision to seek early, reduced benefits.

Dr. Jacob Feldman of the National Center for Health Statistics, points out that the downward trend in death rates for men aged 50 to 69 has been paralleled by increases in disability rates. While the rate of reported disability for men aged 60 to 64 increased 26 percent—from 15.0 to 18.9—during the 1970's, their death rate decreased over 10 percent—from 29 to 26 per 1,000. These contradictory trends demonstrate that while future health improvements may enable some people to live longer, they will do so with chronic and disabling health conditions which will prevent continued employment.

Dr. Robert Butler, former Director of the National Institute of Aging, told the National Commission on Social Security Reform that early retirees tend to be nonwhites and in physically demanding occupations. Minorities have poorer health and higher mortality rates than whites. In 1978, the number of deaths was nearly twice as high for black men age 55 to 64 than white men in the same age group. In addition, the percent of minority men age 55 to 64 who are unemployed is higher than white men in that age group. A study in the December 1982 Social Security Bulletin, "Mortality and Early Retirement," confirmed "that age 62 claimants were more likely to have health problems than were other insured workers," and that their survival rates were lower.

EFFECT OF SOCIAL SECURITY REDUCTIONS ON TOTAL INCOME

Although there have been a number of suggestions that reductions in basic social security benefits can be made up by increases in other income sources—such as private pensions—the facts suggest that there will be no substitute for a strong social security system.

In 1981, the President's Commission on Pension Policy concluded that the most serious problem facing our retirement income system is the lack of pension coverage among private sector employees. While it is clear that there is a need for expanded pension coverage it is difficult to venture, with any certainty, a reasonable picture of what pension coverage will be in the future.

From the beginning of World War II, the portion of the private sector work force covered by a company pension plan continually increased from 14.5 percent in 1940 to about 49 percent in 1972. Since then, the growth has leveled off, increasing only 1 percentage point—to 50 percent—by 1979. Moreover, the share of workers who participate in private pensions is expected to remain at current level through 1995, according to a forecast prepared by the Labor Department. While the number of people drawing private retirement benefits will almost double to 14 million by 1980, that will still be less than half of the expected 40 million social security retirees.

These pension coverage statistics and other demographics demonstrate that reductions in social security benefits will not be able to be made up by private sources. Reports prepared by the President's Commission on Pension Policy document that minority workers, in particular, retire earlier, are less likely to be covered by private pensions, and receive smaller benefits

from social security. These facts reflect their poorer health, earlier mortality, more chronic unemployment, and employment in nonpension covered jobs.

Similarly, women have less pension coverage and commensurately lower social security benefits. Of all workers not covered by a pension plan, almost half—47 percent—are employed in retail trade and services which are characterized by a high proportion of small, nonunionized establishments and a large percentage of female employees.

Even for those men and women who receive private pensions, social security benefits will still play the primary role in assuring retirement income security well into the 21st century. A recent study conducted by ICF for the American Council of Life Insurance entitled "Pension Coverage and Expected Retirement Benefits" concludes that social security will continue to provide more than 60 percent of all retirement income for persons eligible for both social security and private pensions—80 percent for persons with $15,000 current earnings and 50 percent for workers above $30,000 current earnings. Reductions, therefore, will have a significant adverse impact on all people—even for the minority of men, women and families who will also have private pensions.

EFFECT OF SHORT-TERM PROPOSALS ON LONG-RUN TRUST SOLVENCY: NO NEED FOR DRASTIC ACTION

Predicting the long-range economic status of the social security trust funds is an uncertain act even for the most professional of actuaries. The volatility of demographic factors—fertility, mortality, vitality and net immigration—is exceeded by the volatility of economic factors—productivity, employment, inflation, and fringe benefit growth. However, taking the two intermediate assumptions of the 1982 Social Security Trustees, there will continue to be severe cash flow problems in the 1980's which necessitated the legislation which was passed last week. However, even with the anticipated deficts in the 1980s and even before any new legislation, the more pessimistic of the two intermediate projections showed the social security cash benefit trust funds to be in a surplus situation over the next 25 years.

The primary reason for the financial soundness of the social security trust funds for the two decades after 1989 is demographic. Compared to the 1970's and 1980's, there will be about 17 percent fewer new retirees in the late 1990's and early 2000's when the baby bust generation of the Great Depression reaches retirement age. At the same time, the baby boomers of the late 1940's and 1950's will swell the labor force as they reach their peak earning years. Therefore, under current law projections, trust fund reserves, even after repaying the deficits of the 1980's, will grow from about $26 billion in 1983 to more than $200 billion—1983 dollars—by 2007.

The short-term refinancing proposals passed last week will increase trust fund reserves in the 1990's and early 21st century to over 1 trillion 1983 dollars—the equivalent of about 7 years' total benefit obligations and the total current debt of the United States. Under the intermediate assumptions, these short-term proposals, by themselves, guarantee sufficient long-term financing to pay benefits to all current workers. Even today's 24-year-old laborer, with a 51-year life expectancy, can be assured that the trust funds will have sufficient reserves to pay benefits from his/her initial eligibility in 2021 until his/her death in the 2030's.

Although the short-term proposals do not solve the social security financing problems of the 2040's and 2050's, it is difficult to justify making permanent and irreversible reductions in social security based on estimates of what will occur 50 or 75 years from now. This is especially true since the proposals to raise the age of full retirement and/or reduce basic benefit amounts, which will require almost immediate revisions to private pension plans, will be phased in early in the next century, when trust fund reserves will be at their highest levels in 50 years.

CURRENT ALTERNATIVE FOR LONG- AND SHORT-TERM

Several current alternatives exist for solving a portion of the long-range financial problem without unnecessarily burdening older workers who are unable to work. These proposals would alter public and private employment and retirement policies to remove employment obstacles and offer incentives for continued work. These, combined with a more moderate increase in the tax rate, could solve the long-range problem in a more equitable manner.

Recommendation No. 1: Eliminate mandatory retirement. Most of the Nation's employers use a compulsory retirement age, usually age 70, beyond which individuals are not allowed to work regardless of their physical capacity or performance level. Although the practice of mandatory retirement is gradually diminishing—a recent Aging Committee survey found that 38 percent of Fortune 500 companies had no mandatory retirement age—it is generally acknowledged that Federal legislation is necessary to eradicate this antiquated practice altogether.

Recommendation No. 2: Require fair pension treatment for older workers. It is a little known fact that about half of the Nation's employers halt increases in pension benefits at age 65. This practice, which is condoned by Federal regulations issued by the Labor Department, serves to discourage older workers from remaining employed beyond age 65. Freezing pension benefit accruals has no cost justification, according to an actuarial analysis published by the House Aging Committee. Rather, it is a means of arbitrarily discouraging workers from remaining employed beyond age 65.

Recommendation No. 3: Offer tax incentives to employers for hiring older workers. The reluctance by employers to hire older workers can be partially overcome with economic incentives. One simple mechanism would be to amend the targeted jobs tax credit (TJTC) by adding low-income, unemployed older workers to the list of groups now included in the program. According to a Congressional Budget Office study, approximately 75,000 workers would benefit by this tax credit proposal at an estimated cost to the U.S. Treasury of $125 million annually. Assuming that without this program all of these workers would have been drawing social security benefits and not working, the projected savings to social security from this proposal would be $0.7 billion annually by the year 2000—$0.5 billion in 1983 dollars. By the year 2000, alternatives such as these would provide approximately $4.4 billion in annual savings to the social security system—$2.1 billion in 1983 dollars—for total long-range savings to social security of 0.14 percent of taxable payroll.

Additional alternatives which merit consideration but would increase costs to the social security system should be considered when trust fund reserves permit it. Those alternatives include a liberalization of the retirement earnings test for persons over 65 and providing an exemption of social security taxes for older workers and their employers.●

BEYOND THE "SMOKING GUNS" AT THE EPA

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. BROWN of California. Mr. Speaker, I have a special interest in the controversy over the management of the Environmental Protection Agency (EPA). My particular concern is actually not the fact that the now infamous Stringfellow Acid Pits are in my congressional district, although they were a motivating reason for my active involvement in enactment of the Resource Conservation and Recovery Act (RCRA) of 1976, the predecessor law of the so-called Superfund legislation. Nor is this special interest related directly to my membership as the ranking member, and former chairman of, the Subcommittee on

Natural Resources, Agricultural Research and Environment of the Committee on Science and Technology, now chaired by my colleague JAMES SCHEUER. Nor is this special interest directly related to my current chairmanship of the Subcommittee on Department Operations, Research and Foreign Agriculture of the Agriculture Committee which has legislative jurisdiction over another EPA program in some trouble, the Federal Insecticide, Fungicide, and Rodenticide Act. No, all these are reasons for special interest, but they are incidental to my remarks today.

Mr. Speaker, my special interest simply stated is in the preservation of the environment, and in the rule of law in this land. The tendency of all of us, myself included, to focus on those areas specifically in our committee jurisdiction or located in our districts is natural, and commendable. But we must not lose sight of the broader purpose, even as we diligently pursue our particular concerns and exercise our special roles through our various committee assignments.

The fundamental problem at the EPA is not money, malice, or even mismanagement. It is, I believe, a lack of desire to faithfully execute the laws of the land, and particularly a lack of desire to live up to the spirit of those laws. This lack starts with President Reagan, and is reflected in many, if not most, of his appointees. In the case of the EPA and our environmental laws, it is easy to identify the lack of desire to execute the laws for two simple reasons. One, the laws are more specific than in many other areas, and two, there is still overwhelming public support for implementing these laws, and little inclination to give the current group of political stewards the benefit of the doubt after 2 years of apparent retreat from our environmental goals.

I believe it is important to grasp this essential point, which I believe can be documented by reviewing budgets, rules changes, and speeches by President Reagan and his appointees throughout the Government. Once we understand that our problem is not just a few misguided political appointees at EPA, it will be easier to understand what we must do, even though it will be harder to do what we must. If we fail to grasp this essential point we may find ourselves delving deeper and deeper into less and less, while the chemical wastes, toxic substances, auto emissions, and water effluents continue to poison our biosphere.

No amount of reshuffling of boxes will solve the problem of unenthusiastic administration. Independent commissions solve some regulatory problems, if they are truly independent, have adequate funds, and well-motivated administration. Usually, it takes years to create such a situation with everyone pulling in the same direction. Some problems might actually be aggravated with an independent commission. Clearly, the systematic undermining of EPA's research branch under this administration would not be abated by such a change.

Even on the practical level of what to do about hazardous waste sites, I am not sure I see any proposals that will deal with this problem. A few years ago a Member of the other body proposed giving the hazardous waste cleanup job to the Army Corps of Engineers. While I am not prepared to endorse this proposal today, I am increasingly concerned that we appear to care more about "smoking guns" than we do about providing adequate and specific direction to the Reagan administration. In impoundment fights over the Water Pollution Control Act, the Congress took it upon itself to force executive action. I believe we are at that stage with the Superfund program. Even if no smoking guns are found, there is a very serious problem at EPA. We need to begin putting this Agency back together in a constructive way and we will be watching for the new appointees to the Agency.

Mr. Speaker, before I close, let me be a bit parochial. Since everyone has heard of the Stringfellow Acid Pits, which were supposed to get Superfund financing, but for some reason did not, I would like to make a few observations. One, the money still has not come. If the reason last year was the potential benefit to a fellow named Brown in a close election, I wonder what the reason is 4 months later? Second, even if the money which I heard would be released last October was released today, it would not be enough to pay for the total cleanup cost of the site. I have come to believe that even if there was not a scandal today, the problem would persist. And I would like to know that when the hint or fact of scandal is past, the Stringfellow Acid Pits will be cleaned up once and for all.

I urge my colleagues to use this renewed attention and commitment to our environmental laws wisely. Let us find a way to implement laws that this administration would rather repeal. This is not the most constructive way to solve national problems, but I believe it is the only practical way to approach the present mess at EPA.●

A TRIBUTE TO JAMISON BEDDING, INC.

HON. ALBERT GORE, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. GORE. Mr. Speaker, I am pleased to take this opportunity to congratulate Jamison Bedding, Inc., of Franklin, Tenn., on the centennial anniversary of its founding for its success and endurance during our Nation's tough economic times.

For 100 years, Jamison Bedding has been a source of pride to Tennesseans for the quality workmanship of its product. Founded by Robert D. Jamison, the business has remained principally family-owned and now holds the distinction of being the largest privately owned, bedding manufacturer in the entire Nation.

What began as a small business with a single plant in Nashville, Tenn., has grown, with its dedication to hard work, into a company that now operates three plants in Franklin, Nashville, and Albany, Ga., employing more than 400 workers.

The success of Jamison Bedding is a tribute to all of our Nation's privately owned businesses that demonstrate solid management skills and maintain a personal, one-to-one relationship with each of its customers.

It is my hope that Jamison Bedding and others like it across the country will continue to prosper, offering a shining example to the business community that the free enterprise spirit that built this Nation still exists today.●

THE FRIENDS OF IRELAND 1983 ST. PATRICK'S DAY MESSAGE

HON. JAMES M. SHANNON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. SHANNON. Mr. Speaker, I have the honor of submitting the text of the Friends of Ireland's 1983 St. Patrick's Day message. This is the third annual message from the Friends of Ireland and reaffirms our strong commitment to the political process as the way forward in Northern Ireland and condemns the use of or support for violence as a solution to the problems of this country. This year's message has been joined in by 29 Members of the U.S. Senate and 50 members of the House of Representatives. I have also included a copy of the St. Patrick's Day message to the Friends of Ireland in the U.S. Congress from Mr. Tom Fitzpatrick, T.D., Ceann Comhairle (Speaker), Dail Eireann (Irish Parliament) and chairman of the Irish-United States Parliamentary Group.

I commend these to my colleagues attention.

Those of us in Congress who follow Irish affairs have in recent years chosen the occasion of St. Patrick's Day to reaffirm our commitments both to help end the violence in Northern Ireland and to contribute by peaceful means to the great goal of Irish unity.

Two years ago, we founded the Friends of Ireland to provide a forum for an informed American role in assisting an overall political settlement. As Friends of Ireland, we shall continue to do all we can in the year ahead to inform the Congress and the American people about the conflict in Ireland, and to further the goal of a just and enduring peace.

It must surely be clear that any lasting political settlement in Northern Ireland can be achieved only by peaceful and constitutional means, through negotiation, compromise, and with the consent of all those involved—not by ultimatum, intimidation, or violence, which serve only to prolong the anguish of that deeply divided community and frustrate progress toward unity and political reconciliation.

On this St. Patrick's Day, therefore, we appeal again to our fellow Americans to reject those who believe in bloodshed, to renounce organizations which are the agents of violence and to deny American dollars to any group that condones or contributes to the killing. Instead, we urge our fellow citizens to be unyielding in their commitment to peaceful political change.

1982 was a year of disappointment and concern for all of us who hope for peace in Northern Ireland. Callous bombings, vicious assassinations, and reckless maimings of the innocent carried out by terrorist organizations have contributed to the atmosphere of despondency and aggravated the cycle of vengeance in a community that has already suffered too much for too long. Disturbing allegations about a recent pattern of shooting incidents by the security forces in Northern Ireland, and continued reliance by law enforcement authorities on lethal plastic bullets are cause for deep concern. Chronic unemployment, the continuing British commitment to an unworkable political proposal, and the lack of progress toward ending institutionalized discrimination in Northern Ireland have dimmed the hope of early progress in resolving economic and political problems.

At the heart of the Northern Ireland conflict lies a profound crisis of identity and allegiance. Just as the troubles will not be battered or bombed away by terrorists, so they cannot be wished away by measures that serve only to preserve the status quo. The roots of the conflict lie deep in the history of Ireland and in the record of Britain's involvement there. As such, we believe it requires the bold cooperation of both the British and the Irish Governments jointly pursuing at the highest levels a new strategy of reconciliation.

In the summit agreements of Irish and British Prime Ministers, there exists the framework for pursuit of such a strategy. We therefore would welcome—and encourage—revival of contracts between the two Governments at this level.

We are also heartened by the progress within Ireland of the debate on reconciliation. We commend the important recent decision by the Irish Government to establish a forum for consultation on the means by which peace and stability can be achieved in a new Ireland through the democratic process. We are especially encouraged by the agreement of all the political parties in the Republic of Ireland and of the Social Democratic and Labour Party in Northern Ireland to participate in this forum. And we welcome their action in seeking the views of all peoples of both traditions in Ireland, North and South, who share the objectives of this constructive new undertaking.

We hope that steps such as these will lead in the very near future to a solemn commitment by all the parties to heal the divisions within Northern Ireland and to reconcile the two major traditions that exist in Ireland.

There should also be an American dimension to this healing process. As Friends of Ireland, we have been heartened by the support we have received for our endeavors from the Irish Government and Parliament. We believe that the cause of reconciliation between the Protestant and Catholic traditions in Ireland and between Britain and Ireland is one which merits the full support and the responsible involvement of the United States.

To this end, the Friends of Ireland have sought to foster a close working relationship with the Parliament in Ireland, with the Government there, and with the main political parties of that Nation. Last year, at the invitation of the Speaker of the Irish Parliament, a delegation of the Friends of Ireland visited Ireland for meetings with party leaders and with the Government. Since then, a sister organization has been established in the Irish Parliament to advance our shared goal of greater understanding and cooperation between our two peoples. We send greetings to our friends in the Irish Parliament. We warmly welcome their message of support today, and look forward to receiving them soon in Washington.

On this St. Patrick's Day, we renew our commitment to the great goal of Irish unity, and reiterate our conviction that the only sure road to a just and lasting peace is to end the division of the Irish people. We seek a unity based on democratic principles, achieved by negotiation and persuasion, secured with consent freely given by a majority of the people of Northern Ireland and with full constitutional safeguards for the rights and traditions of all concerned.

U.S. Senate.—Edward M. Kennedy (D-Mass.); Daniel Patrick Moynihan (D-N.Y.); Christopher J. Dodd (D-Conn.); Joseph R. Biden, Jr. (D-Del.); Jeff Bingaman (D-N. Mex.); Dale Bumpers (D-Ark.); William S. Cohen (R-Maine); Alan Cranston (D-Calif.); Alan J. Dixon (D-Ill.); Pete V. Domenici (R-N. Mex.); Thomas F. Eagleton (D-Mo.); John Glenn (D-Ohio); Gary Hart (D-Colo,); John Heinz (R-Pa.); Ernest F. Hollings (D-S.C.); Daniel K. Inouye (D-Hawaii); Paul Laxalt (R-Nev.); Patrick J. Leahy (D-Vt.); Carl Levin (D-Mich.); Spark M. Matsunaga (D-Hawaii); Howard M. Metzenbaum (D-Ohio); Claiborne Pell (D-R.I.); William Proxmire (D-Wis.); Donald W. Riegle, Jr. (D-Mich.); Paul E. Tsongas (D-Mass.); Lowell P. Weicker, Jr. (R-Conn.); Bill Bradley, (D-N.J.); George J. Mitchell (D-Maine); Arlen Specter (R-Pa.).

House of Representatives.—Thomas P. O'Neill, Jr. (D-Mass,); Thomas S. Foley (D-Wash); James M. Shannon (D-Mass.); Frank Annunzio (D-Ill.); Edward P. Boland (D-Mass.); Don Bonker (D-Wash.); Frederick C. Boucher (D-Va.); Baltasar Corrada (D-P.R.); Tom Downey (D-N.Y.); Brian J. Donnelly (D-Mass.); Richard J. Durbin (D-Ill.); Bernard J. Dwyer (D-N.J.); Roy Dyson (D-Md.); Joseph D. Early (D-Mass.); Don Edwards (D-Calif.); Edward F. Feighan (D-Ohio); Geraldine A. Ferraro (D-N.Y.); Edwin B. Forsythe (R-N.J.); Barney Frank (D-Mass.); Sam Gejdenson (D-Conn.); Dennis M. Hertel (D-Mich.); James J. Howard (D-N.J.); Barbara B. Kennelly (D-Conn.); Tom Lantos (D-Calif.); Elliott H. Levitas (D-Ga.);

Lynn Martin (R-Ill.); Frank McCloskey (D-Ind.); Joseph M. McDade (R-Pa.); Matthew F. McHugh (D-N.Y.); James F. McNulty, Jr. (D-Ariz.); Edward R. Madigan (R-Ill.); Edward J. Markey (D-Mass.); Joseph G. Minish (D-N.J.); Joe Moakley (D-Mass.); Jim Moody (D-Wis.); Robert J. Mrazek (D-N.Y.); Austin Murphy (D-Pa.); Nick Rahall (D-W. Va.); Peter W. Rodino, Jr. (D-N.J.); James H. Scheuer (D-N.Y.); Pat Schroeder (D-Colo.); John F. Seiberling (D-Ohio); Lawrence J. Smith (D-Fla.); Al Swift (D-Wash.); Robert G. Torricelli (D-N.J.); Bob Traxler (D-Mich.); Tom J. Vandergriff (D-Tex.); Pat Williams (D-Mont.); Silvio O. Conte (R-Mass.); Frank Horton (R-N.Y.).

ST. PATRICK'S DAY MESSAGE TO THE FRIENDS OF IRELAND GROUP IN THE UNITED STATES CONGRESS FROM MR. TOM FITZPATRICK, T.D., CEANN COMHAIRLE (SPEAKER), DAIL EIREANN AND CHAIRMAN OF THE IRISH-UNITED STATES PARLIAMENTARY GROUP

On the occasion of St. Patrick's Day 1983, I send you from Ireland the greetings and good wishes of all the Members of the Irish-United States Parliamentary Group which we have recently established in the Houses of the Oireachtas as a counterpart to the Friends of Ireland in the United States Congress. We welcome the constructive interest you have taken in Irish affairs over the years and share with you a deep commitment to the goals of peace, reconciliation and unity in Ireland. It is our certain conviction, as it is yours, that unity can be achieved only by peaceful democratic means, through persuasion, negotiation and agreement and not by violence or intimidation.

We look forward to meeting with you, the Friends of Ireland, in Washington in the near future.●

NEW TIP REPORTING RULES

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. DASCHLE. Mr. Speaker, one of the most confusing, and unjustified, aspects of the so-called Tax Equity and Fiscal Responsibility Act of 1982 was the tip reporting provision. Owners and employees of restaurants in my State do not know what this act does, who it applies to, and what its ramifications are. I voted against this provision when it appeared before us last year, and I have cosponsored legislation for its repeal this year. However, it does not appear that repealing legislation will be successful before the information reporting and withholding provision begin on April 1 of this year.

Consequently, I would like to have printed in the RECORD the following analysis of these provisions, prepared by the House Ways and Means Committee. If we cannot repeal this bad provision in time, at least we have the responsibility to explain it to the people who will be burdened by it.

The analysis follows.

FACT SHEET ON NEW TIP REPORTING RULES

Do the new provisions require withholding on tip income? No. The new provisions revise the prior law rules relating to the re-

porting of tip income for information purposes, but do not impose any new income tax withholding requirements.

What are the new rules for reporting tip income, and how do these differ from prior law? Under the law prior to TEFRA and present law, any employee who receives tips in excess of $20 a month must report all tips received to the employer on a monthly basis. Tips reported to the employer are treated as wages and as such are subject to income tax withholding and social security (FICA) tax (at the employee rate only). In addition, tipped employees must keep detailed records of tips they receive. These rules have not changed.

The new provisions added in the Tax Equity and Fiscal Responsibility Act require additional information to be reported to the I.R.S. by "large food and beverage establishments". In some cases, a "tip allocation" rule will also apply. There is no change in the law with respect to income tax withholding and FICA taxes; these taxes are still to be applied only to tip income voluntarily reported to employers by employees.

What is the "tip allocation" rule and when does it apply? If tipped employees of large food and beverage establishments voluntarily report to the employer tips aggregating 8 percent or more of the establishment's gross receipts, then no allocation rule applies. However, if tipped employees (in the aggregate) report less than 8 percent of gross receipts in tips, the employer must allocate among tipped employees the difference between 8 percent and the tips reported, and he must report these allocations to both the I.R.S. and the employees annually, for information purposes only.

The allocation among tipped employees is to be done on the basis of a good faith agreement between the employer and employees. In the absence of such an agreement, the allocation can be made according to regulations issued by the Secretary.

What is a "large food and beverage establishment"? Only large food and beverage establishments are covered by the new rules. These are defined as establishments which provide for consumption on the premises, where the employer normally employed more than 10 employees (including employees not receiving tips) during the preceding calendar year, and where tipping is customary. Carryout, cafeteria and fast food establishments are not covered under this definition.

What if the tipping rate at a large food and beverage establishment is less than 8 percent? The law provides that an establishment can apply to the I.R.S. for a lower percentage to be used in making allocations if it can show that their average tipping rate is less than 8 percent. However, the rate cannot be reduced below 5 percent.

What information must employers report to the I.R.S.? In addition to the reporting of any allocations made among tipped employees, as described above, large food and beverage establishments must now report gross receipts from food and beverage sales, aggregate charge receipts, aggregate tips on charge receipts, and voluntarily reported tip income.

How will this information be reported to the I.R.S. and employees? Employers will file annual information returns with the I.R.S. and will report to each employee, in a space to be added to the W-2 form, the amount allocated to the employee for the year under the rules described above.

When are the new rules effective? The changes made in the Act apply generally to calendar years after 1982, but the allocation reporting rules are specifically delayed until payroll periods ending after March 31, 1983. Accordingly, for the first quarter of 1983, large food and beverage establishments will report the items indicated above except that no allocations to employees will be reported.

Do these rules change the end-of-year tax liabilities of restaurant employees? No. Employees are required under present and prior law to report actual tips received, no more and no less, on their annual income tax returns. (This amount is also subject to FICA tax.) Employees must be able to substantiate the amount of tips they report with adequate records. The I.R.S. may determine upon audit that a tipped employee received more than the amount reported, even if the amount reported equals or exceeds 8 percent.●

HUMAN RIGHTS IN GUATEMALA

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. LELAND. Mr. Speaker, in recent months, the Reagan administration has been arguing that human rights conditions in Guatemala have improved under the Presidency of Efrain Rios Montt. On the basis of this argument, the administration is now seeking to renew military assistance to that government. I am inserting in the RECORD the following report by the Council on Hemispheric Affairs, which examines the performance of the Rios Montt government through December of last year. I believe that it will be of use to my colleagues in understanding the current Guatemalan situation.

The report follows:

A REPORT COMPILED BY OCHA RESEARCH ASSOCIATE JUDY LAWTON

The United States State Department, having asserted on several recent occasions that human rights in Guatemala have improved, has recommended that the U.S. now vote in favor of Guatemala's bid for regional lending agency development loans. Previously the U.S. had withheld support for the loans because of Guatemalan human rights considerations. According to James Morrell of the Center for International Policy, a U.S. policy shift would affect six loans requested from the Inter-American Development Bank (IDB) and the World Bank totalling $170 million.

Based on the State Department's recommendations, the Treasury Department plans to support an $18 million loan request from Guatemala to the IDB for a $30 million rural telecommunications project, which would have clear military applications. Quick approval of the loan is expected since the U.S. provides about 42 percent of the Bank's capital funds.

More recently, the Reagan administration has signalled that it hopes to proceed with shipping helicopter replacement parts to service Guatemala's aging fleet. The helicopters are deployed to strafe Indian villages suspected of harboring guerrillas, and to transport military units. A Nov. 15 article in the *New York Times* indicated that military shipments may already have taken place with the direct assistance of U.S. armed forces in violation of existing law.

Congress already has authorized $10 million under the Caribbean Basin Initiative (CBI) for Guatemala. For fiscal year 1983, the administration is asking for $15 million in economic and development assistance, $3.4 million for helicopter spare parts, and $250,000 for military training funds.

Congressional sources indicate that one immediate by-product of President Reagan's meeting in Honduras with Guatemalan President Efrain Rios Montt will be an accelerated campaign to convince Congress that the human rights situation in Guatemala justifies supplemental military aid appropriations for that country.

Given the political and economic complications and increased levels of violence associated with U.S. attempts to combat insurgency in El Salvador, the Guatemalan initiative is ominous. Augmented levels of arms shipments to Guatemala would lead, in all probability, to further escalation of a war that has already killed thousands in that country. In four years under the Lucas Garcia regime (July 1978 to March 1982), 5,000 Guatemalans were murdered, according to Amnesty International. And COHA estimates that 4,000 more have been killed since Gen. Efrain Rios Montt assumed power in March.

SOCIAL AND ECONOMIC IMPOVERISHMENT

Guatemala, due to its recent history of fraudulent elections, military rule, and government-sponsored human rights violations, has accumulated an unsavory international reputation. Extreme poverty has spurred the ongoing social war, matching the rich, in collaboration with the army, against the poor.

Inequities are extreme. Two percent of the landowners hold 72 percent of the agricultural land, while 65 percent of the economically active population works the land. Seventy-four percent of the country's exports are agricultural, but the often ignored legal scale minimum wage in the countryside is only $3.20 daily. Fifty percent of the economically active population earns $60.00 a year or less. Thirty-four percent is unemployed.

It is estimated that 72 percent of Guatemalans above the age of seven are illiterate. While there is only one teacher for every 400 children, there is one soldier for every 140 of Guatemala's seven million inhabitants. Eighty-one percent of the children less than five years of age suffer from malnutrition, most of them in the Indian areas.

These statistics illuminate some of the sources of the present civil strife. The Reagan administration, however, views the growing insurgency in Guatemala as a "textbook case" of armed aggression directed by Cuba and the Soviet Union. The current policy change toward Guatemala is justified as a response to the advance of communism. Lt. Gen. Wallace H. Nutting, who heads the U.S. Southern Command based in Panama, said in an interview last August that the "implications of a Marxist takeover are a lot more serious than in El Salvador."

There is a widespread consensus that making development loans available to the current Guatemalan regime or establishing presidential dialogue between the two countries would send the wrong signal to Guatemala City. Numerous Latin American specialists criticized the hastily scheduled Reagan-Rios Montt meeting in Honduras.

With the legitimization that the loans would convey, and large sums of foreign ex-

change in hand, the Rios Montt government would see little reason to modify its "scorched earth" anti-insurgency tactics. Attempting to root out guerrillas, soldiers raid villages, killing peasants and burning their crops and homes. They have driven over 150,000 Guatemalans to seek refuge in Mexico and Honduras.

The Reagan administration has, over the past year, expressed its desire to renew direct military aid to Guatemala. Aid was refused in 1977 by an indignant Guatemalan government, angered by Carter administration criticism of its human rights record. Since that time, the toll of civilian deaths at the hands of the Guatemalan military continued to mount during the Romeo Lucas Garcia regime, reaching over 1,000 deaths per year. After a brief respite immediately following Lucas' overthrow last March, the scale of violence in the country has escalated.

During the summer of 1981, the Reagan administration urged Lucas to moderate his regime and to support a civilian candidate for the elections to be held on March 7, 1982. As an encouragement, the U.S. government permitted the commercial sale of $3.2 million worth of jeeps and other vehicles. The hope was that the elections would provide the long-awaited opportunity to overcome congressional and public opposition to the renewal of military aid, a priority of State Department hard-liners.

The elections were a disappointment to the U.S. Lucas Garcia supported the military candidate, Gen. Angel Anibal Guevara, who was awarded the victory by the outgoing Congress amid charges of fraud by the three opposing civilian candidates, Mario Sandoval Alarcon, Alejandro Maldonado Aguirre, and Gustavo Anzueto Vielman. Party leaders of the extreme right National Liberation Movement, (MLN), the moderate National Renovation and Christian Democratic parties, and the Authentic Nationalist Party were detained as they marched on the presidential palace to present document which, they claimed, proved that the vote was fraudulent.

The Reagan administration, however, immediately recognized Guevara's victory and sent a letter of congratulations to the palace.

Three days later, on March 23, young military officers staged a bloodless coup and installed Gen. Efrain Rios Montt as the leader of a three-man junta. All three of the members, Rios Montt, Gen. Horacio Maldonado Shaad, and Col. Francisco Gordillo, were associated with previous repressive regimes. Montt served as Army Chief of Staff under President Carlos Arana Osorio, who was known as the "Butcher of Zacapa" and directed a massacre in Sansirisay on May 27, 1973. Maldonado Shaad was also on Arana's staff. Under Lucas Garcia he was Chief of the Honor Guard and considered to be next in line for the Army Chief of Staff. Francisco Gordillo ordered a 1980 bombing on the convent and rectory in Morales, Izabal. He was also involved in campaigns in the departments of El Quiche and Chimaltenango in 1981 in which thousands of peasants were killed.

The backgrounds of these men were an ominous foreboding that the new regime would not hesitate to violate basic human rights, if necessary, in order to curb dissent. But the Reagan administration viewed their assumption of power optimistically, hopeful of an improvement of internal conditions in the country. Rios Montt's words of moderation and conciliation even raised small hopes at COHA, which adopted a wait-and-see position on Guatemala's new leaders.

The new regime summarized its goals in a fourteen-point program published on April 2:

1. To have citizens feel that the authority is now at their service, instead of the people being at the service of the authority.
2. To achieve the reconciliation of the Guatemalan family and thus contribute to the national peace and harmony.
3. To achieve individual safety and peace on the basis of an absolute respect for human rights.
4. To recover individual and national dignity.
5. To establish a nationalistic spirit and create the basis for the participation and integration of the different ethnic groups that compose our nation.
6. To achieve national economic recuperation within the free enterprise system and in accordance with the controls required by our national reality.
7. To eradicate corruption from the administration and stimulate the public employees to develop a genuine spirit of public service that may constitute the basis of a national government.
8. To stimulate a new vision focused on development, reform and nationalism within the different power groups that represent the activity of the country.
9. To make efficient use of the cooperation from other countries and international organizations to strengthen national integration and, at the same time, project towards the outside the challenges faced by the State.
10. To improve the quality of life to diminish the existing contradictions.
11. To restructure the electoral system to obtain a real democratic environment where political participation is respected and popular frustrations avoided.
12. To restructure the Judiciary Branch with the participation of the Bar Associations, in order to adapt it to the prevailing situations and make it ethnically, morally, and juridically functional.
13. To reorganize the administration in order to expedite the execution of government programs, make the bureaucracy efficient, control its functioning and eradicate administrative anarchy.
14. To reestablish the constitutionality of the country within a preemptory time with the purpose of letting the Guatemalan citizens learn their duties, responsibilities and rights in a free democratic process.

Although the program is vague, its words have been used by the State Department as indication of the new Guatemalan government's desire for reform. Armed enemies of the regime, however, had seen new governments come and go and are skeptical of Rios Montt's proposed reforms.

GUATEMALA GUERRILLAS

Unlike its counterpart in El Salvador, the guerrilla movement in Guatemala is mature, and very well organized. The first signs of armed opposition to the Guatemalan order appeared in 1962 when the Guatemalan Workers Party (PGT)—the Communist Party—declared support for armed struggle following massive urban demonstrations against then-President Ydigoras Fuentes. Members of various worker, student and political groups formed the Rebel Armed Forces.

Internal divisions over military and political strategy caused divisions within the FAR in the late 1960s, and in 1968, two groups, the Guerrilla Army of the Poor (EGP), and the Revolutionary Organization of People in Arms (ORPA), were established as spin-offs of the FAR.

The EGP and ORPA both made conscious efforts to attract the support of Guatemala's substantial Indian population. In fact, some of the leaders of the new organizations were Indians themselves and the groups devoted much of their efforts to activities in the western and northwestern highlands where the indigenous population is largest.

The EGP is by now the most important of the guerrilla organizations having solidified its presence and support in the Indian areas of El Quiche and Huehuetenango. ORPA operates in the provinces of San Marcos and Solola. FAR, which until recently limited its work to the vast Peten region, has begun to enlist support in Chimaltenango, a province much closer to the capital city. The effect of the PGT has been described by experts as negligible although the PGT is active in Guatemala City.

The guerrilla movement boosted itself mightily in February, 1982 with the announcement of a union of all four major groups into the Revolutionary Guatemalan National Unity (UNRG). Although the leaders of the four main rebel groups are Marxist, the February proclamation was written in moderate language in an attempt to win support from non-Marxist opposition groups, Guatemala's middle class, and business leaders.

Hoping to show that it sought a policy of national reconciliation, the new government promulgated an amnesty program in June. The amnesty ostensibly covered "political and related common crimes committed either as authors or accomplices by the persons who ... belong or have belonged to the subversive organizations. ..." But amnesty was also granted to the security forces, "who in compliance with their duties could have participated in anti-subversive actions. ..."

Though according to the government, 2000 rebels turned themselves into the police, the amnesty program was denounced as a "farce" by the guerrilla groups, who viewed it as merely a pardon for those responsible for repressive acts carried out under the Lucas Garcia regime. The guerrilla's claims are supported by the fact that the new government made no effort to prosecute military personnel involved in the carnage of the Garcia regime. Although according to a number of reports, high officers of the Lucas Garcia government were under detention, no move has been made to try any defendants accused of gross crimes. Skeptical forecasts that no action would be taken against the military officer corps, since their support was essential to those in government, were borne out. Some civilians were arrested on corruption charges, but none for human rights violations.

THE STATE DEPARTMENT MOVES TO HELP

At the same time, the State Department moved forward to legitimate the new regime. Stephen Bosworth, Deputy Assistant Secretary of State for Inter-American Affairs, went before the International Development Institutions and Finance Subcommittee of the House Banking Committee in strong support of the Rios Montt region. The August 5, 1982 hearings were held to consider the U.S. position toward the $18 million IDB loan to Guatemala for the rural telecommunications system.

In his testimony Bosworth emphasized that the Guatemalan government faced a

Cuban-backed guerrilla movement. He admitted that political violence continued in the countryside, but blamed it on the guerrillas. "Political violence in rural areas continues and may even be increasing," he said, "but its use as a political tactic appears to be a guerrilla strategy, not a government doctrine." As evidence of the guerrilla role Bosworth cited eyewitness reports of women among the attackers, embassy interviews with massacre survivors, and the use of weapons not in the army inventory. He also claimed that villagers were looking to the army for protection.

Bosworth also contended that the Rios Montt regime planned to carry out a $5 million work program for refugees of political strife. As further evidence of the new government's good will, Bosworth cited government invitations to Amnesty International, the OAS Inter-American Commission on Human Rights, and the United Nations Human Rights Commission to visit Guatemala and evaluate the situation. The Deputy Secretary claimed that the government was willing to negotiate with the guerrillas unconditionally, and that the guerrillas refused the proposal.

According to Deputy Assistant Secretary of State for Human Rights Melvin Levitsky, who also testified before the committee, concurred with Bosworth. He admitted that violence continued in the Guatemalan countryside, but attributed much of it to the guerrillas. "It is no small matter," he said, "that public statements and actions by the government seem to have changed the image of the government from one that engaged in indiscriminate violence to one that not only does not condone such violence by the government forces but is acting to end it."

Bosworth's contentions differ radically from the views expressed by non-governmental observers of developments in Guatemala. Very few believe that the guerrillas are responsible for more than a small fraction of the violence against civilians. Indeed, rather than looking to the army for protection, Indians who have taken refuge abroad maintain that the security forces threatened their lives.

The Guatemalan government has not, in fact, shown any desire to carry on a dialogue with the opposition. Official statements indicate that the government will continue to counter the unrest with force.●

THE DEATH OF MARJORIE GUTHRIE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. CONTE. Mr. Speaker, I would like to take this opportunity to note with sadness the passing of one of the Nation's foremost health crusaders, Marjorie Guthrie. Although she made great strides in her lifetime against her family's enemy, Huntington's chorea, she lost a long battle with cancer this weekend.

My friendship with Marjorie goes back many years. Her son Arlo, a constituent of mine, has written my campaign songs, and she and I have worked shoulder to shoulder to insure adequate funding for the National Institute for Neurological and Communicative Disorders and Stroke (NINCDS). Through her work, she hoped that fewer Americans would suffer through debilitating and degenerative diseases needlessly.

Just as her late husband Woody's songs invoked the spirit of this great country, Marjorie Guthrie's battle against the causes of Huntington's chorea represented what has made this Nation strong. Singlehandedly, she founded the Committee to Combat Huntington's Disease and made it into a viable and compassionate organization. Her hope all along was to alleviate suffering in Huntington's disease victims and their families. Our hope is now that her suffering has ended, her battle will still be carried on.

I am inserting for the RECORD her obituary from yesterday's New York Times.

MARJORIE GUTHRIE, SINGER'S WIDOW, 65

Marjorie Mazia Guthrie, who began her career as a dancer but who, in the last 15 years of her life, devoted herself to creating an awareness of Huntington's chorea—a disease that killed her husband, the folk singer Woody Guthrie—died of cancer at her home yesterday. She was 65 years old, and lived in Manhatten.

At the end of her life, Mrs. Guthrie was working on a plan, through the foundation named for her husband, to establish a neurologic wing for research and care at the Helen Hayes Hosptial in Haverstraw, N.Y. Huntington's Chorea is hereditary and leads to a protracted deterioration of the brain.

In 1967, after the folk singer died, Mrs. Guthrie founded the Committee to Combat Huntington's Disease. It was her hope that treatment would be made available, a cure would be found and families afflicted by the disease would be assisted.

IMPACT ON HER OWN FAMILY

In her own case, once the full impact of Mr. Guthrie's illness on herself and her family was felt, Mrs. Guthrie divorced her husband. She continued to care for their three children and spent much time with him in various hosptials. She taught him to communicate by blinking his eyes, after he had lost control of his other muscles.

"We agreed that we didn't need a piece of paper to hold us together," Mrs. Guthrie told an interviewer in 1977. "I never really divorced him in my heart and in my actions. Divorce was an opportunity for me not to be financially responsible for his hospitalization."

She raised money to pay for publication of the first bibliography of articles on the disease, by the University of Leiden Press in the Netherlands. Through her committee, families in which the disease was present were identified. The first year there were six; now there are almost 10,000.

Mrs. Guthrie was also instrumental in creating the World Federation of Neurology's Research Commission on Huntington's Chorea. She headed a Federal commission for control of the disease in 1976 and 1977, and lectured to medical students about the illness and how it affects the patient and the patient's family.

She also headed the public and governmental information committee of the National Committee for Research in Neurologic and Communicative Disorders, was a member of the New York State Commission on Health Education and Illness Prevention and of the state's Genetic Advisory Committee, and was a lay member of the advisory council of the National Institute of General Medical Service.

Mrs. Guthrie danced with Martha Graham in 1935, under the name of Marjorie Mazia, and became Miss Graham's first assistant in the Graham School of Dance, a position she held for 15 years.

In 1975, Mrs. Guthrie married Martin B. Stein, who was vice president of the Committee to Combat Huntington's Disease. He has since died.

Mrs. Guthrie is survived by two sons Joady and the folk singer Arlo Guthrie; a daughter, Nora Rotante; three brothers, Herbert Greenblatt of Pompano Beach, Fla.; Dave Greenblatt of New York and Bernard Greenblatt of Las Vegas; a sister, Gertrude Mazia of Berkley, Calif., and six grandchildren.●

H.R. 1718

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. SYNAR. Mr. Speaker, on Thursday, March 3, the House passed the emergency supplemental appropriations bill, H.R. 1718, which was designed to create jobs and provide humanitarian assistance to the millions of unemployed in this country. Although the bill did not go as far as I would have liked to solve our long-term employment problems, I supported it as a sound first step to stimulate jobs and ease the present suffering of the jobless and their families.

Unemployment is running at a national average of 10.4 percent, leaving about 11 million Americans without a means of providing for their families. Our urban industrial areas were first hit by severe unemployment rates several years ago as the deep recession lingered and plants had to lay off workers due to limited business activity. Pockets of high unemployment have also been springing up in the last year or so in areas which at first had been spared the suffering of unemployment. In Oklahoma, 19 counties now have unemployment rates that are higher than the national average—10 of those counties are in my district.

After closely examining this bill, I was pleased to see that funds were included which will be of great help to our rural areas. The measure includes $1.25 billion for the community development block grant with 30 percent of the first $1 billion to be spent on projects in small cities and rural areas. Funds were also included under the Farmers Home Administration for grants and loans to construct sewer and water systems in rural areas—$200 million in grant funds and $600 million for new loans. In addition, $39 million was appropriated to provide water supplies and waste disposal facilities for

Indian homes, and water and sewer system for Indian communities. The Soil Conservation Service would receive $175 million under this bill for projects to prevent flood damage and for watershed protection and repair. I was happy to see $200 million provided in the bill for Economic Development Administration (EDA) programs and $15 million for resource, conservation, and development (RC&D). Both programs had been slated for elimination by the administration.

Congress has a responsibility to do what it can to ease the suffering of the unemployed and their families, even in the face of our current budgetary constrants. In particular, I supported the inclusion in the bill of $150 million for the low-income home weatherization program and $225 million for emergency food and shelter services for the unemployed and needy.

The final House-passed bill appropriated $4.9 billion to create jobs and to provide humanitarian help to the jobless. The bill also included about $5 billion for the unemployment compensation trust fund which needed funds to be able to provide benefits under the existing unemployment compensation program. No changes were made in the existing program. But, due to the persistent high unemployment rate, additional funds were needed to continue payment of the Federal share of unemployment compensation through the end of fiscal year 1983 and to continue to give loans to States that are unable to make all their regular payments under the program.

As I mentioned earlier, I supported this bill because it was a sound first step in providing jobs and helping ease the pain of the unemployed. But, I believe this bill is a far cry from an overall solution to our unemployment problem. We need to invest in a program to attack our chronic unemployment through increased funding for education and training. The bill deals with the immediate problem, but it is limited—best estimates are that it will provide only about 600,000 jobs. With 11 million Americans out of work, we have to do more. To be fair, we need to provide programs to train and educate our workers to give them hope of providing for their families over the long term.

I am encouraged by the debate in Congress right now on additional measures which will provide education and training programs for the unemployed. Although we are all concerned about our budget deficits and that any future measures must be fiscally sound, I believe that one of the best investments we can make is in the American worker. This bill takes a step in the right direction, but our work is far from over. Let us follow up this effort with responsible measures to provide hope for our workers in their future with programs offering training and education opportunities for their long-term job stability.●

"SALUTE TO BABIES," FOR THE MARCH OF DIMES

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mrs. COLLINS. Mr. Speaker, on April 7, 1983, Dr. Effie O. Ellis, a most distinguished physician and quality-of-life consultant in Chicago, will be the leader of a community-wide effort to improve maternal and infant health care. The event, for the benefit of the March of Dimes Birth Defects Foundation, is called the "Salute to Babies" banquet.

Dr. Ellis, who authored the "salute" theme, said that a salute to babies is in reality a salute to the future. I heartily agree, for the following reasons.

While Dr. Ellis' career and contributions to the field of medicine have been recognized worldwide, her greatest satisfaction has been in serving the people of her city, State, and country. On the Federal level, she has been the medical director of the U.S. Children's Bureau, region 5, and a member of the White House Conference on Children and Nutrition. Most recently, Dr. Ellis has been appointed to the Illinois Governor's Task Force on Children and Youth. In Chicago, she has been a long-valued consultant to the city's department of human services. She has also helped the March of Dimes launch parenting education programs in many States—22—across the Nation.

There is no question that our country suffers from tragic figures regarding infant mortality. According to figures from the U.N. Statistical Office, 11.7 babies per 1,000 live births do not live past the first year of their lives in the United States, compared to countries like Sweden where the infant death rate is only 6.7. In urban areas such as Chicago, the statistics are much more bleak. The infant mortality rate there is 20.6 per 1,000 live births.

This national tragedy need not occur. According to Dr. Ellis and the March of Dimes, the development of the individual begins at conception, but the quality of life of that individual when he or she is born actually begins with the parents.

I do not think that anything can be done until all of us realize that education is the key to the prevention of birth defects. The problem requires the knowledge of our whole society. Schools, being the institutions touched by everybody, are the appropriate places to focus on encouraging healthy babies and healthy mothers.

The value of the "Salute to Babies" under the chairmanship of Dr. Ellis simply cannot be calculated. But, as explained in the statement of purpose developed by the banquet's steering committee: "We are coming together to exercise leadership, take responsibility, raise funds and unite our efforts towards improving the quality of life from the very beginning."

I urge you to join Dr. Ellis and me in supporting the March of Dimes' "Salute to Babies" on April 7, and to commit to the strongest possible attack against our country's most tragic child health problem.●

THE PEOPLE'S PARADISE

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. FIELDS. Mr. Speaker, some form of socialism/communism is dominant in many nations and every continent. The idea of socialism is especially attractive to intellectuals who are able to maintain a comfortable distance from actual Socialist practices.

Though socialism is a god that fails continuously, and causes more human suffering and tragedy than any idea or practice in history, there are those who stubbornly cling to its high-minded idealism. They religiously close up their eyes to the reality that the Socialist promise of instant utopia brings only the tyranny of a real dystopia.

It is for them that the following glimpse of reality is provided:

[From the Washington Inquirer, Mar. 11, 1983]

SOCIALIST DISASTER IN BLACK AFRICA

(By Allan C. Brownfeld)

Nigeria's mass expulsion of more than 2 million alien workers is one more example of the economic disaster which is facing the countries of black Africa. In the past year there have been food riots in Sudan, Malawi and Madagascar. Tanzania is on the brink of bankruptcy. Ghana, whose government has been turning to communist models of economic planning, has seen its foreign currency reserves drop to zero. Ghana's factories are crippled by the lack of raw materials. Cocoa production has declined to half its peak. The finance minister, Kwesi Botchway, indicated in a speech in December that the government will continue its policy of price controls. He outlined a plan to set up "people's shops" to sell food and other essential items. He envisions continuing roles for recently developed Workers' Defense Committees and People's Defense Committees. And so it goes.

The foreign debt of Africa's 45 black-governed nations is more than $60 billion—far out of proportion to what they take in from aboard. Foreign earnings in 1981 totaled some $28 billion, a drop of $1 billion from 1980. Deficits have already forced Sudan, Malawi, Zaire, Zambia and other nations to work out new debt-repayment schedules

with such institutions as the International Monetary Fund. Six others, including Ghana, are involved in similar negotiations.

Bela Balassa of the World Bank, in a study of ten underdeveloped countries, shows that countries pursuing a socialist and protectionist economic policy have fallen far behind those countries pursuing a free market and free trade approach. He compares two African states—Ghana and the Ivory Coast.

In Ghana, import substitution policies encouraged inefficient, high-cost production in manufacturing industries. Taxes on Ghana's main export crop, cocoa, discouraged its production and other crops were adversely affected by Ghana's overvalued exchange rate. The Ivory Coast—following far different policies—increased its share of cocoa exports, developed new primary exports and expanded manufacturing industries by following less protectionist policies. Mr. Balassa claims that "differences in the policies applied may largely explain why, between 1960 and 1978, per-capita income fell from $430 to $390 in Ghana, compared with an increase from $540 to $940 in the Ivory Coast in terms of 1978 prices.

Dr. Melvin B. Krauss of the Hoover Institute points out that, "Since independence in 1957, Ghana has reeled through five military coups and three civilian governments. Ghana would appear to be an example par excellence of a Third World country where socialism and the welfare state have made totalitarianism a recurrent aspect of political life. Kwame Nkrumah, who was the acknowledged father of African nationalism, also was the father of his country's devastated economy. Mr. Nkrumah's plan . . . was to make the nation economically independent . . . by producing locally everything that up to then had been imported. State-owned factories soon were spinning cotton, sewing clothes, canning food, rolling steel and bottling gin. Nkrumah, in other words, got things off on the wrong—that is, left—foot by a policy of statism and cutting Ghana off from the International economy."

Nkrumah spent heavily on a huge dam, a harbor and shipping fleet, an airport, an airline, roads and bridges, public housing, health facilities and free schools. He nationalized gold mines, plantations, department stores, the cocoa marketing board, even Accra's laundries. Dr. Krauss declares that, "The unhappy results, destruction of the economy, were predictable, though the obvious appeared to have escaped Nkrumah and his socialist supporters."

Under Nkrumah's socialism gold production fell by two-thirds since independence, and state mines are now losing $7 million a month. In 1962 Nkrumah's government nationalized Ghana's tobacco plantations. Tobacco production this year is expected to be about one-tenth what it was in 1974. "We're paying for their mismanagement," says one Ghanian official. "A state industry can always accommodate its own incompetence." Ghana's cocoa crop, for 67 years the biggest in the world, is expected to fall to about 270,000 tons this year from 440,000 soon after independence.

The Wall Street Journal notes that, "No industry has suffered from government enthusiasm—in Ghana and almost every other country in Africa—quite so much as agriculture. To keep their politically unsettling city dwellers content. African leaders for years have held food prices low by paying their farmers little. The farmers, with that kind of incentive, are leaving the land and heading for the cities themselves. Food production has fallen . . . as a result."

Those states in the underdeveloped world which have been progressing economically—Taiwan, Singapore, Hong Kong, South Korea—have embraced the philosophy of the free market. Those states which have followed the socialist economic pattern—Ghana, India, Tanzania, Cuba, Pakistan—have been economic disasters. Economist Milton Friedman states that, "In the Far East, Malaysia, Singapore, Korea, Taiwan, Hong Kong, and Japan—all relying extensively on private markets—are thriving. Their people are full of hope. An economic explosion is under way in these countries. As best such things can be measured, the annual income per person in these countries in the late 1970s ranged from about $700 in Malaysia to about $5,000 in Japan. By contrast, India, Indonesia, Communist China, all relying heavily on central planning, have experienced economic stagnation and political regression. The annual income per person in those countries was less than $250."

Now, those mismanaged African states—such as Ghana—are asking the U.S. and other Western countries to bail them out. The best thing we can do for such countries is to give them the benefits of our free market system, not provide them with additional dollars to fritter away. As long as socialism—in one form or another—characterizes their economic organization, their decline will continue. "There is not a single case," states Dr. Krauss, "where a left-wing authoritarian regime produced anything but economic dislocation, ruin and stagnation. Cuba, Tanzania, Jamaica are all economic busts . . . the biggest obstacle to the economic development of the Third World is big government."●

A TRIBUTE TO ALAN B. DEUTSCHMAN

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. RINALDO. Mr. Speaker, I would like to invite my colleagues to join me in paying tribute to Alan B. Deutschman of Marlboro, N.J., and the other State winners of the 1983 Voice of Democracy contest conducted by the Veterans of Foreign Wars of the United States and its ladies auxiliary. As in past years, the winning contestant from each State was brought to Washington, D.C., to be honored by the sponsoring organizations.

Alan, a 17-year-old senior at Marlboro High School in New Jersey's Seventh Congressional District, was one of the more than 250,000 talented secondary school students to compete for the five national scholarships awarded as top prizes. As the New Jersey winner, he was 1 of the 50 contestants invited to the Nation's Capital for the final round of judging.

Because it represents an outstanding effort by an exceptional young man, I would like to share Alan's speech with my colleagues. It was judged the best of the entries from New Jersey and one of the best in the Nation.

YOUTH—AMERICA'S STRENGTH

(By Alan B. Deutschman)

To run faster than anyone has run before. To jump higher, to throw further, to do what has never been done. These are the goals of America's young athletes as they compete in the Olympic games. America's young men and women strive for greatness, attempting to reach new dimensions in athletic achievement.

The spirit of these young athletes is the spirit of American youth: striving for their inner best, trying to equal the achievement of past generations and surpassing them with new displays of brilliance. It is this spirit which is always driving America to seek the ideal, the best that can be done. It is this spirit which makes Youth—America's Strength.

Oscar Wilde observed, "The youth of America is their oldest tradition." If we look at the history of our young nation, we can see the spirit of American youth in action.

America was founded as a new nation, built on new ideas, a young challenger to the mighty British empire. The young people of America, like their young nation, have never turned away from a challenge. Since our nation began American youth has always sided with the underdog, unafraid to buck the odds and to try what has never been done.

As the young nation grew older, America settled the western frontier. The pioneering spirit was born in America's young, the spirit of the cowboy in the Wild West: brash, rowdy, adventurous, daring, blazing new trails and opening up the great frontier.

The spirit of the young American cowboy later became the morale of the young American GI soldier as our nation fought two World Wars to defend our ideals and to fight tyranny. In war the youth of America became the hope of the nation, the people to get the job done and restore peace to the world.

As America entered more recent times, new frontiers began to open. A young president with high ideals told the world that an American would walk on the moon, and sure enough America conquered the frontier of space as it had conquered the frontier of the West.

Today, young Americans are giving the nation new ideas and new solutions to vital issues such as world peace, the environment, and energy. Young Americans led the Ground Zero Week program to inform the world about the horror of nuclear war. It is young Americans who lead movements to conserve energy for the future and to save our endangered environment. The young see old problems with a fresh, inventive approach. Their spirit is best reflected by the words of Robert Kennedy, who said that some men look at things that have been and ask why—I dream of things that never were and ask why not?

Adventurous, bold, daring, inventive—the spirit of American youth. Seeking new ideas and new solutions, American youth is the hope of the future.

The Olympic athletes equalled the records set in past years and then surpassed them, setting new records and achievements. In the same manner, America's youth must take the ideals and achievements of past generations and create a new world, fulfilling the dream of a better tomorrow. And like the young Olympic athletes, America's

youth must be a showcase to the world of America's strength.●

AN UNJUST ATTACK ON CHILDREN

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. FORD of Tennessee. Mr. Speaker, I would like to take this opportunity to discuss with my colleagues what I consider to be an unjust attack on the viability of this country's future. That attack is occurring in the form of budget cuts for child nutrition programs.

Mr. Speaker, if President Reagan was as committed to the betterment of our national security as he claims, he would be increasing and not reducing funding levels for child nutrition programs. I believe that a nation that fails to invest in all of its young, is jeopardizing its real national security.

We are all aware of the fact that a healthy body must coexist with a healthy mind in order for a child to maximize his learning potential. Study after study has shown the correlation between a child's nutritional intake and his ability to learn.

It is evident from past and present actions that the administration does not recognize the importance of this correlation. Rather, under the guise of improving national defense and reducing budget deficits, President Reagan has continued his assault on our Nation's greatest resource, our youth, by drastically reducing funding for essential nutritional programs.

In 1981, child nutrition programs suffered heavily under the Reagan budget ax. The school lunch program was cut by 30 percent, or by $1 billion a year, for fiscal year 1982. These cuts were achieved primarily by lowering eligibility requirements for free and reduced-price meals, and by reducing Federal subisidies for school lunches.

In addition, the school breakfast program was also cut by about 20 percent, and the summer food service program by about 35 percent.

In 1982, the administration once again proposed deep additional cuts in the school breakfast, child care food, and summer food service programs. As a result of these cuts, the number of participating children in the school lunch program fell by over 3 million. Thirty-five percent of the decline came in the free and reduced-price categories.

Ironically, while the President was busy cutting funds and tightening eligibility requirements, the economic situation continued to worsen, causing an increase in the number of newly poor and unemployed parents whose children would now require free or reduced school meals.

For fiscal year 1984, the Reagan proposals for child nutrition programs do not depict a brighter picture. The new cuts proposed by the administration are directly aimed at those who can least afford these cuts—low-income children. Included in the administration fiscal year 1984 proposals are:

First, repealing the school breakfast program, the child care food program, and the summer feeding program, and replacing them with a general nutrition assistance grant at greatly reduced funding. These programs play a vital role in the Federal effort to protect the nutritional health and well-being of our children. The implementation of this block-grant approach would be an abdication of Federal responsibility to provide nutritional assistance to our children.

Second, a 6-month delay in cost-of-living adjustments in school lunch reimbursements. The administration's rational for this proposal is that this program was overindexed from 1978 to 1982. However, the administration has ignored the fact that school lunch programs are not indexed to the consumer price index, but are adjusted to reflect changes only in food prices. This program was not overindexed during this period. In fact school lunch reimbursements were cut during this period as a result of successive rounds of budget cuts in 1981 and 1982.

Third, raising the price of reduced-price lunches, and finally,

Fourth, requiring families to apply for free and reduced-price lunches through food stamp offices. I find this last provision particularly disturbing. Millions of the children receiving free and reduced-price lunches come from families that do not participate in the food stamp program. Requiring them to register at the food stamp office may cause many children to drop out of the program because their families are too proud to deal with welfare authorities.

It is clear that the administration lacks compassion for our children. They want to degrade and dehumanize the families involved so that their children will not participate in what the administration believes is welfare program. The school lunch program and child nutrition program is not a welfare program; rather, it is truly an investment in our future.

Mr. Speaker, it is unfortunate that the Reagan administration has singled out our youth to bear the burden of misguided policies. It is even more unfortunate that some of these children, because of their impoverished situation, are lacking in the most basic human necessities. It is our responsibility as Members of Congress to take the plight of the Nation's children into our own hands. We must make sure that they are provided for, so they will have a chance to grow up and become productive citizens. We owe at least that much to them, and to our country.

I urge my colleagues not to accept the administration's budget proposals for child nutrition programs.●

AID TO ISRAEL A REAL BARGAIN

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. SUNDQUIST. Mr. Speaker, today I want to call to the attention of my colleagues an enlightening editorial article that appeared early this year in the Intermountain Jewish News. This editorial, which was based on a study conducted by my good friend and colleague, the honorable Senator from Minnesota, RUDY BOSCHWITZ, I insert at this point in the RECORD.

AMERICAN AID TO ISRAEL THE BARGAIN BEHIND THE BLUSTER

In a recent study, Rudy Boschwitz of Minnesota has put the issue of American aid to Israel in perspective. How much is Israel really costing America? Is it worth it? Is Israel a burden or a bargain? Senator Boschwitz has unscrambled the statistics and penetrated the bureaucratic jargon to reveal the following:

The United States lays out in "foreign aid" to Israel a sum which amounts to about ¼ percent of what the United States lays out to Great Britain, France, Italy, and West Germany. This year, when Israel will get about $3 billion, NATO countries will get $50 to $80 billion—but you never hear about it. This is because in the wonderful world of bureacracy the money sent to Israel is called "foreign aid." It is quietly stored away in the defense budget.

A few more facts: Israel pays back upwards of one-half of the American aid it gets, while NATO pays back nothing. This year, for example, Israel will be paying out $900 million in accumulated principle and interest on previous American loans, which means that the actual cash outlay to Israel from America this year will not be $3 billion, but about $2 billion. Furthermore, of that $2 billion, all of its defense-related portion will be spent in the United States, thereby creating jobs not for Israelis but for Americans. By contrast, the money which the United States spends on NATO creates jobs for both American soldiers and for one million Europeans.

What is America getting for the money it sends to Israel? It gets the latest intelligence information on the latest, most advanced Soviet weaponry. Israel, not NATO, is supplying the United States with this information. Israel, not NATO, is keeping the Soviet Union out of the Middle East—as convincingly demonstrated last June by the Israel Air Force's utter rout of Soviet-armed Syrian attempts to overtake Lebanon. And Israel is doing this with just a few percentage points of the aid which America ships overseas.

What is more, Israel is no drain on American trade. While Japan has an $18 to $20 billion positive trade balance with the United States, Israel has a consistently neg-

ative trade balance with the U.S. This means that the money which America ships to Israel for economic assistance eventually finds its way back to America in the form of Israeli imports of American goods.

You hear a lot about Israel having received around $20 billion in aid from America in the last 10 years. The figure is accurate. What you do not hear is that NATO will receive about six times that amount for the next (1983) fiscal year alone. And NATO does not pay back, while Israel pays back about 50 percent of the aid it receives.

Furthermore, Israel is basically paying its own way, using American aid simply to supplement what is the highest per capita defense budget in the world, while Japan, Italy, France, and West Germany consistently underspend America not only in absolute terms but also in the degree of GNP devoted to defense. NATO countries are asking America to do a job which NATO should be doing a lot more of itself, while Israel is simply asking for supplementary help.

Consider this, too: Israel receives only American money, while NATO receives American money and men. When Israel fights Soviet proxies (such as Syria) in the Middle East, it is Israeli soldiers who die, while for NATO it is American soldiers who defend Europe.

Take it all around, American aid to Israel is a bargain: Israel doesn't take much; what it does take it either spends in America or pays back to America in trade; and in return for its aid to Israel, America gets an ally which not only talks but acts to keep the Soviets out of the Middle East, and also keeps democracy alive in the Middle East. Take it all around, American aid to Israel is a bargain.●

THE END OF MANDATORY RETIREMENT

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. PEPPER. Mr. Speaker, last week the House of Representatives voted to make several very important reforms to the social security system. These reforms were necessary in part because there are fewer and fewer older Americans who are able to remain in the work force in their later years. There are many reasons for this, but one important cause of early retirement is age discrimination.

Today I am introducing legislation to abolish mandatory retirement and other forms of age discrimination in employment. I am joined in this effort by EDWARD R. ROYBAL, the chairman of the House Select Committee on Aging, and MATTHEW RINALDO, the ranking minority member of the Aging Committee. A companion bill is also being introduced by Senator HEINZ, chairman of the Senate Aging Committee, and Senator GLENN, the ranking minority member of the Senate Aging Committee.

This bill is a very simple amendment to the Age Discrimination in Employment Act of 1967. It merely removes the upper age of 70, thereby extending all protections of the act to workers age 70 and older. The bill does include a temporary exemption for tenured faculty of universities and colleges to allow the academic system to adjust to the elimination of mandatory retirement.

We know that age discrimination in employment is a major problem. In fiscal year 1982 the Equal Employment Opportunity Commission, which is charged with enforcement of the Age Discrimination in Employment Act, received more than 11,000 charges of age discrimination. This represents more than a 100-percent increase in charges filed since 1979.

The public is aware of age discrimination in employment and most Americans favor its elimination. In recent national surveys conducted by Lou Harris & Associates for the National Council on Aging, 8 of 10 Americans indicated that "most employers discriminate against older workers." In a 1981 survey of employers nationwide, conducted by William M. Mercer, Inc., it was discovered that 61 percent of these employers believed "older workers today are discriminated against in the employment marketplace." Opposition to age discrimination is strong. In the Lou Harris survey 9 of 10 Americans reportedly oppose age discrimination in the form of forced retirement because of age. And, this sentiment has grown stronger in recent years.

Age discrimination contributes to unemployment and other financial and psychological problems of older Americans. A study conducted by the House Select Committee on Aging in October 1982 found that unemployment among workers age 55 and older is growing faster than among all other age groups. Moreover, once unemployed, older workers remain out of a job much longer than younger workers. And, those age 60 and older are three times as likely as all other adults to give up and withdraw from the work force once they have become unemployed. As a result, there are more than 334,000 "discouraged" workers over the age of 55. When these discouraged workers are added to the "officially unemployed" the number of jobless older persons rises to more than 1.1 million.

Age discrimination prematurely severs older workers from their livelihood and from a sense of identity and identification with their community. It also creates economic havoc. Older workers who have become unemployed suffer from lower wages and lower job status if they are able to reenter the work force at all. Each additional year of unemployment costs an older worker $50 a year in reemployment wages. Thus, an unemployed worker with 30 years seniority will lose $1,300 more in wages upon reemployment than a similarly situated worker who had only 10 years seniority.

No legislation can completely solve a problem as pervasive as age discrimination in employment. The attitudes of employers and the public at large must be changed to reflect the changing realities of a more productive, capable and willing older worker. Negative stereotypes still abound and until these are eradicated we will be forced to contend with age discrimination in the workplace.

But research clearly shows that if we enact legislation to abolish mandatory retirement by the year 2000 more than 195,000 older workers will be able to remain in the work force. This simple change alone would add several billion dollars a year to the social security fund. According to official estimates by the Social Security Administration, the elimination of mandatory retirement would help to solve the long-term financing problem of social security. Removing obstacles that face older workers is a much better way of solving social security's problems than either raising the entitlement age, as was done in the House-passed legislation last week, or of reducing future benefits. The elimination of obstacles is a much more humane way to deal with declining labor force participation among older workers than the punitive measures that are included in the social security legislation.

Despite the widespread support for the elimination of mandatory retirement, there are critics of this legislation. Some members of the business community believe that the Age Discrimination in Employment Act provides too many rights to older workers. We have heard arguments that the right to a trial by jury, for example, provides a bias in favor of an older worker who brings a legal action against his employer. There is not a grain of evidence to support this allegation and certainly no evidence to suggest that older workers should be denied a fundamental right that is offered to all other Americans in most other parts of the law.

Another argument by some members of the business community is that damage awards allowed under the ADEA are unfair. The "liquidated damage" award allowed by the ADEA is based on that available under the Fair Labor Standards Act of 1938. Plaintiffs are entitled to such damage awards only if they can prove that the employer willfully violated the ADEA. This is also a reasonable protection and is not unfavorably biased against employers.

The legislation I am introducing today would not affect any of the basic protections that exist in the ADEA. It would merely expand the number of older workers who are protected by the act. Removing the upper

age limit in the ADEA would add approximately 840,000 workers age 70 and over to the 28 million workers—age 40 to 70—now covered by the act. This would be a 3-percent increase in the number of individuals protected against age discrimination in employment.

Some would argue that eliminating mandatory retirement, particularly in a time of high unemployment, would have adverse effects on older women, minorities and youth. The data refute this. The Labor Department found that the raise in permissible mandatory retirement age to 70, as was accomplished by our 1978 amendments, resulted in only negligible effects on women, minorities and youth and that abolishing mandatory retirement would have a similarly minimal impact. According to the Labor Department:

> The estimated additional number of comparable age 65 workers are potential competition for less than one-quarter of one percent of all full-time workers age 16-24; less than one-half of one percent of all full-time black workers age 16-59; and around one-tenth of one percent of all full-time female workers age 16-59.

Another argument is that eliminating mandatory retirement would inhibit promotional opportunities for younger workers. Again, the findings of the Labor Department refute this idea. One study reports that a 10-percent increase in the labor force participation rates of men age 65-plus—twice the projected impact of eliminating mandatory retirement—would delay, on average, promotions at the highest ranks by only one-half year, while at the lower ranks individual promotions would be retarded by approximately 5 to 10 weeks. These are insignificant effects, especially when weighed against the harmful consequences of forced retirement based on age.

There is, however, one group who face unique employment circumstances and who are, therefore, temporarily exempted from the protections of this legislation. These are tenured faculty of universities and colleges who, because of their unique "tenure" system face a very different employment situation than most other workers. Arguments by representatives of both the academic institutions and faculty indicate that eliminating mandatory retirement at this time would be a significant threat to the tenure system and to academic freedom. This threat is compounded by the unique demographic situation facing colleges and universities, a situation which will diminish in importance over the next 15 years. Therefore, this bill includes an exemption for tenured faculty for the next 15 years, after which faculty will be extended all the protections of the ADEA after the age of 70. No other employment situation is comparable to academic institutions. Therefore, an exemption for any other group that is not already provided by the ADEA would be unacceptable.

It is my great hope that this legislation can be enacted as swiftly as possible. There are many thousands of older Americans who are capable of working and would like to remain productive members of their society. This legislation will open doors for these people, allowing them to make important contributions to the economy, to their own personal well-being and to the social security system.

The text of the bill follows:

H.R. ——

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Age Discrimination in Employment Amendments of 1983".

SEC. 2. Section 12 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 631-634) is amended—

(1) in subsection (a) by striking out "but less than 70 years of age",

(2) in subsection (c)(1) by striking out "but not 70 years of age,", and

(3) by adding at the end thereof the following new subsection:

"(d) This Act does not prohibit the compulsory retirement of any employee who attains, before July 1, 1998, 70 years of age and who is serving under a contract of unlimited tenure (or similar arrangement providing for unlimited tenure) at an institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).".

SEC. 3. This Act and the amendments made by section 2 shall take effect on January 1, 1984, except that with respect to any employee who is subject to a collective bargaining agreement—

(1) which is in effect on March 14, 1983,

(2) which terminates after January 1, 1984,

(3) any provision of which was entered into by a labor organization (as defined by section 6(d)(4) of the Fair Labor standards Act of 1938 (29 U.S.C. 206(d)(4)), and

(4) which contains any provision that would be superseded by such amendments, but for the operation of this section,

such amendments shall not apply until the termination of such collective bargaining agreement or January 1, 1987, whichever occurs first.●

"VOICE OF DEMOCRACY" CONTEST

HON. JERRY HUCKABY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. HUCKABY. Mr. Speaker, as Members of the House know, the Veterans of Foreign Wars and its ladies auxiliary conduct the nationwide "Voice of Democracy" contest. This contest for high school students attracted over 250,000 entries from over 8,000 high schools this year.

I am honored that the State winner from Louisiana, Mr. Robert S. Hurst, is from West Monroe, La., in my district. Rob, who attends West Monroe High School, has established a commendable record of achievement.

In reading Rob's winning speech, I was impressed with his thoughts about America's young people, and their spirit. I would like to commend his speech to the attention of the House:

ROBERT S. HURST'S WINNING SPEECH

To be sixteen, a senior in high school, and a future adult is a scary thought, especially when the future of your family, community and country will rest upon your shoulders. That's why we, the youth, can be America's weakness or strength. In high school we take Civics, American History, Free Enterprise and American Government. What do most of the youth that come out of high school know? They know we have 9 supreme court justices, 100 senators, 435 congressmen, and that George Washington was our first President and not much more. A very discouraging thought when a lot of adults pass on to their children that there is absolutely nothing we can do about government. So why worry abut E.R.A., human rights, Soviet-U.S. relations, and defense spending? Let me just worry about my problems and everything will work out just fine.

The 1970's were deemed the "ME" decade. People went on diets, went to health spas, and jogged to improve themselves. The slogan of the army, "Be all that you can be," became the religion of the 70's. This was a far cry from the 60's when the youth searched for a cause to fight for, whether it had been to save the whales or stop the Vietnam War. It might not have been something upon which we all agreed, but you could be sure that someone was somewhere picketing about it. It seems that the present-day growing culture of narcissism has been smothering the idea that maybe we should have some cause to fight for. One rarely does this now unless he is striking for higher wages.

In Greek Mythology there was once a beautiful young boy who while walking along a spring one day, noticed himself in the water and fell in love with his reflection. He just stood there until he pined away and was transformed to the flower Narcissus. Have we, the youth, literally fallen in love with ourselves? Surely his fate won't be our future.

The 80's are spawning an era of new conservatism. The doubts and fears of the 60's and 70's seem to be slowly dissipating. Though the drug, alcohol, personal and political problems are still very apparent, we do seem to care. We seem to have a better understanding of ourselves as individuals and don't need to take off a couple of years after high school to find ourselves. We know better what we want from life and how to get it. Our lives aren't aimless and we are determined to do something within the framework of our existing society. With this new self-awareness, "ME" isn't coming first all the time.

This is shown in the drastic increase of volunteer work. One group of students literally became big brothers and sisters to a local orphanage when they raised money to take the children to ball games and the circus, a chance they wouldn't have had otherwise. Others raised money for Muscular Dystrophy with a dance marathon, while many students devoted countless hours toward the Special Olympics. The list goes on. We are also becoming involved in our nation's political process. One high school

declared a Unity Day for the American hostages in Iran, and believe it or not, Reaganomics is meaning more than something we heard on TV during a news brief.

This new light, this light that is beginning to shimmer in the 80's, shows us we can improve ourselves as well as our society, a society with one of the few governments in the world that is of the people, by the people, and for the people, a government where its youth have fought and died to preserve the freedoms we now have. Our youth are the only real strength and hope America has. For in our history the youth have at times gone astray, but if you could ask us now whether we would rise to the problems at hand, we would turn around and say without hesitation and with the strength of 200 years of the ideals of democracy behind us that "We will."●

FOREIGN TRADE POLICY

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. MOLLOHAN. Mr. Speaker, I appreciate this opportunity to speak to the Members of the House on an issue of critical importance to me, to the residents of the First District of West Virginia, and to every American citizen. This issue is our foreign trade policy. While the steel mills and coal mines of the West Virginia panhandle, are over 6,000 miles from Japan, our foreign trade policies bring the two areas much closer. Unfortunately, it is these policies that have added insult to the recession-induced injuries already experienced by our workers. Our weak economy had damaged all of us, but it has dealt a particularly severe blow to workers in U.S. industries that have been targeted by other nations. The results of this targeting are clear when one reviews the facts. While 140,000 American steel workers are unemployed, this country imported 17 million tons of steel in 1982. While the raw domestic steel industry operating at less than 36 percent capacity, the lowest capacity since 1932, foreign steel-producing nations capture 22 percent of our entire steel market. For every dollar the United States earns in steel and iron exports to Japan, we spend $80 on steel and iron products from the same country.

Proponents of high technology claim that this basic industry is a steel dinosaur in a postindustrial era. I believe, however, that what has happened to steel, despite efforts to modernize our plants and despite wage concessions agreed to by unions, can and will wound every other sector of our economy. This imbalance is pervasive, not industry-specific, and our foreign trade policies have failed to respond to this challenge.

It is these policies that find us giving Brazil 1.2 billion dollars' worth of aid in 1982. This vast amount of money permits the Government of Brazil to spend its revenue on other items, such as its burgeoning commuter aircraft industry. The Bank of Brazil, which is owned by the Government, offers its aircraft manufacturing company 85 to 90 percent financing at 8½ to 9 percent interest. This approach has been successful for Brazil. Evidence of this is the fact that in the last 5 years, that country's aircraft manufacturer's share of the U.S. market has increased from 7.4 percent to 38 percent. During this same time period, one major American manufacturer's share of the market decreased from 60 percent to 24 percent.

Clearly no American company can compete on an equal footing with such predatory financing. I am not suggesting we imitate Brazil. I am suggesting, however, that our previous attempts to promote free trade have been met with a series of premeditated and unfair foreign trade practices, imposed upon us by some of the very countries to whom we provide aid. Therefore, I believe that we have no alternative but to impose additional restrictions on imports, compelling other nations to deal with us on an equal basis.

Ultimately these unfair foreign trade practices will have an adverse effect on every sector of the American economy. No longer will the steel industry be labeled a lone dinosaur, for we will be a nation of dinosaurs—large, but unable to compete effectively with other nations unless we act now to modify our foreign aid policies to bring them in line with the world of today.●

LEFT OUT

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Ms. KAPTUR. Mr. Speaker, as the House of Representatives contemplates its next steps in putting our unemployed back to work, I commend to my colleagues the cover story in the March 21, issue of Newsweek magazine. It clearly depicts the critical situation facing our Nation's industrial heartland and its people. This article reinforces the stance taken by many of us that specific action directed toward industrial America is imperative. The time for action is now. When the heralded recovery finally becomes recognizable, we in Congress must make sure that it is visible to all Americans regardless of where they live and work.

[From Newsweek, Mar. 21, 1983]

LEFT OUT

(By Peter McGrath with Richard Manning and John McCormick)

Bad news in the Monongahela Valley comes as a ripple of voices across the shop floor: another mill gone down, another brigade of workers on the street, another pack of wolves at their families' doors. So it was on the grim December day in 1981 when U.S. Steel announced the closure of its fabled Edgar Thomson Works in Braddock, Pa., the birthplace of big steel. That was the day Tom Medved, then a 39-year-old roller in the slab mill, found himself abruptly out of work, after 19 years and 364 days at E.T., as the plant is locally known. Since his layoff, Tom Medved has not held a regular job of any kind—and he's beginning to wonder if he'll ever work again.

It is a long, hard fall. In the good times when E.T. was turning out flat-rolled steel for the U.S. auto industry, Medved brought home nearly $1,000 every two weeks. Today he and his wife and four children survive on supplementary unemployment benefits, called "sub," equal to only 30 percent of his base pay at the mill, or about $600 a month. Their duplex apartment rents for $125 a month, utilities come to almost $200. Then there are meals to pay for: the remaining money doesn't go far with hungry children at home, especially 18-month-old Tom, who steals food from his three sisters' plates if they don't eat quickly enough. Worse, Medved's medical insurance ran out in January and he can't afford a new plan. "I figure if something happens to my kids the hospital won't be able to turn them down," he says. He shakes his head when he recalls his length of service at E.T.: after one more day on the job, Tom Medved would have been a 20-year man, eligible for a supplementary employment benefit equal to 85 percent of his base pay. Even so, no sub can last forever. Sooner or later, the precariousness of life in industrial America makes itself felt to everyone who lives there. "I figured there would always be work," says Tom Medved. He figured wrong.

Tom Medved is not alone. All over America's industrial heartland, from the steel country of western Pennsylvania to Michigan's automobile towns, from the machine-tool factories of Illinois to the red iron-ore pits of Minnesota's Mesabi Range, the national faith in prosperity forever is fading. In its place are the brute realities of silent machinery and boarded-up storefronts, of once proud men waiting in welfare lines and leaden-eyed women staring from their windows. Recovery will come to the rest of the country, but the Midwestern depression belt and other pockets of traditional industry from Baltimore to Birmingham, Ala., will be left out. Not anytime soon will American automakers build 9.7 million cars a year as they did a decade ago; never again will American steel employ 650,000 workers.

The Midwest once was the bedrock of the wealth that made the United States the envy of the world. Here Andrew Carnegie produced the rails that tamed the West. Here Henry Ford invented the assembly line, along with the unheard-of wage of $5 a day, and made modern industry possible. And with modern industry came economic mobility; the ore-laden freighters and around-the-clock factories lifted many blue-collar Americans into the middle class—upward movement on a scale never seen before.

Civic pride flourished. Carnegie gave Braddock the first of the thousands of free public libraries he was to endow throughout the world, with turreted towers and beveled-glass windows, an indoor swimming pool and two bowling alleys. Flint, Mich., received from General Motors moguls a limestone cultural complex that would be the envy of any city twice the size; the Sloan Museum

there testifies to American industry's exuberance with an exhibit of free-spirited experimental car models. Hibbing, Minn., astride an iron-ore lode described as 110 miles long and billions of dollars deep, boasted a municipal zoo, the country's first bookmobile, and a public-school auditorium with crystal chandeliers. The police wore imported Panama hats. In 1920, with a population of only 15,000, Hibbing managed expenditures of $3.3 million—almost as much as the budget for the entire state of Rhode Island that year. By 1947, President Harry Truman would say, with only slight exaggeration, "I know Hibbing; that's where the high school has gold doorknobs."

No more: as Hibbing's best-known son, Bob Dylan, wrote in a song about hard times in his hometown, ". . . the cardboard filled windows, and old men on the benches, tell you now that the whole town is empty." The town is empty, too, in places like Braddock, where Edgar Thomson's 140 acres lie in sarcophagus silence; even with the firing-up this week of a blast furnace, the mill employes only 650 workers, compared with 4,400 at the peak of its activity. The town's population has dwindled to 6,000, from a postwar high of 22,000, and municipal services are almost nonexistent. Last year, the fire department disbanded and the volunteer crew that took its place said it would be unable to answer emergency ambulance calls; 10 days later a woman in labor, stranded, had her baby in the kitchen sink. The schools, like Carnegie's grand Romanesque library, are closed, and the main streets are all but deserted. Braddock is dying, and the rest of the Monongahela Valley is not far behind. Says 35-year-old Mark Wasik, a laid-off steelworker from the neighboring borough of Homestead, "I don't think the layoff will ever end. The handwriting's on the wall."

The handwriting is on the wall, and it reads "Help Wanted: None" and "Sorry, Not Hiring." the official unemployment rate in Flint is 24.6 percent, reflecting the loss of 20,000 jobs at General Motors. Hibbing claims a jobless rate of 28.4 percent, but local officials privately put it closer to 40 percent. Rockford, Ill., a toolmaking town whose factories serve factories elsewhere, lost 17,000 manufacturing jobs in the last three years. "We now have 23,000 people classed as unemployed," says Rockford labor analyst Charles Sinclair. "There was a time in 1966 when we only had 50 people actually drawing unemployment benefits." In 1981 the steel industry alone laid off 86,000 workers in the Monongahela Valley.

FATHERS AND SONS

The burden falls most heavily on the younger workers. At the General Motors warehousing center in Flint, only workers with 18 or more years on the job still punch the clock. Everyone hired after 1965 has been laid off. At Flint's Chevrolet manufacturing plant, nobody with less than 14 years is working—and people with less than five years have no hope of ever being called back. Seniority sets the rules: a 35-year-old worker with a family of five gets less consideration than a worker of 55 whose children are grown. Even with an economic recovery, says Mayor Dick Nordvold of Hibbing, "there are miners who won't make the call-back. They're the young people. They're going to have to be retrained, or they're going to have to leave."

It was never meant to be this way. In years past, factory employment was a family tradition, passed from fathers to sons, from mothers to daughters. "My father worked at E.T. for 40 years," says Tom Medved. "My uncles and cousins all worked there. It was the natural thing to do." A job in the industry meant security, presumably for life: "I used to get out to the mine 30 or 45 minutes early maybe talk with the guys or play cards," says Steve Makarrall, 28, a laid-off heavy-equipment operator at the U.S. Steel ore mine outside Hibbing. "It was the best job I ever had, I loved it. I was going to stay there till I was 65, and go live on a lake somewhere. All of a sudden, the bottom drops out."

Immigrants may suffer even more than native-born Americans, so much greater is their hope for the American dream. George Papson, a 50-year-old machinist from Rockford, is a good example: he came to the United States from Greece in 1950 to start his life over. His father belonged to the Resistance during World War II. The Nazis came to the house one day to flush the senior Papson out. George, then only 10, was hungry; the soliders, with seeming generosity, boiled him an egg—then pressed the scalding shell against his bare arm. The boy's screams brought his father out of hiding; the Nazis captured him, then killed him. George was sent to the United States in the vain hope that he might forget. "I wanted to live in heaven on earth," he says now. "That is why I came to America." But heaven could wait: last March George Papson was laid off, with precisely 10 minutes' notice. He has not worked since. "I came here, I worked 30 years," he says. "I became middle class. I got a big house. Now I can't find a job . . . I can take a piece of metal in my hands and make it match a blueprint within a tolerance of half a thousandth of an inch. But now what will happen to me?"

A GROWING DESPAIR

Now what will happen to me? The wording suggests an uncharacteristic passivity, even despair. But the lesson of the past several years is that taking charge doesn't always yield results. Fred O'Connor, a 40-year-old lathe operator from Rockford, trekked across the Midwest in search of new employment after his layoff six months ago. From Logansport, Ind., to Marysville, Ohio, the response has been the same: no vacancy. "I've been practically spit on when I've tried to apply for a job," he says. "They don't want to hire you; they don't even want to see you coming." At Rockwell International's Rockford printing-press plant, O'Connor had been earning more than $12 an hour, but he's becoming reconciled to the idea of a new line of work for less money. "In a few years I imagine I'll be in some job paying $4 to $5 an hour," he says. "If I can get it."

Meanwhile, life must go on. "I used to have all the money in the world but no time," says Don Brooks, a furloughed electrician at the National Steel Pellet Co. mine outside Hibbing. "Now I've got all the time in the world but no money." He also has an eight-month-old son with serious medical problems: the child was born with no connection from his esophagus to his stomach and required surgery. Next came a virus that hospitalized him for four weeks. In all, the baby's health-care bills have mounted past $30,000, and the family budget is showing the strain. "My mortgage payment and health insurance take up three unemployment checks a month," says Brooks. "That leaves one week's check for utilities and food—not to mention car insurance and all the rest." He smiles ruefully, "I used to make more than $12 an hour," he adds. "Our contracts says I've gotten a raise since I got laid off. Now I'm making more than $13 an hour."

Brooks remembers happier days when all the workers enjoyed the middle-class life. "Most people around here spent their money on toys," he says. "Boats, cars, four-wheel drives—the idea was to go anywhere you wanted to go. It was as if nothing could stop you." Overtime was so plentiful a worker could afford to take days off on a whim—"It was all gravy . . . You'd get up in the morning and you'd say, 'It's Wednesday—that's a good reason not to go to work today.' So you call the mine to say you weren't coming in, and then you'd head uptown. The question used to be, 'What do we want to do?' Now it's 'What can we do?'"

Mostly, workers on layoff kill time. Don Brooks volunteers for projects at his church. Others scrounge part-time work, almost as much to have something to do as for the money. Some find themselves in strange roles: men accustomed to leaving at dawn for an early shift now walk their children to the school-bus stop and hang shyly from the lampposts, waiting for the bus to come. Others help out at union halls, organizing a food bank, or fielding questions about welfare. In tapped-out towns like Braddock, the food bank is a lifeline: more than 700 Braddock families each month take home three pounds of hamburger, one dozen eggs, four cans of vegetables and a pound of cheese or margarine—not a lot, but in too many households the difference between eating and going hungry.

Hunger is a new and humiliating experience. "At first I felt really depressed about having to come here," says former Chevrolet worker Dave Anderson, 25, over a bowl of barley gruel at the Northside soup kitchen in Flint. But I'd run out of food stamps if I didn't." Even the Gospel missions, traditionally the refuge of drifters and drunks, are filling up with out-of-work factory hands and their families. "When the money runs out, we have to rely on the mission," says Michael Hartwell after a dinner of mashed potatoes and ham at the Flint Rescue Mission with his wife Lynn and four-year-old son Shawn. "The boy needs to eat and we need to eat. When it's time, it's time."

Hartwell is a Vietnam veteran who took an AK-47 round in his hip, leaving him with a disability severe enough to keep him from working on the assembly lines. Two years ago, he lost his job as a forklift operator and warehouse clerk, and last year his wife was laid off from a 7-11 store. Since, then, they have been surviving on her $260 monthly benefit check and $168 in food stamps. They fall into the Catch-22 of unemployment in modern America: they receive too much in benefits to qualify for full welfare, but they're too poor to eat. "Before I'd let Shawn starve or Lynn starve, I'd stick somebody up," swears Hartwell with quiet ferocity. "It's not something I'd be proud to do, but kids don't understand 'recession' and 'depression' and all the big words adults use. They just know their stomach's empty and it hurts."

Pride prevents many of the new unemployed from taking advantage of either public or private assistance. Says Don Thomas, the president of the Steelworkers local in Braddock, "I've had guys say to me, 'You're crazy if you think I'm going to stand there for food . . .' Honestly, I don't know what some of these people are going to do." Bill Adkisson, the United Auto Workers' liaison with United Way charities in Flint, says he has had to "physically force" laid-

off workers into his car to get them to the food bank. "One guy said to me that if it hadn't been for the Salvation Army, his wife and four kids would not have eaten in the last three or four weeks," Adkisson says. "There are so many others like that, but who are just too pigheaded to ask."

Others take the help but hate it. George Papson swallows hard every time he picks up his unemployment check, recalling the times he looked down on recipients: "I used to say, 'Jesus Christ, look at those guys standing in line for handouts.' I started from scratch. Nobody gave me anything. Now look at me." Jimmy Thomas, laid off two years ago from a $28,000 job at a trucking terminal, talks of his degrading "dependence" on the poverty bureaucracies, including those that are helping him retrain for a new career as an accountant: "Now I've gone through humiliation just so I can fight my way back onto the tax rolls."

Wounds to the ego can leave physical scars, too. Jimmy Thomas, with nothing to do all day but watch television and sift through bills he is helpless to pay, became a compulsive overeater, out of sheer anxiety. "I'm extremely on edge until 5 p.m.," he says. "That's when I know all the bill collectors have gone home." When the collectors do call at the door, his youthful-looking wife, Donna, has to fend them off: softening her voice, she tells them, no, she is very sorry, but her mother and father are not at home. After two years of this, Jimmy Thomas's body has ballooned up to 309 pounds. He has high blood pressure and last August had a heart attack, though he is only 33. "Some people drink—I don't drink," he says. "Some people use drugs—I don't use drugs. I use food."

Daytime drinking is on the rise throughout the industrial states, and one of the predictable results is an increase in family abuse. "They sit in the tavern all day and then head home to kick the wife and kids around a while," says Don Brook's wife, Diane. "I don't know whether there is more violence, but I do know the severity has increased," adds Jo Sullivan of Range Women's Advocates in Chisholm, Minn. "It's no longer the pushes and shoves and slaps. Now it's the stitches, the wired jaws, the broken ribs."

Unemployment may mean more togetherness than is good for a family. Says Paul Kapsch, the director of the psychiatric-services unit at the Central Mesabi Medical Center in Hibbing, "Now dad's home, making comments about mom's cooking and child-rearing methods and other things he never noticed before. He's feeling inadequate, and if he's like most males, he's having difficulty expressing that." Instead, the housebound husband erupts in anger. "If the husband is home all the time, he can control the car and the phone," says Sullivan. "Women we'd been working with now tell us they can't go out for counseling, they can't meet with support groups and they don't want us to call. They're scared. And I'm sure there are women not even making initial contact with us for the same reason."

EASING THE BURDEN

Even more disturbing in the long run is the resentment and cynicism growing within the next generation. When older children are forced to look for work to help their families scrape by, there is "a great deal of tension," according to Carl Robertson of the Pittsburgh area Christian Family Services. "The kids feel, 'You had your chance, and you took it. Then you blew it. Now I'm being forced to pay for your mistakes'." Alternatively, many children may respond by lapsing into a permanent hopelessness. "I'm worried that the children will get the idea that life isn't worth living, that they'll be on welfare for the rest of their lives," says Maj. Alvin R. Nelson, coordinator of the Rockford Salvation Army services.

On welfare for the rest of their lives: it is an idea no industrial worker could even have conceived of 20 years ago when American factories were pouring forth an endless stream of finished goods, and you could walk out of a job one day and have your pick of two others the next. There were recessions now and then, of course, but they seemed no more than momentary stumbles in the economy's ever-upward march. Of all the damage this last recession has inflicted on the industrial heartland, none is more worrisome than its undermining of the old optimism, for optimism is a precondition of economic health. Without it, people stop planning, stop saving, stop cooperating with each other. Without it, they tacitly concede defeat in the growing global economic competition.

What could produce a revival of optimism? The recovery now apparently under way will help, though it will not bring many jobs back to the Monongahela Valley or the Mesabi Range. Of the 21,000 workers General Motors is recalling in the coming months, not one will go back on the line in Flint, Mich. Extensive job-retraining programs would also help, giving dislocated workers some hope that they will find new niches in an evolving postindustrial economy. It will not be easy, however; even in Rockford, with its highly skilled, sophisticated work force, Mayor John McNamara says that worker re-education will mean lower standards of living for many and will take at least a generation to complete. Perhaps more helpful would be a retooling of basic industries—by whatever mix of tax and trade policies is necessary—to make them more competitive with their counterparts in Europe and Japan. For national-security reasons alone, the United States probably cannot turn its back on steel and automobiles in the rush toward fashionable high-tech industries.

Most of all, however, it would help if the new unemployed were not conveniently forgotten as the country begins at last to feel the blessings of recovery. An entire generation of workers, those now in their 20s, 30s and 40s, has been at the very least disabled—if not wiped out. They did not do this to themselves; they are victims of outmoded industrial practices and obsolete plants in an era of cheaper foreign products. But they and their fathers before them made the United States the powerful, wealthy nation it is today, and they are owed something. In the short term, they deserve a decent cushion in the inevitably painful transition to a less affluent way of life. In the long term, they deserve no less than their fathers earned: the satisfaction that comes from an honest day's work and an honest day's pay.●

BORDER ANGEL

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. DE LA GARZA. Mr. Speaker, when a great human being dies, all rise to offer their eulogies in recognition of that person's accomplishments and good deeds. Over the months, the sad event recedes from the painful present into memory that dims with the passage of time. But once in every great while there is an exception, and the passing of Frank Ferree of Harlingen, Tex., on March 10 is just such an exception. The tens of thousands of people who benefited from his charity, from his lifelong dedication to volunteer service, will never, never forget. Even before his death at the age of 88, he was known throughout the Rio Grande Valley as the "border angel."

The usual plaudits just do not seem enough here. And in fact, Frank Ferree's life needs no embellishment. It was the perfect example of selflessness; indeed his life was a permanent sketch of love and humane regard. When he moved to the Rio Grande Valley in 1942, he purchased a 20-acre tract of land on Harlingen's north side—but he did not have it for long. He later sold the land and gave the proceeds to the poor. He lived in a shack thereafter. Anyone who had even heard of Frank Ferree knew that he spent his days gathering discarded produce and old bread from area merchants to distribute to the needy. He established and managed from his own home the Volunteer Border Relief Organization to serve as an agency for distribution of food, clothing, and medicine to the poor on both sides of the border. The many service award medals given him by the Mexican Government were in turn sold to have money for the poor—never any for himself. The city of Harlingen erected a monument in 1974 testifying to his works, and twice during his lifetime he was nominated for the Nobel Peace Prize. The Harlingen City Commission, in a final tribute, waived a State law and will allow Frank Ferree to be buried on the site of his home—the shack he loved dearly and from where he managed his work.

In early 1983, the National Center for Citizen Involvement designated Frank Ferree as a recipient of the highest volunteer service award our country can give—the President's Volunteer Action Award. Frank Ferree will never make it to Washington to receive his award on the 12th of April, but in my opinion, after years of association with him and the work I have seen him perform in the 15th Congressional District, this award serves as the last lighted beacon on his magnificent life.

How can we truly understand the effect of such a man? One single human being who contributed every ounce of his daily energy not to the furthering of his own position, but for the homeless and the hungry. I submit there is no way to measure the effect of this man. Frank Ferree's death ends

only his service, but it gives birth to the legend of his life. The incalculable remembrance of what he did and for whom. You cannot measure that. You can only stand back and shake your head in awe.●

INTRODUCTION OF THE FAIR TRADE ACT OF 1983

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. MURPHY. Mr. Speaker, like the great majority of my colleagues, and I am sure the majority of Americans, I have long believed that our economy and our industries benefit most when economic competition remains free of Government interference. The principles of laissez-faire created an atmosphere in which American hard work and ingenuity propelled us to the forefront of the industrial world. Unfortunately, conditions no longer allow us to continue to sit on the sidelines while our basic industries crumble around us, and our neighbors join the long lines of the unemployed.

Fair trade benefits all, and I know that our Nation would be better off if we were permitted to compete in free markets. However, the world markets are no longer free. Competition is no longer fair, and our Nation can no longer operate under the illusion that it is fair. Many of the industrial countries in the world market are unfairly subsidizing their own companies and helping these companies sell their products in the United States at prices far below the actual costs of production. We can no longer afford to allow this to happpen. The 11 million unemployed Americans cannot afford to wait for the administration to seek legal remedies. Our existing trade laws are not working. Changes must be made now.

Mr. Speaker, in excess of 166,000 steelworkers were unemployed at the beginning of this year, and now, when the automakers are preparing for their period of greatest production during the year, there are still more than 135,000 unemployed steelworkers. Another 20,000 are working shortened workweeks. However, we continue to import. There were 1,097,668 tons imported into the United States in January of this year, an increase of 7,000 tons over the previous month. The American Iron and Steel Institute has estimated that each 1 million tons of steel imported into the United States results in the layoff of 5,000 Americans. We cannot allow this to continue. While foreign producers increased their share of our market to over 22 percent in 1982, our domestic producers' rate of production utilization dropped to 47.3 percent. At the end of 1981, the domestic steel industry was working at 78.3 percent. That is a drop of 40 percent.

I rise today to reintroduce the Fair Trade Act, which has two basic goals. First, the Fair Trade Act establishes a schedule which limits penetration of foreign steel to a level dependent upon the rate of production utilization in the domestic steel industry. This legislation limits imports to 2 percent of the market when the domestic steel industry is operating at less than 60 percent of capacity. When the domestic steel industry is working at 60 to 85 percent of capacity, the quota on imports would be increased to 10 percent. There would be no limit on imports when the domestic steel industry is operating at greater than 85 percent.

Second, the Fair Trade Act would establish the President's Commission on Basic Metals which would bring together representatives of labor and industry, members of the Cabinet and the administration, as well as noted experts in fields such as economics, trade, industrial analysis and planning, and defense who would analyze, and determine the needs of, the basic metals industries. The function of the Commission is to monitor the progress of the industry under the act.

I do not profess to have all of the answers. If the industry is not improving under this legislation, then it would be the duty of the Commission to recommend to the President and the Congress changes that should be made. The Commission would also be asked to propose other actions that could be undertaken to revitalize all of our basic metals industries. As a nation we have the intellectual and physical abilities to turn our economy around. It is essential that we begin to make use of that ability.

We cannot afford to become obsessed with the sterotyped theory of free trade that we all learned in Economics 201. The theory that the country that can most advantageously produce a certain article should do so and those that cannot should import it is an interesting theory if everyone is playing by the rules, but it has become evident that we are the only true sportsmen on the field. While other nations are taking full advantage of our relatively open door, they have kept theirs tightly closed. Of course, Japan is happy to accept our coal, our oil, and our timber because they have none, in turn they expect us to buy their automobiles and steel and many other products which we already have in abundance. One by one they have targeted American industries for destruction. First they must undersell us until no American firm can remain in business. When the last domestic competitor is gone, the Japanese raise their prices, having to compete only with other nations such as Korea, which play the same game. Conversely, with few exceptions, no nation will knowingly permit the importation of any article which will cause one man to lose work for 1 day.

Mr. Speaker, we can no longer afford to be the only true sportsman on the field.●

OZARK NATIONAL SCENIC RIVERWAYS

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. EMERSON. Mr. Speaker, today I am introducing legislation to amend Public Law 88-492, which established the Ozark National Scenic Riverways.

The original Ozark National Scenic Riverways enabling legislation, enacted in 1964, gave what was then very clear discretion to the Secretary of the Interior to permit activities relating to hunting and fishing on lands and water under his jurisdiction. Within the definition of hunting, the interpretation then and until recently, was that trapping would be allowed with applicable State and Federal laws. However, recent court decisions in different areas of the country have redefined the definition to exclude trapping, even though that sport was allowed since the enactment of Public Law 88-492 until those recent decisions.

My proposal, in brief, will include trapping as an allowable sport within the Ozark National Scenic Riverways area in accordance with applicable State and Federal laws and as the Secretary of the Interior may direct for public safety. This proposal does not change the status quo, but does more clearly define allowable activities in the area and, in light of the recent court decisions, reestablish the congressional intent of Public Law 88-492.●

NATIONAL MENTAL HEALTH WEEK

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. CONTE. Mr. Speaker, I urge my collegues to support House Joint Resolution 186, designating the week of April 10, 1983, through April 16, 1983, as "National Mental Health Week."

Mr. Speaker, the costs attributable to mental disorders in our society are staggering in terms of human suffering, direct patient care, and lost productivity. Mental illness cost our Nation an estimated $65 billion annually and is among the leading factors in rising health care costs and in the

decline of labor productivity. Recent epidemiological studies indicate that in any 1 year, between 31 to 41 million Americans suffer from a clearly diagnosable mental disorder, mostly involving a degree of incapacity that interferes with employment, attendance at school, or independent living. Among children, it is estimated that 12 million Americans under the age of 18 suffer from serious mental disorders, including infantile autism, hyperactivity, and learning disabilities—conditions which interfere with the vital developmental processes essential for normal adult living. The early detection and treatment of mental illness in children and the prevention of psychiatric disabilities produce very large returns in long-term cost-effectiveness and enhanced productivity.

With respect to the elderly, 11 percent of the population is now 65 years of age or older, and their proportion in our population is increasing rapidly. Of these, between 15 and 25 percent have some condition of significant mental impairment, and up to 80 percent of those in nursing homes have such impairment. Treatable depression is often a major component of these problems which are unrecognized or dismissed as an expression of senility. In light of current research activities, depression and impairment of memory in the elderly now lend themselves to the hope of pharmacological treatment.

Persons with mental disorders have been known to be high consumers of medical and surgical services, especially when their conditions are allowed to go untreated. It is estimated that up to 80 percent of all diseases are psychosomatic or stress-related, and mental disabilities account for 30 percent of all hospital admissions.

In light of these alarming statistics, it is regrettable that fear and misunderstanding of mental illnesses still persist in this Nation. The fact is that mental illnesses is a very treatable disability. Recovery from psychiatric disorders is not only possible, but likely on account of major recent breakthroughs in diagnosis and treatment. Two-thirds of all mentally ill patients show significant signs of recovery with initial treatment, and of these one-half will never need treatment again. For example, the introduction of lithium carbonate for the treatment of manic-depressive illnesses has not only helped relieve the suffering of millions of Americans over the past 10 years, but at the same time has resulted in estimated savings in cost of treatment and productivity exceeding $4 billion. This sum is greater than all the funds ever appropriated by the Congress for research on mental illness.

There is a rapidly growing body of evidence which demonstrates important behavioral and psychological components of such physical disorders as diabetes, asthma, impotence, myocardial infarction, hypertension, obesity, sleep disorders, and recovery potential from procedures such as open heart surgery and repair of hip fractures in the elderly. Attention to the psychological aspects of these physical disorders can not only play an important role in prevention, but has been shown to reduce dramatically morbidity, the cost of treatment, and lost productivity. A recent study found that a group of 24 elderly patients that had undergone surgery for repair of hip fractures and that had available psychiatric services required an average of 12 days less hospitalization than a similar group of patients that did not have the psychiatric services. This study and others provide compelling evidence of the medical-effectiveness and cost-savings resulting from reduced utilization of general medical services when mental health services are available.

Mental health treatment and research are performed by a wide range of health professionals including psychiatrists, psychologists, social workers, nurses, physical and occupational therapists, and mental health counselors. These dedicated professionals perform in a variety of settings which include private psychiatric hospitals, general and community hospitals, nursing homes, alcoholism and drug abuse treatment facilities, State hospitals, community mental health centers and clinics, physicians' offices, and business and industrial work settings. Their collective work has allowed millions of Americans to return to productive and gainful employment. My tenure on the Labor-HHS-Education Appropriations Subcommittee has offered me the opportunity to witness firsthand the tremendous breakthroughs in mental illness research achieved by these dedicated mental health professionals. In fact, a recent Nobel Prize has been awarded to a grantee of the National Institute of Mental Health.

I hope that my colleagues will join me in supporting this joint resolution focusing national attention on the severity of mental illness in America and in recognizing the efforts and accomplishments of the dedicated mental health providers. I urge the House to act swiftly.●

TRIBUTE TO AUDREY BECK—CONNECTICUT STATE SENATOR

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mrs. JOHNSON. Mr. Speaker, it is with great sadness that I stand here today to pay tribute to Audrey Beck, a fine human being, an outstanding State senator, and a friend.

I admired Audrey and always valued the opportunity to work with her. Principled, intelligent, deeply caring; she was an effective legislator. Her ability to understand the nature of people's lives and of our laws enabled her to forcefully advocate those causes she perceived as creating opportunity, ameliorating suffering, and strengthening our society.

Those of us from Connecticut who have worked with Audrey will miss her. I stand here today in recognition of her outstanding service to the citizens of the State of Connecticut through her effective participation in the endless intricacies of the senate and legislative process. We honor her as an outstanding State senator. We honor her as a compassionate person. We honor her for her intellectual capacity. We honor her as a great woman who gave generously to us all.●

THE GIRL SCOUTS FOUND A NEW WORLD

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. DUNCAN. Mr. Speaker, Girl Scouts of the United States of America celebrates its 71st anniversary this week with the new national theme—"We Found a New World." This is a fitting theme for an organization which is devoted to the development of young women throughout this country. Through a program which combines self-discovery with an appreciation of nature, the arts, and friendship; Girl Scouting has helped girls grow into mature young women.

Girl Scouts of the U.S.A. is the largest voluntary organization for girls in the world with over 44 million girls, women, and men involved in the organization since 1912. Today there are over 2 million girls in the four Girl Scouts programs. These girls are a part of the "new world" of Girl Scouting.

Over the past 71 years this program has been able to adapt with the changes in our society and its attitudes about women. Through its informal education program four areas of contemporary concern are highlighted. These areas are nonstereotyped career education, the sciences, sports for women, and mainstreaming the disabled. Each of these areas reflects the concerns of women in today's world.

While the theme and activities of Girl Scouting have changed over the years, the spirit and goals of the program have not. Those involved in this program remain committed to developing the full potential of each Girl

Scout. In the course of this development a girl makes friends, becomes more aware of her physical and social surroundings, and begins to play a role in the affairs of her community.

Last year, as the Girl Scouts of the U.S.A. celebrated their 70th birthday, Girl Scouts across the country announced that they would make a special gift of service to their home communities. In Tennessee, Tiffany Huff and Rhonda Dunlap of the Tanasi Girl Scout Council helped clean the Fort Loudon Lake which runs through Knoxville and the site of the recent World's Fair. They helped make it a pleasant recreation site for visitors. In addition, Becky Newport and Kristi Melton participated in day camp programs and activities that had the gift of water theme. Becky's camp undertook a project to clean a creek bank used by picnickers; Kristi's camp held a 2-week session called water is wonderful, in which Brownie, Junior, and Cadette Girl Scouts learned about the importance of water.

These Girl Scouts are participating in the events here in Washington to celebrate the 71st birthday anniversary. I believe we should congratulate them, and Girl Scouts of the U.S.A. on their achievements and on having "found a new world."●

AL LOWENSTEIN: OUR TRIUMPH, OUR TRAGEDY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. FRANK. Mr. Speaker, this weekend, there will be a symposium in the House Office Buildings conducted by the Friends of Al Lowenstein, a former Member of this body whose death 3 years ago deprived this country of one of its most creative and valuable citizens.

For those of us who had the privilege of knowing Al, it will be a bittersweet time—a time to cherish our memories of one of the most inspiring, stimulating, and delightful people we have ever known; and a time to rededicate ourselves to the kind of passionate effort to make this a better world which was his hallmark. I hope the many people in Washington whose lives he touched will join us this weekend. And I would like at this point to share with the Members one of the articles written at the time of his death by another important American social activist, Michael Harrington, in the Village Voice, March 24, 1980. I want to add Mr. Speaker that it is particularly appropriate that some of us are commemorating Al on the day the House votes on the nuclear freeze, for this is exactly the sort of mobilization of millions of Americans on behalf of an important cause which was the activity at which Al Lowenstein excelled. A lot of us miss him very much.

AL LOWENSTEIN: OUR TRIUMPH, OUR TRAGEDY

(By Michael Harrington)

Al Lowenstein was murdered last week. He was a member of a tiny generation of the left that joined the movement in the first period after World War II. If there is an historical key to his utterly unique personality, it is there.

All of us—which is to say, the happy few—who became activists in that conformist decade had to be slightly crazy, utterly optimistic, and filled with a deep faith in the country we criticized so radically. (If not, why become involved in a seemingly hopeless struggle in those years of cold war, McCarthyism, and Eisenhower somnolence?) Al had more of those qualities than any of us. He was one of our rare triumphs and at the same time the very incarnation of our tragedy.

Al Lowenstein thirsted after justice and peace and equality with an unflagging passion, yet he was not a political saint. He was a complex human being whose driving intensitiy was sometimes almost frantic, who often inspired love and sometimes provoked anger. He was perpetually at the center of some struggle or a controversy. You never knew where you would meet him next. An incident might evoke his mercurial, irrepressible spirit. In 1971, the East Pakistanis were battling for the creation of Bangla Desh. The Indians had called an international meeeting of solidarity with them. I was sitting in the Gandhi Center in New Delhi when Al appeared. He handed me a Christmas card he had written in a helicopter over Saigon the previous December—it was now September—and apologized for being late with the season's greetings.

It will take at least a book to capture his life. Let me simply remember a few of its moments.

I first met Al at his alma mater, the University of North Carolina. It was at the home of Ann Queen, the director of the Young Women's Christian Association, which was then, bizarre as it may seem, the most effective antiestablishment organization in the Old Confederacy. I was pontificating about the bourgeois vices of the National Student Association and no one told me that the young man to whom I had just been introduced was one of its leading figures. Under the inspiration of Eleanor Roosevelt and that luminous North Carolinian, Frank Graham, Al and a few integrationists on southern campuses were helping to turn the careerist sandbox of student government into an instrument of struggle for black equality. It was an absurd idea and it worked, for a while at least.

The NSA had adopted a pro-civil rights position by 1958 and came out against the House Un-American Activities Committee in 1961, and Al was a major reason why. Long after he had left the organization's formal leadership, he kept organizing students, agitating on issues, and lobbying at its conventions. That provided a framework for the surge of student commitment in the '60s (and for the rise of SDS). By then, Al was engaged in an even more innovative project. He went down to Mississippi in 1963 and along with Bob Moses and Aaron Henry helped to organize the Mississippi Freedom Democratic Party. If the racists denied blacks the right to vote in that state, he said, then we will hold our own, unofficial elections to dramatize that crime. He brought another one of his heroes, Norman Thomas, down to Mississippi and they went out to the boondocks—the New York Jew and the socialist who started as a Protestant minister—where they were quite literally pursued on lonely roads by the Klan. Out of that 1963 effort came the MFDP challenge to the regular Mississippi delegation to the national Democratic convention in 1964, which was a major step toward the internal transformation of the Democratic Party.

Not atypically, this extraordinary accomplishment led to shrill accusations against one of its principal authors. At the 1964 convention there were differences within the movement over how to conduct the floor fight and, in keeping with the fratricidal spirit then developing, those who were seen as moderates were denounced as traitors, worse than honest open racists. Al felt that the movement had to be as broad as possible and oriented toward progressive unionists and other mainstream forces, that it should avoid leftwing factionalizing. Not too long after the split, I was at a private meeting where Al confronted three of his severest critics and shredded the charges against him. Someone less committed might have been demoralized when slandered after risking his life in a profound service to the movement. Al, of course, was not. As the old, integrationist civil rights movement collapsed and the black power movement grew, whites like Al and myself found it impossible to work on the old basis, but we continued working with Dr. Martin Luther King until his death in 1968.

Al never stopped. He was soon organizing against Vietnam. He had been an internationalist from the very start. When I first knew him he was involved with the South African resistance and the anti-Franco underground in Spain. Then, with Gene McCarthy's campaign in 1968 and Bobby Kennedy's run, Al helped create a political antiwar movement which built on the teach-ins and protests and took them into the electoral mainstream. That story is familiar enough. I would rather remember two incidents from the late '60s and early '70s which get to one of the deep truths about the man. One night in 1969, Al had organized an antiwar rally at a shopping-center parking lot on Long Island, and we were jeered and threatened by an angry crowd of hawks. A few years later, when Al was running against impossible odds to win back the Long Island congressional seat that had been gerrymandered out from under him, he told me how he sought out community meetings where those very hawks would predominate. He believed that if he could talk to them long enough, he could convince them. Of course, that was ridiculous. But then, so was attempting to unseat an incumbent president of the United States. That is the point. Al Lowenstein believed in the basic decency of this country in spite of a firsthand knowledge of its ugliness. In America, there is a left based upon love and solidarity and, if you strip the word of all chauvinism and parochialism, there is a left based on hatred alone. Al was of that first left, which might some day lead masses of people because it really believes in the people. And he led them—but only for a fleeting moment. And that is the tragedy.

This country tolerated Al Lowenstein only as long as he was on the move, only gave him a real place to stand for those two short years in Congress. So his life was, until its terrible end, and infinity of campaigns and causes of more defeats than victories. A

lover of argument and logic, he was utterly unreasonable in his commitment which helped make this country just a bit more rational.

In a part of Africa, everyone born in a certain year has a special relationship to everyone else born that year. So with us from the '50s. There were so few of us on the left, we all knew one another. Sometimes we drifted apart, sometimes we differed on this or that question. But we participated in the brotherhood and sisterhood of a generation that came of age in a time when one struggled in the name of hope or else did not even begin the fight. Al Lowenstein was a complex, irreplaceable individual who cannot be reduced to a moment in history. He was one of the very finest representatives of a special generation.●

CALL TO CONSCIENCE

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. GRADISON. Mr. Speaker, the Call to Conscience Vigil continues in 1983 on behalf of the Soviet Jews who are being detained in the U.S.S.R. and denied their basic human rights. In light of the decline in the level of Soviet Jewish emigration—only 204 Jews were allowed to emigrate in the first 2 months of 1983—and the steady Soviet repression of the Jewish culture and way of life, we must redouble our efforts to help these people to gain their freedom.

Unfortunately, I must today bring to my colleagues' attention, as I have done for the past 2 years, the plight of the Igor Guberman family. This statement, in fact, is timed to the third anniversary of Mr. Guberman's sentence to internal "conditional" exile in Borodino, Siberia, after his conviction in March 1980 for dealing in stolen icons. Many of those who have been following his case believe that his conviction was a pretext which the Soviet authorities have used to halt his previous active efforts on behalf of the rights of Soviet Jews.

Mr. Guberman, his wife Tatyana, and his son Emil, have managed to rent a small house and to maintain a productive vegetable garden. They also receive monthly food packages sent from the United States. Since my statement last year, his daughter Tanya, has returned to Moscow to live with her grandmother so that she can go to school. While life in exile is certainly better than life in prison, the uncertainty of Mr. Guberman's "conditional" exile is a considerable psychological burden. At any time, local Soviet authorities can find him guilty of breaking a law and put him back into prison.

The Gubermans' troubles started when they first applied for an exit visa to Israel in 1978. While Mr. Guberman plans to reapply when he is released from exile, which is expected to be in August 1984, his chances to emigrate will be very slim. Even after his release, there will be little or no reason for the Soviet authorities to allow him or his family to leave. Therefore, we must do all that we can to raise the issue of Mr. Guberman's situation with the Soviets now. We cannot allow them to forget his plight or to ignore our interest.

Regrettably, Mr. Guberman's situation is representative of the situations of many of the Soviet Jews who are being punished for having expressed a desire to exercise their most basic human rights: the right to religious freedom and the right to emigrate. Consequently, they have turned to the administration and the Congress as their only hope and lifeline to these freedoms. We have consistently spoken out against Soviet abuses of the fundamental rights of their people and have made it known the strong interest in such cases. Despite the lack of response of the Soviet officials, or perhaps I should say, because of that lack of response, we should strengthen our resolve to fight for the Soviet Jews' rights in general and specifically for their right to emigrate. Let us heed this "Call to Conscience" and hope that another vigil for freedom will not be necessary before Igor Guberman and his family are permitted to emigrate to Israel.●

A BILL TO REPEAL THE NEW TAX LAW

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. AKAKA. Mr. Speaker, today, I am introducing a measure to repeal the new tax law that allows the Internal Revenue Service to withhold interest and dividends at the source of the interest or dividend earned. Last year when the conference report on the Tax Equity and Fairness Act (TEFRA) was presented to the House for consideration, we were faced with a bill containing many provisions which had not been given fair and open consideration. In fact, no hearings were held and there was no discussion of the issues on the floor. The withholding provision was a provision added by the other body at the last minute. This hasty decision has proved to be a very unpopular one with thousands of the people we represent. Now is the time to repeal this ill-advised provision.

I have been convinced by the many constituents who have spoken up on withholding that the provision must be repealed at once. I need not repeat the many salient facts supporting repeal of withholding interest and dividends at the source. Suffice it to say that this provision is burdensome and likely to cost more than it will, in fact, deliver to the Government in revenues.

In order to make sure that the IRS has sufficient power to enforce the law taxing interest and dividends, I have included in this bill sections providing for easier matching of 1099 forms with individual income tax returns. Enactment of these sections will confirm IRS authority to extend the matching process already in operation.

I urge my colleagues to join me in seeing that this hastily approved withholding provision is repealed.●

LET US NOT TURN BACK AND TURN OUR BACKS ON U.S. TAXPAYERS—INDEXING IS NOT ONLY FAIR, IT IS NEEDED

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. VANDER JAGT. Mr. Speaker, there has been some strong comments that indexing of income tax backets, scheduled to take effect in 1985, may be repealed. I trust that will eventually prove to be the heart of the matter—simply comments and talk. I know I do not have to recite here inflation's impact on income tax brackets. We have witnessed it for years as inflation—not real earnings—pushed individual taxpayers into higher tax brackets. They end up paying more for less.

Tax indexation was a fair and decent approach to eliminate a most unfair and unreasonable inflationary action.

But, if there are really serious efforts to repeal the tax indexation law, I strongly recommend to those Members considering such action to read with care a recent editorial in the Muskegon Chronicle newspaper, Muskegon, Mich. It is an excellent editorial on the subject of indexing entitled "Soaking the Poor."

Let me cite especially one paragraph in that editorial which, undoubtedly, led to its headline. That paragraph read:

> Further, if indexing is repealed, the 1984 income tax liability for people with incomes of less than $10,000 would increase by 9.4 percent. But for persons with incomes between $100,000 and $200,000 the increase is only 1.7 percent. Some Robin Hoods.

The complete editorial follows:

[From the Muskegon (Mich.) Chronicle, Mar. 6, 1983]

AS WE SEE IT: SOAKING THE POOR

The sign should read "Warning: Tax Spenders at Work."

We're here to warn our reader-taxpayers today that with a reluctant bow of sufferance in accepting a key part of President Reagan's economic recovery plan—the third phase of the tax cut (10 percent) scheduled for next July—the Democratic czar of the

tax-writing House Ways and Means Committee, Dan Rostenkowski, is plotting to render the cut meaningless.

He's mapped a callous switcheroo designed to fuel new spending at the expense, largely, of low-income taxpayers.

He said last week he didn't think he had the votes to kill the tax cut, and wasn't going to bother even to try—an announcement that stunned colleagues who know there's nothing he'd like better than to pull the plug on that Reagan engine of recovery.

But before you conclude that Rostenkowski really meant he'd allow people to keep more of what they earned, grab your wallets and hold tight as, predictably, the "means" man hunts a "way" through the taxpayers' back door to do what was politically too risky to do out front.

What he found (more accurately, rediscovered) was a neatly hidden way to increase your taxes while removing any real budget-cutting incentive to reduce spending. Politicans don't like to be seen raising taxes to fuel more congressional spending, so they latched onto a way to let inflation do it for them.

They've been using it with a vengeance for years. We trust most of our readers are familiar with it. It's called "bracket creep." It cost them a huge bundle through the free-spending 1970s. It costs them dearly even now, and allowing it to continue would be disastrous.

Reagan pledged to halt it by what is called "tax indexing." and back in 1981 Republicans and conservative Democrats joined in voting to index income taxes, hailing the vote as the "first major break for taxpayers in the last 50 years." That's not far off the mark. Martin Feldstein, chairman of President Reagan's Council of Economic Advisors, terms it "the most fundamental and far-reaching aspect of Ronald Reagan's tax program."

Under the law, indexing is to start in 1985. Rostenkowski and his congressional minions want it repealed—now. The deal will be to lay off the July tax cut in return for dumping indexation. We should all of us—every wage earner, and especially those in the lower brackets—shout "NO!" No commutation of that deserved death sentence. * * *

"BRACKET CREEP" MUST GO

We've explained bracket creep and its specific cure, indexing, several times in this space. Because it affects the entire economy, instead of policies that affect a segment of the population (often inducing intense lobbying activity), the indexing issue hasn't exerted much pressure on Congress.

But experience shows, at the very least, we can count on vigorous response from the Chronicle's inveterate letterwriters. Briefly, here's why indexing is so important. As things now stand, inflation pushes people into higher tax brackets, even though taxpayers' higher nominal earnings represent no real gain in purchasing power, because costs rise with increases in income.

That's bracket creep. It's an "inflation dividend" that provides an easy source of revenue for Congress. It removes for congressmen the acute political discomfort of actually voting for tax increases, because inflation sneakily does the job for them. Indexing will stop this. Tax brackets will be adjusted to reflect the impact of inflation on taxpayers' incomes.

One of the worst effects of bracket creep is that it comes down hardest on those who can least afford it—the poor people the Rostenkowskis, "Tip" O'Neills and their ilk ostensibly are out to defend. These are. * * *

CHAMPIONS OF THE POOR?

* * * Deliver us! The repeal of indexing is a hidden way of rising taxes. And if indexing is repealed, tax increases would sting the lowest income taxpayers the most. Tax brackets are narrowest at the lower end of the income scale, and so inflation drives those with low incomes into higher brackets much more quickly than it does those in the higher categories. The really affluent can't be pushed by inflation into paying any higher tax rate because they already pay the highest rate (50 percent).

Further, if indexing is repealed, the 1984 income tax liability for people with incomes of less than $10,000 would increase by 9.4 percent. But for persons with incomes between $100,000 and $200,000 the increase is only 1.7 percent. Some Robin Hoods!

Rostenkowski's argument that repeal of indexing is necessary to fight mounting budget deficits is absurd on the face of it. The tax take soared as a result of the inflation of the 1970s, and the budget got further and further out of balance. As Reagan points out, government realizes 1.5 percent more in revenue for every 1 percentage point increase in inflation. The more revenue it gets the more government is going to grow—and the more Congress has to woo special interests and bankroll new programs and pet projects.

Write your congressmen. Hold onto indexing. No repeal. No postponements. As Mr. Feldstein stresses, it is critically important to start indexing on time in 1985, "because once American taxpayers experience indexing it will be here to stay.●

TURKISH AMBASSADOR DISCUSSES VIEWS OF TURKEY CONCERNING CYPRUS CRISIS

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. HALL of Ohio. Mr. Speaker, on February 7, 1983, I introduced House Joint Resolution 128, a resolution with respect to conventional arms transfer limitations.

In the course of my introductory statement, I made reference to the Turkish withdrawal of permission for U.S. use of bases in Turkey when the United States imposed an arms embargo on Turkey in order to encourage the removal of Turkish troops on Cyprus. Mr. Sukru Elekdag, the Ambassador of the Turkish Republic, wrote a letter to me in which he explained the Turkish view of these developments.

As a courtesy to the Turkish Ambassador and for the benefits of my colleagues, the full text of Ambassador Elekdag's letter follows:

TURKISH EMBASSY,
Washington, D.C., February 17, 1983.

Hon. TONY HALL,
U.S. House of Representatives, Longworth House Office Building, Washington, D.C.

MY DEAR CONGRESSMAN: I have read your statement and the bill on the conventional arms transfer limitations which appeared in the Congressional Record of February 7, 1983.

As your statement on some occasions relates to Turkey, I have taken the liberty of writing to you so as to explain our views in so far as Turkey has been mentioned.

As you cite, in 1975 after the Congress imposed an arms embargo on Turkey, the facilities accorded to the U.S. were withdrawn. When, the then Greek Government, engineered a coup in Cyprus, Turkey using her right in accordance with the international agreements that gave birth to Cyprus, dispatched its troops so as to safeguard her compatriots. The arms embargo was thus considered by the Turkish people and Government as an unjustifiable and hostile act, a treatment which the United States has not deemed appropriate even for its adversaries.

First of all, we had no alternative but dispatch our troops, after having exhausted on the diplomatic front all possible avenues. When the embargo was imposed, again, after having waited for some time for its removal, we were left with no choice but to withdraw the facilities except those relating directly to NATO. The Turkish action was justified on the legal grounds that the U.S. had unilaterally violated her contractual obligations toward Turkey.

I would hope that you would understand the reasons under which on the two occasions Turkey had to act.

Fortunately these distressing experiences of the past have ceased to affect the relations and cooperation between our countries. As a matter of fact, presently, we are happy to observe that Turkish-American ties and alliance cohesiveness are continuing to grow into a marvelous and unified relationship. And I should add that the solid ties and efficient cooperation between Turkey and the United States do not only serve and further our respective country's interests but also substantially contribute to the regional as well as global peace and stability.

I would respectfully ask of you, Mr. Congressman, to insert my letter, should you deem it fit, in the Congressional Record.

Sincerely,

SÜKRÜ ELEKDAG,
Ambassador of the Turkish Republic.●

THE SCIENTIFIC RESEARCH ACT OF 1983

HON. HANK BROWN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. BROWN of Colorado. Mr. Speaker, today I am introducing the Scientific Research Act of 1983. The bill would amend section 103 of the Internal Revenue Code of 1954 to facilitate and to simplify the use of debt financing by this Nation's institutions of higher education to acquire much-needed scientific research equipment and facilities.

While debt financing is available now, it requires the manipulation of many different kinds of financial instruments, the cooperation of an investment banker to sell unrated paper, and the expensive advice of tax counsel. The complexities of the Tax Code, and innumerable IRS regulations, dis-

courage many university administrators from going forward with an equipment-financing program. This bill would merely simplify what is being done at the present time. It will keep our Nation on the cutting edge of high technology and help train current and future generations of scientists and engineers.

We are all acutely aware of the challenge facing this country as we strive to maintain the technological creativity and inventiveness that is so critical to the well-being of our industry and national security. As we move toward the 21st century, we find ourselves threatened by the steady erosion of the technological strength which we have often taken for granted, as allies and foes alike forge ahead in the development of new technologies and the world markets which are opening for their products.

In meeting this challenge, we must look to our colleges and universities, our institutions of higher learning, for new capabilities and ideas and for another generation of scientists, engineers, and technicians to lead us toward technological progress, to provide new jobs and industrial innovation. The research laboratories and classrooms are the foundries in which the technology of the future will be forged. Yet we find ourselves often neglecting the pressing needs of these institutions.

In his recent appearance before the Subcommittee on Science Research and Technology, Dr. George G. Olson, vice president for research at Colorado State University, succinctly described the direct relationship between this country's declining leadership in high technology and the obsolescence of the scientific facilities and equipment in our institutions of higher learning. But Dr. Olson is no Cassandra. He does not just descry the problems; he proposes solutions to them. He has personally pioneered new avenues of financing at his own institution that should serve as a model for other university and college administrators.

The bill I am introducing today should entail no revenue loss, but would make the financing techniques now permitted under our tax laws less cumbersome and more creative. I am inserting a copy of Dr. Olson's statement in the RECORD at the conclusion of my remarks so my colleagues will have the benefit of Dr. Olson's assessment of the problems facing our schools and the one simple action that we can take to make his task, and that of his fellow scientific researchers, easier.

This one action, the enactment of this bill, will provide many benefits. It will upgrade the university laboratories. It will improve the university environment, permitting our campuses to retain and attract the best faculty and graduate students possible in the fields of science and engineering. We will, thereby, assure another generation of scientific leadership to maintain and enhance this Nation's technological preeminence.

The late great baseball player Satchel Paige once wisely admonished, "Never look back; someone may be gaining on you." People are gaining on us; we need not look back but it is high time we look ahead and take actions necessary to preserve our technological lead. I urge my colleagues to support this bill and hope it will receive prompt consideration by the Ways and Means Committee.

Mr. Speaker, I insert the text of Dr. Olson's testimony:

STATEMENT OF DR. GEORGE G. OLSON, VICE PRESIDENT FOR RESEARCH, COLORADO STATE UNIVERSITY

Mr. Chairman and Members of the Committee, the direct relation between this country's declining leadership in high technology and the obsolescence of our university scientific equipment has been well established in the recent book published by Harper and Row, "Global Stakes, The Future of High Technology in America".

Traditionally, the solution to the problem of equipment acquisition has come as outright grants from university budgets, state appropriations, endowment funds, corporate gifts or the federal government. These sources at best are irregular, inadequate and in times of severe budget constraints, improbable.

Isn't it time we helped ourselves? It is estimated that universities will conduct $6 billion of research activity this year funded from both public and private sources. Let us suppose that we need at least $1 billion in new equipment to start the rehabilitation of our university laboratories. Why not finance it? One billion dollars of new equipment financed at 10% over the next five years would cost us $264 million per year or just 4.4% of our total budget. We learned last year at the National Research Council Workshop on Revitalizing Laboratory Instrumentation that the ratio of capital expenditures to operating budgets in industrial research laboratories was about 9%. We are talking about less than half that amount over the next five years to provide us $1 billion in new equipment now. Obviously, if we only wanted to acquire $250 million in new equipment under the same terms, our debt service would be only one-fourth as much, or barely 1% of our total expenditures for research.

Universities can and must adopt a businesslike approach to equipment financing in order to provide constant upgrading of their facilities on a regular, planned basis. The free enterprise system has developed the mechanisms to address this problem. Simply stated, we need to establish our objectives for research, assess our needs to achieve those objectives, evaluate our fiscal resources, plan our cash management, conduct a risk assessment and, if warranted, undertake debt financing to achieve our objectives. Unlike their counterparts in business, universities have available to them many more mechanisms for debt financing that are under more favorable, tax-exempt terms. These include revenue bonds, industrial development bonds, municipal leases, and tax-exempt lines of credit.

The debt financing of scientific equipment provides other benefits beyond just the acquisition of hardware.

First. It provides equipment now, when it is needed. Scientific progress is not delayed while waiting for an equipment grant that may or may not arrive and when it does, only provides for half the needed funds. Tax-exempt interest rates are generally lower than the inflation rate on equipment, so besides obtaining equipment now, and including interests costs, it is never going to be cheaper.

Second. Debt financing encourages better managment on the part of the university administration. When asked to undertake a debt financing program, administrators develop an awareness and interest in the research program and actively participate in its planning and growth.

Third. Debt financing results in improved equipment utilization. When a professor struggles to get a grant for a piece of equipment for his laboratory, it is his and it ought to be. He may or may not share it. However, debt service on equipment generally comes from a number of sources, and shared use means lower costs and it becomes the preferred mode of operation. Debt financing also assures constant upgrading of equipment and its planned replacement.

Fourth. Debt financing develops diversified funding support for equipment. Debt service is met by user charges for the equipment. That means that all agencies, public and private, supporting research utilizing a particular piece of equipment, share in the cost of that equipment—not just the National Science Foundation.

You may question why go to all the trouble of debt financing when it would be so much simpler just to lease a piece of equipment. Certainly leasing should always be investigated and if it is less expensive, it should be considered. However, there all still some advantages to debt financing. Unlike industry, where prudent judgment may allow a new piece of equipment to lose money the first year, break even the second, and contribute to profits the third, universities must generate debt service from the first day equipment is acquired. On major pieces of equipment, debt financing can be structured so that the first year's debt service is capitalized and actual payments are not required until the second year. This gives the laboratory time to "shake down" the equipment, develop a user base, and overcome low utilization at first.

Can debt financing work? It has at Colorado State University where about $40 million in scientific equipment and facilities have been provided through the debt financing activities of the Colorado State University Research Foundation (CSURF). The mechanisms CSURF has used and some of the facilities financed are summarized here:

Revenue Bonds—Issued on behalf of the university have provided: a laboratory for disease control, a 200 acre research farm, an irrigation system, a CDC 6400 computer.

Industrial Development Bonds—Issued by the appropriate city or county for CSURF have provided: $6.6 million research service building, a $9 million Cray-I computer which we lease to the National Center for Atmospheric Research in Boulder, Colorado, a pending issue for a Cyber 205 supercomputer for our National Supercomputer Network.

Municipal Leases-Purchase Contracts—This method of financing has been used to provide innumerable pieces of equipment costing between $100,000 and $1 million.

These have included a satellite tracking station, a computer operating system, VAX and other mini-computers, aircraft, word processing systems, electron microscopes, X-ray equipment, radiation counters, etc.

Tax-exempt Revolving Lines of Credit—CSURF maintains two revolving lines of credit at local banks which are used to buy small pieces of equipment costing from a few thousand dollars to $100,000. This equipment is the stock in trade of the individual researcher. It is generally leased directly to a project on rather short amortization schedules. This fund turns over constantly to provide CSU researchers a readily available source of small equipment.

Obviously, once you have borrowed money to finance equipment, it must be repaid. This is generally accomplished through "user fees" paid by research projects for use of the equipment. User fees always include the basic principal and interest payments for acquiring the instrument and may include such other expenses as maintenance, operators, etc. Until the recent amendment to OMB Circular A-21, interest on equipment financing was not allowable unless the instrument was leased from an arms-length agency. This was one of the reasons we have used an affiliated, but arms-length organization, the CSU Research Foundation, to manage our debt financing.

Can debt financing of scientific equipment have a major impact on the recovery of high technology leadership in this country? I believe it can and will use the acquisition of supercomputers as an example.

One of the basic requirements today for state-of-the-art capability in most fields of high technology is access to advanced computers. The decline of American preeminence in many fields of academic research can be directly related to the lack of availability of state-of-the-art computers on university campuses. For example, no American university ever acquired a CDC 7600 computer although it was the top scientific computer from the time it was introduced in 1966 until the advent of the supercomputer in 1977. Yet, during that time, a number of universities in Europe acquired CDC 7600 computers and a number of them have already acquired the current state-of-the-art supercomputer, either a Cray-I or a Cyber 205. The fact that these computers are not available to American university researchers not only limits the quality of their research, but means that they are not training graduate students in writing modern codes, they are not exploring new computational methods and are actually falling behind their counterparts in Western Europe and Japan in the basic elements of computer science.

The capital cost of a supercomputer facility is in the range of $7 to $10 million depending on the size of computer memory, ancillary equipment, power sources, etc. It is costs of this order of magnitude that have prevented universities from acquiring state-of-the-art scientific computers for the past 16 or 17 years. It is not likely that such funds will become available from federal sources for scientific equipment acquisitions.

Colorado State University, through its Research Foundation, has addressed this national problem in the following ways: In 1977 it acquired a Cray-I computer and leases it to the National Center for Atmospheric Research for the support of their research program. In 1982, the CSU Research Foundation installed a two million word, two vector pipeline Cyber 205 supercomputer in the computer center at Colorado State University. The Foundation proposes to make this facility available to the university community through a national computer network utilizing selected regional universities as nodes or regional network centers. Last month, the first of these nodes or centers was established at the University of Massachusetts and serves New England through the Dartmouth Kiewit Network.

We believe that equipment acquisition and financing ought to be the responsibility of the university. It is the responsibility of the Congress to support basic research through appropriations to the National Science Foundation and other agencies. Basic research budgets should include an adequate allowance for use charges for state-of-the-art scientific equipment. Once universities begin to manage their own equipment acquisitions on a businesslike basis, they will be continually upgrading their scientific equipment in response to demands from the growth and development of their own research programs.

I would like to close with a practical comment and a request for assistance from this subcommittee. Debt financing is not easy. It requires the manipulation of many different kinds of financial instruments, the cooperation of an investment banker to sell unrated "story bonds" or paper, and finally, the careful and expensive opining of tax counsel. The requirements of OMB Circular A-21, the complexities of the Internal Revenue Code of 1954 as amended, and innumerable IRS regulations discourage many university administrators from going forward with an equipment financing program.

This whole complex business could be greatly simplified by your enacting legislation which would amend Section 103 of the Internal Revenue Code of 1954 to provide the following:

"Interest on the obligations of colleges, universities, and not-for-profit organizations for the acquisition of equipment and facilities for scientific or educational purposes shall be tax-exempt."

Such a bill would have no negative impact on tax revenues as it would merely simplify what can be done at the present time. It would, however, stimulate the financing of scientific equipment by universities which will enhance their ability to contribute to the resurgence of America's technical leadership.●

A TRIBUTE TO MR. HERBERT M. JACOBOWITZ

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. ACKERMAN. Mr. Speaker, it is with distinct pleasure that I bring the accomplishments of Mr. Herbert M. Jacobowitz to the attention of my colleagues. Mr. Jacobowitz is being honored on Saturday, March 19, 1983, for his many years of dedicated service to the Knights of Pythias—a national fraternal organization.

Herb Jacobowitz is currently the deputy grand chancellor for the Knights of Pythias in the 52d District of New York State. In the past 3 years, he has also served as its president, vice president, and secretary. He was also the chancellor commander of the Pomonok Lodge of the 52d district.

Through the selfless and unceasing efforts of Herb Jacobowitz and his Pythian brothers, each year 1,000 underprivileged children have an opportunity to leave the hot and crowded city for summer camp. Because of the efforts of people like Herb, working through the charitable offices of the Knights of Pythias, the burdens of the aged and the handicapped are lessened.

Herb Jacobowitz truly exemplifies the motto of the Knights of Pythias: "Friendship, Charity, and Benevolence." The Pomonok Lodge could not have chosen a finer person to honor at its testimonial dinner.

I am proud to praise Herbert Jacobowitz and his distinguished record of service. He is, indeed, a remarkable American, and I know we all wish him the best of luck in his future endeavors. Mr. Speaker, it has been my privilege to bring Herb Jacobowitz's achievements to the attention of this body.●

FOREIGN TRADE PRACTICES: A NEW APPROACH

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. MICA. Mr. Speaker, I am today introducing legislation—the Foreign Trade Practices Act of 1983—that would establish certain restrictions on payments to foreign government officials in the course of export trade, and would direct the executive branch to undertake negotiation of an international agreement governing business payments to foreign officials. The restrictions I am proposing in this bill would be added to the existing responsibilities and authorities of the Secretary of Commerce to regulate and control export trade under the Export Administration Act of 1979. They would be similar to those now contained in the Foreign Currupt Practices Act, but would incorporate most of the changes proposed by S. 414, a bill passed by the Senate in the last Congress and introduced in this Congress by Senator HEINZ and others. Those changes are designed to clarify actions that are prohibited and to give greater weight to foreign standards of business propriety.

If enacted, Mr. Speaker, this legislation would require repeal of the Foreign Corrupt Practices Act, replacing it with similar provisions in the Export Administration Act. Responsibility for its administation and enforcement would be transferred from the Securities and Exchange Commission to the Department of Commerce. I believe such a new approach to the

regulation of foreign trade practices with respect to payments to foreign government officials is essential for several reasons.

First, existing restrictions have had a major impact on the reliability and competitiveness of U.S. exporters and export trade. As essentially a domestic regulatory agency whose primary mission is to protect U.S. corporate stockholders, the Securities and Exchange Commission is not in a good position to weigh the foreign trade and broad economic implications of restrictions on foreign trade practices. I believe the Department of Commerce is a more appropriate administering and enforcement agency with respect to such practices, having as it does existing broad responsibility and analytic capability for both domestic and foreign trade and economic policy. It is in that kind of broader context that restrictions on the practices of U.S. firms in foreign trade should be formulated, monitored, and enforced.

The Department already enforces restrictions on the compliance of U.S. firms with foreign economic boycotts directed against countries friendly to the United States—the so-called Anti-Boycott Act contained in section 8 of the Export Administration Act. It has enforced those restrictions aggressively and effectively, but with due regard for the great employment and other benefits that flow from exports, and for the need of the United States to remain competitive in world markets. I believe the Commerce Department could similarly enforce reasonable restrictions on payments to foreign government officials in the course of foreign trade without imposing excessive burdens on American companies or giving up major foreign markets to our competitors.

Of course, the restrictions themselves on payments to foreign officials must be reasonable and flexible to avoid becoming counterproductive, and that is the second major group of proposals contained in the bill I am introducing today. The Foreign Corrupt Practices Act has, I believe, gone somewhat too far in restricting trade practices, and caused needless and unjust loss of U.S. exports both for that reason and because some of its provisions are unclear. The very name of the act itself has a chilling effect on trade, and I therefore proposed to change it to a more neutral one—the Foreign Trade Practices Act of 1983. As a result of imprecise language in the existing act, exporters have been forced to forgo potentially lucrative and often perfectly legitimate export opportunities simply because they could not reasonably determine whether any improprieties might be involved that could be considered violations of U.S. law.

In establishing restrictions on payments to foreign officials under the Export Administration Act, Mr. Speaker, my proposal would make several significant clarifications and changes in existing restrictions. It would, for example, exempt from the prohibitions any payment to a foreign government official that was permissible under the laws, regulations, or policies of that government. That exemption is similar to one already contained in the antiboycott law which allows U.S. companies to comply with the laws and official practices of foreign countries in which they do business, while at the same time resisting involvement in secondary boycotts to which the United States is not a party. Such an exemption makes equally good sense with respect to payments to Government officials. In regulating U.S. firms, we simply must recognize that standards of business propriety vary widely throughout the world. To ignore this reality simply turns valuable export business over to our competitors without in any way upgrading foreign business practices.

The new restrictions I am proposing also clarify the current prohibitions against directing or authorizing third parties to make certain payments to foreign officials. Directions or authorizations by a U.S. person which are made "expressly or by a course of conduct" would constitute violations of the law.

One benefit of establishing these restrictions within a statute administered by the Department of Commerce would be to end the split in enforcement that exists under current law, and that has sometimes resulted in enforcement inconsistencies. Because the SEC has regulatory powers only over publicly held companies, enforcement of existing restrictions with respect to the activities of privately held companies has fallen to the Department of Justice. Under my proposal, enforcement of the restrictions applicable to all U.S. entities—both publicly and privately held—would be carried out by the Department of Commerce through its enforcement divisions, with the Justice Department having responsibility to prosecute any cases uncovered by Commerce involving criminal violations. This arrangement should result in more consistent and uniform interpretations of the prohibitions, and therefore greater equity and certainty for the businesses which must comply with them.

The Secretary of Commerce already has, under the Export Administration Act, most of the necessary enforcement tools, including powers to investigate, require reports and recordkeeping, issue subpenas, and take sworn testimony. One enforcement authority not already provided by the act, the authority to seek injunctions, is specifically provided in my bill. My bill contains certain bookkeeping standards, and would limit liability for failure simply to comply with bookkeeping requirements.

My bill, Mr. Speaker, would double the existing fines for prohibited payments. Having clarified the kinds of payments and other actions that are unacceptable for American businesses, I think it is appropriate and necessary to strengthen the deterrent against illicit practices in international business.

The Subcommittee on International Economic Policy and Trade of the Committee on Foreign Affairs, on which I have the honor to serve, needs to take a careful look at the effect on U.S. exports of prohibitions on payments to foreign government officials. Such a review would be pursuant to the committee's jurisdiction over export controls and export promotion, which is exercised at the subcommittee level by the International Economic Policy and Trade Subcommittee. The bill I am proposing today should provide a vehicle for such a review, and for possible revision of current prohibitions along the lines I am proposing, taking into account what appear to be costly negative effects on the U.S. balance of trade as a result of the current law. Mr. Speaker, I look forward to taking an active part in the subcommittee's review, and I commend this legislative proposal to all of my colleagues who share my feeling that we can no longer afford to sacrifice exports and the jobs that exports generate by unduly restricting our exporters. I believe this proposal will strongly discourage illicit payments to foreign officials without such costly disruptions of trade as have resulted from the ambiguities of the Foreign Corrupt Practices Act.

Mr. Speaker, I submit a copy of my proposal to be printed at this point in the RECORD.

H.R. ————. A BILL to amend the Export Administration Act of 1979 to prohibit certain actions to be taken by United States persons with respect to foreign officials

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Trade Practices Act of 1983".

SEC. 2. The Export Administration Act of 1979 is amended by inserting after section 8 the following new section:

"PROHIBITED ACTS WITH RESPECT TO FOREIGN OFFICIALS

"SEC. 8A. (a) PROHIBITION.—(1) It shall be unlawful for any United States person or any officer, director, employee, or any stockholder thereof acting on behalf of such United States person, acting in the interest or foreign commerce of the United States, corruptly to offer, pay, promise to pay, or authorize the payment of any money, or to offer, give, promise to give, or authorize the giving of anything of value to—

"(A) any foreign official for purposes of—

"(i) influencing any act or decision of such foreign official in his official capacity, or inducing such foreign official to do or omit

any act in violation of his legal duty as a foreign official; or

"(ii) inducing such foreign official to use his influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality,

in order to assist such United States person in obtaining or retaining business for or with, or directing business to, any person; or

"(B) any foreign political party or official thereof or any candidate for foreign political office for purposes of—

"(i) influencing any act or decision of such party, official, or candidate in its or his official capacity, or inducing such party, official, or candidate to do or omit any act in violation of its or his legal duty as such a political party, official, or candidate; or

"(ii) inducing such party, official, or candidate to use its or his influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality,

in order to assist such United States person in obtaining or retaining business for or with, or directing business to, any person.

"(2) It shall be unlawful for any United States person, or any officer, director, employee, or stockholder thereof acting on behalf of such United States person, acting in the interstate or foreign commerce of the United States, corruptly to direct or authorize, expressly or by a course of conduct, a third party to offer, pay, promise, or give anything of value—

"(A) to any foreign official for any purpose set forth in paragraph (1)(A); or

"(B) to any foreign political party or official thereof or any candidate for foreign political office for any purpose set forth in paragraph (1)(B).

"(b) PERMISSIBLE ACTIONS.—Subsection (a) shall not apply to—

"(1) any payment the purpose of which is to expedite or to secure the performance of a routine governmental action;

"(2) any payment, gift, offer, or promise of anything of value which is permitted under any law, regulation, or policy of the government of the country involved;

"(3) any payment, gift, offer, or promise of anything of value which constitutes a courtesy, a token of regard or esteem, or in return for hospitality;

"(4) any expenditures, including travel and lodging expenses, associated with the selling or purchasing of goods or services or with the demonstration or explanation of products; or

"(5) any ordinary expenditures, including travel and lodging expenses, associated with the performance of a contract with a foreign government or agency thereof.

"(c) GUIDELINES FOR COMPLIANCE.—Not later than six months after the date of enactment of this section, the Secretary, after consultation with the Attorney General, the United States Trade Representative, the Secretary of State, and the Secretary of the Treasury, and after obtaining the view of representatives of the business community and other interested persons through public notice and comment and in public hearings, shall determine to what extent the business community would be assisted by further clarification of the preceding provisions of this section and may, based on such determination and to the extent necessary and appropriate, issue—

"(1) guidelines describing specific types of conduct, associated with common types of export sales arrangements and business contracts, which the Secretary determines constitute compliance with the preceding provisions of this section; and

"(2) general precautionary procedures which United States persons may use on a voluntary basis to ensure compliance with the preceding provisions of this section, and to create a rebuttable presumption of compliance with such provisions.

The Secretary shall issue the guidelines and procedures referred to in the preceding sentence in accordance with the provisions of subchapter II of chapter 5 of title 5, United States Code, and those guidelines and procedures shall be subject to the provisions of chapter 7 of that title.

"(d) OPINIONS OF THE SECRETARY.—(1) The Secretary, after consultation with other Federal agencies and representatives from the business community, shall establish a procedure to provide responses to specific inquiries by United States persons concerning compliance with the preceding provisions of this section. The Secretary shall, within 30 days after receiving a request made in accordance with that procedure, regarding compliance with the preceding provisions this section, issue an opinion in response to that request. An opinion of the Secretary that certain prospective conduct does not violate the preceding provisions of this section shall be final and binding on all parties, subject to the discovery of new evidence with respect to the conduct. The Secretary shall establish the procedure pursuant to this paragraph in accordance with the provisions of subchapter II of chapter 5 of title 5, United States Code, and that procedure shall be subject to the provisions of chapter 7 of that title.

"(2) Any document or other material provided to, received by, or prepared in the Department of Commerce, or any other department or agency of the United States Government, in connection with a request by a United States person under the procedure established pursuant to paragraph (1) of this subsection concerning compliance with the preceding provisions of this section, or in connection with any investigations conducted with respect to violations of such provisions, shall be exempt from disclosure under section 552 of title 5, United States Code, regardless of whether the Department responds to such a request or the United States person withdraws such request before receiving a response. The Secretary shall protect the privacy of each such United States person, and shall adopt rules assuring that materials, documents, and information submitted in connection with such a request will be kept confidential and will not be used for any purpose that would unnecessarily discourage use of the procedure established pursuant to paragraph (1).

"(3) The Secretary shall, to the maximum extent practicable, provide timely guidance concerning compliance with the preceding provisions of this section to potential exporters and small businesses which are unable to obtain specialized counsel on issues pertaining to such subsections. Such guidance shall be limited to responses to requests under paragraph (1) concerning compliance and general explanations of compliance responsibilities and of potential liabilities under the preceding provisions of this section.

"(e) ACCOUNTING STANDARDS.—(1) For purposes of demonstrating compliance with the provisions of this section, each United States person described in subsection (f)(2)(A) of this section shall devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that—

"(A) transactions are executed in accordance with management's general or specific authorization;

"(B) transactions are recorded as necessary (i) to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and (ii) to maintain accountability for assets;

"(C) access to assets is permitted only in accordance with management's general or specific authorization;

"(D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and

"(E) for the purposes of subparagraphs (A) through (D) of this paragraph, the United States person makes and keeps books, accounting records, and accounts which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the United States person.

"(2) No criminal liability shall be imposed for failing to comply with the requirements of paragraph (1) of this subsection.

"(3) No civil injunctive relief shall be imposed with respect to—

"(A) any United States person for failing to comply with the requirements of paragraph (1) of this subsection if such United States person shows that it acted in good faith in attempting to comply with such requirements; or

"(B) any person other than a United States person, in connection with a United States person's failure to comply with paragraph (1), unless such person knowingly caused the United States person to fail to devise or maintain a system of internal accounting controls that complies with paragraph (1).

"(4) No person shall knowingly circumvent a system of internal accounting controls established pursuant to paragraph (1) for a purpose inconsistent with paragraph (1).

"(5) Where a United States person holds 50 percent or less of the voting power with respect to a domestic or foreign concern, the provisions of paragraph (1) require only that the United States person proceed in good faith to use its influence, to the extent reasonable under that person's circumstances, including the relative degree of its ownership over the domestic or foreign concern and under the laws and practices governing the business operations of the country in which such concern is located, to cause such domestic or foreign concern to devise and maintain a system of internal accounting controls consistent with paragraph (1). Such a United States person shall be conclusively presumed to have complied with the provisions of paragraph (1) by demonstrating good faith efforts to use such influence.

"(6) For purposes of paragraph (1), the terms 'reasonable assurances' and 'reasonable detail' mean such degree of assurance and level of detail which a prudent individual would provide in the conduct of his own affairs, having in mind a comparison between benefits to be obtained from the system of internal accounting controls maintained and costs to be incurred in obtaining such benefits.

"(f) DEFINITIONS.—As used in this section—

"(1) the term 'foreign official' means any officer or employee of a foreign government

or any department, agency, or instrumentality thereof, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality; and

"(2) the term 'United States person' means (A) any issuer which has a class of securities registered pursuant to section 12 of the Securities Exchange Act of 1934 and any issuer which is required to file reports pursuant to section 15(d) of that Act; (B) any individual who is a citizen, national, or resident of the United States; of (C) any corporation, partnership, association, joint-stock company, business trust, unincorporated organization, or sole proprietorship which has its principal place of business in the United States, or which is organized under the laws of a State of the United States or a territory, possession, or commonwealth of the United States.".

SEC. 3. (a) Section 11 of the Export Administration Act of 1979 (50 U.S.C. App. 2410) is amended—

(1) in subsection (b) by inserting in the section caption "and Other" after "Willful"; and

(2) by adding at the end thereof the following new paragraph:

"(3)(A)(i) Except as provided in clause (ii), any United States person which violates section 8A of this Act shall, upon conviction, be fined not more than $2,000,000.

"(ii) Any individual who is a United States person and who willfully violates section 8A of this Act shall, upon conviction, be fined not more than $20,000, or imprisoned not more than five years, or both.

"(B) Any officer or director of a United States person, or stockholder acting on behalf of such United States person, who willfully violates section 8A of this Act shall, upon conviction, be fined not more that $20,000, or imprisoned not more than five years, or both.

"(C) Whenever a United States person is found to have violated section 8A of this Act, any employee of such United States person who is a United States citizen, national, or resident or is otherwise subject to the jurisdiction of the United States (other than an officer, director, or stockholder acting on behalf of such United States person), and who willfully carried out the act or practice constituting the violation shall, upon convition, be fined not more than $20,000, or imprisoned not more than five years, or both.

"(D) Whenever a fine is imposed under subparagraph (B) or (C) of this paragraph upon any officer, director, employee, or stockholder of a United States person, such fine shall not be paid, directly or indirectly, by such United States person.".

SEC. 4. Section 12(a) of the Export Administration Act of 1979 (50 U.S.C. App. 2411(a)) is amended—

(1) by inserting "(1)" immediately before "To the extent necessary"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Whenever it appears to the Secretary that any United States person or officer, director, employee, or stockholder thereof, is engaged, or is about to engage, in any act or practice constituting a violation of section 8A of this Act, the Secretary may bring a civil action in an appropriate district court of the United States to enjoin such act or practice, and upon a proper showing a permanent or temporary injunction or a temporary restraining order shall be granted without bond.".

SEC. 5. Section 13(a) of the Export Administration Act of 1979 (50 U.S.C. App. 2412(a)) is amended by striking out "section 11(c)(2)" and inserting in lieu thereof "sections 8A(c), 8A(d)(2) and 11(c)(2)".

SEC. 6. Section 16(2) of the Export Administration Act of 1979 (50 U.S.C. App. 2415(2)) is amended by inserting "(except as provided in section 8A(f)(2) of this Act)" after "means".

SEC. 7. (a) It is the sense of the Congress that the President should pursue the negotiation of an international agreement, among the largest possible number of countries, to govern persons from those countries concerning acts prohibited with respect to United States persons by section 8A(a) of the Export Administration Act of 1979, as added by section 2 of this Act. Such international agreement should include a process by which problems and conflicts associated with such acts could be resolved.

(b)(1) Within one year after the date of enactment of this Act, the President shall submit to the Congress a report on—

(A) the progress of the negotiations referred to in subsection (a);

(B) those steps which the executive branch and the Congress should consider taking in the event that these negotiations do not successfully eliminate the competitive disadvantage of United States businesses that results when persons from other countries commit the acts described in subsection (a); and

(C) possible actions that could be taken to promote cooperation by other countries in international efforts to prevent bribery of foreign officials, candidates, or parties in third countries.

(2) The President shall include in the report submitted pursuant to paragraph (1)—

(A) any legislative recommendations necessary to give the President the authority to take appropriate action to carry out subparagraphs (B) and (C) of paragraph (1);

(B) an analysis of the potential effect on the interests of the United States, including United States national security, when persons from other countries commit the acts described in subsection (a) of this section; and

(C) an assessment of the current and future role of private initiatives in curtailing such acts.●

ARIZONA VOICE OF DEMOCRACY SCHOLARSHIP WINNER, JOSEPH A. BECK

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. STUMP. Mr. Speaker, for the past 35 years, the Veterans of Foreign Wars of the United States and its Ladies Auxiliary have conducted the Voice of Democracy scholarship contest. This year, more than one-quarter of a million secondary school students participated. The contest theme was "Youth—America's Strength."

Mr. Joseph A. Beck is the Arizona winner of the 1982-83 program. He is a student at Kingman High School and a member of Who's Who Among American High School Students and the Society of American Distinguished High School Students. I would like to submit the text of his winning speech for the record and highly recommend it to my colleagues.

YOUTH—AMERICA'S STRENGTH

What is really meant by the word strength? Webster defines it as the state or quality of being strong, vigorous, powerful, and morally or intellectually effective. I think all of us will agree that each of these fine qualities represents what America really is and stands for.

Over two-hundred years ago America started out as nothing more than a colony, and now it has become a durable and thriving nation. Throughout time, however, it has had to withstand many hardships, including wars, both foreign and domestic, and natural disasters. America's struggle to survive has been a long and difficult one, but, in spite of all this, America has remained as strong and spirited as it was in the beginning years.

What is the reason for America's success as a nation? I believe that the true strength lies in America's youth. Youth simply refers to an early period of existence or growth. When I think of the youth of America, two aspects come to mind. First, I think of our country's youth itself.

America is still a relatively young nation. Two-hundred years seems like a long time, but really isn't. America as a nation resembles the little children that are continually maturing and growing through each experience they encounter. America continues to learn from its challenging ordeals, and I feel that this is a key factor in America's strength. America has grown a great deal since its beginning; however, there will always be room for further improvement and development.

The other and perhaps most important factor in America's strength is its young people. The younger generation has many contributions that they can and will make in the years ahead. For example in the event of a war; America's youth will be out there fighting to preserve the ideals and accomplishments of this nation just as our forefathers were. Our youth will also be the ones who make our lives more enjoyable by designing and building the new technologically advanced products and services such as automobiles, new surgical procedures, and maybe even alternate fuel supplies. The applications for their abilities are many.

Youth are quite successful because they aren't quitters; they are go-getters, a philosophy that our forefathers thoroughly believed in. Today's youth, for the most part, are continually striving for the acme of success. We can see it in their writing, sporting activities and their overall actions.

America's youth is full of ambition. This gives them the motivation to try new things and seek solutions for old as well as new problems. Without motivation we won't try, and if we don't try, we will never know just how much we could have achieved.

It is the courage to be willing to take that first giant step that enabled America to send astronauts to the moon. I'm sure that the idea of man in space most likely sounded preposterous to the American people when they first heard of the idea; even the engineers were probably terrified, but they went ahead and tried. Now look how far we have progressed, both scientificially and technologically.

In the past, when our forefathers were in school, many of the every-increasing educational opportunities open to today's youth were not offered. The quality and depth of

education has played a tremendous role in strengthening America's youth. We are now learning more things than our predecessors ever could have. With this knowledge there is really no limit on how great we can make America.

Many solutions to problems, including overcrowding, medical disorders, and transportation problems, are now being worked out with impressive results. This is just some of the valuable progress America's younger generation has begun to make.

God has continually blessed our nation and its people. He has given our nation beautiful pastures, lakes, and streams. He has definitely made America beautiful from ocean to ocean and sea to shining sea.

I am very thankful that I am able to live in a country where we are free to express our thoughts and ideas freely, believe as we choose and live the way we please. This wonderful nation, where all these things are possible, is America. It is great to be an American youth.●

DIESEL FUEL EXCISE TAX

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. FRENZEL. Mr. Speaker, today, my colleagues Mr. CAMPBELL, Mr. JENKINS, and I introduced legislation to repeal the burdensome user fee placed on truckers in the Surface Transportation Act of 1982, and replace it with a more equitable tax based on diesel fuel used by the trucking industry.

In the 1982 act, the highway user fees imposed on truckers increased on the average 800 percent, regardless of the varying distances which the different operators actually used the highways. Although I was a firm supporter of the Surface Transportation Act, I have been working with my colleagues in drafting legislation which would tax the users of our Nation's highway system in a more equitable manner.

In my judgment, our bill achieves this purpose. The bill proposes to replace the entire user fee with an increase in the diesel fuel tax of 3 cents in 1983, and 2 cents more in 1984. I believe that this is a more fair system of taxing truckers for the proportionately larger share of damage which their use of the highways is alleged to cause. It can also be more easily assimilated by the trucking industry because it is a pay-as-you-go system.

The American Trucking Association has examined our proposal, and has given it its full, unqualified, support as an equitable replacement for the user fees imposed by last year's act.

Our proposal is a good, fair means of dealing with a very difficult problem. I urge all of my colleagues to join us in supporting this effort.●

RESIDENTIAL UTILITY CONSERVATION ADVISORY COMMITTEE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. BROWN of California. Mr. Speaker, I would like to take this opportunity to commend the Southern California Edison Co. for the effective implementation of a residential utility conservation advisory committee (RUCAC).

RUCAC was established to bring together community input in an effort to properly address the needs of customers regarding conservation and consumer-related issues.

After almost 2 years in operation, RUCAC has enjoyed the benefits of addressing and balancing the needs of various constituencies into effective residential conservation programs, as well as other Edison consumer-related programs.

RUCAC has served as an effective sounding board for innovative energy conservation approaches, providing advice on the effects on small businesses, ethnic, and cultural barriers. RUCAC is also considered to be an integral element in the planning and development of the residential conservation services program. I highly comment this approach to other utilities as a way of easing the burden of high energy prices—not only on the consumer, but as a way of easing pressure on the utilities themselves.

I applaud this corporate effort to be responsive to the energy needs of the consumer, and in so doing bring about effective and efficient conserving of energy.

I include the announcement by Edison which outlines the specifics of this program:

RESIDENTIAL UTILITY CONSERVATION ADVISORY COMMITTEE (RUCAC) FACT SHEET

Edison established the 15-member Residential Utility Conservation Advisory Committee (RUCAC) in 1980, in response to the state's plan for Residential Conservation Services (RCS).

In addition to RCS, RUCAC was charged with other areas of responsibility including involvement in consumer related issues, conservative and load management programs and in general, learning more about how Edison conducts business.

RUCAC members are representatives from local government, energy-related organizations, local unions, small energy-related business, Hispanic, Black, Asian, American Indian communities and represent various climatic/regional areas throughout Edison's service territory. Because of this diverse representation, RUCAC has provided a balanced understanding of consumer view points.

As per the RUCAC plan, each member serves an 18-month term with five new members appointed every six months to replace those members who have completed their term. In total 36 members have been appointed to RUCAC since its inception.

Throughout 1981/82, RUCAC assisted and was instrumental in identifying special needs of customers by developing the RCS program announcement, marketing and geographic strategy; reviewed and commented on Edison's RCS auditor and inspector training programs; and critiqued supplemental RCS brochures. RUCAC also reviewed, discussed and/or provided input on other Edison issues including 1981 conservation and load management programs, lifeline allocations, rate case procedures, nuclear energy licensing procedure, Edison's financial structure, PURPA rate information to customers, and Edison's 1982 advertising campaign.●

ECONOMIC EQUITY ACT OF 1983

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. OBERSTAR. Mr. Speaker, the Economic Equity Act of 1983 was introduced Monday in both the House of Representatives and the Senate. I am very pleased to be one of the original cosponsors of this omnibus legislation which is designed to address inequities in a variety of existing laws as they pertain to women.

The Economic Equity Act (EEA) was first introduced in 1981 and had broad bipartisan support in the Congress. The revised legislation reflects the passage of some sections in the 97th Congress and has been expanded to deal more effectively with the economic necessities of women who work both in and outside the home.

In my State of Minnesota, women accounted for 43 percent of the labor force in 1980. More than three-fifths of employed women in the State work full time. Nearly half of the Nation's work force are women and two-thirds of these women are single, widowed, divorced, or working to keep their families out of poverty. Good quality child-care facilities are extremely important to working women.

The EEA would expand the sliding scale for tax credits for child care, allow nonprofit organizations providing work-related child care to be eligible for tax-exempt status, provide for the refundability of the child-care tax credit, and establish a grant program to provide seed money to community-based clearinghouses for child-care information and referral.

Although female-headed families represent only 10 percent of all families in Minnesota, they account for one-third of the State's families living in poverty. Half of all children in poverty in our country live in female-headed households, and two-thirds of these children depend on the AFDC program for their survival. Child support payments are critical to these families.

Studies show that 59 percent of divorced mothers have been granted child support awards, but almost half do not receive payments. The EEA would amend the child support program under title IV-D, Social Security Act, to clearly state that the purpose of the program is to secure child support for the non-AFDC cases as well as for AFDC cases. It would also allow States to withhold Federal income tax refunds from absent parents who owe past due child support for non-AFDC children, as well as AFDC children. It would also create an automatic assignment of Federal civilian employees' wages when child support is ordered, modified, or enforced by States.

The Economic Equity Act also calls for private and public pension reform. The private pension system, as regulated by ERISA, often fails to recognize that both spouses make significant contributions toward an employee's ability to earn wages and tends to disregard the economic value of women in their roles as wives, widows, mothers, and workers. The civil service retirement program fails to provide pension or retirement benefits to the divorced and widowed wives of civil service employees, even though they have devoted many years to maintaining the home and family. Inequities in both the private and civil service pension systems are addressed by the EEA.

Discrimination against women in insurance, tax policy, and regulations are also targeted by the EEA, as well as other inequities that affect their economic well-being.

Enactment of the Economic Equity Act should be a major goal of the 98th Congress. I urge my colleagues to join with me and the over 100 other cosponsors of the act in working to insure its enactment in this Congress.●

STATEMENT SUPPORTING THE CONTINUED PRESENCE OF ISRAELI TROOPS IN LEBANON UNTIL A SIMULTANEOUS, GRADUAL WITHDRAWAL CAN BE NEGOTIATED

HON. KENT HANCE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. HANCE. Mr. Speaker, Secretary of State George P. Shultz recently said the United States may be willing to expand our military presence in Lebanon as one means of helping Israel protect its northern border. I wholeheartedly oppose such an increase in the U.S. military presence because it leaves our troops in a vulnerable position. The March 16 grenade attack on five U.S. marines highlights the need to remove all foreign forces from Lebanon. Instead of increasing participation by any foreign force in Lebanon, I urge consideration for a simultaneous, gradual withdrawal by all such forces. I believe that a simultaneous withdrawal of all foreign forces is a better alternative to increased U.S. military participation because such a gradual withdrawal will foster security and stability. Forcing only Israel to withdraw is not the solution. If Israel alone pulls its troops out immediately, chaos will almost surely occur. But, simultaneous withdrawal would encourage the reemergence of a stable and independent Lebanon.

A simultaneous, gradual withdrawal makes sense because of the current disunity among the various Lebanese factions. It provides the Lebanese Government with the necessary time to unify and stabilize into a strong central and democratic government, a necessity if Lebanon is to return to its previous position as an oasis of stable moderation in the Middle East. If the Israelis alone are forced to withdraw from Lebanon in the immediate future, the vacuum left by their departure would quickly be filled by radical elements bent on preventing the formation of a unified democratic Lebanon. At this time, the Lebanese army appears unable to provide the necessary support to the Government to prevent this very real possibility from occurring.

Now, Israel is being forced to accept indirect responsibility for the recent refugee massacre because Israeli troops failed to prevent one Lebanese group from killing another Lebanese group inside Lebanon. Israeli withdrawal at this time, without a simultaneous withdrawal by Syrian forces and the PLO, would only remove a strong deterrent to such infighting and would continue the bloodshed and destruction of the last 10 years. If Israel pulls out immediately, Lebanon will have no one to help keep the warring Lebanese factions apart.

Most importantly, Israel has received no confirmed assurances that Syria and the PLO will withdraw at the same time with Israel. Israel cannot be expected to withdraw unless and until these confirmed assurances have been given. To force Israel to do otherwise would negate the reason for their original entry into Lebanon. Furthermore, it would encourage the possibility of a PLO reentry into Lebanon backed by the Soviet-supported Syrian military. This must not be allowed to happen, and the only way to insure its prevention is to support a simultaneous, gradual withdrawal by all foreign forces, including Israel, Syria, and the PLO.

A free Lebanon and peace in the Middle East are the ultimate goals we all seek. Israel recognizes, as we do, that it must withdraw; but to withdraw overnight, without confirmed assurances of a simultaneous withdrawal by Syria and the PLO would only undermine the existing fragile peace in the area and could seriously jeopardize any hopes for a lasting future peace. Increased U.S. military participation would not accomplish this goal; a gradual withdrawal will. We must not forget that Israel is our friend and ally. Now is the time, Mr. Speaker, that we must stand behind them and support their desire for a simultaneous, gradual withdrawal. I urge this august body to pledge itself toward that end.

Thank you.●

AMERICAN GI FORUM HONORS DR. HECTOR GARCIA

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. ORTIZ. Mr. Speaker, I would like to bring to your attention the achievements of an outstanding Mexican American, Dr. Hector P. Garcia. Dr. Garcia is the founder of the American GI Forum.

Dr. Garcia has a long history of service to his country and to Hispanics. During World War II, he served in the infantry and was awarded the Bronze Star. He has represented Presidents Kennedy, Johnson, and Carter, first in 1961 as a member of the American delegation at the signing of the Mutual Defense Area Agreement between the United States and the Federation of West Indies. In 1967, Dr. Garcia was appointed by President Johnson as a delegate to the United Nations, serving with the rank of Ambassador. Dr. Garcia was later named a Commissioner of the U.S. Commission on Civil Rights. He remains a member of the Texas State Advisory Committee to the U.S. Commission on Civil Rights.

It was his concern for human rights that led Dr. Garcia, in 1948, to found the American GI Forum. The need for the forum became apparent as Mexican Americans returning from World War II were having trouble securing VA benefits. The movement for Hispanic rights was further spurred a year later, when a Mexican-American war casualty was denied burial in a cemetery that had, up to that time, excluded minorities.

The American GI Forum, in its 35 years, has become one of the largest Hispanic organizations in the country, with over 20,000 members in 30 States. The scope of the forum has broadened from the protection of veteran and veteran family rights to the protection of human rights for all Hispanics and minorities. The forum places special emphasis on education to improve the quality of life for Hispanics and minority groups. The forum has estab-

lished several programs to carry out its goals.

The Hispanic Education Fund of the United States solicits money from private sources for college scholarships awarded through American GI Forum local chapters. The veterans outreach program of the American GI Forum offers on-the-job training and veteran job placement. SER, short for service education redevelopment, also provides on-the-job and vocational training.

Dr. Garcia has continued his role in assisting Hispanics and minorities. Through the forum, he has worked to insure the rights of Hispanics to juries by their peers in civil and criminal cases. Dr. Garcia has been a leader in voter registration drives for Hispanics and in seeking the provision of bilingual services in schools and public and community services. He has also been an advocate for migrant farmworkers in their attempts to secure a minimum working wage.

In celebration of its 35th anniversary, the American GI Forum will be honoring Dr. Garcia and another most important Mexican American, Domingo Pena. Mr. Pena, who died this past January, was a Corpus Christi radio and television personality who on his own, and in conjunction with the forum, devoted efforts to further the advancement of Hispanics. He raised funds for Hispanics left homeless by fire and other circumstances. Mr. Pena was also instrumental in sending many Hispanic youth to college; in 1966, Mr. Pena traveled to Vietnam to entertain American troops.

Mr. Speaker, as Hispanics become America's largest minority, it is important that the contributions of Mexican Americans be increasingly recognized. It is a pleasure for me to join with the members of my community in honoring the achievements of Dr. Hector P. Garcia and Mr. Domingo Pena.●

DECONTROL

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. DONNELLY. Mr. Speaker, as we are all aware, the President has announced his intentions to seek legislation which would decontrol domestic natural gas prices. This proposal which would decontrol all forms of natural gas on January 1, 1986, would place additional financial burdens on those who can least afford them.

With the present oil glut and declining worldwide prices, I believe that this is precisely the wrong action at the wrong time. With the gains made in reducing our dependency on imported oil, it would be disastrous for the Congress to pass legislation which would substantially increase domestic energy prices. We would be in effect telling the American consumer and businessman that we should return to our old practice of depending upon cheaper oil from unstable nations for our energy needs.

This legislation also creates other problems which the Congress has seen in the past. If we plan to decontrol all forms of natural gas in 1986, we destroy any incentive to producers to market their old gas found before 1978. Actions by oil producers in the mid to late 1970's shows the problems created by future decontrol.

Today I have introduced a resolution stating that it is the sense of the Congress that the natural gas deregulation schedule should not be accelerated. Although, I believe that the Natural Gas Policy Act of 1978 needs to be reviewed. I also believe that total decontrol of all forms of natural gas would be disastrous. Hopefully, we can prevent the administration from pursuing this most unwise action.●

IN SUPPORT OF FEDERAL EMPLOYEES

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Ms. MIKULSKI. Mr. Speaker, I am here today to speak in support of our Federal employees throughout the country.

During the past 2 months, I traveled extensively through my district in Maryland, and listened as Federal employees told me about legitimate and well-founded concerns.

They are worried about having to pay a huge percentage of their paycheck to both their pension plan and to social security. With the new social security legislation that brings new Federal workers into the social security system, those new workers could pay up to 14 or 18 percent of their paycheck in order to meet contributions to both plans.

Second, both old and new Federal employees are concerned that even after years of faithful service and paying into their pension fund, that fund will then be so eroded that retirement money will not be there when they are ready to collect.

It is time that we took a long hard look at what this Congress is doing to our Federal employees. We need legislation that protects Federal employees.

I know how valuable Federal employees are, and I know first hand. In my home State of Maryland, Federal employees are critical to the operation of the port. They work in the Coast Guard, in the Customs House, and in the Federal Maritime Administration. And I have Federal workers in the Health Care Finance Administration, and in our Social Security offices.

We ask our good people at the port to help the private sector move goods, safely and quickly, and in return we tell them that they may not be able to depend on us in their old age.

We ask our people at the Health Care Financing Administration to keep health costs down, and then we tell those same Federal employees that they are going to have their health benefits reduced. We ask our Federal employees at Social Security to implement enormous changes to protect our elderly, and then we tell them that their own retirement system is in jeopardy.

Federal employees need to have those inequities remedied, and they deserve to have their concerns addressed through strong legislation.

That is why I am giving my wholehearted support to the resolution introduced by Congresswoman BARBARA BOXER of California. This resolution calls upon the Congress to make sure that the obligations of the existing civil service retirement system are met.

Simply put, this resolution is a message from the House of Representatives to the committees instructing them to take the concerns of Federal workers seriously.

I believe the Boxer resolution is an important statement, and a strong beginning. Coupled with the proposed repeal of the medicare tax, which I have cosponsored, I believe we will move forward, one swift step at a time, to take care of our Federal employees with the same quality and devotion that they have given to this country.●

LEGISLATION INTRODUCED TO PREVENT OFFSHORE LEASING OF ENVIRONMENTALLY SENSITIVE AREAS

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. STUDDS. Mr. Speaker, Representative LEON PANETTA and I last week introduced legislation to remove certain carefully selected areas of the Atlantic and Pacific Outer Continental Shelf (OCS) from oil leasing consideration until the end of this century. An identical bill is being introduced by Senators KENNEDY, TSONGAS, and CRANSTON.

We are taking this step because we believe it is the only method by which a genuine balance between the need for oil and gas development and environmental protection can be achieved. Secretary of the Interior James Watt has consistently failed to live up to his responsibility to administer the off-

shore oil leasing program in a manner which respects the needs of competing users of the sea, including the fishing industry, and those dependent on tourism for a livelihood. Given the amount of OCS available, the United States does not, at the moment, have a critical need to exploit those areas of the Outer Continental Shelf affected by our legislation. Nor does the oil industry have the ability at present to expand its exploration and production activities into these areas to expand its exploration and production activities into these areas in an efficient or economic way.

The United States does, however, and will always have the need for a prosperous fishing and shellfishing industry in the northwest Atlantic, a healthy and productive ecosystem on Georges Bank, and a healthy tourist industry on our Atlantic and Pacific coasts. Our legislation will not forever preclude oil and gas development in the areas affected by the bill, but will instead leave the leasing decision more perceptive, we hope, than that presently represented by Mr. Watt.

The areas in the North Atlantic which would be temporarily removed from leasing consideration by our legislation are all of particular economic or ecological importance. Together, they constitute less than 30 percent of the total North Atlantic planning area which will be available for leasing when the third OCS lease sale in the region is conducted in March of 1984.

Under our legislation, the following four areas will be protected from oil and gas leasing until at least the year 2000:

First, a 50-mile buffer zone around the Commonwealth of Massachusetts. This deletion is necessary to protect the Massachusetts coast—which supports a vital tourist industry—against the threat of an oil spill reaching shore. The buffer zone has been respected both in the November 1979 lease sale (No. 42) and in the sale slated for later this month (No. 52);

Second, tracts in and at the head of submarine canyons: These areas provide important habitats for lobsters whose populations could be adversely affected by exposure to oil spills, drill muds, or the siltation that would arise from drilling activity;

Third, tracts within the 60-meter isobath on Georges Bank: This area serves as an important spawning for haddock, grey sole, flounder, cod, and sea herring. Also, the water circulation pattern in these shallow waters is such that an oil spill could be retained in the area for a long period of time, thereby causing serious population declines in one or more species;

Fourth, the Great South Channel: This area is one of the prime fishing grounds in the North Atlantic, with yields among the highest—in terms of tonnage per year—in the region. Further, the Boston Harbor shipping traffic lane and the Ambrose-Nantucket shipping traffic lane merge in this channel, and the channel appears to be the passageway of the Northern Right Whale into the Gulf of Maine.

In addition, a number of tracts on Georges Bank would be removed from the program until 1990 for further study on the feasibility of allowing oil and gas activity in this area.

Our legislation will not, if enacted, hinder in any significant way the continuation of an orderly, and balanced program of offshore oil and gas leasing and development. The legislation does reflect, however, a feeling on our part that Congress must play a more direct role in determining which areas of the Outer Continental Shelf should be leased now, and which should be held back for possible exploitation by future generations of Americans. James Watt would like to offer for lease the entire Outer Continental Shelf in 5 years. That strategy makes neither economic nor environmental sense, and Congress ought not to sit quietly on the sidelines while it is put into effect.●

THE NEW DELHI SUMMIT'S ALTERNATIVES TO WAR

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. DYMALLY. Mr. Speaker, as this House considers the merits of approving a mutual and verifiable nuclear freeze, I think it may be of value to consider what the nonalined countries have proposed.

At the Second United Nations Special Session on Disarmament, Prime Minister of India, Indira Gandhi presented a detailed proposal calling for a freeze on existing stockpiles, a freeze on the production and testing of all nuclear weapons, negotiations to achieve a treaty on general and complete disarmament between the United States and the Soviet Union among other things. The Summit of nonalined countries in New Delhi should provide us with an interesting and valuable perspective on what our Third World and nonalined neighbors perceive to be solutions to the world problem of nuclear arms proliferation.

Mr. Yeshwantrao Chavan, a member of the Indian Parliament has summarized some of those proposal in an article which appears in the Christian Science Monitor. I submit the text of the article to you for insertion into the CONGRESSIONAL RECORD.

THE NEW DELHI SUMMIT'S ALTERNATIVES TO WAR

(By Yeshwantrao B. Chavan)

At the New Delhi summit meeting of nonaligned countries beginning today India will press for detailed consideration of the proposals presented by Prime Minister Indira Gandhi to the Second United Nations Special Session on Disarmament:

To negotiate a binding convention on the non-use of nuclear weapons.

As a first step toward the eventual cutting of existing stockpiles, there must be a freeze on nuclear weapons, providing for the total stoppage of any further production of nuclear weapons, combined with a cut-off in the production of fissionable material for weapons purposes.

Immediate suspension of all nuclear weapons tests.

Disarmament negotiations must once again revert to the task of achieving a Treaty on General and Complete Disarmament, within an agreed time frame as was discussed between the US and USSR in the agreed principles and draft treaties of the early '60s. Although the problems involved have become far more complex, the basic approach and the principles then formulated could still provide a basis for meaningful negotiations.

The United Nations and its specialized agencies should take the lead in educating the public on the dangers of nuclear war, on the harmful effects of the arms race on the world economy, as well as the positive aspects of disarmament and its link with development.

Between the principles of the UN Charter and the principles of peaceful coexistance there is an immediate and obvious correspondence. If nevertheless there is a striking difference in the methods of conflict resolution adopted by the nonaligned movement, on the one hand, and the United Nations, on the other, it is because great power rivalry has imprinted its methodology of international relations management on the UN, rendering it impotent, if not irrelevent, in most international crises.

It is perhaps this that has evoked the cry of agony form the new Secretary General, Javier Perez de Cuellar, in his report to the last session of the General Assembly on the need for deep thought on the decisionmaking structures of the UN.

It is a cry that finds a ready echo in the nonaligned movement. It is, therefore, to be expected that the New Delhi summit will launch a fresh initiative in this direction.

When fainthearts and skeptics wonder how the weakest two-thirds of the nations of the world can pit an effective alternative to the management of world relations wrought by the great power blocs, and the practitioners of hard-nosed realities scoff at the sanctimonious sentimentality of the moral authority of nonalignment, the words of Jawaharalal Nehru echo over two decades of the nonaligned movement's pursuit of the alternative:

"Our capacity is limited, but we have a certain strength, call it what you like, moral strength, or other strength. Let us use it properly, rightly—without force but with courtesy and with a friendly approach so that we may influence those who have the power of war and peace in their hands and thus try, if not to prevent war for all time, at any rate, to push it away so that in the meantime the world may learn better the uses of cooperation. Then ultimately the world may put an end to war itself."

Therefore, until that distant day dawns when the great powers adopt the alternative vision of the management of international relations, which is at the genesis of both the nonaligned movement and the United Nations Charter, the prime concern and fore-

most duty of the movement rests in exploring and articulating, in specifics and in particulars, alternative methods of preserving world peace in the face of the destablization inherent in the great power confrontation and rivalry.

(Yeshwantrao B. Chavan, formerly minister of external affairs for India and currently a member of Parliament, is attending the current nonaligned summit in New Delhi.●

RELIGIOUS LEADERS SPEAK OUT ON DEFENSE BUDGET

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. VENTO. Mr. Speaker, today the House of Representatives will consider historic legislation, the nuclear freeze resolution. If enacted, this legislation will put the House on record as firmly opposing the Reagan administration nuclear weapons' policies. It will be a repudiation of the strategies that have fostered administration pronouncements on a "limited or winnable" nuclear war and an unprecedented nuclear weapons' buildup.

The nuclear freeze movement is truly a grassroots movement. Concerned by the administration's actions and statements, the American people have spoken out in opposition to the great risk that our nuclear policies present. We have all met with concerned citizens and civic and church leaders on this issue. Their concerns are the same. They believe it is time to call a halt to our progress down the paths of destruction.

We are all aware of the deliberations of the American Council of Catholic Bishops on the use of nuclear weapons. The council has properly rejected the heavy-handed intrusion by the administration into its deliberations. Their voice is an important call for a path of sanity.

Equally important is a statement by other religious leaders in opposition to Reagan's defense policies. These leaders represent over 50 million members.

This statement condemns the President's budget and states that the budget shows a nation "intent on a selfish and dangerous course of social stinginess and military overkill." It is ironic that as this statement was issued, the President was making his well-publicized pitch for his defense policies to another group of religious leaders.

Mr. Speaker, I strongly urge that our colleagues listen to the American people and support the nuclear freeze resolution. At this time I would like to bring to my colleagues' attention the Washington Post, March 9 article on the statement by U.S. religious leaders.

[From the Washington Post, Mar. 9, 1983]

MINISTERS ISSUE STATEMENT CALLING REAGAN'S DEFENSE BUDGET "OVERKILL"

A group of religious leaders, using strong moral language, said yesterday that President Reagan's budget shows a nation "intent on a selfish and dangerous course of social stinginess and military overkill."

The leaders called on Congress to refuse any more cuts in survival programs for the poor, to pass the jobs and emergency relief legislation, to cancel the MX missile and B1 bomber and reduce military spending.

The leaders, representing religious bodies with more than 50 million members, issued what they termed "a call for a just federal budget." They said the federal budget is the most important moral statement the government will make this year.

"We are profoundly disturbed by the vision which emerges from this fiscal 1984 edition of our statement of moral purpose. It is a vision of a nation intent on a selfish and dangerous course of social stinginess and military overkill," the statement said.

The statement was signed by:

Bishop John Hurst Adams, African Methodist Episcopal Church; Robert Campbell, general secretary, American Baptist Churches; James Hornback, president, American Ethical Union; Henry Siegman, executive director, American Jewish Congress; Dr. Kenneth Teegarden, president, Christian Church (Disciples of Christ); Bishop Nathaniel Linsey, Christian Methodist Episcopal Church; Robert Neff, general secretary, Church of the Brethren General Board; Kara Cole, Friends United Meeting; Gordon Browne, Friends World Committee for Consultation, Section of Americas; Dr. C. J. Mallory, Jr., general secretary, Progressive National Baptist Convention; Rev. Arlie Brouwer, general secretary, Reformed Church in America; Rabbi Alexander Schindler, president, Union of American Hebrew Congregations; Sandra Mitchell Caron, moderator, Unitarian Universalist Association; Dr. Eugene Pickett, president, Unitarian-Universalist Association of Congregations; Bishop Leroy Hodapp, president, United Methodist Board of Church and Society; Dr. William Thompson, stated clerk, United Presbyterian Church; Dr. James Andrews, stated clerk, Presbyterian Church, U.S., and Avery Post, president, United Church of Christ.●

BOUCHER BACKS ANTIDRUG LEGISLATION

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. BOUCHER. Mr. Speaker, earlier this week, I met with Virginia Attorney General Gerald L. Baliles, State Senator James Jones of Abingdon, and State Delegate John G. Dicks of Chester. These gentlemen, representing Gov. Chuck Robb and the Virginia General Assembly, presented me with a resolution passed unanimously by the assembly calling for an end to the importation of illegal drugs from foreign countries into the United States.

I am proud to join Virginia's war on drug traffickers. In response to the Virginia Assembly's resolution, I am cosponsoring H.R. 41 to require that a country receiving foreign aid cooperate with the United States in our efforts to stop the flow of illegal drugs into this country.

According to the Drug Enforcement Administration, over 90 percent of all illegal drugs in the United States come from foreign countries, including all heroin and cocaine, and 85 percent of all marijuana.

Drug trafficking is a major criminal enterprise, amassing millions of dollars in illegal profits. Combating drug traffickers consumes a large portion of local law enforcement budgets each year.

Children are experimenting with drugs at ever-younger ages. A 1982 study by the National Institute on Drug Abuse reports that 27.3 percent of 12- to 17-year-olds have used illegal drugs. I know this is a major concern among parents in the Ninth Congressional District of Virginia, which I represent.

I urge my colleagues to support H.R. 41 to help halt the flow of illegal drugs into the United States.●

HOMESTEADING ACT OF 1983

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Ms. OAKAR. Mr. Speaker, today Representative COYNE of Pennsylvania introduced legislation which will amend the Homesteading Act to expand the size and scope of the program. Specifically, it will target the program to low- and moderate-income households, provide rehabilitation assistance for low- and moderate-income homesteaders, allow cities to use program funds to acquire privately owned abandoned houses for homesteading purposes, and remove multifamily homesteading from "demonstration" status integrating the multifamily program into the single family program.

Homesteading has been a success, according to a broad spectrum of evaluators. In its final report, the President's Commission on Housing endorsed single-family and multi-family homesteading "as a means of providing homeownership opportunities to low- and moderate-income renters." A 1979 GAO report described section 810, the homesteading program as "a good program needing improvement."

Despite the evident effectiveness of homesteading, it has not come close to realizing its potential as a housing program for the Nation's low- and moderate-income families. In 8 years of operation, the section 810 program has turned over less than 10,000 houses. By contrast, the city of Philadelphia alone has more than 20,000 abandoned

units. A conservative estimate is that nationally there are more than 200,000 units suitable for homesteading. Hundreds of abandoned units are being added to that stock every week. At the same time there are at least 3 million low-income households living in physically inadequate rental housing and at least 6 million low-income households paying more than 30 percent of their income for rent. Many of these households possess the skills and motivation to be homesteaders. A 1982 HUD report states that—

The most serious negative entry in the homesteading ledger is the modest number of units which it has included . . . the potential for homesteading far exceeds the level of activity to date.

The costs of homestead rehabilitation are often lower than is generally believed. Highly motivated individuals and families, such as the ones that testified in hearings last June have demonstrated that they have the skills or have the capacity to organize assistance from families, friends, and neighborhood organization.

In 1980, we are no longer facing a housing quality crisis. Well below 10 percent of our housing is dilapidated or lacking basic plumbing facilities. However, we do face a shortage of available affordable housing. There are at least five times as many families eligible for subsidized housing as there are units available. More than one fifth of all households can not afford decent housing. More than 6 million households pay over half their income for shelter. Housing costs have skyrocketed in recent years. The median income for homeowners rose 104 percent while median value of homes tripled. Median renter income rose 66 percent while median rents increased by 123 percent. And the rapid rise in housing costs has risen higher for low-income people. There are twice as many renter households with incomes below $3,000 as there are rental units available at 25 percent of their income.

The homesteading program has proven its worth, and should be expanded. We need these kinds of programs to revitalize our neighborhoods, and to provide an affordable means of acquiring housing for low- and moderate-income people. I invite you to join in cosponsorship of this legislation which will put our abandoned housing back into the housing stock by using the initiative and hard work of our citizens.●

OMB CIRCULAR A-122

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. McKINNEY. Mr. Speaker and colleagues, we have all become too familiar with the recent OMB Circular A-122 proposing new regulations governing the cost principles for nonprofit organizations. This cryptic title conceals a serious assault on free speech that rightly has nonprofit institutions across the country up in arms. I believe that the administration's proposal contains a selective interpretation of the first amendment which endangers the foundation of representative government.

Section 501 of the Internal Revenue Code currently prohibits tax-exempt organizations from political activities. By altering the definition of political advocacy from influencing legislation to attempting to influence governmental decisions, OMB is creating a deliberately confusing definition that will certainly lead to litigation and possibly open the door to Government restrictions on the open dissemination of information. The statement included in the Federal Register that "this proposal will promote the first amendment value that a person can freely speak, or refrain from speaking, on public matters," seems to me a novel interpretation of the first amendment and one which invites curtailment of the freedom of speech.

OMB claims that it is not seeking to prevent tax-exempt organizations from publishing newsletters, talking to Congressmen, or testifying before committees, but rather to make the organizations pay for these activities at other-than-public expense. My colleagues are surely aware that, at this time of fiscal austerity, the result of this change, whatever its supposed purpose, would be liquidation of many tax-exempt organizations or complete cessation of these advocacy activities. I cannot help but reach the conclusion that the administration has promulgated these changes in an attempt to eliminate those organizations, such as the Legal Services Corporation, which it has failed to eliminate because of congressional opposition.

Out of a concern for honest, effective Government which I believe is shared by this administration, I have asked, as have many of my colleagues, that OMB retract this proposal before it does any further harm. If the agency cannot abide by the current language concerning tax-exempt organizations and political activity, then it should frame another proposal with greater respect for the principles of free thought and speech.●

IN MEMORIAM: WADE BARBER OF PITTSBORO, N.C. (APR. 20, 1893–SEPT. 2, 1982)

HON. IKE ANDREWS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. ANDREWS of North Carolina. Mr. Speaker, Wade Barber of Pittsboro, Chatham County, N.C., was a public-spirited man who served the people of our State with great distinction and honor. When he died last September 2 at the age of 89, he left behind a legacy of outstanding public service. He was one of the most respected and astute attorneys our State has produced, and he put that knowledge of the law to work as town and county attorney, as county solicitor, and in general practice. He also represented the people of Chatham County in both houses of our State general assembly. One of his most enduring contributions is the role he played as State senator in upgrading the University of North Carolina School of Medicine, now recognized around the world as a center for excellence in medical education.

It was my privilege to call Wade Barber friend. As a young attorney fresh out of law school, I was fortunate to come under his tutelage, and I am grateful for that which he taught me. He was a warm, humorous, generous man who enriched the lives of all he touched. We shall miss him.

Recently, the North Carolina General Assembly paid fitting tribute to Wade Barber by passing the following resolution, which I am pleased to share with you today. The resolution reads:

RESOLUTION 3; HOUSE JOINT RESOLUTION 105

Whereas, Wade Barber was born in North Wilkesboro on April 20, 1893, and died a resident of Pittsboro, Chatham County, September 2, 1982; and

Whereas, Wade Barber was graduated from Pittsboro High School, Guilford College, and The University of North Carolina School of Law; and

Whereas, Wade Barber began his practice of law March 1916 in Pittsboro at the age of 23 and ultimately served as town attorney, Chatham County attorney, county solicitor, member of the State Bar Council and was esteemed as an outstanding advocate for all whom he represented in his general practice, and was senior partner in the firm of Barber, Holmes and McLaurin upon his death; and

Whereas, Wade Barber made numerous civic contributions to his community and his State including: service as a trustee of The University of North Carolina and for 15 years a member of its executive committee; Chairman of the Board of Directors of the Bank of Pittsboro, and as a Director of the Central Carolina Bank and Trust Company; and

Whereas, Wade Barber was active in his dedication and service to the Democratic party; including service as the Chairman of

the party in Chatham County during the years 1930-1938 and 1950-1968; and

Whereas, Wade Barber was a member of the North Carolina House of Representatives in 1925 and 1945 and the North Carolina Senate in 1939, 1943, and 1947 during which tenure he served as Chairman of the Senate Public Welfare and Appropriations Committees and as a member of the Advisory Budget Commission: and

Whereas, during the 1945 and 1947 Sessions of the General Assembly, Wade Barber was a major force in obtaining funds for The University of North Carolina Medical School and North Carolina Memorial Hospital; and

Whereas, after his service in the General Assembly, Wade Barber continued to work with the Legislature as a respected Legislative lobbyist; and

Whereas, Wade Barber was dedicated in his service to the Presbyterian Church, including service as an elder, Sunday school teacher and trustee in the Pittsboro Presbyterian Church for 42 years; and

Whereas, whether as an attorney, civic leader, political leader, legislator, or church leader, the name of Wade Barber meant respect and integrity;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

SECTION 1. The General Assembly recognizes the achievements of Wade Barber and expresses its appreciation for his contributions to the State.

SEC. 2. The General Assembly extends its deepest sympathy to the family and friends of Wade Barber and mourns the loss of this able and devoted public servant.

SEC. 3. The Secretary of State shall send certified copies of this resolution to the children of Wade Barber—Wade Barber, Jr., Betty Scott Smith, and Mary Hayes Holmes.

SEC. 4. This resolution is effective upon ratification.●

SBA LOAN MONEY FOR VETERANS

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. DASCHLE. Mr. Speaker, last week the House of Representatives successfully overturned an attempt by the Office of Management and Budget to defer all direct loan money in the Small Business Administration. Included in this package was $25 million for direct loans to Vietnam and disabled veterans. I applaud the House decision to restore these funds.

It has been 8 years since Congress passed Public Law 93-237 which gave veterans special preference for small business loans. Yet, until last September the SBA was providing only lip service to this law. Through the efforts of Mr. BOLAND and Mr. SMITH of Iowa last December, legislation providing for continuing appropriations included $25 million specifically earmarked for Vietnam and disabled veterans. Certainly, Vietnam and disabled veterans, by virtue of their service to this country, are especially deserving of this special assistance. Considering that their unemployment rate has hovered substantially above the national average this set-aside was not unwarranted.

Again, it is important to acknowledge the support of Messrs. BOLAND and SMITH who were quick to take action and gain House approval to restore these funds. It is also important to acknowledge the Vietnam Veterans Foundation for their efforts and struggles to see that this money was spent the way Congress intended. Without their efforts we may never have been able to take this first step in the long haul for Vietnam veterans.●

H.R. 1983, THE EMERGENCY HOUSING ACT OF 1983 (MORTGAGE FORECLOSURE ASSISTANCE FOR HOMEOWNERS)

HON. STEVE BARTLETT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. BARTLETT. Mr. Speaker, I share with all Members of this body a concern for those 11 million Americans who are unemployed, some of whom face delinquencies on the mortgage payments on their homes due to unemployment. H.R. 1983, however, would further compound the problems of those unemployed homeowners rather than assist them.

In many ways, H.R. 1983 should be entitled "The Foreclosure Incentive Act of 1983." This act would encourage rather than discourage foreclosures, add to an already overburdened Federal deficit, and ignore existing remedies. The views of the minority members of the Committee on Banking, Finance and Urban Affairs have been well expressed in the minority dissent, and I joined my colleagues in that dissent. In addition to the views expressed in that dissent, I offer the following facts which detail the irresponsibility of H.R. 1983, "The Foreclosure Incentive Act of 1983."

First, this act encourages rather than discourages forclosures. In 1982, approximately 1,230,000 home loans were delinquent in the Nation, but less than 60,000 were actually forclosed upon—less than 5 percent of total delinquencies and less than three-tenths percent of total home mortgages. The overwhelming preponderance of delinquencies in mortgage payments do not result in forclosures. Because this act will offer Federal money to pay for loans of delinquent payments of homeowners, lenders will be encouraged to give notice of forclosure and homeowners will be encouraged to let Government pay on their mortgages. This act will prompt an extraordinary number of delinquencies and forclosures.

Second, with its first year of funding of over three-fourths of $1 billion, this act would further drive up interest rates adding to the vicious cycle of unemployment and more forclosures.

Third, this act ignores existing remedies. The act contains no reference of less costly and more comprehensive relief currently available under existing law in chapter 13 of title 11 of the United States Code, entitled "Adjustments of Debts of an Individual With Regular Income." Chapter 13 was enacted for the specific purpose of helping people work out their financial problems without going into bankruptcy. H.R. 1983 should require that a homeowner seek the existing relief provided by chapter 13 before qualifying for Government assistance under H.R. 1983.

Such a prerequisite would make the benefits of H.R. 1983 available to more homeowners. It would also make homeowners aware of other available aid that may best suit their financial needs. A debtor is asked to file a 1-page form under existing law of chapter 13. Upon that filing all actions of any creditor against the debtor or his property are automatically stayed until the debtor is discharged.

The trustee or judge will review with the debtor and all of his creditors the debtor's entire debt service and income capacity. Debtors have assets other than their home and mortgage such as cars, furniture, business property, credit cards, medical bills, and short-term loans. The trustee or judge will counsel the debtor about all of his financial problems and will work with creditors to effect a reasonable payback plan. Although chapter 13 is part of the Bankruptcy Reform Act, it is purposely not referred to as a bankruptcy. The debtor does not have to show that his entire liabilities exceed his assets and it is generally accepted that he will still be able to obtain credit after a chapter 13 plan. Further, the administrative work of the Department of Housing and Urban Development would be greatly reduced because of the research and analysis already prepared by the chapter 13 trustee judge.

A bipartisan supported amendment which will require that a homeowner seek the existing remedy of chapter 13 before qualifying for aid under H.R. 1983, will be offered by my distinguished colleagues, Hon. STEWART B. MCKINNEY of Connecticut, the ranking minority member of the Housing Subcommittee, and Hon. SAM B. HALL, JR., of Texas, longstanding member of the Judiciary Committee, and myself.●

PROJECT HEART AND THE J. PAUL GETTY TRUST'S CENTER FOR EDUCATION IN THE ARTS

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. DURBIN. Mr. Speaker, some days ago, I joined with a majority of my colleagues and passed the emergency science, mathematics, and foreign language education and jobs bill. That addressed several pressing needs of American education at the elementary secondary and postsecondary levels.

I firmly believe that future generations will look back on this landmark legislation as the beginning of this Nation's return to leadership in the world economy.

But we must always keep in mind the need for a balanced education. Literature, art, and music have always played an important role in shaping our Nation and its leaders. One has only to recall the Founding Fathers, whose numbers included men like John Adams, Paul Revere, George Mason, and the incomparable Thomas Jefferson—all men with broad intellectual backgrounds.

It is with pleasure, therefore, that I call the attention of the House to a recent action of the J. Paul Getty Trust's Center for Education in the Arts.

That group recently selected seven sites from around the country to study intently as part of a national search for promising programs that address instruction in art, history, criticism, and production. Each site will be the object of a case study to examine the factors contributing to the effectiveness of the comprehensive art education programs in the district.

I am pleased to announce that one of those seven sites, the only one in the State of Illinois, is the Project HEART—Helping Education through Arts Resources for Teachers—serving Decatur and Macon County, Ill., which is located in the 20th Congressional District.

Part of the office of Howard E. Brown, the superintendent of the Macon County educational service region and one of the leading educators in Illinois, Project HEART is administered by Nancy Roucher of Decatur.

Since its inception in 1980, the program has trained over 70 classroom teachers to integrate the arts into the daily curriculum.

The principal portion of the study will focus on Centennial Lab School in Decatur, which is a pilot school under the present program. Even without the Project HEART program, Centennial is a very special school.

It offers an unstructured, individualized learning program that, under the strong and dedicated leadership of Principal Patricia Tingle, has avoided the pitfalls that countless programs of a similar nature around the country have fallen into.

A smaller portion of the study will focus on Columbia Middle School in Champaign, which has a program similar to Centennial's.

It is no secret that Decatur is like too many other cities around our country today, suffering under the unremitting pressure of high unemployment and bleak economic prospects.

But if this Nation is to get moving again, the impetus must come, in large part, from education. I think the judgment of the Getty Trust clearly indicates that Decatur and Macon County public schools are moving in the right direction.

And it is also clear that under the leadership of Howard Brown, Nancy Roucher, Patricia Tingle, and many others, Decatur schools are striving toward the classical goal of education—the education of the total individual.

By this approach, they are insuring that coming generations that will produce their own Adamses and Jeffersons will share with their illustrious forefathers an appreciation for learning and beauty.●

A TRIBUTE TO COACH EDDIE ROBINSON

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. DYMALLY. Mr. Speaker, recently the citizens of Grambling and Ruston, La., celebrated Coach Eddie Robinson Day. The following poem was written as a tribute to him by the president of the Grambling University Alumni Association.

COACH EDDIE ROBINSON

They call this man the legend.
In some circles, they say he's a genius and a very precious friend.
They call this man a born winner,
No less so than the mighty Malcolm, Muhammad Ali and George Steinbrenner.
There are those who say he's a humanitarian.
Both a gentleman and a gentle man.
There are those who think he's a prophet
A man the world will never forget.
Many call the man a mentor, a master, a miracle and a model
They say he's a great teacher, a challenger, a victor and a scholar.
He's shared our hopes, our dreams, our aspirations for over forty years
Bringing us many, many good cheers.
Others say he's a diplomat, a top statesman, a good and decent man,
A molder of many of fine GSU man, as well as a GSU woman.
His praises all over people sing,
Saying he's a man of great vision, compassion, sharp wit and everything.
There are even those who say, he's kind of man who would be king.
They say he's a man of substance—the kind you just don't find everyday.
They add character, integrity and quality—a total man, they say.
He gives his best to perfect every athlete
So each one can graduate, as well as in football compete.
They say he's the Grambling Tiger coach who is warm, sincere, dedicated, caring and a beautiful human being.
Oh, go on and look around you, another like him you won't be seeing.
No living man or woman has surpassed his accomplishment
A real touch of class they say is this tall, tan and terrific gent.
Off to the pros, many of his peers have run
While he stayed on at dear ole Grambling to become number *one.*
Rob, you know, too often we go off into the world in search of acres and acres of diamonds, only to find, we've got the most beautiful, precious jewel in our own back yard.
We're glad that we have you.
In the hearts and minds of Gramblinites throughout the world who know and love you, no matter what the record keepers say,
You're second to no one and you'll always be our number *one*
This year, next year and forever, too.
We cherish you. We revere you. We salute you. We love you.
Because of this strange malady called my sex,
I would never be allowed to umpire in the NFL or the virgin USFL for that matter—
Still on behalf of Gramblinites, I call them as I see them and believe me, I see them as they are.
We could search the wide world over—Eddie Robinson would still be our Super Star.
"May the Force by with you."●

SHOULD NATURAL GAS BE DECONTROLLED?

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. DASCHLE. Mr. Speaker, in the mail of Tuesday, March 15, my office received 10 copies of a glossy, four-page, multicolored article published by the Pennzoil Co. The text of this article was an interview with J. Hugh Liedtke, chairman of Pennzoil. In the interview, Chairman Liedtke attempts to explain to all of us who simply do not understand that the only way to be fair about the natural gas situation is to immediately decontrol all natural gas prices, and exempt the oil and gas industry from any taxation on the windfall profits they might make from this decontrol.

That is an argument which can be made, I suppose. But I would have a great deal more sympathy with the oil industry's position if it made its point

in a less ostentatious, and less expensive manner. If the experience of my office holds true, they mailed out over 4,000 of these expensive reprints to House offices alone; 435 letters would have done the same thing.

This is not to say, of course, that Pennzoil and the rest of the oil industry do not have a perfect right to spend their stockholders' money on anything they want to, short of criminal activity. It does make you wonder, though, whether we should really believe the poor-mouthing they do about the wretched state of their profit pictures. If they are as bad off as they say they are, and if they really need the bonanza of profits that an untaxed decontrol of natural gas would bring, this excess does seem a bit inappropriate.●

SALVADORAN REBELS BRAG OF CUBAN TIES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. LAGOMARSINO. Mr. Speaker, I bring to the attention of my colleagues a March 14, 1983, news article from the Los Angeles Times entitled "Salvadoran Rebels Brag of Cuban Ties." The subtitle reads "Insurgency Part of Regional Conflict, Guerrillas Declare."

Those two headlines accurately describe the article wherein the Salvadoran guerrillas describe their ties to Cuba and Nicaragua and speak of a regional conflict.

To quote the article:

The broadcast, transmitted from a secret location in neighboring Nicaragua whose Marxist-led Sandinista regime has allowed the Salvadoran guerrillas to establish their headquarters in Managua—also boasted that the rebels have imported arms through all routes that we could and that we have used all of Central America and other countries for that purpose.

The broadcast appeared to support charges made by the Reagan administration that the insurgency is at least encouraged and armed, if not directed, by the Soviet Union, Cuba, and Nicaragua and is aimed at toppling one moderate government after another throughout the region.

The article follows:

[From the Los Angeles Times, Mar. 14, 1983]

SALVADORAN REBELS BRAG OF CUBAN TIES

(By David Wood)

WASHINGTON.—El Salvador's leftist guerrilla movement boasted Sunday of its close ties to Cuba and Nicaragua and declared that it sees its struggle against the U.S.-backed government in San Salvador as part of a wider regional conflict.

A clandestine broadcast of Radio Venceremos, the voice of the five insurgent organizations pressing embattled government troops in El Salvador, declared: "We are and will continue being friends of the people and governments of Cuba and Nicaragua, and it does not shame us. Completely to the contrary, we are proud to maintain relations with those people—bastions of the anti-imperialist struggle.

"The Reagan Administration is not one to tell the FMLN (Farabundo Marti National Liberation Front) who ought to be its friends and who its enemies."

LATIN AMERICAN INTERESTS

The Radio Venceremos broadcast went on to say "our war is and will continue to be national, but . . . we view our plans in the framework of a regional conflict in which there are interests of the people of Central America, the Caribbean and Latin America."

The broadcast, transmitted from a secret location in neighboring Nicaragua—whose Marxist-led Sandinista regime has allowed the Salvadoran guerrillas to establish their headquarters in Managua—also boasted that the rebels have imported arms "through all routes that we could" and that "we have used all of Central America and other countries" for that purpose.

The broadcast appeared to support charges made by the Reagan Administration that the insurgency is at least encouraged and armed, if not directed, by the Soviet Union, Cuba and Nicaragua and is aimed at toppling one moderate government after another throughout the region.

ECHO OF DOMINO THEORY

The State Department's Latin America analysts could not immediately explain why the guerrilla movement would suggest that the Salvadoran conflict is part of a regional conflict, thus subscribing, in effect, to the "domino theory" embraced by the White House. The analysts indicated that the guerrillas have not previously characterized the conflict as regional in nature.

The broadcast also appeared to undercut congressmen and others critical of the Administration's policy who have argued that the guerrilla movement seeks only the establishment of social justice in El Salvador.●

AL LOWENSTEIN

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 16, 1983

● Mr. JACOBS. Mr. Speaker, 3 years ago we began suffering the incalculable loss of our colleague, Al Lowenstein:

AL LOWENSTEIN

"Our citizens attend both to public and private duties, and do not allow absorption in their own various affairs to interfere with their knowledge of the city's. We differ from other states in regarding the man who holds aloof from public life not as 'quiet' but as useless." Thus spoke Pericles in the funeral oration that has come to represent the meaning of genuine citizenship and life within the polity.

Allard K. Lowenstein, as much as any man in the half century he lived, before his idiotic death on March 14 at the hands of a presumably crazed protege, lived the vision set forth 2,500 years ago. Much that was good about the 1960s, especially the heightened sensitivity to injustice and suffering, was in a significant sense his handiwork, or was nourished by his participation, for the most enduring memory of Al to many of his friends is his constant crisscrossing of the country (and often the world) in an effort to inform people and awaken their own sense of public passion. He called into being an entire army of students who made their indelible mark on American life. Although most of the newspaper articles after his death properly referred to his key role in the 1968 "Dump Johnson" movement, it is well to recall that the 1964 Freedom Summer in Mississippi was also heavily influenced by his vision and energy.

Although Lowenstein became well known in the 1960s, he had been an active participant in public affairs ever since his college days at the University of North Carolina in the late 1940s. And his polity was the entire world. In the 1950s he was one of the relatively few Americans who maintained active interest in Spanish resistance to Franco, and he developed a first-hand familiarity with the struggle of South African blacks in their search for justice. For Al, the '60s were different only insofar as his audience was wider and more receptive to his views. And, when the '60s disintegrated into the aloofness from public life of the mid-'70s, Al remained faithful to the Periclean vision. He allowed himself to look foolish to the sophisticated as he ran futile races for public office following his defeat in 1970 after one term in the House of Representatives. His foolishness, if such it was, was his continued belief that individuals working together could make a difference and that the public forum—the agora of Pericles's city—was the place for one who would live his life to the fullest. His was not the politics of pollsters and advance-men and -women; perhaps we would have been better off had he been less idealistic about us, for then at least he might have been elected, but that was not to be.

Al Lowenstein's death leaves us all poor. We will miss his wise voice, so brutally silenced, in our American agora.

[From the National Review, Apr. 4, 1980]

ALLARD LOWENSTEIN, RIP

(Remarks at the Memorial Service for Allard Lowenstein, Mar. 18, 1980, by WFB)

Possibly, as a dissenter, my own experience with him was unique, in that we conservatives did not generally endorse his political prescriptions. So that we were, presumptively, opponents of Al Lowenstein, in those straitened chambers in which we spend, and misspend, so much of our lives. It was his genius that so many of those he touched—generally arriving a half-hour late—discovered intuitively the underlying communion. He was, in our time, the original activist, such was his impatience with the sluggishness of justice; so that his rhythms were more often than not disharmonious with those that govern the practical, banausic councils of this world. His habits were appropriately disarrayed. He was late to breakfast, to his appointments; late in announcing his sequential availability for public service. He was punctual only in registering (though often under-age) for service in any army that conceived itself bound to righteousness.

How did he live such a life, so hectic with public concern, while preoccupying himself so fully with individual human beings: whose torments, never mind their singularity, he adopted as his own, with the passion that some give only to the universal? Eleanor Roosevelt, James Burnham once mused, looked on all the world as her personal slum project. Although he was at home with collectivist formulations, one had the impres-

sion of Allard Lowenstein that he might be late in aborting a Third World War—because of his absorption with the problems of one sophomore. Oh, they followed him everywhere; because we experienced in him the essence of an entirely personal dedication. Of all the partisans I have known, from the furthest steppes of the spectrum, his was the most undistracted concern, not for humanity—though he was conversant with big-think idiom—but with human beings.

Those of us who dealt with him (often in those narrow passages constrained by time-clocks and fire-laws and deadlines) think back ruefully on the happy blend of purpose and carelessness with which he arranged his own career and his own schedule. A poet might be tempted to say, "If only the Lord has granted us that Allard should also have arrived late at his own assassination!"

But all his life he was felled by mysteries, dominant among them those most readily understood by more worldly men—namely, that his rhythms were not of this world. His days, foreshortened, lived out the secular dissonances. "Behold, Thou has made my days as it were a span long: and mine age is even as nothing in respect of Thee; and verily every man living is altogether vanity." The psalmist spoke of Al, on Friday last—"I became dumb, and opened not my mouth; for it was Thy doing." To those not yet dumb, the psalmist also spoke, saying, "The Lord is close to the brokenhearted; and those who are crushed in spirit, He saves." Who was the wit who said that Nature abhors a vacuum? Let Nature then fill this vacuum. That is the challenge which, bereft, the friends of Allard Lowenstein hurl up to Nature, and to Nature's God, prayerfully, demandingly, because today, Lord, our loneliness is great.●

COMMUNISM: AT THE END OF THE BREZHNEV ERA

HON. DAN E. LUNGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. LUNGREN. Mr. Speaker, perhaps one of the most difficult things in life is to see things as they truly are. It has been said that lies based on half truths are more deceiving than blatant lies, which we can easily discard for their apparent falsity. By knowing and accepting that part of the message cloaked in truth, we can be deceived into accepting that part comprising the lie and which we know nothing about. Like a half truth, communism has been founded upon the ideals of common ownership of the means of production. However, wherever practiced, it has always resulted in the tyranny of a select few over entire countries.

Along these lines, Alexandr Solzhenitsyn has written an excellent article exposing communism for what it really is: The pursuit of a select few to "cling to power at any cost." Mr. Solzhenitsyn chronicles the effect communism has had on the Soviet society and economy. For example, he states that as a result of efforts to control and regulate the agricultural economy, 2 percent of the agricultural land set aside as private plots produces one-third of the country's vegetables, eggs, milk, and meat. In this society as it is described, the individual is trapped in a life in which virtually all aspects are controlled by the state.

Without a doubt the relations presently between the Soviet Union and the United States currently stand at a critical juncture as a result of the new Soviet leadership. For this reason, it is important that we keep the lines of communication open between both countries but at the same time not overlook the history and record of communism in oppressing millions of people. For this reason, I commend Alexandr Solzhenitsyn's article, which appeared in the January 21, 1983, National Review, to my colleagues in the House of Representatives. The article follows:

[From the National Review, Jan. 21, 1983]

COMMUNISM; AT THE END OF THE BREZHNEV ERA

(By Alexandr Solzhenitsyn)

The Soviet Union of today serves as an example of what Communism does to all countries and to all peoples that fall under its control. The differences from country to country are of secondary importance; the dominant features of the process are everywhere alike.

The first act of the Communists upon coming to power in Russia in 1917 was to hand Germany 25, 30, 40 per cent of Russia's territory, whatever it took to buy Germany off, just so long as the Communists could retain control over the rest. (This supreme Communist principle—to cling to power at any cost, even if it spells ruin to one's country, one's people, and to neighboring peoples—manifests itself with steely consistency from Lenin to Brezhnev; here too Stalin was merely Lenin brought to a logical conclusion.) Immediately thereafter the Communists launched a civil war on the home front in order to destroy not only their military enemies, but every opponent in every stratum of non-combatants, shooting entire villages, laying waste whole districts, and depopulating towns and provinces. Through the fault of the Communists, who appropriated even seed grain from the peasants, the famine of 1921 affected thirty million people; five million peasants died in the Volga River basin. Since then massive famines have been all too common in our land. Nineteen thirty-three brought death from hunger to another five or six million people; during the war of 1941-45 peasants resorted to eating grass-meal patties. While people were dying in the postwar famine of 1946-47, the government was exporting grain. From 1917 on, the population has never known satiety, security, or personal freedom.

It is therefore hardly surprising that in the early phases of World War II some three million soldiers surrendered to the enemy, that the people of the occupied regions awaited liberation by the invading troops, and that even in the months when the Germans' defeat had become obvious, several hundred thousand Soviet citizens from outside the country alone volunteered for the Liberation Army against Stalin. However, Hitler was waging war not against the ideological plague of Communism but to seize territory and to subjugate the peoples of the USSR. He thus forced the people, as they defended themselves, to defend and preserve Communism.

During the civil war of 1918-20, and with even greater intensity after its conclusion, the Communists, seeking to have no other contenders for power within the country, set about liquidating all other political parties, as well as all neutral cultural, religious, ethnic, and economic organizations. They instituted relentless mass exterminations of all who could provide even the slightest opposition to the Communist regime. Entire social strata were destroyed en masse—the nobility, the officers, the clergy, the merchants—as well as individuals who happened to stand out from the crowd or who manifested independent thinking. At first the heaviest blows fell on the largest national group, the ethnic Russians, and on their Orthodox religion; subsequent blows were just as methodically aimed at the other nationalities. By the end of the allegedly peaceful 1920s, these policies had claimed several million victims. Immediately thereafter came the annihilation of some 12 to 15 million of the most diligent peasants. The history of these successive decimations has been set forth, to the best of my ability, in "The Gulag Archipelago."

What was the point of destroying the best, the hardest-working part of the peasantry? We would understand nothing about Communism if we tried to comprehend it on the principles of normal human reason. The driving force of Communism, as it was devised by Marx, is political power, power at any cost and without regard to human losses or a people's physical deterioration. For the Communist regime, the important thing was to have no vigorous, economically independent rivals in the country; the peasantry—80 per cent of the population at the time—had to be crippled so that it would not oppose the regime. With this goal in mind, the economically ruinous collective farm system becomes politically advantageous.

The agricultural economy in a Communist country is not designed according to calculations for achieving an optimum harvest, but is determined "ideologically." It is controlled by a grotesquely bureaucratic central plan incapable of anticipating real-life circumstances or of giving thought to the future, striving only to plunder the earth, as if this same earth will not have to sustain us tomorrow. For decades on end, the regime has handed down absurd and ruinous prescripts that the people have had no choice but to follow. The peasant is no longer devoted to the land and to his work as he was for centuries. What an achievement! Peasants have been numbed not indifference, obediently carrying out stupid orders, sowing and harvesting at the wrong times, irreparably turning the best meadowlands into unproductive plowed fields, cutting down forests until the rivers dry up, or draining good lakes to satisfy the formal requirements of "land reclamation." (But as they reclaim land in one spot, the same amount of acreage is abandoned elsewhere for lack of manpower.) Harvested grain and vegetables rot because of poor storage and inadequate transportation. Farm machinery rusts in the open air in winter and is soon out of commission. When there is too little time to spread all the fertilizer required by "the plan," the unused portion is burned so as to leave no trace of the infraction. Or consider this picture: a combine driver sells

seed grain on the side at cut rates instead of sowing it. No one will check to see how much he has sown, and he doesn't care what comes up. For two months every year, teenagers from city high schools and other city dwellers inexperienced in agriculture are shipped in to "help" on the dying fields: their time, quite uselessly spent, is paid for by the regular salary they continue to receive at the various institutions from which they are absent. During the past ten years imports of foodstuffs to the USSR have increased forty-fold, and there have been four poor harvests in a row—such is the worth of this system of agriculture. For decades, the state has paid artificially low, indeed contemptible, prices for the produce of collective farms, so that the labor of the farmer has in effect been appropriated without any recompense whatever. For the person weeding a field all day long, the rewards have been only the tough weeds themselves—food for his cow or goat. Having arrogated the collective farmer's full working day at no cost to itself, the state permitted him to earn a livelihood by working his tiny private plot—about three-fifths of an acre—during what was left of the day and evening. These plots consume the remaining strength of old men and women (retired collective farmers until recently drew no old-age pension; they now receive a miserly sum), of invalids, and of children. (Fifteen million rural children don't know what it means to play; rural teenagers are smaller and more disease-prone then their urban counterparts.) In terms of area, the private plots make up only 2 percent of the land under cultivation in the country, yet they generate one-third of the total production of vegetables, eggs, milk, and meat. But since up to a third of the collective farms' production of these same items is lost because of spoilage, the peasants—doubly exploited, deprived of fertilizers and modern technology, and working only with their hands, as they did long ago—produce on their private plots almost half of the USSR's supplies of those foodstuffs. But they cannot even sell all of this freely on the market. they have to give up a part to the state—formerly as a "tax," today in the form of "voluntary" sales at cut prices.

The disproportions of the Communist agricultural system speak for themselves: the entire adult rural population spends its days working on 98 percent of the cultivated area, while the remaining 2 percent is worked by invalids and children, and by adults in the evenings. But even this last refuge is being eliminated by the regime in its ideological madness: more and more collective farms (kolkhozy) have in recent years been reorganized into state farms (sovkhozy), a process that transforms the farmer into an industrial worker deprived of his private plot, these plots will therefore soon disappear altogether. Entire villages are being razed, the remnants of the peasant way of life eradicated, and the people resettled into multi-storied structures where cattle and fowl can no longer be kept. Once again the Soviet regime is demolishing its own base of production while "triumphing" ideologically.

The same type of absurdity besets the entire economy. By assuming complete control of production, the state has wrecked it. For sixty years official speeches, newspapers, and the radio have trumpeted the successes of Soviet industry; in fact it is an ailing organism, plagued by numerous afflictions that are temporarily relieved only by illegal "microcapitalistic" means (administered in circumvention of socialist remedies). The essential goal of the Soviet economy is not economic growth, not a general increase in production, not even a rise in productivity or profit, but the functioning of a mighty military machine and the abundant provisioning of the ruling caste. The party bureaucracy is unable to organize either production or commercial distribution; it knows only how to confiscate goods that have already been produced. It is a system that cannot tolerate independence. Incapable of effective economic management, the regime substitutes coercion for leadership. The economy is fettered and hemmed in by a multitude of administrative restrictions, the aim of which is to prevent the emergence of any free social force. An obtuse extension of these rules has a deadening impact on many fruitful scientific undertakings; to offset this, key technology is either purchased or stolen in the West, and productivity rises only as a result of technical advances that have come into common use the world over. The result is foreign debts in the fantastic billions and depletion of the mineral and fuel resources that are used as payment. During their years in power, the Soviet leaders have sold or squandered reserves sufficient for their own generation and the two following generations. A great power, yet one that must import everything from electronics to grain, and that exports only its natural riches and arms, the Soviet Union has a standard of living below that of more than thirty other nations. Meanwhile, 12 percent of the state's income is derived from the sale of exorbitantly priced vodka (which brings the populace to the point of induced idiocy) and of inferior wines prepared in unsanitary conditions: the government is literally driving the people to drink in order to finance its global designs.

The central plan controlling the economy does not take into account local circumstances or concrete events, yet it must be followed in rigid detail. The result is absurdity and chaos. Local officials work full-time devising ways of resisting or circumventing the plan, risking criminal charges at every step. Construction, for example, could not proceed if the laws were adhered to strictly: neither materials nor manpower would be available. Only illicit methods work. Everyone trembles at the threat of prosecution, yet nothing whatever would get built in any other way. The restrictions hinder action to the point that industrial managers are afraid to introduce obviously advantageous new technology: that would affect the plan and disrupt the schedule; it is far less trouble to announce that it will be instituted during the next five-year plan. Bold men with initiative have here and there attempted to set up the finances at their factories so as to get around petty state regulations and to be able to pay according to the quality and quantity of work performed. The results have always been spectacular, but such managers are immediately reined in from above with new restrictions, cuts in budget allocations, and sometimes even with criminal proceedings. The emergence of free economic forces is seen as a threat to the bureaucracy's control of events.

The plan is not based on the quality of goods, nor on their variety, but on their gross value; thus whoever produces the greatest number of expensive, unnecessary, and unsalable items is "ahead" and is awarded a prize. To satisfy the plan, more timber is cut and floated downstream yearly than can later be hauled away; the rest rots. The plan means that Siberia, the richest part of the country in energy resources, has a shortage of electric power. An outstanding black-earth region is pointlessly chosen as the site of the huge Kama industrial complex. The Baikal-Amur railway line is a high-priority "national construction project"; no resources, materials, or manpower are spared. Yet the line is exceedingly poor in quality, with settling of the roadbed and derailments, even though the cost of five million rubles per kilometer surpasses the cost of an equivalent unit of railway contruction in pre-revolutionary Siberia by a factor of twenty (taking into account the changed value of the ruble).

To thousands of such examples one must add one other aspect of Communism: the mandatory system of lies. From the day the Communist system was born, one of its primary aims has been to conceal or distort what actually takes place. The effort was successful from the start, and has remained so throughout the zigs and zags of the subsequent decades, with the rest of the world actually wanting to be deceived, wishing to believe in the goodness of socialism. This led, at the launching of Stalin's first five-year plan in 1928, to the proclamation of unattainable goals for the sake of foreign prestige, goals made even less feasible by a propaganda campaign demanding "The five-year plan in four years!" Yet fulfillment of the stated objectives was required under threat of sanctions, and every level of management was left with no choice but to submit false reports, inflated figures, and claims to have accomplished what had not in fact been done at all. These inflated figures then became the basis of new plans, also unattainable, which led to new lies. By now there is half a century's worth of accumulated falsehoods. The U.S.S.R. does not publish false statistics only for foreign consumption: the leaders themselves do not know the true situation in their own country.

It goes without saying that this lunatic conduct of economic policy, which anticipates nothing but military needs and exhibits a contemptuous disregard for the everyday requirements of the populace, leads to irreparable abuse of the environment. It is the plan at any cost, no matter what may be ruined in the process, particularly if this is merely some historical site or an unsullied natural region. Numerous hydroelectric stations are being constructed across rivers in flat country, flooding cultivated fields, grasslands, and populated districts; the hastily constructed dams ruin fishing. The price of all this is far greater than the benefits in increased electric energy. Beneath the waters of such new "seas," about which, incredibly, the Communists like to boast, there now lie a dozen towns, many hundreds of villages, and valuable forests. In contrast, the highly prized Sea of Azov, which used to provide more fish than the Black, Caspian, and Baltic Seas put together, has had its water level lowered by the Volga-Don Canal and has been turned into a dump for industrial wastes. The fish population has decreased ninety- to a hundred-fold compared to pre-World War II levels.

Having ruined the European part of Russia, they are now wreaking destruction beyond the Urals, Lake Baikal, a unique formation which has withstood geological calamities for 25 million years and which used to contain the world's cleanest water, has been forever poisoned by the dumping of heavy metals and by the effluents of a cellulose factory that produces tires for long-range bombers. The hydroelectric power

station near Alma-Ata has caused half of Lake Balkhash to dry up. The attempt to cultivate the virgin lands of Kazakhstan has turned seven and a half million acres of land into desert. The Siberian forests are being cut down rapaciously, without any effort at reforestation. Inferior timbering techniques inflict permanent damage on the soil and kill off new forest growths. Incompetent construction of the Baikal-Amur railroad has doomed a wide strip of land along the roadbed, with the surface layer turning into a barren swamp; uncontrolled removal of gravel is spoiling rivers. Another huge area is now being laid waste by the frenzied construction of the natural-gas pipeline between Taimyr and Western Europe. (All of Europe, and even Japan, is helping in this project, which will certainly make use of slave labor from the camps.)

The Communist authorities are recklessly willing to pay this price in order to keep seizing new countries in Africa and Asia, countries they will ravage in the same way—just as they are plundering the oceans of the world. Half a century ago they sacrificed the peasantry to the insane concept of the collective farm—are they surprised today that the harvests are poor? In the same way they are now seeking to improve the climate: rivers flowing into the Arctic Ocean will be reversed and made to flow south—another insane project that will produce a new disaster in a few years, a disaster not limited in its impact to the Russian north alone, but with repercussions for the entire planet as the balance of the Arctic Ocean is upset. In the case of every enterprise, the plan is such that it is too time-consuming and too expensive to safeguard nature and to construct installations for purifying wastes. And so the environment deteriorates. The areas surrounding cities and industrial installations are disfigured and covered with litter; rivers are poisoned with concentrations of toxic materials that exceed the "upper permissible limit" for these substances by a factor of two or three. In the case of urban air pollution the factor is ten and in some cases even a hundred. (None of this is reported openly, since the destruction of nature and the threat to human life are classified matters in the USSR, just like everything else; those who have tried to air these issues publicly have ended up in psychiatric wards.) Lung cancer has increased twofold in our country over the last ten years. We are dying together with our natural environment.

Children with living parents grow up like orphans: because the father's salary is invariably insufficient and the mother must work, millions of children begin their lives in overcrowded day-care centers, in unhealthy and tension-filled surroundings, with inadequate supervision but with the compensation of an "ideological upbringing." Millions of them will pass their entire subsequent existence in common living quarters of this type, in trade schools and factories, with the facilities everywhere rundown and unsanitary; an early exposure to drunkenness and depravity is the norm here. Nor can a young person escape to a private apartment: he or she would be unable to get the necessary residence permit. These people are like serfs, totally dependent on their factory managers, who exploit them without limit: should they lose their job, they also lose the right to remain in that city. This state of affairs applies throughout the Soviet Union: the employer has full administrative power over his employees, and everyone everywhere, with the partial exception of Moscow, is fully and directly dependent upon his administrative supervisor. The employee cannot present any demands and cannot leave of his own volition. Salaries are calamitously low; for a workman, they do not correspond even to a tenth of the real value of his labor. Cramped, poor-quality housing is the rule, with several unrelated families sharing a single apartment. Even decades-long employment in a single enterprise does not earn one the right to separate family quarters.

The so-called free medical care is of wretched quality, and the hospitals are squalid. The country is afflicted with mass alcoholism, and young men have a high death rate from alcohol-related accidents. The drinking problem among women is also on the rise.

Except in Moscow and Leningrad, commercial goods are of poor quality, and one must stand in long lines to get them. All sorts of items suddenly disappear from the market—soap, detergent, thread, needles, dishes, underwear, light bulbs. For 65 years the population has not received adequate nutrition or the requisite number of calories. In the provincial towns there is real hunger: no meat, fish, eggs, or milk, not even macaroni or groats are to be found. (No one has laid eyes on rice for half a century.) Many cities in recent years have instituted food rationing, and this in the absence of war or natural disaster. Nowhere else in the world do so many women work at such physically arduous tasks without mechanical aids. Aside from their jobs, Soviet women also spend more than thirty hours per week on domestic chores and standing in line. (The state actually prefers that people should be preoccupied with trying to obtain their daily bread, so that no thoughts will be left for anything else.)

The government robs the land and the people of hundreds of billions of rubles, and the oppressed populace has only one real means of resistance: it steals, in turn, its daily bread from the government. From ancient times theft was looked upon as a deadly sin in Russia, but today stealing from the government has become a common, universally understood fact of life, an act necessary for survival. Through theft the people recover part of their rights, and this form of self-defense causes tremendous harm to the government. Many items—wire, nails, machine oil, paint, fertilizer—simply cannot be purchased honestly anywhere in the country, but they can be stolen at one's place of employment and then sold on the black market. Materials, instruments, and foodstuffs worth billions of rubles are plundered on every industrial site and every collective farm, injecting more chaos into the production process. Children of collective farmers learn to steal at an early age. No one has any desire to work honestly for the benefit of a dishonest regime. No one is paid a fair wage, but neither does anyone exert himself to the fullest. This is true of the workman at the lathe, of the government official, and even of the scientist in his research institute: each and every one of them strives to rest during working hours in order to save his strength for evening "moonlighting" or other business. People work at an ever decreasing level of their capacity, and in important projects the management stimulates participation by engaging in its own form of deceiving the state: creating fictional but paying job-titles, or providing opportunities for illicit additional earnings.

The harshness of life, the constant feeling of hunger, cramped living quarters, and lack of time all combine to deprive women of the strength to raise children, which leads to a large number of abortions. Among the Slavic peoples in the USSR, there are four abortions for every live birth. Frequent abortions cause infertility and miscarriages the number of the latter has been growing at 6 to 7 percent yearly. Poor nourishment of mothers-to-be, alcoholism among women, inferior medical care, and polluted air in the cities have contributed to a rising rate of infant mortality; children who do survive are sickly, and suffer increasingly from genetic defects. The USSR today has a falling birth rate, a rising mortality rate, and a decreasing life expectancy. Calculations made before 1917, based on the birth rate of that time, projected a population of 400 million by 1985; the population today is 266 million. We are witnessing a period of irreversible population decline among the Slavic peoples in the USSR. Given the rising infertility among women in their child-bearing years and the factor of genetic inertia, the demographic slide of the Russians probably could not be arrested in the next hundred years even by beneficial political and social changes.

Above a crushed populace looms the tyrannical apparatus of the party and state, which, with its attendant machinery for propaganda and repression, numbers three million persons. This is a caste supplied in abundance with every privilege—special stores (where the highest-quality goods are sold at low prices), secret payments of money untouched by taxes, the best houses and apartments, special medical facilities, free access to health resorts, a power over the population that has virtually no legal restraints—but a caste that pays for these benefits with unquestioning and obsequious service. A member of this caste must ignore the suffering of his own people, present, past, and future: he maintains his position only so long as he is faithful to the system; he is expelled at the slightest hint of disloyalty. At the center of this group is an oligarchy of party functionaries, about a hundred thousand strong, whose desires need have no limit whatever (the ruling class of Old Russia did not live as well) and whose children have access to the same privileges, so that the oligarchy becomes hereditary.

The Soviet leaders have more than satisfied their personal needs in terms of power, veneration, and property, why, then, should they strive to overrun the world? Yet that is precisely what the Communist madness leads them to do, for they too are prisoners of an ideological system. Unrestricted finances, military might, international politics—all this is in their hands, but the West hopes in vain that the replacement of one leader by another will bring about a mellowing of the system. The Communist government has already lasted an excessively long time in terms of an individual life span; it has sucked the life out of its subject peoples and has corrputed and deadened the spirit by compulsory lies. The all-permeating lie is the most burdensome trait of the regime. For more than half a century, millions of people have been forced to take part in the elaborate shams of "socialist competition" and "Communist subbotniki" (i.e., work without pay on one's day off), in humiliating meetings, and in the crude inculcation of lies that occurs at compulsory political sessions after work. As in the early years of Communist rule, popular disturbances are crushed quickly and with great brutality (e.g., the uprisings in Novocherkassk. Aleksandrov, Murom, Krasnodar; the mutiny on

a Baltic destroyer; the strikes in Perm and in several cities on the Volga). The masses are overcome by despondency and indifference: the impotence you feel when you watch your country being destroyed and defiled for two-thirds of a century. At times the suppressed frustration breaks through in the form of attacks on official Soviet monuments.

Religion and national consciousness are persecuted with particular relentlessness, as the regime's main enemies. Religious education of children is sternly proscribed. Each religion feels the pressure of the throttling noose. In the Baltic states Catholic priests are treacherously killed. Children are taken away from Baptists and Pentecostals and the parents thrown in prison. Harsh prison terms are handed out to Orthodox Christians: e.g., Father Gleb Yakunin; members of the seminary of Ogorodnikov and Poresh; and Krakhmalnikova, the publisher of samizdat anthologies of Christian readings. But the most crushing (and repeated) prison terms are reserved for those who express the aspirations of any national group under Soviet rule. Simple charity accorded to the families of prisoners by the Russian Social Fund (an organization funded by royalties from the sale of "The Gulag Archipelago" and augmented by collections within the USSR) is punished by arrest and imprisonment.

In its inhumanity, Communism has no historical precedent; before the twentieth century no country experienced anything like it, but today more than twenty lands are oppressed by it. Many times it seemed ready to collapse here or there, but it has always managed to keep its balance, while its powerful enemies, on the contrary, have been destroyed. Communism is a trap from which no nation has ever escaped. No personal tyranny can compare with ideological Communism, since every personal tyrant attains a limit of power that satisfies him. But no single country is enough to satisfy a totalitarian Communist regime. Communism is a type of virtually incomprehensible regime that is not interested in the flourishing of a country, or in the health and welfare of its people. On the contrary, Communism sacrifices both people and country to achieve its external goals.

The main goal of Communism is an irrational and fanatical urge to swallow the maximum amount of external territory and population, with the ideal limit being the entire planet. Under Communism a country is never prepared for a long and health economic existence. But it is always ready to strike, to seize, and to expand militarily—that is an indispensable mode of Communist existence. Thus Communist China (which is no longer the true historical China), despite its military weakness, has given organizational and material assistance to murderers—the Khmer Rouge—and has tried to ignite revolution in Indonesia. North Korea invaded the South and has been frustrated in it murderous designs only by the presence of American troops. And Vietnam, bled white in its recent victorious struggle with America, has already plunged into Cambodia; Cuba is invading Latin America and Africa; Ethiopia makes war on Eritera; South Yeman attacks North Yeman; Angola is involved in Namibia. And it is symptomatic that Communist imperialism (in contrast to the earlier colonial variety) does not even beneift or enrich the nation that it impels to commit aggression; in fact, this is the nation it ruins first.

It is a dangerous illusion to draw distinctions between "better" and "worse" Communisms, between more peaceloving and more aggressive kinds. They are all inimical to humanity, and if one seems restrained in its behavior, this is merely because it has not yet gained military strength. If we know next to nothing about the forced-labor camps in China, North Korea, or Vietnam, this means only that people are held there in even harsher conditions than in Soviet camps: no individual and no information has been allowed to slip out. But we do know that in Addis Ababa the bodies of executed schoolboys are stacked up in rows. And priests are shot in both Albania and Angola. In all Communist states the form of property ownership is not rational or practical but "ideological." Marxism is hostile to the physical existence and the spiritual essence of every nation. It is futile to hope that a compromise with Communism will be found, or that relations will be improved by concessions and trade.

Communism is the denial of life; it is a fatal disease of a nation and the death of all humanity. And there is no nation on earth that has immunity against Communism.

There has been a great deal of excitement in the West in connection with the change of leadership in the Soviet Union, and, naturally, there are great hopes. And just as naturally, a few small but seemingly meaningful steps taken by the new leadership, particularly in the area of intellectual freedom and emigration, would be enough to "signal" that everything is improving. A survey of Soviet reality shows, however, that neither a change of leadership nor dozens of symbolic gestures could improve the situation. This can only be achieved if the life of the nation is restored to health in a fundamental way.

To improve or to correct Communism is not feasible. Communism can only be done away with—by the joint efforts of the many peoples oppressed by it.●

A SALUTE TO HENRY G. COLE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. STOKES. Mr. Speaker, I take this opportunity to join with the Cleveland Society of Poles in congratulating the distinguished recipient of the Good Joe of 1983 Award, Mr. Henry G. Cole. Mr. Speaker, on Saturday, March 19, in Cleveland, Mr. Henry Cole will be presented with the highest award bestowed by the society, the "Cleveland Society Heritage Award" at the Good Joe Banquet.

On behalf of the residents of Ohio's 21st Congressional District, I extend my best wishes on this significant occasion to Mr. Cole and his family. I also ask my colleagues on both sides of the aisle to join me in paying tribute to Mr. Cole and his contributions to the people of the Cleveland metropolitan area.

Mr. Speaker, the Cleveland Society Heritage Award is given annually to one of the members of the society who has exhibited exceptional efforts in fostering the cultural heritage of Poland and promoting these principles of American citizenship. Mr. Cole's professional and community associations attest to the fact that he exemplifies, in every way, these notable ideals.

Mr. Speaker, we need only to look at Mr. Cole's successful professional career and community service record to understand the reason why he was selected as this year's recipient of the Cleveland society's most coveted award. At this juncture, I would like to share some of that information with my colleagues.

Mr. Speaker, after graduating from the Ohio Northern University with a degree in pharmacy in 1930, Mr. Cole purchased the Cantius Pharmacy located on the near west side of Cleveland. For over 50 years, he has operated the pharmacy which has been a symbol of quality service and friendliness to the customers and area residents. Because of his success with his pharmacy and concern for area residents, he is held in the highest esteem by all of those who know him.

Mr. Speaker, in every way, he has been a role model for people in the community and for his family. His three children have followed in his footsteps and received degrees in pharmacy.

Mr. Cole has distinguished himself in the professional organizations in which he holds membership. He is an active member of the Cleveland Academy of Pharmacy, Ohio State Pharmaceutical Association, and the National Association of Retail Druggists.

Finally, Mr. Speaker, he is considered to be a leader by his associates in the Cleveland Society of Poles. For many years, he has been a catalyst for positive action within this group. Currently, he serves as the chairman of the health and services committee for the society.

In closing, Mr. Speaker, I again congratulate Henry G. Cole on his significant occasion. He is deserving of this honor because of his tireless efforts professionally and within the community. On behalf of all of the residents of the 21st Congressional District of Ohio, I salute Henry G. Cole, the Cleveland society's "Good Joe of 1983."●

NEWELL SHARKEY: MAN OF THE YEAR

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. LANTOS. Mr. Speaker, it is with a great deal of pleasure that I bring to the attention of the Members of the House of Representatives a constituent in my district of noted distinction and achievement who is being honored as Man of the Year by the Hi-

bernian Club, the largest organization of Irish heritage in San Mateo County, Calif.

On March 11 friends and admirers of Newell Sharkey gathered to pay tribute to this fine and talented citizen on the occasion of the Hibernian Club's 33d annual Saint Patrick's luncheon and on the occasion of Mr. Sharkey's 80th year. Mr. Sharkey was an original founder of the Hibernian Club when it came into existence 33 years ago. While this in itself is reason enough for this group to call attention to this remarkable man during this landmark year of his life, it is also an appropriate occasion to shed a more complete light on the lifetime of accomplishments of a dedicated and good-hearted gentleman.

Mr. Sharkey's influence in San Mateo County began in the city of San Carlos in 1927 and has never ended. From owner of the city's only service station to the city's chief volunteer cameraman to volunteer firefighter to city council member and mayor and to hours upon hours of charity work, he has worked tirelessly and well.

The location of his service station on one of the busiest intersections of what was then the hamlet of San Carlos afforded Mr. Sharkey the view of many of the area's automobile accidents. Camera in hand, he would be the first on the scene to assist and to record the event. His photographs would aid police investigations. Soon local newspapers would ask to print copies of his photos for their editions. His photo coverage expanded to the town's fires and it was not long before he became known as the San Carlos Shutterbug.

Later Mr. Sharkey became one of the city's original firefighters. His 26-year career, which was strictly volunteer, ended abruptly when then Fire Captain Sharkey received a broken leg while fighting a chickenhouse blaze. That did not stop him from his energetic devotion to public service, however. In 1948 he was appointed to the San Carlos City Council in what was now becoming a fast-growing and vital cog in the chain of cities on the San Francisco Peninsula. Mr. Sharkey was held in such high esteem by his colleagues on the city council that it was not long before he was their unanimous choice for mayor. He became known around town as Mr. San Carlos.

Throughout the years he was one of the original organizers of the Chickens Ball, one of the most successful and longstanding public service fundraisers in the State. He has been a member of the Lions Club for 33 years and was president of the chamber of commerce.

Mr. Sharkey's brand of unending dedication to people and to the public is rare. It is a tremendous privilege to be acquainted with Mr. Sharkey. I also salute him as Man of the Year.●

TRIBUTE TO JOE FITZSIMMONS

HON. EDWARD R. MADIGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. MADIGAN. Mr. Speaker, I was recently saddened to learn of the untimely death of a prominent citizen of my hometown of Lincoln, Ill. Joe Fitzsimmons was every inch as good an Irish politician as one would expect to find in Boston. He was a Democrat elected to the city council by Republicans representing the ward in which I grew up. Like yourself, he was an American first and a Democrat second and went out of his way to help people regardless of their political affiliation. His hometown never had a stronger booster, and if a Republican was running for the legislature, or for Congress, and was a hometown boy, he knew he would have at least one Democrat vote. Fitz once offered to go into the Republican primary to help me, and it would have placed him in great jeopardy to do so. He said if he could not help his friends, then nothing else would really matter very much. Joe will be missed by a great many people. I am inserting a copy of an article about Fitz that appeared in the Lincoln Courier.

THE HOT CORNER

(By Dick Huston)

What manner of a man was Joe Fitzsimmons, the longtime Lincoln High fan whose bigger-than-his-body heart quit on him Tuesday morning?

He was a Democrat that a Republican could like, an Irishman that an Englishman could like, and a public servant that even Senator William Proxmire of Wisconsin could respect. In short, like Willa Cather's "Neighbor Rosicky," his secret was that he loved people.

Joe rooted for his Railer basketball team in games won and games lost, in winning streaks and in losing streaks, in winning seasons and in losing seasons. He treated the Railers the same way he treated his family, friends and God—with loyalty.

Joe was well known for his Irish sense of humor. He was quick-witted, but his wit sprung from his ability to see the incongruity in situations or the lack of proportion in situations. He could use the putdown, but his humor never was sarcastic for sarcasm's sake. Joe never hesitated to turn his humor on himself whether it was in a story or in a quip. He once said, "If you can't take it, then don't dish it out." Anyone who ever engaged Joe in a battle of wits would suffer if unarmed.

Joe had one pet peeve: people who wouldn't dress up to attend Sunday church services. He once commented, "If you were going to the boss's house, the governor's mansion or the White House, you'd be pretty fussy about your grooming. What's more important than going into God's House?"

Fitz's sense of humor didn't desert him, even on his deathbed. His view on death probably accounted for the fact that he could joke even to the end. Joe once said after the death of a loved one, "If we believe in Heaven and if we believe that Heaven is a happier place than earth, why should we wish anyone back here? Wouldn't we want them to be happy in Heaven? If we honestly believe that a good person goes to Heaven, then we're sorry really for ourselves when he or she is gone. Oh, sure, the grief is real, but so is the happiness."

If Joe could read this column, he'd exclaim, "Good night, it's a good thing that I'm gone or my friends would accuse me of writing it!" Joe, you did write this column with your personal example.●

UNEMPLOYMENT COMPENSATION FOR EX-SERVICEMEN

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. WILLIAMS of Montana. Mr. Speaker, today I am introducing a bill to clarify the provisions of unemployment compensation regarding ex-servicemen.

As of this January, servicemen are included in the unemployment figures. They are now counted as members of the labor force. Our responsibility to clear up the inequities are now even clearer.

The Omnibus Reconciliation Act of 1981 changed the unemployment compensation law to bar ex-service members who voluntarily leave the service from collecting benefits.

The Miscellaneous Revenue Act, which was enacted in October 1982, requalified ex-service members with certain limitations. Unfortunately, during compromises worked out by House Ways and Means and Senate Finance, certain ex-service members, because of their discharge dates, remained ineligible.

As you know, unemployment benefits are calculated according to a base period which ordinarily is computed from the time a claim is made. This is usually right after separation from a job. The base period is the first four out of the last five completed calendar quarters. In order to collect, a claimant must have at least 20 weeks of work and $1,000 in earnings during his or her base period.

An ex-service member who was discharged in August 1981 was not eligible for unemployment benefit due to the reconciliation bill. With the Miscellaneous Revenue Act. However, he or she could again claim benefits as of the effective date of the new law, October 1982. The bad news is that the base period, and this was apparently intentional in the act, must be calculated from the date of enactment—October 1982—instead of from the individual's discharge date. If the ex-service member has not worked since his or her discharge—certainly possible or even likely in this recession—many of

the months in the base period will have shown no earnings.

As an example, a base period calculated from October 1982 runs back to June 1981. If the service member was discharged in August 1981 and has not worked since, he or she will have had earnings only in June, July, and whatever portion of August he or she was still in the service. Although this still may amount to over $1,000 in earnings, the 20-week requirement cannot be met. The number of people affected by this is small. Only six Montanans have discharge dates which so disqualify them. It is a blatantly unfair situation, and it is hypocritical that the administration panders to servicemen and veterans and then double-crosses them at every turn.

The only way this built-in ineligibility can be corrected is through legislation. Since the gap was intentional on the part of the committees, it would be difficult to pass. This bill would help younger veterans, however. The administration, incidentally, steadfastly continues to oppose UI benefits for voluntary separations. Whether or not one believes ex-service members should receive UI, restoring it for some and not for others on the basis of discharge dates is inconsistent.

My bill would rectify these inconsistencies.●

THE SOVIETS: NEW THREATS AGAINST AMERICA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. BROOMFIELD. Mr. Speaker, I want to share with my colleagues a few thoughts about the Soviet Union and their real intentions in the world. I believe that many of you will agree with me in saying that duplicity and threats characterize Soviet behavior in the international arena.

During the so-called period of détente, the United States honestly complied both with the letter and the spirit of the understanding. We reduced American military expenditures and weapons modernization efforts. Our foreign policy became almost passive and inactive.

The Soviets, on the other hand, modernized weapons systems and introduced new ones. Their military budgets steadily grew. Their long-range and more aggressive foreign policy brought Soviet involvement and influence in Southeast Asia, Central America, Africa, and the Middle East. Needless to say, their Cuban surrogates furthered the Soviets' objectives in many countries. Afghanistan and Poland are recent examples of the Soviets' expansionist policies. unfortunately, détente is dead. Soviet duplicity killed it.

During the period of détente, a rough nuclear weapons parity existed in Europe. While the Soviets talked peace, and stressed the importance of harmony in international relations, they installed over 300 medium-range theater missiles in Europe. This effectively destabilized the previous balance of forces in the area. This deployment worried both the United States and our NATO partners.

In response to this new threat, NATO announced plans to deploy U.S. Pershing and cruise missiles in 1979. The Soviets immediately began a massive disinformation and propaganda campaign directed against this planned effort. The Soviets painted themselves as peace-loving while describing NATO and the United States as warmongers who would bring about the end of the world. The freeze movement quickly spread throughout Europe to the United States.

Recently, the Soviets directed a wilting propaganda barrage at Germany just prior to the recent election. When the Kremlin failed to sway the German people, they resorted to hard threats and intimidating statements against Germany and NATO itself. Even Japan, with modest military capability, was subjected to a formidable threat by the Soviets threatening to put Japan in its place if it did not behave.

To deflect attention away from the real issues, Soviet SS-20's in Europe and the Soviets' refusal to remove these weapons of destruction, the Kremlin began raising the tension level between the East and West. They accused the United States of stalling in the INF talks and of being intransigent.

In early March, Soviet Central Committee Deputy Chief Zagladin said that if the Pershing and cruise missiles were deployed, the Soviets would "deploy missiles equivalent to Pershing IIs with an equally rapid flight time in the vicinity of the United States."

On Swedish television, Soviet General Chervov said that the so-called Soviet countermeasures would not only affect those European states where missiles are sighted, but U.S. territory as well.

Let us not be duped by the Soviets' war of words. Let their actions be testimony to their real intentions in the world. In spite of their promises during détente, they increased their military prowess. In spite of their claims to want peace, they invaded Afghanistan. In spite of their statements regarding arms parity in Europe, they deployed SS-20's.

During the House debate on the nuclear freeze question, they skillfully threatened to deploy missiles near our shores if we fail to acquiesce. Let us not be swayed by their well-orchestrated disinformation and propaganda efforts. Let us vote to keep America and our allies strong.●

IMPORTANCE OF HISTORY

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. WOLF. Mr. Speaker, the theme of the U.S. Capitol Historical Society's symposium to be held on March 17 and 18 is "Peace and the Peacemakers: The Treaty of 1783."

As part of this program awards will be presented to teachers and students selected from the nearby school jurisdictions in the District of Columbia, Maryland, and Virginia. To be recognized will be outstanding teacher-historians, outstanding graduating seniors in the area of historical studies, and those teachers who most influenced the students selected. I am proud that the following individuals from the 10th Congressional District which I represent will be honored:

Teacher-historian: John Gott, Langley High School.

Students: Tracy McGrath, Loudoun Valley High School and John Ralph Gaskins, Wakefield High School.

Guest teachers: Richard T. Gillespie, Loudoun Valley High School and William Evinger, Wakefield High School.

I would also like to commend Mr. Fred Schwengel, president U.S. Capitol Historical Society for conducting such a symposium which focuses attention on the importance of history.●

EL SALVADOR GUERRILLA TIES TO CUBA AND NICARAGUA

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. BEREUTER. Mr. Speaker, since many American people, including some of my colleagues, have long doubted the nature of guerrilla support in El Salvador and their regional intentions, I thought it appropriate to include this news story which appeared in the Washington Post on Tuesday, March 15, 1983. The story quotes a radio broadcast from the guerrillas which shows their determination to maintain ties to Cuba and Nicaragua.

LEFTIST GUERRILLAS IN EL SALVADOR DEFEND CUBA TIES

(By Christopher Dickey)

SAN SALVADOR, March 13—El Salvador's guerrillas, in a defiant response to President Reagan's speech last week urging an expansion of the U.S. commitment to the government they are fighting, have reaffirmed their determination to maintain ties to Cuba and Nicaragua.

In a broadcast last night, they also threatened "within that context" an "open regionalization" of their war if the Reagan administration continued to broaden its support for the faltering Salvadoran government.

In a broadcast over their clandestine Radio Venceremos, the rebels said: "We are and will continue being friends of the people and governments of Cuba and Nicaragua, and it does not shame us. Completely to the contrary, we are proud to maintain relations with those people—bastions of the anti-imperialist struggle. The Reagan administration is not one to tell the FMLN [Farabundo Marti National Liberation Front] who ought to be its friends and who its enemies." The statement made no effort to deny receiving Cuban and Nicaraguan support as the rebels have in the past.

The broadcast came as the Reagan administration is planning $110 million in military and $168 million in economic assistance this year to help launch some of the most ambitious counterinsurgency training and operations programs of the 2½-year-old war.

Despite major questions about the competence and human rights records of the government here, Reagan justified the emergency support by pointing to the need to defeat "extremists with Cuban-Soviet support" that comes to them by way of "Marxist Nicaragua." He said the leftist forces would threaten U.S. security interests.

The rebels' broadcast defended their "right" to get arms anywhere. While insisting that their main headquarters are inside the country, along with their radio transmitter, they admitted to having "important missions" outside El Salvador.

We have carried out important logistical operations of a clandestine character with which we have armed and munitioned our forces for a long time. We have carried out these operations by all the courses we could, and we have used all Central America and other countries for them," the broadcast said.

As Washington has raised its commitment in the region during the past month, the Nicaraguans also have reaffirmed their close ties, if not their concrete material support, with the Salvadoran rebels.

The Sandinista leaders in Managua feel under mounting pressure from a rebellion that reportedly receives covert funding from washington on the basis that such action helps "interdict" arms supplies to the Salvadoran guerrillas. Speaking March 3 at a funeral for 17 adolescent Sandinistas killed by counterrevolutionaries, Nicaraguan commander Bayardo Arce warned that his party's "internationalism will not bend" and that "while Salvadorans are fighting to win their liberty Nicaragua will maintain its solidarity."

The guerrillas here said in their broadcast last night that their war "is and will continue being national, but we are not so naive as not to know that we cannot and ought not fail to place our plans in the framework of a regional conflict" in which the future of Central America is at stake.

They added that they are not closely tied to the Soviet Union but said that is because "unfortunately it is very far away."

The pace of the war here has stepped up dramatically since the guerrillas began a sustained offensive in October. The Salvadoran government and the White House maintain that the rebels use ammunition, if not guns, smuggled in from Nicaragua.

In a response that some military observers here see as virtually a last-ditch effort to reverse rebel momentum, the United States and the Salvadoran government are pushing ahead with an ambitious, coordinated program of military and civic action planned for some of El Salvador's battered, guerrilla-dominated eastern provinces.

Modeled broadly on the program of Civil Operations and Rural Development Support (CORDS) created in Vietnam during the 1960s, but refined and scaled down for implementation here, it is thus far referred to only as "the plan" and is to be carried out in four stages.

The number of U.S. military advisers required is not likely to remain below the administration's self-imposed limit of 55 men, according to a military observer. He added that the American presence in the countryside probably will grow with the addition of more U.S. Agency for International Development employes.

There is no set timetable as yet, but because of crop cycles in the San Vicente and Usulutan areas where the new initiative is expected to be launched, it should be under way no later than mid-summer.

According to military sources, the first stage, planning, is intended to integrate and coordinate the American and Salvadoran personnel working on the program as they hammer out its details. The second stage is a large-scale military sweep to clean out guerrilla concentrations. Salvadoran civilian assistance agencies trained to deal with everything from road repair to refugee assistance and public health are supposed to follow the Army's offensive. The plan calls for the military command staff to be advised by at least five American soldiers while another 10 to 15 are devoted to the task of "upgrading the training" of the troops in the operations area, a military source said.

In the third phase, the military role is supposed to subside while a renewed civilian infrastructure takes hold in these areas long dominated by the rebels. The fourth stage sees the withdrawal of all but a small contingent of soldiers while the main force moves on to new target areas. The strategy is designed to sidestep longstanding problems with senior Salvadoran military commanders who are ill-trained and ill-disposed to adopt the kind of political, social and military counterinsurgency tactics advocated by the U.S. Embassy.

Military sources here anticipate problems with the paramilitary forces needed to supply security in the latter phases of the program. Such groups have been responsible for many of the atrocities in the countryside that give this government a notorious human rights record.

There are also questions about how effectively the guerrillas can be cleaned out in the first place, since previous sweeps rarely have pushed rebels out of their stronghold for more than a few wegks.

I further commend to my colleagues another article on this issue published in the Los Angeles Times of March 15, 1983, which was inserted in the Extension of Remarks section by my colleague from California, the Honorable ROBERT LAGOMARSINO.●

RAISING TAXES WILL NOT CURE DEFICIT CRISIS

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. GINGRICH. Mr. Speaker, Nick Poulos, business editor of the Atlanta Journal and the Atlanta Constitution, has written an article I would like to share with my distinguished colleagues. The article highlights the fact that raising taxes will be far more destructive to our economy than having a large national deficit. In fact, as many of us know, we need to focus on getting the economy healthy and getting people back to work and at least two-thirds of the deficit will take care of itself. Raising taxes, however, will cripple the economic recovery, increase unemployment, and increase the deficit in the long run. We all recognize these facts, and I would like to commend Mr. Poulos for this article on the issue.

[From the Atlanta Constitution, Mar. 15, 1983]

ECONOMIST SAYS DEFICITS AREN'T CRITICAL FACTOR

(By Nick Poulos)

Unlike a number of his fellow economists, Robert R. Davis, vice president of Chicago's Harris Bank, isn't particularly worried about the impact of the big federal budget deficits on interest and inflation rates.

Davis readily acknowledges that budget deficits do affect interest rates to some degree. But he asserts that the effect is small compared with impact of rising inflation.

"In the last seven months, the deficit has been the largest in history, but there has been a substantial decline in interest rates during the period," he said in an interview.

Davis, a native of Atlanta, said he expects that economic growth will reduce the budget deficits by two-thirds. And even if the remaining third isn't eliminated by higher taxes or reduced government spending, the recovery will not be materially impaired, he added.

The Harris economist is more optimistic about the longer-term growth potential of the economy than three of the leading national economic forecasting firms.

Davis forecasts that real economic growth will average 4.8 percent annually over the next five years. By contrast, the consensus forecast by Wharton Econometric Forecasting Associates, Data Resources and Chase Econometrics is for real growth to average 3.5 percent over the five-year period.

Davis asserts that the forecasting firms place undue emphasis on budget deficit forecasts. In addition, the forecasters have failed to realize the extent of the expansionary monetary forces that are impinging on the economy, he adds.

OPPOSES ANY NEW TAXES

Davis opposes the imposition of new taxes to help reduce the deficit, including any additional taxes on oil or gasoline.

"It would have a negative impact on the economy," he said. "The deficit isn't an indi-

cation of not collecting enough taxes, but of overspending by government."

On balance, it is monetary policy that most concerns Davis.

Noting that the Federal Reserve Board has been permitting the money supply to grow at an annual rate of about 13 percent since last August, Davis said he would have expected the central bank to slow down the money growth rate within the next 30 days.

"But retail sales are still weak, and the Fed may maintain its expansionary stance longer, perhaps up to another 60 days," the economist added.

"When the Fed does slow down the money supply growth, which could be in late April or early May, interest rates will be pushed higher. I would estimate that short-term rates will be up about 2 points in the second quarter from the low point in the first quarter of the year."

MARKET MAY PULL BACK

Davis characterized the projected interest move as an "upward blip" in the declining trend. He doesn't expect that to impede the recovery, but said it could trigger the pullback in the stock market which so many analysts have been anticipating.

"Investors should be increasing their cash positions instead of buying stocks at this time," Davis suggested. "As to the magnitude of the market pullback, I'd be very surprised if the Dow Jones industrial average got below 1,050.

Davis said he expects the Fed to maintain a money growth rate that should keep inflation between 4.5 percent and 6 percent for the remainder of the decade.

At the same time, he warned that if the Fed should continue its expansive policy through most of the year, "we're going to find ourselves in a serious situation with inflation and interest rates rising again.

"If that happens, I can see inflation rising to double-digit levels again by the end of 1984," he concluded.●

TRIBUTE TO FRANK E. PINDER II

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. FUQUA. Mr. Speaker. A truly great American, Frank E. Pinder II, is being honored today by one of the great universities in Florida's Second Congressional District—Florida Agricultural and Mechanical University.

Since earning his bachelor of science from Florida A&M in 1933, Frank Pinder has made great contributions to his nation and to its standing in the world—particularly in Africa where he has represented the United States and the United Nations in a variety of assignments.

Since beginning life in Key West, Fla., Frank Pinder has made it his life's work to share the knowledge he gained at Florida A&M, Tuskegee Institute, and as a Department of State fellow at Cornell University with the underdeveloped and developing nations in Africa.

His work has been so effective that Liberian President William V. S. Tubman cited him for his personal contributions to that country during a 13-year assignment there and credited Frank Pinder with raising the standard of living for Liberian citizens.

During more than 40 years of foreign assignments, Frank Pinder has amassed one of the Nation's largest and most comprehensive collections of African arts and artifacts.

As a typical act of selflessness, Frank Pinder donated his collection to his alma mater last year where it is available for the enjoyment and education of all who wish to see it at the Florida Black Archives, Research Center and Museum at FAMU.

During his distinguished career, Frank Pinder has been honored by many, including the State Department which twice awarded him its Meritorious Service Award. He has also recieved honorary LLD degrees from Monrovia College in Liberia and Morris Brown College in Atlanta, and the Mary McLeod Bethune Medallion, the Florida A&M Oustanding Alumnus Award, and election to the FAMU Hall of Fame.

His service to mankind is being recognized again today by the Governor and cabinet of Florida at FAMU's annual Founders' Day celebration where he has been chosen to deliver the major address of the event.

I would like at this time to offer my own congratulations to Frank Pinder for his decades of contribution not only to his university, his State, and his nation, but to the entire world.●

JUSTICE FOR SOCIAL SECURITY DISABILITY CLAIMANTS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. STARK. Mr. Speaker, on behalf of myself, Mr. VENTO, and Mr. JEFFORDS, I am introducing legislation today aimed at insuring that disability claimants receive a fair and honest hearing on their disability claims.

The bill will prevent the Department of Health and Human Services and the Social Security Administration from collecting individual data on administrative law judges on the number of disability claims they allow or deny and thus prevent the administration from tampering with the legitimate claims of the unfortunate individuals seeking to maintain their disability benefits.

Mr. Speaker, it is a sorry state that we need this legislation. The law is already very clear. Administrative law judges by law are not to be rated or judged on their performance (5 CFR 730.211 (1982)). However the administrative law judges in the Department of Health and Human Services have charged that the administration has illegally developed a performance rating system which requires that they decide no more than two-thirds of the disability cases against the Government. This outrageous travesty of justice cannot be allowed to continue. The consequences of justice by quota systems undermines the very basis of our legal system.

By way of background I would like to remind my colleagues that the Congress enacted the Administrative Procedure Act (APA) of 1946 for the purpose of establishing a comprehensive scheme to insure fair and impartial administrative adjudications of disability claims. By this act, the ALJ's are freed from being "mere tools" of the agency they serve and are to be removable only for good cause as determined by the Merit System Protection Board. In short the APA created a comprehensive bulwark to protect ALJ's from agency pressure or interference in the performance of holding fair and impartial hearings and exercising their independent judgment in each case before them.

Claimants for disability benefits under the Social Security Act initially seek them through a State disability determination service. If their claims for benefits are denied by State disability determination services, claimants have a right to request a hearing before an ALJ. ALJ's assigned by HHS to hear disability claims are charged with the responsibility for holding those hearings and for making well-reasoned findings of fact and issuing written decisions based solely on the merits of the claim.

No real problems arose until the Department of Health and Human Services in 1980 developed an elaborate data-gathering system that collects information regarding each ALJ's work activity. Under this system the way each hearing is decided, in favor of or against the claimant, is recorded. Using these figures HHS has begun to single out ALJ's with high allowance rates—that is, those deciding 66⅔ percent or more of cases in favor of the claimant—and has made them subject to being "counseled" and threatened with dismissal. It has actually dismissed three judges. Threatening ALJ's with removal or otherwise penalizing them for attempting to make honest and fair judgments based on the merits of each claimant is so contrary to our traditional ideas of justice that I am at a loss for words to describe the anger and outrage I feel. Creating an incentive for ALJ's to deny benefits to legitimate disability claimants irrespective of the merits of their claims, simply can not be tolerated.

Mr. Speaker, the need to control social spending may require limits to compassion; it does not grant a license

for meanness. I urge my colleagues to join me in overturning a practice which strikes at the very heart of our ideal that justice must be fair and impartial.

H.R. 2188

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 221 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(j)(1) In recognition of the unusual difficulty of the issues which are involved in the making and reviewing of disability determinations under this title and title XVI, the Secretary shall at all times exert a special effort to assure that administrative law judges who are engaged in reviewing such determinations are permitted to perform their functions and render their decisions in a fair and impartial manner, with an unrestricted opportunity to exercise their independent judgment and without interference from any officer, employee, or other entity of the Department of Health and Human Services, in compliance with all of the provisions of title 5 of the United States Code relating to administrative law judges and with the regulations issued thereunder.

"(2) In carrying out paragraph (1), the Secretary shall take such steps as may be necessary to guarantee that no administrative law judge engaged in reviewing disability determinations under this title or title XVI will ever be rated, ranked, or evaluated or have his performance judged (as a result of a review provided for by section 304(g) of the Social Security Disability Amendments of 1980 or otherwise) on the basis of the number or percentage of cases which he decides in favor of or against the claimant, or on any other basis which directly or indirectly takes into account the number or percentage of cases which he decides in favor of or against the claimant.

"(3) Nothing in this subsection shall be construed to prevent the Secretary from collecting, evaluating, and analyzing data with respect to the number or percentage of cases decided by administrative law judges in favor of and against claimants, so long as such data involves only the aggregate number or percentage of such cases and does not include specific information with respect to the number or percentage of cases decided in favor of or against the claimant by any particular administrative law judge.".

SEC. 2. Section 1631(c) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(4) The provisions of section 221(j) shall apply with respect to administrative law judges engaged in reviewing disability determinations under this title in the same manner and to the same extent as they apply with respect to administrative law judges engaged in reviewing such determinations under title II.".●

EL SALVADOR

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Ms. OAKAR. Mr. Speaker, yesterday we were informed that a judge in El Salvador had derailed the trial of the national guardsmen who are accused of murdering four American churchwomen in December 1980. In reducing the status of the case to a preliminary stage and delaying it indefinitely, El Salvador has, in effect, thumbed its nose once again at the United States and made a mockery of the certification process we acquiesced to in January. The accused guardsmen have been in custody since April of 1981. We are now on the verge of April 1983. Two of the guardsmen involved in the murders have confessed. Positive polygraph evidence exists. Other witnesses and fellow prisoners have testified to their guilt. Higher officers have been implicated—none seriously investigated.

When the representatives of the murdered women's families and their lawyers visited El Salvador earlier this year, they reported to the administration, the State Department, and the Congress on the incompetence, corruption, and intimidation that characterized the justice system in El Salvador. They testified in the House and Senate Chambers about the failure of the prosecutor to develop his case, the disappearance of important evidence such as X-rays, the admissions that higher officers could have been involved but are beyond investigation. For over 2 years, my office, among others has pressed the FBI, the Embassy, and other agencies to make the evidence they have gathered available to the families and their lawyers. Now, 27 months later, we are told that the prosecutor in El Salvador has not even seen this evidence.

Eight American citizens have been brutally murdered and mutilated by the security forces of El Salvador, not to mention some 35,000 Salvadorans. In over 2 years there has not been one conviction for the murders of any of these American or Salvadoran citizens. Yet we propose to send these same security forces more guns and equipment. Worse yet, the administration proposes to train them to be more efficient. Do we really believe that a few sermons at Fort Bragg will change the militarized culture of violence in El Salvador?

We have now sent over half a billion dollars to El Salvador in military and economic assistance since 1979, which is the lion's share of what we send to the whole of Latin America. What has been the result? More killing, more violence. More motivation and successes for the insurgents. More defeats for the Government. More anti-Americanism. More money is leaving El Salvador in capital flight than we are putting in.

When the history of the 20th century is written this will surely be ranked as one of the most morally indefensible acts of government.

In 1980 few Americans knew anything about El Salvador. Today most Americans know more about El Salvador than about many regions of the United States. They know above all, that American blood has already been spilled there, and that American tax dollars have been wasted there. They have a right to be heard.

In January I introduced a resolution (H.J. Res. 89) to terminate military aid to El Salvador until Congress certifies that the appropriate conditions have been met. I urge you to join me in supporting that resolution and reclaim our responsibility as representatives of the American people.●

TRIBUTE TO THE LEHMAN FAMILY

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. FASCELL. Mr. Speaker, the Lehman family tradition of togetherness—both in business and in play—is continuing in the activity of jogging.

Matt, Andy, and David, Congressman BILL LEHMAN'S grandsons, and the sons of Kathy Lehman Weiner, whose death in 1979 at age 39 was a family tragedy and a loss to the community, now join their father in the sport.

In this way, BILL'S son-in-law Don has pulled his single parent family together and, as the following news article demonstrates, has done his best to make a real family for his boys.

[From the Miami Herald, Mar. 10, 1983]

FAMILY STAYS CLOSE BY LONG-DISTANCE—JOGGING, THAT IS

(By Gary Ferman)

Deep down inside, Don Weiner knows his three sons probably wouldn't be runners if he hadn't pushed them into it. But push he did, and 15-year-old David, 13-year-old Andy and 10-year-old Matt haven't exactly put up a fight.

Running has become a family affair for the Weiners, whether it be jogging around Granada Golf Course across the street from the Weiner household or participating in local 10K and middle distance runs.

But this is more than just a story of another parent who thrives on the sporting accomplishments of his offspring. Weiner, a 41-year-old math teacher at Miami High School, has been running for 13 years. Inspiring his three sons to join him, he figured, would be a good chance to spend more time with his kids.

"My gut feeling is that if I didn't ask them to participate, they wouldn't," said Weiner. "But parts of it they like and if they aren't hooked on it now, maybe they will be in the future."

Weiner is an experienced single parent. His wife died almost four years ago from a brain tumor.

Because of the age differences of the boys, Weiner said it is hard to find a common activity they all can enjoy. Even deciding on a movie is a major chore. So they run.

The kids participate in other athletic activities as well. David plays tennis for Coral

Gables High. Andy plays youth league tennis at the Biltmore tennis center and Matt is a soccer player at the Gables Youth Center.

But last Saturday morning, the family was together for the Calle Ocho 8K (five-mile) run. David was the family champion, finishing in 31 minutes. Father Don followed in 39 minutes. Andy and Matt crossed the finish line in 43 minutes.

They have run six races together so far this year, including the Jungle Jog five weeks ago at Metrozoo. After that race, the family took advantage of free zoo admission and spent the afternoon looking at animals.

But while Dad ran in the Orange Bowl Marathon—he quit after 14 miles because of a problem with a graphite inner sole he wears for knee and lower back problems—the boys remained on the sidelines.

"The marathon is just too long for them," said Weiner. "It would take too much work."

David, despite being the quickest in the family, finds running to be the most labor. Matt, the youngest who would prefer to spend his mornings, afternoons and evenings watching television, finds it the most boring.

"But they all like the refreshments and free T-shirts at the finish line," said Weiner. "And Matt likes hanging his running numbers all over the walls of his bedroom. The running aspect is what is hard for them. But I think it's a worthwhile thing. It's a way we can have a lot of fun together.●

NEW YORK STATE RESOLUTION

HON. WILLIAM CARNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. CARNEY. Mr. Speaker, as the debate continues over the proper approach to take in our effort to reduce the nuclear arsenals of the United States and the Soviet Union, I think it is very significant that the senate of the State of New York has passed a resolution expressing the support of that body for the two arms reductions negotiations now underway in Geneva, Switzerland.

The New York Senate resolution closely parallels the approach advocated by House Joint Resolution 4, the Broomfield, Stratton, Carney, Price alternative to the well-meaning but misguided House Joint Resolution 13.

I would like to submit the New York State Senate resolution for inclusion in the RECORD of the nuclear arms control debate in the House.

STATE OF NEW YORK—THE LEGISLATURE, ALBANY

LEGISLATIVE RESOLUTION, SENATE NO. 240

In Senate—By: Senators Marchi, Nolan and Smith.

Legislative resolution calling for mutual and verifiable reductions in nuclear arsenals and expressing the full support of the Legislature of the State of New York for the two ongoing arms reduction negotiations in Geneva between the United States of America and the Union of Soviet Socialist Republics.

Whereas, One of the greatest continuing challenges facing mankind is to prevent the outbreak of nuclear war; and

Whereas, There is increasing concern worldwide over the risk of nuclear war; and

Whereas, On the initiative of the United States of America, two important sets of negotiations on strategic and intermediate-range nuclear weapons are well underway in Geneva between the United States and the Soviet Union and these negotiations have the full support of the nations of the North Atlantic Treaty Organization; and

Whereas, In these negotiations the United States has advanced serious and detailed proposals for sweeping reductions in strategic and intermediate nuclear arms focusing on the most destabilizing weapons of both powers; and

Whereas, United States negotiators at these negotiations have reported that the negotiations are moving in the direction of substantial reductions and that the Soviet delegations are negotiating seriously on these issues: Now, therefore, be it

Resolved, That the Legislature of the State of New York:

(1) Strongly supports these ongoing negotiations directed toward substantial reductions in the nuclear arsenals of the United States and the Soviet Union, the success of which would materially reduce the danger of nuclear war;

(2) Urges both negotiating powers to work toward the achievement of equitable and verifiable agreements which freeze strategic nuclear forces at equal and substantially reduced levels, thereby further reducing the possibility of nuclear war;

(3) Urges both powers to negotiate effective verification of the terms of the agreements achieved;

(4) Urges both powers to negotiate to the maximum extent feasible confidence building measures such as those proposed by the United States which are likely to reduce the risk of nuclear war by reason of error or misunderstanding; and

(5) Urges both powers to concentrate special attention on reducing those weapons which because of their destructiveness and speed are judged to be especially destabilizing; and be it further

Resolved, That the Legislature of the State of New York requests all residents of this and other states and all peace-loving peoples worldwide to unite in supporting the objectives of the ongoing negotiations in Geneva between the United States and the Soviet Union, and refrain from actions that could denigrate or impair their success, recognizing that their success will move the world closer toward the kind of lasting peace which all of us devoutly seek.

Adopted in Senate on March 9, 1983.

By order of the Senate,

STEPHEN F. SLOAN,
Secretary.●

AMNESTY INTERNATIONAL'S HUDSON VALLEY GROUP CALLS FOR RELEASE OF RIKHARD SPALIN

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. OTTINGER. Mr. Speaker, I rise to bring to the attention of my colleagues the plight of Mr. Rikhard Spalin of the Soviet Union, who has been adopted by Amnesty International as a "Prisoner of Conscience." Mr. Spalin's case has been monitored for the past 2 years by Amnesty International's Hudson Valley Group of Tarrytown, N.Y.

Mr. Spalin is a member of the Church of the True and Free Seventh Day Adventists, a religious group that has resisted the Soviet Government's efforts to restrict and control their religious activities. According to Amnesty International, Mr. Spalin was arrested in June 1979 and charged with circulating antigovernment slander, engaging in a prohibited trade, and stealing state property. Mr. Spalin was reportedly arrested for salvaging a discarded printing press and using it to print True Witness, an underground religious newspaper. It appears that he has been imprisoned solely for exercising his religion and expressing his beliefs, in violation of the U.N. Covenant on Civil and Political Rights (articles 18 and 19), ratified by the Soviet Union in 1973.

I strongly urge the Reagan administration, and the State Department Bureau of Human Rights and Humanitarian Affairs in particular, to speak out against this denial of freedom of religion and freedom of expression, to monitor the condition of Rikhard Spalin and request that he be released, and to urge the Soviet Union to abide by internationally accepted standards of human rights. I would also like to thank the Hudson Valley Group for bringing Mr. Spalin's case to my attention. As I have said of all the Amnesty International chapters in Westchester that I have worked with, these people have been vigilant in their defense of human rights throughout the world. Their compassion for their fellow human beings is an example to us all, and they deserve the highest praise for their work.●

1982–83 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM TENNESSEE WINNER

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. JONES of Tennessee. Mr. Speaker, I rise today to insert in the RECORD the speech of Miss Tammy Veazey of Cottage Grove, Tenn. Miss Veazey resides in my district and attends Henry County High School. The remarks which I am sharing with my colleagues today represent the winning speech in the Tennessee 1983 Voice of Democracy contest sponsored annually by the Veterans of Foreign Wars.

Miss Veazey's speech eloquently demonstrates the continuing enthusi-

asm and hopes of the young people of this country. I want to personally congratulate her for her winning speech and share with my colleagues its contents.

It is early in the morning. The children file sleepily through the door and take their places beside their desks. But before the day's activities begin, tiny hands are placed over sincere little hearts and a room full of shining eyes turn upward, and come to rest on "Old Glory." "I Pledge Allegiance to the Flag of the United States of America," begins each childish voice, and here, in this typical third grade classroom, the spirit and strength of America are flowing strong.

Yes, it is here in this classroom, in other classrooms like it, and anywhere else that young people can be found, that the true strength of America lies.

A part of this strength lies in the idealism so often associated with youth. Our country has always had high hopes. From the first man to set foot on Plymouth Rock to the first man to set foot on the moon, Americans have set high, idealistic goals, and we have reached them. Who better to carry on this tradition than the most idealistic people in the world—young people.

Another important quality of youth is resiliency. After the protests of the sixties and the Watergate scandal of the seventies, young people naturally felt disillusioned and confused. But the confusion is gone, and we have learned many valuable lessons. We now know that the government is not perfect, but we've also learned that nothing is accomplished by withdrawing from society. We must work within the system to improve things. So here we are—a generation of enduring spirits—back in the ring, rolling with the punches, and fighting for what we believe in.

It is also because of youth that we have kept alive in our nation two very important virtues which go hand in hand—daring and creativity. We have the pride to want to keep tradition alive, but the boldness to eliminate the outdated. We also possess the creativity to replace these old ideas with fresh, modern ones. For instance * * * remember those third graders saying the Pledge of Allegiance to our Flag? Well, when the Pledge is over, the class might very well turn around and begin working their lessons—on a computer—developing patterns of thought and logic which will be used to solve problems that you and I have not even dreamed of.

It is for these reasons and many others that younger generations demand and deserve the faith and trust of their fellow countrymen. We can make all the difference, because the true quality of a nation depends, not upon the amount of land she encompasses, or the number of atomic bombs she possesses but upon the quality of her citizens and leaders. These patriots of tomorrow will be found among the youth of today. Yes, as long as America continues giving it's youth room to grow, the hope and potential of our country is as vast and limitless as the heavens.

What will the future hold? It is impossible to tell, because the future is as far away as the most distant star, but as close to us all as a third grade child.●

THE NATURAL GAS EQUAL ACCESS AMENDMENTS OF 1983

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mrs. SCHROEDER. Mr. Speaker, today I introduced the Natural Gas Equal Access Amendments of 1983. The bill would have the effect of lowering natural gas prices by allowing purchasers to shop around for the cheapest natural gas. Currently, gas prices are higher than need be because pipelines are simply not buying and transporting the cheapest gas. Local distribution companies buy most of their gas from a pipeline who in turn buys it from a pipeline production affiliate or some other natural gas producer. This bill would allow direct purchases from producers and would make available cheap natural gas that is currently not reaching the market.

SECTION-BY-SECTION DESCRIPTION OF THE "NATURAL GAS EQUAL ACCESS AMENDMENTS OF 1983"

Sec. 1. Title—"Natural Gas Equal Access Amendments of 1983".

Sec. 2. Findings and Purpose.

Findings: A national market for natural gas does not now exist, causing severe economic dislocations and impeding prudent gas development with end-user prices varying widely. The lack of a national market is detrimental to both consumers and producers and exists due to the basic structure of the natural gas industry as required by federal laws and regulations. The monopoly powers of natural gas pipelines over producers and consumers prevent development of a critically necessary national market for natural gas.

Purpose: The purpose of the bill is to establish a national market for gas by encouraging direct sales of gas between producers and end-users of their wholesalers and requiring transportation of gas involved in direct sales.

Sec. 3. Equal Access to Natural Gas Transportation Facilities.

(a) Transporters shall transport gas based on available capacity upon demonstration of need.

(b) Any gas not currently under contract is available for transportation. Sec. 8 establishes mechanisms for freeing certain categories of gas from existing contracts.

(c) Tariffs would be established for transportation, such tariffs to be cost-based and just and reasonable as determined by the FERC.

(d) Establishes rules for submission of requests for transportation.

(e) Specifies how the need for transportation is documented and establishes minimum tender requirements of 500 Mcf per day for a minimum of 180 days. These minimum requirements are excused for gas for which the contract has been marketed-out or breached by the purchaser. FERC is allowed to modify these requirements in the public interest.

(f) Establishes that capacity is available for gas to be transported under this bill unless the Commission finds upon hearing that sufficient capacity does not exist. In the event partial capacity exists, transportation will be mandatory to that extent. Storage capacity and current documented demands for gas supply will be considered in determining available capacity. The Commission will require compression and may require looping to increase capacity, with costs being allocated equitably to protect existing users. Ratable transportation is required where insufficient capacity exists to transport gas involved in all applications. High priority users will continue to be protected. Precludes affiliates of pipelines, interstate or intrastate, from selling equal access gas, retaining that gas as general system supplies. Presidential emergency allocation is maintained.

Sec. 4. Definition of Natural Gas Transporter.

Defines transporter as interstate and intrastate pipelines and local distribution companies—excludes gathering systems.

Sec. 5. Natural Gas Transporters Having No Available Capacity.

Restricts new purchases and sales by transporters determined to have no available capacity.

Sec. 6. Reduction of Minimum Bills and Service Obligations.

Provides for reduction of service obligations of pipelines to customers and minimum bill obligations of such customers to pipelines to the extent that gas transported under this bill is purchased.

Sec. 7. Amendment of Service Classification.

Prevents change of service classification without Commission hearing where user is buying both pipeline supplies and equal access gas.

Sec. 8. Increased Availability of Gas.

In addition to uncontracted gas, certain other gas is made available for direct sale and transportation. These categories are newly drilled gas currently under contract, gas which reached contract renegotiation points or the end of its primary contract term, and heavily curtailed gas. Marketed-out gas or gas under contracts breached for any reason are uncontracted and also eligible. Provides that new contracts may waive equal access treatment otherwise applicable to newly drilled gas or gas at renegotiation point.

Sec. 9. Nonapplicability of Natural Gas Act to Certain Sales by Exempt Pipelines.

Preserves Hinshaw exemption.

Sec. 10. Limitations on Charges Payable by Affiliated Entities.

Modifies the pricing provisions of the NGPA to provide that prices paid by pipelines to their production affiliates cannot exceed the lowest paid in comparable sales to unaffiliated producers, as opposed to the highest price as now allowed.

Sec. 11. Effective Dates.

Upon enactment.●

RECOGNITION OF INDUSTRY/EDUCATION WEEK IN OHIO

HON. JOHN R. KASICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. KASICH. Mr. Speaker, I would like to take this opportunity to recognize and honor the activities of many Ohio citizens who have given their time, energy, and abilities to promoting greater cooperation and awareness between industry and education. Our

country, and particularly the State of Ohio, is entering a renaissance of high technology which requires a highly educated and skilled work force. To meet the challenges of this emerging economy, every effort must be made to develop a renewed and sustained spirit of collaboration by government, industry, and education. For the benefit of our youth and young adults, all levels of government should provide incentives and encouragement to efforts that help prepare our young people to meet the challenges of tomorrow. Therefore, I would like to proclaim my recognition of the week of March 14 through March 20, 1983, as Industry/Education Week in Ohio.

In addition, I would like to submit the following statement:

RECOGNITION OF OHIO INDUSTRY/EDUCATION WEEK

Whereas, there is an ever increasing need to improve the level of awareness of industry's role in the education of Ohio's youth and young adults; and

Whereas, industry, education and government have developed a number of diverse programs to provide a more relevant scope of education; and

Whereas, the world's one time resources are being exhausted and industry, education and government must work together to develop new technology to help provide for the survival of the human race; and

Whereas, the need exists to promote and encourage greater effort than ever before to insure that education, industry and government cooperate to insure that the education and research of the future necessary for survival become a reality:

Now, therefore, I give my support and recognition to the week of March 14 through March 20, 1983 as Industry/Education Week in Ohio, to honor and to thank the dedicated citizens of Ohio who have given freely of their time, energy and abilities. I call upon all citizens of Ohio to help renew and sustain the spirit of cooperation and collaboration which have made this nation great by encouraging even greater efforts in industry/education to recognize and provide for the needs of the future.●

BILL TO GRANT PUBLIC CHARITY STATUS TO CERTAIN MUSEUMS AND LIBRARIES

HON. JAMES M. SHANNON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. SHANNON. Mr. Speaker, Congressmen BARBER CONABLE, RICHARD GEPHARDT, and I are introducing a bill to limit the unnecessary and unfortunate application of the private foundation rules to certain museums and libraries. The museums and libraries to which this bill is directed are typically small institutions with specialized collections that rely for their financial support on a limited universe of donors.

Under present law, certain institutions such as religious organizations, educational institutions, and hospitals are automatically classified as public charities. Institutions such as museums and libraries, however, must satisfy certain standards of public support in order to be classified as public charities. In general, the public support test is satisfied if the institution receives at least one-third of its total support from public sources or if the institution satisfies a facts-and-circumstances test as described in the IRS regulations in which at least 10 percent of its financial support comes from governmental or other public sources and it maintains an active program to solicit funds from the general public.

Each charitable organization which fails to satisfy the public support or facts and circumstances test is classified as a private foundation and is subject to a set of requirements not imposed on public charities. These requirements include limitations on gifts, additional recordkeeping for donors as well as recipients, a 2-percent excise tax, and a variety of practical limits on the operation of the institution.

Unfortunately, the mechanics of the public support test are causing, or threaten to cause, certain museums and libraries to be classified as private foundations even though they receive their contributions from public sources and their public solicitation efforts are unchanged. For example, organizations that have had the good fortune to be the beneficiaries of successful endowments may be classified as private foundations because they are beneficiaries of a trust that produces such substantial income that it reduces their amount of relative public support. To avoid private foundation status, these museums and libraries will be forced to seek additional public support to maintain their 10-percent ratio, which will reduce the amount of charitable donations available to other worthy—and less financially secure—institutions. Thus, maldistribution of donations is encouraged at a time when the available amount of contributions is shrinking. Furthermore, these institutions must often incur significant legal and accounting fees in their efforts to comply with the public support guidelines; amounts that would otherwise go to the tax-exempt purpose of the institutions are thereby diverted to this purpose.

The bill that we are introducing today provides that museums and libraries which satisfy strict standards designed to assure public involvement and accountability be excluded from the private foundation rule just as churches, schools, and hospitals are excluded under current law. In the case of a museum, at least 25 percent of the governing body of the institution would have to consist of community leaders or local public officials, and the museum would, as its principal function, have to employ a professional staff for the exhibition of tangible objects to the general public on a regular and continuous basis at little or no charge. A library must have been established by a law of the United States, a State, a possession, or the District of Columbia, or have been established before 1789; and must be operated by an organization as a permanent and principal part of its public services. In addition, the library must be open and available to the general public at no charge and be operated by an organization none of whose income is expended for purposes other than the construction, maintenance, expansion, operation, or management of the library. These standards are substantially similar to those for excluding schools and hospitals from the private foundation rules.

We wish to emphasize that our bill is not intended to eliminate the distinction between public charities and private foundations. We support reasonable safeguards against potential abuses of tax-exempt status for personal and private benefit. Our bill, however, is designed to assure that the distinction affects only those organizations for which it was originally intended. A museum or library that is committed to providing access to the public at little or no charge should be classified as a public charity.●

TRIBUTE TO SENATOR CARL HAYDEN

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. RODINO. Mr. Speaker, recently, the Senate Committee on Rules and Administration held hearings to consider a resolution that would authorize a bust of the late Senator Carl Hayden, of Arizona, to be placed in the Capitol. Companion legislation has been introduced in the House which I am proud to cosponsor.

Senator Hayden set records for senatorial and congressional longevity by serving for 57 years on Capitol Hill. In 1912, then-Representative Hayden, came to Washington as the first Representative from the newly admitted State of Arizona. Carl Hayden spent 15 years in the House before being elected to the first of seven Senate terms. During his tenure in the Senate, Hayden rose to chair the Senate Appropriations Committee. He held that position for 14 years.

Carl Hayden was a workhorse in the Congress and a man of honesty and integrity. At the March 3 Rules Committee hearing, Mr. Roy Elson, Senator Hayden's administrative assistant, spoke in favor of establishing a memorial to Carl Hayden. Mr. Elson's re-

marks aptly describe the contributions Carl Hayden made to the legislative process, and the character of the man. I would like to share these remarks with my colleagues.

STATEMENT OF ROY ELSON REGARDING A TRIBUTE TO SENATOR CARL HAYDEN

Mr. Chairman, I feel particularly honored to be here today, as I am, of course, a non-Member. Once I came very close, and once, as Senator Goldwater will remember, not so close. On both occasions, I was greatly assisted by Senator DeConcini and his family. But to paraphrase Lincoln, ". . . I am too old to cry and it still hurts too much to laugh."

A long time ago in a galaxy far, far away, an infant was born—the first white child born in Hayden's Ferry, in the Territory of Arizona. Now, five score and six years later, we are here to honor him. It is most gratifying to know that this gesture is being considered for the late Carl Hayden. One caveat, however: any comment from me is bound to be prejudiced. I cannot be objective on this issue anymore than any Member of this Committee could in speaking about someone you loved; and, of course, so much of my life has been intertwined with that of Carl Hayden. He was my teacher, my example and my friend. Whatever good I may have from time to time been able to do or whatever virtue I may possess, I owe largely to him. As for my failures and faults they have all been self-achieved.

This great, gentle man—who, it seems, so recently left us—came here, let us be reminded, when William H. Taft was President, before anyone ever dreamed of the Somme, or Verdun, or the self-starter or the crystal set; before woman's suffrage, collective bargaining, social security, and the income tax; before Prohibition, Repeal, penicillin, the pill or Pearl Harbor; before anyone every heard of Lenin, Lindbergh, the Anschluss, Anzio, or Alamogordo; it was even before there were Administrative Assistants.

When Carl Hayden entered the Congress, millions were alive who had been slaves and Civil War veterans were the most powerful bloc in America, yet he would live to fight for civil rights in that same Congress.

When he entered the Congress, the Titanic had not yet sunk, John Fitzgerald Kennedy, who would now be sixty-six years old, had not yet been born, Nicholas II was Tsar, and Britain ruled almost three-quarters of the surface of the earth, and in America the mule and the horse were king; yet he lived to see hearts transplanted and men walk on the moon.

Chronologically, he was an Edwardian; in principle, he was a libertarian; in all ways, he was an American.

There is neither time or space for me to list and then review his accomplishments and contributions. They were monumental. Just let me say that Carl Hayden was a masterful carpenter. He knew how and when to lay the foundations on which so much could be built. He supported and helped enact every major piece of legislation which made capital improvements in the wealth of this Nation: in navigation, in aviation, in highways, in railroads, in mining, in reclamation, in public lands, in parks and recreation. He supported the New Deal, the Fair Deal, the New Frontier and the Great Society. He sponsored the amendment giving women the right to vote and joined early on in the struggle for the civil rights of all Americans.

He believed in people—especially young people. He thought that one of the greatest legislative enactments during his tenure in the Congress, and one he helped to pass, was the World War II "G.I." bill.

As a politician, the record speaks for itself—67 consecutive years in elective offices. The only election he lost was for student president of Stanford and that was before the turn of the century.

His personal qualities were those we would all like to have. He was fearless and totally honest. He found some good in all men. He was kind and considerate and always respectful of others. If he ever gave you his word it could not be broken. Kipling's poem, "If," probably comes closest to describing his character.

Of this we may be certain: He would have opposed any memorial of himself, not out of any false modesty, but because of an oft-expressed belief that only those men and women who have been dead for at least half-a-century should be so honored, that their stature be triangulated from the perspective of time. Senator Hayden would say, "Why not honor Tom Payne, the man who may have invented the United States and who remains totally unhonored in this the country he helped create?" In this respect, my heart concurs and yet I find myself disloyal to his beliefs for the first time in advocating this memorial.

Candor compels me to disclose that my motives are threefold: First, admiration; second, what I hope is a pardonable affection; and, third, the observation that we have, as a Nation, sometimes remembered in a momentary passion those who seem somewhat less worthy.

Senator Hayden has been absent from these halls he so loved for a decade and a half now. Those who were born at the time of his retirement will soon be old enough to vote. In view of the passage of time in this mercurial world, the approval of a bust for the man who served in the Congress for 57 consecutive years—a record that most assuredly will stand for all time—could hardly be characterized as precipitious, or even to the most conservative regarding memorials, as ". . . a disintegrating errosion of particular exceptions."

I heard Senator Hayden say many times that "gratitude is a lively appreciation of things yet to come." I am pleased beyond measure that the Congress, on behalf of the Republic it represents, may perhaps demonstrate its gratitude to him, its most venerable Member, and, thereby, for once prove the Old Man wrong.●

SITUATION IN EL SALVADOR

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. BEREUTER. Mr. Speaker, I would like to call my colleagues' attention to this editorial which appeared in the Washington Post of March 16. I believe that this gives an accurate representation of the situation in El Salvador and I commend the Post's editorial writers for their insights into this area.

[From the Washington Post, Wednesday, Mar. 16, 1983]

MORE AID FOR EL SALVADOR?

More aid for El Salvador, as the Reagan administration requests? Of course. It is an $80-million-a-year war—that's the amount sent last year and sought next year. This year, the foreign aid bill collapsed, leaving El Salvador short $60 million. Not to pony it up would probably finish off the government. Is that what the Congress wants, or is ready to take the responsibility for?

The trouble is that the administration and its critics are drawing divergent conclusions from the condition that has launched this latest argument, the sagging of the Salvadoran war effort. The administration would bull through its program of financing the war (while sending more advisers), trying to edge forward reforms and human rights, and cosponsoring the local government's plan to draw the opposition into its electoral scheme. The doubters fear the bottom is dropping out. They urge an effort to save the American investment by promoting negotiations, talks, "dialogue."

They are right. The administration equates talks with letting the guerrillas "shoot their way into power." But a little perspective is in order. The generals who are now on top shot their way in. Granted, at American prodding they have devolved uncertain power on a body elected since. If full power had actually been taken by that body elected a year ago, the administration would have had fits, since a feudal party won. The point of government-guerrilla talks, their State Department advocates say, is not to distribute power arbitrarily but to shape democratic political processes. It's certainly risky. Increasingly, it looks like the only alternative.

Secretary of State George Shultz's attitude is puzzling. He was questioned in the Senate on the calls for dialogue emanating from Salvador's acting archbishop and from Pope John Paul II, whose visit to Salvador next Sunday is eagerly anticipated by partisans of reconciliation. Mr. Schultz replied with a reference to "churchmen who want to see Soviet influence in El Salvador improved." Separately, he was asked if the United States would actively oppose government-guerrilla negotiations even if the Salvadoran government were interested. "I wouldn't think it would be a good idea," the secretary said.

President Reagan pledged, in his recent American Legion speech, "to explore all possibilities for reconciliation and peace in Central America." It is a tall order, and he has yet to deliver on it.●

THE 73D ANNIVERSARY OF CAMP FIRE GIRLS

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. WHEAT. Mr. Speaker, today marks the 73d anniversary of Camp Fire, founded in 1910 as Camp Fire Girls by Luther Halsey and Charlotte Vetter Gulick. Today's 500,000 Camp Fire members include both girls and boys from birth to age 21 in more than 35,000 communities across the United States.

The purpose of Camp Fire is to provide, through a program of informal education, opportunities for youth to realize their potential and to function effectively as caring, self-directed individuals responsible to themselves and others; and, as an orginization, to seek to improve those conditions in society which affect youth. Membership in Camp Fire is open to everyone regardless of race, creed, religion, national origin, or sex.

In Camp Fire boys and girls learn self-development, social skills, and service to their communities. Camp Fire includes programs for small groups which meet on a regular basis, resident and day-camp programs, and special programs based on community assessments and designed to meet local community needs, such as day-care centers, youth employment programs, self-reliance courses, programs on nutrition, juvenile justice and sexual abuse of children, and programs for exceptional children, migrant children, and economically disadvantaged children.

In 1977 Camp Fire moved its headquarters from New York to Kansas City, Mo. Both Camp Fire and Kansas City have benefited from the move. Congratulations to Camp Fire as its members celebrate another milestone in their continuing efforts to improve the quality of life for young people and their communities.●

IN MEMORY OF ALLARD LOWENSTEIN

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. BURTON of California. Mr. Speaker, this past Monday marked the third year since the tragic death of Allard Lowenstein. In his memory, I would like to bring to the attention of my colleagues a statement he made in 1968 on the role the youth of our Nation play in correcting the injustices of the world.

The statement follows:

I know you've heard other views, but I think we are fortunate in the Western world that some of the evils in our culture inconsistent with our pretensions and ideals are being challenged at root by people with energy, vigor and determination to produce something better, even though they're not often equipped to know how to bring it about. It is healthy to see Americans denouncing what their government is doing abroad. One would hope to see a similar response by Indians about Kashmir, Nigerians about Biafra, and so on. Out of awareness that the world needs something more than a constant defense of each country by its leading intellectuals and political figures, we might begin to struggle to some really international solutions to world problems.

The closest thing that has arisen yet to genuine internationalism is what is coming out of young people. We are extremely fortunate that the next generation is in revolt against hypocrisies encrusted in the affluent world and is committed to basic social change. If this revolution had been directed in favor of racism, war or privilege, we would be in dark straits. Instead of regarding it as a threat, we should welcome the energy unleashed through people who have almost everything materially and, precisely because of that, find it inadequate for human beings.

Of course, this revolution runs up against the unbending resistance to changes in the assumptions of a Western world which has long been conservative. As a result, you have sometimes drift and sometimes a lurch into anarchy, a revolt against any institution, anything that doesn't automatically change when asked to. You get into difficulties of communication and of assessing what is a valid demand and what is a demand simply to make demands. But if we would roll with this challenge, accept the validity of much of it and really examine our own presuppositions, we would, I think, quickly make significant contributions to the educations of younger people. Too many of us don't do that; they simply reiterate their own previous assertions, and if the young don't accept them, the confrontation escalates.

There are two very different areas where liberalism and Western progress have been least effective. Thanks to technology and the development of capital in sufficient quantities to make money available for many things, we have now removed, for perhaps eighty percent of our people in this country and, in varying percentages, something like that in most of the developed world, the worst of the scourges of exterior injustice and misery. The worst of the failures of liberalism is that we've never been able to figure out how to extend that process of enlightenment and assistance to the remaining pockets of deprived people.

The other problem is that we've discovered that even after we've removed the exterior causes of unhappiness we don't produce a happy society at all. Unless we begin to figure out how we can make lives seem fuller, communication between people more easy, and give them a sense of participating in their own destiny, the revolution is going to say, "Even if you remove poverty and war, all you've done is leave us with a vacuous society." In places like Holland, where there's no war and very little racism, and young people still burst out in anarchic ways, that problem is even more important than war, poverty and racism.

If, here in the United States, we are really to face the deep scars we have, we must face the implications for our world policies. You can't spend seventy-two percent of your budget on military and foreign policy without money that needs to be spent elsewhere. The United States certainly can't enter into a period of total withdrawal from the world. But we must reeducate our people to what really safeguards this country from the dangers they fear. That is going to mean more funds spent on education, housing and so forth, which we've been neglecting in the past in deference to other concepts of the world.

When the United States sneezes, places far away get pneumonia. So we have an enormous obligation to reassess some of the hypocrisies our own young people are challenging. Dictatorship in Spain or dictatorship in Greece cannot be virtuous because it says it's anti-Communist if in fact what we're opposed to is oppression by dictators. The assertion that we must do something in the Dominican Republic or Vietnam or Greece or Spain in the name of outmoded notions of what the world is about will produce great chasms between the generations. The people coming along free of that kind of stereotype reject it, particularly when it leads to their being sent off to die in wars which they can see are not connected to the idealism and democracy they've been raised to believe the country should stand for. If we want seriously to cope with the revolution of the next generation, we have to understand this interlocking of foreign and domestic questions, economically and in terms of the perception of what is hypocritical and what is honest. America must again become the symbol of justice and decency in the world that we were becoming under Presidents Kennedy and Roosevelt.

If there's a lesson America has given the world this past year, it is, I hope, that the energies of youth, properly channeled, can become dominant in changing countries with an opportunity for freedom into actually free countries. By welcoming young people in their efforts, we could create some form of international community that would be not only the generational one of the affluent young revolting in Paris, or Italy, or here, but of all people concerned about a world in which the processes of change could be encompassed without extermination and death. If we don't do that, I think, the world will fall apart. What could be a greater calamity and misreading of the necessities of life than to assume this is inevitable?●

IRISH WILDERNESS

HON. HAROLD L. VOLKMER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. VOLKMER. Mr. Speaker, today I am introducing legislation designating the Irish wilderness area in southern Missouri as part of the national wilderness preservation system.

I am joined in this effort by two of my colleagues from Missouri, Mr. CLAY and Mr. WHEAT.

The area to be designated consists of roughly 17,000 acres in Oregon County. The land is owned by the Federal Government as part of the Mark Twain National Forest.

The natural beauty of the Irish wilderness is a treasure which far outweighs the commercial value of the land, and this small part of the Missouri Ozarks should be preserved for future generations to enjoy.

The area, which was settled by Irish immigrants in the 1850's, is widely recognized as one of the most beautiful wilderness areas in the State. Situated along the free-flowing Eleven Point River, the area contains hollows, ridges, and bluffs that are rich with history, wildlife, and natural beauty.

The Irish wilderness designation has been endorsed by nearly every major newspaper in Missouri and enjoys the support of a coalition of more than 40

environmental and landowners groups. On this St. Patrick's Day, I am also pleased to report that this bill has the strong support of the Ancient Order of Hibernians.●

AMEND SECTION 513 OF THE TAX CODE

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. GUARINI. Mr. Speaker, recently my distinguished colleague from the State of Tennessee, Mr. DUNCAN, introduced H.R. 1773, a bill to exempt from taxation income earned by certain tax-exempt organizations through exchanging, renting, or selling the names and addresses from donor or membership lists. I was pleased to join Mr. DUNCAN as a cosponsor at the introduction of this legislation.

Under current law, income earned by an exempt organization from a trade or business which is regularly carried on and is not substantially related to the activities constituting the basis for the organization's tax exemption is considered to be unrelated business income subject to taxation. This provision, first enacted in 1950, was designed to prevent exempt groups from having an unfair competitive edge over taxable businesses engaged in similar activities.

Recently, the Court of Claims and the Internal Revenue Service have taken the position that income earned by groups from the rental or exchange of donor lists constitutes unrelated business income subject to taxation. H.R. 1773 addresses these rulings and adds to section 513 of the Internal Revenue Code a specific exemption from taxation for income earned through the exchange, sale, or rental of names and addresses from donor or memberships. It would apply to all section 501 organizations contributions to which are deductible under section 170 of the Tax Code.

Tax-exempt organizations provide a wide range of services and programs for needy individuals. Many of these services and programs assist particular groups of people who otherwise would go unaided. For example, through its national service program, the Disabled American Veterans offers free assistance to veterans in penetrating the bureaucratic maze and obtaining the benefits to which they are entitled.

Funds for the services and programs provided by tax-exempt groups come primarily from tax-deductible contributions. Contributions are solicited generally by direct mail from individuals whose names are maintained on donor or member lists. To keep the lists current, names of individuals who have died, moved or no longer contribute are removed. The name attrition rate can be high. In the case of the Disabled American Veterans, for example, the attrition rate runs about 12 percent per year.

To maintain donor lists large enough to provide organizations with the contributions required to sustain their programs, these names must be replaced. Replacement is best accomplished through the rental, sale, or exchange of names from an organization's donor list with other organizations. Not only does the acquisition of new names through these means help maintain a list large enough to sustain an organization's program in these difficult economic times, but also income from the rental, sale or exchange of lists helps defray the high costs of acquisition of names and maintenance of a donor list.

Since its enactment in 1950, section 513 of the code has been amended frequently to provide exceptions to the taxation of unrelated business income. Public entertainment activities at agricultural fairs, certain convention and trade show activities, billing and data processing services rendered for hospitals by hospital service organizations, bingo games, and certain telephone and electric pole rentals have been exempted. In enacting these exemptions, Congress found that the benefit to the exempt entity through relief from unrelated business tax outweighed any detriment to competing commercial enterprises.

Such is that case here. Exempt organizations that rent, sell, or exchange their own mailing lists do not directly compete with commercial mailing organizations. Each donor or membership list is unique. Exempt groups do not act as a clearinghouse for other interested parties and do not engage in direct mail activities for groups other than themselves. Thus, they do not compete with commercial groups that offer a full range of direct mail services.

We are now calling on the private sector to provide more than ever before to meet our national needs, ranging from education and the arts to health and the preservation of rights. The proposed amendment to section 513 will materially assist exempt organizations in their efforts to solicit needed funds from the public and at minimal loss of revenue.

It is my hope that Congress will act on this legislation quickly and favorably.●

CORPORATE AMERICA REJECTS NERVE GAS BUSINESS

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mrs. ROUKEMA. Mr. Speaker, the House of Representatives will soon be faced with making a historic decision on the question of whether the United States should resume production of lethal chemical weapons. Last year, this House, by a 251-to-159 vote, reaffirmed our Nation's longstanding decision not to produce new chemical weapons and our commitment to abide by the Geneva Protocol of 1925 prohibiting the use of chemical weapons in warfare. Additionally, that decision reaffirmed our Nation's commitment to the Biological Weapons Convention of 1972.

Congressional concerns regarding the administration's proposal to begin production of lethal nerve gas are also shared, interestingly, by numerous American corporations, including those chemical companies who would stand to benefit economically from such a program. I believe that private industry's reluctance to become involved in this multibillion-dollar nerve gas program reflects the opposition of the American people to these weapons of indiscriminate and mass destruction.

In light of the ongoing debate on this important issue, I would like to share with my colleagues an article which appeared on May 17, 1982, in Fortune magazine entitled "The Military Contract the Big Firms Shun."

THE MILITARY CONTRACT THE BIG FIRMS SHUN

(By Lee Smith)

A military project in search of a congressional appropriation can often count on some cheerleaders among the civilian contractors likely to benefit. New tactical fighters and assault ships have rooters. Nerve gas, it turns out, does not.

In the Administration's military budget now before Congress is a request for money to resume the production of nerve gas, which the U.S. has not made since President Nixon stopped the manufacture of chemical weapons in 1969. The Administration wants $46.7 million for new chemical weapons in fiscal 1983, the first year of a five-year rebuilding program. Based on the quantities the Army is calling for, subsequent annual expenditures should be considerably higher, though the Army won't say how much higher.

President Reagan says the U.S. must modernize its chemical arsenal to match the Russians' and ultimately persuade them that both sides should dispose of all such weapons. The State Department recently released a 32-page report maintaining that the Russians and their allies have actually used chemical and biological weapons in Southeast Asia and Afghanistan.

LETHAL TO CONVERSATION

Whatever the merits of the Administration's case, it is not galvanizing industry. Most big chemical companies are decidedly not interested in making nerve gas. "You have to be a masochist to want to get into that business," says the lobbyist for one major company. So emphatic are some companies that they refuse even to discuss the subject. The very words "nerve gas" can be lethal to conversation, turning senior management mute and normally amiable public-relations spokesmen chilly.

Several months ago the Army ran an advertisement in the *Commerce Business Daily*, a publication read carefully by hundreds of companies eager to supply the government with goods and services ranging from roof repair to advanced propulsion design analysis. The ad asked, in effect, for a show of hands from companies that might be interested in setting up a plant at the Pine Bluff, Arkansas, arsenal that could process 100,000 pounds of methane phosphonyl dichloride (MPD) in the first year and up to 1.5 million pounds a year for four years after that. Despite a misspelling (it should have read "methyl" instead of "methane"), the chemists in the readership had little difficulty deciphering what the Army wanted: someone to produce enough nerve gas to fill a million or so artillery shells.

If Congress appropriates the money, the Army wants to be able to start producing by the fall of 1984 a safe-to-store-and-handle "binary" weapon, which simply means a weapon in two parts, each part harmless by itself. At Pine Bluff the Army will fluoridate the MPD, a process that increases its toxicity, and put the liquid into canisters that will be inserted into artillery shells. On the battlefield a canister of nothing more exotic than rubbing alcohol will be slipped into each shell as well. As the shell is fired, the force ruptures the two canisters and the chemicals mix. When the shell strikes its target, a powder charge bursts and spreads the nerve gas in a deadly cloud.

A ROUTINE REQUEST

The response to the ad was so meager as to be barely detectable. Only four companies answered, and the only large company among them, Monsanto, quickly said it has made a mistake. Corporate headquarters in St. Louis explained that a staffer in the Washington office had routinely sent the Army a request for more information, as he does every time he spots an ad with the word "chemical" in it. Monsanto does not want to make nerve gas. Du Pont, the largest chemical company, ignored the ad altogether. Du Pont makes plutonium for nuclear weapons at its Savannah River plant, and its Remington Arms subsidiary makes rifle bullets for the Army at a plant in Independence, Missouri. But it wants no part of nerve gas. Neither does Dow Chemical.

Some weeks after the ad ran, the Defense Department telephoned and wrote to a select list of chemical manufacturers to see if they would be interested in supplying an additional five million pounds or more of another type of nerve gas, EDMP, to be used in an aerial-bomb version of the binary weapon. MPD creates a vapor that kills through inhalation, while EDMP yields a spray that is mainly absorbed through the skin. The response was not much better. Mobil considered the job for a number of weeks, but dropped out; Union Carbide is still thinking it over.

That lack of enthusiasm will not be an insuperable problem for the military. If necessary, the government can order any company that can make an essential material to do so. But it probably won't come to that. Five small companies have expressed a strong interest in the Defense Department's inquiries, and at least four of them seem to have the technical know-how to make the weapon.

Nerve gas is easy to make, uncomfortably so. It amounts to nothing more than an extraordinarily potent insecticide, a relative of the Malathion that California has been spraying on the Medfly. A German scientist, in fact, accidentally synthesized nerve gas in 1936 while making bug killers. As the name implies, the chemical attacks the central nervous system. A whiff in the lungs is enough to kill a victim within minutes. The chemical attaches itself to and cripples an essential enzyme in the body that normally breaks down acetylcholine, a natural substance that is the medium by which messages are transmitted from one nerve to another. As acetylcholine accumulates, the nervous system is convulsed by a flood of nonstop messages. Overwhelmed, it quickly fails.

Among other things, victims sweat intensely and vomit and defecate uncontrollably. Soon their diaphragms quit working and they die of asphyxiation. Even some who survive an attack may face long-term neurological and psychiatric disorders—or so scientists surmise from brain-wave studies of monkeys that have been given nonlethal doses.

For all the terror nerve gas strikes into the heart, it is by no means the instrument of unequivocal destruction the layman imagines it to be. As a vapor it dissipates quickly and as a liquid spray it can be washed off the skin before it's absorbed into the bloodstream. From a soldier's viewpoint it is among the easiest of weapons to protect against—which is, ironically, what most horrifies some of its critics. Soldiers in gas masks and coveralls can douse one another with nerve gas all day long without getting hurt. Only the confused and ill-prepared civilians downwind drop dead.

The five companies that have told the military they might be willing to make nerve gas are a diverse group. None has ever made nerve gas before, nor does any currently have a factory capable of making either of the two compounds for which the Army has advertised. Atomergic Chemetals of Plainview, New York, which with sales of close to $15 million a year is the largest of the five, estimates that it would have to invest $30 million in a plant to produce EDMP. Atomergic would, of course, have to take that outlay into account in making its bid. Making MPD would probably require a similar investment.

INSULATED FROM THE PUBLIC

For the most part the five companies live by taking on government and commercial jobs too specialized and too limited to catch the attention of their larger competitors. What they have in common additionally is that they are privately owned and therefore have no alarmed outside shareholders to worry about; and they don't make consumer goods, at least not under their own names, which insulates them somewhat from public outcry against chemical weapons.

Andrulis Research has a laboratory in Washington, D.C., and headquarters a few miles north in Bethesda, Maryland, where it occupies a few rooms in an anonymous stone and glass office building. Visitors state their nationality when they sign in at the reception desk, and a poster in the corridor reminds the company's 45 employees that they may be working on classified material.

The owners are an attractive, intense, cerebral husband-and-wife team, Peter and Marilyn Andrulis, both 41 and both graduates of the University of Texas. She has a doctorate in engineering and is an authority on underwater acoustics; her talents have enabled the firm to bid on a system to monitor noise and vibrations in submarines. She is also president and owner of slightly more than half the stock—which makes Andrulis a woman-owned enterprise, and therefore on the books of the Small Business Administration a "socially and economically disadvantaged business"; if a government agency deems Andrulis a fit contractor for a project, it can award the job without competitive bidding. Peter Andrulis has a doctorate in chemistry and concentrates primarily on making anti-cancer drugs and insect sex attractants to control such pests as the gypsy moth.

Andrulis is already operating on the periphery of the chemical-weapons business. It provides backup staff for studying chemical-defense systems at the Dugway Proving Grounds in Utah. And the company also has a role in the anti-nerve-gas business. Andrulis has developed a chemical treatment for clothing that would neutralize any nerve gas that touched it; moreover, the chemical would renew itself so that the suit wouldn't have to be laundered in the substance after every attack.

Since they answered the ad, the Andrulises have begun to doubt that making nerve gas will be profitable for the company. But even if the economics work, they will be concerned about the ethics. (See box above.)

Atomergic Chemetals, housed in a two-story brick-faced building in Plainview, is a specialty company that mixes up small batches of chemicals for which there is limited demand. Atomergic's customers include bigger chemical companies as well as university laboratories and the Department of Defense. "The only reason we got interested in nerve gas is that we have a chemist on staff who was a pioneering research on the binary weapon in the early Seventies," says general manager Mel Blum, 46, who has master's degrees in several branches of chemistry from Columbia University. "He wanted to get back into the field and so we've assumed we could negotiate something to our benefit and to the government's."

Proserve Inc., situated in a corrugated metal warehouse outside Memphis, is a custom formulator of agricultural chemicals, which means it mostly turns its production lines over to big chemical companies, such as those bringing new pesticides and herbicides to market but not yet ready to go into full-scale production. It is owned by Robert Branch, 56, a chemical engineer who believes he is well qualified to work with nerve gas because of 30 years' experience producing pesticides and other toxic chemicals. Although he has no doubts about his ability to make MPD, Branch fears that the government will pass over Proserve and give the contract to a company with which it has previously done business. He has lost out on government contracts before. "The bureaucrats are afraid to try someone new, even though I might have the lowest bid," he complains. "That's what costs the taxpayers money."

The smallest of the candidates is Specialty Organics of Irwindale, California, with only nine employees and sales of about $1 million last year. Most of those sales came

from churning out mundane chemicals that wind up as carburetor cleansers, mothballs, and deodorant cakes for urinals. But the company also works in organophosphorus chemistry, the branch that includes pesticides and nerve gas. And like Andrulis, it has operated on the fringes of the nerve-gas business. A decade ago it created a chemcial used in an alarm system for detecting nerve gas. Being tiny, Specialty would probably bid on only segment of a major nerve-gas project, such as developing processes for manufacturing EDMP, says business manager David McAuley.

The fifth company that has expressed an interest in the project, Program Resources of Rockville, Maryland, is distinctive because it's a management firm with no experience in chemistry. In fact, Richard J. White, 43, one of the firm's two principals, was surprised when a journalist came by to inquire about the company's interest in making nerve gas. A computer engineer by training, White hadn't known what methyl phosphonyl dichloride was. His staff had answered the ad in the Commerce Business Daily because it contained the key words "Pine Bluff."

Pine Bluff, White explains, is something that Program Resources knows about. It takes care of laboratory mice and performs some other tasks for the food and Drug Administration in Pine Bluff. Because it is familiar with the area and the local labor market, Program Resources keeps its eye out for other work in Pine Bluff. White, whose silver hair is a decade older than his chronological age and whose face is two decades younger, believes the military will ultimately pick a firm with a strong background in chemistry for the contract. But he nonetheless is a "can do" sort who maintains that if the military is interested in Program Resources, the company is interested in the project.

REMEMBERING DOW'S ANGUISH

Big Chemistry is happy to leave the field to the little guys. Even before they have to cope with the moral question raised by making nerve gas, the big companies reject it on practical grounds. The potential profit is not enough to dazzle a large company, especially since the project will last only five years. The potential damage to its image, on the other hand, is tremendous. Making nerve gas may not be any less moral than making fighter planes, but a large part of the public thinks it is, and the public can retaliate against a large company's employees, offices, and products. And any company with branches in Europe—which, of course, includes most large companies—seems particularly exposed. It is easy to imagine Europe's anti-nuclear movement becoming inflamed over nerve gas as well.

Clear in every corporate memory is the anguish that Dow Chemical went through as a result of making napalm and agent orange for the war in Vietnam. Dow maintains that it barely broke even with napalm and that the profits from the herbicide agent orange, used to defoliate the jungle, were minor, well under 1% of corporate profits. (Dow's annual earnings in those years averaged $130 million.) What's more, to make agent orange the company had to stop producing the herbicides for some of its commercial customers.

The price Dow paid was enormous. Campus activists harassed and even locked up Dow recruiters; protestors in Washington broke into a Dow office and splattered the files with animal blood; demonstrators marched with placards reading "Dow Shalt Not Kill", others disrupted an annual meeting. And it's not over. Vietnam veterans have sued Dow and six other manufacturers of defoliants for an estimated $40 billion, claiming that contact with the herbicides has caused cancer in themselves and birth defects in the children they have fathered.

Dow says it cannot measure what the battle over napalm and agent orange has cost in dollars. Consumers continued to buy Saran Wrap and Dow Oven Cleaner at the same rate as before, even at the same rate as before, even at the height of the protests. But the expense in executive time, energy, and morale, the Dow has spent explaining and defending itself—effort therefore diverted from the main business of the company—has been huge.

At board meeting after board meeting in the late 1960s, directors agonized over the company's battered reputation. And the stigma lingers. Carl Gerstacker, chairman of the company during those years, serves on a citizen's committee studying multi-national businesses. "There are a lot of Presbyterian ministers on that committee," he observes. "Every time a new minister joins and finds out who I am I get looked at as though I'm some sort of monster.'" For its trouble Dow got a nice thanks-for-your-patriotism note from former Secretary of Defense Robert McNamara—duly recorded in the company history, but not much noted anywhere else. The big chemical companies seem quite content to leave the nerve-gas wars to less battle-scarred volunteers.●

NORTH DAKOTANS HELP WITH "NOODLES FOR NEEDY"

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. DORGAN. Mr. Speaker, the President, the Secretary of Agriculture and many Members of Congress will participate in a variety of activities on Agriculture Day, March 21, 1983. Agriculture Day celebrates the achievements of the men and women who have made our Nation the greatest producer of food in the world—the farmers of America.

I would like to bring to the attention of my colleagues two North Dakota farm groups that deserve special praise.

The North Dakota Wheat Producers and the U.S. Durum Growers Association have launched a project called noodles for needy. The two groups set out late last month to collect 2,600 bushels of durum from among their members. Their plan was to process the durum into macaroni and distribute the noodles to needy people on Agriculture Day, next Monday.

The noodles for needy plan picked up speed as it was put into operation. On March 2 and 3, members of the two organizations used their own trucks to collect durum from around North Dakota. By the end of those 2 days, they had not only collected 4,460 bushels of durum—exceeding their original goal by a full 71 percent—but also accepted checks totaling $5,000 from about 2,500 North Dakota farmers, both members and nonmembers of the organizations.

The durum was milled into Semolina free of charge by Sam Kuhl, the manager of the State Mill and Elevator in Grand Forks, N. Dak. The Semolina was then transported on trucks donated by Glacier Trucking of Grand Forks and Buesing Brothers Trucking of Long Lake, Minn., to the firm of Noodles by Leonardo in Cando, N. Dak. Noodles by Leonardo is processing the Semolina free of charge into 100,000 pounds of elbow macaroni this week. When that job is done, the noodles will be sealed into 100,000 plastic bags donated by Strait Plastics of Bloomington, Minn., and packed into cardboard boxes donated by Champion International of Fargo, N. Dak. At the end of this week, trucks donated by Bob Knorr, the president of North Dakota Wheat Producers, will transport about half of the macaroni to Cleveland, Ohio, where it will be turned over to the Greater Cleveland Community Food Bank for distribution to the hungry people of that city. The other half of the macaroni will be distributed to community action programs in nine North Dakota cities to be given away in conjunction with the next distribution of surplus Government cheese.

The final act of generosity was the gift of two round-trip plane tickets from Bismarck to Cleveland by Republic Airlines of Minneapolis, Minn. The tickets will allow Bob Knorr of the North Dakota Wheat Producers and president Monroe Scheflo of the U.S. Durum Growers Association to be in Cleveland to present the macaroni at an Agriculture Day ceremony Monday.

The 4,460 bushels of durum represents a value of nearly $15,000 to the farmers who donated them. But if the hungry people of North Dakota and Cleveland were to buy the 100,000 pounds of macaroni produced from the wheat, it would cost them about $200,000.

These are not good times for America's farmers. The combination of high interest rates and low commodity prices have created a cash-flow crunch for family farmers reminiscent of the 1930's. At the same time, the continued loss of foreign markets for American agricultural products has decimated the demand for the bounty they produce. And yet, even in such difficult and uncertain times, North Dakota farmers have recognized a chance to help their fellow citizens in need, and have responded to that challenge beyond all expectations. Their act of generosity on a day meant to honor them is an inspiration to us all, and a reminder of the values of generosity, cooperation and concern that make America great.

Nearly 20 centuries have passed since Horace told the leaders of Rome that "the truly generous is the truly wise." By their unselfish generosity on a day meant to honor them, these farmers of North Dakota and their fellow citizens who acted with them have set an example that all Americans should strive to follow.●

CHEMICALS IN FOOD PRODUCTS COULD POSE THREATS TO HUMAN HEALTH

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. HOWARD. Mr. Speaker, for the last month I have been studying the possibility of establishing a special commission to investigate the ramifications of modern farm animal production.

While implementing legislation is still in its developmental stages, I wanted to bring to the attention of my colleagues an article which appeared in the New York Times on March 16 titled "Residue of Chemicals in Meat, Leads to Debate on Hazards" by Marian Burros.

Among other things, the article states:

Some of the chemicals legally used in animals are drugs that make them grow more rapidly; some are drugs administered to combat certain diseases. Two of the best known of these are the antibiotics penicillin and tetracycline. There is scientific evidence that the increased presence of these antibiotics in meat diminishes their effectiveness in humans, who can build up resistance to them.

The commission established under my bill would study the problem of possible chemical contamination, the use of human antibiotics in animal feeds and the stress of farm animals. The commission would be comprised of scientists and others associated with modern farm animal production. It is my hope that the commission would bring together the numerous scientific and governmental studies on this subject and arrive at one comprehensive proposal taking into account the economic impact on both farmers and consumers.

I think my colleagues will agree with me that the time is right to undertake such a complete and thorough study. I urge you to read this important article and join me in cosponsoring this timely legislation when it is introduced in the coming weeks.●

FERRARO CALLS FOR PEACE AND UNITY IN IRELAND

HON. GERALDINE A. FERRARO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Ms. FERRARO. Mr. Speaker, as you well know, one does not have to be Irish to celebrate St. Patrick's Day. Today, all Americans join together in honoring the Irish people and their patron saint.

St. Patrick's Day is a time of religious worship, a time of festivity, and it should be a time of peace. Unfortunately, for the people of Ireland, it is not a time of peace.

The pages of Irish history are filled withover 800 years of foreign occupation, persecution, and human rights violations. Violence and terrorism are still common occurrences in Northern Ireland. This violence is leaving scores of innocent men, women and children dead. As a mother, an attorney, and Member of Congress I find this particularly appalling and abhorrent.

As Members of Congress we should appeal to the people of Northern Ireland—Protestants and Catholics alike—to help end this senseless violence. Violence only prolongs suffering and destroys the innocent.

The situation in Northern Ireland is not hopeless. To achieve a peaceful resolution to the crisis the governments of Great Britain and the Republic of Ireland must consistently work together. Toward that end, Mr. Speaker, it is important that these governments know that they have the support of the U.S. Congress. I, therefore, ask all my colleagues to pledge themselves toward the attainment of peace, justice and unity in Ireland through peaceful negotiations between the respective nations.

I hope and pray that the time will come when all the Irish people can live in peace and unity. When that occurs, this will truly be a great day for the Irish.●

ATTITUDE, NOT LATITUDE, MORE IMPORTANT IN CELEBRATING ST. PATRICK'S DAY

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 17, 1983

● Mr. DE LUGO. Mr. Speaker, for the 14th consecutive year, Christiansted, St. Croix, has had the distinction of being the southernmost point in the northern hemisphere where St. Patrick's Day is celebrated. In honor of this great saint and in tribute to the people of Ireland, citizens there take to the streets for day-long festivities.

Marching bands, brightly decorated floats, and the prevading color of green fills the eye. It is only out of deference to my colleagues who represent communities with significant numbers of constituents of Irish American heritage that I refrain from proclaiming it the best of celebrations under the U.S. flag.

Yes, my colleagues, this "Celtic Basin Initiative" in my community is one that I invite all of you to experience. To place you in the proper frame of mind for this great day, I ask to have printed here a poem by one of that country's leading poets.

COMMUNION

(By Patricia Cullen)

I do not disturb roses by night,
but sit on the lawn alone, awaiting dawn
and the long-drawn, slow, opening of petals.
Sometimes, even the heart of the rose opens;
a single eye,
fixed with a wry smile, meets mine.
Though I have often dragged through streets,
eyeing the petal-spread of cities,
Improbable shades of velvet—wild sea-roses are my favorite
Always I leave untouched, unplucked,
each petal and stem.
No rose only has one name;
each opening and closing changes it.
Suffice to see the ebb and flow of feeling.
Questions are flawed.
(Enough to know we are, and moving
safely as swans, across water).
In the wind from the sea petals fold like fans, and stones on the sand are silk.
Communion is gradual, continuing.
Unasking, I meet the unconditional gaze of the rose.
Into the petals of the wind I reach my hand.●

HOUSE OF REPRESENTATIVES—*Friday, March 18, 1983*

The House met at 11 a.m. and was called to order by the Speaker pro tempore (Mr. MINETA).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, D.C.,
March 17, 1983.

I hereby designate the Honorable NORMAN Y. MINETA to act as Speaker pro tempore on Friday, March 18, 1983.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O Almighty God, from whom comes light and love and every good gift, bless, we pray, all those who look to You for direction and help. To those anxious about the days ahead, provide patience and peace; for those hurt by the pressure of the conditions of the day, give strength and hope; for those uncertain about Your presence in their lives, grant an abiding faith. To all of us, O God, give Your blessing. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

A MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1718. An act making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 1718) entitled "An act making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HATFIELD, Mr. STEVENS, Mr. WEICKER, Mr. MCCLURE, Mr. LAXALT, Mr. COCHRAN, Mr. ANDREWS, Mr. ABDNOR, Mr. D'AMATO, Mr. SPECTER, Mr. STENNIS, Mr. PROXMIRE, Mr. INOUYE, Mr. HOLLINGS, Mr. EAGLETON, Mr. CHILES, Mr. JOHNSTON, Mr. HUDDLESTON, and Mr. BURDICK to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 38. Joint resolution to declare March 18, 1983, as "National Energy Education Day."

The message also announced that the President pro tempore, pursuant to the provisions of Public Law 94-118, appointed Mr. INOUYE as a member of the Japan-United States Friendship Commission.

AMERICA'S RUDE AWAKENING

(Mr. RUDD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RUDD. Mr. Speaker, like the sleeping giant that was rudely awakened by the realities of the world on December 7, 1941, America is now experiencing a less dramatic, but equally unpleasant rousing.

Decades of long-term debts are now due. The years of unlimited spending and neglect of our outdated factories and industrial base must finally be recognized as a path leading to the economic destruction of our Nation. The day of reckoning can be postponed no longer.

This was the message carried in the lead editorial of the March 1983 edition of Alive, the publication of the Phoenix Diocese of the Catholic Church, as written by a very distinguished author, Father John Doran.

I recommend Father Doran's editorial to my colleagues, as we in Congress work to reverse the bankrupt policies that have brought us to this rude awakening.

AMERICA'S RUDE AWAKENING

One of the old American stories is that of Rip Van Winkle. He went to sleep and did not wake up for years. When he awakened, he found things so different, persons he knew now aged. He had a terrible time adjusting to the changes.

America has been asleep for some time, asleep to progress in other parts of the world, oblivious of her own lack of technical development, careless of her self-indulgence made possible by unlimited credit.

We are now in a time of awakening, a time of realization that the joyous lullaby is over, a time for regretting our sleepiness, indulged while others worked.

Our industrial management went on allowing our factories to become obsolescent while Japan and West Germany kept finding new techniques and installing them in factories. Our engineers, particularly those in the automobile industry, thought that face-lifting model changes was all that was necessary while the Japanese, who began far behind in auto engineering, have surpassed our sleepy designers.

Buses, trucks, tractors, once almost an American exclusive, are now being crowded off even our country's roads and fields by imports.

American labor unions, once so self-centered that they thought additional wages and benefits for themselves were their exclusive concern, have now found that they have put some of their employers out of business or into terrible credit problems.

The American people felt that every whim should be satisfied by long-term credit always assured by long-term employment. Job losses by the millions have punctured that dream and left many without the income to meet the debt obligations so blissfully acquired.

Even our American bankers, who like to tell us how wise they are, have found that they all too willingly followed the gossamer train of foreign loans. They are finding now that those billions do not bounce back with interest intact. The bankers, who have always been so adept in foreclosing on individuals, are wondering now how to bring a foreign country to a sheriff's auction.

Congess has dealt over many a year in the idea that unlimited spending was its prerogative. Setting up entitlements was a political delight since our legislators thought the day of reckoning to be decades down the road. But the road was shorter than they thought.

The wakening is here. Jobs made obsolete by corporation neglect or excessive union demands may never come back. Defaults of foreign money in the billions will rock our financial streets and ultimately the country. Some will find a scapegoat in our present administration, but will also discover that naming a scapegoat, or even removing one,

will not cure the ills that have been a long time festering.

A little self-blame and self-improvement all down the line would be much more beneficial. The only cure for having overslept is working the harder to make up for lost time.

ADJOURNMENT TO MONDAY, MARCH 21, 1983

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 1718, EMERGENCY APPROPRIATIONS, 1983

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1718) making appropriations to provide emergency expenditures to meet neglected urgent needs resulting in productive jobs, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi? The Chair hears none and, without objection, appoints the following conferees: Messrs. WHITTEN, BOLAND, NATCHER, SMITH of Iowa, ADDABBO, LONG of Maryland, YATES, ROYBAL, BEVILL, LEHMAN of Florida, DIXON, FAZIO, HEFNER, CONTE, MCDADE, EDWARDS of Alabama, MYERS, MILLER of Ohio, COUGHLIN, and O'BRIEN.

There was no objection.

THIRD ANNUAL REPORT DESCRIBING FEDERAL ACTIONS WITH RESPECT TO CONSERVATION AND USE OF PETROLEUM AND NATURAL GAS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce:

(For message, see proceedings of the Senate of today, Friday, March 18, 1983.)

PERMISSION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO FILE REPORT ON H.R. 1437, CALIFORNIA WILDERNESS ACT OF 1983

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may have until 5 p.m. today to file a report on H.R. 1437, the California Wilderness Act of 1983.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

DRUG ENFORCEMENT COORDINATION

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, Wednesday nine of our members of the Select Committee on Narcotics Abuse and Control had the pleasure to meet with Senator Francesco Spinelli, Under Secretary of the Ministry of the Interior of the Italian Republic. Senator Spinelli has been implementing, with impressive results, the new anti-Mafia law that greatly increases the powers of the Italian magistrates to investigate the financial transactions of those engaged in organized crime.

I want to commend my friend, CHARLIE RANGEL, the distinguished chairman of the select committee, for arranging this valuable meeting. I congratulate him for quickly commencing the important work of the select committee in this Congress.

One aspect of the recent change in Italian law which Senator Spinelli briefed us on is the significant designation of a single authority to coordinate the enforcement of all Italian narcotics laws. On Tuesday, he briefed Attorney General Smith on this law, and he told us that the Attorney General expressed a desire for a similar measure in the United States.

The President had the opportunity to sign such a law just a few months ago. Unfortunately, at that time, our Attorney General, unlike his Italian counterpart, did not foresee the advantages of strong drug enforcement coordination. Consequently, he persuaded the President to veto the bill we placed before him, killing off not only the drug director provision, but six other crime-fighting measures, which together made up the most important crime-fighting bill passed by Congress since 1970.

Yesterday the Subcommittee on Crime, which I chair, started two of the these vetoed measures, the Justice Assistance Act and Product Tampering Act, on the journey back to the President. The Attorney General and the President want these new laws, as they want most all of the measures that were vetoed. We will try to get those also, but it is a shame that our law enforcement agencies do not have them already, and it will be tragic if important crime-fighting provisions, such as the tough new drug forfeiture laws, are lost or watered down because last year's bill was vetoed.

REPORT ON THE 21ST MEETING WITH EUROPEAN PARLIAMENT DELEGATION AND FACTFINDING MISSION TO EASTERN EUROPE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ZABLOCKI) is recognized for 10 minutes.

● Mr. ZABLOCKI. Mr. Speaker, the 21st meeting between Members of Congress and a Delegation of the European Parliament was held in Athens on January 17 and 18 of this year and was attended by the largest and most representative group of U.S. legislators in the history of this biannual exchange, which began in 1972.

The U.S. delegation was chaired by the gentleman from California (Mr. LANTOS) and cochaired by the gentleman from Florida (Mr. GIBBONS) and the gentleman from Kansas (Mr. WINN). Members of a congressional study mission I headed, which visited Athens during the same period also participated in a number of working sessions of the conference and attended a special meeting between members of both delegations and the Prime Minister of Greece.

All of the U.S. members were active and valued participants in the very frank, at times even heated, discussions with our European colleagues on a number of agenda topics which are of vital concern to our respective governments.

Mr. Speaker, the question is also raised by our friends in the communications media about whether such exchanges serve a useful purpose. It is for this reason that I include in the RECORD at this time a detailed report I have received from the leadership of the U.S. delegation on the substance of the four working sessions which took place in Athens, including the topics discussed, the U.S. presentations on these topics, and the attitudes and opinions which were expressed by members of both delegations.

Mr. Speaker, U.S. relations with Western Europe are at a highly critical stage—with many problems still unresolved and a number of key decisions still pending. Any reader of this material will, I believe, conclude that the business in which the U.S. delegation was engaged was of serious import and directly related to our legislative responsibilities.

Moreover, the issues at stake here are not only of vital interest to the Congress, but they affect the lives, the economic prosperity, and the welfare of all Americans. I, therefore, strongly commend this report to the attention of my colleagues and to members of the press gallery, as well.

The letter follows:

COMMITTEE ON FOREIGN AFFAIRS,
Washington, D.C., February 15, 1983.

Hon CLEMENT J. ZABLOCKI,
Chairman, Committee on Foreign Affairs, Washington, D.C.

DEAR MR. CHAIRMAN: We are writing to report to you on the twenty-first meeting between Members of Congress and Members of the European Parliament. Held in Athens, Greece from January 16 to January 19, 1983, this meeting offered the American delegation an excellent opportunity to exchange opinions with the European delegation, chaired by Madam Eva Gredal of Denmark. As the birthplace of democracy, Athens was an ideal setting for this meeting of parliamentarians from western democracies. Also, Greece is the newest member of the European Community and is to chair the EC Council of Ministers for the six month term which begins in July 1983.

Prime Minister Andreas Papandreou, Foreign Minister Ioannis Haralambopoulos, and the Minister of the National Economy, Gerasimos Arsenis, addressed the U.S. and the European delegations jointly while President Karamanlis received the two delegations at the Presidential Palace. The President of the Greek Parliament, Ioannis Alevras, also hosted a donner for the two delegations. The American delegation was briefed by U.S. Ambassador Monteagle Stearns and U.S. Embassy staff.

The four sessions of the twenty-first meeting between the U.S. Congressional and European Parliament delegations focused on international economic and trade issues, East-West trade, third world indebtedness and the problems of the international banking system, agricultural trade, and a review of the General Agreement in Tariffs and Trade (GATT).

The first session examined the growing crisis of third world indebtedness and its implications for the West. Representative Thomas E. Coleman of Missouri presented a paper for the U.S. delegation which outlined the magnitude of the crisis. Members of both delegations expressed grave concern about the ability of the international banking system in light of the prospects for Third World and Eastern bloc defaults. They agreed that the world community will have to act together in order to move toward recovery and to avoid wide-scale decisions on moratoriums by the indebted countries that could further weaken western economies. Members of the European delegation encouraged the United States to increase its quota in the International Monetary Fund and to expand contributions to other multilateral institutions. The American delegation appreciated the need for increased aid but explained that America's ability to participate was limited by domestic economic conditions. Both sides agreed that banks and multilateral institutions had loaned money unwisely in particular instances and that there should be more attempts to assure that future loans would be used in ways to promote economic growth and recovery.

In the second session the two delegations discussed East-West trade and the prospects for forging common Western guidelines on trade with the Soviet Union and Eastern bloc nations. Representative Donald Pease of Ohio presented the paper for the U.S. delegation. Both sides agreed that there was a need to put the acrimony of the pipeline dispute behind them. Lessons had been learned from it. Americans and Europeans alike agreed on the need to avoid future unilateral actions and to perfect better means of consultation.

There was no strong consensus, though, on the proper levels of East-West trade. The American delegation emphasized the importance of shaping a common posture on trade with the Soviet Union and made specific references to the efforts of the Co-ordinating Committee (COCOM) and on-going explorations of credit restrictions to the Soviet Union. The studies on East-West trade to be undertaken jointly by the Western nations must produce concrete action rather than studies alone. The Europeans concurred that the West should not support the military growth of the Soviet Union, but stressed the Soviet Union existed as a potential market for trade unrelated to military technology for European exporters. The Europeans also doubted the ability of economic sanctions and restrictions to alter significantly the Soviet Union's domestic and foreign policies—an observation shared by many in the American delegation. Although no consensus existed on specific measures, the two delegations closed the discussion with statements indicating a strong interest in seeking a common policy on East-West trade.

The session on Agricultural Trade and on the General Agreement in Trade and Tariffs (GATT) provided an excellent review of European and American differences. The strongest disagreement occurred over the question of subsidies on agricultural exports. Representatives William Thomas of California, and Kika de la Garza of Texas, Chairman of the Committee on Agriculture, presented U.S. views on agricultural trade in their papers. This issue had been at the center of controversy in the GATT meetings in November 1982 and is the target of ongoing talks among the GATT members. The American delegation pointed to the hardships of American farmers and the additional damage to their position caused by European domestic and export subsidies. Unless the European community became willing to curb its agricultural subsidies, the United States would probably also provide subsidies so that its farmers could compete with the European Community in third country markets. American delegates pointed to a recent grain sale to Egypt as an example of what might emerge. The Americans did not wish to challenge the need for the EC's Common Agriculture Policy (CAP) but indicated it needed reform while the Europeans countered that CAP is a pillar of the European Community's domestic policies.

The discussion of GATT, which followed a presentation by Representative WILLIAM FRENZEL of Minnesota, focused on the growing threat of protectionism in the United States and Europe. Protectionism is a frequent though damaging response to worsening economies. Members of both delegations conceded that while they would condemn protectionism in general terms, they found that domestic economic problems were forcing them in that direction. The recent U.S. Domestic Content legislation was cited with dismay by the European delegates as an example of looming protectionism and the many reciprocity bills as further evidence. Moreover, the Europeans were insistent that the United States had practiced protectionism for some time. References were made to P.L. 480 and American policy on textile imports. The European delegation disagreed with American charges that European Community and individual national policies were unfairly restricting the export of service industries, like insurance, into their economies.

On the second day of the meetings, Prime Minister Andreas Papandreou addressed the assembled delegations and answered questions. Prime Minister Papandreou described the global economic crisis as something which would affect Greece for years. He also stated Greece would have to determine its own position within the East-West rivalry. Speaking particularly to the European Parliament, the Prime Minister observe that Greece had unique economic problems which had to be resolved before Greece could be fully integrated into the European Community. Therefore, Greece would need special treatment from the Community as it sought to lower its public debt, increase production and national income, and retool a largely unskilled work force in the production of high technology.

In foreign policy, Prime Minister Papandreou mentioned two dominant concerns: Cyprus and Greek security from Turkish attack. Since 1974, Turkish forces have occupied 36.4 percent of Cyprus. A solution will come only through Turkish withdrawal and a subsequent transition under United Nations auspices to insure that all on the island can live equally and securely. As to Turkey, the Prime Minister argued that the deployment of Turkish forces was proof of Turkey's aggressive intentions against Greece. Prime Minister Papandreou also outlined the controversy with Turkey concerning the continental shelf around the Aegean islands. When asked about his hesitancy to commit Greece clearly against Soviet policy in Poland, Afghanistan, and on human rights, the Prime Minister replied that Greece's status as a Balkan power made it necessary to follow a foreign policy that could accommodate both pro-Western and pro-Soviet nations in the region and that he would not pursue a policy of confrontation with the Soviet Union. Subsequent appearances by Foreign Minister Haralambopoulos and the Minister of the National Economy, Gerasimos Arsenis, enabled these officials to elaborate on the Prime Minister's remarks.

Mr. Chairman, we believe that this meeting was one of the most successful meetings we have had with the delegation from the European Parliament. At a time when U.S.-European relations suffer from economic and political differences, this meeting enabled both delegations to have a frank, open exchange on their respective positions. The Europeans greatly appreciated this opportunity to hear American concerns as well as to express their own. Members from both sides expressed their wish that the United States and the nations of the European Community consult with one another more frequently and openly, and a meeting like this presented such a chance on the parliamentary level. Many noted that some of the outstanding U.S.-European differences which had existed at the time of the last meetings in June 1982 such as the Yamal Pipeline sanctions dispute had been resolved. It was agreed that these meetings contributed to the process which settled divisive issues. We know that what we learned from our European colleagues will influence us in our thinking and actions during the coming legislative year.

These meetings have provided a helpful forum in our relationship with Europe. Given the importance of that relationship and the strains that it faces in the coming months we are eagerly awaiting the exchange we shall have with the European

Parliament delegation later this year in the Washington area.

Sincerely yours,

TOM LANTOS,
Chairman,
SAM M. GIBBONS,
Cochairman,
LARRY WINN, Jr.,
Cochairman,
U.S. Delegation.●

PROPOSED SALE OF GOES WEATHER SATELLITE AND LANDSAT REMOTE SENSING SATELLITE PROGRAMS BY NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PICKLE) is recognized for 15 minutes.

Mr. PICKLE. Mr. Speaker, 2 weeks ago, Mr. Speaker, the Oversight Subcommittee of Ways and Means met to review the administration's decision to lease rather than purchase 13 TAKX cargo ships. In the course of that meeting, we learned that the Navy's "privatization" of the TAKX maritime prepositioning program had two principal economic effects, both negative:

First, as shown by the Joint Committee on Taxation, the lease option will cost taxpayers approximately 12 percent more than purchasing the ships, and second, the leasing transaction enabled the Navy to shift about 30 percent of the cost of procurement from its budget to the Treasury's budget in the form of lost tax revenues.

Mr. Speaker, when an agency of the Federal Government purchases an asset, there is no tax loss. But when that agency instead leases the asset or buys it as a "service" from the private sector, the lessor (or seller) gets the benefit of certain tax incentives (accelerated depreciation, investment tax credits and interest deductions) that would not otherwise come into play. These tax benefits are, of course, highly prized by the private sector and are very costly to the U.S. Treasury. But, in the rush to "privatization, the tax loss associated with such transactions is routinely ignored by the Federal agency involved. Thus, the total cost to Government is consistantly underestimated.

The administration's decision to sell to private business our network of land and weather satellites is the most recent example.

So far none of the so-called cost analyses, prepared in support of this decision, have considered the tremendous tax losses incurred. Indeed, it is interesting to note that the Department of Treasury was neither consulted nor involved in the decision process, so far as I know. The President acted on the advice of both the Cabinet Council on Commerce and Trade and his senior interagency group. Unfortunately, Treasury is not represented on either of these advisory panels.

Though there are obviously many factors to be considered in deciding whether to transfer the ownership and operation of the National Oceanic and Atmospheric Administration's (NOAA) land and weather satellite system to the private sector, surely cost—total cost to the Government—is one of the most important. The question is, Can the private sector provide the same, or better, service for less money?

That should be a key question, if not the key question. But, at this point, the answer, with respect to the land and weather satellites, is very much in doubt, especially when all the costs of the sale are considered.

To illustrate this point, let us take a quick look at the only offer received thus far:

Last October the Commercial Satellite Corp. (Comsat) announced that it was prepared to purchase the National Oceanic and Atmospheric Administration's GOES and Landsat satellite system for some $300 million. Comsat promised to invest an additional $2 billion of its own money in new satellites and facilities over the next 10-year period and to share a percentage of any new commercial business it developed with NOAA.

In return, the commercial satellite corporation asked that the Federal Government:

First, designate Comsat as "the private entity" responsible for developing the commercial system, that is, set up a monopoly;

Second, sign a 15-year purchase guarantee; and

Third, commit to a 10-year budget contract which would "assure the economic viability of the system."

Totaling the numbers provided by Comsat, we discover that NOAA's 10-year cost of "privatizing" the satellite system is just $100 million less than the agency's spending projections if the program is maintained intact by the Federal Government.

But, keep in mind, we have yet to mention the total cost to the Government. Purchase of the satellite system for $300 million, probably entitles Comsat to accelerated cost recovery tax deductions and interest deductions, which will cost Treasury in the range of $140 million. Then, of course, Comsat is also entitled to investment tax credits, accelerated depreciation and interest deductions on the promised $2 billion capital investment in the satellite program. These Treasury losses, or "hidden costs" of the transaction, are substantial as much as $1.2 billion, according to staff estimates. Yet, they have received no consideration whatsoever in the feasibility analyses prepared so far. Of course, this information is essential if we are truly seeking the most cost-effective way to develop our land and weather satellite program.

But, perhaps, unlike the case of the Navy ships, it is not too late for us to examine the full cost to Government before signing the satellite contracts.

In Public Law 97-324, section 201(B)(2) passed last session, Congress required that additional studies of the private ownership option be prepared. The National Academy of Public Administration was selected to be the contractor for the first of these studies. Two firms, Econ Inc., and Earth Satellite Corp. (Earthsat), were also asked to look into this question. The results of their work are due on April 1, 1983.

I would hope and expect that these studies will establish the present value of all the costs involved in this transaction and will give full consideration to the net revenue impact of the proposed sale, that is, the tax gain as well as the tax loss generated by the transaction. Only then will we have a complete accounting of the total cost to Government.

Until that time, Mr. Speaker, about all we have got is a proposal that takes out satellites, ignores tax losses, and purports to save NOAA $1 billion over 10 years. Yet, at a glance, we can see that the revenue loss from accelerated cost recovery and investment tax credits alone will more than eat up that $1 billion savings. If it costs us more than $1 billion then we ought to take a second look.

It will take a pretty good study, Mr. Chairman, to convince me otherwise.

□ 1115

LET'S LEAVE LEBANON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

● Mr. GONZALEZ. Mr. Speaker, U.S. Marines are in Lebanon on a hazy mission, and the President does not know how long they might be there. Five Marines have been injured in a grenade attack by parties unknown, and Commandant Barrow reports to the Secretary of Defense that his troops have been "harassed, endangered, and degraded" by Israeli forces. In short, our troops are standing between invaders who have no business in Beirut, and gangsters of one kind or another who do not appreciate any foreign troops of any kind, even peacekeepers. There seems to be no progress toward resolving the problems in Lebanon—of getting the foreign forces out—and there is less and less clarity about what the U.S. Marines and their colleagues from other countries are supposed to be doing. I opposed the dispatch of our Marines in the first place; and now that they have been subject-

ed to outright attack, I say that it is time to leave Lebanon.

Let us suppose that there comes a time when the Marines want to cross an Israeli checkpoint. Heretofore, patrols that have attempted to carry out a mission requiring the crossing of such a point, have simply gone around it. But if the Marines have a right to be in Beirut, what right do the Israelis have to block their routes?

Let us suppose that a patrol sought to cross a place guarded by Israeli troops, and violence erupted—as very nearly has happened? What would our reaction be? What would our policy be? And why, in the first instance, should we expose our troops to harassment and intimidation by the forces of an ally? What tangle is it that places us in such a dilemma?

Let us suppose that the grenade assault the other night had killed several marines. What would our response be? Is it the task of the forces to charge out and counterattack, or do they simply take cover?

Most fundamental of all is the question of just what it is we are seeking to accomplish. Even in the best of times, Lebanon in recent generations has been a tangled maze of conflicting European political ambitions, financial intrigue, and a powderkeg of local political and religious rivalry. Is it the mission of the Marines to try and set up a viable Lebanese government, or is it their task to simply keep large-scale killing from taking place? Is it to throw out the Israelis and the Syrians, or to keep them from attacking one another, or Lebanese from attacking them both?

All over the world, we have soldiers doing occupation duty. For close to 40 years, we have occupied Europe and Japan. For 30 years, we have kept forces on combat alert in Korea. We have troops garrisoned in the Sinai, on a mission that nobody understands, and that garrison exists only on the slender authority of a letter from President Carter to Prime Ministers Sadat and Begin. Are we becoming like the Romans, with cohorts scattered in all the world, forgotten at home and resented by the local populace?

In Lebanon, the Israelis say that there would be no incidents if the United States were to maintain liaison with their forces. Prime Minister Begin may have in mind making the Marines be part and parcel of his own occupation, and that is something that we should never agree to. If Israel wants an army of occupation, we ought to have no part of that—for our role in Lebanon, hazy though it is, was never intended to legitimizee invasion and occupation of that country by Israel. If it is Mr. Begin's purpose to use harassment to accomplish his own political ends, we should have no part of it.

Lebanon, as I have said, has been a tormented country for generations, washed in one direction or another by the changing tides of European ambitions and fortunes, by religious conflict, and by foreign invasions. Our Government has been wise to stay away from all that, and has been wise—up to now—to refuse enforcing peace there with the lives of our own troops. President Reagan has not said what the mission of the marines is, or when or how they can hope to accomplish it. Therefore, they are merely targets for the disgruntled, and pawns in the endless power politics of the Middle East. If we cannot define the reasons for the Marines being in Lebanon, and if we cannot say when or how they will accomplish their job, let us pull them out.●

TIME FOR NEGOTIATION IN EL SALVADOR

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. SEIBERLING. Mr. Speaker, as the controversy over the nature and extent of further U.S. involvement in El Salvador heats up, I believe my colleagues will find well worth reading an article recently published in the Washington Post by a former member of the U.S. Foreign Service who resigned in protest against the administration's policy in Central and South America.

The writer, Mr. Wayne Smith, recently met with representatives of the Salvadoran rebel organization, FMLN-FDR. He believes that it is not yet too late for imaginative diplomacy, but that we must act soon before the current stalemate erupts into violence that will further polarize both sides.

Mr. Smith states that the most immediate objective of a dialog should be to bring about a cease-fire and, beyond that, to produce conditions under which meaningful elections could be held. Obviously, it is impossible to have meaningful elections until some kind of guarantees have been worked out so that candidates representing the leftist opposition will not end up being assassinated by the army or its paramilitary death squads.

The writer also believes that it would make sense to include in the dialog third parties trusted by both sides, such as Mexico, Venezuela, Canada, and Spain. He also recommnds that the United States and other interested countries should push for broadly based negotiations in Central America aimed at producing a series of security guarantees or conventions between Nicaragua and Costa Rica, Nicaragua and Honduras, Honduras and El Salvador, and Nicaragua and El Salvador. These agreements should, he believes, prohibit use of military force against one another, limit weapons and arms, and halt cross-border activities from each other's territory.

Finally, the article suggests that the other participating countries might be willing to undertake the task of obtaining Cuban acquiescence in the agreements, absent direct negotiations between the United States and Cuba.

Mr. Speaker, it has been obvious for some time that the United States cannot bring about a military solution to the problems of El Salvador. Indeed, supplying more weapons to El Salvador's military, whose record is one of barbaric violence against the general population, can only make matters worse and certainly will go nowhere toward solving the underlying social injustice and economic distress that have contributed to the revolutionary conditions there. It is also clear that the American people are not prepared to support a significant expansion of our military involvement there. Under the circumstances, Mr. Smith's approach makes eminent good sense.

The full text of the article follows these remarks:

EL SALVADOR: IT'S TIME FOR TALKS

(By Wayne Smith)

The Reagan administration's Central American policies obviously are not working: the military situation in El Salvador has deteriorated over the past two years; in Nicaragua, the administration's secret war has played into the hands of the radical Sandinista commandants a strategy that neither gets rid of them nor moderates their actions; on the contrary, it obviates diplomacy and drives them in an even more radical direction. Meanwhile, we may be edging closer to a dangerous regional war.

Even rudimentary analysis shows that despite the administration's resolute postures, its approach in Central America does not carry us toward any satisfactory denouement. Clearly, the Salvadoran armed forces on their own are not going to defeat the guerrillas. Only the introduction of U.S. combat forces is likely to result in military victory.

The Reagan administration, however, has said it will not take that step. Thus, military victory is ruled out. But at the same time, the administration has so far refused to encourage a negotiated solution. We are thus left with no viable options at all. We are left only with stalemate and drift.

These situations have a dynamic of their own. Eventually, they become so polarized that compromises satisfactory to both sides cannot be worked out. The longer one waits, the more radical the opposition is likely to be. It is not yet too late for imaginative diplomacy, but we must act soon. El Salvador is a logical place to begin.

The FMLN-FDR last October offered to begin a dialogue without preconditions of any kind and suggested that all sectors of Salvadoran society, such as the church and the business community, be brought into the discussions as soon as possible. The U.S. and Salvadoran governments immediately rejected this proposal, but FMLN-FDR representatives confirm that it remains open. To explore it would not be to admit defeat;

it would simply be to recognize the stalemate that exists.

The most immediate objective of a dialogue should be to bring about a cease-fire. Beyond that, the principal effort should be to produce conditions under which meaningful elections could be held. The position put forward so far by the administration and the Salvadoran government is neither straightforward nor realistic. They say they are open to reconciliation, that guerrillas who wish to lay down their weapons and participate in the political process are free to do so. But those who have tried it have more often than not ended up as headless corpses, victims of the death squads.

No, in order to get from the trenches to the ballot boxes, there must first be discussions. There were no discussions prior to the 1982 elections. The result was that, however encouraging the voter turnout, the elections were truncated and inconclusive. So will be the elections in 1984 unless preceded by a negotiating process.

Elections in any event are not the principal obstacle to a meeting of minds. The FMLN-FDR already accepts the proposition that a political solution must include elections. The problem is in getting from here to there, for the FMLN-FDR does not trust the government as currently constituted. It is because of this that the issue of "power-sharing" arise. If approached pragmatically by all sides, however, this should not prove insoluble, especially if it is recognized that the principal purpose of a transition government would be to hold elections.

In a situation in which the two parties directly involved have little confidence in one another, it makes sense to include in the dialogue third parties trusted by both. Mexico, Venezuela, Canada and Spain come immediately to mind as witness/guarantors, but there may be other candidates as well. Consideration should also be given to an international peacekeeping force to police any resulting cease-fire.

As the negotiating process begins in El Salvador, the United States, together with, say, Canada, Mexico, Brazil, France, and other interested governments, should push for broadly based negotiations in Central America aimed at producing a series of security guarantees or conventions between Nicaragua and Costa Rica, Nicaragua and Honduras, Honduras and El Salvador, and Nicaragua and El Salvador. These conventions should include provisions to: a) prohibit use of miliary force against one another; b) stop the arms race limit weapons and armies; and c) halt all cross-border activities from the territory of one against the other.

Finally, while Cuba has played a secondary or supporting role rather than the primary role ascribed to it by the administration, it is and has been involved in Central America. Thus, political arrangements there obviously would have a better chance of working if they had Cuban support. As the United States rather petulantly refuses to discuss any issue with the Cubans, the task of securing Cuban acquiescence might better be assigned to the Mexican, Canadian, French and/or Spanish governments. Havana values its relations with all four. It would hesitate to play a disruptive role if by so doing it were to place its good relations with them in jeopardy. It might even be persuaded to take a constructive part.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. LEWIS of Florida) to revise and extend his remarks and include extraneous material:)

Mr. PASHAYAN, for 60 minutes, April 21.

(The following Members (at the request of Mr. SEIBERLING) to revise and extend their remarks and include extraneous material:)

Mr. ZABLOCKI, for 10 minutes, today.
Mr. ENGLISH, for 5 minutes, today.
Mr. PICKLE, for 15 minutes, today.
Mr. GONZALEZ, for 30 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. PEASE, for 20 minutes, on March 21.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. LEWIS of Florida) and to include extraneous matter:)

Mr. CORCORAN.
Mr. DENNY SMITH.

(The following Members (at the request of Mr. SEIBERLING) and to include extraneous matter:)

Mr. HOYER in two instances.
Mr. GAYDOS in two instances.
Mr. LAFALCE.
Mr. WHEAT.
Mr. UDALL.
Mr. HOWARD.
Mr. BROWN of California.
Mr. GEJDENSON in two instances.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 38. Joint resolution to declare March 18, 1983, as "National Energy Education Day"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. SEIBERLING. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 19 minutes a.m.), under its previous order, the House adjourned until Monday, March 21, 1983, at 12 o'clock noon.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1982, TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
Washington, D.C., March 14, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: This is a report to Congress pursuant to section 4 of the Act of August 28, 1958 (Public Law 85-804; 50 U.S.C. 1431-35), submitted to the Speaker of the House of Representatives pursuant to Rule VII of the Standing Rules of the Senate.

a. During CY 1982 NASA Contract Adjustment Board considered and denied one request for extraordinary contractual relief under P.L. 85-804.

b. During CY 1982 the authority of P.L. 85-804 was used to waive compliance with Cost Accounting Standards Board requirements, as discussed below.

Contractor's Name: Kerr-McGee Chemical Corporation, Oklahoma City, Oklahoma.

Actual or Estimated Cost: In NASA's opinion, this waiver authorization did not increase Government costs beyond those otherwise payable for the product procured.

Property or Services Involved: Ammonium Perchlorate (AP), a critical propellant in the Space Shuttle Solid Rocket Motor program.

Circumstances Justifying the Action: Thiokol Corporation, Wasatch Division, Brigham City, Utah is the prime contractor for Space Shuttle Solid Rocket Motors. Kerr-McGee is a first-tier subcontractor to Thiokol, supplying AP for use as a solid fuel oxidizer. AP is a critical propellant material in the Solid Rocket Motor program and must be procured in sufficient quantities to support the Space Shuttle launch schedule. Kerr-McGee presently sells no other product line to the Government or to Government contractors of the type or with a sales volume requiring the imposition of Cost Accounting Standards Board requirements. Because of the projected growth in Kerr-McGee AP sales for Government end use, the company would have been required to comply with these requirements under its next subcontract with Thiokol.

Kerr-McGee is one of only two available suppliers of qualified AP. Neither of the existing AP suppliers could alone meet the estimated increase in Government AP requirements by the mid-1980's, nor could an additional new supplier be qualified in time to meet these increased requirements. Thus, both of the available suppliers are required to expand their production capability. Kerr-McGee agreed to expend approximately $6.5 million in corporate funds on such an expansion, provided it was relieved in advance of the requirement to comply with Cost Accounting Standards requirements.

Kerr-McGee's AP sales are made under firm fixed-price arrangements and, prior to the proposed expansion of AP production capability, constituted only 1/5 of 1% of total Kerr-McGee corporate-wide sales. Even after the proposed expansion, sales of AP are not expected to exceed 1% of Kerr-McGee's total sales. Extended negotiations among NASA, Thiokol and Kerr-McGee Chemical Corporation, including its President, failed to change the company's basic position. Delays in Space Shuttle launch schedules because of this situation would have resulted in an unacceptable effect on the Nation's space and defense efforts, and would have precluded NASA from meeting its commitments and from the effective and timely accomplishment of its statutory mission. The authority to waive Cost Account-

ing Standards requirements was vested by statute (50 U.S.C. App. 2168(h)(2) (1976)) in the Cost Accounting Standards Board; however, the Board discontinued operations at the close of the 1980 fiscal year. Although the requirements of the Act and the regulations promulgated by the Board remain in effect, there had been no designation of an alternate waiver authority as of the time action in this situation was required. To assure maintenance of the Space Shuttle launch schedule, the authority granted under Public Law 85-804 accordingly was used on March 19, 1982, to issue a waiver of Cost Accounting Standards requirements as they applied to the procurement of AP from the Kerr-McGee Chemical Corporation for use in the Space Shuttle program.

Sincerely,

JAMES M. BEGGS,
Administration.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

655. A letter from the Assistant Secretary of Defense (Comptroller), transmitting selected acquisition reports and SAR summary tables for the quarter ended December 31, 1982, pursuant to section 811(a) of Public Law 94-106, as amended; to the Committee on Armed Services.

656. A letter from the Principal Deputy Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice of the Navy's decision to convert to contractor performance the laundry services function at the Naval Regional Medical Center, Jacksonville, Fla., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

657. A letter from the General Counsel of the Department of Defense, transmitting draft of proposed legislation to amend title 10, United States Code, to establish a nutritionally adequate, consumer-acceptable ration for the Armed Forces, to authorize the issuance and sale of the ration, to prescribe special rations, and for other purposes; to the Committee on Armed Services.

658. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 5-13, "District of Columbia Unemployment Compensation Act Amendments Act of 1983," pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

659. A letter from the Secretary of Health and Human Services, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

660. A letter from the Postmaster General, U.S. Postal Service, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

661. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the annual report for calendar year 1982 on extraordinary contractual actions to facilitate the national defense, pursuant to section 4(a) of Public Law 85-804; to the Committee on Government Operations.

662. A letter from the Deputy Administrator, Veterans' Administration, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

663. A letter from the Chairman, Tennessee Valley Authority, transmitting a report on the Board's activities under the Government in the Sunshine Act during calendar year 1982, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

664. A letter from the Secretary, Department of the Interior, transmitting a report carried out by the Geological Survey during calendar year 1982 in areas outside the national domain, pursuant to section 2 of Public Law 87-626, as amended (88 Stat. 1971; to the Committee on Interior and Insular Affairs.

665. A letter from the Secretary of the Interior, transmitting the annual report for calendar year 1982 on the anthracite mine water control and mine sealing and filling program, pursuant to section 5 of the act of July 15, 1955, as amended (76 Stat. 935); to the Committee on Interior and Insular Affairs.

666. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a Corps of Engineers report on the Lower Rock River, Ill., in partial response to a resolution of the House Committee on Public Works adopted July 25, 1974; to the Committee on Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERKINS: Committee on Education and Labor. H.R. 1513. A bill to amend section 14 of the National School Lunch Act to require the Secretary of Agriculture to make stocks of the Commodity Credit Corporation available for distribution; with an amendment (Rept. No. 98-39, Pt. I). Ordered to be printed.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1437. A bill entitled the "California Wilderness Act of 1983"; with an amendment (Rept. No. 98-40). Referred to the Committee of the Whole House on the State of the Union.

SUBSEQUENT ACTION ON A BILL SEQUENTIALLY REFERRED UNDER TIME LIMITATION

Under clause 5, rule X, the following action was taken by the Speaker:

The Committee on Appropriations discharged from further consideration of the bill (H.R. 3); referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. BOUQUARD:

H.R. 2190. A bill to amend the Federal Water Pollution Control Act concerning local pretreatment programs for introduction of pollutants into publicly owned treatment works; to the Committee on Public Works and Transportation.

By Mr. HUGHES:

H.R. 2191. A bill to investigate alternatives to the institutionalization of medicare and medicaid patients; jointly, to the Committees on Way and Means and Energy and Commerce.

By Mr. ZABLOCKI (for himself and Mr. BROOMFIELD):

H.R. 2192. A bill to amend the Arms Control and Disarmament Act in order to extend the authorization for appropriations; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1: Mr. LEHMAN of California.

H.R. 2: Mr. BEDELL and Mr. GUARINI.

H.R. 64: Mr. MURPHY.

H.R. 500: Mr. BETHUNE, Mr. CRAIG, Mr. HAMMERSCHMIDT, and Mr. PORTER.

H.R. 1144: Mr. CLINGER and Mr. SIMON.

H.R. 1190: Mr. DERRICK and Mr. LEATH of Texas.

H.R. 1234: Mrs. KENNELLY, Mr. KOLTER, Mr. WISE, Mr. MOLLOHAN, Mr. WHEAT, Mr. EDWARDS of California, Mr. RAHALL, and Mr. LIPINSKI.

H.R. 1604: Mr. GINGRICH, Mr. CAMPBELL, Mr. NICHOLS, and Mr. ROEMER.

H.R. 1619: Mr. SCHUMER, Mr. BATES, Mr. FAUNTROY, Mr. FRANK, Mr. WOLPE, Mr. RICHARDSON, Mr. JACOBS, Mr. EDGAR, Mr. WILLIAMS of Montana, Mr. CLAY, Mr. KILDEE, Mr. MITCHELL, Mr. ECKART, Mr. WALGREN, Mr. CROCKETT, Ms. KAPTUR, and Mr. OWENS.

H.R. 1875: Mr. FUQUA and Mr. SMITH of Florida.

H.R. 1895: Mr. HUGHES.

H.R. 1937: Mr. WALGREN, Mr. ORTIZ, Mr. EMERSON, Mr. FRENZEL, Mr. FROST, Mr. EDGAR, Mr. EVANS of Illinois, and Mr. WHITTAKER.

H.J. Res. 176: Mrs. HOLT, Mr. SMITH of Florida, Mr. WINN, Mr. STOKES, Mr. OWENS, Mr. MCNULTY, and Mr. BEVILL.

H.J. Res. 187: Mr. O'BRIEN, Mr. DYMALLY, Mr. MURPHY, Mr. ROE, Mr. DE LA GARZA, Mr. MATSUI, Mr. FORD of Tennessee, Mr. FAZIO, Mr. BEREUTER, Mr. FROST, Mr. GUARINI, and Mr. CORRADA.

H. Con. Res. 67: Mr. SCHUMER, Mr. BATES, Mr. FAUNTROY, Mr. FRANK, Mr. WOLPE, Mr. RICHARDSON, Mr. JACOBS, Mr. EDGAR, Mr. WILLIAMS of Montana, Mr. CLAY, Mr. KILDEE, Mr. MITCHELL, Mr. ECKART, Mr. WALGREN, Mr. CROCKETT, Ms. KAPTUR, and Mr. OWENS.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1149

By Mr. YOUNG of Alaska:

—On Page 2, lines 14 and 15, change "fifty-five thousand" to "eight thousand three hundred".

—On Page 2, delete lines 19-24.

—On Page 3, line 3, change "forty-seven thousand" to "twenty-five thousand eight hundred".
—On Page 3, delete lines 7-12.
—On Page 3, delete lines 23-25 and on page 4, delete lines 1 and 2.
—On Page 3, delete lines 18-22.
—On Page 4, delete lines 21-25 and on Page 5, delete lines 1-7.
—On Page 4, delete lines 3-8.
—On Page 4, delete lines 9-14.
—On Page 4, delete lines 15 through 20.
—On Page 5, delete lines 20-24.
—On Page 5, delete lines 14-19.
—On Page 5, line 8, change "one hundred thirteen" to "one hundred sixteen".
—On Page 6, delete lines 1-6.
—On Page 6, delete lines 12-18.
—On Page 6, delete lines 19-24.
—On Page 7, delete lines 1-8.
—On Page 7, line 18, change "thirty-six thousand" to "twenty-seven thousand two hundred".
—On Page 7, delete lines 24 and 25 and on Page 8, delete lines 1-5.
—On Page 8, line 23 and 24 change "sixty-seven thousand, three hundred" to "thirty-one thousand, two hundred".
—On Page 9, delete lines 23 through 25 and on page 10, delete lines 1 through 3.
—On Page 9, delete lines 17 through 22.
—On Page 9, delete lines 11 through 16.
—On Page 9, delete lines 5 through 10.
—On Page 10, delete lines 4 through 15.
—On Page 10, line 16 insert a new subsection (b) as follows:
"The wilderness designations set forth in this Act shall expire on December 31, 1999."
—On Pages 10 and 11, delete all of Section 3.

H.J. RES. 13

By Mr. BENNETT:

(Amendment to the Broomfield amendment in the nature of a substitute.)
—At page 3, line 13 strike the words "be it further" and insert in place thereof the following:
"(6) Urges both powers to agree to take the initiative to outlaw all nuclear weapons and nuclear war, under effective verification procedures; and be it further".

SENATE—*Friday, March 18, 1983*

(Legislative day of Monday, March 14, 1983)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Creator God who "setteth the solitary in families," (Psalms 68: 6), we pray for our homes. In recognition of the family as the foundation of all social order and that no culture can survive its breakdown, may we give the family the priority it deserves. Help us to see that however we may succeed, if we fail with our loved ones, we fail. Grant to all people the will to resist destructive forces which demean family relationships and falsely justify neglect.

Gracious Father, bless our families, strengthen our marital relationships—where there is hostility, bring peace; where there is hurt, healing; where there is alienation, reconciliation. Help husbands to "love their wives as Christ loved the church and gave himself up for her * * *." (Ephesians 5: 25). Help fathers not to "frustrate their children," (Ephesians 6: 4), but to love them, find time for them, hear them, and be involved in their needs. Help us to "be subject one to another out of reverence for Christ." (Ephesians 5: 21). In His name we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. Mr. President, I thank the Chair.

SENATE SCHEDULE

Mr. BAKER. Mr. President, there are four special orders in favor of Senators this morning, and as luck would have it there are two Republicans and two Democrats, so my remark which is about to follow can be consummately nonpartisan. I hope that those Members may be within earshot. I see one of them, the distinguished Senator from Mississippi, on the floor.

I should like to urge them to consider accepting those special orders later in the day rather than the beginning of the day. If they cannot do that, of course, we are going to honor the commitments that have been made, but my reason for it is that I would like to get on this bill as soon as possible. We have an amendment pending, the Symms amendment. There are a number of Senators who must necessarily leave this city in, of course, the afternoon, and they want to get their amendments up today. So it would materially expedite the proceedings of the Senate and consideration of the social security bill and the several amendments to it if some or all of the Senators seeking special orders might be willing to postpone those until later in the day.

If they will communicate to their respective leaderships how they feel about that, I would be personally grateful for it. And, once again, if that is inconvenient to them, then, of course, we will leave the orders in place.

Mr. President, I would like to do as much on this bill today as we can. I believe the Senator from Kansas, who is on the floor and is managing for this side, is prepared to go forward and to do as much as we can today. I expressed yesterday the hope that we could finish the bill today. I am afraid now we cannot. I expressed the hope that we could get to third reading, and that appears to be a dimming prospect. But I do continue to hope that my third alternative will occur, which is to do as much as we can to get as many amendments out of the way as possible, because I venture the prediction that if we are going to improve on the length of the Easter recess by a day or two we are going to have to finish this bill Monday and get both those conference reports out of the way, that is, the jobs bill and social security, as soon as possible.

Letting my mind wander for the moment, I can see in prospect the possibility that we would finish the social security legislation on Monday and get to conference Monday; that we could begin the conference on the jobs bill Monday—I believe the House will appoint conferees on that measure today—and that by Tuesday we would be in a position to take up one of those conference reports perhaps and maybe by Wednesday to have both of them out of the way. If we do that, I would like to go out Wednesday instead of Friday.

I have asked the House, which will originate the adjournment resolution, to put it in the alternative, that is, Wednesday, Thursday, or Friday, and it is possible to do that on Wednesday because, as I have indicated earlier, I have no other items that are on the must list to be done before the Easter recess, only those things that we could agree on or debate or for general consideration or for action by unanimous consent.

So, Mr. President, with those things in mind and favoring the earliest adjournment possible, given the circumstances, I urge Senators to consider that we ought to get on with this bill an do as much as possible today.

Mr. President, I have no further need for my time under the standing order. I am prepared and I do yield control of my time remaining to the minority leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. D'AMATO). The minority leader is recognized.

Mr. BYRD. Mr. President, I thank the distinguished majority leader for his usual courtesy. I may not need his time. I may not need all of my time. I thank him. If I do need a little more time, then I will take advantage of his offer.

EUROPEAN MISSILE NEGOTIATIONS

Mr. BYRD. Mr. President, the results of the recent German elections provide an opportunity for the United States to make renewed efforts to exercise our proper leadership role in the NATO alliance. As is well known, the Soviet Union made heavyhanded attempts to influence the direction of the German electorate in those elections. The Soviet effort was intrusive and unwelcome. It failed.

The Soviet attempt to discredit the Kohl government was just the most recent installment of its effort to derail the pending deployment of American medium-range Pershing II ballistic missiles and cruise missiles on European soil. That deployment is scheduled to begin this December. Preparations are already being made in Germany, Italy, and Great Britain to put the weaponry in place.

It is well to remember that the decision to put these weapons on European soil was not some unilateral scheme developed by the United States. It was a decision taken by the NATO alliance. It resulted from the intentional Soviet drive to create a serious imbalance of forces on the European Continent. The NATO decision was taken in

1979. It resulted from Soviet implacement of SS-20 ballistic missiles in Western Russia targeted at Western Europe. The purpose of the SS-20 deployment cannot be interpreted by reasonable men as defensive in nature. I say that because the West has no comparable weaponry in place, and the West had planned no such weaponry, but the Soviet motivation can only be interpreted as a method of intimidating the West, to weaken its resolve and to fragment NATO.

The NATO decision of 1979 was a balanced, "two-track" decision. NATO would deploy similar weapons, beginning in 1983, but attempt at the same time to negotiate a Soviet dismantling of its SS-20 force. The Soviet response has been to call our bluff. The SS-20 deployment continued at a vigorous pace. Today there are some 240 SS-20 launchers, housing some 720 warheads, aimed at our allies. This Soviet behavior is also "two-track": First, continue deployment at a brisk pace and, second, try to manipulate European public opinion so that NATO would be forced to abandon its plan to regain a balance in the European theater.

In November 1981, the Reagan administration proposed its "zero-option" plan for the European theater. The plan followed closely the NATO two-track decision. If the Soviets would eliminate the SS-20 threat, we would abandon our plan to put our missiles on European soil. The Soviets agreed to negotiate the question at Geneva, but have offered no serious counterproposal of their own. The main Soviet effort has been to whip up European sentiment against the NATO missiles.

The first weapons are scheduled to be deployed at the end of this year. I am all for it. It seems crystal clear that the Soviets will not get down to business until it is obvious they cannot win their propaganda offensive. Therefore I support the deployment of Pershings and cruise missiles.

At the same time, I support continued negotiations. The administration has indicated that interim solutions, which would limit the full implacement of American weapons, in return for the beginning of a Soviet SS-20 dismantling, are conceivable. Indeed, there were reports that a possible interim solution had in fact been discussed by our negotiator and his Soviet counterpart last summer.

During the last week, Mr. President, the Italian Foreign Minister, the German Chancellor and other European leaders have indicated that the time for new flexibility on the question of an interim solution may be at hand. The press has made a great deal of this development. Such a time may be coming. The American weapons deployment is to begin this December, and we should certainly expect last-minute Soviet proposals. Such proposals, of course, would be further efforts to delay the deployment, further efforts to confuse the Alliance, further efforts to weaken our resolve. It would be completely standard Soviet operating procedure. Put us on the defensive. After stonewalling us for 4 years, appear to Europeans to be the very heart of reasonableness and sweetness. Make the Americans out to be the intransigent party.

Mr. President, NATO has got to put its house in order to prepare for this obvious Soviet ploy. If past experience is to mean anything, then it should be obvious that this will be the way the Soviet Government will pursue the matter. So it would be an obvious ploy. It will not do to wash our differences in public on this question. Determined and decisive American leadership is in order. A strong consensus must be forged. The Soviets mean to test us further, and NATO must meet that test. It does not mean we have to run to the Soviets with a new interim proposal by Monday of next week. It does mean that, through quiet diplomacy and good communications, NATO must make the decisions as an alliance regarding the timing and nature of any interim solution offered by the West.

There are many who feel such an interim proposal should be offered well in advance of next December in order to put the Soviets on the defensive. I am all for putting the Soviets on the defensive. The timing and nature of this initiative is delicate. It is unwise to second guess it. I certainly have no intention of trying to do that.

The Soviets will get down to business when the going gets rough for them. It will only get rough when the determination of the West on this matter becomes obvious. A strong NATO consensus is critical. American leadership is critical.

What should our long-term goal be? The elimination of the Soviet threat to the alliance through the dismantling of their SS-20 force. How do we get there? By showing the Soviets that their bullying has not worked, that their bullying has backfired. American Pershing II missiles and cruise missiles must remain the stick used to extinguish Soviet intimidation. The United States and other partners in the alliance should be fully prepared to go forward, without any indication of hesitation or reluctance.

There are undoubtedly a number of interim routes to the final destination. It would take an administration unified in its purposes and strong in its international leadership to accomplish that. Such an effort would have my support and I am sure the support of most of my colleagues.

RECOGNITION OF SENATOR STENNIS

Mr. BYRD. Mr. President, does the Senator from Mississippi need any additional time? If so, I would be glad to yield it to him.

Mr. STENNIS. No; I thank the Senator.

Mr. BYRD. I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

POSSIBLE SALE OF NATIONAL FORESTLANDS

Mr. STENNIS. Mr. President, recently, I was highly disappointed when I read the report from the Department of Agriculture entitled "Forest Service Asset Management Program (the Study of National Forest Lands for Possible Sale)." This report identifies about 6 million acres of national forest system lands which the Department of Agriculture has determined may be suitable for disposal.

My concern for forest lands is not new. For over 30 years I have made it a priority of mine as a member of this body as well as my role as a private citizen. Since I have been in the Senate I have been fortunate to be involved in the passage of several pieces of legislation which advanced the improvement of forestry. In 1962, Congress passed the so-called McIntire-Stennis program which authorizes research carried out by graduate students working under professionally qualified supervision. In 1973, we passed the Forestry Incentives Act, which provides cost sharing of 75 percent by the Federal Government for site preparation, planting seedlings, and for timber stand improvement. These pieces of legislation show Congress commitment to improved forests, and each program has been quite productive.

I know the importance of forest lands in my own State of Mississippi. The forests of Mississippi, both public and private, are well managed. In addition to the excellent work done there by national forest system officials, we are fortunate to have a very highly qualified professional forester, Mr. Sid Moss, as our State forester. Through his capable leadership and the help of a network of State and county forestry officials, we have kept our forest lands in good shape and useful for the future.

We have an active, first-class school of forestry at Mississippi State University. All forest land is effectively protected from fire. All possible protection is given from insects.

For many years, our Federal forests have received excellent care and management and have been a fruitful source of revenue to the Federal and county governments.

During all of my tenure in the Senate, I have actively opposed the

sale or other disposition of our Federal forest lands. Instead, I want to further develop all that we have.

It is because of my knowledge of the importance of our forest lands, not only in Mississippi, but throughout the Southeast and the entire Nation, that I was so concerned to read this report recently put out by the Department of Agriculture.

According to the report, President Reagan has established a Property Review Board to: First, review the real property holdings of the Federal Government; two, improve the management of property retained in Federal ownership; and three, expedite the sale of unneeded property so that it can be put to more productive use. In order to fulfill these three objectives, this Board asked each executive agency, including the Department of Agriculture, to review its real estate holdings and to report any unneeded property.

Mr. President, I have no argument with this approach. I think it is wise for the Federal Government to take a periodic inventory of its assets to determine what is excess. However, I think it is very unwise for one Government agency to arbitrarily decide that a certain amount of something as basic as the land itself is unneeded.

According to the Property Review Board, unneeded property is property that could be disposed of without adversely affecting the activities of the agency. That may be fine for those buildings which, for one reason or another, can no longer be used for research, administration, or other day-to-day Department of Agriculture activities. However, it is not the purpose of national forest system lands to enhance the activities of the Department of Agriculture. Rather, the Department of Agriculture has merely been given the responsibility of overseeing these lands which, more than any other Government property, belong to the people.

There are a number of other problems with this program as it relates to national forest system lands. First, is the problem of defining land as surplus. Just because these lands are not being presently used in any active way does not mean that the land is not useful and will not at some time be necessary for the good of this Nation.

Second, if the land could possibly be determined to be surplus, and the Federal Government were going to sell it and put the money into the General Treasury, now is not the time to do it, with the value of land at such a low point.

A final consideration is what will happen to the land that is released, in the long term. I have long been an advocate of protecting the land for its real worth. One of the greatest assets of this Nation is her land, second only to the people themselves. If we allow this asset to be bought and sold on the open market then there could come the time when this 6 million acres and any acreage that is subsequently sold, will belong to foreign interest and will no longer be an asset of the United States. Or the land will be mistreated and will no longer be useful for any constructive purpose.

Mr. President, I realize that I have been somewhat talking in abstract terms, but what the Department of Agriculture is proposing to do is take abstract values and turn them into concrete dollar signs. It just cannot be done, and I want to go on record now as opposing any legislation that will be sent over by the administration which would make it possible for the wholesale disposal of our great national forest system.

I was disappointed that the matter had progressed to the point that the determination had been made that at least 6 million acres of our national forest system lands, over which the Department of Agriculture has jurisdiction, has been determined may be suitable for sale. I am not addressing myself so much to those 6 million acres, but I see here the possibility of the promptings of this drive being to buy and get control of much more of our national forestlands, which I think would be a great mistake.

For the more than 30 years that I have been here, I have consistently devoted a good deal of my time to what I believe were constructive measures that would augment, fortify, and develop our national forests, improve the quality, improve the yield, and particularly set an example in the various areas of the Nation where these forests are properly maintained and protected.

They furnish an example in the part of the area where I live to a great number of people who also own land—small amounts, relatively, but it is worth something to them, and it is worth a great deal to the community.

We have had legislation here, when Representative McINTYRE and I had worked on bills along the lines of research and acreage development there that would put more acres into production. That has proved to be a step forward which has been adopted by the Nation, and progress is being made. We have splendid illustrations in every area of the country of what can be done through forest growth, through timber growth.

I am proud of what we have done. Down home in Mississippi, we have the application of the law that has been enacted since I have been here, about the proceeds of forest property. We do not pay taxes on the land itself, but when there is a severance of a part of the timber, part of the proceeds goes to the county, or the road district, or the school district where it was located, as part reimbursement for the lack of taxes over the long period of years that the trees were growing.

And it is a splendid idea. It is useful, and it is put to good purpose. It really is a big part for the local units of government.

Down home we have well-managed forests and this is partly through the leadership in the early days of the national forests, but we have had splendid leadership in our State legislature and in our State government there, also, for more than 50 years. But we now have a first-class school of forestry at Mississippi State University with the necessary laboratories, modern equipment, and everything that is needed to go with it. They are doing fine work there.

We have every acre of growing timberland in the State under coverage of fire protection, and that is no simple achievement. It costs some money. But through the fire towers and the communications network, we do have each acre of productive forestland within the protective call of the firefighting apparatus, and we just do not have those large fires any more. Once in awhile we have one that gets away for a little acreage, 100 or more acres, but that is a great exception. There are tremendous savings brought about by that achievement.

As I say, we were among the leaders there, but the national forest has given that example in their system. As I said earlier, we have a severance tax in Mississippi on forest land. They do not pay any ad valorem tax. They tax the product, tax the tree only when it goes to producing money. That is when it is sold. Then it pays a severance tax, which is not exorbitant, but it is a suitable substitute for the ad valorem tax that for so long was so high that it retarded, really retarded, the development of our forest land.

So I have taken occasion here when this question has arisen to make an attack, and that is what I propose to do, on the idea of disposing of our national forest land unless it be just a little acreage, a few acres here and there to fill out a corner or something of that kind, but I am opposed to disposing of any appreciable part. It is just not the time, not yet, to be disposing of this acreage. Prospective purchasers maybe would take care of it, and we have some very fine companies and many of them operate in the South. Even in my home county, we have three of these companies. Two of them are among the largest in the Nation, Weyerhauser and Georgia Pacific, to be specific about it.

So I am not complaining about their program. I just want to preserve these lands for the benefit of the people and the development of the future of the national forests that we have.

Mr. President, that concludes my remarks, and I thank the leader for the time he provided. I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. Mr. President, it is my understanding that I have standing under the agreement that was made yesterday.

The PRESIDING OFFICER. Yes. The Senator from Wisconsin has the third special order today.

Mr. PROXMIRE. I thank the Chair.

KENNAN ADVICE TO SENATE ON NUCLEAR FREEZE ISSUE

Mr. PROXMIRE. Mr. President, the other body has been engaged in debate over the nuclear freeze issue. Shortly the Senate will discuss and decide the same resolution. I cannot think of any more critical contribution we can make to the survival of human life on this planet than the affirmation of a nuclear limitation and reduction initiative by our country, one that would stop the relentless month after month buildup and refinement of the colossal nuclear arsenal both by the Soviet Union and the United States. We now have enough to wipe every human being off the face of the Earth over, and over, and over again. And with every improvement in the accuracy, the maneuverability, the range, the power, the deadly destructiveness of this most terrible of weapons by the Soviet Union and this country, we march closer to the extinction of civilization and possibly mankind himself.

Mr. President in his book, "The Nuclear Delusion," George Kennan makes a brillant analysis of our dilemma. Kennan writes:

> For over thirty years, wise and far-seeing people have been warning us about the futility of any war fought with nuclear weapons and about the dangers involved in their cultivation. Some of the first of these voices to be raised were those of great scientists, including outstandingly that of Albert Einstein himself. But there has been no lack of others. Every president of this country, from Dwight Eisenhower to Jimmy Carter, has tried to remind us that there could be no such thing as victory in a war fought with such weapons. So have a great many other eminent persons.
>
> When one looks back today over the history of these warnings, one has the impression that something has now been lost of the sense of urgency, the hopes, and the excitement that initially inspired them, so many years ago. One senses, even on the part of those who today most acutely perceive the problem and are inwardly most exercised about it, a certain discouragement, resignation, perhaps even despair, when it comes to the question of raising the subject again. The danger is so obvious. So much has already been said. What is to be gained by reiteration? What good would it now do?
>
> Look at the record. Over all these years the competition in the development of nuclear weaponry has proceeded steadily, relentlessly, without the faintest regard for all these warning voices. We have gone on piling weapon upon weapon, missile upon missile, new levels of destructiveness upon old ones. We have done this helplessly, almost involuntarily: like the victims of some sort of hypnotism, like men in a dream, like lemmings heading for the sea, like the children of Hamlin marching blindly along behind their Pied Piper. And the result is that today we have achieved, we and the Russians together, in the creation of these devices and their means of delivery, levels of redundancy of such grotesque dimensions as to defy rational understanding.
>
> I say redundancy. I know of no better way to describe it. But actually, the word is too mild. It implies that there could be levels of these weapons that would not be redundant. Personally, I doubt that there could. I question whether these devices are really weapons at all. A true weapon is at best something with which you endeavor to affect the behavior of another society by influencing the minds, the calculations, the intentions, of the men that control it; it is not something with which you destroy indiscriminately the lives, the substance, the hopes, the culture, the civilization, of another people.
>
> What a confession of intellectual poverty it would be—what a bankruptcy of intelligent statesmanship—if we had to admit that such blind, senseless acts of destruction were the best use we could make of what we have come to view as the leading elements of our military strength!
>
> To my mind, the nuclear bomb is the most useless weapon ever invented. It can be employed to no rational purpose. It is not even an effective defense against itself. It is only something with which, in a moment of petulance or panic, you commit such fearful acts of destruction as no sane person would ever wish to have upon his conscience.
>
> There are those who will agree, with a sigh, to much of what I have just said, but will point to the need for something called deterrence. This is, of course, a concept which attributes to others—to others who, like ourselves, were born of women, walk on two legs and love their children, to human beings, in short—the most fiendish and inhuman of tendencies.
>
> But all right: accepting for the sake of argument the profound iniquity of these adversaries, no one could deny, I think, that the present Soviet and American arsenals, presenting over a million times the destructive power of the Hiroshima bomb, are simply fantastically redundant to the purpose in question. If the same relative proportions were to be preserved, something well less than 20 percent of those stocks would surely suffice for the most sanguine concepts of deterrence, whether as between the two nuclear superpowers or with relation to any of those other governments that have been so ill-advised as to enter upon the nuclear path. Whatever their suspicions of each other, there can be no excuse on that part of these two governments for holding, poised against each other and poised in a sense against the whole Northern Hemisphere, quantities of these weapons so vastly in excess of any rational and demonstrable requirements.

Mr. President, I hope Senators will consider these words over the next few weeks before we act on the nuclear freeze resolution.

IMPROVEMENTS IN ZIMBABWE

Mr. PROXMIRE. Mr. President, the recent events in Zimbabwe reinforce my conclusion that the United States must ratify the Genocide Convention. The world was shocked to hear reports of many incidents of torture and human destruction inflicted by the Zimbabwean Army. The situation was clouded by the inability of outside observers to determine the magnitude of the problem and specifically which groups of people were involved. Although the violence now appears to be waning, we must not overlook the important lessons this incident has taught.

For several weeks, the world's attention turned toward Zimbabwe. The government was trying to control dissidents in a large, sparsely populated region of the country. Because of poor transportation and communication, the outside world found it difficult to determine exactly what was occurring. Numerous stories began to disclose that large numbers of innocent people were being killed, raped, or beaten. Soon, reports from rural missions, schools, and hospitals indicated that more than one thousand civilians had been killed. Recent reports now indicate that this onslaught has substantially abated.

Mr. President, many nations anxiously followed the developments in Zimbabwe. These nations were concerned about the possibility of large-scale human rights violations. They were also concerned with the possibility of a rapid escalation of violence based on tribal rivalries. It is entirely possible that the public attention focused on Zimbabwe helped to abate the violence. This demonstrates, once again, that a worldwide consensus is developing which makes even the possibility of genocide a source of international concern.

The Genocide Convention has shown that over 85 nations have agreed to work together to add some legal teeth to this consensus. Unfortunately, the United States has not yet shown its commitment to join this international effort. As a leading advocate of human rights, failure to ratify this treaty is likely to weaken our status and influence throughout the world. The Genocide Convention is in the best interest of all nations of the world, including the United States. Therefore, I urge the Senate to quickly ratify this treaty.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I am told that the distinguished manager of the bill, the chairman of the Finance Committee, has just arrived on the floor and I yield the floor.

SOCIAL SECURITY ACT AMENDMENTS OF 1983

The PRESIDING OFFICER. The Senate will resume consideration of the pending business, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1900) to assure the solvency of the social security trust funds, to reform the medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes.

The Senate resumed consideration of the bill.

Mr. DOLE. Mr. President, as I understand it, the distinguished Senator from Idaho is prepared to offer an amendment. I am pleased to yield the floor for that purpose.

Mr. SYMMS. I thank the distinguished chairman of the Finance Committee.

AMENDMENT NO. 525

(Purpose: To provide that no social security cost-of-living adjustments be made in 1983 and 1984)

Mr. SYMMS. Mr. President, a parliamentary inquiry. I believe the amendment is pending; is that not correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. SYMMS. Have the yeas and nays been ordered?

The PRESIDING OFFICER. No; they have not.

Mr. SYMMS. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. SYMMS. Mr. President, I bring up this amendment that is pending at the desk which would in effect freeze the social security COLA that is scheduled in the bill for the upcoming year. It would not tamper with the COLA's for those people who are in the neediest of positions—the SSI beneficiaries. The neediest in our society would be held harmless by this amendment.

I am not going to belabor the point this morning, Mr. President, because yesterday during the discussion of my amendment to move the effective date of COLA stabilizer I spoke at great length on the issue of the cost-of-living adjustment.

Nevertheless, I want to make a few points about this amendment. I think that the principal underlying reason for Members to support this amendment is one of fairness and equity.

One of the great founders of this country, Thomas Jefferson, spent his political career making sure that everyone understood that when we did pass laws that we tried to treat everybody in our society fairly and equitably.

Like Thomas Jefferson, I believe our primary responsibility is to insure that whatever legislation we pass is fair. If we are going to request one group of individuals to take a larger reduction or have to wait longer to receive a cost-of-living increase in their salaries or retirement income, then we should ask everyone to do so.

As I mentioned, in the fiscal year 1984 budget the President has requested that the COLA increases for civilian and military wages and retirement benefits be frozen this year. Last year the civilian and military workers and retirees received a lower cost-of-living adjustment than those receiving social security benefits. And the year before that we told the civil service and military retirees that they had to wait 6 more months for their COLA adjustments. Now we are in the process of requesting that everyone else except social security recipients take a 1-year delay in the COLA adjustment.

Mr. President, this is simply unfair. This amendment would simply make an attempt to equalize the reductions in the increases—it is not going to reduce anybody's check, it is just going to change when the increases come—and we have asked of these good people to take what other people in our society are taking. Besides making this legislation more equitable, the amendment would help stabilize the OASDI trust fund.

I have found that Americans are willing to make sacrifices if they know that everyone else is making the same sacrifice. We cannot continue this process of favoring senior citizens receiving social security benefits over and above every other group that is either getting a Government paycheck or some kind of a Government pension check.

I urge my colleagues to support the amendment. It is an amendment which strikes right at the issue of equity.

I would like to share with my colleagues a comment that was made to me by the distinquished Senator from Wyoming, Senator SIMPSON, chairman of the Veterans' Affairs Committee. He told me last year that every veterans group, including the Disabled American Veterans, said they were willing to take reductions in the future COLA increases if it was fair and equitable across the board, and applied to everyone.

The Commission, the Congress, and the administration have decided to ask for those reductions. We have not given the same increases to civil service retirees or to military retirees that we have given to the social security retirees.

This amendment would save the OASDI trust fund about $50 billion to $60 billion. I think if all Senators would vote for this amendment, then they could support the Armstrong amendment which will be offered later. Then we might actually have a social security package that we could pass without massively increasing the payroll taxes that will be required of us if we take this package as recommended by the Commission.

I yield back to the chairman of the committee. I am prepared to go for the yeas and nays.

Mr. DOLE. Have the yeas and nays been ordered?

The PRESIDING OFFICER. Yes.

Mr. DOLE. Mr. President, I will take just a minute. Mr. President, I do not quarrel with the intent or purpose of the amendment. Again, we have crafted this compromise which may not be perfect, and obviously is not perfect, but I believe this amendment would go beyond the bounds of the agreement. Therefore, I hope the amendment will not be accepted.

There is no doubt about it that the Senator from Idaho has adopted a very constructive approach and it would have the result he has indicated. But as I look at it in the totality of everything we have considered in the Commission and the committee, it is not an amendment that I could support.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, the present legislation, the bill before us, is not difficult to assemble in all its parts. The distinguished chairman has said that it is the weakness of the individual parts that comprises the strength of the whole. I feel strongly that this amendment, while perfectly well-intentioned and certainly moderate in many regards, goes beyond our ability to faithfully represent the consensus that this proposal embodies. Therefore, I would urge my fellow Senators not to accept it. That is said without rancor or any sense that this is beyond the bounds of reason. It is not. But I still would not accept the amendment.

Mr. SYMMS. I thank the distinguished Senators from Kansas and New York for their comments. I am sorry they are not able to support the amendment.

I would like to say one other thing and then we can go to the vote.

The Senator from New York alluded to the fact that it is a well-intended amendment, a moderate amendment in its approach if one examines the substance of the amendment. However, due to the strength of the support for the Commission's proposal, there is opposition to the amendment.

I would make one last appeal to my colleagues.

I know that some of the members on the Commission feel bound to stay with what the Commission has proposed. Being a politician, I understand that and appreciate it. I certainly respect the Senator from New York and the Senator from Kansas for their position. But I would just say that we are trying very hard, whether we be Republicans or Democrats, to see this economy of ours start making a comeback. One of the reasons that we have had such a difficult time in having an economic recovery that will be sustained and lasting are the high interest rates. If any Senators have been noticing, the short-term rates have been creeping up slightly and long-term capital is almost nonexistent.

If the Congress, in its wisdom, could make a decision to adjust the rate of increases of the benefit programs across the board in the Federal Government, actually pass it and put it into law, I think we would find a response with respect to the long-term interest rates that would serve all of our constituencies very well. Capitalism cannot survive without long-term capital markets. Long-term capital markets are not going to be revitalized until the Congress controls our public pension programs. Long-term capital rates are necessary so that the young married couples can afford to buy homes, and so that the industrial companies can expand plants and equipment and modernize. A robust recovery will not occur until long-term capital markets are restored and capital is available to borrow over the long term and at a reasonable rate of interest.

This amendment and the amendments I offered yesterday will, in the long run, be beneficial to all Americans including the senior citizen community. Economic revival will make life easier for all Americans, for all families, and for all the people who are receiving social security benefits, who also have children and grandchildren.

We all have a vested interest in trying to see this thing put together the best way possible. This Senator reduced the goals he had in his amendment by 1 year, hoping that more Senators would recognize the moderation that is in this amendment and recognize that by this amendment being added to this bill, we will send a signal to the investors and borrowers in this country to start doing business over the long term. If we can get long term capital markets restored, we will see a revitalization of the steel industry, the automobile industry, the homebuilding industry, and many other industries, which I think is what we want to have happen in this country.

I urge my colleagues to support this amendment. Even if we have to give up part of it in the conference it will be a step in the right direction, no matter how small.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Idaho. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Indiana (Mr. QUAYLE) is necessarily absent.

I also announce that the Senator from Maryland (Mr. MATHIAS) is absent due to an illness in the family.

Mr. BYRD. I announce that the Senator from Arkansas (Mr. BUMPERS), the Senator from California (Mr. CRANSTON), the Senator from Colorado (Mr. HART) and the Senator from South Carolina (Mr. HOLLINGS) are necessarily absent.

I further announce that the Senator from Delaware (Mr. BIDEN) is absent because of illness in the family.

The PRESIDING OFFICER (Mr. PRESSLER). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 13, nays 80, as follows:

[Rollcall Vote No. 32 Leg.]

YEAS—13

Armstrong	Helms	Nickles
Baker	Humphrey	Symms
East	Laxalt	Wallop
Goldwater	Mattingly	
Hatch	McClure	

NAYS—80

Abdnor	Glenn	Nunn
Andrews	Gorton	Packwood
Baucus	Grassley	Pell
Bentsen	Hatfield	Percy
Bingaman	Hawkins	Pressler
Boren	Hecht	Proxmire
Boschwitz	Heflin	Pryor
Bradley	Heinz	Randolph
Burdick	Huddleston	Riegle
Byrd	Inouye	Roth
Chafee	Jackson	Rudman
Chiles	Jepsen	Sarbanes
Cochran	Johnston	Sasser
Cohen	Kassebaum	Simpson
D'Amato	Kasten	Specter
Danforth	Kennedy	Stafford
DeConcini	Lautenberg	Stennis
Denton	Leahy	Stevens
Dixon	Levin	Thurmond
Dodd	Long	Tower
Dole	Lugar	Trible
Domenici	Matsunaga	Tsongas
Durenberger	Melcher	Warner
Eagleton	Metzenbaum	Weicker
Exon	Mitchell	Wilson
Ford	Moynihan	Zorinsky
Garn	Murkowski	

NOT VOTING—7

Biden	Hart	Quayle
Bumpers	Hollings	
Cranston	Mathias	

So Mr. SYMMS' amendment (UP No. 525) was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I ask unanimous consent that the Bradley amendment to set aside in order that I may call up an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 85

Mr. GORTON. Mr. President, I send an amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Washington (Mr. Gorton), for himself and Mr. Jackson, Mr. Symms, Mr. McClure, Mr. Baucus, Mr. Melcher, Mr. Stevens and Mr. Murkowski, proposes an unprinted amendment numbered 85.

Mr. GORTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert:

SEC. . Professors of Clinical Medicine—Section 3121 (s) (relating to concurrent employment by two or more employers) is amended to read as follows:

(s) Concurrent Employment by Two or More Employers

(1) IN GENERAL.—For purposes of sections 3102, 3111, and 3121(a)(1), if two or more related corporations concurrently employ the same individual and compensate such individual through a common paymaster which is one of such corporations, each such corporation shall be considered to have paid as remuneration to such individual only the amounts actually disbursed by it to such individual and shall not be considered to have paid as remuneration to such individual amounts actually disbursed to such individual by another of such corporations.

(2) UNIVERSITIES AND EXEMPT ORGANIZATIONS.—For purposes of this subsection,

(A) the following entities shall be deemed to be related corporations:

(i) a state university which employs health care professionals as faculty members at a medical school which is the officially designated medical school for more than one state.

(ii) a faculty practice plan qualified as an exempt organization under section 501(c)(3) which employs faculty members of such medical school; and

(B) remuneration which

(i) is disbursed by such faculty practice plan to an individual employee by both such entities and

(ii) when added to remuneration actually disbursed (prior to the application of this paragraph) by such university, exceeds this contribution and benefit base (as determined under section 230 of the Social Security Act).

shall be deemed to have been actually disbursed by such university as a common paymaster and not to have been actually disbursed by such faculty practice plan.

Mr. DOLE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. GORTON. Mr. President, this amendment is necessary to avoid

having the regionalized medical school for the States of Washington, Alaska, Idaho, and Montana pay approximately $500,000 annually in unreimbursable FICA taxes. The reason for this amendment stems from the unavailability of the so-called common paymaster doctrine to the unique circumstances at the regionalized school—the University of Washington School of Medicine. Professors of clinical medicine receive two paychecks—one from the university, and one from the medical school practice plan—a 501(c)(3) organization. Both organizations would have to pay FICA taxes under the provisions of S. 1. Because this school uniquely functions as the State medical school for four States, with diverse Federal research funding and appropriations from four separate States, the doctrine of related corporations using a common paymaster is not available to avoid the double taxation of the unreimbursable employer FICA contribution.

In addition, Mr. President, a similar situation exists at the University of Colorado to that which affects us, and this would also care for concerns of the Senators from Colorado.

Mr. SYMMS. Mr. President, will the Senator yield?

Mr. GORTON. I yield.

Mr. SYMMS. I thank the distinguished Senator from Washington for offering this amendment.

Mr. President, I support the amendment being offered by my colleague from the State of Washington.

The States of Alaska, Idaho, Montana, and Washington have organized the first and only regional medical school in the country. This regional medical school uniquely functions as a State medical school for four States, with diverse Federal research funding and appropriations from the four participating States.

The technical amendment being offered by Senator GORTON is necessary in order to avoid having that regionalized medical school pay approximately one-half million dollars more in unreimbursable FICA taxes.

The reason this amendment is necessary is because the doctrine or related corporations using a common paymaster is not available to them because the professors of clinical medicine receive two paychecks—one from the university and one from the medical school practice plan—a tax-exempt (501(c)(3)) organization. Since tax-exempt organizations are going to have to participate in the social security program, both the university and the medical school practice plan would have to pay FICA taxes as if they were two separate employers.

I urge my colleagues to approve this amendment.

Mr. JACKSON. Mr. President, I want to associate myself with the remarks of my colleague from Washington. This is a double taxation matter, and it certainly should be corrected. I strongly support the amendment.

Mr. DOLE. Mr. President, the Senator from Kansas has looked at the amendment, and it also has been analyzed by the distinguished Senator from Louisiana (Mr. LONG). We are prepared to accept the amendment, and I think I can speak for both sides.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 85) was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent the amendment of the distinguished Senator from New Jersey (Mr. BRADLEY) be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 86

(Purpose: To provide that hospitals located in an SMSA in 1979 must be classified as urban under the prospective reimbursement system)

Mr. CHAFEE. Mr. President, I send to the desk an unprinted amendment.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Rhode Island (Mr. CHAFEE) proposes an unprinted amendment numbered 86.

Mr. CHAFEE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of section 301 add the following:

"(g) In determining whether a hospital is in an urban or rural area for purposes of section 1886(d) of the Social Security Act, the Secretary shall classify any hospital, located in New England as being located in an urban area if such hospital was classified as being located in an urban area under the Standard Metropolitan Statistical Area system of classification in effect in 1979."

Mr. CHAFEE. Mr. President, the amendment I am offering today is a very simple one which would resolve a problem that has existed for the past few years with the classification of the Newport Hospital in Rhode Island and other New England hospitals.

The Health Care Financing Administration recently reclassified the Newport Hospital as rural. This same situation occurred in 1979 and after months of discussion between the hospital, myself, Senator PELL and the Administrator of HCFA, the problem was resolved, we thought permanently, when HCFA conceded and classified the hospital as urban as it had been previously. HCFA published language to this effect in the June 18, 1980, Federal Register. Early this year HCFA again attempted to reclassify the Newport Hospital as rural, after discussing the problem with HCFA I was assured that for the remainder of this fiscal year Newport Hospital will be classified as urban.

In order to insure that this issue will not be raised again and to clarify the unique situation of the Newport Hospital, which now has been acknowledged twice by HCFA, I am proposing that for the purposes of prospective reimbursement, this particular hospital be treated as though in an urban area.

It is my understanding that there is no objection to this amendment on the staff level and that the Senator from Kansas would be willing to accept it as part of the bill. I sincerely hope he will do so.

Mr. President, I ask unanimous consent that the name of my colleague from Rhode Island, Senator PELL, be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, today, I join with Senator CHAFEE in introducing this amendment which clarifies the Health Care Financing Administration's urban/rural classification scheme as it applies to Rhode Island and Newport Hospital.

In my view, the designation of Newport Hospital as a rural hospital was a mistake considering the geographical reality of Rhode Island where Newport is, in fact, a metropolitan center. I was happy to have played a part in reversing this repeated error. I think, however, it is time we make certain that the error is not repeated again.

Newport Hospital's costs are at least comparable to those of other Rhode Island hospitals—all of which are classified as urban. I believe that a rural classification is an injustice which unfairly and incorrectly penalizes Newport Hospital and its patients. I join with Senator CHAFEE in urging the Senate to accept our amendment.

Mr. DOLE. Mr. President, the distinguished Senator from Rhode Island, Mr. CHAFEE, has brought to my attention a problem faced by a hospital located in his State, a problem I believe may also be faced by other hospitals located in the Northeast.

The problem that has arisen, is one where a hospital has been designated as being located in an urban area then told it was in a rural area—and then back again to urban. Because of the design of our new medicare reimbursement system, which establishes separate rates for urban and rural hospitals, these hospitals may be put at an unfair disadvantage. I believe the

amendment offered by Senator CHAFEE offers a reasonable solution to this problem, and I urge its adoption.

Mr. LONG. Mr. President, I have no objection to the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (UP No. 86) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SYMMS. Mr. President, I ask unanimous consent that the amendment of the Senator from New Jersey be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, it was my intention at this time that I was going to offer an amendment which would establish a social security option account.

While the bill we are considering today does provide a long-term solution to the solvency problems confronting the social security system, the proposal I was planning to offer, would have provided a more secure and flexible retirement program for many working Americans, while at the same time provide tax relief, stimulate individual savings, promote capital formation and strengthen the long-term future of the social security system.

I wish to outline this briefly and have my remarks in the RECORD. The chairman of the Finance Committee has agreed to accept a study on the question so this might be considered by the Congress at a later date.

Under the social security option account, individuals paying social security taxes could choose an alternative means of providing for their retirement. They would continue to pay social security taxes but would forfeit future social security benefits in return for a current income tax deduction.

The concept would work as follows:

First, individuals who pay social security taxes could establish a special retirement account and then deduct annual contributions from their taxable income. The account would be similar to the current IRA's and Keogh's.

Second, tax deductions would be limited to 20 percent of the amount of income subject to social security taxes. Thus, the maximum individual deduction would be about $7,000-plus today.

Third, in return, individuals with SSOA's would forfeit one-half percent of their social security retirement benefits for each $1,000 contributed to the account. For a person who contributed the maximum amount to an SSOA in any year, the maximum annual rate of forfeiture would be 3½ percent plus. At this forfeiture rate, an SSOA would become attractive to working Americans in a broad range of age and income categories.

Fourth, upon retirement, individuals with SSOA's could receive benefits from their accounts, along with reduced social security benefits; if an individual had invested enough in an SSOA, he or she would forfeit all social security benefits.

Private industry analysis of this proposal shows that by the year 2005, the SSOA could reduce social security outflows by $10 billion to $25 billion annually in 1981 dollars, providing needed relief prior to the time when the system will face its most severe financial crisis.

In addition to relieving financial pressure on social security, the SSOA would stimulate long-term capital formation to finance economic growth. Again, private industry analysis indicates that within 10 years, the SSOA program would generate a capital pool of $40 billion to $100 billion, in 1981 dollars. A significant percentage would be new capital, rather than dollars shifted from one form of savings to another. The SSOA would create a new long-term capital source that would be stabilizing in today's economy.

When the SSOA was compared with other savings incentives including the expansion of current IRA's, both concepts would stimulate savings and capital formation but the SSOA has the added advantage of benefiting the social security system. After retirement, each dollar lost to the Treasury through SSOA tax deductions would be more than offset by a $2.50 savings in social security benefit payments. Over the long term, establishment of SSOA's would produce substantially greater public benefits than the simple expansion of IRA's or Keogh's.

The SSOA has other advantages as well. Retirement income would be determined by a prearranged personal savings plan, not political decisions as is the case with the social security system. The contributor would influence the investment decisions. SSOA's thus offer a degree of personal control, predictability, and individual responsibility not possible with social security.

In addition, SSOA's would fill in some of present gaps in our Nation's retirement policy. Presently few tax incentives exist for individuals to generate funds for their own retirement. Many employers provide pensions for their workers, but not all workers receive pensions and changes in employment often curtail benefits. KEOGH plans are available only to the self-employed individuals. IRA's have fairly low caps on contributions.

The SSOA's would represent an important change in direction for Federal programs. It would veer away from ever-increasing Government entitlements, with their uncontrollable demands on the Federal budget. It would help restore the long-term solvency of the social security system and return to its original purpose of providing retirement floor. Individuals will gain more responsibility for their own retirement planning. Moreover, SSOA's would link tax relief to spending reductions and further solidify this direct relationship as a cornerstone for future fiscal policy.

The SSOA plan is not the total answer to the problems confronting the social security system and the economy, but it makes a major contribution toward a secure retirement for all Americans.

For the most part, Americans have treated the problem of security in retirement as a distinct issue from the overall health of the Nation's economy. Policymakers have addressed the crises presented by the long-term well-being of the social security program, the gaps in the Nation's retirement programs, the excessive tax burden, and the lack of adequate capital investment as separate matters. But, as the National Commission on Social Security has recently determined, our Nation's retirement programs will be healthy only if the American economy as a whole is healthy. And, I would venture to say that the capability of this economy to recover lies in our ability to solve the unfunded liability problems facing our public pension systems. Too often, for example, past attempts to solve problems facing the social security system have adversely affected private retirement planning or economic productivity. Therefore, the challenge is find solutions that achieve diverse public goals.

The foremost goal of the Nation's retirement policy should be to provide an economic climate in which all Americans can plan for income security in their postemployment years. Yet within this broad goal, the specific features of individual choice, long-range planning, flexibility, and innovation should be encouraged. Opportunities should be provided in both public and private programs to encourage the widest range of choice and greatest amount of security. Finally, as Sanford Ross recently pointed out, the entire system of retirement plans—social security, private pensions, and individual savings—must be rationalized so they work together.

Social security is an essential foundation for the Nation's retirement system. Long-term planning for the social security system must address the long-range funding problems and the actuarial deficit that presently afflict the system. A second goal should be to prevent any increase in the social security tax burden, which, for more than half of all American families,

now exceeds their income taxes. Third, efforts should be made to mitigate the effect of present demographic trends on the fiscal integrity of the trust fund, perhaps by encouraging people to rely less on the system in meeting their retirement needs. Fourth, Government actions should reinforce people's confidence that the social security system is strong and will provide a minimal floor of benefits for their retirement. At the same time, however, the public should understand that social security is not a comprehensive retirement program and that it must be supplemented by individual retirement planning and saving.

Most importantly, security in retirement requires policies that retard inflation, stimulate productivity, create jobs, and foster growth. Because a significant portion of the Nation's GNP is dedicated to retirement programs, these resources should be used, where possible, to stimulate rather than retard economic productivity. Private retirement programs are, and should be, a major source of savings and capital formation. Moreover, because high taxes retard economic growth and thus indirectly burden retirement programs, tax relief is an essential element of comprehensive Federal retirement policy. Furthermore, to the extent possible, retirement policy should contribute to full employment, high wages, and new jobs, because these factors will widen the economic base upon which retirement programs must rest.

The social security option account contributes to these public policy goals. It allows individuals who pay social security taxes to chose an alternative means of providing for their retirement. They may establish a fund to pay their future retirement benefits by deducting from their Federal income tax their annual contributions to this fund. Deductions would be limited to 20 percent of their social security wages—that is, the amount of income subject to social security taxes. In return, individuals who establish SSOA's forfeit a portion of their social security retirement benefits. They continue to pay social security taxes, but, in effect, trade future social security benefits for a present income tax deduction. The amount deducted must be paid into an SSOA, a tax-free, privately administered account similar to an individual retirement account or Keogh plan, from which an individual may draw funds when he or she retires. Thus, an SSOA does not diminish revenues from flowing into the social security old-age and survivors trust fund, but enables people to rely on private pension sources instead of social security payments in their retirement. By reducing future outlays from the trust fund, it strengthens the social security system. By linking public and private roles in retirement planning, it creates an opportunity for individual retirement planning based on specific contributions that is available to the vast majority of working men and women, encouraging them to save and channeling their savings into investment into the Nation's economic base.

The problems facing our Nation's retirement system are closely interconnected. Low productivity, inflation, and high taxes make it difficult for individuals to save for retirement and diminish the value of their savings. Because social security benefits levels have risen substantially and are indexed to the Consumer Price Index many people have little incentive to save for their retirement. A lack of savings, in turn, increases their reliance on social security. To meet increasing expectations from social security, benefits and taxes are raised further—as is being done in the legislation before us today—thereby discouraging savings, deterring capital formation, and dampening productivity. Thus, each problem aggravates the the others.

We must take these interrelated concerns into account when choosing solutions to the problems facing the Nation's retirement system. Proposals to change the social security system, retirement programs, or the tax structure should address the broader goals of creating a productive and predictable economic climate in which individuals have the flexibility to plan their retirement efficiently, the incentive to save for their future, and the opportunity to invest in the Nation's future. Dealing with broader goals will lead to integrated solutions that address the myriad problems confronting Americans in retirement. The legislation before us does not take an integrated and comprehensive approach toward solving the solvency problems of the social security system and that is exactly why I believe my amendment will greatly enhance the package we are considering

The SSOA plan will stimulate the development of a large pool of new capital. Retirement funds have been an increasingly important source of investment income. The assets of private pensions, for example, have grown from $52 billion in 1960 to over $330 billion in 1979. The social security program, in contrast, builds no capital stock because of its pay-as-you-go approach. The SSOA would provide an important vehicle to reverse that trend.

This new capital would be available for creating new jobs, improving labor productivity, and increasing wages, which, in turn, would produce additional social security revenues. In addition, reducing the demand for trust fund expenditures and expanding social security revenues also will reduce the pressure to increase social security taxes, which may diminsh savings and capital formation.

I urge all of my colleagues to support this measure. It is a proposal which will not only help the social security trust fund, but future retirees and the Nation's economy.

FORFEITURE RATE

In order to determine the actuarial effects of the SSOA plan, it is necessary to evaluate how the rate of forfeiture of social security benefits would affect the decision to establish SSOA's.

The calculation of a forfeiture rate requires determining initially the factors that influence an individual's decision to select an SSOA as an alternative to social security. Among these factors are a worker's age, tax bracket, anticipated growth in wage levels, interest rates, et cetera. Once these factors are established, it is possible to show how a given rate of forfeiture will affect the retirement planning decisions of individuals of different ages, income levels, and investment philosophies. It is also possible to estimate the number of people to whom an SSOA would appeal and the resulting effect on general revenues, savings, and capital formation.

Based on this analysis, the study considered the effects of varying forfeiture rates, assuming that wage levels and interest rates grow at approximately the same rate. A rate of forfeiture of 0.5 percent per $1,000 was selected because it makes an SSOA attractive to the largest number of people at varied income and age levels without an unreasonable loss to the Treasury in general revenues.

At the 0.5 percent rate, workers aged 30 in the 30-percent marginal tax bracket would earn a better "return" on an SSOA than from social security benefits. Older workers would require higher incomes to have the incentive to select an SSOA. Workers aged 40 in the 40-percent marginal bracket or aged 50 in the 50-percent bracket would earn a better return on an SSOA than from social security benefits.

In reality, each individual's retirement planning would involve varying assumptions about wage growth and interest rates. Different assumptions would substantially alter these conclusions. Thus, while workers age 40 in the 50-percent tax bracket would find SSOA's attractive, they would not do well if the prevailing interest rate fell below 7 percent, or the wage growth rate increased beyond 10 percent.

Higher interest rates would mean greater accumulated earnings in the SSOA account and thus higher SSOA benefit levels. Higher wages, however, would mean that the individual would qualify for relatively higher social security benefits which are indexed to increases in wage levels. If the workers

marginal tax rate after retirement remained at 50 percent, they would also find SSOA's less attractive. The effect of these variables upon individuals would depend on their particular situations.

Moreover, the individuals assumptions about the economy would also affect this determination. Concern about a poor or risky investment climate could lead to little or no investment in SSOA's. On the other hand, if people believed that the social security program would not pay adequate future benefits, the SSOA would be attractive regardless of tax bracket or wage level.

Studies have indicated that a 0.5-percent forfeiture rate would serve the public goals of encouraging savings and stabilizing the social security system as well as the private objectives of income security in retirement and flexibility in retirement planning. It would appeal primarily to young and middle-aged workers in middle to high tax brackets.

I yield to the distinguished chairman.

Mr. DOLE. Mr. President, I have discussed this amendment with the distinguished Senator from Idaho, and I think he has an excellent idea, but it is a matter that we have not been able to focus on because of the work of the National Social Security Commission and working on the bill itself in the Finance Committee.

I have suggested to the Senator from Idaho that if he would be willing to replace or substitute for that amendment an amendment that would direct the study by the appropriate agency, that would be very helpful. I am not certain whether he has had an opportunity to do that.

UP AMENDMENT NO. 87

(Purpose: To direct the Secretary of the Treasury, or his delegate, to conduct a study on the feasibility of implementing social security option accounts)

Mr. SYMMS. Mr. President, I send to the desk an amendment for a study by the appropriate agency and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Idaho (Mr. SYMMS) proposes an unprinted amendment numbered 87.

Mr. SYMMS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title I, insert the following new section:

(a) The Secretary of the Treasury, or his delegate, should conduct a study of the feasibility of implementing "Social Security Option Accounts." Such accounts would have the following characteristics:

1. Individuals who pay social security taxes could establish a special retirement account and then deduct annual contributions from their taxable income. The account would be similar to the current IRA's and KEOGH's.

2. Tax deductions would be limited to 20 percent of the amount of income subject to social security taxes. Thus, the maximum individual deduction would be about $7,000 plus today.

3. In return, individuals with SSOA's would forfeit one-half percent of their social security retirement benefits for each $1,000 contributed to the account. For a person who contributed the maximum amount to an SSOA in any year, the maximum annual rate of forfeiture would be 3½ percent plus. At this forfeiture rate, an SSOA becomes attractive to working Americans in a broad range of age and income categories.

4. Upon retirement, individuals with SSOA's could receive benefits from their accounts, along with reduced social security benefits; if an individual had invested enough in an SSOA, he or she would forfeit all social security benefits.

(b) The Secretary of the Treasury should submit to the Congress a report on the results of the study conducted under section (a) by June 30, 1984.

Mr. SYMMS. Mr. President, the amendment simply states that Treasury do a study on the concept of the amendment that I originally intended to offer and report back to the Finance Committee by June 30, 1985. It would be 18 months.

I yield back my time.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Idaho.

The proposal to allow employees to establish a special retirement account similar to an IRA (with tax deductible contributions) in place of a portion of their social security benefits is an interesting concept and is worth study.

It would undoubtely have the potential for increasing the private pool of capital and encourage individuals to take more responsibility for their own retirement.

Such a program could take some pressure off the social security system by encouraging those who can to save for retirement rather than relying primarily on social security.

However, this is a major change in the role of social security and tax incentives to encourage retirement savings. It is appropriate to require a thorough study of the proposal before Congress is asked to enact it into law.

For instance, we need more information on whether these accounts will be attractive enough to gain wide acceptance as a partial substitute for social security benefits, and we need to analyze the impact on general services.

As Senator SYMMS outlined, his original proposal would allow employees to establish a special retirement account similar to an IRA.

I think this has a lot of potential and a lot of merit, and I do believe that this approach now taken will give us an opportunity to take a look at it because it is a major change in the role of social security and tax incentive to encourage retirement savings. It is appropriate to require a thorough study of the proposal before Congress is asked to enact it into law.

I can assure the Senator from Idaho that we will do what we can to make certain that it is a study in the real sense of the word and it can come back to us within a year.

Mr. SYMMS. Within a year, a year and a few months.

Mr. DOLE. So we might then have full hearings and take another look at it.

Mr. SYMMS. I thank the distinguished chairman and I thank the distinguished Senator for his indulgence of the amendments that this Senator has offered.

I note that although they have not passed, I still think there is a great deal of merit for study, and I think that we will be back revisiting social security within the next 2 or 3 years and so most likely we will have the opportunity to offer a broader choice for the American people and do some things that would encourage more savings to help revitalize our needed capital market, and this would be one way to do it.

It would not affect everyone, I must admit, but it would be an option that some people might take and they would still be paying the social security taxes but they would have the opportunity as I perceive that they would help keep the contract or would not hurt the system as far as the fiduciary ability of the social security to pay its way out of the contract that it has with the American people but it would give those people who were able to do so an opportunity to have their own retirement in exchange for social security benefits.

I call for a vote.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Idaho.

(Putting the question.)

The amendment (UP No. 87) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SYMMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the pending amendment be laid aside so that I may present an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 88

(Purpose: Relating to interest on State loans.)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Ohio (Mr. METZENBAUM) proposes an unprinted amendment numbered 88.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 235, lines 12 through 14, strike out "Interest shall accrue on such deferred interest in the same manner as under paragraph (3)(C)." and insert "No interest shall accrue on such deferred interest.".

On page 236, line 7, strike out "30" and insert "25".

On page 236, line 9, strike out "40" and insert "35".

On page 237, line 9, strike out "30 percent, 40 percent, 50 percent," and insert "25 percent, 35 percent, 50 percent".

On page 237, line 12, strike out the quotation marks and the second period.

On page 237, between lines 12 and 13, insert the following:

"(9) Any interest otherwise due from a State during a calendar year after 1982 may be deferred (and no interest shall accrue on such deferred interest) for a grace period of not to exceed 9 months if, for such calendar year in which the interest was due, the State had an average unemployment rate of 13.5 percent or greater.".

On page 237, between lines 14 and 15, insert the following:

(c) Section 1202(b)(3)(C)(1) of the Social Security Act is amended by striking the matter that follows clause (II) and inserting "No interest shall accrue on such deferred interest.".

Mr. METZENBAUM. Mr. President, this amendment has to do with the solvency of the unemployment funds in the States and the obligations of the States to the Federal Government.

It is my understanding that the distinguished senior Senator from Illinois has an interest in a part of this amendment having to do with that which might be called interest on interest and by reason of that fact if the manager of the bill feels it appropriate that we lay this aside temporarily without losing its position on the calendar, I would have no objection to doing so, provided that we can get some understanding as to when the Senator from Illinois would be joining us.

Mr. DOLE. Mr. President, if the Senator will yield, I think in addition to the two Senators from Illinois, we have the distinguished senior Senator, Senator PERCY, and Senator DIXON——

Mr. METZENBAUM. That is correct.

Mr. DOLE (continuing). As well as the two Senators from Michigan, and the two Senators from the State of Pennsylvania.

Mr. METZENBAUM. I stand corrected.

Mr. DOLE. The Senators from Kentucky, Senator FORD and Senator HUDDLESTON have amendments, so I think it might be well if we notify them that the amendment is pending and give them an opportunity to come to the Chamber. We can take it up whenever they can be here. Senator KENNEDY has a couple of amendments as has Senator NICKLES. By that time perhaps they can be here.

Mr. METZENBAUM. Does the Senator from Kansas expect to go right through the noon hour?

Mr. DOLE. Yes.

I would not expect a rollcall vote on this amendment.

Mr. METZENBAUM. No. But I wonder if I might suggest to those who have an interest in it that they could be in the Chamber at 12:30. Does that sound all right?

Mr. DOLE. Yes.

Mr. METZENBAUM. Under those circumstances, Mr. President, I ask unanimous consent that the pending amendment be temporarily set aside, that it retain its place on the calendar, with the understanding that on or about 12:30 p.m., depending on what is pending at that time, that we return to further consideration of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

UP AMENDMENT NO. 89

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposes an unprinted amendment numberd 89.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

"By January 1, 1985, the Secretary of Health and Human Services shall report to the Congress concerning the feasibility and desirability of applying a prospective payment methodology to payment by all payers for in patient hospital service. Such report shall specifically include consideration of the extent of cost-shifting to non-federal payers, and the impact of such cost-shifting on health insurance costs and premiums borne by employers and employees.

The PRESIDING OFFICER. Is there objection to setting aside the amendment of the Senator from New Jersey? Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, today marks an historic occasion in the evolution of medicare. After 28 years, we are finally going to move away from the wasteful, inefficient method of paying for health care—cost based, retrospective payment.

For over a decade, I have urged the Congress to adopt prospective payment as the only way to control health care costs. In the early 1970's, we began by assisting the development of HMO's. HMO's are the model of prospective payment—and they have more than proven the value of this approach to controlling health care costs. In recent years, we have begun to recognize the important contribution made by State-based prospective payment systems.

Now at last, we are prepared to put medicare on a prospective basis. I applaud the committee for an important step in the right direction. But at the same time, I must raise certain important reservations. I believe that we should immediately adopt an "all payers" approach to prospective payment. If prospective payment is limited to medicare, much of the benefit will be lost. The reason is simple. If all programs are subject to prospective limits, hospitals must either reduce their costs or suffer the consequences. But if medicare alone is subject to these limits, the hospitals are free to make up the difference from other payers.

This cost shifting goes on under medicare today. Some have estimated that as much as $6 billion in costs were shifted to employees and employers in 1982—and that number might reach $12 billion by 1985. Whatever the magnitude—cost shifting undercuts the benefits of prospective payments, adds billions to employers' costs and billions more to worker health insurance premiums.

I have introduced legislation (S. 814) that provides for an all-payer approach to prospective payment. It would put an immediate halt to runaway health costs, for all Americans—not simply for the Federal Government. It relies primarily on the States to devise programs suited to their own needs. It would protect the elderly from rising out-of-pocket costs.

It is not my intention to offer this bill as a substitute for the provisions in the bill before us. I believe that my proposal is a more effective way to deal with health costs, and hope that my colleagues will take the time to study it—so that we can discuss these issues in the months to come. But I do believe that we must address the problem of cost shifting that will arise under the medicare only proposal.

As the chairman knows, this bill contains a provision requiring the Secretary of Health and Human Services to study the feasibility and desirability of applying the prospective payment methodology to all payers of in patient hospital services. My amendment is similar to this provision, except that

it would require that this report be made to Congress by January 1, 1985, and would specifically require the Secretary to determine the extent of cost shifting, and its impact on private hospital insurance premiums as they are paid by employers and workers. In this way, we will be prepared with the information needed to make a responsible and speedy decision on expanding the scope of the prospective methodology to private as well as public payers.

Mr. President, I have long been a believer in prospective budgeting. The provisions in this legislation concerning medicare, are helpful in trying to address the very difficult challenge we are going to continue to face in the future—the increase in costs of health care.

My concern is that as we put prospective budgeting with regard to medicare into the law, we are going to see an increase in costs outside of the medicare system.

All I want to do in this particular amendment is to have a review of the effect of the prospective budgeting and a report concerning the nature and extent of cost-shifting and have a report come back to Congress by early 1985 when we will have a new administration and we will be dealing with the problems of health care costs. It will make available to the Finance Committee information that will permit us to address this concern.

It will provide important additional information to the Senate and to Congress in order to try to deal with the problems of increased health care costs, and it will address what I believe is going to be a cost-shifting effect of prospective budgeting, if we just limit it to the medicare proposal.

I hope the committee will accept the amendment.

Mr. HATCH. Mr. President, I am pleased to support this proposal to reform the way medicare reimburses hospitals. While I do not ordinarily like to see increased Government regulation of any kind, this prospective payment proposal for medicare is an appropriate, though not flawless, mechanism to address the double digit inflation currently experienced in the health care industry.

I applaud the administration for the swiftness with which it responded to the Congress in drafting this legislation. I applaud the chairman of the Senate Finance Committee, Mr. DOLE and his committee staff for their efforts in rapidly addressing this important issue. I also applaud the hospitals in this country for not opposing our efforts to bring some control to the escalation of health care costs and the concurrent dramatic yearly increases in the Federal Government's medicare budget.

As a result of prospective payment being applied to medicare, I am confident mechanisms within the marketplace of a competitive nature will develop which will help to limit the rise in overall health care costs. These mechanisms will occur with only a minimal amount of Government regulation and interference in the private health care industry. Therefore I am hopeful that in our consideration of this issue today that we do not apply it to all payers.

In reviewing the legislation, there are several issues of special interest to me and my constituents in Utah. I would like to briefly address them. One subject is capital costs. For the present time, both the Senate and the House bills provide that capital costs for hospitals are not subject to this new prospective payment system. The Senate specifically excludes reimbursement for capital costs under this program until after October 1, 1986. The House bill, on the other hand, asks that the administration study the issue and submit recommendations to Congress by December 31, 1983. The House bill goes on to state that it will be the intent of Congress to make a distinction between capital costs incurred before and after March 1, 1983, and to indicate that projects "initiated" before that date will somehow be treated differently in the future.

While I strongly prefer the Senate version, it is worth emphasizing that at a minimum hospitals should not be penalized for obligations legally incurred prior to enactment of this law.

An example in my own State should suffice to show the problem. The largest hospital in the State of Utah is in the midst of a much-needed major project. The State-granted certificate of need approval to this hospital for its major remodeling and construction project in November of 1980. While the construction and remodeling have proceeded at pace, the project will not be completed until sometime after the first quarter of 1985. The hospital incurred these substantial financial commitments with the expectation that capital costs would be paid on a reasonable cost basis.

There are several items in the Senate bill that I support and hope that they are retained in the final measure adopted by the Senate and the House.

First, I strongly support the Senate version on regionalization of DRG rates. I believe it is important to have a national rural/urban split in order to take into account the varying needs of hospitals serving different populations. However, too great a division regionally would only serve to reinforce the inefficiencies of some larger urban centers and at the same time not provide enough support to rural areas.

I also support the option for States to have their own program of prospective payment. I do not believe that the Congress should mandate a program of prospective payment for all-payers, which is really just the formerly considered and defeated Carter cost containment proposal. However, if a State has a good cost control program in place, then we should not place this Federal program on top of it. Of course, as made clear in the Senate bill, such State programs should not be more costly to the Federal Government.

Finally, I strongly support two other provisions of the Senate's version: The development of an independent commission to insure the mechanisms of this proposal; and a study to insure the various components of reliability of this prospective payment program.

I urge my colleagues to expeditiously support this legislation which reflects the Federal Government's desire to become a prudent purchaser of health care.

I would like to conclude by asking my distinguished colleague, Mr. DOLE to respond to one concern I have about the viability of one set of DRG's. The basis of DRG's is a system known as the MEDPAR files.

These files provide the Federal Government with historical medicare charge data. And is the basis for determining the number of cases in the relative cost weighting of diagnozed related groups: 356 of the 467 DRG's had a good sampling of charges from which to calculate a relative index. But according to information provided me by the administration, there is limited data on 111 of the 467 DRG's. I believe this situation needs to be corrected in order to insure the statistical viability of the DRG's used. As I understand, for various reasons, these 111 will be little used by medicare but might be used by other payers. Since these 111 weightings are not statistically sound, these classifications should only be made available to other payers with the specific addendum that they are not statistically valid and that further research should be made prior to their use. Senate DOLE would you agree with me that these problems should be duly noted when these DRG's are published in the Federal Register and that it is consistent with the legislation that this should be done?

Mr. DOLE. I thank my distingushed colleague, Mr. HATCH, for his comments. With regard to your question: I agree that these problems should be duly noted in the Federal Register and that to do so is consistent with this legislation and appropriate.

Mr. HATCH. I thank the Senator.

Now I also understand there may be proposed an amendment to require use of the prospective payment plan as an all-payers proposal. This must be vigorously opposed. The required use by all payers of the Federal diagnosis-related groups classification, weighting system and the specific payment rates

set by HHS is nothing less than a design to discard the free-enterprise system in favor of a program of national controls which would turn health care in the United States into a Federal public utility. The health-care field is too diverse to impose these rigid controls across the board. And let me restate that if these controls are imposed, we, as a Nation, may not experience the quality of health care that we are currently provided.

It is one thing for the U.S. Government to act as a prudent purchaser of health care in a competitive marketplace with other purchasers of care. It is quite another thing for health-care providers to be required to accept as payment in full from all private citizens and third-party payers rates dictated by a Federal Government agency. This has the effect of replacing the marketplace.

If this were not repugnant enough, I understand this amendment I am opposing might preclude judicial review of the Government's discretionary authority to establish the DRG system and payment methodology. Thus, it would vest in the Government the right to act arbitrarily and capriciously without accountability. Rather than functioning as the head of a Federal administrative agency, the Secretary of Health and Human Services would be transformed into a Federal czar of national health with unbridled authority. Such a possibility threatens the health care available to the American people and thwarts efforts to make the health-care marketplace more price competitive.

In addition, there is quite limited practical experience with the DRG-based payment system. Although a DRG-based experiment has been conducted in the State of New Jersey for a few years, the results of this undertaking are not final or conclusive. In recommending a DRG-based system for prospective medicare payments, the Secretary of HHS refers to, what she characterizes as preliminary reports that the system worked in New Jersey.

Even if a preliminary indication in New Jersey is accurate, transposing the DRG system from New Jersey to a national level will necessitate numerous adjustments and changes. The administration of a program has to be more fully developed; the propriety of the proposed methodology for establishing the DRG payment on a national level for medicare patients still needs to be analyzed; the adequacy of the payment rates are in question, especially the 111 DRG's that the Federal Government does not have adequate, random sampling and now must find alternative sources for charge information.

In summary, the impact of the medicare DRG system on hospitals nationwide is uncertain. Imposing a DRG payment limit for all payers of health care would compound these adjustments and risks permanently crippling our Nation's hospitals. For this reason, I support the proposal from the Senate Finance Committee requiring the Secretary to report to Congress on the appropriateness of the DRG system. At this time I would like to read Blue Cross-Blue Shield's letter in opposition to any all-payer proposal. They state:

BLUE CROSS ASSOCIATION,
BLUE SHIELD ASSOCIATION,
Chicago, Ill., March 16, 1983.

Hon. ORRIN G. HATCH,
U.S. Senate, Washington, D.C.

DEAR SENATOR HATCH: I understand that amendments or substitutions to the Medicare prospective payment provisions of the Social Security legislation (H.R. 1900) may be offered in the next few days in the name of further controlling health care costs. Apparently these proposed changes would either impose a Federal cost control system on all hospital revenues or would mandate state systems regulating all payers. On behalf of the nation's Blue Cross and Blue Shield Plans, I would underscore the seriousness of the continuing escalation of health care costs, but would urge you to oppose any such amendments.

We have closely followed the development of the Medicare prospective payment proposals in both the House and Senate, and have largely supported them. We particularly support the notion of increasing the cost containing incentives that are needed in most hospital environments. Our primary concern over the proposals has been with the speed and scope of change which flow from Medicare's national use of a relatively new and untested reimbursement model. To mandate either the extension of this model beyond the Medicare program or an even more massive change in all health care financing would be exceedingly unwise.

Our opposition to the amendments or substitutions mentioned above stems primarily from our experience with a wide variety of reimbursement systems, over many years. This experience has led us to several conclusions:

To be effective, any cost containment program must include a variety of incentives for providers, consumers, and third party payors to contain costs.

There is no single best way to do that; the breadth and diversity of circumstances around the country requires reimbursement models responsive to local circumstances.

In most areas, effective negotiation between the purchaser and provider of care has the greatest potential for developing cost constraints sensitive to local needs.

Government mandates, where there is no local acceptance of or capacity to implement the mandated programs, are simply not effective.

Regulatory approaches have been tried in several states with only limited success; these mandatory systems often perpetuate institutions which no longer have community support; and such systems tend to block the development of more price-competitive alternatives to the status quo.

Not only does the Medicare reform bill, as reported out by the Finance Committee, contain truly far-reaching changes, but all across the country, there are private market reimbursement changes under way which are all stimulated by the critical need to contain costs. We would be pleased to work with the Congress to continue encouraging these new directions and to evaluate their short- and long-term impact on the cost and quality of health care.

Sincerely,

BERNARD R. TRESNOWSKI.

In conclusion, I support medicare prospective pay but oppose any proposal to impose this untested system on all payers. All States, including Utah, should be allowed to experiment with several options including competitive solutions to health-care costs. What may work as an experiment in New Jersey should not be imposed on every payer.

PROSPECTIVE PAYMENT

Mr. DURENBERGER. Mr President, for the last 2 years, Congress has struggled to develop an equitable solution to social security. But that compromise has not been achieved at a low cost. The discussion and debate has occurred in a highly politicized environment. Too often the fears of the most vulnerable in our society have been played upon in an effort to gain the upper hand politically.

All of us have experienced the pain and anguish of seniors convinced that their primary, and in many cases their only, means of support would be eliminated or drastically cut back. Many workers have lost confidence in the system entirely.

Nonetheless, we appear to have found a solution to the social security problem, but our unwillingness to act early and the successful efforts by some to politicize the problem have exacted a huge price.

Another social security problem—medicare—looms just beyond the horizon. Actuaries in the administration and at the Congressional Budget Office predict that medicare will be insolvent in 3 to 4 years. We have the time to fix medicare; the question is, do we have the willingness? Can Congress avoid politicizing the medicare issue?

Already, some are playing off the fears of medicare beneficiaries. This is a cruel trick to play on beneficiaries. In correcting medicare, Congress will not abandon the beneficiaries. But an equitable solution cannot be achieved if everyone is running scared.

Today, as part of the social security compromise, we have included a major piece of medicare reform, a reform that will improve efficiency and allow us to get the most out of our medicare dollars.

As chairman of the Senate Finance Committee's Health Subcommittee, I have been holding hearings since last summer on the issue of prospective payment for hospitals. We have heard from States that have their own prospective payment systems; we have heard from insurance companies engaged in prospective payment; we have heard from physicians and hospitals;

and we have heard from consumers, beneficiaries, and experts in the administration.

The prospective payment provisions crafted by the Finance Committee and included in this bill are exactly what the medicare program now needs. We have learned enough from our experience with cost-based reimbursement to know that it does not work. It wastes money, penalizes the efficient hospital, and encourages dangerous overtreatment.

We have taken the administration's proposal—which is basically a very good one—and made some changes; changes which I feel improve the proposal and ease the burden on hospitals as we move from the old system to a prospective payment system.

Prospective payment is not the final solution to medicare reform. Other changes will be necessary. We must also look at including physicians, skilled nursing facilities, home health agencies, and other providers in a prospective payment system. And we must move ahead in our efforts to expand private sector vouchers for the medicare population.

Under this proposal, beneficiaries will not pay any additional dollars out-of-pocket. But they will reap additional benefits. Efficient hospitals will be able to give beneficiaries more for the money, and that is good for both patients and taxpayers. Change is never easy. The change from a cost-based retrospective system to a prospective system will force hospitals and physicians to change behavior. But it is a change for the good, and it is a change that is desperately needed. I hope my colleagues will join me in supporting this important reform.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. KENNEDY. Yes.

Mr. DOLE. I certainly agree with the distinguished Senator from Massachusetts. I am perfectly willing to accept the amendment. I have just asked the distinguished Senator from Louisiana and he has no objection.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment (UP No. 89) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 90

Mr. KENNEDY. Mr. President, I have another amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposes an unprinted amendment numbered 90.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

"The Secretary shall provide that the amount which is allowable, with respect to costs of inpatient hospital services for which payment may be made under this title, for a return on equity capital for subsection (d) hospitals (as defined in subsection (d)(1)(C)) shall, for cost reporting periods beginning on or after October 1, 1983, and before October 1, 1986, be equal to the target percentage (as defined in subsection (d)(1)(B)) of the amounts otherwise allowable under regulations in effect on March 1, 1983. For cost reporting periods beginning on or after October 1, 1986, the Secretary shall not provide for any such return on equity capital for such hospitals.".

Mr. KENNEDY. Mr. President, the bill before us today marks a major change in the way the Government pays for health care. As my colleagues know, since medicare was enacted, it paid for health care like the Defense Department paid for weapons—on a cost-plus basis. And the results were pretty much the same. Costs kept going up and up—but no matter how much the costs went up—there was always the plus—the profit.

With this bill, we are finally turning away from this wasteful way of paying for health care. I regret that this step is limited to medicare, since I believe that we can only control costs with an all-payers approach to prospective payment. Nonetheless, it is a step in the right direction.

Unfortunately, on our way to eliminating cost-plus in medicare, we have forgotten to eliminate the plus. Although we provide for a fixed payment per case, the bill still requires the Government to throw in a sweetener for a small number of hospitals—the profit.

I simply cannot understand the reason for keeping in the profit—known in the jargon as "return on equity." The whole point of prospective payment is to pay a fixed price. If hospitals are efficient, they get to keep the difference between the costs and the fixed payment. Is not that profit? Under this bill, we are going to pay a profit on top of the profit. And the second profit does not even have to be earned. It gets paid whether the hospital is efficient or not, whether it delivers good care or not. It just gets paid.

My amendment would address that issue. As prospective payment is phased, at first by 25 percent, then 50 percent, and then 75 percent, this amendment would phase out that additional profit item, the return on equity, over a 3-year period.

It is effectively the same concept that has been accepted by the House of Representatives. I do think it is a valuable and worthwhile saving. The estimate would be that there would be a $300 million per year saving when this is completely implemented.

Even under the current system, return on equity has produced unjust results—rewarding the well off, and pushing up medicare costs. Return on equity costs medicare about $300 million per year—not for expanded benefits for the elderly, or lower copayments, or lower deductibles. No—in fact the administration wants to increase costs for the elderly. No—this $300 million is for profit.

According to CBO figures, for-profit hospitals account for only 9 percent of medicare costs. Excluding return on equity, they account for 11 percent of medicare capital payments—higher than their overall share. When you add in return on equity—the real story is told. For-profit hospitals account for 20 percent of medicare's capital payments, more than twice their share of overall medicare payments. Medicare capital payments to for-profit hospitals are $7,170 per bed annually compared with $3,360 per bed for nonprofits.

Now, what effect do these payments have on medicare and on the health care system generally? Well, they certainly do not go to help pay for care for the poor and the uninsured—like the 16 million Americans who have lost health insurance since the Reagan recession began. Their own spokesman has admitted that private hospitals skim well-to-do patients and leave the public hospitals to care for the poor and the lower middle class. But it does lead to a lot of unoccupied beds through acquisition and construction. For-profit hospitals have a 65-percent occupancy rate compared with the American Hospital Association average of 76 percent. And each unoccupied bed costs $112,000—a large share borne by medicare.

And for-profit hospitals are more expensive for medicare—primarily because of return on equity. According to a recent study, for-profit hospitals cost medicare about 13 percent more than comparable not-for-profit hospitals.

The result has been that return on equity has served to increase both capital and operating costs for medicare. It does no good to adopt a prospective payment system if we exclude from it the most unjustified inflationary component in the medicare system—return on equity.

Now, I know what the opponents of this amendment will say. They will say: "Return on equity is a difficult

issue. We need to study it before we act. We do not know what the effect will be." Well, prospective payment by diagnosis-related group is a difficult issue. We do not know what the effect will be on public hospitals. But does the committee ask us to study first and then act. No. We are to act first, ask questions later.

We do not know what the effect will be on urban hospitals. Or rural hospitals. Or, most important, quality and adequacy of care for the elderly, the poor, and the sick. Does the committee ask us to study first and act later on behalf of the elderly and the sick. No. But when it comes to hospital profits, suddenly we are cautious. Suddenly we are unwilling to take the plunge. I say that is wrong. I say it speaks of administration policies that are too willing to sacrifice the neediest to save the greediest. And I say we stop now.

I ask unanimous consent to have printed in the RECORD several tables and articles.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

TABLE 1.—DISTRIBUTION OF ESTIMATED MEDICARE PAYMENTS FOR CAPITAL COSTS, BY HOSPITAL OWNERSHIP

	Percent of hospitals	Percent of medicare costs	Percent of medicare capital payments		Estimated fiscal year 1984 medicare capital payments [2]
			Excluding return-on-equity [1]	Including return-on-equity	
Nonprofit	57	74	74	67	$2,110
Proprietary	12	9	11	20	630
Government	31	17	15	13	420

[1] Includes depreciation, rent and interest expenses.
[2] In millions of dollars. Includes return on equity.
Source: Preliminary CBO estimates based on medicare cost reports for 1980.

[From the Wall Street Journal, Mar. 11, 1983]

BIG HOSPITAL CHAINS CONTINUE HEALTHY SHOWING EVEN AS LIMIT ON MEDICARE COSTS APPEARS CERTAIN

(By Gary Putka)

Congressional efforts to curb Medicare costs might be considered ill tidings for the stocks of the nation's big hospital chains, which derive 40% to 45% of their revenues from the federal program.

Instead, a couple of the stocks have been moving briskly upward recently. And yesterday, the hospital-management companies held their own in a downward market, even though it was investors' first chance to react to Wednesday night's passage in the House of Representatives of a Social Security measure containing Medicare curbs.

The reason for the stocks' surprising strength appears to be that the bill didn't come out quite as badly for hospitals as some had feared. In fact, for hospitals that are run for profit, some analysts see distinct advantages in the way that the House would change Medicare payments.

The Senate Finance Committee began work on its version of the Social Security measure late yesterday. And while there are no assurances that the final version of any bill would be exactly as the House passed it, there's widespread feeling in Washington that a similar measure will be enacted into law.

Late yesterday, the Senate Finance Committee voted to include the Medicare provision in its version of the Social Security bill.

On Wall Street, some of the biggest hospital chains are already well on their way to recovery from fears late last year that the measure would be a bitter pill. Hospital Corp. of America, the largest hospital operator, has risen about 12% in the past two weeks. Humana is up about 10% over the same span. Others, which haven't outperformed the market in recent weeks, reacted well yesterday to the news from Washington. They included American Medical International, which gained ⅜ to 30¼; Lifemark, up 1 to 39¼; and Universal Health Services, up ½ to 42¾. National Medical Enterprises, another major player, ebbed ⅛ to 31½.

The bill passed by the House would set fixed Medicare payments to hospitals for 467 categories of treatment. Under the current system, hospitals receive reimbursement for costs, plus a regulated return on equity, currently about 7% to 8% on an after-tax basis.

Before all aspects of the House's proposed legislation were clear, some had feared that the new "prospective payments" plan would mean that hospitals operated for profit wouldn't make any profit when dispensing services under Medicare, an aid program for the elderly. What seems to have dawned on investors lately is that the payments system will enable hospitals to pocket the difference if they can provide services at less than the fixed payments.

The payment schedules are expected to be guided by the average costs for providing services of all hospitals within nine geographical regions established by the bill. John Hindelong, health-care analyst and director of research A. G. Becker, believes that for-profit hospitals are so much more efficient in providing services than nonprofit hospitals, that they will be able to improve their profit margins in Medicare as a result of the new system.

Mr. Hindelong hasn't changed his earnings forecasts for the companies, however, because "I've been expecting this legislation for awhile." He believes Hospital Corp. will earn $2.80 a share this year, up from $2.25 in 1982; Humana, $2 a share in the year ending Aug. 31, up from $1.60; American Medical, also on an August fiscal year, $2 up from $1.60; and National Medical, $1.85 in its year ending May 31, up from $1.47 it earned from operations last year.

But there isn't any consensus about the effects of the proposed payments schedule. Bill Hayes, who manages the $50 million Fidelity Select Health Care mutual fund, said he believes that the hospital chains won't do any better under the new system. Nonetheless, he says he bought some of the issues yesterday, although he wouldn't say which.

"At least it isn't a major negative," he said. "And the situation is still one of demographics. We have more older people who will need more health care in the future." Mr. Hayes said he expects the major hospital chains' profits will grow at least 20% a year in the next three years. Some of this growth, he reasons, will come from acquisitions, as it becomes increasingly difficult for nonprofit hospitals to make it. "The Little Sisters of the Poor . . . are going by the boards," he said.

From an investor's point of view, the stocks are already assuming big growth rates. Their price-earnings ratios, although not as high as some high-technology medical companies, range between 17 and 20, much higher than the market as a whole.

Perry Wysong, a Ft. Lauderdale, Fla., investment adviser, tracks hospital-management companies two ways. Mr. Wysong's medical-stock newsletter has done analyses that show the industry is "grow, grow, grow," he said. But his "Consensus of Insiders" report, which tracks corporate officers' stock sales and purchases in their own companies, shows heavy insider selling of Hospital Corp. of America and Humana in the past six months, enough to keep him from recommending the two issues.

Return on common equity

[12 mo. ending Dec. 31, 1982]

	Percent Return
Proprietary hospital companies:	
Charter medical	24.4
Hospital Corp. of America	15.8
Humana	25.0
Utilities:	
American Telephone & Telegraph	12.0
Consolidated Edison Co. of New York	13.6
Central & South West	14.1
Niagara Mohawk Power Corp	13.9
Rochester Telephone	14.0
Washington Gas Light	9.1
Industry composite	12.7
Hotels:	
Hilton Hotels	14.9
Holiday Inns	10.4
Marriott	19.2
Ramada Inns	−13.4
(Food and lodging) industry composite	15.5
All industry composite	11.0

Source: "Business Week," March 14, 1983.

[From the Cincinnati Post, Feb. 18, 1983]

FIRMS FIND HOSPITALS ARE HEALTHY BUSINESS

(By Don Kirkman)

WASHINGTON.—The hospital that will open its doors in Crawfordsville, Ind., in 1985 won't be run by the customary group of physicians, or church or local government.

It will be owned and operated by a profit-making corporation, American Medical International of Beverly Hills, Calif.

Crawfordsville's new hospital is part of a trend in the United States and overseas.

Encouraged by multibillion-dollar federal health programs, private business corporations are building, buying, leasing or managing under contract thousands of health facilities that once were operated by municipalities, churches, physicians and small businessmen.

It's true of hospitals, nursing homes, diagnostic laboratories, artificial kidney treatment centers and doctor groups that offer prepaid medical plans.

While some people worry that the health corporations are driving up costs, defenders say corporations are the way of the future.

"The health field is a heck of a growth opportunity for private corporations," said Michael Bromberg, executive director of the Federation of American Hospitals.

"Doctor-owned hospitals are selling out or going broke, Catholic and municipal hospitals are turning over their hospitals to private corporations, and the large chains are moving in."

There are now more than 1,000 privately owned hospitals in the United States (of 7,000 overall), and another 500 are leased or

operated by corporations. Each year, the number is increasing.

The reason for the rapid growth of corporate-operated hospitals is Medicare, Bromberg said. With the government now guaranteeing payment for tens of millions of elderly patients, a hospital can make money if it's properly run.

Five large hospital corporations "are going wild," Bromberg said, continually opening facilities in the Sun Belt states and affluent suburbs throughout the country.

Most of the private facilities aren't large—usually 100 to 300 beds—and their staffs are smaller than those of municipal and sectarian hospitals of comparable size.

What they offer, however, is a great deal more personal attention per patient from physicians, nurses and staff, Bromberg said.

"On a day-by-day basis, our private hospitals are a bit more expensive than public hospitals, but our patients remain in the hospital a day less than the publics, so their total bills are lower."

Bromberg acknowledges that the private hospitals "skim" well-to-do patients from public hospitals. He says simply that the main role of the public hospital is to care for the poor and lower middle class.

Bromberg said the biggest of the private corporations is Hospital Corp. of America based in Nashville, Tenn. American Medical International is No. 2. HCA owns or operates 381 hospitals and AMI 115. Three other firms own between 50 and 100.

Paul Ginsberg, an economist for the Congressional Budget Office, says he's worried about the expansion of corporate-owned hospitals because their basic motive is to make money.

"I think they're a two-edged sword," Ginsberg said. "They're providing services for communities that need them, but they're also driving up health care costs. There's no incentive in those hopsitals to reduce costs."

But Cameron Thompson, a spokesman for the FAH, says the private hospitals "have the capital to build modern facilities or improve existing facilities; have fine personnel and management expertise; and can recruit physicians for communities that are having a hard time attracting doctors."

"We think the systemization provided by corporations is the way of the future," Thompson said. "It's a good thing for Americans and provides better health care for them. But it costs a lot of money."

Mr. KENNEDY. I hope to have the attention of the chairman of the Finance Committee and also the chairman of the subcommittee of the Finance Committee, both of whom have been extremely innovative in moving us toward real and effective cost controls, to hear out their views on this particular issue.

Mr. DOLE. Mr. President, let me suggest that I understand the point raised by the distinguished Senator from Massachusetts.

As he indicated, there is a cost saving of about $300 million, when totally implemented.

Mr. KENNEDY. That is correct.

Mr. DOLE. There is a provision, of course, in the House bill, a 3-year provision, and I would guess we would have some flexibility in conference.

Certainly the Senator from Kansas is aware of the problem. In fact, the bill currently contains a provision that directs the Secretary to report back to the Congress within 18 months after the date of the enactment on the method by which all capital-related costs, such as return on net equity, can be included within the prospective payment system.

So I do not believe I have any basic disagreement with what the Senator from Massachusetts wants to accomplish. But I hope he might give us the opportunity to work this out in conference. The bill now provides the basis to fully address the problem.

I might also indicate I think the distinguished majority leader wanted to say a word on this, and maybe I could yield to the Senator from Minnesota while we are waiting for the majority leader.

Mr. DURENBERGER. I thank the chairman.

Mr. President, let me just add another dimension in the discussion of the issue, and compliment the Senator from Massachusetts for raising it.

First, perhaps by way of clarification of the issue, it is not necessarily a sweetener or a profit that is being added by this bill. It is a sweetener of sorts that has been present in the system since 1965.

As the Senator from Massachusetts indicates, this is probably an appropriate time as long as we are addressing capital from the standpoint of the way we reimburse, a very appropriate time to address the return on equity issue, and I agree with him on that.

We have a strong concern, and we have had a strong concern, about the whole issue of how and what role we play in financing the access of for-profit, not-for-profit, and Government hospitals to capital in this country. We have come a long way from the old Hill-Burton days, the tax-exempt days, to some relatively unpredictable future, and it is a time in which compensations and sweeteners and things such as that ought to get out of the picture.

I think in this medicare reform we are taking the first step in the direction of some discipline on the whole decisionmaking process because, in effect, we are addressing the hospital income area, and rather than saying to the hospitals, "Whatever you want to charge for a day in the hospital or for a particular procedure that is conducted in the hospital we are going to reimburse you for those costs," we are saying, "we are only going to reimburse so much money for each of 467 various types of diagnosis."

So right off the bat, the hospital corporations or the government units that operates these hospitals knows they can only make so much money on the front end for treating patients in the hospital. That is the first essential discipline in this process.

The second is to go back behind that and to look at the various ways, other ways, that capital needs are met. Funds can be raised through bank loans, stock sales, bond issuances, the sale of assets, acceptances of gifts, Government aid such as the Hill-Burton guarantees, tax-exempt bonds, and the return on equity, a whole variety of ways, and that is why—and I know the Senator from Massachusetts supports this—we made the decision that in 3 years we are going to blend capital costs into the prospective payment system.

That is why we want return on equity and all the other capital issues examined over the next 18 months with a report back to us by the first of the year in 1985 about what we ought to do about all of these issues as we prepare for that fourth year in this system in which we are no longer going to have these distinctions in the capital area.

So I say to the Senator from Massachusetts that I expect that I and many of us on the Finance Committee may ultimately end up supporting a phase-out of return on equity and other methods by which the Government finances capital costs associated with health care.

I would indicate, as the chairman has indicated, that we have been given the flexibility in conference to come to the ends that I think all of us would agree we need to come to.

Mr. BAKER. Mr. President, I thank the distinguished floor manager, the Senator from Kansas (Mr. DOLE) for yielding. I find myself in the not uncommon position of supporting the chairman of the Finance Committee in his opposition to the amendment offered by the Senator from Massachusetts (Mr. KENNEDY).

This amendment, Mr. President, is similar to the language added by the House Ways and Means Committee. Quite simply, it would phase out compensation, under medicare, for return on equity to proprietary hospitals. The amendment does not, however, address any of the other costs of capital, such as interest on debt. Thus, passage of this amendment would greatly distort the means of capital formation toward incurring debt. I do not believe that it is good public policy, Mr. President, to effectively eliminate equity as a source of capital for hospital construction and modernization.

Furthermore, both the House-passed and Senate-reported bills contain a requirement for the Department of Health and Human Services to conduct a study on the role of compensation for all capital costs. I think that it is only proper that any changes in the present computations wait until that study is completed. At that time, we will be better able to evaluate the appropriate compensation for all types of debt through the medicare system.

Given these considerations, I would urge the Senator from Massachusetts to consider withdrawing his amendment, which I understand he is inclined to do. I would also urge the chairman of the Finance Committee to hold the Senate position in conference. I believe that it is premature to address the issue in this legislation.

Again, I thank the Senator from Kansas (Mr. DOLE) for yielding.

Mr. KENNEDY. Mr. President, as I had other discussions both with the chairman of the Finance Committee and the chairman of the subcommittee, I know they are aware of this issue.

This is an appropriate time to address it. The fact remains, as we have effectively phased out the whole planning process, we see an increasing number of proprietary hospitals with increasing capital expenditures. Once that capital investment is actually made, it remains then for the succeeding generations to end up paying for it. So this is an important time to act. I do think it is an important matter in terms of long-term savings. I welcome both the interest and the attention that the Senator from Minnesota and the chairman of the committee have given to it.

I hope that they would give additional attention in the conference with the House of Representatives on this issue. I am quite willing to see that matter considered in the conference. We will have an opportunity to review it down the line, in any event. But I certainly welcome the attitude and the disposition of the chairman of the committee and the chairman of the subcommittee.

With those assurances, Mr. President, I ask unanimous consent to withdraw the amendment.

The PRESIDING OFFICER. The Senator has a right to withdraw his amendment. The amendment is withdrawn.

UP AMENDMENT NO. 91

Mr. KENNEDY. Mr. President, I have another amendment that I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the Bradley amendment will continue to be set aside.

The clerk will report the amendment offered by the Senator from Massachusetts.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposes an unprinted amendment numbered 91.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 215, after line 16 insert the following new subsection:

"(k) Section 1903(s)(3) of such Act is amended by—

(1) striking out "on July 1, 1981, and" in subparagraph (A),

(2) inserting "(i)" after "the Secretary" in subparagraph (D), and

(3) after "year)" in subparagraph (D), striking the period and adding the following new clause:

"or (ii) in the case of programs established after January 1, 1983, is satisfied, based on assurances made by the State, that the annual rate of increase in aggregate hospital inpatient costs per capita or per admission (as defined by the Secretary) in the State during any subsequent calendar year will be at least two percentage points less than the annual rate of increase during that calendar year in such costs per capita or per admission for hospitals located in the States (excluding from such computation any State which has in effect a qualified hospital cost review program during that entire calendar year)."

Mr. KENNEDY: Mr. President, as my colleagues know, the Reconciliation Act reduced medicaid payments States are entitled to by 3 percent in fiscal year 1982, 4 percent in fiscal 1983, and 4.5 percent in fiscal year 1984.

States which had comprehensive hospital cost containment programs in place, July 1, 1981, were entitled to a 1-percent reduction in the reduction rate if they could demonstrate their rates of increase in hospital costs were 2 percent below the national average increase.

Only seven States—Connecticut, Massachusetts, Maryland, New Jersey, New York, Rhode Island and Washington—met the deadline—had programs in place on July 1, 1981.

These seven States will get a 3½ percent reduction in their medicaid payment next year. Every other State in the country will have its payment reduced by 4½ percent—even if it has adopted a cost-containment program.

And the West Virginia Legislature last week adopted a cost-containment program. West Virginia, however, because it did not have a program in place in the summer of 1981 will not qualify for the bonus point.

My amendment would correct this inequity by removing the requirement that the State program be established by July 1, 1981. Under my amendment, any State that enacts a qualified hospital cost review program and can satisfy the Secretary that its program will reduce the rate of increase in hospital costs at least 2 percent below the national average would receive the 1 percent reduction.

Mr. President, runaway health costs are bankrupting our business and industry, disrupting Federal, State, and local budgets, and imperiling the security of our senior citizens. No American is immune from the ravages of health inflation, but its impact is harshest on the most vulnerable in our society—the young and the old, the sick and the poor, the struggling family trying to make ends meet.

For too long the Congress and the executive branch have failed to show the leadership necessary to tackle this critical question. We have slashed away at the rate of increase in medicare and medicaid—not by making fundamental changes in the health care system—but by shifting those costs—dollar for dollar—to the elderly, the sick, and the working American. Rampant inflation in health care costs continues unabated.

While we have failed to face head on the need to control health care expenditures, a number of States have taken the initiative and developed all payer prospective payment systems. They recognized that only by including all payers, could they finally protect their citizens against uncontrolled health inflation.

If we cannot bring ourselves to put the reins of spiralling health care costs, we must do all we can to encourage States to develop effective all payer cost-containment systems.

The legislation before us today would permit States to run their own medicare programs if they adopt all payer hospital cost control systems that will not result in greater medicare expenditures.

Those seven States that beat the statutory deadline will have an unfair break—they can opt out of the Federal medicare program, run their own all payer program and get a break on their medicaid payment. My amendment would give every State an incentive to move to establishing their own systems by giving them a slightly smaller reduction in their medicaid payment. It would recognize the move West Virginia has made in adopting an all payer cost-containment system. The incentive is admittedly modest—CBO estimates that it would return to the State less than 15 percent of the savings that accrue to the Federal Government from the State program. The benefits to our national health care system are potentially enormous.

Mr. President, this amendment is really quite simple. What we are trying to do is encourage States to take action in the area of cost containment. We have seen a number of States that have effective cost containment programs, including my own State of Massachusetts, and also maintain a program that assures quality health care.

The increases, for example, in hospital costs in the States that have had effective cost containment have been significantly below those that have not had cost containment. In the current legislation, we have provided a financial incentive to the States that have taken that action by providing an additional point of matching payment under the medicaid program. This has

served as a financial inducement for those States which have an effective cost containment program.

This amendment would offer that same opportunity to other States that, in their own wisdom, make the decision to move toward cost containment. It is an encouragement to those States to move in that direction.

I think if it was totally implemented, if all the States had a cost containment program, it would cost $150 million, but the savings would be in the billions of dollars.

So what we are trying to do with this particular proposal is apply that encouragement to the States in the future that adopt cost containment programs as we have for the States that have already enacted it.

It seems to me, Mr. President, it is only fair. It does again, address the issue of trying to limit the very substantial escalation of health care costs, which now are three times the rate of inflation.

I am mindful. Mr. President, that, for example, West Virginia last week adopted a cost containment program. West Virginia, however, because it did not have a program in place in the summer of 1981, would not qualify for the bonus point. This amendment would basically correct this inequity by removing the requirement that the State program be established by July of 1981.

Clearly, any State that implements an effective cost containment program is going to be saving the Treasury tens of millions. probably hundreds of millions of dollars. Over the period of years, this amount would come up into the billions.

So I hope, Mr. President, that we would try to encourage the States. This is a very modest program, but it does seem to provide some carrot to the States if they will move toward an effective cost containment program. It seems to me those States ought to be treated equally with those States that have already adopted the program.

Mr. DURENBERGER. Mr. President, there is on its face, I imagine, a certain logic to the Senator's amendment. As he pointed out, in the agreement that was reached during consideration of the 1981 Reconciliation Act, there was a provision for certain States to offset their medicaid reductions and that applied to States that already had waivers from the program. So I suppose you could see some logic in saying that anybody else who gets a waiver in the future ought to qualify.

However, we have considered this at some length. Unfortunately, for the case of the Senator from Massachusetts, we have come to several different conclusions from those that he has come to.

First, it is our feeling that this whole discussion belongs much more appropriately in the consideration of the medicaid budget process, which we will have before us in the coming months, rather than in the context of medicare reimbursement.

Second—and this was discussed at some length during the course of our 1981 discussion and it is something that we are trying to provide more of, so to speak—the States here have a lot of incentives to establish rate-setting systems if they desire to do so. It really is a question of, do you need to give them more incentives or not? The fact of the matter is there are plenty of incentives out there right now.

So the position here is, very simply, why should we reduce Federal savings from this program in order to encourage the States to do something that already makes good sense in and of itself?

The bill that we are discussing, and which it is the intention of the Senator from Massachusetts to amend, goes another step further in the area of flexibility, because it provides opportunities for States which had desired to establish rate-setting systems to do so and it sets out some ground rules for doing it. But, in effect, it is an encouragement to States, such as the State the Senator represents and others, to go ahead with their rate-setting systems or to establish new rate-setting systems.

I suppose the bottom line on it, Mr. President, also, is the fact that accepting this amendment would result in a cost to the Federal Government of at least $57 million in fiscal year 1984 and a cost of as much as $160 million in the future.

It is our judgment that the States are going to do these things without the $57 million or the $160 million, so why should we forgo that kind of saving?

I would say to the Senator from Massachusetts that the whole issue of medicaid and the Federal role in that process is one that this Senator at least is deeply concerned about. We plan to schedule a series of hearings this summer on that subject.

We acknowledge the fact that at the State, local, and community levels the savings as well as the quality can be best preserved. We do not know how to do that end of it all that well, but we need to find for us the national commitment to the needy in this country in the health care system. It is through that hearing process that we intend to start in late spring and early summer that we hope to find the most appropriate answer where you can get the quality, you can get the accessibility, and you can also get the savings at the State and local levels while we provide that necessary financial commitment to every person in this country so that they do not have to vote with their feet in order to find health care in America.

I can certainly make that commitment to the Senator from Massachusetts, that the issue that he is trying to resolve here hopefully we can resolve with the help of the States through this process of defining our role versus the States' role in providing health care to the needy.

I would encourage the Senator to consider those arguments and, if he can find it within his heart to do so, to withdraw the amendment.

Mr. KENNEDY. Mr. President, I gather from the response of the Senator from Minnesota he is not prepared to indicate support for the concept even when we consider the medicaid later this year. If he would accept it at that particular time, I would be willing to see us delay. I do think this is an appropriate vehicle because this legislation has very significant provisions in it to encourage States to move toward cost containment.

The judgment of the Congress in 1981 was that if States have a cost containment program, it will yield savings not only to medicaid but to medicare and all hospital payers. They do not get this real incentive unless they hold the rate of growth below the national average. So they repay many times over in terms of savings to the Federal Government. It does seem to me that if it made sense in 1981 in terms of equity it would make sense now.

If it is a question about the vehicle, I am glad to wait until we consider it later on. If it is a question of the concept, I am prepared to move now.

Mr. DURENBERGER. Let me say in response to that, that from a personal standpoint it may be a combination. I suspect if we discuss our differences in concept on the right vehicle, this Senator might be more susceptible to the arguments being made by the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I do think that the reason for this proposal is really quite compelling.

I am grateful for the openness of the Senator from Minnesota, but I would just as soon let the Senate have an opportunity to speak on this issue. I am prepared to move to a vote.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Massachusetts. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLD-

WATER) and the Senator from Indiana (Mr. QUAYLE) are necessarily absent.

I also announce that the Senator from Maryland (Mr. MATHIAS) is absent due to an illness in the family.

Mr. BYRD. I announce that the Senator from Arkansas (Mr. BUMPERS), the Senator from California (Mr. CRANSTON), the Senator from Colorado (Mr. HART), and the Senator from South Carolina (Mr. HOLLINGS) are necessarily absent.

I also announce that the Senator from Delaware (Mr. BIDEN) is absent because of illness in the family.

The PRESIDING OFFICER (Mr. HATFIELD). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 28, nays 64, as follows:

[Rollcall Vote No. 33 Leg.]

YEAS—28

Bentsen	Huddleston	Mitchell
Bingaman	Inouye	Moynihan
Bradley	Jackson	Nunn
Burdick	Kennedy	Pell
Byrd	Lautenberg	Randolph
Chiles	Leahy	Riegle
Dodd	Levin	Sarbanes
Eagleton	Matsunaga	Tsongas
Ford	Melcher	
Glenn	Metzenbaum	

NAYS—64

Abdnor	Grassley	Pressler
Andrews	Hatch	Proxmire
Armstrong	Hatfield	Pryor
Baker	Hawkins	Roth
Baucus	Hecht	Rudman
Boren	Heflin	Sasser
Boschwitz	Heinz	Simpson
Chafee	Helms	Specter
Cochran	Humphrey	Stafford
Cohen	Jepsen	Stennis
D'Amato	Johnston	Stevens
Danforth	Kassebaum	Symms
DeConcini	Kasten	Thurmond
Denton	Laxalt	Tower
Dixon	Long	Trible
Dole	Lugar	Wallop
Domenici	Mattingly	Warner
Durenberger	McClure	Weicker
East	Murkowski	Wilson
Exon	Nickles	Zorinsky
Garn	Packwood	
Gorton	Percy	

NOT VOTING—8

Biden	Goldwater	Mathias
Bumpers	Hart	Quayle
Cranston	Hollings	

So Mr. KENNEDY's amendment (UP No. 91) was rejected.

Mr. DURENBERGER. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now recurs on the amendment of the Senator from New Jersey.

Mr. DOLE. Mr. President, I ask unanimous consent that it be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 92

(Purpose: To provide that benefits no longer be paid to aliens not authorized by law to live and work in the United States)

Mr. NICKLES. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Oklahoma (Mr. NICKLES), for himself, Mr. MELCHER, Mr. BOREN, Mr. EAST, Mrs. HAWKINS, Mr. BOSCHWITZ, Mr. ABDNOR, Mr. ARMSTRONG, Mr. GOLDWATER, Mr. BURDICK, Mr. WARNER, Mr. PRESSLER, Mr. MATTINGLY, Mr. GRASSLEY, and Mr. HUMPHREY, proposes an unprinted amendment numbered 92.

Mr. NICKLES. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

DISALLOWANCE OF BENEFITS NOT AUTHORIZED TO WORK IN THE UNITED STATES

SEC. , title II of the Social Security Act is amended by adding at the end thereof the following section:

"§ 234. Prohibition of benefits to illegal aliens

"Notwithstanding any other provisions of this title—

"(a) An individual can only receive benefits if, at the time such individual files his or her claim for benefits, such individual can show that he or she—

"(1) is a U.S. citizen, or

"(2) was once a U.S. citizen but had voluntarily relinquished such status, or

"(3) is an alien who had been legally admitted to work, or

"(4) was once an alien who was legally admitted to work but had voluntarily relinquished such status.

"(b) Subsection (a) applies only with respect to individuals who first become eligible for benefits after December, 1983."

SUSPENSION OF BENEFITS TO ILLEGAL ALIENS

SEC. . (a) Section 202(n) of the Social Security Act is amended by adding at the end thereof:

"(3) Notwithstanding any other provisions of this title, no monthly benefit under this section or section 223 of such Act shall be paid:

"(A) to an individual for any months for which the Attorney General notifies the Secretary that such individual is subject to—

"(i) a final order of exclusion entered under 8 USC 1226, or

"(ii) a final order of departure entered under 8 USC 1252, or

"(iii) a voluntary departure in lieu of deportation under 8 USC 1254(e); and

"(B) on the basis of wages or self-employment income which were earned by an individual during any period for which the Attorney General furnishes information sufficient for the Secretary to determine that such individual is not legally permitted to work in the United States."

(b) The amendment made by this section shall be effective with respect to monthly benefits payable for months after December 1984. Nothing in this section shall prohibit current enforcement measures.

Mr. NICKLES. Mr. President, the amendment that I have sent to the desk would stop social security benefits from going to aliens who have worked illegally in this country. Joining me as cosponsors are: Senators MELCHER, BOREN, EAST, HAWKINS, BOSCHWITZ, ABDNOR, ARMSTRONG, GOLDWATER, BURDICK, WARNER, PRESSLER, MATTINGLY, GRASSLEY, HUMPHREY, RANDOLPH, HEFLIN, THURMOND, and JEPSEN.

Mr. President, the amendment I offer today is simple. First, it would allow the Social Security Administration to not pay benefits to any alien who the Immigration and Naturalization Service says is living or working in the United States illegally.

The second provision would work in a prospective manner. It would provide that those persons who are applying for social security benefits can only receive benefits if they are either a U.S. citizen or an alien who is living in this country legally.

As my colleagues know, it is currently unlawful for aliens to enter or work in the United States without the express permission of the U.S. Government. Unfortunately, present law with regard to social security do not reinforce this prohibition against illegal aliens working in this country.

Under current social security eligibility criteria, an alien who is living or working in this country illegally can earn and receive social security benefits.

I hope my colleagues will review the GAO report which is to be published soon with estimates on the number of aliens who are receiving social security benefits illegally.

In this report the GAO calculates that between 200,000 and 500,000 aliens may be receiving benefits up to as much as $2.4 billion per year illegally. Obviously, these figures are, at best, a rough estimate since there is really no exact way of knowing how many aliens are living in this country and working in this country illegally.

I think that the main point is that our laws are not currently working together. We prohibit aliens from entering our country unless they have the Government's permission, but then we turn around and support those aliens that break immigration laws with social security benefits.

The amendment that I and 18 of my colleagues offer today would correct that inconsistency in the following manner.

First, those persons who are applying for social security benefits would have to fall into one of the following catagories:

First, a U.S. citizen.

Second, a former U.S. citizen who voluntarily gave up their citizenship and left the country.

Third, an alien who has been legally admitted to work in this country, either initially or through amnesty.

Fourth, an alien who was formerly living and working in this country legally but has since left the country.

In addition, the amendment would allow SSA and INS to share information on those aliens who are found by INS to have been living or working here illegally. This insures that these illegal aliens do not receive social security benefits once they have been deported or have voluntarily left the country. The effective date on this second provision is January 1985, although current enforcement measures that INS and SSA are involved in are to continue. The reason for the effective date being 2 years away is that this is when SSA and INS will have the computer capabilities to cross-check cases in a more complete manner than is currently being done.

I urge my colleagues to support this measure. Perhaps no other change that we have contemplated for social security has the unanimous support which this one does. Although it is a small measure, I believe that this is an important one for restoring confidence in Congress' ability and willingness to make commonsense changes in the laws which govern Americans.

Mr. BRADLEY. Mr. President, will the Senator yield for a question?

Mr. NICKLES. I yield.

Mr. BRADLEY. Did the Senator vote for the immigration bill that was reported by the Senate last year?

Mr. NICKLES. The Senator is correct.

Mr. BRADLEY. In that bill was a provision that forgave those people who were in the United States illegally until the time that bill was passed. Can the Senator tell me what would be the effect on these people if the legislation was again passed and adopted? They are presently illegal immigrants in the country. In some cases, most probably they are getting social security benefits or building up credits. What will happen to them under the provisions of the Senator's amendment?

Mr. NICKLES. To respond to the Senator's question, under our amendment, an individual can only receive benefits if at the time the individual files for his claim, such individual can show he is either a citizen or in this country legally. If Congress passes legislation providing amnesty, then they would be entitled to receive benefits.

Mr. BRADLEY. When they file for the benefits—meaning when they reach age 65 or when they are disabled or reach 62? Is that the intention?

Mr. NICKLES. The Senator is correct.

Mr. BRADLEY. When the Senator says "filed for those benefits," does that mean receive those benefits, or does that mean when they have stated that they were eligible to receive social security benefits, even though at that time they were illegal immigrants?

Mr. NICKLES. If at the time they filed, they were either American citizens or in this country legally, they would receive those benefits.

Mr. BRADLEY. What does the word "filed" mean?

Mr. NICKLES. When they make application to receive social security.

Mr. MOYNIHAN. Mr. President, will the Senator yield?

Mr. NICKLES. I yield.

Mr. MOYNIHAN. Will the Senator clarify his view? The Simpson-Mazzoli legislation, which we adopted last year, granted amnesty to a large body of persons—we do not know precisely how many, but we have reasonable estimates—who would be allowed to remain in the United States. I do not recall that they were granted citizenship.

Mr. NICKLES. The second part of my amendment would cover the question of the Senator from New York. When it states:

* * * or is an alien who has been legally admitted to work, or was once an alien who was legally admitted to work but had voluntarily relinquished such status.

If they were legal at the time of application, then they would be entitled to receive social security. If they were classified as illegal, they would not receive benefits.

Mr. MOYNIHAN. Is it the Senator's intention that a person who was covered by the amnesty provisions of the legislation adopted last year would thereupon become a legal alien, legally admitted?

Mr. NICKLES. If that is what Congress should pass in the immigration bill, then those aliens would be legally entitled to receive the benefits under this amendment.

Mr. MOYNIHAN. They cannot have been legally admitted. Has the Senator's proposal provided for these persons? The purpose of the Senate was to allow the people to remain in the United States and to continue working and legalize their status. But it cannot legalize their entry. They entered at a past time.

Mr. NICKLES. If they are living in the United States legally, then they can receive benefits.

Mr. MOYNIHAN. I see.

Mr. NICKLES. I appreciate the Senator's questions.

Mr. METZENBAUM. Mr. President, will the Senator yield?

Mr. NICKLES. I yield.

Mr. METZENBAUM. Let us assume the case of an alien who came here 30 years ago and has been working ever since and has been a good citizen in the community but never became a citizen, never really gained any legal status. Now it comes time for that individual to apply for social security benefits. Under the Senator's amendment, would that individual, who had been paying his taxes for 30 years, be deprived of social security benefits?

Mr. NICKLES. Let me make sure I understand. Did the Senator say that the person was working illegally in the country for 30 years?

Mr. METZENBAUM. No; it would not be illegal. The person had been working in the country for 30 years. I do not think that during that period he would have been violating any laws for having worked, and he had been under social security rules. Nobody had raised any question with him. He was just one of those persons who had not seen fit to take out citizenship papers. Maybe he even served in the war. What happens? He is now 65 years of age. Do we say to him, "You can't have your benefits because one afternoon, on the floor of the U.S. Senate, the Senate adopted an amendment, and you had no knowledge of it and most other people did"? Suddenly, he or she is without social security benefits.

Mr. NICKLES. I think the question can be answered.

The Immigration and Nationality Act provides that if a person is not a U.S. citizen, then in order for an alien to work in the United States they actually have to receive from the Department of Labor, a green card. If an alien has this card or other documents stating his or her legal status in this country, then they would receive the benefits.

However, if they were working in the United States, under the example of the Senator from Ohio, for 30 years, with a suspect or a false social security card and under false circumstances, they would not receive benefits.

Mr. METZENBAUM. If they had not received that green card, even if their entry had been illegal, but it would not be possible under some circumstances to get a green card making it possible for them to work.

Mr. NICKLES. If they received the green card, that is the Department of Labor saying it is legal for them to work, then they would be qualified to receive benefits. Even if they had not worked legally but worked illegally for 30 years and the amnesty provisions were passed, they would receive benefits.

Mr. BRADLEY. Mr. President, let me try to be specific with the general question I asked earlier.

Let us assume someone has been in the United States working illegally, as an illegal immigrant, for 3 years. The Simpson-Mazzoli bill is passed and provides amnesty for that category of worker.

Under the Senator's amendment, would that worker be eligible for social security benefits that were accrued during those 3 years that he or she was an illegal immigrant?

Mr. NICKLES. The Senator is correct. They would receive those benefits.

Mr. BRADLEY. The Senator alluded to a GAO study. Could the Senator tell me when that GAO study was published?

Mr. NICKLES. I mention in my statement that that report is in the process of being published. It is expected to be released at the end of March.

Mr. BRADLEY. And the Senator has obtained the information from the GAO as to what is in the study prior to its release?

Mr. NICKLES. That is correct. There is a draft report that has been circulated which I would be happy to give to the Senator.

As a matter of fact, I ask unanimous consent to have printed in the RECORD the report with my comments.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1. page 6112)

Mr. BRADLEY. How many illegal immigrants did the GAO study state were now receiving social security benefits?

Mr. NICKLES. The report provides only rough estimates, based on a number of studies which have been done. Estimates range from 1 million to 12 million, the most accepted range being 3.5 to 6 million.

Mr. BRADLEY. The Senator used some number $2.4 billion. What is that related to?

Mr. NICKLES. That was a figure which GAO arrived at by calculating the annual cost to the trust fund if 25 percent of the illegal aliens working in this country were to receive social security.

Mr. BRADLEY. So, according to this GAO report, which will be published and preliminary information the Senator has, if there are anywhere from 1 million to 12 million illegal immigrants in the country and anywhere between 25 percent of 3 million to 5 million of those illegal immigrants are now receiving social security benefits, to the level of $2.4 billion, is that what the Senator is asserting?

Mr. NICKLES. Yes, Senator. GAO came up with estimates and said that if 10 percent become vested which is probably a minimal number, about $900 million in benefits would be going out annually, and if 25 percent were becoming vested, it could be as much as $2.4 billion.

Mr. MOYNIHAN. Mr. President, will the Senator yield for a question?

Mr. NICKLES. I am happy to yield.

Mr. MOYNIHAN. Let me put two questions if I may.

First, we have not seen this GAO report which evidently says they cannot prove what they do not know, but they can maybe. But is the Senator aware that the Inspector General of Social Security recently ran a random sample of 80,000 social security checks and found 2 to be irregular? Out of 80,000, 2, which really would be a remarkable performance for any large system. And I do not know but just from what we know from the Inspector General that does not seem to jibe with what we hear that we are going to hear from the GAO. I just make that point. I do not want to go beyond that.

But the distinguished author of the immigration legislation that we adopted last year is in the Chamber, and the Senator from Wyoming might wish to comment.

Do I understand that if the legislation granting amnesty were not to pass, then we would be denying social security to a large number of persons who have worked and earned it? We have proposed amnesty, but if it somehow just did not happen, as it did not happen last time, would they be denied that?

Mr. NICKLES. If a person applies for social security, then they would have to say, "Yes, I am a U.S. citizen," or "I worked legally in the United States," one or the other.

Second, we would allow Immigration to contact the Social Security Administration when they find someone who is working illegally in the country so that they could stop payments to them. Present law does this, when illegal aliens are deported.

When Immigration notifies Social Security and says "We are deporting an individual, he has been working in the United States illegally," then social security stops his benefits. That is present law. However present law also provides that if Immigration contacts Social Security and says, "We found this alien working illegally," and that alien leaves the country voluntarily, then that illegal alien can continue to receive benefits even though he worked in the United States illegally.

It is a large loophole through which a large percentage of illegal aliens can receive or continue to receive benefits. I might add, according to this GAO study, the volume of benefits received versus the dollars contributed by aliens is enormous, basically because an individual contributes for a relatively short period of time.

Mr. MOYNIHAN. That is because of automatic raises in the system.

Mr. NICKLES. No; that is because the alien works only half as long as an American beneficiary and then returns to his home country, where additional dependents are added who collect benefits for a long period of time. The ratio is about $23 received in benefits for every dollar contributed into the system. It is quite a drain on the social security system.

Mr. MOYNIHAN. I wish to see the GAO report.

May I say to my friend from Oklahoma that the distinguished Senator from Wyoming is in the Chamber. I hope he can speak to this matter before our debate concludes.

Mr. GORTON. Mr. President, will the Senator yield?

Mr. CHAFEE. Mr. president, will the Senator yield?

Mr. NICKLES. I am happy to yield to the Senator from Washington.

Mr. GORTON. Mr. President, I have a question which is in the same general area as the question of the Senator from New York. I did wish to inquire about the relationship between the Senator's amendment and the bill sponsored by the distinguished Senator from Wyoming which, of course, would grant legal status, eventually citizenship, to a large number of people who are now illegal aliens.

Do I correctly understand this amendment, to the extent that any such person is granted permanent resident status in the United States and/or becomes a citizen, that person would be entitled to the entire social security benefits which all of his or her employment has earned even though some of that employment took place during a time in which the immigrant was illegal? That is to say, is it true that this amendment speaks only to one's status at the time when one applies for benefits? If you are legal when you apply for benefits, you get everything that you have contributed?

Mr. NICKLES. The Senator is correct.

As I mentiond earlier to a similar question, the amendment says that an individual can only receive benefits if at the time the individual files for benefits, he or she is either a U.S. citizen or is legally living in the United States.

Mr. GORTON. But once they have made that showing, their benefits are based on their entire work experience, even that during the time in which they were illegal?

Mr. NICKLES. The Senator is correct.

Mr. GORTON. I thank the Senator.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. BRADLEY. Mr. President, will the Senator yield for a question?

Mr. NICKLES. I am happy to yield to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, in responding to the distinguished Senator from Washington, the Senator from Oklahoma said that the status will be determined at the time they apply and show their citizenship. I have a problem because I do not know whether we can devise any acceptable

procedures to carry this amendment out.

Those applying for benefits would be required to show proof of citizenship or legal alien status, which was the question that the Senator from Washington just addressed.

Unfortunately, Senator, there is no system for doing that. Existing immigration documents are not adequate. Immigration kits now exist, which consist of forged documents. Social security personnel are going to pass judgment on who is and who is not a legal alien. Frankly, coming from a State which has a very large percentage of Hispanics and which is on the border, I am very disturbed about how we are going to devise a system that does not have Hispanics who apply, run through some special kind of check to see if they are citizens or not.

Mr. NICKLES. It is really not as complicated as it may appear. Applicants will either show that they are American citizens or that they are legally in this country. That would take care of your concerns, would it not?

Mr. DOMENICI. No, it would not. What do you make beneficiaries do now if they are applying? What do you make them do to show proof if they are entitled now? They do not have to produce an American citizenship document; they have an earnings record and a social security card.

Mr. NICKLES. That is part of the problem. There is no control. Criteria for receiving social security benefits do not include legal status in this country. The social security system we have was designed to benefit American workers primarily or persons working legally in the United States. Many beneficiaries do not fall into either one of these categories and they are receiving a sum of dollars draining the system.

A person coming into the United States has to receive from the Department of Labor a permit to work in this country, showing they are working legally in the United States. This can be shown as viable proof of legal status for benefits. I am not saying that what we have is perfect. But, what we can do is eliminate a lot of the benefits that are going to individuals who are leaving the country after having been found to be illegally in the country. Now, when Immigration finds them, they leave, but under law continue to receive benefits.

Mr. DOMENICI. Then you are saying that basically you do not know precisely what procedures are going to be used, and you do not have one presently on the books. Who is going to devise it?

Mr. NICKLES. We have talked to and worked with the Legal Counsel of INS. We have worked with the Social Security Administration, both of which are supportive of our efforts.

Our original legislation has been refined so that it can be done administratively by the appropriate Departments. We have coordinated with both INS and with SSA to come up with something that would give the needed flexibility.

I might add that the second part of our amendment only assures that SSA has the proper authority and mandate to stop benefits which might go to aliens who have been found to be living and/or working in the country illegally.

The effective date on this provision is after December 1984 because Immigration has requested adequate time to get their computer system ready for this kind of cross-check.

We also put in a provision which says, "Nothing in this section shall prohibit current enforcement measures," because we did not want to stop SSA of INS in their current activities to stop benefits when an alien is deported.

Mr. DOMENICI. But that only addresses the issue of Immigration sending evidence to Social Security. My question has to do with proof of citizenship up front. Are you changing that from current law? You just described how you might get stricken from the rolls if INS advises that they have somebody on the rolls who is illegal. My question has to do with qualifying from the beginning, not how you get taken off. Are you changing the requirements up front? For example, somebody is going in now and applying: Are you changing the law as to what they must use as proof that they are entitled to social security?

Mr. NICKLES. That is the first section of our amendment, Senator.

Mr. DOMENICI. You are changing the law.

Mr. NICKLES. Yes. We are saying that a person cannot receive benefits unless he is an American citizen or is living in the United States, legally. This is the prospective portion.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. NICKLES. I would be happy to yield.

Mr. MELCHER. As one of the cosponsors of this amendment, let me say that the intent is not to create a barrier that might be envisioned by some of the questions asked by individual Senators, but to create the mechanism of showing that those who are not citizens have either derived their jobs by way of the blue card or the green card, that is the green card from Immigration that it is OK to try to stay and receive a job or the blue card from the Department of Labor authorizing them to be able to work in a certain position.

It is an attempt, the amendment simply attempts, to close the drain off of social security for those who have not complied. It does not, I do not believe, attempt in any way to or create a restriction for somebody who was not a citizen but who legally worked in the country, had a job and diligently performed that work for years. There is nothing to prevent that individual from receiving benefits.

Mr. CHAFEE. Mr. President, will the Senator yield for a question?

Mr. NICKLES. I would be happy to yield for a question.

Mr. CHAFEE. I appreciate the sentiment in which this amendment has been offered by the Senator from Oklahoma, who has been concerned and has given a lot of attention to these matters, and justifiably so.

Let me just say about the amendment that this is the type of amendment that if squared away completely, if we had hearings on it, if we completely understood it and the concerns that have been voiced here on the floor were taken care of, this is the type of amendment that would pass. In other words, I do not think it is necessary to have this amendment attached to the social security bill in order to have it passed. It could be deferred, and we would have a chance to review it and have hearings on it in the Finance Committee, and then come up, after careful consideration, and take care of the problems that were voiced on the floor.

But let me just say to the Senator from Oklahoma this whole area is fraught with difficulties.

I am amazed that the Commissioner wrote the Senator this letter on March 18, because the Commissioner appeared before our committee on a simpler matter; namely, the payment of benefits to legal aliens. In this legislation that is before us on the floor, it provides that legal aliens who return overseas, in other words do not remain residents in the United States, can only collect for benefits what they have put into the fund plus interest. In other words, they cannot even collect the employer's contribution.

Mr. Svahn was present when we were considering this and certainly did not take a position in favor of it. He voiced some concerns about the administrative problems. But the administrative problems that are involved in the Senator's amendment are far more difficult.

It seems to me, if we should adopt the Senator's amendment on the floor today, which I hope we will not and I hope the Senator will not press it, we are going to cause, I think, considerable hardship and unfairness to a host of people who are unable to prove certain facts going into the distant past.

It is a fact there has never been a hearing in the Finance Committee or, I believe, in the House Ways and Means Committee—and I cannot testify to that—on this matter. As a matter of fact, when this came up before the

Ways and Means Committee, it was deferred on the insistence or the urging of Mr. PICKLE because there had not been hearings on this matter. So it is not in the House bill.

In the Senate bill it was brought up and many of us felt—we are dealing solely with legal aliens and the payment to them overseas—and many of us felt that it was improper to proceed without more consideration with the difficulties involved.

Now the Senator is coming forward on the floor of the Senate with this amendment which, as has been pointed out with various arguments—and I am anxious to hear what the Senator from Wyoming, who has worked long hours on this in connection with his immigration measure, has to say. Here out of the blue comes this measure. I think we are going to do great hardship to a host of potential beneficiaries.

Let me also say this: Never before, as I understand it, in the social security system, have we provided that those who pay in do not get their benefits. But that may be right. Perhaps it is correct. Perhaps in this group of illegal aliens, I cannot see that you make any provisions for those who come in illegally who subsequently become legal. But set that aside, maybe we want to take that step. But I think it is a step we ought to only take after careful consideration and hearings on it.

It may well come out the way the Senator wants or a slight variation, but this is the type of amendment that can be considered separate from this bill and will certainly have a good deal of attention and I believe support normally from this body.

So I hope the Senator will not press his amendment.

(Mr. DURENBERGER assumed the chair.)

Mr. MITCHELL. Will the Senator yield for a comment on the point just made?

Mr. NICKLES. I will be happy to yield the floor unless the Senator has a question to me.

Mr. MITCHELL. I will put it in the form of a question.

As the Senator from Rhode Island indicated, the committee dealt with the problem of noncitizens who are not residents receiving social security benefits. In this legislation now pending before the Senate is a provision that limits the benefits paid to aliens who are not residents of the United States to the amount that they paid into the system plus interest. It is, I believe, applicable to aliens who were in this country legally or illegally. There is no distinction between them. Therefore, that provision already in the legislation appears to take care of the principal concern expressed by the Senator from Oklahoma of an illegal alien who is discovered by the Immigration Service and is ordered to leave the country and subsequently leaves—and the Senator has expressed a legitimate concern—and then, going back to the country of origin, receives benefits the same as other social security beneficiaries which generally results in a return far greater than the amount of taxes paid.

I ask the Senator: Since that concern is already addressed in the legislation, is there any other reason to pursue this particular amendment? As I understood it, that was the Senator's principal concern in response to the questions raised here today.

Mr. NICKLES. I appreciate the Senator's question. The Lugar amendment, which passed and which I cosponsored, did curb the amount of benefits. There has been a growth of benefits in some cases for those who were living abroad and receiving social security. I supported provisions to curb that growth. However, those were persons who were legally working in the United States.

Our amendment addresses those who are working illegally in the United States and who Immigration has deported.

What we are trying to do is say that if Immigration finds a person working illegally, then they would lose their benefits.

The other aspect of our bill, the prospective part, I think is much greater and more important. It insures that this abuse does not happen in the future. In other words, if a alien is working illegally in the United States, they probably would not even apply for social security because they would say, "Wait a minute, I am going to have to show I was legally working in the United States."

Mr. MITCHELL. I would say it is my understanding—and I think it ought to be checked—that the provisions in the bill now do not distinguish between aliens who work legally and those who work illegally in this country, but rather the only distinguishing factor is whether or not the beneficiary is an alien and no longer resides in this country; that is, the distinction that the Senator has suggested between the provisions in the bill and his amendment do not, according to my understanding, in fact, exist in the bill. I think that ought to be checked. Obviously, if I am incorrect I will stand corrected.

But I was involved in the committee discussions, as was the Senator from Iowa, who was present at the time, and I do not recall any mention being made of limiting the provision now in the bill only to those aliens who had been legally in the country. Rather, the only distinguishing factors are whether or not they are aliens and whether or not they are no longer residents of this country.

If that is so, then it seems to me that the principal reason for the amendment of the Senator from Oklahoma no longer exists if this other provision remains in the bill.

Mr. NICKLES. Let me explain a little bit further. There is a reason for this legislation to exist. Again, I compliment the work that the Finance Committee has done in adopting the Lugar amendment—the existing language that is in the bill that is before us.

However, we would go a step further. Our amendment would say right now that when Immigration finds a person who is working illegally, they will notify the Social Security Administration and say, "This person is working illegally and should not be entitled to receive benefits." We make that prospective. It gives them plenty of time to coordinate their computers. The amendment tells Immigration to work with Social Security. And, by January 1, 1985, the two agencies would be able to coordinate their efforts on this matter.

Let me go into this a little further. Currently, an alien can receive a social security card. They receive it for purposes that they type on the card, not for work purposes, but they can use it for credit cards, et cetera. However, Social Security has found that people use this social security card, even though they are not entitled to work legally in the United States, to earn and receive social security benefits. Now Social Security will be able to coordinate better with Immigration and say, "We have a person working illegally in the United States," and they can contact SSA.

Mr. MITCHELL. I understand what the Senator is saying, that he wishes to extend the limitation on benefits to aliens who remain in this country based upon what their alien status is, whether they are legal or illegal. All I am saying is that the argument that the Senator has been using this afternoon in response to questions—that is, that we have to close this loophole that exists because when illegal aliens are discovered they then leave and go back to their countries and continue to receive benefits—is not a valid argument because that loophole is already closed in the provisions in the bill.

You have other reasons, and I understand that. The Senator wants to go beyond the bill.

All I am saying is that it does not seem to be a valid excuse as an argument for your amendment to choose a loophole that is already closed in the bill.

Mr. NICKLES. If I can go further, Immigration can find someone working illegally, and can contact Social Security. Presently, however, Social Security would keep sending out checks if the individuals did not leave the

country. Those checks would still be received.

Mr. LEVIN. Would the Senator yield for a question?

Mr. NICKLES. I am glad to yield.

Mr. LEVIN. If at the time a person applies for benefits they are here legally, and at the time they worked they were not here legally, would they receive benefits?

Mr. NICKLES. The answer to your question, Senator, is yes.

Mr. LEVIN. The amendment says the individual can receive benefits if at the time they can show that they are an alien who has been legally admitted to work. Under my hypothesis, the person had never been legally admitted to work but had always been illegal during that work time, now they are a legal resident though not a citizen.

Mr. NICKLES. The answer to your question is if they were not working and are not currently legally in the country, then, no, they would not.

Mr. LEVIN. The Senator is saying that he would deny benefits to persons who are legal residents of the United States who contributed to the social security fund, perhaps for 30 years, because they were not legal when they contributed even though they are legal when they apply?

Mr. NICKLES. We mention one of two things: If they are U.S. citizens or if they worked legally. I see where the Senator is trying to crowd somebody in between those two things, but I do not see it as a likelihood.

Mr. LEVIN. I think it is very likely to work for 30 years and build up an account with the social security system. They then may very well want to become legal residents of this country so they could receive benefits to which they thought they were entitled.

For legislative history, however, this amendment would not permit benefits to persons who were legal at the time they apply if they were not legal at the time they worked?

Mr. NICKLES. Again, I think the Senator is not interpreting my amendment correctly. If they were U.S. citizens or if they have legally been admitted to work, then they would receive benefits. The Senator is saying that they were not legal when they worked, that they worked 30 years illegally and 2 days later they applied for social security after they had become legal. If legal means they have American citizenship or have been granted amnesty or something other than American citizenship, then I intend that they would be able to apply for and receive benefits.

Mr. LEVIN. But that could be 5 or 10 years after their work life has been completed. They are now here legally but for the 20 or 30 years that they worked they were here illegally.

Under this amendment, somebody who is legally a resident of the United States could be prohibited and would be prohibited from receiving benefits if at the time they worked in the United States they were here illegally.

Mr. NICKLES. No, I do not think that is the case. Maybe this will help clarify the record, however.

Mr. LEVIN. One other question: I understand the Social Security Administration will accept money from people who are here illegally.

Mr. NICKLES. The Social Security Administration right now has no criteria for citizenship, legal or illegal.

Mr. LEVIN. So they do accept money from people who are here illegally.

Mr. NICKLES. The Senator is correct.

Mr. LEVIN. Under this amendment, even though they accept money from folks who are here illegally they will not pay out any money unless they became citizens or became legal before they retire.

Mr. NICKLES. The Senator is correct.

Let me refer again to the GAO study. GAO talks about the benefits paid out in relation to contributions paid, a ratio of about 23 to 1. In other words, 23 times the benefits received for every $1 contributed. That compares to a U.S. citizen of about $5 received for every $1 contributed. So we are still talking about a massive drain on the social security trust fund.

Mr. LEVIN. On that point if the Senator will yield for a further question. Does the Senator provide that they would return to these folks the money contributed to the system if they do not get the benefit?

Mr. NICKLES. No. If an individual is working illegally, under present law they do not get their money returned and neither would they in this legislation.

Mr. LEVIN. If the Senator will yield for one other point, the legislation says that a person who is otherwise entitled to benefits will not receive them unless they meet this test. My question is, if you are going to take away a benefit to which a person is otherwise entitled, which they earned, do you not at least want to return to that person the amount of money he contributed to the system? Is that not minimal fairness, if you take away benefits a person would otherwise be entitled to?

Mr. NICKLES. I will answer the question in the negative. How can a person earn a benefit if he worked illegally? It is against the law for the person to work in the United States. They are breaking the law.

Mr. LEVIN. Is it against the law to take his money into social security?

Mr. NICKLES. The person should not have the job and should not be contributing to the system in the first place.

Mr. LEVIN. But is social security breaking the law by taking his money.

Mr. NICKLES. There is a thought.

Mr. MOYNIHAN. Will the Senator yield for a comment?

Mr. NICKLES. I would be happy to, but I would like to present some concluding remarks.

Mr. MELCHER. Would the Senator yield for a further question?

Mr. NICKLES. I yield to the Senator.

Mr. MELCHER. I think it is clear that Social Security takes the money, the contribution of both the employee and the employer, on the presumption that they are working legally, If we want to stipulate the social security should examine all of the employees and the employers to make sure they are legal, we can do so. But that proposition has not been presented. Social security simply takes a contribution from the employee and the employer on the presumption that they are here legally.

Mr. MOYNIHAN. Mr. President, could I speak briefly? The Senator from Wyoming wants to speak also.

If I may say, it comes with little grace and ill-behooves the Social Security Administration to suddenly endorse this proposal with respect to illegal aliens, unknown quantity, unknown numbers, unknown locations, when this very Administrator defeated by his own testimony in the House-Senate conference the actions of this Senate declaring that the Social Security Administration should produce a tamper-proof social security card, a card which would not be purchasable on any street corner in El Paso, Texas, as it were. "No," said he, "we will not have anything to do with that."

He prevailed upon the House conferees to turn down the position of the Senate in this regard. He could not care less about counterfeit cards.

Now they come along with this matter which I have to say, in my view, represents a violation of the 14th amendment's rights, even of illegal aliens; it is confiscating property. I know the Senate Finance Committee, as the distinguished Senator from Rhode Island said, would be happy to have hearings on this. We would be happy to have the GAO come forward and tell us what they know, have people comment on it, listen, think about the constitutional issues, think about the whole range of effects which we do not now understand.

I now would like to cease in order to hear the Senator from Wyoming, who, I hope, will speak.

Mr. SIMPSON. Mr. President, I was just thinking how opportune it might be to offer an unprinted amendment consisting of the Immigration Reform and Control Act of 1983. This might

be a dandy time to do that. But I shall not do that.

I am fascinated to hear this very serious debate, and it should be. I have heard phrases like "fraught with difficulty," "What are we really doing," and "What will be the impact." The good Senator from Michigan outlined some serious questions. The Senator from New York makes a fascinating statement on the social security system. There is much truth in there; much truth in what the Senator from Rhode Island says as well as the Senator from Montana, and particularly the Senator from Oklahoma.

Mr. President, I remain absolutely intrigued and fascinated by the debate, because it is with a strange sense of irony that I recall last year's debate when we had the Supreme Court decision on who should bear the cost of training the children of illegal aliens in the United States. The supervisors of Los Angeles County came to the subcommittee to share with us that two-thirds of the children born in their largest hospital are born to illegal alien mothers; and the Los Angeles County supervisors are asking, who will bear that cost?

And now, today, we are justifiably concerned about the burden on our social security system created by benefit payments to undocumented workers. There is so much stuff in this one that I just say, welcome to the fray.

We already have laws that say if you are deported, there will be no benefits; but there is no way for the INS, with its present personnel, to handle deportation proceedings for the illegal aliens they apprehand. They do do not have the personnel to deal with the numbers. The Chula Vista sector last week had 5,000 apprehensions in a single day—along 60-mile segment of our Mexican border. That is double any kind of activity like that ever under the history of that sector. That is the situation in the United States right now.

All of these concerns so ably addressed by so many various persons and philosophies just scratch the surface of the problem created in this country by a singular national failure. The first duty of a sovereign nation is to control its borders, and we do not.

The other irony is the only other nation on the Earth that does not control its borders is the United States of Mexico. The problem on their southern border matches ours.

If we had had the courage to address the problem of immigration reform in Congress during the last 10 years, to follow the only possible solution, which is employer sanctions against those who knowingly hire illegal, undocumented workers, and to provide some form of employment verification which is not carried on the person but only available at the time of new hire—the only real issue is not how much do they leave on the table, how much do they take off, do they do work that American workers will not do—we would not have to address these issues today. The issue is this: When you have a fake green card and with that fake green card you receive a valid social security card, a valid AFL-CIO card, a valid food stamp card, a valid medicare card, a valid driver's license and valid unemployment insurance coverage, you have gimmicked the systems of the United States and the systems were not built for that kind of gimmickry. They are not actuarially able to handle that kind of gimmickry.

The Social Security Administration testified one time that they are not really concerned about how many fake cards are out, because at the time someone sought benefits, they would have to show up as a live human being in front of a live interviewer. I said, "Well, that is one way to run a railroad. It is not exactly the way I would do it."

But we have developed some interesting things. These things and this matter we grapple with here are the wholly unpleasant situations that result from illegal immigration. They would not be facing us today, nor would we have the national disgrace of a furtive, fearful, exploited, illegal subsociety of human beings numbering millions extant in these United States right now if we faced up to the root cause of the problem—loss of control of our borders.

Mr. President, we must adopt measures which are not nativist nor mean nor racist but we must reform what are absolutely absurd, cumbersome and unworkable immigration laws.

I thought I would get up and make that little plug for the Immigration Reform and Control Act of 1983 because we are going to see that legislation soon. Markup is coming at the end of this month. I call upon my colleagues to carefully examine the bill, which would solve this situation before us today.

There is never a good time for immigration reform. That I can assure my colleagues. But the discussion and debate on amendments such as this show the strains on our society, the totally inappropriate results that will take place if we continue apathetically to do absolutely nothing and pretend uncontrolled illegal immigration is going to disappear. I trust congressional maturity might lead us toward some solution, because the matter will be before us and will be pressed upon us again and again and it will never go away.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, Members of the body, I think the appeal by the Senator from Wyoming to look at the bigger picture is well in order. On the other hand, I am supporting this amendment, and have in fact cosponsored the Senator from Oklahoma's amendment.

I do not know what the Senator from Kansas will do when he wants to dispose of the debate on this amendment and the bill. I shall leave that to him. But I think the effort by the Senator from Wyoming to look at the bigger picture needs to be applied specifically to this amendment as well. The amendment is not offered soley in the vein that we want to save money from the social security funds, that we want to make it more sound, even though it will have that impact, according to the GAO report.

The broader picture is this: There are many law-abiding citizens of America, people who spend their whole lives abiding by the laws in this country, and they also have the oddity that they expect other people to abide by the law in this country. They see efforts of people who are not law-abiding citizens to dip into the till and to threaten the financial soundness of a system that they pay into, and they do not like it.

I think their concern goes even beyond that and points to something that ought to concern us. That is the necessity of reestablishing credibility in the social security system. People who are working today, paying into the system, paying high taxes—every one of them would ask us who are out at the grassroots, is there going to be any money there for them to draw from?

It is the same way with those citizens who are retired today, drawing out of the system. They, too, wonder abut the soundness of the system. It is not as credible a system with them as it was one, two, or three decades ago.

Having people who are illegally in the country who have, legally or illegally, been paying into the system is not the point. The issue is that some are illegally in this country drawing out of that system, affecting the soundness of it, bringing about a lack of respect for the system, and that is something we must deal with. That is a broader picture we have to deal with. This amendment by the Senator from Oklahoma just deals with a very small portion of our effort to reestablish credibility in the system.

As you think about the people you meet on the streets of the little towns and rural areas of your State, stop to think how many times you have been asked about people who are illegally in the country drawing out of the system and if there has not been a plea for a stop to be put to practice. This amendment does not deal with the situation totally, but it deals with it to some degree. if we would respond affirma-

tively to this problem, as we have tried to do with other provisions in the bill now before the Senate, then we would help reestablish that credibility. That is the greater concern that we all ought to have. The immigration problem, reestablishing control over our borders, is a major concern that we also must have. These issues have a great deal to do with the credibility of our political system and our boundaries and with our institutions in responding to those concerns. It is pretty much the same way with the social security system.

This system was established 40, 50 years ago, and it is a very integral part of the social fabric of America. We want to maintain it as such. A necessary part of that is to help everybody have more confidence in it. So it is in that vein that I am supporting this amendment, not because it deals in any way with the financial soundness of the social security system.

A broader, more encompassing provision is included in the social security package reported out of the Senate Committee on Finance which limits social security benefits to aliens. Its importance lies not so much with its revenue impact, but on the signals it sends to the American public that Congress is indeed trying to clean up the administration of this program. I am extremely gratified that with the great efforts of the chairman, Mr. MYERS, and the committee staff, we were able to fashion a provision to deal with the grevious problem in social security payments to aliens. Special notice must also be given to Senator LUGAR and his outstanding leadership in this area.

Finally, I would like to thank Senator PRESSLER for bringing to light some of the very real problems which exist under current law. We have had several discussions on the importance of this measure, and his support has been greatly appreciated. Senator PRESSLER's early recognition of the inconsistencies in the present treatment of nonresident aliens is to be commended, and I know he joins me in expressing tremendous satisfaction with the remedial language contained in S. 1.

The specific recommendation adopted by the committee and included in S. 1 would significantly tighten eligibility requirements for alien workers living abroad. The bill denies benefits to alien dependents of alien workers who were added while outside the United States. This specific provision gets at the very heart of the problem where alien beneficiaries acquire a tremendous number of dependents after they have left this country. The bill also reconciles several sensitive and complex policy issues by paying benefits to workers who are citizens of a country with which the United States has a reciprocal social securitiy coverage arrangement.

For those aliens who continue to qualify for social security benefits, the individual would receive benefits until such time as he had received an amount equal to what he paid into social security plus interest.

The need for such legislation has become increasingly evident over the past few years. And has been amplified by the previously mentioned GAO study outlining the phenomenonal magnitude of the problem. Let me briefly summarize some of the startling findings of that report, 34 percent of all dependents abroad were added to the social security rolls after the wage earner became entitled to benefits. And approximately 84 percent of such dependents were aliens.

GAO also discovered alien retirees have worked less time in covered employment and have paid less social security taxes than the average American worker. Of the 313,000 social security beneficiaries living abroad in 1981, GAO estimated 194,000 were aliens. Perhaps the most startling finding was that where U.S. retirees receive about $5 for each dollar paid into the system, the average alien receives $23 in benefits for each tax dollar paid into social security. It is a disgrace when the laws of this Nation allow us to treat aliens better than we treat our own citizens. Congress has this opportunity to tighten up one area of glaring mismanagement in the current system. It is only appropriate that during the consideration of such a monumental reform package as S. 1, we include this measure which does not affect a single U.S. citizen. I hope my colleagues in the House will also see fit to embrace this long overdue change.

Mr. NICKLES. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the Commissioner of Social Security.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE COMMISSIONER
OF SOCIAL SECURITY,
Baltimore, Md., March 18, 1983.

Hon. DONALD L. NICKLES,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NICKLES: As we have discussed, I agree with your amendment to deny Social Security benefits to illegal aliens. We will work closely with the Immigration and Naturalization Service to identify new Social Security applicants who are illegal aliens as well as those who leave the country under threat of deportation.

The kind of amendment you are proposing represents an important first step in the process of dealing with this serious and growing problems.

We look forward to working with the Congress after the pending legislation is enacted to finding ways of dealing with the broader issues involving payment of Social Security benefits to noncitizens and nonresidents.

Sincerely,

JOHN A. SVAHN,
Commissioner.

EXHIBIT 1

DRAFT OF A PROPOSED REPORT—SHOULD SOCIAL SECURITY BENEFITS BE PAID TO ALIENS ABROAD AND ALIENS WHO WORKED ILLEGALLY WHILE IN THE UNITED STATES?

(This document is a draft of a proposed report of the General Accounting Office. It was prepared by GAO's staff as a basis for obtaining advance review and comment by those having responsibilities concerning the subjects discussed in the draft. It has not been fully reviewed within GAO and is, therefore, subject to revision.

(Recipients of this draft must not show or release its contents for purposes other than official review and comment under any circumstances. At all times it must be safeguarded to prevent publication or other improper disclosure of the information contained therein. This draft and all copies thereof remain the property of, and must be returned on demand to, the General Accounting Office.)

DIGEST

In this report GAO examines the circumstances under which social security benefits are paid to alien retirees and dependents living abroad. GAO also questions the propriety of continuing to allow aliens, who work in violation of the Immigration and Nationality Act, to earn social security credits.

The first issue centers on a set of Congressional concerns that have been voiced from time to time since the early days of the program, and which were expressed by Representative G. William Whitehurst in a 1981 request for a GAO study. The concerns deal with whether it is fair and affordable for the American social security taxpayer to have aliens work in the U.S. for a relatively short period and then retire to their native lands and receive benefits for themselves and their dependents for long periods of time.

The Social Security Act does not restrict benefits to aliens or to only people living in the U.S. However, when social security benefits began in 1940, there were only 100 beneficiaries abroad who received $12,000. In 1981 these numbers had grown to 313,000 beneficiaries abroad who received nearly $1 billion. Of the 313,000 beneficiaries, 194,000 (62 percent) were aliens and most of these were alien dependents.

GAO found that 34 percent of all dependents abroad were added to the social security rolls after the wage earner became entitled to benefits. About 84 percent of such dependents were aliens. (See p. 13.) Moreover, GAO found that lien retirees abroad have, generally, worked less time in covered employment and paid less social security taxes than the average worker.

In 1956 the Congress enacted legislation designed to curtail benefits to aliens aboad, but because of the many exemptions included in the legislation, it has had little effect.

The concerns which prompted the legislation are still valid today—aliens can work in the United States for a relatively short time and then return to their native country and retire and receive benefits for themselves and their dependents.

The payment of social security benefits to aliens not only represents a valid policy question for the Congress, but also presents

a number of difficult and complex issues. Some of these issues involve (1) the equity of treating aliens differently than Americans, (2) the international reaction by countries whose citizens will be adversely affected and the potential retaliatory action of curtailing benefits to Americans under their systems, and (3) the administrative question of requiring alien workers to pay full FICA taxes although they might receive benefits for retirement or disability in a curtailed or capped amount.

GAO also identified an inconsistency between the Social Security Act and the Immigration and Nationality Act—aliens are allowed to earn entitlement to social security benefits while violating the Immigration and Nationality Act. Although there are not complete and accurate data on the impact that this situation is having on social security, GAO estimates that perhaps a billion dollars a year could flow from the trust funds to pay aliens on the basis of their illegal employment.

CHAPTER 3: ALIENS CAN EARN ENTITLEMENT TO SOCIAL SECURITY BENEFITS WHILE VIOLATING THE IMMIGRATION AND NATIONALITY ACT

The Immigration and Nationality Act provides for regulating admission of aliens to the U.S. The Act requires that before aliens are permitted to enter the U.S. for permanent employment, the Secretary of Labor must certify to the Attorney General that there are insufficient U.S. workers willing, able, and qualified to perform the work at the time and location it is to be performed and that such employment of aliens will not adversely affect wages and working conditions of U.S. workers similarly employed.

The Social Security Act allows aliens to earn social security insurance credits regardless of their employment or resident status in the U.S. Section 210(a) of the Social Security Act defines employment for the purpose of social security credits as any service performed in the U.S. by an employee for an employer irrespective of the citizenship of either. Consequently, aliens who are admitted to the U.S. to attend school, visit, or for other purposes, but not for permanent employment, can earn social security credits by illegally working at a job covered by Social Security. Similarly, aliens who enter the U.S. illegally can earn social security credits as a result of employment during the time of their illegal stay. The accumulation of social security credits by legal and illegal aliens can lead to insured status and entitle them to social security benefits earned through unlawful employment.

This chapter discusses both legal and illegal aliens who might have earned social security credits while violating the Immigration and Nationality Act, and the potential cost of paying benefits to such aliens.

Aliens have illegally worked and earned social security coverage

The number of aliens who have illegally engaged in employment and earned social security credits can not be precisely determined. Under the Social Security Act a wage earner's citizenship does not affect his eligibility to earn social security credits and, for that reason, SSA has not maintained data on the citizenship of all workers who pay social security taxes. SSA has some information on legal aliens who have violated their immigration status by engaging in employment, but it does not have such data on aliens who have entered the U.S. illegally and engaged in social security-covered employment during their illegal stay.

Legal Aliens Working Illegally in the United States

According to SSA's statistics, about 289,000 legal aliens have engaged in employment covered by Social Security since 1974.

Until 1974, SSA made no distinction based on citizenship when issuing a social security card. Beginning in 1974, as was required by the Social Security Amendments of 1972, SSA began issuing social security cards to legal aliens who requested them for "non-work purposes." These purposes included opening bank accounts, registering for school, and obtaining a driver's permit. When SSA issued social security cards for such non-work purposes, it coded its enumeration records to indicate that these SSN's were for non-work purposes.

In 1975, SSA discovered that social security-covered earnings were being reported under many of the SSN's that were issued for non-work purposes. This was not a violation of the Social Security Act, but SSA did gather statistical data on these incidents and shared the information with the Immigration and Naturalization Service (INS), since these alien wage earners were apparently violating their immigrant status. This information flow was discontinued after the enactment of the Tax Reform Act of 1976 because of questions regarding interagency transmittal of taxpayer information. These questions were resolved in 1982, and SSA plans to transmit the information on aliens who worked illegally since 1976 to INS and will resume transmitting information to INS on aliens who are illegally working in the U.S.

Also, SSA has begun noting "for non-work purposes" on the face of new social security cards issued to legal aliens if they are not permitted to work in the U.S.

Illegal Aliens Working Illegally in the United States

The exact number of illegal aliens who have entered and worked in the U.S. and earned social security credits cannot be determined. This occurs, in part, because illegal aliens conceal their illegal immigrant status when they apply for social security cards. When they are successful in obtaining social security cards, those cards and numbers cannot be distinguished from legitimate ones. Therefore, little is known as to the number of illegal aliens who have earned social security credits under fraudulently obtained social security cards, or those who have worked and paid taxes under someone else's SSN.

Various studies, including one by GAO,[1] have developed estimates of the number of illegal aliens in the U.S. The estimates range from 1 to 12 million, but the most widely accepted range is from 3.5 to 6 million. One study showed that between 65 and 88 percent of a group of illegal aliens who were interviewed had been employed while residing in the U.S. and had paid social security taxes on their earnings.[2]

Potential cost to social security due to aliens engaging unlawfully in covered employment

Despite the statistical limitations of the various illegal alien studies, one can develop a rough estimate of the impact on the social security trust funds of payments to illegal aliens. To illustrate such potential impact, we used the lower range of the most widely quoted illegal alien population estimate (3.5 million) and the lower estimate of those illegal aliens who had been employed while in the U.S. and paid social security taxes (65 percent). We chose the lower range of the estimates because of uncertainties as to the statistical reliability of these estimates. Using these data, we estimated that from 2.2 million[3] aliens had worked in social security covered employment and had received some social security credits.

It is unknown how many of these wage earners have earned sufficient quarters of credits to be eligible for disability or retirement benefits. There are no reliable data on social security payments made to aliens as a result of their unlawful employment. Nonetheless, we developed three estimates to show the potential annual costs to the trust funds if 10, 15, and 25 percent of the illegal alien workers had qualified for and were receiving benefits in 1981. We used the average alien family benefit rate ($4,160) for aliens abroad in 1981 to complete the estimates. Our estimates show the following cost ranges:

$.9 billion (if 10 percent of the illegal aliens had qualified for social security),

$1.4 billion (if 15 percent of the illegal aliens had qualified for social security), and

$2.3 billion (if 25 percent of the illegal aliens had qualified for social security).

Applying these same assumptions and the 10-percent estimate to the legal aliens who have unlawfully worked in the U.S., adds another $.1 billion cost to the trust funds.[4] Therefore, legal and illegal aliens combined could cost SSA about $1 billion per year as a result of unlawful employment if only 10 percent of the aliens working illegally eventually receive benefits.

Should social security benefits accrue from unlawful employment?

In 1954, a bill was introduced in the Congress (HR 9366) which said, in part, that earnings derived from covered employment by individuals during periods when they were unlawfully residing in the U.S. would not be used in establishing eligibility for, or the amount of, social security benefits. Furthermore, the bill said these earnings would be deleted from such individuals' earnings record upon the Secretary's[5] receipt of notification from the Attorney General of an alien's periods of unlawful residence in the U.S.

These provisions were deleted from the bill, however, by the Senate Finance Committee after it received the Secretary's comments on the feasibility of its implementation. The Secretary endorsed the objective of these provisions, but he opposed enactment on the basis of the disproportionate administrative burden it would impose on the Department and SSA, compared to the benefits that might be realized. He noted, for example, that he would have received 900,000 notifications of unlawful employment in 1953 and earnings from such employment would have had to be deleted from the aliens' Social Security earnings

[1] Problems and Options in Estimating the Size of the Illegal Alien Population: September 24, 1982 (IPE-82-9), p. ii, 10-11.

[2] David North and Marion Houstoun (31), "The Characteristics and Role of Illegal Aliens in the U.S. Labor Market: An Exploratory Study," March 1976, p. 130.

[3] 3,500,000×.65.

[4] This is the product of 289,000 (legal alien workers)×$4,160×.10.

[5] "the Secretary" refers to the Secretary of the Department of Health, Education, and Welfare; currently the Secretary of the Department of Health and Human Services.

records—a task he thought too administratively burdensome to accomplish.

The subject of aliens who might earn entitlement to social security benefits while either unlawfully residing or unlawfully working in the U.S. was discussed during hearings before the House Subcommittee on Government Operations in November 1973. A Member of this Committee stated, in part, that it seemed almost incongruous that aliens could participate in illegal activity—working in violation of the Immigration and Nationality Act—and earn social security benefits. If their status had been known, they would not have been permitted employment, instead they might have been deported. If aliens are formally deported for illegal work in the U.S., they do not receive benefits. The member of Congress asserted that these wages/earnings were, in effect, illegally obtained with regard to the Immigration and Nationality Act. He further stated that if the employment upon which the entitlement is based was illegal, the law should require that the benefits be disallowed.

If legal resident and employment status were required in order to earn social security credits, we believe SSA could enforce it by implementing a two-phase process. In the first phase, SSA could delete any earnings and credits derived from such earnings when it discovers that an alien has reported earnings while violating the Immigration and Nationality Act.

The second phase of the enforcement process could be applied when aliens or their surviving dependents file application for benefits. At that time, SSA could require that sufficient evidence be provided by the claimant that the wage earner was in legal alien status and was authorized to be employed when his social security credits were earned. Otherwise, no credits would be allowed for earnings during any calendar quarter in which the wage earner was in violation of the Immigration and Nationality Act.

Conclusion

The Social Security Act does not prohibit aliens from earning entitlement to Social Security benefits based on earnings derived from covered employment in the U.S., even if the individuals were illegal residents, or legal residents who had engaged in unauthorized employment.

Under the Immigration and Nationality Act, both types of aliens may be deported if discovered for illegal entrance or violating their immigrant status by engaging in unauthorized employment.

There is a gap between the provisions of the Social Security Act and the Immigration and Nationality Act, which allows aliens to earn entitlement to Social Security benefits while violating the Immigration and Nationality Act. Consequently, millions of aliens both legal and illegal may have engaged in unauthorized employment and earned entitlement to Social Security benefits. The effects that benefit payments to these workers could have on the trust funds depend on their numbers and benefit levels.

The Congress may wish to consider whether aliens who work illegally in the U.S. should be allowed to earn entitlement to social security benefits for such work. If the Congress decides that aliens should not earn credits for illegal work, it could require proof of legal immigrant status before benefits are paid.

● Mr. MATTINGLY. Mr. President, I am pleased to support the efforts of the Senator from Oklahoma which rectifies inconsistencies in current law concerning social security payments to individuals who have worked in America illegally. Senator NICKLES' amendment will give the Social Security Administration authority to stop payment of benefits or credits from going to any alien who is in violation of U.S. employment and resident laws. In addition, it would require the wage earner or dependent to provide sufficient evidence to the Social Security Administration that vestige in the system was earned while working and living legally in the United States.

Time and again throughout the past few weeks, as I have discussed the crisis the social security system is facing with citizens from Georgia, they have expressed their frustrations over misuse and abuse of the program. Often, they have mentioned this very issue, the payment of benefits to illegal aliens. The citizens of America realize that those who operate outside of the laws of this Nation should not be allowed to reap the benefits of Federal programs designed to aid our citizens. I believe recognition of this fact and action by the Congress is long overdue. Again, I am pleased to cosponsor the amendment of my colleague from Oklahoma.●

Mr. WARNER. Mr. President, as a cosponsor of this amendment, I rise to urge my colleagues to adopt its provisions. I had previously cosponsored the Senator from Oklahoma's legislation, S. 595, which would accomplish the purposes of this amendment, and would also reduce benefits to aliens living abroad. The average alien abroad has been receiving $23 dollars for each dollar contributed, compared to the average American wage earner receiving $5 for each $1 contributed.

The purposes of the latter aspect of S. 595 was adopted by the Senate Finance Committee in their recommendations for this bill. I commend Senator LUGAR and the members of the committee for this action.

The Government Accounting Office estimates that illegal aliens in America may be receiving from $900 million annually in social security benefits to $2.4 billion annually. When Americans are asked to make the sacrifices we are asking in this difficult compromise package to save the social security system, how can we allow aliens who have worked illegally in this country, who have perhaps prevented Americans from receiving gainful employment during this time of high unemployment, to skim possibly $2 billion from the depleted social security coffers?

I applaud my friend, the Senator from Oklahoma, for introducing both the legislation and this amendment to resolve glaring inequities in the current law. These inequities no doubt evolved unintentionally, but they are inequities which I am sure most Americans will want corrected now.

● Mr. LEVIN. Mr. President, I want to voice my opposition to the amendment offered by Senator NICKLES from which would eliminate social security benefits for some individuals who worked and contributed to the social security system while they were in this country illegally.

I share the Senator's concern of not encouraging or rewarding illegal immigration into this country. However, I could not support his amendment because it was overbroad and confiscatory.

I can understand why someone might want to stop the payment of social security benefits to individuals who are in this country illegally at the time that they are receiving the benefits.

But it is unfair to deprive an individual of social security benefits who has paid into the system for a number of years and who is now in this country on a legal basis, because they were here illegally when they were working. For example, under the amendment it would be possible for an individual to come into this country illegally and work for 40 years. During that entire time, they could have paid social security taxes. They could then go back to the home country for a few years, and then be readmitted to this country legally based on family bonds which may have been established earlier. Under the Nickles amendment, this individual would be ineligible for receiving social security benefits. The amendment specifies that benefits could only be collected if the individual can show that he is a U.S. citizen, or was once a U.S. citizen but has relinquished that status, or was once an alien who has legally admitted to work but gave up that status, or is now an alien who has been legally admitted to work. In the example I cited it is possible for an individual not to meet any of these criteria. Specifically, although the 70-year-old individual may be in this country legally now, she or he was admitted because of family bonds and not admitted "to work." I find it hard to believe that the authors of this amendment intended this effect, but it is the effect, nevertheless.

Also, this amendment is confiscatory because it would prohibit the payment of any social security benefits which are based on those working periods during which they were in this country illegally. In this case, the individual would not even be able to receive that portion of the social security benefits which were made up totally of their earlier contribution into the system.

I, therefore, oppose the adoption of the Nickles amendment, even though I share some of the frustration and

anger of people with the present system and believe we should find equitable ways of avoiding rewards or incouragement for illegal immigration.●

Mr. MOYNIHAN. Mr. President, I cannot speak for the Committee on Finance but I certainly know the sentiments of its members and that this is a serious subject. We have made a major provision in the present law with respect to illegal aliens residing abroad and receiving benefits, one which involves in effect taking from them their employer contributions, which were certainly a property right as far as I am concerned, but we did anyway. There is much to be learned. The Senator from Wyoming has spoken eloquently and calmly about the complexities. We will address those complexities in hearings and in orderly legislation which this body will not fail to take up, I am sure. Therefore, Mr. President, without prejudice to the provisions of the amendment as such but because we do not know enough about the subject and must learn much more, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Indiana (Mr. QUAYLE) is necessarily absent.

I also announce that the Senator from Maryland (Mr. MATHIAS) is absent due to an illness in the family.

Mr. BYRD. I announce that the Senator from Arkansas (Mr. BUMPERS), the Senator from California (Mr. CRANSTON), the Senator from Colorado (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Georgia (Mr. NUNN) are necessary absent.

I also announce that the Senator from Delaware (Mr. BIDEN) is absent because of illness in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 34, nays 58, as follows:

[Rollcall Vote No. 34 Leg.]

YEAS—34

Bentsen	Hecht	Mitchell
Bingaman	Heinz	Moynihan
Bradley	Inouye	Pell
Chafee	Jackson	Proxmire
Danforth	Kassebaum	Sarbanes
Denton	Kennedy	Simpson
Dodd	Lautenberg	Specter
Dole	Laxalt	Stafford
Domenici	Levin	Tower
Durenberger	Lugar	Tsongas
Eagleton	Matsunaga	
Glenn	Metzenbaum	

NAYS—58

Abdnor	Armstrong	Baucus
Andrews	Baker	Boren
Boschwitz	Hawkins	Pryor
Burdick	Heflin	Randolph
Byrd	Helms	Riegle
Chiles	Huddleston	Roth
Cochran	Humphrey	Rudman
Cohen	Jepsen	Sasser
D'Amato	Johnston	Stennis
DeConcini	Kasten	Stevens
Dixon	Leahy	Symms
East	Long	Thurmond
Exon	Mattingly	Trible
Ford	McClure	Wallop
Garn	Melcher	Warner
Goldwater	Murkowski	Weicker
Gorton	Nickles	Wilson
Grassley	Packwood	Zorinsky
Hatch	Percy	
Hatfield	Pressler	

NOT VOTING—8

Biden	Hart	Nunn
Bumpers	Hollings	Quayle
Cranston	Mathias	

So the motion to lay on the table Mr. NICKLES' amendment (UP No. 92) was rejected.

Mr. DOLE. Mr. President, I wonder if we might agree to accept this amendment based on the tabling motion. I have discussed it with the proponents and opponents of the amendment. There is no similar provision in the House-passed bill.

I can understand some of the concerns that have been expressed. I think even the author of the amendment indicates that there is one area that he is willing to address.

If we might do that, I think we could take care of some of the concerns in the conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment (UP No. 92) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. NICKLES. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I will take a minute.

Given the importance of the legislation before us today, I would like to take a moment to state for the record the reason why my good friend and colleague, Senator BIDEN, is not able to be present for this session.

Senator BIDEN, as we all know, commutes daily from his home in Wilmington to Washington. As his train arrived this morning, he was greeted by the news that one of his sons had suffered a dislocated hip in a sports accident at school and had been rushed to the hospital, where he needed to be put under general anesthetic to have the hip put back in place.

As any good father or grandfather would, Senator BIDEN immediately took the next train back home and is with his son now at the hospital.

I am happy to report that the Senator's son is doing well, and I know that we all wish him a speedy recovery.

I yield the floor.

The PRESIDING OFFICER. The question recurs on the motion of the Senator from Rhode Island, UP amendment No. 88.

Mr. DOLE. Mr. President, will the Senator yield for 1 second?

Mr. METZENBAUM. I yield.

Mr. DOLE. The Senator from Kansas understands first the Senator from Ohio, Senator METZENBAUM, has an amendment pending. That will be modified by an amendment by Senators PERCY, DIXON, and LEVIN. When that is completed—and I understand the distinguished Senator from Oklahoma will speak in opposition to the amendment—we have an amendment from the distinguished Senators from Kentucky, Senators FORD and HUDDLESTON. That will be followed by a colloquy between myself and the Senator from Kentucky, Senator FORD. That will be followed by an amendment by the distinguished minority leader, to which I am not certain there is no objection, followed by an amendment of the Senator from Kansas.

I think, depending on the length of debate, if we can just stay on this area we might take care of a lot of the unemployment matters now.

UP AMENDMENT NO. 88, AS MODIFIED

Mr. METZENBAUM. Mr. President, I have an amendment pending at the desk and I now ask unanimous consent that I be permitted to send a modification of that amendment to the desk with the understanding that the Senators from Illinois and the Senators from Michigan may be permitted to reinsert the language which will be deleted from my amendment by modification, and without unanimous consent being granted I am informed that it would violate the rules of this body, and it is for that reason that I ask unanimous consent.

The PRESIDING OFFICER (Mr. COCHRAN). Is there objection to the request? The Chair hears none, and it is so ordered.

Mr. METZENBAUM. Mr. President, I send an amendment to the desk on behalf of myself, Senators RIEGLE, and LEVIN.

The PRESIDING OFFICER. The clerk will report the amendment, the modification.

The assistant legislative clerk read as follows:

The Senator from Ohio (Mr. METZENBAUM) proposes a modification to his amendment numbered UP No. 88.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

On page 236, line 7, strike out "30" and insert "25".

On page 236, line 9, strike out "40" and insert "35".

On page 237, line 9, strike out "30" percent, 40 percent, 50 percent, and insert "25 percent, 35 percent, 50 percent".

On page 237, line 12, strike out the quotation marks and the second period.

On page 247, between lines 12 and 13, insert the following:

"(9) Any interest otherwise due from a State during a calendar year after 1982 may be deferred (and no interest shall accure on such deferred interest) for a grace period of not to exceed 9 months if, for such calendar year in which the interest was due, the State had an average unemployment rate of 13.5 percent or greater.".

Mr. METZENBAUM. Mr. President, the purpose of this amendment and the modifications which are to be suggested, which are to be offered, in a second degree by the Senator from Illinois and the Senators from Michigan and, I believe, the Senators from Kentucky as well, deal with a problem that has arisen by reason of the loans that have been made by the States from the Federal Government in order to continue to meet their unemployment obligations, and the Finance Committee, in its wisdom, has seen fit to provide some assistance but, at the same time, it provided some conditions in connection with the repayment of those funds. According to the committee report the bill requires State law changes which both increase revenues and decrease benefits by a total of 30 percent the first year, 40 percent the second year, and 50 percent the third year in order that the State may qualify for deferral of interest payments.

My amendment would change those numerical figures to 25, 35, and 50 instead of 30, 40, and 50.

The committee report stated that for interest due October 1, 1983, the change would have to affect benefits and taxes in calendar year 1984.

The committee bill is silent as to which calendar year the States' action must affect in order to qualify for deferral.

I now address this comment to the manager of the bill if I may have his attention for just one moment, if I could have the attention of the manager of the bill for one moment, Senator DOLE—I apologize to the Senator from Nevada—it is my understanding that in determining if a State qualifies for the deferral for interest due October 1, 1983, you look at the effect of the benefits and the tax changes in calendar year 1983, and I believe that my interpretation of that conforms with the staff on that subject. Would you confirm that for me, please.

Mr. DOLE. Yes; that interpretation is a proper one, 1983 would be the base year used for a determination on deferral of the interest owed in that year.

Mr. METZENBAUM. I thank the Senator from Kansas.

Now, another part of my amendment would provide that a State with high unemployment would be able to qualify for a 9-month grace period in which to remit the interest charges which are due. A State would qualify for this relief only if it has an average adjusted unemployment rate of less than 13.5 percent for the 12-month period immediately preceding the date on which the interest is otherwise due.

I hope the Senate will see fit to adopt the amendment but I believe there are two other portions of my amendment that I very strongly support, and it is now my understanding that the Senator from Illinois on behalf of himself, Senator DIXON and myself is prepared to offer that language that was originally in our amendment and has been set aside in order to accommodate the Senators from Illinois.

Mr. PERCY. Mr. President, I thank my distinguished colleague and my fellow midwesterner from Ohio for yielding for this purpose.

UP AMENDMENT NO. 93 TO UP AMENDMENT NO. 88 AS MODIFIED

(Purpose: To provide that deferred interest shall not be subject to further interest)

Mr. PERCY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Illinois (Mr. PERCY), for himself, Mr. DIXON, Mr. METZENBAUM, Mr. HEINZ, Mr. GLENN, Mr. BOSCHWITZ, Mr. FORD, Mr. HUDDLESTON, Mr. RANDOLPH, and Mr. SPECTER, proposes an unprinted amendment numbered 93 to Mr. METZENBAUM's unprinted amendment numbered 88.

Mr. PERCY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment offered by the Senator from Ohio add the following:

On page 235, lines 12 through 14, strike out "Interest shall accrue on such deferred interest in the same manner as under paragraph (3)(C)." and insert "No interest shall accrue on such deferred interest."

Mr. PERCY. Mr. President, the pending amendment that I have at the desk I offer on behalf of my distinguished colleague, Senator DIXON, who is the principal cosponsor. I wish to state that he has worked on every aspect of this problem with me. His vast experience in the Illinois government caused him to be particularly helpful in causing the State now to face up to its responsibility to reduce benefits and increase contributions so that we can meet the problem faced by the State.

We are joined by Senators HEINZ, HUDDLESTON, FORD, RANDOLPH, BOSCHWITZ, GLENN, and SPECTER as cosponsors.

Mr. President, I would also like to express my appreciation to Senator DOLE for working so closely with us on this amendment and for his attention to the special problems facing Illinois and other very high unemployment States, including the State of Ohio.

I am very honored, indeed, to add as a cosponsor of the pending amendment the Senator from Ohio, who has been deeply concerned about the problems of employment and the very high cost attendant to that unemployment in Midwestern States.

Mr. President, I ask unanimous consent that Senator METZENBAUM be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, while we hear a great deal of optimism lately about how economic conditions will improve, we must recognize that many States today remain in serious trouble. The unemployment situation in Illinois is nothing less than shocking. When other States stayed stable throughout the country, Illinois went up again last month. We are at 13½ percent, and 13½ percent of our workers without jobs means a tremendous tax on the State, on its income, and on this particular unemployment compensation fund.

In some urban areas in Illinois, 1 out of 4 people are unemployed. These terrible conditions are the primary reason that Illinois has been forced to go into debt to the Federal Government.

The severity of the State's employment problem brought Governor Thompson to Washington to testify earlier this month before the Finance Committee to ask for some temporary relief from the interest burdens being placed on Illinois. He requested that the 10-percent interest on new net borrowing be reduced, and subsequently asked for my help and the help of Senator DIXON in eliminating the compounding interest on this debt. My preference would be that we do as Governor Thompson suggested and make both of these changes.

The pending amendment seeks to cover only the elimination of compounded interest. We have discussed this in great detail with the distinguished manager of the bill. We recognize the problem, be we do urge the conferees on this bill to consider reducing the interest rate, as well.

Let there be no mistake about it, I support Senator DOLE's efforts to encourage States to put their unemployment systems in order. For this reason, I oppose attempts to eliminate or defer indefinitely all incentives for fixing the States' unemployment systems. In providing these interest incentives, however, we must be sure not to place burdens on the States which

push them beyond the point of no return.

Over the last 10 years, the Federal unemployment trust fund has been strained by State borrowing attibuted to two causes: A series of economic downturns in the last decade which have affected some States harder than others; and the inability or unwillingness of many States to either raise taxes or reduce benefits to keep their systems in balance. Because borrowing was interest-free until last year, there was little incentive for States to make the maximum effort needed to get their own houses in order.

In 1981, Congress faced the problem of attempting to balance two conflicting needs. It was our responsibility to make sure that the Federal trust fund remains fiscally sound so that it can continue to service the urgent funding needs of high unemployment States. Unnecessary borrowing was to be discouraged and States were to be given new incentives to tighten up their own systems. It soon became clear, however, that the States with the greatest debts to the Federal trust fund were States with continuing high rates of unemployment and severe economic problems which made them least able to repay their debt in the foreseeable future.

In the Omnibus Budget Reconciliation Act of 1981, Congress enacted legislation calling for 10 percent interest payments on new net borrowing which was intended to decrease borrowing from the Federal Government. In addtion, some relief was made available to States with high unemployment problems by allowing employers to qualify, under certain conditions, for a cap on the so-called penalty tax. When the legislation reached the Senate floor, I offered an amendment, along with my colleague ALAN DIXON, to enable the State of Illinois to qualify for this relief, and the issue was ultimately resolved on the floor.

Since that time, economic conditions in my State have deteriorated. The 1982 unemployment insurance defict in Illinois was $800 million and, even if the State had paid benefits at the level of the national average, our higher unemployment rates still would have caused a deficit, estimated to be about $545 million. This is in spite of a substantial effort to redice the costs of the State system by enactment of a $500 million package in 1981 of increased taxes and reduced benefits. Additional efforts are underway in Illinois right now to further tighten up our system.

Governor Thompson, business, labor, and State legislative leaders, have been meeting over the past 4 weeks in Chicago and Springfield to fashion a new package of higher taxes and reduced benefits in order to limit as much as possible additional borrowing. I know our Governor met in Chicago with Chairman DOLE on January 19, with other Governors in attendance, as well.

The elimination of the compounding of interest on Illinois' debt will save the State an estimated $40 million over a 4-year period. The remaining 10 percent interest on the debt will still place a heavy burden on the State—a burden which is more than is really needed to encourage it to fix its unemployment system.

I hope the conference can look at this point and consider reductions in the level of interest payments.

However, this $40 million savings represented by the pending amendment is a first step in the right direction.

I urge my colleagues to support it.

Mr. DIXON. Mr. President, I wish to thank my warm friend and distinguished senior colleague for those fine remarks. I am honored to cosponsor with him this amendment which is significantly important for our State.

Mr. President, I would like to take this opportunity to thank the distinguished chairman of the Finance Committee, BOB DOLE, for his attention to the critical problems of my State of Illinois, as well as others, which have incurred a substantial debt to the Federal Government for unemployment insurance.

As we all know, there are many reasons for these debts, and the solution to solvency is not a simple one.

I wish to say to my distinguished friend from Louisiana, who has been kind enough to listen to my concerns in regard to this problem in my State and many similarly situated States, that through the leadership of our Governor and the State legislature, in cooperation with labor and business leaders, we are working on the final details of a package of $1.151 billion in tax increases and $777.3 million in benefit cuts to shore up this system. Now, that is a pretty bitter pill to swallow. It will be introduced as an amendment to House bill 327, which is currently before the Illinois State Labor and Commerce Committee. This is in addition to $500 million in reduced benefits and increased taxes in 1981.

This is a major change, Mr. President. But it is necessary in order to show the Federal Government that our State is making a substantial effort to meet a very substantial problem. I do not want to leave the impression that Illinois has been irresponsible, for we have not. Our tax effort is well above the national averge—27 percent above and 12th in the Nation to be exact. But we are also third among 10 large States in unemployment, with a 13.5 percent rate in February. The length and depth of this recession is something that was never figured into our unemployment insurance system. It is designed to have some surplus in good times to carry States through during the bad. But the bad times have endured longer than that system could support.

I believe that any assistance that the Federal Government can offer to the 31 borrowing States should be, in effect, a partnership of responsibility. The States should show a good-faith effort at making change in their systems which will contribute to improved solvency. Unemployment is a national problem—it is not the sole responsibility of States and local areas. Our economic difficulties affect each State, and have an impact on the world economy as well. Therefore, it is right for the Federal Government to be involved in aiding States to pay back their debts.

We are not asking for forgiveness of these debts. We are asking for a reasonable way of allowing us to pay them, a way which will not jeopardize the overall recovery effort. If we tax businesses to the point where they lock their doors and lay off more people, rather than hiring those already out of work, unemployment will increase and the overall solvency problem will be exacerbated. If we cut benefits to the point where people cannot meet even their most basic needs, then the system is no longer doing what it should.

The amendment proposed by Senator PERCY and myself, as well as others, would improve the package of assistance being proposed by the Finance Committee. It would eliminate the accrual of interest on the interest payments being deferred under the plan. This will mean a savings of that interest on interest of $30 to $40 million for Illinois, over the 3 years.

Again, I commend my friend from Kansas for addressing this critical problem, and for keeping further options open to improving this package. I have never seen Senator DOLE duck an issue of grave importance that has been within the purview of his committee, and some of those issues have been tough to address.

Mr. President, I also wish to thank my colleague, my colleague and warm friend from Louisiana, the ranking member, RUSSELL LONG; and my colleague from Ohio, who has accommodated us.

I earnestly hope that the Members of this body will support us in this effort to help those very tragically affected major States of this Union which have suffered under a terrible burden of high unemployment for a great many months.

Mr. HEINZ. Mr. President, I rise in strong support of the amendment of the Senator from Illinois, Senator PERCY. I agree with him in every respect in his excellent analysis of the situation of States like Illinois, Pennsylvania, and others, that are bur-

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dened heavily with the costs of this recession, where people have been forced out of work for longer periods than we have experienced in our recent memory.

His amendment will eliminate the interest on the interest, the compounding. Frankly, in my judgment, it is a very small step we should take to improve the Finance Committee package.

I particularly want to emphasize his point that it would be extremely helpful to States like Pennsylvania, Illinois, and other of the urban, industrial States that are having to set their houses in order, if the interest that is now 10 percent by statute could be further reduced.

It is my understanding—and I would like the attention of the chairman of the Finance Committee if he would be so kind to respond to some questions—that in 1983 there would be a revenue loss or additional borrowing to the Federal Government somewhere in the neighborhood of between $230 million and $320 million. Does the Senator from Kansas know if that is approximately correct, depending on the number of States?

Mr. DOLE. I am advised that is approximately correct.

Mr. HEINZ. In 1984 there would be a favorable impact on the Federal Government in the way of reduced borrowing of somewhere between $700 million and $1.025 billion. Is that about correct?

Mr. DOLE. I am advised that is about correct, yes. Keep in mind that such an effect will only occur if State legislatures make certain reforms in the UI programs.

Mr. HEINZ. And, again, in 1985 there would again be a favorable impact on Federal borrowing of between $82 million and $172 million. It is only in 1984 that there would be any unfavorable results, somewhat minimal, somewhere between $180 million and $75 million unfavorable cash flow for the Federal Government. Is that correct?

Mr. DOLE. As I understand, that is correct, provided the borrowing States take the action necessary to reform their systems.

Mr. HEINZ. Mr. President, I thank the Senator from Kansas for responding to those questions. As I add up those numbers, and taking the most conservative assumptions, it means that over the 4-year period 1983–86, we could expect a favorable impact by passing this legislation, including Senator PERCY's amendment which would have a reduction of some $40 million and the impact, that the Federal Government will come out about $340 million better off as a result of what the Finance Committee has done.

Mr. President, that suggests to me that there is room in conference to get some additional relief to our hard-pressed States. It is my hope that the conferees, both the Senate conferees and the House conferees, will bear in mind the already significant burden that our States bear and indeed will make every effort to achieve relief. In terms of this Senator's priorities, I would hope the first place we would look would be at the interest rates that we are now charging the States and we would seek to lower the 10 percent.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Mr. President, I am certainly in sympathy with the situation being faced by the States, and the situation explained by the Senator who presented this amendment. I think all people in the country have compassion for that situation. I am told that in some of these States the benefits have been cut. I believe the Senator from Illinois, Senator DIXON, told me that benefits have been cut some $700 million in the State of Illinois and revenues increased over $1 billion. Certainly, those kinds of efforts have been brought about because of the economic necessities of those States and deserve the understanding, the thoughtful understanding, of all the rest of us, particularly those from States which have, to some degree, escaped the full impact of needing to take actions of that magnitude.

But I am concerned that we not go too far in what we are doing. I think that those who represent these States would understand that if we were to open the door too far, we would take all the pressure off from all the States to take actions that are necessary to keep their financial houses in order.

Over the past 3 or 4 years, the Finance Committee has worked very, very hard to bring about some positive changes in the unemployment compensation program. In many cases, the programs have been tightened up, the costs have been reduced, and certain categories, such as those who have voluntarily quit their jobs as opposed to those who are unemployed, have been no longer qualified to receive benefits. These were changes that were long overdue. In fact, we went for some 40 years in this program without any changes at all in the area of saving any costs. I am told from the period of time when the program was first adopted, it was not until the Finance Committee took action some 3 or 4 years ago that a single dollar was ever saved out of that program, that costs were reduced by even 1 penny. Every single change in the intervening decades have been changes which added costs to the program.

So I am concerned that we not go too far while reacting and responding to what is truly a financial emergency. While we attempt to be very understanding, we also have to realize that there are some States which have taken even more drastic actions than others. I believe the State of Michigan and the State of Louisiana have met this 30-percent threshold change. They reduced their benefits or raised their revenues as much as 30 percent.

If we were to go too far or if the Senator from Ohio was proposing an amendment saying to go to 5 or 10 percent, I assure you I would be opposing it, not only from the point of view of the general public in the States but of the States which have measured up to this very high standard. It would not be fair to Michigan or the other States which have taken actions for us then to say, "Now that you have taken the tough actions we will pass something to water down the requirements so that other States can come in under an easier test."

This is a modest change that we are talking about, a 25-percent cut in benefits or increases in revenues. Certainly, I would agree with the Senator from Ohio that is not minor but it is a harsh degree of the sacrifice required.

I am not going to oppose that portion of the amendment. I would ask the Senator from Ohio if he understands the point we are making and if he will help us in the future, that we not have a recurring year after year effort to water down these standards too much because they do need to keep pressure on in some of the States to assure that those State governments react in a responsible way.

I would hope he would be willing to join me in this effort, and in this case if we try to show sympathy and understanding we not make this a recurring situation year after year to do that.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. I very much appreciate the thoughts expressed by my good friend, the Senator from Oklahoma. The points he makes have validity. I appreciate very much his referring to this matter, not making a battle royal in connection with the pending amendment but raising his concerns, voicing them.

Certainly, we share those concerns and we look forward to working with him to see to it that we do not have to return time after time for the same kind of special consideration.

Mr. BOREN. Mr. President, I thank the Senator from Ohio. I might just ask the senior Senator from Illinois—the other part of the amendment envisioned in the change from the 30 down to 25 percent to the threshold is a matter of the interest penalty that has been raised by the senior Senator from Illinois and the Senator from Michigan and the junior Senator from Illinois and others. Would it cause problems if we only provided this removal of the compounding of the interest for, say, a 2-year period and still be

able to defer for 4 years, but give us a chance to look at this again in 2 years? Or would this create an undue problem?

Mr. PERCY. Mr. President, first, let me say to my distinguished colleague that I have listened attentively to his concerns. I very much appreciate his willingness not to object at this time. As a former Governor, I think he can walk in the shoes of Governors of States such as Illinois that have such a tremendous influx of immigration.

We have a problem unlike Oklahoma's, in many respects, where we have structural unemployment. We do stand 10th, because of the very high cost of living, among States in benefits paid, whereas Oklahoma, because of its more favorable conditions, is 49th in that regard and owes no debt whatsoever. Illinois' debt is a crushing $2 billion.

In answer to the specific question of whether we should sunset this in 2 years, I think it would cause some real concerns. The compounding which I am asking be deleted, would not have kicked in until the second year anyway, thus, a 2-year sunset would provided little relief. I assure my colleague that our Governor and State legislature, as testified to by my distinguished colleague (Mr. DIXON), are doing everything conceivable to face up to this situation—reduce benefits, increase the income to this fund, and reduce this debt—just as rapidly as they possibly can.

Two years may simply be too soon. The compounding effect compounds the problem, obviously. Emotionally, as I explained privately to my distinguished colleague, this has been a source of great agitation and concern. I think this step alone—I hope in conference, we can look at the rate we actually do charge. Even with adoption of the amendments before us, Illinois will have $70 million in interest alone added to its debt owed the Federal Government next year. Compounding of this interest would place excessive and unnecessary burdens on a State already under tremendous strain. Given these factors, I hope we would not eliminate compounding for only 2 years.

Mr. BOREN. Will the Senator yield?

Mr. PERCY. Yes.

Mr. BOREN. There is not a provision like this in the House bill, is that correct, at this time?

Mr. DIXON. There is not.

Mr. BOREN. Therefore, in terms of the proposal we are talking about now, there would be no possibility that the figures would come out of the conference any less stringent; the least possible stringent standards that would come out would be the standards in this amendment, is that correct?

Mr. PERCY. Yes. I point out, Mr. President, that the compounding figure we are talking about does not kick in until near the end of 1984.

Mr. BOREN. Mr. President, I appreciate the comments that my colleagues have made. I did come to the floor because I am concerned. As I say, we have made such progress in the Committee on Finance on this subject, I think it is something we do not want to engage in a massive retreat from. At the same time, I do not think that we should take the position that we are so locked into what we have done in the past that we shall not consider the suffering that is going on in parts of this country right now.

I know the people in my State have been fortunate. We are one of the two most fortunate States in this category. It is also partly because we have had the most massive changes in our unemployment compensation laws. That is part of it, too, at the States level. We have completely rewritten our law in the past decade.

We do have a strong feeling that we are a part of this country and that we cannot stand by and have others suffering in other parts of the country without its ultimately reflecting on our own people. We do want to be helpful to those in other parts of the country.

Mr. President, I shall just say I am not going to lodge any objection. I shall not ask for any rollcall. I shall not oppose this amendment. I appreciate the sensitivity that my colleagues have expressed to the need to keep the system stringent so that we do not just open the doors so widely that States no longer have an incentive to take action. I hope that we can hold this at this point now and that we shall not see further attempts in the future to weaken the standard.

I appreciate the time of my colleagues, but I did think it wise that we have an airing of this. I can say to all of them that they have been very persuasive and forceful in the arguments that they have made. I am sure the people in their States appreciate the efforts which they have made here, on the floor, in their behalf.

Mr. METZENBAUM. Mr. President, I think we are going to concur on this matter. I think there is pretty general agreement that it is a good amendment. Do I understand the Senator from Michigan (Mr. LEVIN) wishes to be recognized to speak on this matter on which he is a cosponsor?

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, let me just thank my friend from Oklahoma for his usual reasonable approach on this. As he knows, we spoke on this in private and after this amendment is accepted and adopted, I shall be offering an amendment which does the same as the earlier act, avoiding compounding the interest on the tougher act, which we adopted a few months ago—just as the Percy-Dixon-Metzenbaum-Heinz amendment would avoid compounding it on this act.

I just wanted the Senator to know that I shall be offering that. I do thank him very much for his position.

Mr. BOREN. I thank the Senator very much. I do understand his amendment is the same. For the reasons already stated, I shall not be lodging any objection to that amendment.

Mr. DOLE. Mr. President, I also commend the distinguished Senator from Oklahoma because, as he indicated, we have made some substantial progress in the Finance Committee. We relied, I say for the record, largely on the expertise of the Senator from Oklahoma in this field. We appreciate his assistance in the committee and his constructive remarks on the floor today.

Let me reassure the Senator from Oklahoma and other Senators, because there are some States that are not borrowing, we cannot continue taxing nonborrowing States to take care of those who are borrowing, even though some of the borrowing States are among the hardest hit—Ohio, Illinois, Pennsylvania, Michigan—by the recession and high unemployment.

When I met with some of the Governors in Chicago earlier this year and later here in Washington, the demands they made were great. They wanted interest forgiveness; they wanted reduced interest rates; they wanted no compounding on interest—we have agreed on that—they wanted forgiveness of old loans, and they wanted to apply mandatory payments to interest-bearing loans before repaying old loans. They had a laundry list that would not stop.

It seems to this Senator we can try to accommodate some of their concerns, because many States are in a real financial bind. However, many States, particularly Michigan, Louisiana, and the District of Columbia, have made rather Draconian changes in their systems. They stand as examples to such States as Pennsylvania and Ohio. There can be some relief without abandoning the principle of tightening up the State programs. That is what we tried to do in the Finance Committee proposal.

I think we should encourage States to continue to make changes as Illinois is about to do. I understand that in a few days, based on the agreements reached by the political leadership in that State, organized labor, management, and others, Illinois may enact some real reform.

I assure the Senator from Oklahoma that there is no effort here to abandon what we believe are some of the most important changes in the UI field in many years—the Omnibus Budget Reconciliation Act of 1981 reforms.

Mr. President, I have agreed to support the amendment offered by the Senators from Illinois and the Senators from Pennsylvania even though it represents a liberalization of the interest requirements enacted as part of the Omnibus Budget Reconciliation Act of 1981. The Percy/Dixon/Heinz/Specter amendment removes the requirement that interest be charged on the interest deferred as a result of the 5-year deferral which is provided under this bill.

There is no doubt that this amendment will have a fiscal impact. The Federal Government will forego the collection of interest on deferred interest and this is a sum which will never be recouped. The record should indicate that is what will happen.

However, it is my view that the big borrowing States may need additional encouragement to bring their programs to solvency. These States also may need additional time before the payment of large sums of interest to the Federal Treasury. The loan and interest relief provisions of S. 1 do provide the additional incentives and time for States to reform their State programs. Unfortunately, economic conditions in those States have been such that the payment of a large interest liability could be crippling to the reform effort itself.

The Percy amendment, preventing the accrual of interest on deferred interest, would result in a major benefit for the big borrowing States. Interest will still be paid by the States on the original borrowing, however, they will be relieved of the burden of a constantly growing interest liability.

This is a major amendment providing substantial relief. It represents a concession on the part of all taxpayers in nonborrowing States—the very point the Senator from Oklahoma made.

I trust, as we have already had some indication, that my colleagues representing the borrowing States will recognize this concession and that they will make an effort to encourage their States to accept this relief and go about the business of reforming the State systems.

I understand that a number of Senators wish to cosponsor this amendment, including Senators DURENBERGER, BOSCHWITZ, FORD, HUDDLESTON, and RANDOLPH.

I have been discussing with Senator PERCY why we cannot change the interest rate charged on State borrowing. We have made a reduction in cases where the States have made big changes. But the interest rate charged the States on new loans is the same interest rate that the Federal Government pays the solvent States with reserves in their unemployment accounts deposited with the U.S. Treasury. The rate charged to the States is capped at 10 percent. Thus, the States are charged a fair interest consistent with the interest rate paid by the U.S. Government.

So I would say to Senators that I realize that they are going to have inquiries from their Governors and others as to why we cannot get the interest rates down.

Well, we suggested to the Governors that if we could pay them less interest on the reserves, maybe we could charge less interest on borrowing, but that did not seem to ring the right bell.

I want to assure everyone that we believe we have provided some relief to the States who face a difficult time and serious unemployment problems. At the same time we have not gone overboard on relief. We know there are other States watching what we do to see if we are discriminating against States who refused to borrow but chose instead to tighten their programs.

The Finance Committee reported a responsible loan and interest relief provision which is deserving of the support of the full Senate. The committee developed a plan which will allow a State to spread the interest it owes on borrowing from the Federal Government over a 5-year period. The State can also qualify for a reduction of 1 percent in the interest rate charged on borrowing. Additionally, a State which does not qualify for the full cap on the loss of Federal unemployment tax (FUTA) credit may now qualify for a partial cap.

Some action on the State's part for this relief is, of course, necessary. The Finance Committee proposal requires States to make progress toward solvency of 30 percent the first year, 40 percent the second year, and 50 percent the third year to qualify. Senator METZENBAUM'S amendment changes those levels to 25 percent and 35 percent. If the State makes an effort to reach solvency which increases those percentages to 50, 80, and 90, the interest rate charged on borrowed funds will be reduced by 1 percent.

This limited relief will have a Federal budget impact. The loss fo interest paid to the Federal Government could total as much as $319 million in fiscal year 1983 and $483 million in fiscal year 1984. The partial cap of the FUTA credit loss will also have an impact—$145 million in fiscal year 1984 and $360 million in fiscal year 1985. However, the committee recognized the fact that the current recession has been deeper and more prolonged than we expected in the summer of 1981 when the interest requirement was enacted. Therefore, the committee was willing to make some temporary changes in the current law in order to allow States extra time to enact the necessary State law changes to bring their programs closer to solvency.

Some background may be helpful to put this whole issue in perspective. Twenty-six States, plus the District of Columbia, Puerto Rico, and the Virgin Islands have totally exhausted their unemployment benefit reserves. These jurisdictions have received Federal loans of over $11 billion and more borrowing is certain. The account in the Federal unemployment trust fund from which loans to States are made is also insolvent and general Treasury borrowing has become necessary. In total, over $15 billion has been loaned to the States over the past 10 years.

Obviously, the current insolvency of the unemployment trust fund is not a new development. In fact, in the early and mid-1970's, 25 States and jurisdictions depleted their trust fund reserves and required advances from the Federal Treasury. Many of the debtor States repaid their advances. However, 11 of the 25 States have been in debt continuously since then, and 4 others have repaid loans only to borrow again a short time later. Obviously, a number of States did not permit reserves to build up in their trust funds during the recovery years as is the purpose of the account system. Some States, such as Pennsylvania, instead used the brighter economic picture as an excuse to lower taxes and increase benefits.

Under the law in effect in the 1970's, it made good fiscal sense for a State to borrow from the Federal Government to meet benefit costs. After all, the loans were interest free and repayment was not required for up to 2 to 3 years after the loan was made. A State's employers were supposed to experience a loss of the credit against the Federal unemployment tax, but Congress passed several delays of the offset. Credit reductions were not imposed for loans outstanding from 1975–80. Finally, credit reductions were effected and, as of January 1, 1983, 16 States and jurisdictions are experiencing credit reductions.

Congress recognized that the brakes had to be applied to unlimited State borrowing. In the 1981 Reconciliation Act, we enacted the interest and loan reform provisions which a number of States are seeking to escape this year. First, interest of up to 10 percent is now charged on loans made after April 1, 1982, except those classified as "cash-flow." Second, States are allowed to "cap" the automatic FUTA credit reductions if certain solvency requirements are met. Since the enactment of these provisions, some 22 States have made changes in their State laws to increase solvency. A number of States have made truly remarkable reforms—Michigan and Louisiana are the primary examples.

Other States have, unfortunately, chosen not to take the high road. Instead, those States have continued to

borrow and to incur large interest liabilities. Some States have expressed the view that Congress will "bail" them out by eliminating or "forgiving" the interest liabilities. Some States even believe that the Congress will forgive old loans and reschedule payment of new loans. We have heard some States say that they will simply refuse to pay and that the Federal Government will be unable to enforce the interest charges. Other States threaten to increase the taxes on employers in the State to pay the interest charge. Few States have been willing to make the reforms necessary to eliminate or at least reduce the need for borrowing.

What does State borrowing and the failure to repay loans mean to nonborrowing States? In essence, it means a tax increase on every citizen in the solvent, responsible States. The Federal Treasury does not borrow in the private marketplace interest free. The cost of Federal borrowing contributes to the deficit and is thus passed on to every taxpayer.

The Finance Committee proposal responds to the needs of the debtor States, but it does not ignore the solvent States. Further changes which may be proposed on the floor or suggested in conference could upset the balance which the Finance Committee has attempted to establish. Allowing States to escape interest charges effectively forces the States with fiscally sound programs to subsidize States that fail to balance benefit expenditures against tax revenues.

Providing relief to States simply on the basis of unemployment rates higher than the national average ignores the fact that a number of States with high unemployment—Oregon and Alaska, for example—have not borrowed but have instead reformed their programs to bring outlays and expenditures closer into balance.

I urge my colleagues to support the Finance Committee loan and interest provision modifications with no further changes. We are close to the point at which the administration may just refuse to approve loan and interest relief at all. Let us not jeopardize what we have accomplished.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania (Mr. SPECTER).

Mr. SPECTER. Mr. President, I thank the distinguished Senator from Kansas and the distinguished Senator from Oklahoma for their comments in support of these amendments which will provide significant relief for States like Pennsylvania, Michigan, Illinois, and Ohio.

After listening to the debate on the subject this afternoon, I should like to briefly comment that there is more involved in this issue than the reform of unemployment compensation programs. The central problem arises because of the very, very high unemployment levels in States like Pennsylvania, Ohio, Michigan, and Illinois. That is the central issue for which we have not yet found an answer.

Two months ago, when the unemployment rate nationally declined from 10.8 to 10.4 percent, the unemployment rate of Pennsylvania increased from 12.9 to 13.7 percent. We truly face a national problem. The unemployment rate in Pennsylvania turns significantly on the serious situation in the American steel industry, which is compounded by the problem that the Government has taken ineffective stands against dumping by foreign importers. The International Trade Commission shows that subsidies of British steel were in the range of $250 a ton, but compromises were worked out on that issue largely in recognition of foreign relations between the United States and Great Britain and the implications of the North Atlantic Treaty Organization. The impact of automobiles turned on relations between the United States and Japan. This is truly a national problem where some States as a result of a great many factors have incurred great disadvantages.

The central factor of this unemployment compensation problem is the unemployment rate itself. So that when the distinguished Senator from Kansas relates to the comments about the laundry list that the Governors of a number of States have presented, they are talking about some very serious long-range problems which may have to be addressed on another day.

I thank my colleagues from States which have not incurred this kind of problem for their consideration, and I think that the step taken on the absence of interest, on the compounding factor, and the delay of interest is a significant step forward. However, we cannot lose sight of the underlying problems and the necessity for a national approach to this problem which has resulted in some States being hit harder than others. The problem is far beyond the control of those individual States and to a significant extent is because of national objectives on foreign policy resulting in national policies which worked to the disadvantage of a few States like Illinois, Michigan, Ohio, and Pennsylvania.

Mr. President, I yield the floor.

● Mr. BOSCHWITZ. Mr. President, I rise to express my support for Senator PERCY's amendment. I am a cosponsor of his amendment because I feel it is necessary to offer some relief to States who have experienced high unemployment for a long period of time; 29 States are now borrowing from the Federal unemployment trust fund because they do not have the money to pay the unemployment claims. Over 225,000 Minnesotans are unemployed, with over 125,000 in actual claim status. The drain on the financial system has been enormous.

Minnesota requested $43 million for the month of March, and due to the shortfall in the trust fund received only $18 million. Hopefully we have resolved this problem by passage of the supplemental appropriations bill, but Minnesota will still have an outstanding loan of $400 million by the end of this month.

To put this in perspective—Minnesota's tax collections for the UI program are projected to be only $200 million this year.

According to the State's department of economic security, they are paying 10 percent interest on $208 million this year, plus paying the three-tenths of 1 percent penalty from last year. This penalty adds another $25 million to the bill.

The amendment now being offered would partially relieve States like mine, by eliminating the requirement that States pay interest on the interest charged them. This will save Minnesota several million dollars.

I also am strongly supportive of the work the Finance Committee has done to help out the States who are borrowing. Their proposal to allow deferral of payments to States who have made honest efforts to resolve their financial difficulties is a welcome step. I appreciate Senator DOLE's cooperation and responsiveness on this issue.

I believe that the Finance Committee's efforts, along with this amendment, will go a long way toward putting State UI programs into the black.●

Mr. RIEGLE. Mr. President, I rise as a cosponsor of the amendments offered by my colleagues from Michigan and Ohio. These amendments constitute modest but important relief for high-debt States devastated by the recession.

Nowhere have the disastrous effects of this recession been felt more keenly than in my State of Michigan. Michigan has sufferd double-digit unemployment for 38 consecutive months. In order to pay unemployment benefits to its jobless workers, Michigan has incurred a debt to the Federal Government that exceeds $2.3 billion. Michigan is forced to pay over $216,000 per day in interest charges alone. Estimates indicate that Michigan will owe almost $275 million in interest charges during 1983-86. Michigan is a proud State struggling to recover from the economic agony that it has suffered. It has enacted major reforms in its unemployment insurance laws to accelerate the repayment of its debt. The staggering interest charges it faces, however, make its recovery exceedingly difficult. The interest relief embodied in the Metzenbaum and Levin amendments will help speed the

recovery in Michigan and other industrial States.

The Metzenbaum amendment provides a 9-month grace period for interest payments due on October 1 for those States whose unadjusted employment rate for the prior 12 months equals or exceeds 13.5 percent. This provision will benefit those States which continue to suffer exceedingly high unemployment by granting them more time to raise additional revenues. While it does not forgive the interest payments due, it provides needed relief for high unemployment and high debt States such as my own.

The Levin amendment permits a waiver of all interest assessed on amounts permitted to be deferred under the Tax Equity and Fiscal Responsibility Act of 1982. This provision simply mirrors the interest waiver that other States will receive on amounts they can defer as a result of a provision in this bill. Estimates indicate that this interest waiver will save Michigan $11.3 million during 1984–86.

I urge my colleagues to join me in support for these important amendments.

The PRESIDING OFFICER. Is there further debate on the amendment of the Senator from Illinois?

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. As I originally indicated, this amendment was a part of the original amendment. It obviously has good support on the floor. We appreciate the consideration given to it by the Senator from Oklahoma. I am prepared to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 93) was agreed to.

UP AMENDMENT NO. 94 TO UP AMENDMENT NO. 88 AS MODIFIED

(Purpose: To provide that no interest shall accrue on any deferred interest.)

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

Mr. FORD. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. This is an amendment to the amendment of the Senator from Ohio.

Mr. METZENBAUM. Correct.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Michigan (Mr. LEVIN, for himself, Mr. RIEGLE, and Mr. METZENBAUM), proposes an unprinted amendment numbered 94.

Mr. LEVIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 237, between lines 14 and 15, insert the following: (c) Section 1202 (b)(3)(C)(i) of the Social Security Act is amended by striking the matter that follows clause (II) and inserting "No interest shall accrue on such deferred interest."

Mr. LEVIN. Mr. President, this is a second-degree amendment to the Metzenbaum amendment, and I believe it is acceptable to the committee and acceptable to Senator METZENBAUM.

A few months ago, Mr. President, we agreed to defer interest under certain circumstances on loans from these funds. Today we are agreeing to defer interest under other circumstances for other States for loans from these funds. We have just agreed to the Percy-Dixon-Metzenbaum modification which says that on the deferred interest we will not be compounding interest, we will not require those States to pay interest on interest. The amendment which I have just sent to the desk does the same thing for the deferred interest under the bill which we just adopted a few months ago called the Tax Equity and Fiscal Responsibility Act of 1982 that we are doing on today's bill. It would in effect say, for the same reasons, that we do not want to charge interest on those deferred payments as we are deciding today not to charge interest on interest on the deferrals that we are allowing today.

I might just quickly say that my State of Michigan, which benefited under that early act, has increased taxes by $2 billion and cut benefits by $1 billion. It is the kind of Draconian action which the chairman has referred to. We have taken that bitter medicine.

We are very appreciative of the work of the chairman of the Finance Committee in working this out with us. He has been extremely accommodating, I must say again, as in so many other matters that come before the Senate, in the first instance a few months ago in working it out so that we could get some relief on the interest, and now some relief from the compounding interest in today's bill.

I also want to thank the Senator from Ohio for accepting this amendment, for working through this process with us. We have worked very closely with him, as we have worked very closely with Senator DOLE. He is the principal cosponsor along with Senator RIEGLE of my modification to his amendment. I am very happy that he has agreed to go at it in this way, and again my thanks to the chairman of the Finance Committee.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, the amendment of the distinguished Senator from Michigan and cosponsors is a good amendment, one of those we talked about at an earlier point. I am happy to accept his amendment to my amendment.

Mr. DOLE. Mr. President, the amendment of the Senator from Michigan is consistent with what we have just done with regard to the Percy amendment. The amendment should be adopted. We support the amendment.

I was just explaining to the Senator from Michigan that if anybody does not understand what has happened in his State, they should take a look at loan projections based on the President's budget assumptions and provided by the U.S. Department of Labor, dated March 15, 1983. These projections indicate that Michigan is borrowing about $1.1 billion in 1983, $816 million in 1984, $596 million in 1985, $294 million in 1986, down to $87 million in 1987, and zero in 1988. These figures take into account the substantial reforms enacted by the State legislature in December 1982 under the leadership of then Gov. Bill Miliken.

These DOL figures are based on assumptions, but they do indicate the magnitude of the changes made in that State. They also provide an indication of why we believe we are justified in providing some relief for States like Michigan, which have made such drastic changes.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 94) was agreed to.

The PRESIDING OFFICER. Is there further debate on the amendment of the Senator from Ohio?

Mr. METZENBAUM. Mr. President, we are about ready to act on this amendment, as amended by both second-degree amendments, but before doing so, I should like to express my appreciation to the Senator from Kansas, the manager of the bill. He has done that which he felt necessary in order to send a strong and loud message to the States, as well as to see to it that the States do try to catch up with their arrearages and meet their obligations to the Federal Government. Yet, he has been understanding enough to make it possible for this amendment, as amended by the two second-degree amendments, to be considered and to be acted upon. I express to him my appreciation for his cooperation on the floor of the Senate.

I wish I could say the same about the Department of Labor, because in considering this amendment, we at-

tempted to find out from the Department of Labor what the projected interest payments were, on a State-by-State basis, through 1988. For some reason unbeknown to me, they indicated that that information had a kind of confidentiality about it, which I cannot understand. They talked about it being State sensitive.

I have heard a lot of things around this community being marked confidential and privileged, and so forth, but I cannot understand why figures such as that are State sensitive from the Department of Labor.

I wish to advise them, in loud and clear tones, that I do not expect them to refuse any Member of the Senate or any Member of Congress any information of this kind, unless there is some special law that makes it possible for them to do so.

Having gotten that off my chest, Mr. President, I am happy to proceed with action on this amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

The question is on agreeing to the amendment.

The amendment (UP No. 88), as amended, was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SEVERAL SENATORS address the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I had omitted one matter. I ask unanimous consent that the name of my colleague from Ohio, Senator GLENN, be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 95

(Purpose: To change the date after which a State solvency action must have been taken)

Mr. FORD. Mr. President, I send to the desk an amendment on behalf of myself and my colleague, Senator HUDDLESTON, and I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the Bradley amendment will continue to be set aside.

The amendment of the Senator from Kentucky will be stated.

The bill clerk read as follows:

The Senator from Kentucky (Mr. FORD), for himself and Mr. HUDDLESTON, proposes an unprinted amendment numbered 95.

Mr. FORD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 235, line 23, strike out "October 1" and insert "March 31".

Mr. FORD. Mr. President, this amendment that I and my colleague from Kentucky, Senator HUDDLESTON, are offering is of a technical nature. It moves back the effective date from October 1, 1982 to March 31, 1982, for purposes of allowing States to participate in the unemployment loan interest deferral program if a sufficient solvency effort is undertaken.

This will enable Kentucky, which on April 1, 1982, approved tough legislation saving money in its unemployment compensation system, to qualify for the loan deferral provisions in this bill. Kentucky's April 1982 legislation retroactively increased employer taxes as of January 1, 1982, and prospectively reduced benefits as of July 1, 1982. The result of this legislation, according to February figures from the U.S. Department of Labor, is that Kentucky employers now have the highest average tax rate in the Nation as a percent of taxable wages and the fifth highest average tax rate as a percent of all wages.

The provision in the Finance Committee bill which allows States to defer interest payments that are due on October 1, 1983, is designed to assist States that have made a major effort to find savings in their unemployment compensation system, but that because of the continued recession still must borrow from the Federal Government.

The Senate Finance Committee bill would allow States to qualify only if they made changes in their unemployment compensation system after October 1, 1982. Kentucky made changes in 1982 before the October 1 date. Those changes were substantial and represented tremendous sacrifice from both employers in the State of Kentucky and unemployment compensation beneficiaries. Kentucky has taken responsible action to strengthen its unemployment compensation system. It remains frustrated by continuing high unemployment that has unexpectedly forced the State to borrow funds from the Federal Government. Like other borrowing States, Kentucky is having a very difficult time paying the new interest charges on those borrowed funds.

Unlike other States, Kentucky has the unique problem of not saving funds to make the full October 1, 1983 interest payment. This situation has arisen because the Kentucky Legislature is the only legislature in the Nation that does not meet in regular session in 1983 during which funds can be appropriated to make the October 1 interest payments. In 1982, when the Kentucky General Assembly was considering making changes in the unemployment system, it was on the basis that those savings would be sufficient to avoid the necessity of borrowing from the Federal Government. As a result, no contingency plans were made to set aside funds for possible interest payments on October 1, 1983. A contingency fund does not exist to make loan payments on the October 1, 1983 date, but that fund has only enough money to pay the 20 percent that would be required if Kentucky is made eligible for the loan deferral. It does not have enough money to pay the approximately $8.2 million interest that is presently required.

Kentucky has made the sacrifices required by this legislation and it is only fair that Kentucky also be allowed to participate in the deferral. Beyond that, however, Kentucky must participate in the deferral because it does not have funds to make the October 1, 1983 payment. I am pleased the distinguished chairman and ranking minority member of the Senate Finance Committee have agreed to accept this provision. They agree it is the fair thing to do and I hope it will give Kentucky, like other States, the chance to get its unemployment compensation system in order.

Mr. President, I understand that this change is acceptable to the majority and minority floor managers of the bill.

I say to the distinguished Senator from Kansas that it is my understanding that our amendment to change the date for acceptable law changes from October 1, 1982, to March 31, 1982, will have no impact on the base levels from which changes in State law will be measured. As a result, Kentucky will qualify on the basis of action taken by our general assembly last year.

Mr. DOLE. The distinguished Senator from Kentucky is correct. The bill provides that the base level is determined to be the level of benefit outlays and revenues which would have been in effect if the changes in State law had not taken effect. The Department of Labor estimates that Kentucky may be eligible for deferral as a result of this date change.

Mr. METZENBAUM. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. METZENBAUM. I understand that the changes made last year by Ohio would be taken into consideration as the result of this amendment.

Mr. DOLE. Yes; they would. Of course, any changes used in the determination will have to remain in place throughout calendar year 1984 to achieve the deferral for calendar year 1983.

Mr. METZENBAUM. I thank the Senator from Kansas.

Mr. DOLE. Mr. President, the Senator from Kentucky has discussed this amendment with me and I do support it. The amendment simply provides for a change in the date after which a

State must have taken action to increase solvency in its State UI program. The committee bill requires that State action must have occurred after October 1, 1982. The Ford amendment changes that date to March 31, 1982.

The committee position is that in order to qualify for relief from the interest and loan provisions enacted in the Omnibus Budget Reconciliation Act of 1981, the State should have enacted reforms in response to those provisions. Interest became effective on borrowing by States after April 1, 1982.

It does seems clear, therefore, that the State of Kentucky did pass its legislation in response to the congressional action. The Kentucky legislation retroactively increased taxes on employers as of January 1, 1982, and decreased benefits as of July 1, 1982. As a result of these changes, Kentucky has the highest average tax in the Nation as a percent of taxable wages and the fifth highest average tax rates as a percent of all wages.

This is clearly a substantial effort toward reaching solvency. I support this minor change.

Mr. FORD. Mr. President, I thank the distinguished floor manager of the bill for his support.

I am ready to vote.

The PRESIDING OFFICER. Is there further debate?

Mr. LONG. Mr. President, I have no objection to this amendment, and I am prepared to vote for it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 95) was agreed to.

Mr. FORD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 96

(Purpose: To adjust the criteria and period for using the "normalization" procedure.)

Mr. LONG. Mr. President, I send to the desk a conforming amendment.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from New Jersey will continue to be set aside.

The amendment of the Senator from Louisiana will be stated.

The assistant legislative clerk read as follows:

The Senator from Louisiana (Mr. LONG) proposes an unprinted amendment numbered 96:

On page 100, line 20, strike out "12" and insert in lieu thereof "20".

On page 103, line 5, strike out "1988" and insert in lieu thereof "1990".

Mr. LONG. Mr. President, the bill contains several provisions designed to assure the fiscal soundness of social security funds over this decade. The pending amendment would conform one of those provisions to the others by making it available when the assets of the trust fund are below 20 percent of the year's benefits, and would have the effect of carrying out what the intent of the committee was all the time.

Mr. DOLE. The Senator is correct. This is a conforming amendment. When we passed the Long amendment, we failed to conform that with another amendment in the bill. I understand that is essentially what the Long amendment would do.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 96) was agreed to.

Mr. LONG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 97

(Purpose: To revise the test for deferral of interest)

Mr. BYRD. Mr. President, the Committee on Finance recommends that States be allowed to defer paying interest on loans from the unemployment trust fund over a 5-year period for interest accrued during fiscal years 1983, 1984, and 1985. Eighty percent of the interest accrued could be deferred, with one-quarter of the deferred interest payable in each of the four succeeding years.

In order to qualify, States would have to meet two standards: They would be prohibited from taking any action to reduce tax effort or trust fund solvency, and they would be required to increase revenues and decrease benefits by certain amounts after October 1982.

In general, this is a reasonable provision. However, I do not believe it is reasonable to require benefit decreases or tax increases in a State that has already taken substantial, responsible steps to reform its unemployment insurance program—which resulted in placing it among the States with the highest unemployment insurance tax rates in the Nation—just because that action was taken before October 1982.

My State of West Virginia falls into this category. In April 1981, the legislature enacted and the Governor signed into law a major reform of the unemployment insurance system. West Virginia now has the third highest tax rate relative to total wages in the State in the Nation.

The amendment that I am going to offer provides, simply, that if a State has an average unemployment tax rate equal to or greater than 2 percent of the total of the wages covered by the State unemployment insurance tax, without a ceiling on those wages, it may qualify for the ability to defer paying interest on loans in the same manner as States that take action to reform their programs after October 1982 in accord with the committee's criteria.

I have discussed this amendment with the chairman and the ranking minority member of the Finance Committee, and I hope that they will be willing to accept the amendment. It is an amendment pointed toward fairness which I hope everyone in this Chamber will be able to support.

I urge its adoption.

I send the amendment to the desk and ask that it be stated by the clerk.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from New Jersey will continue to be set aside.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. BYRD) proposes an unprinted amendment numbered 97.

Mr. BYRD. Mr. President, I have already explained the amendment. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 235, line 22, insert "(I)" after "(ii)".

On page 236, line 4, strike out the period and insert "; or".

On page 236, between lines 4 and 5, insert the following:

"(II) have had, for taxable year 1982, an average unemployment tax rate which was equal to or greater than 2.0 percent of the total of the wages (as determined without any limitation on amount) attributable to such State subject to contribution under the State unemployment compensation law with respect to such taxable year."

Mr. BYRD. Mr. President, I hope the distinguished manager will accept the amendment.

Mr. DOLE. Mr. President, the amendment offered by the distinguished minority leader adds an additional qualification requirement to the Finance Committee proposal on interest relief. The requirement would include a State tax effort currently in place in about three States.

I have no quarrel with the amendment. It is my hope that the States which qualify by reason of the Byrd amendment will also take steps to reform their unemployment compensation benefits.

So I am prepared to accept the amendment.

I understand the distinguished Senator from Louisiana has no objection to the amendment.

Mr. LONG. Mr. President, I have no objection.

The PRESIDING OFFICER. If there is no further debate, the ques-

tion is on agreeing to the amendment of the Senator from West Virginia.

The amendment (UP No. 97) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I thank the distinguished manager of the bill, Mr. DOLE, and the distinguished ranking minority member, Mr. LONG.

UP AMENDMENT NO. 98

(Purpose: To conduct a study with respect to establishing the Social Security Administration as an independent agency)

Mr. HEINZ. Mr. President, on behalf of myself and Senator MOYNIHAN I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from New Jersey (Mr. BRADLEY) will continue to be set aside.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. HEINZ), for himself and Mr. MOYNIHAN, proposes an unprinted amendment numbered 98.

Mr. HEINZ. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of part D of title I, add the following new section:

SOCIAL SECURITY AS AN INDEPENDENT AGENCY

SEC. 153. In keeping with the recommendations of the National Commission on Social Security Reform, a study shall be conducted with respect to the establishment of the Social Security Administration as an independent agency under a bipartisan board appointed by the President, by and with the advice and consent of the Senate. The study shall be conducted by a Presidential Commission consisting of experts widely recognized in the fields of government administration, social insurance, and labor relations. The study shall address, analyze, and report to the Congress on: the program(s) which should be included within the jurisdiction of the new agency, the legal and other relationships of the Social Security Administration with other organizations which would be required as a result of establishing the Social Security Administration as an independent agency, and any other details which may be necessary for the development of appropriate legislation to establish the Social Security Administration as an independent agency. The Commission shall report the legislative details to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, not later than April 1, 1984.

Mr. HEINZ. Mr. President, the amendment I am offering for myself and the distinguished Senator from New York (Mr. MOYNIHAN) would establish a special study to develop the legislative details necessary to establish the Social Security Administration as an independent agency under a bipartisan board. The study would be conducted by a special Presidential commission and would be completed by April 1, 1984.

This amendment would take the first step toward restoring the Social Security Administration to the status it enjoyed in the early days of the program. It would implement a recommendation of the first National Commission on Social Security which reported to Congress in 1981, and it would follow up on a recommendation of the recent National Commission on Social Security Reform, on which both Senator MOYNIHAN and I serve, which supported separate agency status in principle and recommended a study.

Mr. President, establishing the Social Security Administration as an independent agency under a bipartisan board would go a long way to restoring public confidence in the social security program. When the original Social Security Act established a Social Security Board as an independent agency, it was clear to the public that this program would be managed as a separate social insurance program with its own tax contributions. This Board had no matters competing for its attention and its resources other than the efficient management of this important program. Young workers could clearly understand the relationship between their tax payments and their eventual entitlement for benefits. There was no confusion about how the tax revenues were being used or why changes were made in the program.

I wish to highlight why this is a necessary approach.

Over the years, the Social Security Board has been subsumed under other administrative units and has become only one part of the confusing array of health and welfare programs provided by the Federal Government. In the process, the operations and objectives of the social security program have been obscured, both within the Government and to the view of the general public. This process of absorption began in 1939 when the original Social Security Board was subsumed under the Federal Security Agency. In 1953, the Social Security Administration was made a part of the Department of Health, Education and Welfare—later the Department of Health and Human Services. In 1977, as part of the reorganization of the Department, medicare was separated from the Social Security Administration and placed, along with the medicaid program, in a new Health Care Financing Administration (HCFA). Several public assistance programs, including aid to families with dependent children and child support enforcement programs were at that time shifted to the Social Security Administration to be administered. As a result, today there is no clear distinction in either the organization or the administration of the Department's programs between those programs which are financed with general tax revenues and those which are based on the payroll tax contributions of workers.

Not only is the present organization confusing and distressing to those in the public who are contributing taxes today in the expectation of receiving benefits in the future, it is also counterproductive to the efficient operation of the social security program. In recent years, the Social Security Administration has shown increasing signs of difficulty in administering the social security program. Constant turnover in leadership at the Department and the agency level has made it difficult, if not impossible, to establish consistent policy priorities in that very important agency.

The clearest evidence of this ever-fluctuating policy has appeared in the failure of the agency to develop a consistent plan to upgrade and revise its computer system which can survive long enough to be implemented. As a result, the Social Security Administration is now operating a computer system barely able to keep up with the maintenance of earnings records on hundreds of millions of workers and the regular computation of benefit checks for over 35 million beneficiaries.

As one of the operating divisions within a conglomerate Cabinet-level Department, the Social Security Administration has been saddled with responsibilities for programs unrelated to social security which place an added burden on its already overcommitted staff and computer resources. In addition, as part of a broader Department, the agency is apportioned both program and administrative budget reduction targets based on overall departmental needs and without regard to social security program considerations or operational needs. This mathematical apportioning of resources and responsibilities is interfering with the ability of the Social Security Administration to manage the social insurance program it was intended to administer.

While the Social Security Administration resources are stretched to the limit, the separate administration of the medicare and cash benefit programs has led to duplication of staff in budget, policy planning, and administrative services between these two agencies and between them and the Department as a whole. This duplication is both a source of added overhead cost and a source of problems in coordination of activities and policy.

From our perspective, the most distressing side effect of this administrative confusion is that our constituents are finding it increasingly difficult to

get decent service from the Social Security Administration. Increasingly constituents with errors in their checks or earnings records are having to seek recourse through their Congressman's district office because the Social Security Administration is slow or reluctant to respond to their concerns.

The confusion in the general public about the social security program and its administration is a major source of declining public confidence in the program. In the last few years, confidence in the future of the social security program has declined sharply—among younger people in particular, the proportion of those with little or no confidence in the program has risen from one-half to three-quarters. I see this confusion about the financing and management of the program in the letters I receive from constituents. Many younger people believe their payroll tax deductions are used to finance welfare programs.

I have people come up to me every time I am having a town meeting in the State and they say: "Senator, you have just to get these welfare programs out of the Social Security Administration. They are robbing us of our retirement."

Of course, we all know there are no welfare programs in the social security program. It is the old age and survivors program. There is the disability program. There is a health insurance program, medicare. Each of those programs have their own tax rate to pay for those programs. There are no welfare programs in social security.

Others believe that changes in the program are made only to reduce budget deficits or to finance increases in the defense budget. The sense that this program can be altered merely to meet budget needs or for other largely political reasons is a major source of the recent loss in public confidence.

Mr. President, the agency I am talking about is the second largest agency in the Federal Government. The Social Security Administration has more employees (80,000) and a larger budget (over $150 billion) than any other Federal Department except the Department of Defense. This is an agency that dwarfs the rest of the Department of Health and Human Services, and yet it is treated as only one of several divisions in that Department. I believe it is time the Congress clearly indicated its intention to consolidate and separate the operations of the social security program so that its important mission can be accorded the special attention it so badly needs.

I recognize that the separation of this agency raises a number of difficult questions about reorganization. Quite rightly these questions should be the subject of a careful study to develop the details of a reorganization plan. But I hope we will not be deterred now by these questions from expressing our intent to develop a strong Social Security Administration with a clear set of responsibilities, strong leadership, and the resources to manage this important program effectively. It will take a strong signal like this from the Congress to convince the American people once again that this earnings-related program is unique and separate and is not simply another of the many discretionary programs this Government operates from time to time.

I think, Mr. President, we are only going to really clarify that question for our constituents when we have a separate Social Security Administration. We are only going to run it right when there is a separate Social Security Administration, and that is why I want and hope that my colleagues will accept this amendment.

I might add that later on this afternoon I will offer an amendment to take one of the other steps which I believe is necessary and that is to separate the social security old age and survivors and disability insurance programs financially from the unified budget, but that is not what this amendment seeks to do.

So at this point I am only urging my colleagues to join me in setting in motion the process of restoring as it once was the Social Security Administration to independent status.

Mr. DOLE. Mr. President, this amendment by the distinguished Senator from Pennsylvania and the Senator from New York (Mr. MOYNIHAN), has been discussed and also has been modified so that it now is a study.

I think the idea has a great deal of merit.

The one concern we had with the original amendment was that it became self-executing if nothing were done by a certain date. It now satisfies the chairman and others that it is a good amendment and we hope that it might be accepted.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment (UP No. 98) was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 99

Mr. DOLE. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from New Jersey (Mr. BRADLEY) will continue to be set aside.

The clerk will report the amendment of the Senator from Kansas.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an unprinted amendment numbered 99.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning on page 239, line 16, strike out through page 240, line 11, and insert the following:

PENALTY FOR FAILURE TO PAY INTEREST

SEC. 414. (a) Section 303(c) of the Social Security Act is amended by striking out "or" at the end of paragraph (1), striking out the period at the end of paragraph (2) and inserting "; or", and adding at the end thereof the following new paragraph:

"(3) that any interest required to be paid on advances under title XII of this Act has not been paid by the date on which such interest is required to be paid or has been paid directly or indirectly (by an equivalent reduction in State unemployment taxes or otherwise) by such State from amounts in such State's unemployment fund, until such interest is properly paid.".

(b) Section 3304(a) of the Internal Revenue Code of 1954 (relating to certification of State unemployment compensation laws) is amended by redesignating paragraph (17) as paragraph (18) and by inserting after paragraph (16) the following new paragraph:

"(17) any interest required to be paid on advances under title XII of the Social Security Act shall be paid in a timely manner and shall not be paid, directly or indirectly (by an equivalent reduction in State unemployment taxes or otherwise) by such State from amounts in such State's unemployment fund; and".

Mr. DOLE. Mr. President, this amendment should have followed the other amendments relating to unemployment insurance. But the Senator from Pennsylvania wanted to offer his amendment, and the Senator from Kansas deferred.

What my amendment does is to strengthen the collection authority of the Federal Government in regard to overdue interest on unemployment compensation loans.

First, the amendment spells out the implicit fact that a State's failure to pay its interest liabilities could result in the loss of State certification.

This would mean that State employers would no longer be eligible for full credit against the Federal unemployment tax. Such a proceeding has been carried out fully only once. However, it does provide an effective tool for enforcement and compliance questions with the States.

Second, the amendment would withhold administrative funds from a State which fails to meet the payment schedule of its interest liabilities. The funding, which is all Federal, would be withheld until the required payment is made.

The amendment provides for the late payments which qualify under the Metzenbaum amendment, but the provision I am proposing would become effective for late interest payments beyond the grace period.

I urge my colleagues to approve this amendment as it is simply good business policy to require payments in a timely fashion of debts. The Federal Government hopefully will never have to utilize this provision, but it should be available if necessary.

I think this amendment has been discussed with the minority manager of the bill. It is a strengthening amendment, and I hope there is no objection to it.

The PRESIDING OFFICER. Is there objection to the amendment?

Mr. LONG. I do not object. It accomplishes the purpose it has in mind.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment (UP No. 99) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I understand the Senator from Kentucky (Mr. HUDDLESTON) has an amendment which we are in the process of reviewing, and perhaps while he is discussing it we can take a look at it.

UP AMENDMENT NO. 100

Mr. HUDDLESTON. Mr. President, I thank the floor manager of the bill. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from New Jersey will continue to be set aside. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Kentucky (Mr. HUDDLESTON), for himself and Senators DANFORTH, RANDOLPH, FORD, and PELL, proposes an unprinted amendment numbered 100.

Mr. HUDDLESTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title I add the following new section:

SEC. . (a)(1) Section 210 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"ELECTIVE COVERAGE FOR MINISTERS AS EMPLOYERS

"(r) Services performed in the exercise of his ministry by a duly ordained, commissioned, or licensed minister of a church who has made an election under section 312(v)(1)(A) of the Internal Revenue Code of 1954 with respect to such service shall constitute employment under this section beginning with the first day of the calendar quarter in which coverage becomes effective with respect to such service under section 312(v)(3) of such Code."

(2) Section 210(a)(8)(A) of such Act is amended by striking out "except that" and inserting in lieu thereof the following: "except as provided in subsection (r), and except that."

(3) The last sentence of section 211(c) of such Act is amended by inserting "(i)" after "unless", and by inserting before the period at the end of the sentence the following "or (ii) in the case of service performed by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry as described in paragraph (4), the service constitutes employment under section 210(r)."

(b)(1) Section 3121 of the Internal Revenue Code of 1954 (definitions under Federal Insurance Contributions Act) is amended by adding at the end thereof the following new subsection:

"(v) MINISTER.—

"(1) TREATMENT OF SERVICE AS EMPLOYMENT.—Service performed by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry, shall constitute employment under this section if—

"(A) he has elected to have such service covered as employment under this section; and

"(B) the church has elected to have such service covered as employment under this section.

"(2) ELECTION BY MINISTER AND CHURCH.—

"(A) Any minister who makes an election under paragraph (1)(A) shall file a certificate of such election in such form and manner, and with such official, as the Secretary shall by regulations prescribe. Such certificate shall specify the date on which the minister wishes such election to become effective for him, but in no case shall such election become effective (i) prior to the first day of the earliest calendar quarter which begins on or after the first day of the sixth calendar month before the month in which the minister files such certificate, or (ii) later than the first day of the quarter following the quarter in which the minister files such certificate.

"(B) Any church which makes an election under paragraph (1)(B) shall file a certificate of such election and a waiver of exemption from the taxes imposed by section 3121. in such form and manner, and with such official, as the Secretary shall by regulations prescribe. Such certificate shall specify the date on which the church wishes such election to become effective for the church, but in no case shall such election become effective (i) prior to the first day of the earliest calendar quarter which begins on or after the first day of the sixth calendar month before the month in which the church files the certificate of such election, or (ii) later than the first day of the quarter following the quarter in which the church files such certificate.

"(C) In any case where a church is subject to the control of a national, regional, or other governing body with respect to the selection and compensation of its ministers (under the constitution, by-laws, or other administrative arrangements of the denomination of which such church is a part), the election under paragraph (1)(B) through the filing of a certificate under subparagraph (B) may be made on behalf of the church by such governing body; and any election so made shall be deemed for purposes of this subsection to be the election of the church.

"(3) EFFECTIVE DATE OF COVERAGE.—Coverage shall become effective with respect to service specified in paragraph (1) on the first day of the first quarter for which both an election by the minister is effective under paragraph (2)(A) and an election by the church is effective under paragraph (2)(B). Such service shall constitute employment under this section beginning with the first day of the calendar quarter in which coverage is effective with respect to such service.

"(4) APPLICABILITY OF ELECTION.—

"(A) Any election under this subsection shall be irrevocable. An election made under this subsection by a minister shall apply with respect to any service performed by such minister in the exercise of his ministry in the employ of any church which has made an election under this subsection; and an election made under this subsection by a church shall apply with respect to any such service performed in the employ of such church by a minister who has made an election under this subsection.

"(B) A church which has made an election under this subsection shall not, for purposes of sections 3102 and 3111, be considered to be the employer of any minister who has not made an election under this subsection".

(2) Section 3121(b)(8)(A) of such Code is amended by striking out "except that" and inserting in lieu thereof the following: "except as provided in subsection (v), and except that".

(3) The last sentence of section 1402(c) of such Code is amended by inserting "(i)" after "unless", and by inserting before the period at the end of the sentence the following: "or (ii) in the case of service performed by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry as described in paragraph (4), the service constitutes employment under section 3121(v)."

(4) The second sentence of section 1402(e)(3) of such Code is amended by inserting "and shall not be affected by any election subsequently made under section 3121(v)(1)(A)" immediately before the period at the end thereof.

(C) The amendments made by this section shall apply with respect to service performed on or after the first day of the first calendar quarter which begins after the date of the enactment of this Act.

Mr. HUDDLESTON. Mr. President, the amendment I am proposing to the pending social security legislation would bring consistency and equity to the social security payroll tax system for members of our Nation's clergy. I am pleased that the distinguished Senator from Missouri, (Senator DANFORTH), the Senator from West Virginia (Mr. RANDOLPH), Senator FORD, my colleague from Kentucky, and the Senator from Rhode Island (Mr. PELL) have joined me as cosponsors of this amendment. As a member of the Senate Finance Committee, Senator DANFORTH has devoted a great deal of time and effort toward the social security issue and therefore, I beleive, has a unique perspective on the problem addressed by our amendment.

Current law requires that clergy members be considered self-employed for the purposes of social security taxation. This means that they must pay taxes on their wages based on the rate applied to the self-employed, a rate measurably higher than that paid by employed individuals.

The inconsistency arises out of the fact that in the vast majority of cases, the clergy member's salary is not self-generated, but is actually paid by the church or synagogue just as that of all other individuals serving that house of worship.

The church, therefore, is withholding income taxes from clergy salaries as employees of the church, but at the same time is not paying the employer portion of the social security tax for its clergy based on current law which deems these individuals self-employed.

The situation as it now exists requires one Government agency, the IRS, to recognize clergy members as employees of their church or synagogue, while another (SSA) insists that, for social security tax purposes, these individuals are self-employed.

The amendment I am proposing would relieve this inconsistency by providing the option for churches and synagogues to contribute the employer's portion of the social security tax on behalf of their clergy. Briefly, it would permit duly ordained, commissioned, or licensed ministers to enter into voluntary agreements with their churches to be treated, for social security tax purposes, as employees of their church or synagogue. In essence, it would be a mutual decision arrived at between the two parties involved.

Mr. President, I believe this approach to be both purposeful and compromising; it restores a balance to the method by which we tax these respected members of our community, while allowing those churches and clergy members with particular objection to this change to simply opt against implementing it.

The language I am proposing merely provides the vehicle for change, and allows the final, sometimes delicate employment classification of clergy to be made by those directly affected by it.

It is important to point out that my amendment does not tamper with the actual revenue inflow to the social security trust funds, since it simply shifts responsibility for a clergy member's social security payroll taxes from one source to another.

I am submitting for the RECORD a letter from the National Council of Churches indicating their support for my amendment.

Mr. President, I believe my amendment adequately addresses a problem which is in great need of correction, and I urge my colleagues to join Senator DANFORTH and I in support of it.

Mr. President, I ask unanimous consent the letter to which I referred be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL COUNCIL OF THE CHURCHES OF CHRIST IN THE U.S.A.,
Washington, D.C., March 18, 1983.

Hon. WALTER D. HUDDLESTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUDDLESTON: On behalf of the National Council of the Churches of Christ in the USA, I write to commend your efforts in relation to the question of Social Security coverage for clergy.

We support the amendment you are offering today, which would allow clergy the option of being treated as employees for purposes of Social Security.

Since some religious groups may not wish to have their clergy treated in this way, we especially appreciate the fact that, under your amendment, the election to be covered as an employee would be completely optional.

Thank you for the leadership you have provided on this issue.

Sincerely yours,

JAMES A. HAMILTON,
Associate General Secretary and Director, Washington Office.

Mr. HUDDLESTON. I would be happy to respond to any questions the manager of the bill or the distinguished ranking member might have at this time.

Mr. DANFORTH. Mr. President, I am pleased to join with Senator HUDDLESTON in offering this amendment, which touches a subject with quite an interesting history. Under the Social Security Act at present, members of the clergy can only be considered self-employed persons. This means that they bear a larger social security tax than an employed person, who pays one-half the full social security tax. Many clergymen and women would, for the purposes of social security, prefer to be considered employees of their churches. Similarly, many churches, properly interested in providing a decent standard of living for their ministers, would gladly pay the employer share of the social security tax in order to reduce their ministers' social security tax burden.

More is at stake in this question than, mere dollars and cents. The root question is more than a financial one. Some ministers could never consider themselves the "employees" of a church. Likewise, some churches could never agree that they are in an employer-employee relationship with their ministers or priests.

It is for this reason, as I understand it, that an employer-employee relationship has been avoided for purposes of social security.

The beauty of this amendment is that a clergyman or clergywoman and his or her church, by a voluntary and mutual agreement, could consider themselves in that relationship of employer and employee. Under such an agreement, the clergyman would pay the employee share of the social security tax, and the church the employer share. Again, the amendment mandates no such change—it merely allows such a change if both parties agree.

Happily, the amendment is revenue neutral. It will not affect the social security trust funds.

I urge the adoption of the amendment.

Mr. DOLE. Mr. President, the Huddleston-Danforth amendment would allow ministers to be treated as employees for FICA tax purposes if both the minister and his church elected such treatment.

There would be no adverse impact on the trust funds and no adverse impact on general revenues by the adoption of this amendment since our bill equalizes the SECA rate and the combined employer-employee social security tax rate.

My only concern would be whether the affected ministers and churches would agree that this is an appropriate amendment. It is my understanding that there is no problem so long as the provision is elective—which it is—and that, in appropriate circumstances, a national, regional, or other governing body has the authority to make the election on behalf of the local church. These concerns have been addressed by the amendment in a fair and equitable manner.

Therefore, the Senator from Kansas believes the amendment should be accepted, and I have no objection to the amendment.

Mr. LONG. I have no objection.

Mr. HUDDLESTON. I move the adoption of the amendment.

The PRESIDING OFFICER (Mr. TRIBLE). Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Kentucky.

The amendment (UP No. 100) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, as I understand it, we are waiting for the arrival of the Senator from New Mexico (Mr. DOMENICI).

We have disposed of 10 or 15 amendments since noon, so we have made good progress.

I do not believe there are that many amendments left. We have an amendment by the distinguished Senator from New Jersey (Mr. BRADLEY), the Senator from Louisiana, and other amendments relating to that one topic. If there are other amendments, I would say to Members who may be in their offices that we would like to con-

tinue to dispose of amendments this afternoon. I think that is the hope of the majority leader; is that correct?

Mr. BAKER. That is correct.

Mr. President, will the Senator yield to me?

Mr. DOLE. Yes.

Mr. BAKER. Mr. President, we really need to do as much as we can this afternoon. I congratulate the Senator from Kansas, the chairman of the committee, and others for moving along as expeditiously as they have been doing.

May I ask the manager of the bill whether or not he thinks that we can be usefully employed this afternoon for another hour or so, so that Senators can be on notice?

Mr. DOLE. I would say probably another hour, maybe an hour and a half.

Mr. BAKER. I would like to get to a third reading if we can, and, if we cannot, to do as much as is possible to do in any event so that we can finish this bill on Monday.

Mr. DOLE. There may be one additional rollcall vote today.

Mr. BAKER. I thank the chairman.

Mr. DOLE. Mr. President, I suggest the absence of a quorum while we await the arrival of the distinguished chairman of the Budget Committee.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, the Senator from Kansas is advised that the amendment we had hoped to take up now probably cannot be disposed of or even considered until sometime on Monday. It concerns whether or not social security should be within the budget process. That may take, I would assume, at least an hour or an hour and a half of debate. Hopefully it would not take longer than that amount of time.

Because of a conflict between four or five principal players we cannot act on that amendment this afternoon. I hope that other Members in their offices who may have amendments could offer them. I know the distinguished Senator from Florida, Senator HAWKINS, has an amendment, as does the Senator from New Jersey, Senator BRADLEY. Both will require rollcall votes.

If there are Senators who believe they have noncontroversial amendments, this would be a good time to discuss them and determine if they are noncontroversial. We would like to dispose of additional amendments this afternoon. It is our purpose to complete action on this bill on Monday.

I suggest the absence of a quorum while, hopefully, Members start coming this way.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVING SOCIAL SECURITY FROM THE UNIFIED BUDGET

Mr. HEINZ. Mr. President, it had been my intention to offer my amendment to remove social security from the unified Federal budget this afternoon, but Senator CHILES, the ranking member of the Budget Committee, and Senator DOMENICI have travel arrangements that, were I to offer the amendment at this time, would prevent them from fully engaging in debate. What I shall do instead is discuss the amendment this afternoon. I shall send the amendment to the desk not to be taken up and to be considered, but I shall simply have the amendment printed and printed in the RECORD at this point but not as if for consideration.

The amendment is as follows:

At the end of title I, insert the following:

REMOVAL OF SOCIAL SECURITY TRUST FUNDS FROM THE UNIFIED BUDGET

SEC. . Part A of title XI of the Social Security Act is amended by adding at the end thereof the following new section:

"REMOVAL OF SOCIAL SECURITY TRUST FUNDS FROM THE UNIFIED BUDGET

"SEC. 1136. (a)(1) For the fiscal years beginning after September 30, 1984, and ending before October 1, 1988, the President shall, in accordance with the second sentence of section 1104(c) of title 31, United States Code, establish a separate functional category for requests for new budget authority and estimates of outlays for the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund, and a separate category for estimates of revenues for such Trust Funds and estimates of revenues from taxes imposed under sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954. The categories established by the President pursuant to the preceding sentence shall be used in the preparation and submission of the budget under section 1105(a) of title 31, United States Code, for each such fiscal year. The budget submitted under such section for each such fiscal year shall not classify requests for new budget authority and estimates of outlays and revenues for such Trust Funds and estimates of revenues from taxes imposed under sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954 under any functional category other than the categories established by the President pursuant to this paragraph.

"(2) Notwithstanding any other provision of law, any concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974 for a fiscal year beginning after September 30, 1984, and ending before October 1, 1988, shall use the categories established by the President under paragraph (1) in specifying the appropriate levels of new budget authority and budget outlays for the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund and in specifying the recommended level of revenues for such Trust Funds and revenues from taxes imposed under sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954. A concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974 for any such fiscal year shall not classify the appropriate levels of new budget authority and budget outlays for such Trust Funds or the recommended level of revenues for such Trust Funds and revenues from taxes imposed under sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954 under any functional category other than the categories established by the President pursuant to paragraph (1).

"(b)(1) Notwithstanding any other provision of law, at the time the President submits the budget under section 1105(a) of title 31, United States Code, for any fiscal year beginning after September 30, 1988, and at the times the President submits the supplemental summary and changes in budget authority, outlays, and receipts under section 1106 of such title for any such fiscal year, the President shall transmit to the Congress a separate statement specifying requests for new budget authority and estimates of outlays for the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for such fiscal year and estimates of revenues for such Trust Funds and revenues from taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954 for such fiscal year. The budget for any such fiscal year submitted under section 1105(a) of title 31, United States Code, and any supplemental summary or changes in budget authority, outlays, and receipts submitted under section 1106 of such title for any such fiscal year, shall not contain any requests for new budget authority or any estimates of outlays or revenues for any such Trust Fund for such fiscal year or any estimates of revenues from taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954 for such fiscal year.

"(2) Notwithstanding any other provision of law, any concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974 for any fiscal year beginning after September 30, 1988, shall not include in the provisions specifying—

"(A) the appropriate level of total new budget authority and total outlays required under section 301(a)(1) of such Act for such fiscal year;

"(B) the estimates of total new budget authority and total outlays for each major functional category required under section 301(a)(2) of such Act for such fiscal year; or

"(C) the recommended level of Federal revenues required under section 301(a)(4) of such Act for such fiscal year,

any amounts attributable to budget authority and outlays for the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for such fiscal year or any amounts attributable

to revenues for any such Trust Fund or revenues from taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954 for such fiscal year.

"(3) Any concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974 for any fiscal year beginning after September 30, 1988, or any amendment thereto or any conference report thereon, shall not contain any specifications or directions described in the second sentence of section 310(a) of such Act which relate to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, or revenues from taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954.

"(C) The budget outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for any fiscal year beginning after September 30, 1988, shall be exempt from any general limitation imposed by statute on budget outlays of the United States, including any limitation on net lending.

"(d)(1) For the fiscal year beginning on October 1, 1988, and the succeeding fiscal years, the President shall, in accordance with the second sentence of section 1104(c) of title 31, United States Code, establish a separate functional category for requests for new budget authority and estimates of outlays for the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund and a separate category for revenues for such Trust Funds and revenues from taxes imposed under sections 1401(b), 3101(b), and 3111(b) of the Internal Revenue Code of 1954. The categories established by the President pursuant to the preceding sentence shall be used in the preparation and submission of the budget under section 1105(a) of title 31, United States Code, for each such fiscal year. The budget submitted under such section for each such fiscal year shall not classify requests for new budget authority and estimates of outlays and revenues for such Trust Funds and estimates of revenues from taxes imposed under sections 1401(b), 3101(b), and 3111(b) of the Internal Revenue Code of 1954 under any functional category other than the categories established by the President pursuant to this paragraph.

"(2) Notwithstanding any other provision of law, any concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974 for a fiscal year beginning after September 30, 1988, shall use the categories established by the President under paragraph (1) in specifying the appropriate levels of new budget authority and budget outlays for the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund and the recommended level of revenues for such Trust Funds and for revenues from taxes imposed under sections 1401(b), 3101(b), and 3111(b) of the Internal Revenue Code of 1954. A concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974 for any such fiscal year shall not classify the appropriate levels of new budget authority and budget outlays for such Trust Funds or the recommended level of revenues for such Trust Funds and revenues from taxes imposed under sections 1401(b), 3101(b), and 3111(b) of the Internal Revenue Code of 1954 under any functional category other than the categories established by the President pursuant to paragraph (1).

"(e) The provisions of subsections (a)(2), (b)(2), (b)(3), and (d)(2) are enacted by the Congress—

"(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

"(f) For purposes of this section—

"(1) the term 'budget outlays' has the same meaning as in section 3(1) of the Congressional Budget and Impoundment Control Act of 1974;

"(2) the term 'budget authority' has the same meaning as in section 3(2) of such Act; and

"(3) the term 'concurrent resolution on the budget' has the same meaning as in section 3(4) of such Act.".

Mr. HEINZ. Mr. President, let me take my colleagues' time to consider what I view as a very important choice before the Senate.

The amendment we shall take up on Monday, that I shall offer then, would separate the operations of the social security trust fund, first, as a distinct functional category in the next congressional and Presidential budgets, and then would remove social security entirely from the unified budget beginning in fiscal year 1989. Specifically under this amendment, the operations of the old age and survivors insurance—OASI—the disability insurance—DI—the hospital insurance—HI—and the supplemental medical insurance—SMI—trust funds would be separated from functional categories 550 and 600 and displayed as a separate function in the President's and the congressional budget effective with the fiscal year 1985 budgets.

In addition, the operations of the OASI and DI trust funds would be separated from the President's budget and the congressional budget and exempt from any general limitation on spending of the U.S. Government, effective for fiscal year 1989.

Mr. President, so that there is no misunderstanding of what this amendment would achieve, I ask unanimous consent that a section-by-section analysis of it be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMENDMENT TO REMOVE SOCIAL SECURITY FROM THE UNIFIED FEDERAL BUDGET BY SENATOR HEINZ—SECTION-BY-SECTION ANALYSIS

(a)(1) For fiscal years 1985 through 1988, the President's budget would contain a separate functional category for the budget authority and outlays of the Old-Age and Survivor's Insurance (OASI), the Disability Insurance (DI), the Hospital Insurance (HI), and the Supplementary Medical Insurance (SMI) trust funds; and a separate category for the revenues to these trust funds. These trust funds would not be classified in any other categories. Budget authority, outlays, and revenues for these trust funds would still be included in the budget totals.

(2) Budget resolutions for fiscal years 1985 through 1988 would use the categories established by the President in specifying budget authority, outlays, and revenues for the OASI, DI, HI, and SMI trust funds. These trust funds would not be classified in any other categories, and would be included in the budget totals.

(b)(1) For fiscal years 1989 and beyond, budget authority, outlays, and revenues of the OASI and DI trust funds would not be included in the unified budget submitted by the President. However, when the President sends the unified budget and mid-year revisions to the Congress, he would send, in addition a separate statement on the operations of the OASI an DI trust funds.

(2) Concurrent budget resolutions for fiscal year 1989 and beyond would not include in the totals, functional categories, and revenues, any amount attributable to budget authority, outlays, or revenues for the OASI and DI trust funds.

(3) Concurrent budget resolutions, and amendments to or conference reports on concurrent budget resolutions would not include reconciliation instructions to Committees which relate to the OASI or DI trust funds, effective for fiscal years 1989 and beyond.

(c) The OASI and DI trust funds would be exempt from any general limitations on outlays and net lending which might be imposed (e.g. were there a statutory requirement that outlays could not exceed revenues in any given year, the OASI and DI trust funds would not be included).

(d) For fiscal years 1989 and beyond, the SMI and HI trust funds would be included in the unified budget but would be treated as a separate functional category in the budget.

(e) This provision simply restates that limitations on what can be included in concurrent budget resolutions are considered part of House and Senate rules and not a matter of statute, and can be changed as such by either House.

Mr. HEINZ. For the sake of emphasis and clarity, let me say again that the amendment insofar as it affects the congressional budget process, including reconciliation, would only be with respect to the two cash benefit trust funds—old age and survivor's insurance and disability insurance—and that it is those two and those two only that would be removed from the unified budget beginning in fiscal year 1989. Therefore, it would not remove the two medicare trust funds, HI and SMI. The medicare trust funds would remain in the budget as a separate functional category.

There are two reasons for leaving the two medicare trust funds in the budget. First, although one of these—HI—is financed by the payroll tax, there really is no relationship between the earnings of the worker and the benefits provided under the program. Once an individual is entitled to medicare, they have full access to the bene-

fits of the program, no matter how many quarters they worked beyond the minimum of 40 quarters, and without regard to the amount of earnings they had in this period. So in this regard, the sense of having earned the benefits is really quite different than it is with regard to the cash benefits.

Second, and more important in my mind, is that the medicare program is facing serious financing difficulties beginning in a few years and extending into the foreseeable future. These financing problems are so severe that they call into question our ability to continue operating medicare as it is currently structured. Medicare's financing problems are only a signal of far greater financing problems in the general area of health care. With hospital costs rising at twice the rate of inflation, we are not only facing alarming increases in medicare expenditures, we are facing a substantial erosion in tax revenues as well through our income tax treatment of private health insurance. These are problems we will have to address broadly throughout the budget. The solutions to them may involve a restructuring of medicare financing making it inappropriate to have this program outside of the unified Federal budget. So I do not believe this is the proper time to address the issue of how we should treat medicare financing in the unified budget.

Mr. President, I would like to contrast the financing problems we have in medicare with those we have been experiencing in the cash benefit programs, because I think this reinforces the justification for separating the cash benefit programs from the unified budget. While the nominal cost of funding the current structure of benefits in OASI and DI is expected to rise substantially over the next 75 years, the cost of these programs relative to the economy as a whole will not necessarily increase over levels we are already supporting. In other words, today the cash-benefits account for about 5.2 percent of the GNP, and under intermediate II-B assumptions, are expected to be 5.4 percent of GNP in 2060. In the interim, OASDI outlays will fluctuate under these assumptions between 4 and 6 percent of GNP. But the point is, over the long run, this is a relatively stable spending program. Where Federal spending fixed as a percent of GNP in the future will be the case, this program would account for a relatively stable share of that spending over quite a long period of time.

Medicare, however, is quite a different matter. Health care costs generally have been and are expected to continue rising at alarming rates. Health care accounted for only 6 percent of GNP as recently as 1965. It has jumped to nearly 11 percent of GNP today and is still climbing.

In sum, I think it makes good sense to wait until we resolve the problems in health-care financing and see how medicare is financed at that time before we make any final decisions about including or excluding medicare from the unified Federal budget.

Mr. President, for several years, Congress has been debating whether social security ought to be a part of the unified budget and whether it ought to be considered each year in the context of the congressional budget process.

I believe the time has come to stop discussing that question. We have given it a tremendous amount of study. I believe the time has come to act.

We have before us today a social security financing bill which will do a great deal to restore public confidence in the social security program. It will provide $165.5 billion in additional financing in the short run and totally eliminate, under current forecasts, the longrun financing deficit. Despite its success in providing new financing, it fails to address one of the root causes of declining public confidence, namely, cynicism about the way the Congress develops social security legislation.

I have been in a number of forums where the work of the Finance Committee and of the Budget Committee has been misunderstood. Any time somebody proposes to try and put social security on a firm financial footing so that we may assure the elderly that their benefit checks are going to go out, someone will get up and say: "These changes are being proposed to balance the budget on the backs of social security recipients."

How many times we have heard that in the last 2 years are too numerous to count. Whatever the reasons, there is a general misunderstanding in the public of the way social security is financed and of its relationship to the rest of our Federal programs.

Many people honestly believe that the Federal Government uses social security funds for other purposes and that the current financing problems have resulted because the Congress has repeatedly raided the trust funds.

Mr. President, I do not know of a single Member of this body who wants to be accused, even to let it be thought for a moment that they want to make a single change, no matter how modest, in the social security system if it is for the purpose of balancing the budget, or for that matter for the purpose of helping finance the defense budget, or any purpose other than maintaining the solvency of social security itself.

But I must say, I think the fact that we have had to deal with social security in the annual congresssional budget debate in the last few years is largely to blame for this growing public skepticism. Congress has given the American people the impression that payment of social security benefits is conditional upon the status of the overall Federal budget, and not solely upon the financial condition of the trust funds. Annual quick fixes in social security, made in the rush of reporting out a comprehensive budget, have flown in the face of the fact that this is a social insurance program dependent on long-term commitments by workers and the Government. Its inclusion in the budget process has made it look more like discretionary spending than the social insurance that it is.

Mr. President, the need to restore public confidence in the long-term stability of social security is of overriding importance. In the last few years, while the Congress has been debating what to do about social security, the public, particularly younger workers, has lost faith in the future of this program. In 1978, surveys showed that nearly half of all workers between 18 and 49 had confidence that they would receive benefits from the program when they retired. Today, fewer than one in four of these workers believe they will receive benefits. Mr. President, that is not a reversal. It is a wholesale loss of public confidence. It is a serious problem because the whole structure of this social insurance program rests on a compact made across generations. Younger workers today pay taxes to finance benefits for today's retirees in the expectation that future generations will also be willing to pay taxes when it is their turn to retire. Such growing doubts about the future of social security threaten to undermine the willingness of workers to support the payroll tax upon which the entire system rests.

The bill before us will begin the process of restoring public confidence in social security. In part, we will do this through the financing measures we adopt here. But we will also need to reassure the 115 million contributing workers and 35 million social security beneficiaries that these measures are being adopted solely to finance social security. To do this we must remove the social security trust funds from the unified Federal budget.

Restoring public confidence in social security is one good reason for removing social security from the budget, but it is not the only reason. If we look at this question from a budget perspective, it is even clearer that social security does not belong in the unified budget.

Mr. President, the social security program is a very different kind of program than those we generally find in the budget. It is a program which has its own dedicated taxes and its own financing reserve. This reserve is intended to provide resources to the program, cushioning it from the ups and downs of economic cycles. When

social security runs deficits, it draws on its reserves; when it runs surpluses it builds the reserves back up. As part of the unified budget, however, social security's deficits add to the budget deficit and its surpluses mask budget deficits that might otherwise be more apparent. But social security is not a program which should be continually adjusted to correct these temporary effects on the overall budget. It is a program which should be set on a sound financial basis and, to the extent possible, left alone to weather economic and demographic fluctuations with its own resources.

If we make the mistake of leaving social security in the unified budget, I think we are going to have tremendous difficulty in the future managing the social security program in a consistent manner. None of us can know for sure what the future will hold, but there are a few events which we know have a high probability of occurring. One of these which is going to have tremendous effects on social security financing, is the inevitable aging of the baby boom generation. Like a rabbit swallowed by a snake, this generation will advance slowly through the age groups—first swelling the ranks of workers, and then, after 2015, swelling the ranks of retirees. This demographic pattern will result in annual surpluses for social security from the 1990's for about 25 years—in other words through about 2015—followed by annual deficits for social security after 2015. It seems to me, if we can gaze into the crystal ball for a moment, that this will lead to two kinds of problems in the context of the unified budget.

Mr. President, the charts behind me indicate the periods when social security will be in surplus and when it will be in deficit. As my colleagues can see, there are very large yellow areas between the years 1990 and 2015 that represent both annual and accumulated surpluses. After the year 2015, there is a large area of red that diminishes over time to a greater or lesser degree, depending on assumptions, that represents deficits, both annual and accumulated, that the system will experience.

Let us look at one of the surplus years. Take the year 2010. Under present law in that year, the old-age, survivors, and disability insurance trust funds are going to receive in revenues an estimated $60 billion in 1982 dollars, today's dollars—not the dollars of the future some 30 years hence—they will receive $60 billion more than they will spend in outlays, adding this to a trust fund of more than $600 billion, again 1982 dollars, not future dollars.

If we enact H.R. 1900, as I hope we do, this surplus could run as high as $125 billion in that year, and the trust fund itself might total as much as $1 trillion that year.

It seems to me that if we have annual surpluses this large there will be enormous pressures for excess Government spending in other areas since this excess spending could occur without generating or creating a budget deficit.

Now let us gaze still a little further ahead into the future, and what we see is a very different problem for social security and, indeed, for the country. This time let us look at the year 2025. Now the OASDI trust funds are spending under current law about $100 billion more than receipts in revenues, again in 1982 dollars, and it is beginning to draw down on its reserves of more than $230 billion.

If H.R. 1900 is enacted, the deficit would be somewhat smaller, perhaps only $50 billion, and trust fund reserves would be quite a bit larger. But the general problem will be the same. These large deficits—equal to about 5 percent of Federal outlays—will put tremendous pressure on the Congress to either cut spending in other Federal programs or cut spending in social security, despite the fact that social security will have adequate trust fund reserves to meet its own needs through the 2050's and beyond.

These pressures to cut more or spend more because of the fluctuations in social security appear substantial when we look into the future. But we can see similar, though less intense, pressures operating on the Congress today. In fiscal year 1969, when President Johnson first included the operation of the social security trust funds in the Federal budget, it had the side effect, because social security was running surpluses in those years, of making the spending on the Vietnam war look smaller, and obscuring its impact on the budget deficit. By contrast, in recent years, social security deficits have intensified the overall budget deficits and increased the pressure to cut spending. On at least one occasion, these pressures have led the Congress to make cuts in social security that were, in my opinion, hasty and ill-advised.

The mismatch between social security and the unified budget is only too clear. The horizon of the budget process is 1 to 3 years. By necessity it must focus on program changes which can go into effect quickly and produce either immediate savings or immediate increases in revenues. On the other hand, the horizon of social security is an individual's working career and retirement. Its trustees project the actuarial balance of the system over a 75-year period. To consider social security only in terms of its financial condition in the next year or so is not only shortsighted but can be extremely dangerous for the long-run integrity of the system.

Some have suggested that my legislation would take social security off budget and hide it somewhere in the murky gloom of unknown and uncontrolled off-budget agencies. This is ridiculous. I do not think anyone would seriously believe there is any danger of losing a program the size of social security in the shadows. We will always know where it is and what it is doing.

It is interesting to note that even before social security was thrown in with the rest of the budget, the role of social security spending as a part of overall Federal spending was abundantly clear to the Congress. Prior to the submission of the first unified budget, there were two separate Federal budgets: a trust fund budget and an administrative budget. Though these budgets were presented separately, they were combined in a single table for use in assessing the overall impact of all Federal spending programs on the economy. The amendment I will offer on Monday would not hinder in anyway the ability of the Congress to evaluate the economic effects of social security spending. What it would do is separate the issue of social security solvency from other budget issues which are substantively unrelated.

Mr. President, the time has come to clarify for the American public that social security is an independent and separate program which must survive on its own basis and not be continually adjusted to respond to budget pressures. I ask my colleagues to support this method of dealing responsibly with the issue when we address it on Monday.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ANDREWS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I have just conferred with the distinguished chairman of the Finance Committee, Senator DOLE, who is on the floor. He indicates to me that there are one or two, maybe three, other amendments that can be disposed of this afternoon. I hope so, because we need to do as much as we can. It does not appear that those amendments will require rollcall votes.

In view of that, and in view of the number of absentees on both sides of the aisle which have developed by this hour, I wish to announce that there will be no more rollcall votes today. We will continue on this bill, however, and do as much of it as we can without further record votes today.

I urge Senators who have amendments and are willing to take them up today to come to the floor and make that known to the two managers.

Mr. President, so much has been done today that I feel we all should offer congratulations to the chairman of the committee and the ranking minority member, who have done their usual excellent job of moving this bill along. I believe that we are now in striking distance of finishing on Monday.

I announce, Mr. President, that Senators should be prepared to stay late on Monday and finish this bill, because it is essential, in my view, that we get this bill to conference as soon as possible.

The adjournment resolution that will come to us from the House of Representatives will provide for the adjournment of the Senate over for the Easter recess on Wednesday, Thursday, or Friday.

I need not belabor that point, except to say that the sooner we get the social security bill out of the way and get to conference and get the jobs bill out of the way, the sooner we will be able to adjourn and perhaps improve the schedule for the Easter recess by a day or so.

UNANIMOUS-CONSENT AGREEMENT—ORDER FOR ADJOURNMENT UNTIL MONDAY

Mr. BAKER. Mr. President, I should like to put a unanimous-consent request now, which I have submitted for the consideration of the minority leader, who is in the Chamber.

I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 noon on Monday next, March 21, provided that when the Senate convenes at that time, the reading of the Journal be dispensed with; that no resolution or motion come over under the rule; that no call of the calendar occur; that the morning hour be deemed to have expired; but provided that there be a period for the transaction of routine morning business of not to exceed 30 minutes, in which Senators may speak for not more than 5 minutes each—again, after the expiration of the time allocated to the two leaders under the standing order.

Mr. BYRD. Mr. President, reserving the right to object—and I will not object—the majority leader has eliminated the morning hour. As he well understands, that eliminates the possibility of making a nondebatable motion that might otherwise be made, and he put that in as an understanding between the two of us.

Mr. LONG. Mr. President, reserving the right to object, may I understand what the distinguished leader plans? It is his intention that the social security bill will continue to be the pending business?

Mr. BAKER. It will. When we go out today, it will be the pending business; and when we return, after the time for the transaction of routine morning business, it will recur.

Mr. LONG. Can the Senator say how long he thinks morning business will take?

Mr. BAKER. Mr. President, I think we will be on this bill again before 1 p.m.

The PRESIDING OFFICER. Without objection, the unanimous-consent request of the majority leader is agreed to.

Mr. BYRD. Mr. President, could the majority leader indicate—maybe he is not in a position to do so—that there will be no votes before 2 p.m. on Monday?

Mr. BAKER. Yes. Mr. President, rather than request an order to that effect, let me simply assure the minority leader that I do not expect or anticipate record votes except perhaps procedural votes to instruct the Sergeant at Arms, and the like, prior to 2 p.m. on Monday.

Mr. President, I have just been handed a note that there are two requests for special orders on Monday that I shall request shortly.

I will say to the distinguished Senator from Louisiana that will advance the time perhaps when this bill will be up on Monday by 30 minutes, so it may be a little after 1 p.m. if this request is granted.

ORDER FOR THE RECOGNITION OF SENATORS WARNER AND THURMOND ON MONDAY

Mr. BAKER. Mr. President, I ask unanimous consent that on Monday next, after the recognition of the two leaders under the standing order, Senators WARNER and THURMOND be recognized in that order for not more than 15 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I yield.

ORDER OF PROCEDURE ON MONDAY

Mr. BYRD. Mr. President, if I may ask the majority leader a difficult question and one which I doubt he would wish to give me assurances on, but would it be possible to get an understanding that there will be no votes before 2:30 p.m. and none after 6 p.m. on Monday.

Mr. BAKER. Mr. President, I really cannot do that after 6 p.m. partly because, I indicated earlier, and I believe the chairman of the committee and the ranking minority member both have expressed an enthusiasm for finishing this bill on Monday. It may be after 6 p.m. before we do so. So I am confident there will be no votes before 2:30 p.m., but I feel fairly certain there will be votes after 6 p.m.

Mr. BYRD. Mr. President, I felt the majority leader would, of necessity, have to respond in that way.

I think that his indication that there will be no votes before 2:30 p.m. is certainly something that should be beneficial to some of the Senators who inquired of me about that possibility.

I thank the Senator.

SOCIAL SECURITY ACT AMENDMENTS OF 1983

The Senate resumed consideration of H.R. 1900.

Mr. SARBANES. Mr. President, will the majority leader yield?

Mr. BAKER. I yield.

Mr. SARBANES. Is it the majority leader's intention to try to finish the bill on Monday?

Mr. BAKER. Yes, it is.

Mr. DOLE. Mr. President, in view of and following what the majority and minority leaders have discussed, I would indicate that we are not encouraging any more amendments. We have still some to deal with. I know that the amendment by Senator BRADLEY, if he pursues that amendment, will be a record vote because there is strong opposition, including opposition from the chairman and the ranking minority member of the Finance Committee to that amendment.

Senator HAWKINS, the distinguished Senator from Florida, has an amendment which would cost about $2 billion. We do not have $2 billion. That will be strongly opposed.

And as far as I know at this point, then the budget issue will probably require a rollcall vote. I am talking about Monday.

Others, if they pursue the amendments, could require rollcall votes.

Sometime perhaps on Monday the distinguished Senator from Louisiana (Senator LONG), will have an amendment which will be amended and that will require some rollcall votes.

So there will probably be a number of rollcall votes. I doubt any would be before 2:30 p.m.

I know we are waiting. Senator BENTSEN has an amendment.

Would he be willing to add Senator THURMOND as a cosponsor to his amendment?

Mr. BENTSEN. I am delighted to do so.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from New Jersey will continue to be laid aside.

UP AMENDMENT NO. 101

(Purpose: To treat nonqualified deferred compensation the same as other elective deferred compensation for social security purposes)

Mr. BENTSEN. Mr. President, I have an unprinted amendment which I send to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Texas (Mr. BENTSEN), for himself, Mr. THURMOND, Mr. ZORINSKY, Mr. DURENBERGER, Mr. LUGAR, Mr. SYMMS, Mr. BAUCUS, Mr. SASSER, and Mr. BRADLEY proposes an unprinted amendment numbered 101.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SECTION 1. Strike lines 3-19 on page 104 and strike lines 20-25 on page 106, and lines 1-11 on page 107 and in each place insert the following new paragraph:

"(2) treatment of certain nonqualified deferred compensation plans"

"(A) IN GENERAL.—Any amount deferred under a deferred compensation plan shall be taken into account for purposes of this chapter as of the later of

"(i) when the services are performed, or

"(ii) when there is no substantial risk of forfeiture of the rights to such amount.

"(B) TAXED ONLY ONCE.—Any amount taken into account as wages by reason of subparagraph (A) shall not thereafter be treated as wages for purposes of this chapter.

"(C) DEFERRED COMPENSATION PLAN.—For purposes of this paragraph—

"(i) IN GENERAL.—Except as provided in clause (ii), the term 'deferred compensation plan' means any plan or other arrangement for deferral of compensation other than a plan described in subsection (a)(5).

"(ii) EXCEPTION FOR CERTAIN GOVERNMENTAL PLANS.—In the case of a governmental plan (within the meaning of section 414(d)), the term "deferred compensation plan" shall include only a plan described in sections 457(a), 457(e)(1), 457(e)(2)(B), 457(e)(2)(D), and 457(e)(2)(E).

SEC. 2. Strike lines 4-18 of page 110 of amendment 516 and insert the following:

"Any amount deferred under a deferred compensation plan (within the meaning of section 3121(v)(2)(C) of the Internal Revenue Code of 1954) shall be taken into account for purposes of this title as of the later of when the services are performed, or when there is no substantial risk of forfeiture of the rights to such amount. Any amount taken into account as wages by reason of the preceding sentence shall not thereafter be treated as wages for purposes of this title."

SEC. 3. EFFECTIVE DATE.—Sections 3321(v)(2) and 3306(r)(2) of the Internal Revenue Code of 1954, as added by this section, shall apply to services performed after December 31, 1983.

Mr. BENTSEN. Mr. President, I have an amendment to correct what I believe to be an unintended result reached by the Finance Committee.

Many employers, particularly small employers, use nonqualified deferred compensation arrangements as a method of providing retirement income for their employees. Under current law, amounts deferred under these nonqualified deferred compensation plans are not subject to FICA (social security) or FUTA taxes when received as retirement payments. The blue ribbon Greenspan Commission did not recommend a change in this treatment. Likewise, the House of Representatives did not subject these deferred amounts to FICA or FUTA taxes.

Unfortunately, the Finance Committee has chosen to subject these nonqualified, deferred amounts to FICA and FUTA taxes when actually paid as retirement payments. This has the result of subjecting recipients to a social security tax burden when they are already retired and receiving social security. It has the additional onerous effect of eliminating the person's social security benefits because of the wage limitations. By indirection, it effectively increases the wage base for these persons way beyond the wage base currently in the bill, which, as we know, has already been dramatically increased. Finally, the Finance Committee amendment is retroactive and, consequently, would drastically increase taxes by changing the rules after people already elected to defer some of their compensation.

My amendment corrects these results by simply subjecting these amounts to FICA and FUTA taxation when the amounts are deferred, not when they are eventually paid or made available. This simple, easily understood solution is exactly the same as the Greenspan committee recommendation and the House and Senate Finance Committee action in reference to section 401(k) plans and all similar plans under the bill. My amendment will help preserve the social security base from erosion by, in effect, ignoring nonqualified deferred compensation agreements for social security purposes without, however, imposing a drastic penalty on this form of compensation.

In most cases, under nonqualified deferred compensation agreements it is a relatively simple matter to determine when amounts are deferred and the amount that is being deferred. Likewise, as in many other areas of our tax law, simple rules can be established to determine the present value of amounts deferred in other cases.

My amendment preserves social security benefits for retired persons by simply making amounts deferred under nonqualified compensation plans subject to FICA and FUTA when deferred, not when eventually paid or made available.

There is negligible revenue loss, if any, and the amendment should be adopted.

Mr. President, what we are dealing here with is an amendment that deals with deferred compensation and under the present law, this is one where you would not have a tax incurred. What I am asking for and what has been checked with the chairman of the committee and with Senator LONG, the ranking minority member, is a piece of legislation that is revenue neutral and was not in the blue ribbon commission report of recommendations nor was it in the House bill and frankly would allow the deferred compensation to be recorded as of the date that it is earned rather than deferred to some future date at the time when it was received.

I believe that is the proper way to approach the problem and if we do not have that, then I think we have an unintended result in what was reported out of the committee and I believe that it would result in a number of deferred compensation plans being dropped.

I believe that is a good way to try to encourage retirement plans, and I urge very strongly that this amendment be accepted, and I state that it has been submitted to staff and to the chairman of the committee.

I yield to the Senator from Kansas for any comments that he may make.

Mr. DOLE. Mr. President, this amendment has been discussed with both the Senator from Texas and the Senator from South Carolina, and earlier today I had a colloquy, which is in the RECORD, with the distinguished Senator from South Carolina, Senator THURMOND, on this same subject.

This amendment is further clarification, and, as the Senator from Texas indicates, it is a conforming amendment in many respects.

Essentially, the Bentsen-Thurmond amendment will conform, as closely as possible, nonqualified deferred compensation arrangement to the FICA tax treatment, section 401(k) plans as agreed to by the Finance Committee. It is fair to treat all deferred compensation equally for FICA purposes.

There may be additional areas such as ad hoc cost-of-living adjustments which may have to be worked out in conference, but this amendment goes a long way toward equalizing the FICA tax treatment of qualified and nonqualified deferred compensation arrangements and should be adopted.

I am willing to accept the amendment as I understand the distinguished Senator from Louisiana is willing to accept the amendment.

I am happy to yield to the Senator from South Carolina.

TREATMENT OF DEFERRED EMPLOYEE COMPENSATION UNDER THE SOCIAL SECURITY EARNINGS TEST.

Mr. THURMOND. Mr. President, I wish to have a brief colloquy with the distinguished floor manager of the social security bill concerning the bill's treatment of deferred employee compensation under the social security "earnings test."

I have been advised that, as reported from the Finance Committee, the social security bill apparently would have had the unintentional effect of causing thousands of retired recipients of deferred compensation to lose all or part of their social security benefits.

This would occur as a result of the interaction between the revised definition of "wages"—which would include certain types of deferred compensation—and the "earnings test," which causes social security benefits to be reduced if the retiree has earnigns in excess of the allowed amount. Since another provision of the bill completely eliminates the retirement earnings test by 1994, an objective which I strongly support, I am sure that it is not the intent of the committee to bring under the earnings limitation a large group of individuals—retired recipients of deferred compensation—who heretofore have not been subject to it in respect to that deferred compensation.

Mr. DOLE. The Senator's observations are well founded. This was simply a drafting error which we will take care of through a committee technical amendment. The amendment reflects the intent of the committee that the receipt of income by a retired employee under a deferred compensation plan will not be counted as earned income for the purpose of the earnings test.

Mr. THURMOND. I thank the distinguished chairman of the Finance Committee for recognizing and taking care of this problem.

Mr. President, I wish to thank the able manager of the bill.

We feel this is a sound amendment, and I hope the Senate will accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas.

The amendment (UP No. 101) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, are there other amendments that might be disposed of without record votes?

Mr. BAKER. Mr. President, may I inquire of the distinguished chairman of the committee if there are other amendments that appear available to us? If not, I intend to ask the Senate to have a period for the transaction of routine morning business.

Mr. DOLE. Mr. President, I know of no other noncontroversial amendments. There are some that may become noncontroversial, but at this point we are still in the negotiation and discussion stage.

So I think that is about all we can do today.

Mr. BAKER. I thank the Senator.

Mr. President, it has been a good day, and the chairman of the committee and the ranking minority member should be commended for their good work this day.

DRG'S

● Mr. BURDICK. I say to the chairman, I hope we can clarify a concern I have about the diagnosis-related groups, or DRG's. I am concerned that the proposed system will not take into consideration the costs at those institutions which have research costs associated with the care of their patients.

As you may know, the Senate Appropriations Committee, on which I serve, has a long history of supporting community-based cancer centers. In fact, the Labor-HHS Appropriations Subcommittee has included report language in 2 of the last 3 years directing the National Cancer Institute to continue this effort. In part because of this interest, the Institute is establishing closer links between local community physicians and hospitals and the larger cancer centers. Two examples of this outreach are the regional cancer research groups and the community clinical oncology program. These kinds of programs are allowing patients at the local level to participate in and benefit from NCI research. In the upper midwest, we have a fine program developing in which community-based physicians and hospitals are involving their patients in cooperative research programs which benefit not only the patients, but the larger body of medical knowledge. This research does not involve excessive additional costs, but it sometimes requires a greater intensity of care, more careful monitoring, additional testing or slightly longer hospital stays.

I feel strongly that this kind of cooperative, community-based research should continue so that citizens from all parts of the country can share the benefits of NCI research. I would hate to see the prospective reimbursement system limit this or reduce the opportunity for participation for medicare patients. I would hope that the Secretary will have the flexibility to recognize the additional research-related costs that may be involved in these cases, and that she or he will have the authority to make appropriate adjustments for them.

Mr. DOLE. I fully understand your concerns about this and share your belief in the importance of community-based research. We have no intention of discouraging legitimate research from taking place. Under the terms of our bill, the Secretary will have the authority to take the intensity of these cases into consideration in making adjustments to the standard DRG's.

Mr. BURDICK. I thank the Senator for clarifying this matter.●

● Mr. DECONCINI. Mr. President, I see that judicial and administrative review are not available for the initial rates for each diagnosis related group (DRG) and the DRG classification system itself.

I wish to clarify that, subject to the present jurisdictional requirements for review by the Provider Reimbursement Review Board (PRRB), judicial and administrative review are available for matters relating to updating the rates, including the composition of the market basket, and the Secretary's decisions on the advisory panel's recommendations.

Mr. DURENBERGER. That is correct. The exclusions from judicial and administrative review are those items necessary to maintain budget neutrality during fiscal year 1984 and fiscal year 1985. In addition, the establishment of specific DRG's and their relative weights are not reviewable. Matters affecting aggregate expenditures and the DRG rates in subsequent years are reviewable.

Mr. DECONCINI. Are subsequent additions to or subtractions from the initial list of DRG's reviewable?

Mr. DURENBERGER. I do not believe so.

Mr. DECONCINI. Then the Secretary could cut the number of DRG's in half, or double the number, or do anything else he wanted at his total discretion. He could also refuse to change the relative weights of the DRG's, even though it was absolutely proven that a given DRG was under or over weighted. This is particularly significant because, as I understand it, a relatively small number of DRG's account for the majority of all hospital discharges. The Secretary could make all these changes at his total discretion regardless of their impact on hospitals and patients. This is a very broad grant of discretionary authority, and one that I believe may prove unwise.

Mr. DURENBERGER. Mr. President, the concerns of my colleague from Arizona have some merit. We have attempted to address these concerns in part by establishing an independent commission of experts whose responsibility it will be to work with the Secretary in determining the changes that need to be made in and among the various DRG's. In addition, I expect to hold hearings during the second session and into the future, and to consider any reasonable

changes to the legislation as become necessary as we learn more about the new system. I invite my colleague from Arizona to share with me his specific recommendations.

Mr. DECONCINI. I thank my friend from Minnesota for his generous assistance and continued able leadership in the health area. I look forward to working with him next session.●

● Mr. WALLOP. Mr. President, one of the most important pieces of legislation to be enacted into law this century is the Social Security Act of 1935. It is an act of Congress that affects virtually every American, providing protection against destitution, assistance during ill health, and dignity in retirement. The program has been enormously successful and popular. During the almost 50 years of its existence, the social security program has expanded both coverage and benefits. Funding for the program has followed Franklin Roosevelt's decision to use the payroll tax rather than general revenues. Today, even those who publicly oppose it rely on it to undergird their own security, whether they realize it or not.

As the program matured, it was relatively painless to expand benefits. Money was flowing into the trust fund, and outgo was minimal. This halcyon period reflected the fact that the number of covered workers retiring was small in relation to the active work force, and the economy was quite robust.

Social security has reached its mature phase. The program covers virtually all workers and the tax applies to most wages. The number of retirees has expanded as the original participants have retired. This maturing has coincided with a period of sluggish economic growth and high inflation. The two developments have been devastating to the financial stability of the social security trust fund. As the number of retirees to workers has increased, the ability of workers to finance this pay-as-you-go program has diminished because of a weak economy.

The social security system is faced with a funding crisis. This crisis has two parts, the short term and the long-term phases. Earlier this year, the National Commission on Social Security Reform presented a series of recommendations to the Congress which would keep the program solvent for both the short and long term.

Merely reaching an agreement on recommendations was a major achievement for the Commission. The members represented many different perspectives on social security. However, the severity of the problem forced a consensus. As I said last month, there are provisions in the package with which I agree and other provisions with which I disagree. But, this is a time for realism, and I realize that we all must swallow hard and do what is right. I joined as a cosponsor of S. 1, the social security reform bill. I also cosponsored S. 76, a bill to resolve the remaining long-term funding problem by raising the retirement age.

Last Thursday, the Senate Finance Committee approved the reform package by a vote of 18 to 1. I strongly support the package. The committee bill improves on the Commission recommendations by including a sensible solution to that portion of the long-term funding gap not addressed by the Commission. The Finance Committee rejected higher taxes over the long term. Instead, the retirement age will be increased to age 66 by the year 2012. And, initial benefits will be reduced by 5 percent beginning in the year 2000. Though the benefit calculation will be reduced, benefit levels will continue to grow as the wage level increases. This will avoid any hardship caused by the 5-percent reduction.

The Finance Committee also approved other sensible changes. The retirement earnings test would be eliminated. Thus, the penalty on work would be removed for those who have reached the retirement age. We also improved the tax credit to offset the burden of increased payroll taxes for the self-employed. Last, the committee agreed to changes in the treatment of spouses and former spouses to improve the treatment of women. For instance, two dropout years would be allowed for child bearing without losing entitlement to benefits.

This is a good package. The advancement of this program demonstrates that our political process does work, that the Congress can successfully deal with major problems. I urge my colleagues to support the Social Security Amendments of 1983.●

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a brief period for the transaction of routine morning business to extend not past the hour of 5 p.m. in which Senators may speak for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROBERT FISKE BRADFORD

Mr. SARBANES. Mr. President, I know all of my colleagues join in sending heartfelt condolences to Senator MATHIAS and his wife Ann, on the death of her father, Hon. Robert Fiske Bradford.

The descendant of a long line of distinguished leaders of our country, Robert Fiske Bradford, was educated at Harvard College and Harvard Law School before entering the private practice of law in his native Massachusetts. He became active in State politics, serving as executive secretary to the Governor of the Commonwealth and was active in the campaigns for Governor and Senator of Leverett Saltonstall. He was elected district attorney of Middlesex County in 1938 and reelected in 1942.

In 1944, he was elected Lieutenant Governor of Massachusetts and went on to win the governorship in 1946. Governor Bradford worked to balance the Commonwealth's budget and keep the economy on a stable course during the immediate post-World War II period. He was also active in the European relief effort, serving as chairman of the "silent guest" program, urging Americans to donate the equivalent of a Thanksgiving dinner to the starving people of Europe in 1947. During his term as Governor, innovative alcoholic rehabilitation and education programs were approved.

After returning to private life in 1949, Governor Bradford remained active in civic and public affairs, serving as president of the Greater Boston Community Council, chairman of the Executive Committee of the Board of Overseers of Harvard University and on the boards of numerous educational, civic, and business organizations.

Mr. President, I want to express on behalf of all our colleagues our sympathy to Ann and MAC MATHIAS, and to all of the family of the late Governor Bradford, a fine and distinguished public servant and leader when the people of Massachusetts shall remember with gratitude and appreciation for his outstanding public service.

Mr. BAKER. Mr. President, will the Senator yield? I wish to join the distinguished Senator from Maryland in expressing my sympathy to Ann Mathias and her family on the passing of Governor Bradford.

It was a sad occasion for me today when I dispatched a letter to Mrs. Mathias expressing my regrets. I am sure I speak for every Member of the Senate when I say it is always a loss when any member of this broad Senate family meets the inevitable sadness of death. But I speak for myself and my colleagues, I am sure, in expressing to all of them, the Mathias and Bradford families, our deepest sympathy.

DEATH OF FORMER GOV. ROBERT BRADFORD OF MASSACHUSETTS

Mr. KENNEDY. Mr. President, I join in offering my heartfelt condolences to Senator MATHIAS and his wife Ann on the death of her father, Robert Bradford, who died earlier today in Boston.

Mr. Bradford was a famous public figure in his own right in Massachusetts and in the Republican Party in our State. He served with great dis-

tinction as Governor of our Commonwealth in the difficult years immediately after World War II. Among his enduring achievements, which are all the more remarkable because they occurred in a single two-year term as Governor, are two—the master highway plan that launched the miracle of our Route 128 and the creation of the University of Massachusetts—which did so much a generation ago to lay the groundwork for the future of Massachusetts in today's critical areas of high technology and education.

Robert Bradford was also a direct descendant of one of the truly great historical figures of our State. The earliest Bradford in this country—300 years and 9 generations ago, before there was even a Massachusetts—was William Bradford, the Pilgrim father who landed at Plymouth Rock in 1620 on the *Mayflower*, and who became the second Governor of the Plymouth Colony.

And in recent generations, Mr. Bradford's father, Edward Bradford, was an outstanding physician and surgeon of our State, who served for many years as dean of Harvard Medical School.

In the proud tradition of this family, Robert Bradford chose law and public service as his profession. And in 1946, he was elected Governor of Massachusetts, the same year that John F. Kennedy, returning from World War II, was elected for the first time to the House of Representatives.

It was Gov. William Bradford in 1623 who proclaimed the first Thanksgiving, in gratitude for the harvest that marked the survival of the small Plymouth Colony in their new world. And in 1947 it was Gov. Robert Bradford who proclaimed one of the most generous and magnanimous Thanksgiving gestures ever made in this country—the silent guest program, announced in a nationwide radio address, in which Governor Bradford asked all Americans to contribute the equivalent of a full Thanksgiving meal to the starving and suffering citizens of Europe.

Governor Bradford became well known across the country for this inspiring idea, which captured the imagination of America. But he was also a legend in Massachusetts for his outstanding ability as an orator. In this time, he was described as having the "oratorical grandeur of John L. Lewis, with the same effective trick of ranging from a whisper to a sudden roar."

He was noted as well for his integrity in public life and his zest for politics. Prior to his election as Governor, he had earned a brilliant reputation as a district attorney in opposing crime and government corruption. In his honor, the "Robert Fiske Bradford Fellowship in Political Ethics" was established at the John F. Kennedy School of Government at Harvard, and the members of my own family are particularly proud of this enduring legacy that bears his name.

As Governor Bradford once said:

If one wants to live long in politics, he must possess the hide of a rhinoceros, the memory of an elephant, the persistence of a beaver, and the native friendliness of a mongrel pup. You also need the heart of a lion and the stomach of an ostrich; and it helps to have the humor and ubiquitousness of a crow. But all these combined are not enough unless, when it comes to a matter of principle, you have the stubbornness of an old Army mule.

Governor Bradford enjoyed these qualities in abundance, and he lived a long and successful public life. His accomplishments in later years and his perseverance in public service were all the more remarkable because of his courage in facing the cruel Parkinson's disease that slowly attacked him over many years and that finally claimed his life.

Robert Bradford was a credit to our State, our country, our democracy, and his party. I extend my sympathy now to his family and to Senator and Mrs. Mathias on this occasion of his loss. And I ask unanimous consent that the excellent obituary in this afternoon's Boston Globe may be printed in the RECORD. I also ask unanimous consent that the text of his nationwide radio address on November 19, 1947, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Boston Globe, Mar. 18, 1983]

EX-GOVERNOR BRADFORD IS DEAD AT 80

(By David B. Wilson)

Robert Fiske Bradford, 80, governor of Massachusetts in 1947 and 1948, a cheerful and gentlemanly man whose influence, reputation for integrity and devotion to public service extended far beyond his single term as governor, died early today in the Phillips House of Massachusetts General Hospital.

He was a direct descendant, grandson in the ninth generation, of William Bradford, signer of the Mayflower Compact, second governor of the Plymouth Colony and author of the Pilgrims' history, "Of Plimoth Plantation."

Since 1949, Robert Bradford had endured Parkinson's Disease, a progressive neurological ailment which causes trembling and speech difficulties. Despite this handicap, with the devoted support of his wife, Rebecca, he practiced law, undertook major community responsibilities and retained a keen interest in public affairs.

His career in Republican politics began in 1938. Elected district attorney of Middlesex County and re-elected in 1942, he built a record as racket-busting, corruption-fighting prosecutor that included convictions of mayors of Cambridge and Lowell and a state public works commissioner.

A political columnist at the time called him "suave, witty, hard-headed and a two-fisted fighter" and "a man of great physical and moral strength and courage."

He was elected lieutenant-governor in 1944 and two years later defeated incumbent Democratic Gov. Maurice J. Tobin in a campaign whose theme was "Time for a Change, Let's Straighten Things Out in Massachusetts."

In that campaign, he became known as "The Man with the Pipe." Across the state, billboards appeared with a blue silhouette of the candidate, with pipe but without further identification.

The gimmick tickled the public imagination. It was not until shortly before Election Day that the word "Bradford" appeared on the billboards.

The victor hugely enjoyed this. The device was almost a century old (Abraham Lincoln had used it); but the teaser technique had come about by accident: A sign painter had neglected to apply the name.

The Bradford administration was, in retrospect, remarkably productive. He developed the Master Highway Plan, including Rte. 128, which remains the basic design for the state's arterial highways. He established the Youth Service Board. His reorganization of education included establishment of the University of Massachusetts. He is credited with passage of the Stichter Labor Relations Act and with choosing and making available the Charles River Dam site of the Museum of Science.

But the political winds blew against him. Foreseeing a need for revenues, Gov. Bradford espoused the sales tax and proposed increasing the state income tax. He campaigned for those proposals around the state but lost in the Legislature.

Organized labor rose up against him, rallying in 1948 behind Paul A. Dever, who waged a well-financed, tightly organized campaign. A birth control referendum brought out a heavy Democratic vote, and it was the year in which Harry S Truman was running against Thomas E. Dewey, another Republican ex-prosecutor to whom the governor had been compared.

Dever won in the Truman triumph, by more 580,000 votes, and Gov. Bradford retired from politics to the practice of law with Palmer Dodge Gardner Bickford & Bradford.

Earlier that year, in the 25th Report of his Harvard Class of 1923, Gov. Bradford had written:

"Only a functioning democracy can survive the next quarter century; and there can be no functioning democracy without active, intelligent and universal participation in the business of government, not mere acceptance of the benefits.

"The opportunity to serve as governor is largely a matter of luck. But the opportunity to take some personal part in making democracy work has today become a necessity as essential as maintaining an adequate national defense. For our generation, with our background, our training, and our privileges, it is the greatest challenge to the future."

The voters proved unappreciative. Political observers at the time blamed a certain unbending style, an unwillingness to compromise in what he considered matters of principle.

In an interview last year with a Globe writer in his apartment at 1010 Memorial Dr., Cambridge, Gov. Bradford had this to say.

"If one wants to live long in politics he must possess the hide of a rhinoceros, the memory of an elephant, the persistence of a beaver and the native friendliness of a mongrel pup.

"You also need the heart of a lion and the stomach of an ostrich; and it helps to have the humor and ubiquitousness of a crow.

"But all of these combined are not enough unless, when it comes to a matter of principle, you have the stubbornness of an old Army mule."

The interview was conducted in connection with the establishment at the Kennedy School of Government at Harvard of the Robert Fiske Bradford Fellowship in Political Ethics. Endowment is also being raised for a professorship at the school in his name.

Gov. Bradford formally retired from the law on Dec. 31, 1977, but remained counsel to his firm, now Palmer & Dodge.

He was born in Boston, Dec. 15, 1902, son of Dr. Edward Hickling and Edith Fiske Bradford. His father was an orthopedic surgeon and dean of the Harvard Medical School; his mother founder of the Fiske School in Boston.

He prepared for Harvard at Browne & Nichols in Cambridge and in college was captain of the junior varsity crew and editorial chairman of the Crimson.

He graduated from Harvard Law School in 1926 and in the same year married Rebecca Crowninshield Browne in Old North Church, Salem, and joined the Boston law firm of Ropes, Gray, Boyden & Perkins, now Ropes & Gray.

A lifelong Republican, he entered public life in 1931 when, in his words, "I left my green bag on Federal Street to go to the State House as assistant secretary to the governor, Joseph B. Ely. It was nearly four years before I picked up a law book again."

Ely and Bradford had formed a friendship as associates at Ropes & Gray. Ely was a Democrat, but a conservative supported by many Republicans. Times were tough.

"Those four years were crowded with the full force of the Depression," he later recalled. "Each day brought its new tidings of disaster. My job in the governor's office sometimes seemed like being chained to a rock in the middle of a stream, unable to do anything effective, while, all around, men, calling for help, were swept under by the current."

After James Michael Curley succeeded Ely in 1935, the ex-governor and his assistant, with others, formed the firm of Ely, Bradford, Thompson & Browne, in which Bradford practiced briefly before running for district attorney in Middlesex in 1938.

Before he was stricken by disease, Bradford was a hearty, outdoor man, a long-distance swimmer and oarsman. Despite his affliction, he was president of the Union Boat Club in 1951-52. He was fond of dogs and good company and hiking on Isle au Haut off the Maine coast. Head of one of the nation's great families, he projected an authentic image of a calm, collected, reliable, family man, approachable, with a dry wit.

Some observers of the political scene in the 1940s and 1950s felt that the Bradford career was handicapped by the presence in those days of two old-name Republican figures similar to him, Henry Cabot Lodge and Leverett Saltonstall.

Reporting in the 40th class report that he had served as president of the Planned Parenthood League, he commented:

"I find that this in no way conflicts with the acquisition of grandchildren."

On a cold election night in 1948, when all the news was bad, he was getting the returns with friends in headquarters at the City Club on Somerset Street, now part of Suffolk University.

The temperature and tempers rose in the smoke-filled room, and an aide asked the governor if he could open a window. "Do you mind, governor?" he asked.

"No," he answered. "I'm already in the ice box."

Gov. Bradford was twice elected an overseer of Harvard and also served as trustee of Simmons College; chairman of the trustees of Browne & Nichols; chairman of the trustees, Massachusetts Hospital School; president of the Greater Boston Council of Social Agencies and senior warden of King's Chapel, the Unitarian-Universalist church with which his family has been associated for generations.

At the ceremony marking the establishment of the Kennedy School fellowship in his name, Jonathan Moore, director of the Institute of Politics said:

"Bradford's aspirations, ideals and standards have guided me in my own development. I learned from him how to deal with the shortfalls, trials and failures in politics with courage and stamina as well as to celebrate its victories."

In addition to Mrs. Bradford, the governor leaves two sons, Robert Hickling of Chicago and Charles Edward of Philadelphia; two daughters, Mrs. Irving H. (Rebecca Crowninshield) Chase of Lincoln and Mrs. Charles McC. (Ann Hickling) Mathias, wife of the US senator from Maryland; a brother, Dr. Charles H. Bradford of Cambridge; a sister, Miss Elizabeth Bradford of Marshfield and 11 grandchildren.

Funeral services will be private. A memorial service is being planned for a time and place to be announced.

In lieu of flowers contributions may be made to the Parkinson Fund, in care of Dr. Robert R. Young at the Massachusetts General Hospital or to the Cambridge Visiting Nurses Assn.

NATIONAL RADIO BROADCAST BY GOV. ROBERT F. BRADFORD FROM PLYMOUTH ROCK INAUGURATING "SILENT GUEST" (AT THANKSGIVING) PROGRAM, NOVEMBER 19, 1947

I am privileged to speak to you from a little town by the sea—from the old town of Plymouth where the pleasant custom of Thanksgiving as we now know it first began.

We have come a long way from that first Thanksgiving in 1623. Facing the tiny Pilgrim Colony was the black wilderness of an unknown continent. Behind them lay the bleak, relentless ocean from whose further shores came no help. Half their people had died the first winter. Those who survived lived to endure what to the end of their days they were to remember as the "starving time." Their pitiful store of food they shared with even less fortunate outposts along the coast and with the Indians. And when in the stark summer of 1623 drouth came upon them and the corn in the fields lay like withered hay, they sought the Lord's help in humble and fervent prayer. And their prayers were answered. And they set apart a day of Thanksgiving: Thanksgiving in gratitude for the mercy of bare survival.

Few Americans this year will sit down at their Thanksgiving tables without troubled hearts. There is so much for which we can be truly thankful. And yet, can we drive from our minds even for a moment the haunting knowledge that everywhere else in the world men, women, and children are starving?

The same ocean which washes our shores, which rides up on Plymounth Rock as it did all those long years ago, that same ocean washes the shores of the war-torn lands of the Old World from which all of our people originally came. And in those lands men, women, and children are starving.

Can we live in an island of plenty, surrounded by a sea of misery? Of course we cannot. The average American brushes away generalities. He wants to help, and he wants to known how. He knows our government can help their governments with billions and with credits. And he knows that our Congress is meeting for the very purpose of determining how. But he also knows that hunger is more than a question of government. Hunger is personal.

Suppose, as you gather at the family table for Thanksgiving or for Christmas, suppose that out of the window you should see a shivering group of human beings groping down into your trash barrel, groping for food. You have seen that picture in the newsreels. You have seen it in the magazines. Hunger is as personal as that. And every American, if he looks into his own heart, knows he cannot rest until he and he personally has done something about that.

That is why I want to talk to you, if I may, about a way in which each of us can help. It is a new way—simple, direct and personal. A way in which we can help as much or as little as we are able, and as often as we wish. It is called the American Silent Guest. It is the Plymouth answer to the "starving time" of the Old World. the national headquarters are here in Pilgrim Hall. The American Silent Guest, Incorporated, Pilgrim Hall, Plymouth, Massachusetts—that is the full post-office address.

The plan is as simple as this. You would like to ask one more guest to your Thanksgiving dinner, someone who cannot come. Since he cannot come, what you would have spent to have him at your table you send instead to American Silent Guest, Pilgrim Hall, Plymouth. Call it a dollar. And if you would like to have had more than one guest, send a dollar for each to the American Silent Guest. Your check or money order for the exact amount of the dollars you send will go to provide food for someone in whatever Old World country you select. You will in turn receive an acknowledgment, first from the American Silent Guest in Plymouth, and, when your parcel arrives overseas, you will also get an acknowledgment from the family which receives it. It is as personal as that. Your gift, translated into food for your intended guest or guests, received by them and acknowledged in writing to you.

I said every cent of every dollar you give will go for your intended guest. This is possible because the American Silent Guest is entirely manned by volunteers, and not one penny of the expenses of organization or staffing comes out of your gift.

I should also like to add that this great national organization is sponsored in every one of our United States by leaders in every field of endeavor, in the churches, in the professions, in industry and in labor, and by the governor of every state. And you can make it your plan too.

Whether you can send one dollar or many dollars to the American Silent Guest, whether you can have such a guest only on Thanksgiving Day or a guest on Christmas as well,—or perhaps you will want to have someone share with you also on every Sunday throughout the year—however you may wish to do it, the American Silent Guest, Pilgrim Hall, Plymouth, Massachusetts, stands ready to translate your personal Thanksgiving into a mighty contribution to the stricken peoples of our tormented earth. We hope that through this simple plan we can give meaning to the prophecy written by the Pilgrim Governor who called

for the first Thanksgiving over three hundred years ago and who wrote these words: "And as one small candle may light a thousand, so the light here kindled hath shone to many, yea in some sorte to our whole nation."

We Americans of this later day—we too know the happiness that comes from sharing, and in the spirit of humility we seek in this way to share the plenty of our Thanksgiving in 1947.

EXPRESSION OF SYMPATHY ON THE DEATH OF MRS. OBERTEUFFER, MOTHER-IN-LAW OF SENATOR PACKWOOD

Mr. BAKER. Mr. President, it has also been brought to my attention that another Member of the Senate family has lost a loved one. Senator ROBERT PACKWOOD's mother-in-law, Georgie Packwood's mother, has passed away.

Her funeral will occur on Monday. It is not often that two deaths occur in the immediate Senate family as has befallen us on this occasion, and I am sure once more that I extend to BOB PACKWOOD, particularly to Georgie Packwood, his outstanding helpmate, the sympathy of the entire Senate on this sad occasion.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. BAKER. Mr. President, I have a number of items that appear to be eligible for action by unanimous consent, according to the notations in my file, and I would like to bring them to the attention of the minority leader and ask if he is prepared to consider them.

I invite the attention of the minority leader to Calendar Order No. 48 (S.J. Res. 20) which is cleared on this side for action, and ask the minority leader if he is prepared to take it up.

Before the minority leader replies, may I ask the same question with respect to a total of nine on the list which I have, and perhaps he can give me a statement in respect to his position as to Calendar Orders 48, 49, 50, 51, 52, 53, 54, 55, and 56.

Mr. BYRD. Mr. President, all of the aforementioned calendar items have been cleared on this side of the aisle.

Mr. BAKER. I thank the minority leader.

Mr. President, in view of that, I ask unanimous consent that all nine measures may be considered at this time by the Senate, that they may be considered en bloc, and that the resolutions may be passed en bloc, and the preambles agreed to en bloc.

Mr. BYRD. Mr. President, reserving the right to object, will the majority leader include in his request a request that Mr. CHILES have a statement printed in the RECORD in connection with Calendar Order No. 55 in the appropriate place in the RECORD.

Mr. BAKER. Yes; I do include that.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL RECOVERY ROOM NURSES DAY

The joint resolution (S.J. Res. 20) to authorize and request the President to designate March 27, 1983, as "National Recovery Room Nurses Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 20

Whereas the immediate postanesthetic period is the most critical in a patient's recovery;

Whereas the primary focus of the American Society of Post Anesthesia Nurses is the education of its membership, with a goal of excellence in the care of patients who have undergone surgery and the administration of anesthetic agents;

Whereas the postanesthesia recovery nurse is skilled in basic and sophisticated life support and monitoring techniques;

Whereas the availability of professional, skilled nursing personnel has been demonstrated to reduce the incidence of postoperative complications and mortality;

Whereas the postanesthesia recovery nurse provides safety and comfort to the patient who is unable to meet his or her own physical needs; and

Whereas the postanesthesia recovery nurse, in a single day, must care for patients who range in age from a few hours to one hundred years or more, and must treat each with calm, personalized, professional care: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating March 27, 1983, as "National Recovery Room Nurses Day" and calling upon the people of the United States to observe the day with appropriate programs, ceremonies, and activities.

NATIONAL ARTHRITIS MONTH

The joint resolution (S.J. Res. 32) to provide for the designation of May 1983 as "National Arthritis Month" was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 32

Whereas arthritis is one of our Nation's leading health problems, striking as many as thirty-five million Americans;

Whereas arthritis is America's number one crippling disease, disabling over seven million persons including infants, children, and working-age adults as well as the elderly;

Whereas the incidence of arthritis is increasing by one million new victims each year;

Whereas there are more than one hundred distinct disease entities classified as rheumatic, each with a distinct pathogenesis, symptoms, and course of treatment;

Whereas the economic cost of arthritis is a major burden on the Nation, now estimated to be as much as $25,000,000,000 each year;

Whereas it is estimated that, by the year 2000, arthritis will cost the Nation as much as $96,800,000,000 in health care expenditures;

Whereas research on rheumatic diseases is critically underfunded and, as a result, scientists are unable to investigate adequately the myriad causes of and potential cures for, such diseases;

Whereas greater interagency cooperation at all levels of government can greatly improve treatment and services for persons with arthritis;

Whereas scientific understanding of the causes of several forms of arthritis has increased dramatically over the past decade, notwithstanding limited research funding;

Whereas State vocational rehabilitation, aging, and other agencies are not sufficiently staffed or trained to aid and inform persons with arthritis;

Whereas employers need to be made aware of the opportunities for retaining employees with arthritis through programs of medical assistance and rehabilitation;

Whereas the many research, education, information, and patient services of the Arthritis Foundation are not sufficiently well known to the American public;

Whereas the people of the United States, and educational, philanthropic, scientific, medical and health professionals, businesses, governments, and other organizations should be encouraged to provide the necessary attention and resources to combat arthritis in its many forms, and to discover causes and cures, prevent disease and disability, and improve treatment; and

Whereas a healthy nation is a strong nation, and the attention of all Americans should be directed to the need to reduce the ravaging impact of this chronic disabling disease upon our society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President shall issue a proclamation designating May 1983 as "National Arthritis Month", and calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

NATIONAL MENTAL HEALTH COUNSELORS WEEK

The joint resolution (S.J. Res. 35) designating the week beginning March 20, 1983, as "National Mental Health Counselors Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 35

Whereas mental health counselors work in a specialized field of counseling which emphasizes the developmental and adjustive nature of mental health services;

Whereas mental health counselors utilize individual and group counseling techniques oriented toward assisting individuals with methods of problem solving, personal and social development, decisionmaking, and the complex process of developing self-understanding and making life decisions;

Whereas mental health counselors work in conjunction with other helping professionals, such as psychiatrists, psychologists, and social workers to determine the most appropriate counseling for each client;

Whereas mental health counselors work in psychiatric hospitals, community mental health agencies, private clinics, college campuses, rehabilitation centers, and private practice, providing almost 50 per centum of direct delivery of mental health services;

Whereas mental health counselors are individuals upon whom, by virtue of their education and extensive training, have been conferred masters or doctor of philosphy degrees in mental health counseling or community mental health counseling, or similar degree titles having a focus on mental health; and

Whereas mental health counselors, after having earned such degrees, have performed at least two years of supervised clinical counseling, and are licensed or certified as such in the State of their residence, or are certified by the National academy of Certified Clinical Mental Health Counselors: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning March 20, 1983, is designated "National Mental Health Counselors Week". The President is requested to issue a proclamation calling upon all government agencies and the people of the United States to observe that week with appropriate ceremonies and activities.

NATIONAL SURVEYORS WEEK

The joint resolution (S.J. Res. 44) to authorize the President to issue a proclamation designating the week beginning on March 11, 1984, as "National Surveyors Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 44

Whereas the Congress of the United States recognizes the valuable contributions of the surveying profession to history, development, and quality of life in the United States of America;

Whereas the surveying profession requires special education, training, experience, and knowledge of the principles of mathematics, the related physical and applied sciences, and requirements of law for adequate evidence; and

Whereas, since the early days of our Nation when many of our forefathers, including our first and third Presidents, were surveyors, the profession of surveying has continued to be uniquely qualified to determine and describe land and water boundaries for the management of our natural resources and the protection of private property rights: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating the week beginning on March 11, 1984, as "National Surveyors Week" and to urge the people of the United States to observe such week with appropriate ceremonies and activities paying tribute to professional surveyors and their contribution to society.

WEEK OF REMEMBRANCE FOR THE FORTIETH ANNIVERSARY OF THE WARSAW GHETTO UPRISING

The joint resolution (S.J. Res. 49) to authorize and request the President to proclaim the week of April 10–16, 1983, as "A Week of Remembrance for the Fortieth Anniversary of the Warsaw Ghetto Uprising," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 49

Whereas of the more than four hundred thousand Jews whom the Nazis had imprisoned in the Warsaw Ghetto, only seventy thousand remained in April 1943;

Whereas most of the others had been sent to their deaths in extermination camps by the Nazis;

Whereas the surviving Jews of Warsaw had no hopes of waging successful battle against their tyrannical foes;

Whereas the valiant Jewish freedom fighters of the Warsaw Ghetto, despite the insurmountable odds, fought the Nazis and held their ground for nearly a month;

Whereas by their dramatic and heroic courage, they provided inspiration to all people who revere liberty and a warning to all oppressors;

Whereas remembering those who fought and died so valiantly serves to honor their memory and to renew the determination of the peoples of the free world to oppose tyranny and oppression wherever it occurs; and

Whereas in April of 1983, the American Gathering of Jewish Holocaust Survivors will sponsor commemorations of Jewish resistance to Nazism and will organize programs to reinforce the need for the continuous struggle against anti-Semitism: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the week of April 10–16, 1983, is hereby marked in commemoration of the fortieth anniversary of the uprising against the Nazi occupation forces by the besieged and outnumbered Jews of the Warsaw Ghetto who, by their courage and heroism, showed the world for all time that the forces of freedom and liberty cannot long be suppressed by the forces of tyranny, and, by their valor and their faith, gave urgency to the creation of the free State of Israel.

(b) The President is authorized and requested to issue a proclamation designating the week of April 10–16, 1983, as "A Week of Remembrance for the Fortieth Anniversary of the Warsaw Ghetto Uprising", and calling upon the people of the United States to observe the week of remembrance with appropriate ceremonies and activities.

NATIONAL MENTAL HEALTH WEEK

The joint resolution (S.J. Res. 52) to authorize and request the President to designate the week of April 10, 1983, through April 16, 1983, as "National Mental Health Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 52

Whereas the cost of excessive stress and mental disorders to our Nation is estimated to be $65,000,000,000 annually;

Whereas in one out of every three American families there is a member with some type of mental illness and 20 per centum of our population is in need of some form of mental health treatment at any one time;

Whereas more than 25 per centum of all elderly persons mistakenly judged to be senile have a treatable mental disorder, and 80 per centum of all diseases are psychosomatic or stress related and account for a large majority of all hospital admissions;

Whereas persons with mental illness have been shown to be excessive users of unnecessary medical and surgical services, and mental health treatment provides an effective cost-containment tool by reducing these more costly and unnecessary services;

Whereas mental illness is a treatable disability, with nearly two-thirds of all mentally ill patients showing significant signs of improvement or recovery after treatment; and

Whereas it is fitting that the support and treatment provided the mentally disabled by family members, volunteers, and qualified health professionals be recognized, encouraged, and honored: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the week of April 10, 1983, through April 16, 1983, as "National Mental Health Week", and calling upon the people of the United States to observe the week with appropriate programs, ceremonies, and activities.

Mr. BYRD. Mr. President, I ask unanimous consent that my name be added as a cosponsor of Senate Joint Resolution 52, Calendar No. 53.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL PHYSICAL FITNESS AND SPORTS MONTH

The joint resolution (S.J. Res. 53) to authorize and request the President to designate the month of May 1983 as "National Physical Fitness and Sports Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 53

Whereas one of every two adults in our country is a regular participant in exercise and sports;

Whereas the number of physically active men and women has doubled in ten years and continues to grow rapidly;

Whereas today we recognize that physical activity is an important part of daily life for people of both sexes and of all ages;

Whereas physical activity is vital to good health and is a rich source of pleasure and personal satisfaction;

Whereas our physical fitness and sports programs are one of the primary means by which we strengthen our bodies and refresh our spirits; and

Whereas it is essential that we make fitness and sports programs increasingly available so that all of our citizens will be able to experience the joys and benefits they offer: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the month of May 1983 as "National Physical Fitness and Sports Month" and to call upon Federal, State, and local government agencies, and the people of the United States to observe the month with appropriate programs, ceremonies, and activities.

NATIONAL DRUG ABUSE EDUCATION WEEK

The joint resolution (S.J. Res. 57) to designate the week of April 3, 1983 through April 9, 1983, as "National Drug Abuse Education Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 57

Whereas the illegal drug trade consists of approximately $79,000,000,000 in retail business per year;

Whereas removing the demand for drugs would reduce the illegal drug trade;

Whereas drug abuse destroys the future of many of the young people and adults in the Nation;

Whereas the eradication of drug abuse requires a united mobilization of national resources, including law enforcement and educational efforts; and

Whereas the most effective deterrent to drug abuse is education of parents and children in the home, classroom, and community: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 3, 1983, through April 9, 1983, is designated as "National Drug Abuse Education Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to participate in drug abuse education and prevention programs in their communities and encouraging parents and children to investigate and discuss drug abuse problems and possible solutions.

Mr. CHILES. Mr. President, I am glad to see the Senate recognizing the problem of drug abuse by passing Senate Joint Resolution 57, which authorizes the President to proclaim April 3-9, 1983, as "National Drug Abuse Week." Thirty-seven Senators joined me in cosponsoring this resolution.

The illegal drug trade is one of the biggest domestic problems facing us today. This yearly $79 billion business has not only escalated crime, especially in Florida, but has perpetuated drug abuse in this country. We have to recognize that solving the drug problem will have to be a twofold effort of fighting drug trafficking and removing the demand for drugs. I believe one of the best ways to put an end to the demand for illicit drugs is to educate everyone about the harmful effects of drug abuse.

The scope of the drug problem is revealed by various statistics. Recent studies show that while the number of youths experimenting with drugs has lessened, more and more severe cases of drug abuse are being reported. The death rate for young Americans between the ages of 15 and 24 is higher today than it was 20 years ago. Medical experts believe this trend is directly related to drug abuse. In 1980, over 9,800 persons died as a result of drug abuse. These figures tell us that we have got a real problem; our young people are dying from the illicit use of drugs. In addition, criminal acts committed by drug addicts to support their habits cost Americans millions of dollars each year. What these facts do not reveal is the tragic circumstances surrounding drug abuse. The pain and suffering of the addict, his family, and friends, the ruination of these young persons' futures and even death are results of illicit drug use. These are human costs that cannot be ignored.

It would be impossible to estimate how many millions of Americans use drugs but it is clear that the demand is firmly in place. A solution to this demand will have to be a social one. Drug pushers do not get our children to try drugs; their friends do. In order to fight drug abuse, we have to deglorify drugs for our young people and at the same time, remove the fear parents have about discussing the problem with their children. Drug education has the best results when taught at home. The most effective deterrent to drug abuse is when parents and their children discuss drugs and develop realistic views about drug abuse and the harmful effects. If the drug abuse problem is to be licked, however, we all need to be involved in drug education efforts. It is every American's responsibility to become educated about the harmful effects of alcohol, marihuana, cocaine, heroin, phencyclidine, LSD, uppers, downers, and psychotropic inhalants and then pass this information on to the next generation. Only by focusing on the danger of drug abuse can we prevent future generations from being injured.

This resolution to designate the first week in April "National Drug Abuse Education Week" calls upon the people of the United States to participate in drug abuse education and prevention programs in their communities and encourages parents and children to investigate and discuss drug abuse problems and solutions. I believe education is our best bet for defeating drug abuse and drug trafficking.

COMMEMORATION OF SIGNING OF TREATY OF AMITY AND COMMERCE BETWEEN THE UNITED STATES AND SWEDEN

The joint resolution (S.J. Res. 64) to commemorate the 200th anniversary of the signing of the Treaty of Amity and Commerce between Sweden and the United States was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 64

Whereas Sweden was the first nation that did not participate in the Revolutionary War to enter into a treaty of friendship and commerce with the United States;

Whereas close and friendly diplomatic, cultural, and trade relations have existed between Sweden and the United States over the years, virtually since the foundation of this Republic;

Whereas emigration from Sweden to the United States has established a strong Swedish-American culture;

Whereas nearly five million Americans are of Swedish ancestry;

Whereas Sweden and the United States share a strong democratic tradition, and commitments to fundamental individual rights of freedom of speech, religion, and assembly;

Whereas the United States and Sweden have acted vigorously to strengthen international dispute resolution mechanisms;

Whereas April 3, 1983, marks the two hundredth anniversary of the signing of the Swedish-American treaty negotiated by Benjamin Franklin and the Swedish Ambassador to France, Count Gustaf Philip Creutz;

Whereas, in commemoration of the bicentennial, the Speaker of the Swedish Parliament, Ingemund Bengtsson, will visit Congress in April: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating Monday, April 4, 1983, as "Swedish-American Friendship Day" and that a copy of this resolution be presented to Speaker Bengtsson to be received on behalf of the Swedish people.

Mr. BAKER. Mr. President, I move to reconsider en bloc the votes by which the several joint resolutions were passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

DESIGNATING MARCH 21, 1983, AS "AFGHANISTAN DAY"

Mr. BAKER. Mr. President, I sent to the desk a joint resolution on behalf of Senators PELL, BYRD, PERCY, MOYNIHAN, and others, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S.J. Res. 65) designating March 21, 1983, as "Afghanistan Day".

The PRESIDING OFFICER. Is there objection to its immediate consideration?

There being no objection the Senate proceeded to consider the joint resolution.

Mr. PELL. Mr. President, I am today introducing a resolution, cosponsored by Senator PERCY, Senator BYRD, and myself, to declare March 21, 1983, "Afghanistan Day." March 21 is the day the people of Afghanistan celebrate the new year and it is entirely fitting that we should again this year use the occasion of the Afghan New Year to declare our solidarity with the people of Afghanistan and their heroic struggle.

More than 3 years ago, on Christmas Day, Soviet forces moved into Afghanistan beginning a brutal war against the people of that country. Contrary to Soviet expectations, subjugating Afghanistan proved an elusive goal. Today the Soviets exercise effective control over only the capital, their own garrisions, and intermittently over some supply routes. The Afghan freedom fighters, in spite of internal divisions, now control most of the countryside, have a functioning administration in some provinces, and have demonstrated their ability to strike at will. That a backward nation of 17,000,000 could so effectively stymie one of the most advanced and powerful military forces in history is a remarkable testament to the heroism of the Afghan freedom fighters.

In our admiration of the determination of the people of Afghanistan to protect their freedom, we must not lose sight of the terrible price the Afghan people have paid. Soviet airplanes have strafed, bombed, and dropped napalm on Afghan villages, killing indiscriminately men, women, and children. Soviet search and destroy missions have blown up villages, massacred the inhabitants, and burned crops in an effort to deny food and shelter to the resistance. The Afghan landscape is today littered with the antipersonnel mines dropped by Soviet aircraft. To escape the hell that is today Afghanistan, some 2,500,000 Afghans, mostly women and children, have fled to neighboring Pakistan and another 1 million have fled to Iran.

I ask for an immediate Senate consideration of this resolution which I believe will enjoy the support of every Member of this body.

Mr. BYRD. Mr. President, as a cosponsor of this original joint resolution designating March 21, 1983, as "Afghanistan Day," I want to commend the chairman of the Senate Committee on Foreign Relations (Mr. PERCY) and the ranking member of the committee (Mr. PELL) for undertaking this initiative.

I believe this initiative is particularly appropriate at this time, following, as it does, the meeting of the nonalined nations in New Delhi, India, last week. At that conference, scant attention was paid to the continued, brutal Soviet occupation of Afghanistan, a country which has had a long history of nonalinement.

Last week, I called upon the nonalined nations to exercise the political and moral leadership which they claim to command in denouncing the Soviet occupation of Afghanistan. I expressed the hope that they would denounce Soviet aggression in Afghanistan and challenge the superpowers to play a more constructive role in world politics. Instead, I was shocked to learn that the New Delhi conference was, in many respects, a replay of the embarrassing events in Havana last year. As one delegate described the situation, the Soviet Union seemed to hijack the proceedings.

I conveyed my shock and dismay over the outcome of the conference in a letter to the Indian Ambassador yesterday. In that letter I stated it was a sad state of affairs when nonalined countries choose not to speak honestly about naked Soviet aggression in Afghanistan and lawlessness in Kampuchea. I stated further that it was sadder still to imagine that our great sister democracy of India would encourage silence with respect to the tyrannies againt its neighbor, Afghanistan.

In light of the outcome of the nonalined Conference, I believe it is imperative that we in the United States do all we can to assure that the world does not allow Afghanistan to recede into the backwaters of our consciousness. I urge the passage of this joint resolution as a demonstration of our determination to continue our support for the freedom-loving people of Afghanistan.

I ask unanimous consent that my letter to the Ambassador of India be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, D.C., March 17, 1983.

His Excellency K. R. NARAYANAN,
Ambassador Extraordinary and Plenipotentiary, Embassy of the Government of India, Washington, D.C.

DEAR AMBASSADOR NARAYANAN: I write to express my deep concern over recent press reports regarding last week's meeting of nonaligned nations, which was hosted by your country. These reports, in the Wall Street Journal and The New York Times, indicated that the conference branded the United States as an "imperialist" and aggressor.

As you may be aware, last week in the Senate I called upon the nonaligned nations to exercise the political and moral leadership which they claim to command. I expressed the hope that they would denounce Soviet aggression in Afghanistan and challenge the superpowers to play a more constructive role in world politics. Instead, I am shocked to learn that the New Delhi conference was, in many respects, a replay of the embarrassing events in Havana last year. As one delegate described the situation, the Soviet Union seemed to "hijack" the conference, imposing its perverse view of world events on the proceedings. It is a sad state of affairs when nonaligned countries choose not to speak honestly about naked Soviet aggression in Afghanistan and lawlessness in Kampuchea. It is sadder still to imagine that our great sister democracy would encourage silence with respect to the tyrannies against its neighbor.

Nowhere in the world does the United States forceably occupy another nation; nowhere do we maintain a hundred-thousand man army to brutalize a people. To accuse our country of aggression and imperialism while failing to mention the atrocities the Soviet Union is committing against India's neighbor is to demonstrate a moral blindness and a failure of political will. I had hoped the nonaligned nations would take the occasion of this meeting to reestablish their leadership as a force for freedom and self-determination, and as a moderating influence in the council of nations. Instead, these press reports describe a nonaligned movement weighted down by hollow and bankrupt Soviet dogma. The constructive economic proposals discussed by the conference are tainted by these unnecessary and poisonous slogans. Ironically, these economic objectives depend on the help and cooperation not of the Soviet Union, but of the United States.

I very much hope that the news accounts are not entirely representative of the positions adopted by the Government of India. While I fully appreciate the delicate balance which geography and political necessity demand of India, I would be most disappointed if that balance were achieved at the expense of your country's leadership as a force for democracy and freedom in the world.

Sincerely,

ROBERT C. BYRD.

Mr. MOYNIHAN. Mr. President, I believe I am a cosponsor of this resolution. If I am not, I ask my friend, the distinguished ranking member of the committee, to add my name as a cosponsor.

Mr. PELL. Mr. President, I ask unanimous consent that the Senator from New York (Mr. MOYNIHAN) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, the Senator from New York will be added as a cosponsor of the resolution.

Mr. MOYNIHAN. Mr. President, might I add just two comments to

those of the minority leader and the ranking member.

During the Lincoln birthday recess, I traveled to Pakistan and the northwestern frontier province. I went to a number of refugee camps. I met with the men of the camps. I went to the International Red Cross hospital in Peshawar, where the Red Cross, in an extraordinary performance, had European surgical teams dealing with people they bring out that they met at the passes.

It ought to be known better to the world that probably a quarter of the population of Afghanistan is now in exile, some in Iran, most in Pakistan. There probably has not been an experience where that large a proportion of a nation's population has fled in response to a Soviet invasion or any invasion.

The second point I wish to make is with respect to India and that part of the world. It is a fact that the Soviet Army is at the mouth of the Khyber Pass, at the entrance. Khyber Pass itself is all in Pakistan, but the entrance is on the other side in Afghanistan. That is the most important geopolitical fact in Asia.

In Kipling's army, the Khyber Pass was a 10-day forced march to Delhi. That is the overwhelming fact. That great game of geopolitics has been fought and won by the Soviets. The Russians, the Soviets won. That is a reality which no concern for principle can overcome in the mind of that part of the world. And it is something we ought to take note of. The Indians have no choice but to act as they do because the most powerful army in the world is 10 days forced march from their capital. That is where all the invaders of India have appeared from and now the newest set is there. The world has changed much more than the United States has taken note of, which is why this measure is so important and I hope it will not be the only such.

Mr. PELL. Mr. President, I thank my colleague from New York for his words.

We should bear in mind that he too is a member of the Free Afghanistan Committee which has so effectively raised the cause of Afghanistan and, from his tour of duty as Ambassador to India, he is probably more knowledgeable of the issues in that part of the world than any of us in this body.

I cannot help but think back to when a delegation of Afghan freedom fighters came here to the Capitol and we had a meeting in room S-207. We saw the wounds that they received and heard firsthand of the vicious treatment that they received from the Soviet troops. They testified how the Soviets found over 100 villagers—men, women, and children—hiding in a culvert. The Soviets backed up a gasoline tanker to the culvert entrance, pumped the gasoline in, and then ignited it. This is the kind of treatment that the Afghans are receiving in their own country and is the reason why nearly 4 million of those brave people have fled to Pakistan or Iran.

Mr. PERCY. Mr. President, for more than 3 years, the Soviet Union has occupied its southern neighbor, Afghanistan. With this massive military intervention, the first since World War II outside the Warsaw Pact area, the Soviet Union forfeited any claim to have become a responsible member of the international community of nations—which depends on respect for international borders and noninterference in other states' internal affairs.

Roughly 100,000 Soviet troops have attempted to occupy Afghanistan. They have killed thousands of Afghans, and have sent 4 million Afghans into homeless and impoverished exile. Chillingly convincing evidence has mounted of Soviet use of chemical weapons to maim and kill Afghans.

Against appalling odds and brutality, the fiercely independent Afghan people have fought on for the freedom of their wild and beautiful country.

Soviet aggression has proved foolish, as well as infamously wrong. Elusive bands of Afghan freedom fighters have defeated Soviet attempts to subjugate their country and legitimize the puppet Babrak Karmal regime. Indeed, Afghan freedom fighters have kept Soviet troops from occupying most of the country, limiting them to an uneasy presence in principal towns and roads.

The brave Afghan people have on their own so impressively confronted the Soviet military machine. The very least we here in America can do is to let them know that we have not forgotten their brave fight, and to express our support for their efforts against such odds.

I am pleased to cosponsor Senate Joint Resolution 65, which requests the President to issue a proclamation calling upon the people of the United States to honor the heroic Afghan freedom fighters on March 21, 1983.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was reads the third time, and passed.

The preamble was agreed to.

The joint resolution, (S.J. Res. 65) with its preamble, reads as follows:

S.J. RES. 65

Whereas the occupation of Afghanistan by the Soviet Union continues unabated, causing immense privation to, and suffering among, the people of Afghanistan;

Whereas the Soviet occupation of this formally independent and sovereign land has now entered its fourth year;

Whereas the Soviet occupation forces now total over one hundred thousand troops;

Whereas Soviet troops have brutally slaughtered thousands of innocent Afghan civilians through the use of modern weapons of war, including chemical and biological weapons;

Whereas the number of refugees forced to flee Afghanistan has steadily increased and approaches four million;

Whereas the undaunted resistance of the Afghan freedom fighters against the Soviet occupational forces is an inspiration to the free world;

Whereas the Soviet invasion of Afghanistan undermines the spirit and intention of the Declaration of Principles of the Final Act of the Conference on Security and Cooperation in Europe, which the Soviet Union signed at Helsinki, Finland, in 1975; and

Whereas the people of Afghanistan observe March 21 as the start of their new year: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 21, 1983, is designated "Afghanistan Day". The President is requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZING THE TESTIMONY OF CHRISTINE C. DAUTH

Mr. BAKER. Mr. President, I send a resolution to the desk for myself and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution.

The assistant legislation clerk read as follows:

A resolution (S. Res. 94) to authorize the testimony of Christine C. Dauth.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BAKER. Mr. President, on December 14, 1982, Mr. Harry Zain was arrested and charged with unlawful entry of the hearing room of the Committee on Armed Services. The U.S. attorney for the District of Columbia has requested that the chief clerk of that committee testify at Mr. Zain's trial, which will begin shortly. It is part of the responsibility of a chief clerk to supervise administrative details of a committee's operation, including the maintenance of order in the committee's hearing room during a recess when no members are present. It is anticipated that the chief clerk will testify about the events on the day of arrest, and her general respon-

sibility with regard to maintaining order in such circumstances.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 94) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 94

Whereas in the case of *United States* v. *Harry Zain*, Crim. No. M15622-82A, pending in the Superior Court of the District of Columbia, the defendant has been charged with unlawful entry at a hearing room of the Committee on Armed Services on December 14, 1982;

Whereas the chief clerk of a committee or subcommittee is among the staff members in charge of the administrative details of its operation, including the maintenance of order in hearing rooms during a recess in a hearing;

Whereas the chief clerk of the Committee on Armed Services, Christine C. Dauth, has been requested to appear as a witness in this case;

Whereas by the privileges of the Senate of the United States no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas when it appears that testimony of a staff employee of the Senate is needful for use in any court for the promotion of justice, the Senate will take such action thereon as will promote the ends of justice consistently with the privileges and rights of the Senate; Now, therefore, be it

Resolved, That Christine C. Dauth is authorized to appear and testify as a witness in this case.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

A TRIBUTE TO DR. ROBERT LEBARON

Mr. THURMOND. Mr. President, I rise today to pay tribute to my good friend Dr. Robert LeBaron of Washington, D.C., who recently passed away at the age of 91. To his lovely wife, Peggy, and other family and friends, I offer my deepest sympathy.

Dr. LeBaron was an outstanding individual who possessed numerous abilities, and his life was distinguished by many accomplishments which benefitted his country and his fellow man. He was regarded as a leading authority in the fields of science and finance, and his advice was sought by many leaders on Wall Street, and in Washington. As a high-ranking Government official, Dr. LeBaron was considered to be one of the world's greatest experts in atomic warfare, and his service to America proved to be invaluable at the birth of the nuclear age. As a songwriter during the Depression, he sought to bring happiness into people's homes through radio. As an Olympic runner, Bob LeBaron exemplified those qualities of a complete man—of one who excelled in mind, spirit, body, and service.

Mr. President, Dr. LeBaron was a close friend of mine, and I am saddened by his passing. However, his contributions will long be remembered by those who knew him. I greatly admired him for his deep insight and keen understanding, and his very character earned him the respect and admiration of friends and coworkers. Indeed, he was a man whose life is worthy of emulation.

Mr. President, the March 8, 1983, Washington Times contains an article which describes the accomplishments of this great man, and I ask unanimous consent that this article appear in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Mar. 8, 1983]

ROBERT LEBARON DIES; EX-ATOMIC POLICY AIDE

Robert LeBaron, 91, who as deputy secretary of defense for atomic energy from 1949 to 1954 was responsible for developing atomic policy on all matters relating to the Defense Department and for supervision of the separate atomic energy activities of the three branches of armed services, died Saturday while walking near his home in Washington.

Mr. LeBaron also had been an Olympic Games athlete, a composer in New York and an official of a company involved in the early development of petrochemicals.

He became a consultant in 1956 and since then was active in LeBaron Associates, a consulting company he formed, and as managing partner of the Norabel Fund, an investment partnership which supports technological breakthroughs in its study of accelerated programs and their potential for investments.

He also established the LeBaron Foundation in 1961.

Mr. LeBaron was a recipient of the Defense Department's highest civilian award for distinguished public service and a special award, presented collectively by the civilian secretaries of the department, the Joint Chiefs of Staff, the commissioners of the old Atomic Energy Commission and the 18 members of the congressional Joint Committee on Atomic Energy.

He was born in Binghamton, N.Y., and as a child marched in a parade there honoring Theodore Roosevelt, who at that time was running for governor of New York.

He received his B.A. degree in chemistry and electro-physics from Union College in New York state in 1913 and his M.S. degree from Princeton University. After serving in the Army's 3rd Field Artillery in France during World War I he received a doctorate from the Sorbonne in Paris, where he worked under Marie Curie on radiation research.

A star of the cross-country team at Union College, he held the New York state record for the half-mile in 1911 and 1912. He also was a member of the Olympic track team in 1912 and participated in the games held in Stockholm, Sweden, and subsequently held the world's 1,000-yard run record with a time of 2 minutes and 12 seconds.

In 1917 he was a military staff aide for President Woodrow Wilson before sailing to Europe in 1918. In France he participated in some of the heaviest fighting of the war.

When President Wilson went to Paris in June 1919 for the Versailles Conference, he requisitioned Mr. LeBaron as a staff member of the U.S. delegation.

He returned to the United States several months later and found a job with Arthur D. Little in Cambridge, Mass. Interested in the fledgling polymer chemistry industry, he tried to sell the idea of research and development and how his firm could help others, but the concept was too far advanced for its time.

In 1926 Little joined a group venture to develop petrochemicals and Mr. LeBaron became vice president of the new firm on Wall Street.

Also in 1926 he was married to Peggy Bancroft, a featured singer-dancer in a number of Broadway shows in the 1920s and early 1930s.

During the Depression he turned to composing and after studying music did scoring for NBC radio.

At age 45 he decided to return to chemistry and joined the Virginia Smelting firm.

He came to Washington in December 1941 for a short conference, but three days later the Japanese attacked Pearl Harbor and Mr. LeBaron soon was appointed by President Franklin D. Roosevelt as a dollar-a-day man. He was assigned to the War Preparedness Board to build the chemical supplies stocks, but soon was named to the WPB's requirements committee to allocate products for both military and civilian use.

After the war Mr. LeBaron continued as a partner in Virginia Smelting.

Soon after he became a deputy secretary of defense for atomic energy it was learned the Soviet Union had developed and exploded a nuclear device. Mr. LeBaron was assigned to study Defense Department war plans as they related to atomic weapons and to see what was needed to increase nuclear stockpiles.

In 1952 he was aboard a plane which observed the first H-bomb test at Eniwetok.

A memorial service will be held at 11:30 a.m. Friday at the Old Post Chapel, Fort Myer.

The family suggests that expressions of sympathy be in the form of contributions to the Robert LeBaron Fellowship Fund, Princeton University, Princeton, N.J. 08544.

PROJECT GILA SOAR

Mr. DOMENICI. Mr. President, I rise today to commend and applaud the Boy Scouts of America which is again sponsoring the enormously successful Project Gila SOAR in the Gila National Forest of New Mexico.

Many of my colleagues might recall the national attention that this conservation project received last year. Sacrificing their spring vacation, 250 Scouts—boys and girls—and their leaders spend a week in the Gila Forest working on a number of conservation

projects. These projects ranged from trash collecting and removal, to planting new trees, to widening wilderness trails to accommodate wheelchairs. The Scouts, under the leadership of Ron Smith, raised the funds necessary from the Army, Navy, Forest Service, and independent businesses. This fundraising drive was so successful that the total cost to the Government was $1,500, yet the value of the work done exceeded $20,000, which does not even take into account the immeasurable value that these resource protection projects will provide for the Gila Forest for years to come.

The SOAR (save our American resources) has been expanded to 2 weeks this year, and I understand that there will be 300 to 400 volunteer youths from New Mexico's Dona Ana, Luna, Sierra, Grant, and Catron Counties lending their skills to protect the national treasure that the Gila Forest represents.

Mr. President, we are indebted to these innovative people. Not only are they performing invaluable services that will insure the future protection of our natural resources, but their initiative saves the Government money—something that is very much on our minds, and indeed the minds of all Americans. The charity and interest of these young people is an example to all of us, and demonstrates the power of unity and collective purpose. I am proud to congratulate these Scouts and their leaders, for their characters are clearly those to tomorrow's leaders. I ask unanimous consent that President Reagan's letter of congratulation and an article on Project SOAR printed in Scouting magazine be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, D.C., November 2, 1982.

Mr. RON SMITH,
District Commissioner, Boy Scouts of America, Las Cruces, N. Mex.

DEAR MR. SMITH: I want to thank you, Webb Turner and the Scouts and Scouters from the Sunshine District, Boy Scouts of America, who banded together for Project Gila SOAR last year. It was a tremendous way of assisting this Administration's efforts to get America back on the road to economic recovery.

Our nation was built upon a long tradition of initiative and generosity. I'm counting on the strength of that generosity, of that willingness to help one another, to rekindle our spirit of independence and self-determination.

Local needs are best determined and met by citizens in the local community, and efforts like those of the Sunshine District to revitalize the Gila Wilderness can help focus national attention on worthwhile services and programs.

Thank you for proving that we are a land blessed with individuals who act and who achieve with spirit and determination. Best wishes for continued success in your future projects.

Sincerely,

RONALD REAGAN.

[From Scouting, October 1982]

PROJECT GILA SOAR

(By Stan Redding)

The Gila Wilderness of the Mogollon Mountains in southwestern New Mexico rises 11,000 feet from the desert floor like the battlements of some archaic castle, moated by lofty rivers and buttressed against the sky by 125-foot Ponderosa pines.

Scouter Ron Smith roams the Gila (from the Spanish, pronounced heel-ah) Wilderness, America's first and largest, with the assurance of a highland chieftain in his own domain. "I love this place," said the bearded, muscular commissioner of the Yocca Council's Sunshine District.

"These are MY mountains! This is MY wilderness!"

Smith is speaking figuratively, despite his possessiveness. The Gila Wilderness belongs to all of us. Still, no one today more deserves partial title to the wild and colorful country than Ron Smith. Unless it's the Scouts of his district.

The wilderness is 500,000 acres of the Gila National Forest, which itself takes in 3,500,000 acres of the Mogollon Mountains. The vast mountain range is the "Muggy-yawns" to all New Mexicans and the whole shooting match is referred to simply as "The Gila," for both the river and the wilderness. The Gila also harbors the Gila Cliff Dwellings National Mounment, established in 1907 under the Antiquities Act of 1906. The wilderness itself was set aside in 1924, and no one was more instrumental in its establishment than Aldo Leopold, an early-day forest ranger.

The Gila has hosted Scouts since the founding of the Boy Scouts of America. And as Scouts have always done in using the nation's pristine lands, they left no trace of their coming or going. What they took in, they packed out, with even the ashes of their fires scattered to the winds or dissolved in the waters. In fact, the Scouts have regularly paid a "user's fee" to the Gila, usually in the form of trash pickup forays into the forest.

But nothing the Scouts have ever done in the Gila or any other national park, forest, or recreational area matched Ron Smith's "Project Gila SOAR," staged earlier this year. It's an operation President Ronald Reagan should look at carefully. For at a time when the Gila and similar areas were being squeezed in the vise of budget cutbacks and staff reductions, Smith and fellow Scouter Webb Turner led 193 Scouts and 57 adult Scouters in a mammoth wilderness work party.

For seven days the Scouts and their leaders labored on construction, restoration and reclamation, flood control, planting, maintenance and improvement projects planned by U.S. Forest Service officials but set aside because of the lack of funds or manpower.

Cost to the government: $1,500.

Value to the government: $21,000.

That's what the environmental protection undertakings would have cost the taxpayers had they been done by outside contractors, as they normally would have been, said wilderness District Ranger S. G. "Sig" Palm.

Palm hasn't seen a comparable contribution on the part of outside volunteers in his 17 years in the forest service. "Frankly, I'm a little awed," said the wilderness ranger boss.

"These were meaningful, needed projects, things we wouldn't have gotten done otherwise. We've had a declining budget for the last three years, especially in recreational and related function areas.

"Things we'd like to do, and do the full service job while we're about it, we haven't been able to because we didn't have the money. Some of those things got done this week. I'm proud of these youngsters."

Palm's is partly the price of an alumnus. As a youth he was a Cub, Eagle Scout, Explorer, and winner of the coveted Hornaday Award.

"This is the biggest and best thing we've ever done," enthused Terry Edwards, Sunshine District executive and a professional Scouter for 22 years.

"This is Ron Smith's brainchild and he did a Herculean task in putting this thing together. There is no doubt that the reason it was so successful is because of the work he did."

Smith demurs. "This isn't just a ME operation. Everyone here, and a lot of people who aren't here, deserves credit."

But Project Gila SOAR was Smith's idea. He is a technical writer-editor for the office of the test director, White Sands Missile Range.

In March of 1981 Smith and Turner, a film editor and audiovisual production officer for the missile range, took 13 Scouts of Troop 62, Las Cruces, into the Gila Wilderness on a three-day, leave-no-traces service project.

"We went up Little Creek," recalls Turner, assistant Scoutmaster of Troop 62. "Primarily, we were cleaning up campsites and disposing of fire rings in such a way that all signs of human use were erased. We did, in some areas, leave one good fire ring, when it appeared a fire ring was needed at the site."

Smith remembers the back country ranger, Steve Rieser, was astonished at the amount of trash the Scouts brought out of the wilderness. "We got to talking about the things the Scouts had done previously in the Gila, and I said to Steve, 'Instead of all this piecemeal stuff going on, how'd you like to have 200 kids and adults in here for a week, doing work?' " Smith recalls.

"The only stipulation I made was that the work be worthwhile and meaningful. No picking up trash, except as an adjunct to a given project or something we'd do anyway."

Smith's proposal went up through the Forest Service chain of command and Sig Palm gave a speedy answer. "Let's do it," he said.

The logistics of Project Gila (SOAR for Save Our American Resources) were staggering and monumental. The Sunshine District encompasses 50,000 square miles of Luna, Dona Ana, and Sierra Counties, with some 85 Scout troops and Explorer posts in the triangle enclosed by Las Cruces, Deming, and Truth or Consequences. Turner and Smith, as cochairmen, were a year in planning and coordinating the various phases of the project. "It was a community effort," said Smith, standing amidst a gaggle of vehicles, equipment, tools, chemical toilets, and other gear necessary to the project.

Smith and Turner tapped the Army, National Guard, Navy, NASA, the Forest Service, and business firms of the three counties for loans of the vehicles and equipment, valued at $103,000.

The day before Project Gila SOAR's headquarters tents blossomed on a rocky prom-

ontory 100 miles from the southern edge of the wilderness, Smith's boss confronted him. "I hope our people are involved in this," the missile range officer fretted.

"General, if you don't think they are, just step out of your office tomorrow and see how few salutes you get," Smith replied cheerfully.

The Gila Wilderness is just that, a wilderness. A tiny enclave of civilization, Gila Hot Springs, exists just inside the southern boundary near the Gila Cliff Dwellings (not a part of the wilderness). Otherwise, the Gila is au naturel and unsettled, accessible only on foot or horseback. No vehicles are allowed outside the enclave. Scouts involved in Project Gila SOAR were scattered in a 20-square-mile radius in the rugged, precipitous mountains.

All had hiked in, carrying their tents, bedding, clothes, food, water, cooking gear, and work tools.

Near the Gila Cliff Dwellings, a leathery, bearded man in boots, spurs, chaps, Levi's, and Stetson, and packing a thumb-buster that Billy the Kid would have envied, is standing beside three saddled horses, all tough, agile "rock horses" bred for mountain work.

"I'm Lee Snyder," he said, extending a calloused hand. "Unless you feel like hiking 12 or 14 miles into the high country, and the same distance back, me and these horses are going to take you up the Middle Fork (of the Gila) to Little Bear Canyon."

Lee Snyder is a remarkable man by any measure. A Scouter since his Cub days, now Scoutmaster of Troop 130, assistant Advisor to Explorer Post 107, Order of the Arrow adviser and commissioner of the Geronimo District, Theodore Roosevelt Council, Phoenix. Synder is a volunteer guide for Project Gila SOAR, recruited by Ken Pulliam, chief of Smith's headquarters staff.

"I live here, I'm sort of a fun rancher," he said, smiling. "Ken asked me to be a media guide, since I know the country."

Snyder knows the Gila like the Apaches who once ruled the mountains. Here he met a white tail buck. There he encountered a bear. Saw a cougar at this point. "I've been in here 39 years," he said. "Did leave the place to do 20 years in the Navy. I worked with the Scouts in the Navy. I served on 29 bases all over the world, and if there wasn't a Scout troop, I started one."

Mule deer, white tail, and elk appear occasionally (and very, very briefly) as the horses pick their way along the trail, which often is a narrow ledge on a mountainside or above the river gorge. In two days of such travel, we will ride more than 60 miles, up both the Middle Fork and the West Fork.

Everywhere, Scouts toil at man-sized projects. Here in a high meadow, a forest service horse pasture, Troops 173 and 74, working almost side-by-side, are involved in an erosion control project, shaping and plugging two great gullies.

A hydrologist from the U.S. Department of Agriculture is overseeing the job, which entails planting heavy logs upright to form a dike across the short axis of the gullies. "We'll put rocks behind the posts," said Bernie Angebos, Scoutmaster of 173. "And we'll stairstep other barriers down the gullies toward the creek. The log barriers will then catch any additional soil and the gullies, over a period to years, will become part of the pasture again."

Farther down the gullies, where the runoff has created three arroyos, Don Merrill's Troop 178 is diverting the washes with gabions, cages filled with rocks. "These arroyos were threatening the parking lots we were told," said the affable Scoutmaster. "The kids have done a great job."

Deep in the Gila, Troop 62, the band of Scouts who initiated the massive project, are crisscrossing the river, doing their specialty—creating no-trace glades from slovenly campsites used by sloppy and careless campers. "We've broken up 14 fire rings," said Lt. Col. Hank Jones, Scoutmaster and professor of military science at New Mexico State. "And we've filled three burlap bags with trash."

"Some of the boys are new in the troop," said Bill Gorman, a professor of agriculture at the universtiy and a volunteer whose two sons, Pat, 15, and Chris, 11, are troop members. "This gives them an opportunity to see how others treat our national forests. Obviously the people who used these campsites were not really concerned how they would leave them for the people who followed."

Will Sadler, 15, of Las Cruces, a member of the original 13 "No-Trace Kids," summed it up neatly: "I think everyone should do things like this. After all, it's partly our forest so taking care of it should be partly our responsibility."

Forest Ranger Patti Johnston appears, bundled in cold-weather riding gear and leading two pack mules behind her stout gray mare. She is packing out trash the various Scout groups collect while doing their various projects. "This is just great!" she exclaims. "Their getting these things done means we'll be free to do some other projects as the season goes by. We really appreciate this."

The oldest continuously-chartered Scout troop in New Mexico is Troop 66, according to its leaders. Appropriately enough, the troop is working at restoring and buttressing the oldest cattle trail in the Mogollons, the "Zig Zag Trail" used by pioneer ranchers in bringing herds off the Mogollon rim to the crossing of the West Fork. The trail had been unusable since the rains and floods of 1978.

"It's been the Zig Zag since the 1870s," said Scoutmaster Karl Larsen. "From what I read of the history, the ranchers just ran the cows off the top and whichever way they went getting to the bottom was the trail. We worked it from the river to the rim."

At the parking lot for the Gila Cliff Dwellings, the Scouts of Troop 68 are fencing in the compound with a peeled-juniper corral. The fence is horse-high, bull-strong, and just plain pretty. "Would you believe a bunch of 11 year olds built this thing?" marveled Dee Greenly, a NASA safety engineer at White Sands and Scoutmaster.

"Smith had a great idea here. The forest service needs the help, and the wilderness does belong to all of us.

"An old woman came down from the cliff dwellings awhile ago. She stopped at the end of the bridge there and asked. 'Who's building that fence?' I said. 'The Boy Scouts of America, Ma'am,' and she smiled and shouted, 'God bless the Boy Scouts of America!'

"That made us really proud. Doing something like this is really worthwhile."

District Ranger Palm agrees. He'd like to see Project Gila SOAR an annual thing. "Wilderness and Scouting go hand-in-hand," said Palm. "The values parallel and this has certainly been a tremendous learning vehicle for the kids. Activities like this have a place in national resource management, and we could sure handle one on a year-to-year basis."

Ron Smith's working on that. "We are going to propose the forest service develop a list of projects, things that they's like to have done but can't do for one reason or another, and call us when they want it done," said Smith. "It'd be sort of an on-going thing."

One would have thought, having watched the Scouts labor mightily for several days, that they would have been too tired at the end to take part in the Just-for-Fun Camporee conducted by the Gila Lodge, Tortugas Chaper, Order of the Arrow.

The rascals acted as if they'd been cabin-bound for a week. They packed the sandy banks of the Gila River competing in tugs-of-war, ski races, ball and can games, wobble board tugs-of-war, and other traditional Scout games. "Who won?" a spectator asked a lean forest ranger.

"We did," the ranger replied with a grin.

Project Gila SOAR also benefitted a lot of the Scouts involved. Six Eagle Scout candidates completed their service project for the award, one Life and one Star candidate completed their merit badge work for these awards, 25 Scouts earned merit badges, and 75 earned skill awards.

District Ranger Palm personally cited every troop involved in individual letters of commendation.

Oh, yes, about that $103,000 in borrowed equipment. Losses and breakage included one shovel lost in the river, one shovel broken and two helmet liners lost—for a total of less than $30.

And Ranger Johnston says she'll get the one shovel back as soon as the river goes down.●

THE ENVIRONMENTAL PROTECTION AGENCY

Mr. LEAHY. Mr. President, these past weeks have seen unprecedented attention directed toward the activities of the Environmental Protection Agency (EPA). These matters culminated with the recent resignation of Mrs. Anne Burford as EPA Administrator.

The newspapers are reporting that an active search is underway for her successor. I want to make clear that as we, Senators, fulfill our constitutional responsibility to advise the President on his appointment, we intend to make the administrator's environmental policies, or lack of them, a major concern. We have gone on too long without a Presidential commitment to the bipartisan environmental policies developed over the last decade.

Mr. President, I will not support any nominee for EPA Administrator unless the President makes a clear, public statement in support of the enforcement of our environmental laws and a commitment to stop the drastic reduction in EPA's budget.

These laws are on the books, have been put there with the bipartisan support of Congress, and it is the duty of the President to see that they are enforced. Any nominee for EPA Administrator needs an unequivocable statement form the President or he or she should not accept the appointment. This support is far more impor-

tant an issue than whether the administrator conservative, moderate, liberal, Republican, or Democrat.

The Senate must be assured that the new Administrator of the EPA will be able to perform his or her duties without interference from the White House, with allegiance only to the law, and to the political motivation of the President.

We need an Administrator who will alter the present course of this agency by demanding the funds and the manpower necessary to protect the public health and safety throughout this country.

We must have a sense of direction to end the destruction of the integrity of the EPA as an effective pollution control agency. We cannot cut EPA's operating budget in half during the middle of a chemical revolution that is doubling EPA's responsibilities.

We must stop the attrition of EPA's staff. It not, this agency will lose a third of its employees by the end of this coming fiscal year.

We must end the crippling reorganizations which have emasculated the EPA's enforcement program.

Mr. President, 10 years ago in Vermont, a statewide race for Governor was influenced by an intemperate remark made by a critic of the State's environmental laws.

"What are we saving Vermont's environment for—the animals?" the gentleman asked. The proenvironment candidate won the election in a landslide. I think that probably reflects the public's mood on enviromental laws.

President Ronald Reagan has badly underestimated the public mood on environmental protection matters.

And the recent flap over the EPA is solely his doing, with Anne Burford, Rita M. Lavelle, and others, who have been fired or under attack, merely supporting players.

On the day the Washington Post reported maneuvering by White House aides to force the resignation of Burford as EPA Administrator, because she was a political "liability," the President was visiting an economically depressed sawmill town in Oregon.

In his talk to lumberman, he was quoted as blaming the recession on the "economic and environmental policies of the past."

He defended the operations of the EPA, suggesting that the press, and not Burford, had created the problem.

The contrast of these two stories sheds more light on what is happening at the EPA than all the subpenas, all the charges, all the countercharges, and all the news stories about who did what to the EPA.

Burford certainly failed to enforce our environmental laws. But she apparently did not fail the President.

Between 1976 and 1979, Ronald Reagan commented on national affairs through regular nationwide radio broadcasts. In these radio shows, he often criticized environmental protection programs. It was on one of these broadcasts that he made his famous statement:

> Eighty percent of air pollutants comes not from chimneys and auto exhaust pipes, but from plants and trees.

During the campaign, he followed the same script. His words in Steubenville, Ohio, explain much of what has happened at the EPA in the last 2 years. "If the EPA people had their way, we would all live in rabbit holes or bird nests," candidate Reagan said.

As President, nothing has changed his thinking. Although previous Presidents issued annual environmental messages, Reagan has only spoken once formally about the environment. On that occasion, his first state of the Union address, he advocated major revision of the Clean Air Act which would ease air pollution standards.

An old Chinese proverb says, "I curse you by giving you what you want." When President Reagan appointed Burford at EPA, James Watt at Interior, John Crowell at the Forest Service, he got just what he wanted.

His campaign was fueled by resentment to governmental interference, and he appointed officials who shared his views.

But, as one wise man has said, "Resentment is an effective spur, but a deceptive rein." It can elect a President, but it cannot be the basis for governing the Nation.

President Reagan received no mandate to repeal our environmental laws. In February 1981, a Roper poll found that 75 percent of the public believed that EPA's regulatory efforts were on target or not strong enough. This is a message our President has chosen to ignore. He has tried to repeal our country's environmental laws by not enforcing them.

Instead, he insisted the EPA's Pollution Control Board be cut 50 percent annually since he became President. Once EPA's highest priority, the hazardous waste program has been cut by a third. He has proposed the abolishment of the long-term research program which alerted the Nation to the dangers of acid rain.

In spite of EPA's own budget documents warning that the water pollution cleanup task remaining is "enormous," the water pollution cleanup budget has been cut by 60 percent.

EPA has proposed to wind down its research on the health effects of pollution for diesel engines even though the use of diesel cars has tripled since 1978.

Last weekend the President attacked the critics of Mrs. Burford here in Congress. He implied that our consensus was nothing more than a political witchhunt. On this, Mr. President, I must set the record straight. As a member of the subcommittee of the Senate Appropriations Committee responsible for the budget of the EPA, I have released three analyses of its performance and policies. Each of these found serious problems in EPA's budget and management policies.

The first study I issued on April 20, 1982. It showed that while Mrs. Burford told congressional committees that her huge budget cuts could be absorbed by increased efficiency, the budget she submitted to OMB, showed that the large reduction in the fiscal year 1983 budget represented real reductions in safeguards to public health and safety.

The second study issued on July 21, 1982, showed that EPA's enforcement division had been so disorganized through repeated reorganizations and personnel changes, that enforcement efforts dropped by 70 percent.

EPA was being reorganized on the average of once every 11 weeks during 1981. And we are being asked to accept this as a good management practice. It was chaos, and recent disclosures have pointed to the disarray this constant change was creating in the work and efficiency of the Agency.

Finally, I issued the results of an EPA survey of the effect of cuts in State program grants on State environmental programs. A Utah environmental official summarized that result of this survey as follows:

> If resources are cut then programs will have to be cut. We are all making a mistake if we deceive ourselves into believing otherwise.

The responses from other States were similar.

So it is not the intent of Congress toward EPA enforcement of our laws which is at issue. It is the President's intent that creates this problem.

In Shakespeare's play of the same name, "King Lear" is warned, "O Sir, to willful men the injuries that they themselves procure, must be their school masters."

There is no doubt that the Reagan Presidency, and the public health, has been injured by the EPA controversy. The question is whether the schoolmaster will change the course, or continue a disastrous environmental policy which has already caused irremedial damage to public health and safety from which this Nation may never recover.

A TRIBUTE TO DR. DONALD BERNARD PATRICK SWEENEY

Mr. HEFLIN. Mr. President, it is with sadness and a sense of loss for both Alabama and the Nation that I note the recent passing of Dr. Donald Bernard Patrick Sweeney of Mountain Brook.

Dr. Sweeney was well known throughout the medical field as an

outstanding neurosurgeon. Alabama was indeed fortunate that, after receiving his medical degree from the University of Iowa in 1940, Dr. Sweeney chose to settle in Birmingham. He began his medical career in 1941, with the Hargis Hospital and Clinic in Birmingham.

Through the years, Dr. Sweeney's contributions to the fields of health and medicine have been numerous. He was one of the founders of the International Congress of Neurosurgeons, and also served as president of that group. In addition, he served as president of the Birmingham Academy of Medicine, the Alabama Academy of Neurology and Psychiatry, and the Jefferson County Medical Society. Dr. Sweeney has also authored several articles on surgical developments and techniques, and was a pioneer in the development of brain surgery.

Dr. Sweeney was certainly a fine surgeon and doctor, and was also a fine person and citizen. He will be missed not only for his work in his chosen profession, but also for the community service and leadership he provided.

Mr. President, I ask unanimous consent that an article from the Birmingham News be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Birmingham News, Mar. 7, 1983]

RITES SET TUESDAY FOR DR. SWEENEY, NEUROSURGEON, 66

Longtime Birmingham neurosurgeon Dr. Donald Bernard Patrick Sweeney, 66, of Mountain Brook, died Sunday.

Sweeney was one of the founders of the International Congress of Neurosurgeons. He served as president of that group, as well as the Birmingham Academy of Medicine, the Alabama Academy of Neurology and Psychiatry and the Jefferson County Medical Society.

He was chairman of the Jefferson County Board of Health and organized the first task force on air pollution in Birmingham. For many years he served as a member of the Jefferson County Planning and Zoning Commission.

Sweeney received his medical degree in 1940 from the University of Iowa and began his medical career in Birmingham in 1941 with the Hargis Hospital and Clinic. He has authored numerous articles on surgical techniques and pioneered many procedures used in brain surgery.

Graveside service will be at 12:30 p.m. Tuesday at Elmwood Cemetery, Valley Chapel directing.

Survivors include his wife, Kathryn Hallman; a son, Donald B. Sweeney Jr., Birmingham; three daughters, Mrs. B. Boyd Hight, Los Angeles, Mrs. Michael Graves and Patsy Sweeney, both of Birmingham; his mother, Mrs. Barney Sweeney, Overland Park, Kan.; a brother, Dr. Leo Sweeney, Shawnee Mission, Kan., and a sister, Mrs. Irene Michaels, Des Moines, Iowa.

The family suggests any memorials be made to the Emmet O'Neal Library in Mountain Brook.

JOHN A. KANEB: DISTINGUISHED SERVICE TO NEW ENGLAND AND THE NATION

Mr. KENNEDY. Mr. President, on March 22 John A. Kaneb will be honored in Boston by the New England Fuel Institute for his remarkable achievements as a corporate executive, a leading national petroleum expert, and an individual whose civic commitments are a source of regional and national pride.

For nearly a quarter of a century, John Kaneb has contributed his insights and leadership toward developing regional and national petroleum policies.

The New England Fuel Institute's Distinguished Service Award has been given to only 11 individuals in the past 22 years. John and his brother, Albert, are the most recent recipients. I would like to add to the CONGRESSIONAL RECORD the richly deserved praise contained in this citation:

RESOLUTION

Whereas John A. Kaneb, Chairman of the Northeast Petroleum Industries, Inc., is highly regarded as one of the leading Executives of the Petroleum Product Marketing Industry, having given many years of devoted service in several capacities to Northeast Petroleum; the Industry and its Associations, and

Whereas his wise leadership and counsel helped shape state and national programs of many leading Petroleum organizations, including the New England Fuel Institute; the National Petroleum Council; the American Petroleum Institute; the Fuel Oil Marketing Advisory Committee of the Federal Energy Administration, and others at state and national levels, and

Whereas he has devoted endless hours and unmeasured energy while contributing to many worthy causes involved with the Oil Marketing Industry and with other industries and with charities and eleemosynary organizations and institutions; through his outstanding leadership, counsel and advice, and

Whereas among his activities, he has served with considerable distinction, for many years, as the President and subsequently Chairman, of Northeast Petroleum Industries, Inc., and as Chairman or President or Board Member of numerous organizations; and as a member of the Board of Directors and Executive Committee of the New England Fuel Institute; providing thereby an unusual record of achievement for these organizations, and again

Whereas he has been a noted industry leader, advisor, producer and worker, and has helped many organizations and industry programs in a remarkable manner, and

Whereas John A. Kaneb is a unique and outstanding model of a public conscious, industry oriented Executive and Leader, as well as a civic minded active representative of the Business and Association Worlds, therefore be it

Resolved, that the entire Oil Heating Industry of New England and specifically the New England Fuel Institute, gratefully acknowledge his continued efforts on their behalf, over the years, and recognizes his significant contributions by bestowing upon him this Distinguished Service Award.

I want to add my own personal note of congratulations and appreciation to two fine men and good friends, John and Al Kaneb.

A TRIBUTE TO NORMAN J. WALTON

Mr. HEFLIN. Mr. President, Alabama recently lost one of its finest business and civic leaders when Gen. Norman J. Walton of Mobile passed away.

Walton was president of the construction firm of J. S. Walton & Co., which had been founded by his father in 1919 in Kentucky. Since 1960, the company was operated as a joint venture with Manhattan Construction Co.

A native of Chattanooga, Walton attended Marion Military Institute in Marion, Ala., before earning his degree in civil engineering at Georgia Tech in 1941. He then moved to Mobile, where he would live for some 40 years, leaving only to serve on active duty in World War II.

After the war, Walton would serve for more than 30 years with the Alabama National Guard. He retired with the rank of brigadier general.

Walton had been chairman of the South Alabama Regional Planning Commission since 1965. He also had served as president of the Mobile branch of the Associated General Contractors of America, Inc., and chairman of the Dauphin Island Park and Beach Board. He was a past member of the board of trustees of the Georgia Tech National Alumni Association. In 1982, he was honored as Engineer of the Year, as part of Mobile's National Engineers Week activities.

General Walton will be missed by all who knew him. Alabama has lost a truly fine citizen.

MARY ELLEN McCAFFREE RETIRES

Mr. GORTON. Mr. President, today a remarkably savvy and able colleague leaves my staff. For those Americans who believe that public service is an obligation well met, time spent in the Nation's Capital provides life-long enrichment. But, after more than 20 years of dedicated service, the view of the Pacific from her home on the coast of Washington State holds a far greater attraction for my friend Mary Ellen McCaffree than does any marble monument.

Mr. President, even in a perfect world, where arbitrary and discriminatory obstacles to achievement are nonexistent, Mary Ellen's distinguished career would deserve citation. But this is not a perfect world and there still exist roadblocks to self determination and opportunity for a great many Americans. And so we would do well to pause and reflect on the nature of Mary Ellen's accomplishments.

Twenty years ago, when Mary Ellen decided to run for the Washington State Legislature, these obstacles, were, if anything, far more entrenched than they are today. In fact, this was a pretty radical course of action for any woman. Certainly a housewife and mother of five whose only political experience had been an active membership in the League of Women Voters, did not stand a chance.

Well, she ran and she won, and she kept running and she kept winning, spending 8 years in the State house of representatives. While a member of the house, Mary Ellen developed a comprehensive tax reform package, supported the voting rights of 19-year-olds and wrote the legislation establishing our State's community college system, an enviable and distinguished record of achievement for any legislator.

It was during our shared tenure in the statehouse that we became friends and allies, a relationship which I am delighted to say grew during Mary Ellen's subsequent stints as director of the State department of revenue and as King County Budget Director. In 1980, she was an obvious and happy choice to come to the Senate with me as my administrative assistant.

Everyone in this Chamber knows that the closest we are likely to come to being in two places at the same time, as is so often demanded of us, is through presence and counsel of a trusted administrative assistant. Mary Ellen was all this and more.

To this crucial position, she brought a sensitivity and perspective that is even today, in regretably short supply in public life. Mary Ellen believes, and I agree with her, that there are no exclusively women's issues but that all issues are women's issues. Nuclear disarmament, the economy, the environment are all women's issues, simply because as one-half of the population the decisions and policy we make about these and any other issues, will have an immediate and profound impact on American women. It is both foolhardy and indefensible for those of us in leadership positions, public and private, to deny ourselves the benefit of their industry and expertise, and to deny women the full benefits and reponsibilities of citizenship.

Fortunately, Mary Ellen never allowed our sexism to absolve her of the responsibilities of her citizenship, and for this we will can all be grateful.

After a well deserved rest, she will continue to encourage women in our State to take an active part in local and national politics, for as she says "the key to keeping our American democracy alive is citizen participation at all levels." I am looking forward to working with her in the future as I have so successfully in the past.

Mr. BOSCHWITZ. I join with the Senator from Washington in wishing a fond adieu to his administrative assistant. I know, too, how valuable it is to have an administrative assistant of the qualities that he has, and so that it is going to be a great void, I am sure, in his office.

IN SUPPORT OF SENSE

Mr. MITCHELL. Mr. President. I rise in support of SENSE—the Solar Energy National Security and Employment Act. I am pleased to add by name as a cosponsor of this important legislation.

According to the Department of Energy, during the week of February 11, the United States imported 3.4 million barrels of oil per day, or 21 percent less than we were importing just a year ago. Much of this decline is due to increased conservation and improved efficiencies; much, however, is also due to the prolonged recession which has factories operating at 68 percent capacity. When the economy comes out of the recession—which I hope will be soon—the demand for imported oil, particulary in the Northeast and Midwest, will undoubtedly rise.

It is evident from recent news accounts that the power of OPEC is diminishing and that a $5 to $7 per barrel cut in the price of OPEC oil may be imminent, following a similar reduction by Great Britain and other oil exporters. While such a price reduction will provide welcome relief to many of the world's troubled economies, including that of our own, I believe we must continue our efforts to reduce our dependence on unstable sources of foreign oil and should not let the current glut of oil on the world market lull us into a false sense of security. Congress should take this opportunity to reaffirm its support for energy conservation and the development of solar energy and other alternatives. If enacted SENSE would do just that.

Since the 1973 oil embargo, every President—with the notable exception of President Reagan—has recognized the role Government can play in the research and development of alternative sources of energy. Our current national energy policy, particularly with respect to energy conservation and the development of energy alternatives, is based on what I believe to be a blind faith in the free market.

As an example, President Reagan's support for immediate decontrol in January of 1981 was based on the theory that if we took the Government out of the business of energy pricing; that is, if we let the price of energy rise to the market level, consumers would conserve energy up to the point at which it is no longer economical to do so. At the same time, energy producers—including producers of alternative energy—would theoretically produce energy up to the point where it is no longer profitable to do so. While this argument may sound good in theory, it is not true in practice, for a variety of reasons.

First, the price of energy on the world market does not reflect the "true" market value; rather, it reflects an amount arbitrarily set by OPEC.

Second, the above assumes that there is perfect knowledge in the marketplace concerning various energy investments. Clearly, such perfect knowledge does not exist.

Third, and most importantly, current energy policy is strongly biased in favor of certain energy sources. This bias takes the form of both direct Federal expenditures as well as indirect incentives through the Tax Code.

Since taking office, President Reagan has drastically reduced funding for energy conservation and the development of solar and other alternatives while simultaneously increasing funding for nuclear energy. On several occasions, the President has proposed the elimination of various alternative energy tax credits for both individuals and businesses. On each occasion, I and others were successful in saving those important credits. At the same time, however, the 1981 tax bill pushed through Congress by the President contained more than $12 million in special tax breaks for the oil companies over a 5-year period.

The President's proposed fiscal year 1984 budget continues this disturbing trend. The budget contains only $74 million in budget authority for all energy conservation programs, or a 73-percent cut from the $279 million in budget authority appropriated by Congress for fiscal year 1983. Of the $74 million, $3.3 million would be used to phase out several important programs, including the low-income weatherization program, energy conservation grants to schools and hosptials, and the Energy Extension Service. In addition, the budget contains zero funding for the Solar Energy and Energy Conservation Bank, which is designed to provide low-income families with low-interest loans.

It is not quite clear to me how the President can advance such proposals when every major study conducted since 1973—including studies by such diverse groups as the Government Accounting Office, the Solar Energy Research Institute, and the Harvard Business School—has concluded that energy conservation is the cheapest, cleanest alternative source of energy available to us.

In his fiscal year 1984 budget, President Reagan has also proposed a 34-percent cut in funding for the low-income energy assistance program (LIEAP), from $1.975 billion appropriated for fiscal year 1983 to $1.3 billion. Perhaps more than any other, this

proposal illustrates the President's almost callous disregard for our Nation's poor and elderly, many of whom, in the absence of LIEA funds, would be forced to choose between putting food on their tables and heating their homes.

This is a difficult choice. But it is a choice which I am convinced many Maine families now make even with current levels of funding.

More than 44,600 Maine households received, on average, $400 in energy assistance during the 1981–82 heating season. During the first 4 weeks of the program's operation in this fiscal year, more than 20,000 individuals applied for energy assistance, or nearly half as many as received assistance in all of last year, reflecting a fear on the part of many in Maine that they will not be able to pay their heating bills this year. If President Reagan's proposal to reduce funding for LIEAP by 33 percent in fiscal year 1984 is adopted, assistance for Maine households will have to be reduced by one-third, or one-third fewer households will be served. Given the number of needy families and the high costs of heating a home in Maine, I cannot accept either of these outcomes.

The President's budget also proposes to slash funding for renewable energy research and development by nearly 60 percent from $253 million in fiscal year 1983 budget authority to $102 million. None of the funds requested are for active solar, passive solar, alcohol fuels, or hydropower research and development.

At the same time, the President has proposed to increase funding for nuclear energy research and development by 4 percent to $1.3 billion. This includes $270 million in funding for the unsafe, unwise, and unnecessary Clinch River breeder reactor project which is now estimated to cost a total of nearly $9 billion. The $1.3 billion for nuclear energy is more than 13 times the amount the President has proposed for alternative energy development. These massive subsidies are indicative of a bias inherent in current U.S. energy policy and clearly reflect the administration's attempts to bolster nuclear power development at any cost. This bias represents poor energy policy particularly at a time when numerous safety, management, and economic issues continue to plague the nuclear power industry and when Americans are increasingly concerned about the health and safety risks associated with nuclear power.

I believe it is the time for Congress to reaffirm its commitment to, and support of, energy conservation and the development of alternative energies so as to achieve a more appropriate balance in our energy mix. Sense, the Solar Energy National Security and Employment Act, would accomplish this by strengthening, and in some cases extending, existing provisions of law. In addition, Sense quite appropriately places alternative energy development in the context of national security and job creation. The bill contains four titles, the major provisions of which will be summarized below:

Title I: The Renewable Energy Small Business Development Act. Title I is designed to redefine and broaden several existing Federal programs which assist small businesses involved in renewable energy production. Specifically, title I would: extend the renewable energy business tax credits, scheduled to expire in 1985, until 1990; reserve 12 percent of the Export-Import Bank's loan authority to small businesses involved in renewable energy technology; assure that certain set-asides mandated by the Small Business Innovation Act, passed by the Congress last year, are made available to small businesses involved in renewable energy research and development, and, clarify section 210 of the Public Utility Regulatory Policies Act (PURPA) to require that power sold to utilities be purchased at 100 percent of the replacement cost.

Title II: The Renewable Energy National Security Act. Title II of Sense would encourage the Department of Defense to invest in alternative energies and energy conservation where appropriate. Specifically, title II: broadens a provision in existing law requiring DOD to procure renewable energy devices in nonweapons applications when cost-effective; authorizes the Commodity Credit Corporation to use contaminated grains for a strategic ethanol reserve should one be established; and instructs the Department of Defense to submit a report to Congress on the feasibility of using mobile renewable energy generators as back ups for existing conventional energy supplies at military installations.

Title III: The Renewable Energy Employment Act. Title III is designed to encourage employment through the weatherization program and the U.S. Department of Agriculture's Agricultural Extension Service. Specifically, title III: reaffirms congressional support for the low-income weatherization program and requests that funding be maintained at the fiscal year 1983 level in successive years; requires that energy conservation and renewable energy skills training be allowable under all Federal job training programs; requires the USDA to centralize information on low-energy farming methods; and, establishes renewable energy and energy conservation development as a key funding criteria for three major economic development programs.

Title IV: The Renewable Energy Consumer Incentives Act. Title IV makes use of existing Federal programs to encourage consumers to invest in renewable energy technologies and to assist them in making informed decisions. Specifically, title IV: extends the residential energy tax credit, scheduled to expire in 1985, until 1990 and makes clear that such credits may be used for both passive and solar applications; reauthorizes the Solar Energy and Energy Conservation Bank until 1990; allows low-income energy assistance program funds to be used by States to provide information exchanges between local, State, and Federal energy programs; reaffirms congressional support for automobile and appliance labeling; requires the development of standardized interconnection and power purchase contracts under PURPA of renewable electric systems of less than 100 kilowatts; finally, requires Federal agencies to submit brief reports on energy conservation and alternative energy use.

Mr. President, this legislation represents a modest step toward reaffirming our Nation's commitment to energy conservation and the development of energy alternatives. With the exception of funding for the weatherization program, the Solar Energy and Energy Conservation Bank and the extention of certain residential and business tax credits, the legislation will have little impact on the Federal budget.

In conclusion, I would like to express my continued support for energy conservation and the development of energy alternatives. I believe the time has come for the Congress to reaffirm its support as well so as to reduce our continued dependence on costly, unstable sources of foreign oil.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

FEDERAL USE AND CONSERVATION OF PETROLEUM AND NATURAL GAS—MESSAGE FROM THE PRESIDENT—PM 30

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Energy and Natural Resources:

To the Congress of the United States:

Pursuant to the requirements of Section 403(c) of the Powerplant and Industrial Fuel Use Act of 1978, I hereby transmit the third annual report describing Federal actions with respect to the conservation and use of petroleum and natural gas in Federal facilities and conservation of petroleum and natural gas by recipients of Federal assistance.

RONALD REAGAN.

THE WHITE HOUSE, *March 18, 1983.*

STATE OF SMALL BUSINESS—MESSAGE FROM THE PRESIDENT—PM 31

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Small Business:

To the Congress of the United States:

Small businesses represent an important part of the American economy. The efforts of the men and women

who operate small businesses are vital to the Nation's economic growth. As documented in the attached Report, small businesses have performed relatively well during the recent recession. As the economy continues to recover, small business has a vital role to play. My Administration's economic program will enhance the ability of small business to meet these challenges.

Small businesses can make several important contributions to economic recovery. About forty percent of private sector employment is in small, independently-owned businesses. We need to recognize the small business role in our economy, particularly in job creation. This is especially important in light of current high levels of unemployment.

Small businesses are important sources of product and process innovations. Small business efforts provide needed flexibility for our economy to meet foreign competition and changing economic realities. There exists a great reservoir of export potential in the small business community and we need to make greater efforts to use that resource.

Inflation, high interest rates, excessive taxation, and burdensome regulation are serious problems for small business and their abatement has been the key goal of my economic program. While we have made much progress on these fronts our most important small business priority remains the assurance of an economic climate of opportunity for small businesses to grow and prosper.

In the past year we have undertaken several important initiatives responsive to small business concerns:

—Inflation, which for the past 10 years has increased small business costs and eroded profit margins, has been cut to about one-third of the rate in effect the year before I took office.

—The Federal government is imposing fewer regulations and less paperwork on small business, and agencies are working with the Regulatory Flexibility Act to minimize the burden of regulations on small firms.

—Tax barriers to investment in small firms have been reduced. I supported and signed legislation to reform Tax Code Subchapter S, making it easier for new, small corporations to enjoy the benefits of limited personal liability for corporate debts, while being subject to individual income tax.

—Reforms of the estate tax law, indexing of tax rates, and cuts in individual tax rates all make it easier for owners of small businesses to build and maintain their operations.

—With the enactment of the Small Business Innovation Development Act of 1982, P.L. 97-219, major Federal agencies are now required to dedicate more of their research and development budgets to small businesses.

—With the enactment of the Export Trading Company Act, small- and medium-sized manufacturers will be able to compete in foreign markets on an equal footing with their competitors in other countries.

—We have eliminated a major barrier to small business involvement in Federal procurement—the government's habit of paying its bills late. With the enactment of the Prompt Payment Act, P.L. 97-177, the Federal government must now pay it bills on time or be subject to interest penalties.

—The purchase by the Federal government of goods and services from the private sector should utilize efficient and able small firms to the extent possible and practicable. As detailed in the Report which follows, we have expanded the amount and proportion of Federal procurement from small, minority, and women-owned firms.

Creating an environment that permits small business to grow, create jobs and earn a profit requires continued efforts that include monetary soundness, reduction of Federal spending, and more rational Federal regulatory policy. There are several specific policy initiatives that we are pursuing toward this end.

—The Social Security System must be sound. The recommendations of the Bipartisan Commission provide a plan that is fair to the retired as well as the workers and employers who must share in the tax burden. We must not assume that employers who create jobs have bottomless pockets to support an unreformed system. Thus, we support the National Commission's balanced package to assure solvency of the Social Security System.

—We will vigorously pursue Federal enactment of enterprise zone legislation to encourage the location of business, large and small, in designated areas where growth has lagged. We will ensure that enterprise zone incentives are meaningful to the small firms so that their prospect for growth is high.

—Worker retraining will be important to many of our unemployed who are caught in the shift of our economy away from some of its traditional industrial patterns. Small firms are leading that shift, and we must utilize the expertise and judgment already available in small firms. The Congress should enact my proposed jobs tax credit for the long-term unemployed. This will increase the incentives for employers to hire new workers.

We must continue to pursue regulatory reform through Congressional and Administration action. The Clean Air Act, the Clean Water Act, and the Resource Conservation and Recovery Act all need Congressional reauthorization. We must ensure that a proper balance is set between the costs of regulation and foregone opportunities to small companies and the environmental standards which our society demands.

The effort to reduce and reform outmoded and unnecessary government regulation must continue. We have made significant progress in slowing the growth of regulation, and must reinforce our efforts to reduce existing regulatory burdens, especially those that disproportionately undermine small business opportunities.

Our government policies on procurement must be administered so as to utilize the best that small firms have to offer in goods and services. The role of government should not include performing services and activities that can effectively and efficiently be carried out by the private sector, and we will work for policies which increase reliance on the private sector.

The central parts of our economic programs are in place and the recovery has already begun. The flexibility and the energy that enable our economy to recover in situations such as this are found in great doses among small businesses. To help small business realize its full economic potential I am calling upon the Congress and upon the members of my Administration to be always mindful of the important role small business plays in our economy.

This statement and the following Report are the second I have presented to Congress as required in Title III of Public Law 96-302. I believe that our continued efforts to explore and understand the importance of small business to our economy will lead us to join together to pursue policies which will foster the growth of this critical sector of the American economy.

RONALD REAGAN.

THE WHITE HOUSE, *March 18, 1983.*

MESSAGES FROM THE HOUSE

At 1:26 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the bill (H.R. 1718) making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes; it agrees to the conference asked by the Senate on the

disagreeing votes of the two Houses thereon, and appoints Mr WHITTEN, Mr. BOLAND, Mr. NATCHER, Mr. SMITH of Iowa, Mr. ADDABBO, Mr. LONG of Maryland, Mr. YATES, Mr. ROYBAL, Mr. BEVILL, Mr. LEHMAN of Florida Mr. DIXON Mr. FAZIO, Mr. HEFNER, Mr. CONTE, Mr. MCDADE, Mr. EDWARDS of Alabama, Mr. MYERS, Mr. MILLER of Ohio, Mr. COUGHLIN, and Mr. O'BRIEN as managers of the conference on the part of the House.

The message also announced that pursuant to the provisions of Public Law 86-42, as amended, the Speaker appoints as members of the U.S. delegation of the Canada-United States Interparliamentary Group the following Members on the part of the House: Mr. FASCELL, chairman, Mr. BOLAND, vice chairman, Mr. GIBBONS, Mr. HAMILTON, Mr. OBERSTAR, Mr. BARNES, Mr. DINGELL, Mr. BROOMFIELD, Mr. HORTON, Mr. WINN, Mr. STANGELAND, and Mr. MARTIN of New York.

The message further announced that pursuant to the provisions of section 1, Public Law 689, 84th Congress, as amended, the Speaker appoints as members of the U.S. Group of the North Atlantic Assembly the following Members on the part of the House: Mr. BURTON of California, chairman, Mr. HAMILTON, vice chairman, Mr. BROOKS, Mr. ANNUNZIO, Mr. ROSE, Mr. GARCIA, Ms. OAKAR, Mr. BERMAN, Mr. HORTON, Mr. O'BRIEN, Mr. PRITCHARD, and Mr. SOLOMON.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-51. Concurrent resolution adopted by the General Assembly of the State of Arkansas; to the Committee on Energy and Natural Resources:

"HOUSE CONCURRENT RESOLUTION 5

"Whereas, the United States and its various departments and agencies own millions of acres of lands located in the various states; and

"Whereas, although in some cases the minerals underlying such lands are extremely valuable, many mineral leases on such lands are granted each year for one dollar per acre or some other nominal fee, while only a small number of such leases are awarded on the basis of competitive sealed bids; and

"Whereas, the United States Government and the various states are in urgent need of additional funds to provide essential services of government and the award of mineral leases on federal lands on competitive sealed bids would produce a substantial amount of revenues; and

"Whereas, good business practices, fairness and equity dictate that all mineral leases on federal-owned lands be awarded to the highest responsible bidder based on competitive sealed bids,

"*Now therefore, be it resolved by the House of Representatives of the Seventy-Fourth General Assembly of the State of Arkansas, the Senate concurring herein:*

"That the Arkansas General Assembly hereby respectfully urges the Congress of the United States to enact appropriate legislation to require that all mineral leases on federal-owned lands be awarded to the highest responsible bidder based on competitive sealed bids.

"*Be it further resolved,* That the General Assembly hereby urges the Arkansas Congressional Delegation to sponsor and support such legislation.

"*Be it further resolved,* That upon adoption of this Resolution, a copy shall be transmitted to the presiding officer of the U.S. Senate and the U.S. House of Representatives and to each member of the Arkansas Congressional Delegation.

POM-52. A resolution adopted by the Senate of the State of Alabama; to the Committee on Finance:

"RESOLUTION No. 72

"Whereas, the United States Congress enacted the Tax Equity and Fiscal Responsibility Act of 1982 and said act contains provisions requiring withholding on savings by financial institutions; and

"Whereas, such withholding provisions will severly penalize the elderly and those living on fixed incomes; and

"Whereas, sufficient laws exist requiring the reporting of income from savings and the reasonable and efficient implementation of those laws will result in the desired goal of greater income in the United States Treasury; and

"Whereas, the cost to implement such bureaucratic withholding procedures will result in further erosion of the average working saver's economic stability and the ability and incentive to prepare for the education of children and retirement years; now therefore,

"*Be it resolved by the legislature of Alabama, both Houses thereof concurring,* That we urgently call upon the United States Congress to repeal the bureaucratic and unfair withholding provisions of the Tax Equity and Fiscal Responsibility Act of 1982.

"*Be it further resolved,* That President Ronald Reagan and Vice President George Bush join in a bipartisan spirit with the United States Congress to lend every effort to see that said provisions of withholding are repealed.

"*Resolved further,* That the Secretary of the Senate cause a copy of this resolution to be sent to each member of the Alabama Congressional Delegation in Washington, D.C., and to each the President and Vice President of the United States so that they may understand the deep alarm the people of Alabama and the members of the Alabama Legislature feel about the withholding provisions."

POM-53. A resolution adopted by the House of Representatives of the State of Hawaii; to the Committee on Finance:

"H.R. No. 22

"Whereas, the State of Hawaii recognizes, as one of its primary objectives, the development of greater opportunities for Hawaii's people to secure reasonably priced housing; and

"Whereas, the increasingly high cost of constructing housing in Hawaii, coupled with high mortgage interest rates, makes it extremely difficult for a moderate income family to purchase their first home; and

"Whereas, in 1980 the Hawaii Housing Authority began its Hula Mae program to provide necessary financing for first time home owners, and has since issued approximately $200 million in tax-exempt revenue bonds, the proceeds of which were used to finance mortgage loans enabling over 2,000 moderate income families to purchase residential units; and

"Whereas, the issuance of these bonds was authorized by the Mortgage Subsidy Bond Tax Act of 1980 which also specifies that these revenue bonds may not be issued after December 31, 1983, thereby jeopardizing the State's ability to further finance the purchase of housing by moderate income families; now, therefore,

"*Be it resolved by the House of Representatives of the Twelfth Legislature of the State of Hawaii, Regular Session of 1983,* That the President of the United States and the Congress of the United States are respectfully urged to support, in view of its great success, the continued use of tax-exempt revenue bonds as the primary source of funds for the Hula Mae mortgage loan program either through the extension or through the elimination of the tax-exempt revenue bond sunset clause of the Mortgage Subsidy Bond Tax Act of 1980; and

"*Be it further resolved,* That certified copies of this Resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and members of Hawaii's congressional delegation."

POM-54. A concurrent resolution adopted by the General Assembly of the State of Arkansas; to the Committee on Finance:

"SENATE CONCURRENT RESOLUTION 9

"Whereas, recent legislation enacted by the United States Congress will require that financial institutions withhold federal income taxes on the interest earnings of depositors and investors; and

"Whereas, the withholding of federal income taxes on interest earnings will not only impose a severe burden on financial institutions in Arkansas and the entire country but will also result in unreasonable inconvenience and expense to taxpayers; and

"Whereas, withholding of federal income taxes on interest earnings may well have an adverse effect on the economic recovery of this State and nation; and

"Whereas, it is the consensus of the Arkansas General Assembly that any benefits which may be gained by withholding federal income taxes on interest earnings will be far outweighed by the adverse effect which will result to financial institutions, to taxpayers and to the overall economy of the country; Now therefore, be it

"*Resolved by the Senate of the seventy-fourth General Assembly of the State of Arkansas, the House of Representative concurring herein:*

"The United States Congress is respectfully urged to reconsider the recently enacted legislation which requires financial institutions to withhold federal income taxes on interest earnings and to repeal or substantially modify such legislation to alleviate or minimize the adverse effects thereof upon financial institutions, taxpayers and the nation's economy. Be it Further

"*Resolved* that the Arkansas Congressional Delegation is respectfully urged to promote and support such action. Be it Further

"*Resolved* that upon adoption of this Resolution, a copy shall be transmitted to the presiding officer of the United States Senate, the United States House of Repre-

sentatives and to each member of the Arkansas Congressional Delegation."

POM-55. A resolution adopted by the Seventh Day Baptist General Conference, U.S.A. and Canada, urging that all world leaders seek to reconcile their differences without resorting to armed conflict; to the Committee on Foreign Relations.

POM-56. A memorial adopted by the Senate of the State of Arizona; to the Select Committee on Indian Affairs:

"SENATE MEMORIAL 1003

"Whereas, for over a century the Navajo and Hopi Indians have been involved in a dispute over the right to use certain lands set aside by Executive Order issued by President Chester A. Arthur on December 16, 1882; and

"Whereas, this land dispute is of great concern to all people of Arizona, Indian and non-Indian, and should be of great concern to all people of the United States; and

"Whereas, in 1974 legislation was enacted (P.L. 93-531) and amended in 1980 (P.L. 96-305) requiring the relocation of Navajo Indians from lands partitioned to the Hopi Tribe and the relocation of Hopi Indians from lands partitioned to the Navajo Tribe; and

"Whereas, the relocation mandated by the federal legislation has already caused untold hardship for hundreds of Indian families and has already cost millions of dollars and will eventually affect over seven thousand five hundred Indians who will be relocated against their will at a cost to United States taxpayers of over one-half billion dollars; and

"Whereas, the federal legislation also provides for the acquisition of hundreds of thousands of acres of private land for the resettlement of the Navajo and Hopi Indian relocatees; and

"Whereas, this acquisition of private property will, in turn, force hundreds of non-Indians off their land, disrupt their lives and cause them the same type of hardship as is being forced on the Indian relocatees; and

"Whereas, any attempt to mitigate the human suffering with federal money does not address the true issues involved, but does cause a real burden to the federal budget, the United States taxpayers and the national economy; and

"Whereas, the taking of private property, as provided by the federal legislation, will deplete Arizona's already small private land area and diminish the tax base of the state and the counties in which the lands are located.

"Wherefore your Memorialist, the Senate of the State of Arizona, prays:

"1. That the Congress of the United States repeal or amend P.L. 93-531 and P.L. 96-305 and provide a true, fair and final solution to the Navajo-Hopi land dispute without requiring federal funds for relocation and without the acquisition of private lands.

"2. That the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States Senate, the Speaker of the United States House of Representatives and to each Member of the Arizona Congressional Delegation."

POM-57. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on the Judiciary:

"JOINT RESOLUTION TO RATIFY AN AMENDMENT TO THE FEDERAL CONSTITUTION TO PROVIDE FOR REPRESENTATION OF THE DISTRICT OF COLUMBIA IN THE CONGRESS

"Whereas, the 95th Congress of the United States of America at its second session, in both Houses, by a constitutional majority of two-thirds thereof, adopted the following proposition to amend the Constitution of the United States of America in the following words, to wit: Joint resolution proposing an amendment to the Constitution to provide for representation of the District of Columbia in the Congress:

" 'Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), that the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the Legislatures of three-fourths of the several states within seven years from the date of its submission by the Congress.

" 'ARTICLE

" 'Section 1. For purposes of representation in the Congress, election of the President and Vice-President, and Article V of this Constitution, the District constituting the seat of government of the United States shall be treated as though it were a state.

" 'Section 2. The exercise of the rights and powers conferred under this article shall be by the people of the District constituting the seat of government, and as shall be provided by the Congress.

" 'Section 3. The twenty-third article of amendment to the Constitution of the United States is hereby repealed.

" 'Section 4. This article shall be inoperative, unless it shall have been ratified as an amendment to the Constitution by the Legislatures of three-fourths of the several States within seven years from the date of its submission.': Now, therefore, be it

"Resolved: By the Members of the Senate and the House of Representatives of the 111th Legislature, now assembled, that such proposed amendment to the Constitution of the United States of America be and the same is hereby ratified; and be it further

"Resolved: That certified copies of this Resolution be forwarded by the Secretary of State to the Administrator of General Services, Washington, D.C., and the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States."

POM-58. A resolution adopted by the House of Representatives of the State of Kansas; to the Committee on the Judiciary:

HOUSE RESOLUTION NO. 6020

"Whereas, Teachers, through education of the young, provide both the foundation of modern civilization and the means for enhancing the lives of all members of society; and

"Whereas, The personal inspiration and enrichment which students receive from their teachers extend far beyond the few years spent in the classroom to exert a valuable lifelong influence on the young people of this nation, and through them, on all of our citizens; and

"Whereas, Teachers richly deserve individual recognition, honor and encouragement for their dedication and excellence in the pursuit of their profession; and such recognition, honor and encouragement should be bestowed each year on a nationwide basis; and

"Whereas, Students, parents, school administrators and all other citizens of the United States should be encouraged to personally communicate by word and deed to their present and former teachers, the special appreciation and recognition that teachers so richly deserve: Now, therefore, be it

"Resolved by the House of Representatives of the State of Kansas: That the Congress of the United States is hereby requested to enact the necessary legislation to declare and establish the first Friday in March of each year to be the day upon which each teacher in the schools of our nation is to be given special recognition and honor, and to provide for such day to be known as Teacher Day USA; and be it further

"Resolved: That the Chief Clerk of the House of Representatives is hereby directed to transmit enrolled copies of this resolution to the President of the United States; the President of the United States Senate; the Speaker of the United States House of Representatives; to each member of the delegation to Congress from the state of Kansas; to Laurence L. Stanton, 406 LaVista; Dr. Steven A. McKee, 1000 2nd Avenue; Frank B. Toalson, 1812 5th Avenue; Dr. Eddie Estes, 1700 E. Wyatt Earp; Ethel Peterson, 2315 Melencamp; Judy Young, 2206 McCoy; Lydia Haag, 1107 6th Avenue; all in Dodge City, Kansas 67801; and Glenn E. Burnette, 1630 Knollwood, Topeka, Kansas 66611."

POM-59. A concurrent resolution adopted by the Legislature of the State of South Dakota; to the Committee on Veterans' Affairs:

"HOUSE CONCURRENT RESOLUTION NO. 1002

"Whereas, there are approximately two hundred fifty thousand veterans in the United States who were exposed to atomic radiation during the occupation of Japan and in conjunction with at least two hundred thirty five atmospheric nuclear weapons tests conducted in the 1940's and 1950's and as recently as 1962, many of these veterans residing in South Dakota; and

"Whereas, these veterans are now suffering myriad health problems, including cancer, degenerative bone and nerve diseases, intestinal disorders, blood and respiratory diseases, emotional problems and birth defects in children and grandchildren; and

"Whereas, recent medical evidence indicates that all these ailments may be associated with exposure to atomic radiation; and

"Whereas, these veterans have typically been hesitant to come forward for fear of prosecution under secrecy statutes and possible loss of employee medical benefits and diminished employment potential; and

"Whereas, regulations published by the United States Veterans' Administration on December 2, 1981, pertaining to the provision of health care to veterans exposed to atomic radiation do not address health symptoms other than cancer; and

"Whereas, current Veterans' Administration regulations have been used to deny ninety-eight percent of the claims for health care and compensation by veterans who have been exposed to atomic radiation; and

"Whereas, under these regulations, it is incumbent upon the veteran to prove his exposure to atomic radiation through his own initiative in securing records that often are incomplete or missing entirely: Now, therefore, be it

"Resolved, by the House of Representatives of the Fifty-eighth Legislature of the state of South Dakota, the Senate concurring therein, that the Legislature of the state of South Dakota respectfully requests the President and Congress of the United States to direct the Administrator of Veterans' Affairs to revise the current regulations of the Veterans' Administration regarding the provision of health care to veterans exposed to atomic radiation to fully recognize the body of medical evidence associating exposure to atomic radiation with a wide range of health effects; and be it further

"Resolved, that the Legislature of the state of South Dakota further respectfully requests that other appropriate agencies and resources of the United States be brought to bear in an investigation of the health and genetic complaints of veterans exposed to atomic radiation and of the apparent loss of records and documentation pertaining to exposure of individuals and military units; and be it further

"Resolved, that the Clerk of the House of Representatives tramsmit copies of this resolution to the President and the Vice-President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from South Dakota in the Congress of the United States and to the Administrator of Veterans' Affairs."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry, with an amendment in the nature of a substitute:

S. 24. A bill to provide emergency credit assistance to farmers, and for other purposes (with additional views) (Rept. No. 98-28).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HEINZ:

S. 849. A bill to amend the Trade Act of 1974 to encourage the preparation and implementation of adjustment plans for industries materially injured by imports, and for other purposes; to the Committee on Finance.

By Mr. HEFLIN:

S. 850. A bill to authorize the Secretary of the Army to correct certain slope failures and erosion problems along the banks of the Coosa River; to the Committee on Environment and Public Works.

By Mr. HEFLIN:

S. 851. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide that rescue squad members are entitled to death benefits made available under such Act; to the Committee on the Judiciary.

By Mr. DOMENICI (for himself, Mr. DECONCINI, Mr. GOLDWATER, Mr. Boschwitz, Mr. MELCHER, Mr. BAUCUS, and Mr. BINGAMAN):

S. 852. A bill to prohibit the Export-Import Bank of the United States from financing the establishment or enhancement of the capacity of a foreign country to produce certain commodities in competition with, or similar to U.S.-produced commodities; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DOMENICI (for himself, Mr. DECONCINI, Mr. GOLDWATER, Mr. BOSCHWITZ, Mr. MELCHER, Mr. BAUCUS, Mr. BINGAMAN, and Mr. LAXALT):

S. 853. A bill to amend the Foreign Assistance Act of 1961 to prohibit the furnishing of assistance to establish or enhance the capacity of a foreign country to produce certain commodities in competition with, or similar to U.S. produced commodities, and for other purposes; to the Committee on Foreign Relations.

By Mr. PERCY (for himself, Mr. HATFIELD, Mr. DOMENICI, Mr. HELMS, and Mr. GORTON):

S. 854. A bill to amend the Congressional Budget Act of 1974 to establish procedures for setting targets and ceilings, in the congressional budget process, for loans and loan guarantees under the Federal credit programs; to the Committee on the Budget and the Committee on Governmental Affairs, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other has 30 days of continuous session to report or be discharged.

By Mr. TRIBLE (for himself and Mr. PROXMIRE):

S. 855. A bill to extend the expiration date of the Defense Production Act of 1950; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. COCHRAN (for himself, Mr. ANDREWS, Mr. COHEN, Mr. NICKLES, Mr. STEVENS, Mr. STENNIS, and Mr. MURKOWSKI):

S. 856. A bill to provide for an Indian housing program for construction and financing of housing for Indians, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. HELMS (by request):

S. 857. A bill to amend the Consolidated Farm and Rural Development Act; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. THURMOND (for himself, Mr. RIEGLE, Mr. RANDOLPH, Mr. INOUYE, Mr. EXON, Mr. MELCHER, Mr. GARN, Mr. BURDICK, Mr. KENNEDY, Mr. HEFLIN, and Mr. SPECTER):

S. 858. A bill to recognize the organization known as the National Association of State Directors of Veterans Affairs, Inc.; to the Committee on the Judiciary.

By Mr. THURMOND (for himself, Mr. INOUYE, Mr. COHEN, Mr. COCHRAN, Mr. CRANSTON, Mr. DENTON, Mr. EXON, and Mr. MELCHER):

S. 859. A bill to amend title 38, United States Code, to require the continued payment of disability compensation at an unreduced rate pending review and appeal of a determination to reduce or discontinue such compensation by reason of a change in service-connected or employability status or in physical condition in the case of any veteran whose disability has been rated as total for a period of at least 10 years ending on the date such determination was made, who files a statement of disagreement with such determination, and who requests such continued payment, and for other purposes; to the Committee on Veterans Affairs.

By Mr. HART (for himself, Mr. GORTON, Mr. MOYNIHAN, Mr. TSONGAS, and Mr. DODD):

S. 860. A bill to reauthorize and expand the hazardous waste response trust fund; to the Committee on Environment and Public Works and the Committee on Finance, jointly, by unanimous consent.

By Mr. KASTEN (for himself and Mr. FORD):

S. 861. A bill to amend the Consumer Product Safety Act (15 U.S.C. 2051 et. seq.) to provide authorization of appropriations, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. McCLURE (for himself and Mr. SYMMS):

S. 862. A bill to amend the Act of May 31, 1962 (76 Stat. 89); to the Committee on Energy and Natural Resources.

By Mr. BOSCHWITZ (for himself, Mr. CHAFEE, Mr. CHILES, Mr. RUDMAN, Mr. INOUYE, Mr. DANFORTH, Mr. GORTON, Mrs. HAWKINS, Mr. ROTH, Mr. GARN, Mr. MATTINGLY, Mr. HEINZ, Mr. KASTEN, Mr. HATCH, Mr. DENTON, Mr. TOWER, Mr. GRASSLEY, Mr. JEPSEN, Mr. PERCY, Mr. DURENBERGER, Mr. SPECTER, Mr. D'AMATO, Mr. TRIBLE, Mr. ANDREWS, Mr. HEFLIN, Mr. WARNER, Mr. PRESSLER, Mr. MATSUNAGA, Mr. WILSON, Mr. BRADLEY, Mr. ABDNOR, Mr. SIMPSON, Mr. DOMENICI, Mr. DOLE, Mr. BAKER, Mr. MURKOWSKI, and Mr. LAXALT):

S. 863. A bill entitled "The Enterprise Zone Employment and Development Act of 1983"; to the Committee on Finance.

By Mr. McCLURE (by request):

S. 864. A bill to amend the Volunteers in the Parks Act of 1969, and for other purposes; to the Committee on Energy and Natural Resources.

By BAKER (for Mr. PELL (for himself, Mr. BYRD, Mr. MOYNIHAN and Mr. PERCY)):

S.J. Res. 65. Joint resolution designating March 21, 1983, as "Afghanistan Day"; considered and passed.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BAUCUS:

S. Res. 93. Resolution to oppose the massive selloff of national forest system land; to the Committee on Energy and Natural Resources.

By Mr. BAKER:

S. Res. 94. Resolution to authorize the testimony of Christine C. Dauth; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HEINZ:

S. 849. A bill to amend the Trade Act of 1974 to encourage the preparation and implementation of adjustment plans for industries materially injured by imports, and for other purposes; to the Committee on Finance.

INDUSTRIAL REVITALIZATION ACT OF 1983

Mr. HEINZ. Mr. President, the past few years of economic difficulty have both intensified and obscured some of the major changes taking place in our economy and our society. Recession has added the pressuree of general economic downturn, declining demand, and increased pressure from imports. At the same time, it has obscured structural changes by forcing public attention and analysis on the short-

term recession symthoms. As a result, it has become the prevailing wisdom that general economic recovery will make many of these difficulties go away, particularly in import-impacted industries. "A rising tide lifts all boats," to renew a favorite aphorism of the late President Kennedy.

It is my view, however, that just as recession has masked structural changes, so will recovery mask those same changes. If we cannot identify and deal with them now—the scope and magnitude of any recovery will be retarded and out ability to cope with our problems and become competitive over the long term constrained.

And what are those problems? Robert Reich, in his recent thought-proviking article in the Atlantic, characterized them as a failure to shift from standardized mass production to sophisticated specialized production processes and a concentration on "paper entrepreneurialism"—the generation of profits from paper merges and restructuring rather than actual production or productivity improvements.

From another perspective, this same problem can be described as a permanent shift away from basic industries, often centered in the Northeast and urban Midwest to services, primarily, and increasingly softer industries, many in the high technology sector. It is important to emphasize in saying that this often has largely regional consequences. Workers laid off from basic industries in high growth regions have had much greater success in finding new jobs than those laid off in the Northeast or Midwest.

For example, nonagricultural employment from 1950 to 1980 grew only 0.9 percent in Pennsylvania compared to 3.8 percent in California and 5.6 percent for Florida. At the same time, a significant shift to services was occurring nationwide, but with a regional bias. From 1970 to 1981, service sector employment grew by 79.5 percent in the West and 80.4 percent in the South, but only 52 percent and 43.7 percent in the Midwest and Northeast, respectively. There is nothing inherently bad about this shift. What is wrong is our failure to deal with its consequences, leaving thousands of victims, many of them in my State.

Mr. President, in my judgment, these figures reflect major structural changes that will not be solved by general economic recovery. We are becoming a service economy and even our industrial base in shifting to more specialized forms of production that require more education and training. In fact, it has been our relative slowness in the latter shift that is causing us some difficulty with imports. As this structural change occurs, we all have a responsibility to deal with the ensuing dislocations and the human costs that arise. That responsibility is not met by seeking to block or reverse change. It is met by accelerating our adjustment to it by dealing with the rigidities in our economy—to increase the mobility of the labor force, to provide more retraining and relocation programs, to promote joint efforts in new research and development and joint efforts to help an industry phase down its excess or outmoded capacity. Economic growth alone will not solve these problems, though it may take the bitter edge off them. Only our dedicated and ruthlessly objective efforts at self-examination can insure real progress.

That means a coordinated effort to restore to competitiveness industries that have been battered by imports.

In part this problem is the natural result of the kind of economic and social change I referred to earlier. Products lose their attractiveness or price advantage as technology or consumer tastes change. Industries lose their comparative advantage, sometimes due to their own actions or inactions, or due to outside forces, including imports.

In other cases, loss of comparative advantage can be due to a deliberate distortion of the terms of trade by another nation. Subsidies, theft of patents or technology, deliberate selling below cost to capture market share, performance requirements, protection of infant industries, are all tactics used by other nations determined to promote their industries or maintain employment at any cost. We have laws and international agreements to deal with those situations, not always successfully, I might add. But it is not primarily those cases I want to discuss today, although, admittedly, it is not always possible to separate and identify fair from unfair practices.

Similarly, it is not always possible to separate problems caused by imports from problems due to domestic inefficiencies, as any International Trade Commission member will readily attest.

Our experience with these problems has demonstrated, however, that virtually every industry in trouble puts the blame on imports and usually ends up seeking relief from the Government. Obviously, the mere fact an industry seeks import relief is not proof it either needs it or merits it. Such an industry request is, however, an accurate measure of the more basic question of whether it is in trouble, and thus an industry initiative to seek import relief can serve as a useful trigger for the Government as well as the industry itself to examine conditions more closely and develop solutions for the range of problems identified. At present we have no such systematic mechanism. Industries can seek and sometimes, albeit rarely, obtain import relief. Whether they do or not, there is no required effort to examine the industry and encourage it to take comprehensive action to restore itself to competitiveness.

In some societies, such as Japan, the trigger mechanism I refer to is the Government itself. It identifies problem industries, not to mention industries of the future, and encourages appropriate remedial action, sometimes by directing investment and other incentives elsewhere and forcing contraction of the industry. There are those in this country who, in the name of industrial policy, would do the same thing. In my judgment, and in our national experience, the Government is the entity least qualified to pick winners and losers and to enforce that judgment, a process fundamentally alien to the market system we believe in. Even in a country like Japan, with a notable record of success, there have been errors of judgment, such as MITI's famous initial opposition to an exporting capability for its auto industry.

A better approach to identifying an industry with problems, in my judgment, is to turn to industry itself, and to use a request for import relief as a trigger for more comprehensive action. In that process, import relief remains a solution, but it is not the only solution. The resources of the Government and the industy itself—labor and management—can be turned toward a more complete analysis of industry problems and the development of a comprehensive adjustment plan to deal with them.

It is this kind of industry-originated adjustment process I am proposing today. It begins with industry self-identification as having trouble and sets up a tradeoff—meaningful import relief in return for comprehensive adjustment. The Government gives the industry real import relief. In return, the industry confronts its other problems and commits itself to take action there as well.

When I say "meaningful" import relief, Mr. President, I make a deliberate contrast to that generally provided now. As I have pointed out on several occasions in the past, our existing import relief mechanism, sections 201-203 of the Trade Act of 1974, has been poorly handled by every administration which has had the opportunity to use it. The concept is valid and GATT-sanctioned: up to 5 years, with a possible 3-year extension, of import relief to provide a breathing space—time for adjustment so the industry can restore itself to competitiveness. In practice, it has rarely worked that way. Import relief is generally incomplete and inadequate, making it impossible for the industry to use the time to recover, even if it were inclined to do so, which is not always the case.

Of the 23 cases since the law was written in which the International

Trade Commission recommended some import relief, the President has acted favorably in only 9, and in none of those cases did he do exactly what was recommended. In most cases the ITC's recommendation falls victim to an interagency negotiating process in which each agency takes a predictable position, and the end result is a least common-denominator compromise that addresses interagency political differences with no reference to the needs of the industry. Two examples that have become classic illustrate this point.

In 1977, the Carter administration decided to negotiate orderly marketing agreements on footwear with Taiwan and Korea rather than the global tariff rate quota the ITC had recommended. This decision was apparently based on the theory that those two countries represented the main threat, and the action was accompanied by assurances to the domestic industry that surges from other nations would be dealt with. What quickly became apparent was that the administration had no will to deal with surges, which came both from Italy, thanks to a fad for one particular style and from various Southeast Asian countries, because the Taiwanese moved their production offshore. In the latter case this was a deliberate effort to subvert the orderly marketing agreement and it worked. In 1981, when the program was allowed to expire, imports had increased their share of the U.S. market to 50 percent. The domestic industry received no meaningful relief, and thus was in no position to make significant investments in modernization.

A second case involves the decision to extend import relief to the mushroom industry in October 1980. The ITC had recommended quotas to be applied against the three suppliers—Taiwan, Korea, and the People's Republic of China. The administration, for a number of largely political reasons, chose instead to impose a tariff, which was favored by the Chinese. The results have been what I predicted at the time. The PRC, a nonmarket economy that controls prices and costs, absorbed the tariff into their price structure, kept their prices low and took over significant market share from Taiwan and Korea. While imports did decline, prices stayed low and domestic earnings did not rebound in the manner hoped for, thus retarding the kind of investment necessary to get the industry back on its feet. A quota, by assigning market share, would not have had this price effect, and would have permitted the recommended adjustment to take place.

Unfortunately, cases like these are more the rule than the exception, as import relief decisions are made on the basis of either free trade doctrine that has become theological, regardless of the circumstances of a particular case; or on the basis of noneconomic considerations that bear little relationship to the needs to the victim industry. The result is a process unsatisfactory to all—and no real policy mechanism for coping with industrial change.

Today, Mr. President, I am proposing such a mechanism, one which is consistent with our free market system; one which includes import relief as an element; but one which makes such relief contingent on the recipient industry also taking stock of itself and preparing a plan for dealing with its other problems.

My Industrial Revitalization Act of 1983 is an amendment to the "escape clause" import relief process contained in sections 201-3 of the Trade Act of 1974. An industry perceiving itself hurt by imports, as is the case with virtually all troubled industries, would file a petition before the International Trade Commission, as under current law. The petition would not normally allege any unfair practices by the foreign manufacturer—other statutes are available for that purpose.

After 45 days, the Commission would vote preliminarily on whether injury had occurred or was threatened, as it now does in unfair trade practice cases. The standard for such a vote—and the later final injury vote—will be the same standard as is presently applied in antidumping and countervailing duty cases. A negative vote would terminate proceedings. An affirmative vote, on the other hand, would have no immediate consequences for imports, but it would trigger the procedure for developing an adjustment plan for the industry.

That process would begin with the creation of a plan preparation committee, chaired by an ITC Commissioner, with membership consisting of representatives of labor and management from the petitioning industry along with representatives of the Departments of Commerce and Labor, as well as Agriculture, if appropriate. Labor and management members, chosen by the ITC, must be representative of substantially all the industry petitioning for relief. More often than not, that will mean chief executive officers of the petitioning companies and their trade association, plus representatives of the relevant labor union or unions.

What my bill creates, then, is a tripartite structure which will proceed to develop an adjustment plan for the industry. That plan can include (but is not limited to): Coordinated and/or phased reductions in capacity; technological improvements; investment plans with or without Government assistance; product/design changes; productivity improvements; management improvements; cost reductions; and relief from other Government regulations.

These are complicated terms, but there should be no misunderstanding about what is involved. I am not talking about a cosmetic plan designed only to open the door to import relief without making any real demands on the industry. I am talking about a sincere and determined effort to make some changes to revitalize the industry. They could include changes in management, changes in contracts with labor that could involve concessions on the latter's part; relief from various burdens imposed by law or Government, shared research and development projects to develop new technologies and/or marketing strategies, and cooperation on industry restructuring, including phasing down, if necessary. The bill contains an antitrust exemption for the latter purpose.

Mr. President, these are not modest changes, nor are they intended to be. We are talking about industries in serious trouble. Some may be large, some small, but all face major structural difficulties that will not be cured simply by controlling imports for a limited period of time. Industries are frequently reluctant to admit that, but the facts all too often are clear. The procedure in my bill is designed to persuade industries to deal realistically with their problems by giving them an incentive to do so—import relief—and by providing a structure that will help insure the burden is borne equally by all affected parties.

Any plan that is developed must be agreed to by all three of the represented parties—labor, management, and Government. Only after such agreement is reached will the ITC vote on import relief. Note that the Commission itself has only a presiding role in the development of the plan. One of its members chairs the plan development meetings, and the economic resources of the staff are available for background and research if necessary. The Commission, in turn, votes only on import relief. While the plan may make a recommendation in that regard, the Commission is not bound by it, although I would assume any such recommendation would be seriously considered.

Following the Commission vote, the President is required to implement the recommended relief without change. There is no Presidential discretion, no interagency process, and no development of "political" compromises. The International Trade Commission is the institution determined by Congress to be best equipped to determine injury and develop appropriate import remedies for a petitioning industry, and it is those recommendations that will prevail in the system I am proposing.

I would also note that the plan need only be agreed to before the vote on import relief and the subsequent implementation of whatever is voted.

There is no explicit requirement that the plan be fully implemented or that it be successful before any import relief can be imposed. Such preconditions, of course, would make no sense, since it is the import relief that will make implementation of the plan possible and hopefully successful. That success cannot be expected to occur prior to the relief.

On the other hand, various portions of the adjustment plan may prove impossible to implement. One of the parties may renege. A new union contract, for example, may be voted down by the membership. The Government, upon second thought, may refuse to take administrative actions that are part of the plan, even though the Government, as one of the three parties in the process, would already have had to concur. Congress may decline to act on legislative proposals. In addition, even if implemented, the plan may not work. Other factors in the economy may make the plan's assumptions worthless, or all those involved in the process may simply have not understood the real nature of the industry's difficulties.

In those circumstances, my bill provides for revocation of the import relief by the ITC, upon request of the President or one of the parties to the original proceeding, on the grounds that it had not been adhered to in some material way by one or more of the parties. Lack of success of the plan would not be grounds for revocation. The bill also creates a plan implementation review board within the Commerce Department for each such plan, whose duties would be to monitor the plan, propose necessary administrative actions or legislation to implement it, which legislation would be considered under "fast track" procedures in the Congress, and to, after 1 year, propose modifications in the plan, which could be accepted by the ITC without further concurrence from the other parties. This process gives the Government a major continuing role in the adjustment of the industry, and the opportunity to propose changes if a midcourse is needed.

Mr. President, although I am introducing this bill today, I want to make clear I still consider it in draft form and subject to further revision. My purpose in introducing it is to try to stop the cycle of requests for import relief followed by inadequate and incomplete Government responses that have characterized the past 10 years for some industries. Without reform, the cycles will continue, and industry will never make any real progress. Without ignoring the legitimate problem of imports, we must nonetheless move industrial problems into a larger context and do a better job at integrating import relief into a comprehensive approach to industry revitalization and adjustment.

I believe the Industrial Revitalization Act of 1983 does that. More importantly, it does it without giving to Government an overall central planning role that would inevitably end up distorting the free market system, as it has been in so many other countries. That is not to suggest, however, that this is the only such approach, or even that this approach is efficient in all its details. For that reason I plan to circulate this bill widely for comment, from both Government and the private sector, and at an appropriate time hold hearings both on the bill and on overall industrial adjustment problems. Through that process we can perhaps begin to develop what we have not thus far had—a comprehensive and thoughtful approach to industries bearing the brunt of economic and social change.

Mr. President, I ask that the text of the bill and the accompanying fact-sheet be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 849

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Industrial Revitalization Act of 1983".

SEC. 2. (a) Chapter 1 of title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 204. ALTERNATIVE PROCEDURES TO ENCOURAGE ADJUSTMENT

"(a)(1) Any person filing a petition under section 201(a) may elect to have the provisions of this section apply to the matters involved in such petition (hereinafter in this section referred to as the 'applicable petition').

"(2) Except as otherwise provided in this section, any applicable petition shall be treated for purposes of this chapter in the same manner as any other petition filed under section 201.

"(b) In the case of any applicable petition—

"(1) In lieu of any allegation or determination under this chapter with respect to serious injury (or threat thereof), such allegation or determination shall be made with respect to any material injury (or threat thereof) to which imports contributed importantly.

"(2)(A) Within 45 days of the receipt of the applicable petition, the Commission shall make a preliminary determination under section 201(b) as to whether there is any indication of injury (or threat thereof) to which imports contributed importantly.

"(B) If the Commission under subparagraph (A)—

"(i) finds no such reasonable indication of material injury (or threat thereof) to which imports contributed importantly, the Commission shall conclude the investigation and make the report required by section 201(d), or

"(ii) finds such reasonable indication (either by an affirmative vote or by a tie vote), the Commission shall—

"(I) continue the investigation under section 201(d), and

"(II) order the initiation of the adjustment plan process under subsection (c).

"(c)(1) If an order is issued under subsection (b)(2)(B)(ii), the Chairman of the Commission shall establish an adjustment plan development group which shall consist of—

"(A) a member of the Commission designated by the Chairman of the Commission who shall serve as the chairman of the group,

"(B) individuals designated by the Chairman of the Commission who represent the interests of businesses and employees affected by the petition, except that such individuals must represent substantially all of the businesses and employees so affected, and

"(C) individuals representing the Departments of Commerce, Labor, and, if appropriate, Agriculture, appointed by the respective Secretaries of such Departments.

"(2)(A) The adjustment plan development group shall establish a plan designed to enable any industry affected by the applicable petition to adjust to changing economic conditions resulting from imports or otherwise. Such plan may include, but not be limited to, requirements for—

"(i) coordinated or phased reductions in the industry, or both,

"(ii) technological improvements,

"(iii) investment plans (with or without governmental assistance),

"(iv) product or design changes,

"(v) productivity improvements,

"(vi) management improvements,

"(vii) cost reductions, and

"(viii) relief from government regulations.

"(B) Any adjustment plan under subparagraph (A) shall also recommend to the Commission actions the Commission may take or recommend under section 201(d) if the Commission finds the requisite injury.

"(C) A plan may provide for adjustment assistance to individuals or firms under chapter 2 or 3 of this title and if the plan so provides, the Secretaries of Labor and Commerce shall be treated as having certified eligibility for such assistance under section 223 or 251, respectively, beginning on the date specified in such plan.

"(3) A plan shall not be treated as agreed to by any adjustment plan development group unless a majority of individuals in each of the groups described in subparagraphs (A), (B), and (C) of paragraph (1) approves the plan.

"(4) Any discussions held pursuant to subsection (c)(2) or any action taken by any person pursuant to any adjustment plan under this subsection shall not be treated as a violation of any Federal or State antitrust law.

"(d)(1) If an order is issued under subsection (b)(2)(B)(ii)—

"(A) the final determination with respect to material injury (or threat thereof) shall be made within the time period such determination would be made without regard to this section, but

"(B) no final determination with respect to any remedy shall be made until such time as the Commission certifies that a plan has been agreed to under subsection (c).

"(2) In determining an appropriate remedy under section 201(d), the Commission shall—

"(A) take into account any recommendations made under subsection (c)(2)(B), and

"(B) seek to make the remedy consistent with the adjustment plan.

"(3) Notwithstanding section 203, in the case of an applicable petition, the President

shall provide the import relief recommended by the Commission.

"(4) Any import relief ordered in the case of an applicable petition shall continue for the same period as relief ordered in any other petition, except that during the 1-year period beginning on the date such relief is implemented, the Commission may, upon its own initiative or upon request of the President or a petitioner with respect to the applicable petition, revoke such relief if the adjustment plan under subsection (a) has not been materially implemented by businesses or employees.".

(b) The table of sections for chapter 1 of title II of the Trade Act of 1974 is amended by adding at the end thereof the following new item:

"Sec. 204. Alternative procedures to encourage adjustment plans.".

SEC. 3. (a) Each time an adjustment plan is agreed to under section 204 of the Trade Act of 1974, the Secretary of Commerce shall establish an adjustment plan implementation review board.

(b) It shall be the duty of the adjustment plan implementation review board to—

(1) monitor and assist in plan implementation,

(2) implement any Federal administrative action required by the plan,

(3) prepare any Federal legislation required by the plan,

(4) advise the President with respect to any request to revoke the plan and suspend import relief, and

(5) within 1 year of implementation of the plan propose modification (if necessary) to the plan which the International Trade Commission may accept without concurrence by the parties described in section 204(c)(1)(B) of the Trade Act of 1974.

(c) Any legislation proposed under subsection (b)(3) shall be treated as an implementing bill pursuant to the provisions of section 151, except that, for purposes of section 151(c)(1), no trade agreement shall be required and the day on which the implementing bill is submitted shall be treated as the day on which the trade agreement is submitted. The President shall notify Congress, and publish notice in the Federal Register, of his intention to propose legislation under subsection (b)(3).

INDUSTRIAL REVITALIZATION ACT 1983—FACT SHEET

The Industrial Revitalization Act seeks to link meaningful import relief for an injured industry with that industry's preparations of an adjustment plan to solve its other problems. In general, the form of this proposal parallels sections 201 of the Trade Act of 1974, which would not be repealed or modified but would exist as an alternative procedure.

1. Industry files a petition alleging:

a. Material injury, or the threat thereof (subsidy/dumping standard).

b. To which imports contributed importantly (adjustment assistance standard). These standards are somewhat lower than present law.

2. ITC conducts a preliminary vote on injury 45 days into process. If that vote is affirmative, then adjustment plan development process begins at that point. (Final injury vote occurs at end of normal investigation period. If negative, plan development process would be terminated.)

3. Adjustment Plan Development

a. Plan development group chaired by ITC commissioner designated by ITC chairman.

b. Group consists of:

(i) Business.—Representatives of petitioners and industry association, if any, as designated by ITC chairman.

(ii) Labor.—Representatives of petitioning labor organization, if any, or representatives of labor organizations representing companies that have petitioned, or employees of petitioning companies, as designated by ITC chairman.

(iii) Government.—Representatives of Commerce and Labor Departments, Agriculture if appropriate, as designated by secretaries of those departments.

Business and labor representatives must represent substantially all the firms and workers who would benefit from any import relief.

4. Group objective: development of an adjustment plan that could include (but is not limited to):

a. Coordinated and/or phased reductions in capacity

b. Technological improvements

c. Investment plans (with or without government assistance)

d. Product/design changes

e. Productivity improvements

f. Management improvements

g. Cost reductions

h. Relief from other government regulations

5. When the committee reaches agreement on an adjustment plan (agreement would normally be by consensus, but is defined as a majority vote of each of the three groups represented), the ITC would then vote on a remedy of import relief, as in present law. (Such remedy would presumably be developed in light of the adjustment plan and the plan could recommend the form of relief.)

6. Following the ITC determination of a remedy, it would be implemented by the President without change.

7. After one year following the implementation of the relief, the ITC could, upon request as follows, revoke the relief, solely on the grounds that the agreed-upon plan has not been adhered to in some material way by participating labor or management. Such requests could come from:

a. a party to the original proceeding.

b. the President.

8. Duration and parameters of import relief would be similar to those in present law.

9. The adjustment plan could include adjustment assistance for affected workers—maintenance payments, retraining allowances, relocation funds, etc. If such provisions are in the plan, and if the ITC endorses those provisions as part of the import relief remedy, then that endorsement would constitute sufficient certification without further review by the Labor Department, and payments would begin with the implementation of the relief program.

10. Actions taken pursuant to such a plan and discussions held during the plan negotiations would be exempt from the antitrust laws.

11. A plan implementation review board would be established in the Commerce Department for each agreed-upon plan. The duties of the PIRB are:

a. Monitor and assist in plan implementation.

b. Implement necessary Administrative actions and/or prepare necessary legislation, which would be considered under "fast track" procedures similar to those in the Trade Act of 1974.

c. Ask the President to request the ITC to revoke the plan and suspend the import relief. (see #7).

d. After one year, propose modifications to the plan, which could be accepted by the ITC without further concurrence.

This proposal differs from other industrial policy proposals in that it:

1. links real import relief to domestic adjustment;

2. requires that an industry first identify itself as needing help and then petition the government, rather than depending on government planners to make those judgments;

3. contains explicit antitrust exemption to permit cooperation in phasing out outmoded facilities.

By Mr. HEFLIN:

S. 850. A bill to authorize the Secretary of the Army to correct certain slope failures and erosion problems along the banks of the Coosa River; to the Committee on Environment and Public Works.

PRESERVATION OF THE FORT TOULOUSE NATIONAL HISTORICAL LANDMARK

Mr. HEFLIN. Mr. President, I am today introducing an amendment which would insure the preservation of an invaluable historical site, the Fort Toulouse National Historical Landmark located in Elmore County, Ala. This landmark harbors a wealth of history which has provided us with tremendous insight into the heritage of the first inhabitants of our country. Artifacts have been found at this site which span a 1,000-year period. Many historically significant items have been discovered at this site, but many unknown artifacts have yet to be unearthed. To lose this valued resource due to severe erosion along the banks of the Coosa River would be a tragedy.

Fort Toulouse and nearby Taskigi Indian Mound are national historical landmarks located near the confluence of the Coosa and Tallapoosa Rivers. This property which is owned by the State of Alabama was designated a national historical landmark over 100 years ago. In 1971, a large tract of surrounding property was acquired by the United States in an effort to establish a Federal park.

This fort was constructed in 1717 by the French and was named after General Toulouse. The initial purpose of the fort was to protect the French-occupied Louisiana territory against invasions from British or Spanish colonies. In 1814, the fort was occupied by Andrew Jackson and his army of Tennesseans while in route to fight the British in New Orleans. Since its development in 1717, this fort has captured the history of the French, the British, the Creek Indians and Andrew Jackson's trip to New Orleans.

In an effort to preserve this historical site, the fort is presently being reconstructed according to the original plans which were obtained from France. A tremendous amount of archeological excavation has taken place and the State of Alabama has spent in excess of $500,000 to preserve this site.

One major problem confronting the effort to preserve Fort Toulouse is the rapidly accelerating erosion of the banks surrounding the fort. During recent years, the river running adjacent to this property has been dredged and apparently the currents of the river have shifted resulting in the accelerated erosion of the banks surrounding Fort Toulouse. In fact, it has been determined that the banks are eroding at an alarming rate of 10 feet per year. It would be a tragedy to sit idle and watch the ruination of this tremendous historical resource. This is exactly what will take place if we do not act immediately to authorize the Corps of Engineers to take the necessary steps to prevent the loss of this historical site.

This amendment would not authorize any construction other than that which is necessary to correct the erosion of the banks surrounding Fort Toulouse.

I urge my colleagues to join me and support this amendment in order to insure the preservation of the wealth of history harbored by Fort Toulouse. This can only serve to increase our appreciation and understanding of the heritage of our Nation.

By Mr. HEFLIN:

S. 851. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide that rescue squad members are entitled to death benefits made available under such act; to the Committee on the Judiciary.

RESCUE SQUAD MEMBERS' BENEFITS

Mr. HEFLIN. Mr. President, I rise today to introduce legislation to amend the Omnibus Crime Control and Safe Streets Act of 1968 by providing that rescue squad members are entitled to death benefits made available under the public safety officers' benefit program.

This will correct a serious inequity in the program. Under current law, the survivors of firefighters and police officers killed while performing official duties, are eligible for the $50,000 death benefit.

On the other hand, if volunteer rescue squad personnel, who often work directly with police and fire personnel, are killed while performing the same duty, the survivors would not be entitled to these benefits.

These volunteers provide a valuable service to the public and to the police and firefighting units. Many small towns and rural areas depend on these men and women who give of their time and money to learn the necessary lifesaving skills and expose themselves to very life-threatening situations.

Among the commonly known activities performed by these important servants are emergency medical treatment and first aid, ambulance service, rescue of persons in wrecked vehicles or burning buildings, and the search for victims of drowning accidents.

There are rescue squads performing these essential emergency services in almost every urban and rural area of the country. According to the Department of Transportation, between 25,000 and 30,000 rescue units operate within the United States. It has been estimated that 76,000 emergency medical technicians serve within these rescue squads. In my home State of Alabama, there are at least 129 volunteer rescue squad units. Each unit may respond to several hundred calls a year, depending on the population area served.

Members of rescue squads typically have modest financial resources. Service to the squad, in most instances, is strictly on a volunteer basis. The satisfaction of having an opportunity to serve their neighbors is the only reward that they receive.

With the increased emphasis being given to the concept of neighbor helping neighbor, it seems only fair that we provide benefits to the survivors of rescue squad members. These individuals represent the true spirit of voluntarism and it is only fitting that we provide some financial security to the families of those who made the ultimate sacrifice while trying to help their fellow man.

By Mr. DOMENICI (for himself, Mr. DECONCINI, Mr. GOLDWATER, Mr. BOSCHWITZ, Mr. MELCHER, Mr. BAUCUS, and Mr. BINGAMAN):

S. 852. A bill to prohibit the Export-Import Bank of the United States from financing the establishment or enhancement of the capacity of a foreign country to produce certain commodities in competition with, or similar to, U.S. produced commodities; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DOMENICI (for himself, Mr. DECONCINI, Mr. GOLDWATER, Mr. BOSCHWITZ, Mr. MELCHER, Mr. BAUCUS, Mr. BINGAMAN, and Mr. LAXALT):

S. 853. A bill to amend the Foreign Assistance Act of 1961 to prohibit the furnishing of assistance to establish or enhance the capacity of a foreign country to produce certain commodities in competition with, or similar to, U.S. produced commodities, and for other purposes; to the Committee on Foreign Relations.

FOREIGN ASSISTANCE

● Mr. DOMENICI. Mr. President, today I am introducing two pieces of legislation which pertain to the use of U.S. funds to provide assistance to other countries for the production of commodities that are in surplus on the world market and whose production would cause substantial injury to U.S. producers.

The first bill amends the Export-Import Bank Act of 1945. It prohibits the Bank from providing assistance, or arranging for assistance, that would enhance the capacity of a country other than the United States to produce a commodity for export if the commodity is: One, in surplus on world markets, or two, projected to be in surplus at the time the capacity is productive; and if the resulting capacity would cause substantial injury to U.S. producers of the same, similar or competing commodity.

The second bill limits foreign assistance provided under the Foreign Assistance Act of 1961 by prohibiting any assistance for production of any commodity: One, in surplus on world markets, or two, projected to be in surplus at the time the capacity is productive, and whose production will cause substantial injury to U.S. producers. The bill extends this directive further by requiring the Secretary of Treasury to instruct the U.S. executive directors of the International Bank for Reconstruction and Development, the International Development Association, the International Monetary Fund, the International Finance Corporation, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank to oppose during debate and by vote any assistance for such projects. In addition, the Secretary of the Treasury is directed to provide to the Congress every 30 days a report listing all applications for such assistance that have been filed with any of the international lending institutions.

I am prompted to introduce this legislation because of my deep concern about several loans which have recently been approved and will have a serious, adverse effect on our domestic industries. By way of example, let me focus on a Mexican copper project which has received heavy financial backing from these institutions—the Compania Minera De Cananea, SA. project.

On February 2, 1982, the Board of the Export-Import Bank approved a U.S. Government loan of $76 million for the Cananea project. The project will triple capacity at the copper operation which is located about 50 miles from the Arizona border in Mexico.

In July, the Board of the World Bank approved a $50 million loan for Cananea and agreed to help put together an additional $400 million financing package, mostly from U.S. banks.

This significant investment by the Eximbank and the World Bank is 50 percent of Cananea's total project cost. It was approved at a time when there is a glut of copper on the market because of reduced demand. The U.S. copper industry's mining operations are running at about 60 percent capacity and smelting operations are running at about 50 percent capacity. Un-

employment in U.S. copper mining areas is as high as 40 percent.

Furthermore, the project which includes a smelter will employ minimal controls on emissions. Emissions are proposed to be limited in the general vicinity through the use of tall stacks, which are an illegal control strategy in this country. The project will average 500 tons of sulfur dioxide into the air each day. This is in direct comparison with seven smelters in Arizona which when they comply with present U.S. law will cumulatively emit no more than 443 tons of SO2 per day.

Obviously, the standards for the Mexican operation are in sharp contrast to our domestic industry which must comply with strict environmental laws. The U.S. industry's substantial investment in pollution controls only tips the scales even further in favor of their foreign competitors.

It is projects such as this one that severely hamper the competitiveness of our domestic industry. They must stop being approved and funded with U.S. tax dollars.

In the past few years the Congress has expressed concerns about such projects. The continuing resolution for this fiscal year prohibits the use of U.S. funds to finance any more projects that boost production of minerals that are already in surplus on the world market. The two bills I am introducing today would make such a prohibition permanent U.S. policy.

We simply cannot sit by and continue to allow such projects to move forward and I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the text of these two bills be printed at this point in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 852

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That section 2(b) of the Export-Import Bank Act of 1945 is amended by adding at the end thereof the following:

"(9) The Bank may not guarantee, insure, or extend credit, or participate in the extension of credit to establish or enhance the capacity of any country other than the United States to produce a commodity for export, if—

"(A) such commodity is in surplus or world markets or is likely to be surplus on world markets at the time the resulting productive capacity is expected to become operative; and

"(B) the resulting productive capacity will cause substantial injury to United States producers of the same, similar, or competing commodity.".

S. 853

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 620 of the Foreign Assistance Act of 1961 is amended by inserting after subsection (a) the following new subsection:

"(b)(1) No assistance may be furnished under this Act (including programs under title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) to establish or enhance the capacity of any country other than the United States to produce a commodity for export, if—

"(A) such commodity is in surplus on world markets or is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative; and

"(B) such assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

"(2) For purposes of subsection (a), the term 'assistance' includes any grant, sale, loan, lease, credit (including any participation in credit), guaranty, or insurance provided by any agency or instrumentality of the United States.".

SEC. 2. (a) The Secretary of the Treasury shall instruct the United States executive directors of the International Bank for Reconstruction and Development, the International Development Association, the International Monetary Fund, the International Finance Corporation, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to any provision of United States law, to establish or enhance the capacity of any country to produce a commodity for export, if—

(1) such commodity is in surplus on world markets or is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative; and

(2) such assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

(b) For purposes of subsection (a), the term "assistance" includes any loan, credit (including any participation in credit), or guaranty.

SEC. 3. Beginning 30 days after the date of enactment of this Act, and at intervals of 30 days thereafter, the Secretary of the Treasury shall prepare and transmit to the Congress a report listing all applications for assistance described in section 2 which have been filed with any institution referred to in such section during the preceding 30 days.●

By Mr. PERCY (for himself, Mr. HATFIELD, Mr. DOMENICI, Mr. HELMS, and Mr. GORTON):

S. 854. A bill to amend the Congressional Budget Act of 1974 to establish procedures for setting targets and ceilings, in the congressional budget process, for loans and loan guarantees under Federal credit programs; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs, with instructions that if one committee reports, the other has 30 days of continuous session to report or be discharged.

FEDERAL LENDING PROGRAM CONTROL ACT

Mr. PERCY. Mr. President, I am today reintroducing legislation that would make important changes in the way Congress establishes and reviews Federal lending programs.

I am introducing this legislation with my distinguished colleagues Senator HATFIELD, chairman of the Appropriations Committee; Senator DOMENICI, chairman of the Budget Committee; Senator HELMS, chairman of the Agriculture Committee, and Senator GORTON, who chaired last year's Budget Committee Task Force on Federal Credit.

I first introduced legislation to control Federal lending back in 1979. In the last Congress my colleagues and I introduced S. 265 which was subject to hearings in the Senate Budget Committee. I would like to commend the Budget Committee—and Senator GORTON in particular—for recognizing the importance of off-budget Federal lending and the tremendous impact it has on the economy. The task force provided the Senate with an important forum for discussing the impact of lending programs on the overall Federal budget deficit, the economy and—most importantly today—on interest rates.

Interest rates are now lower than they have been in 2 years. The prime rate is half what it was when President Reagan took office. We have made great progress, but those interest rates are still high by the standards of the 1970's. Economists say that we must come to grips with the huge deficits projected for the next 3 years or else we will see a runup in interest rates when the recovery begins in full this spring. I could not agree more.

Even if we are able to get the on-budget deficit under control, there is very little control over the off-budget deficit, which will hit $14 billion this year. That may seem small in comparison to a $200 billion on-budget deficit, but it has a significant impact on private lending and in turn influences interest rates.

The relationship between interest rates and lending programs has been given careful consideration by the Congressional Budget Office. Dr. Alice Rivlin, Director of the CBO, has stated that:

If the Congress were to begin explicitly controlling the levels of new Federal credit, under procedures such as those in your bill, and began reducing total government credit demand, there is every indication that the financial markets would respond positively and that interest rates would begin to decline.

Let me emphasize that last part of her statement for my colleagues. The director of the Congressional Budget Office said that if we take some of the pressure off the credit markets by reducing the off-budget deficit, interest rates will decline. That is an important analysis of Federal lending programs and it is one that Wall Street makes continually. Congress may not fully appreciate this hidden lending, but it is not forgotten in the financial marketplace. That is why such leading fin-

anciers as Alan Greenspan and Henry Kaufman support this legislation. It is a sensible approach to Federal lending.

Mr. President, I ask unanimous consent that Dr. Rivlin's entire letter be included in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., November 17, 1981.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: During my recent testimony before the Committee on Governmental Affairs on the Congressional budget process, you requested that we estimate, if possible, the impact on interest rates of establishing a federal credit budget, as envisioned by your bill, S. 265, the Federal Lending and Oversight Control Act.

If the Congress were to begin explicitly controlling the levels of new federal credit, under procedures such as those in your bill, and began reducing total government credit demand, there is every indication that the financial markets would respond positively and that interest rates would begin to decline. Unfortunately, as I told you during the hearing, we are unable to estimate the magnitude of the impact on interest rates.

Financial markets today are concerned about total federal government borrowing, not just the unified budget deficit. Under the multiyear budget plan of the first concurrent resolution, the unified budget deficit as a percentage of GNP is expected to fall, from about 2 percent of GNP in fiscal year 1981 to about 1 percent by fiscal year 1984. There is a risk, however, that total borrowing by the federal government or under federal auspices will not decline. As the table below illustrates, total federal government borrowing in fiscal year 1982 will probably exceed the projected $65 billion unified budget deficit by a considerable margin. Off-budget borrowing, primarily to fund the Federal Financing Bank's loan activities, will add about $20 billion to Treasury borrowing in 1982. Total direct borrowing by the Treasury is, therefore, expected to reach $80 to $90 billion. The federal government will also directly influence the allocation of another $80 billion in new credit through its loan guarantee programs.

Federal budget deficits and borrowing from the public

[In billions of dollars]	*1982 estimate*
Unified budget deficit	65
Off-budget deficit	20
Total deficit	85
Less:	
Means of Financing Other Than Borrowing from the Public [1]	1.7
Borrowing from the Public	83.3
New loan guarantee commitments [2]	80

[1] Changes in cash balances, checks outstanding, and seigniorage on coins. Estimates from "Mid-Session Review of the Budget", July 1981.

[2] Estimates from Office of Management and Budget, July 1981.

The financial markets recognize that federal credit programs have grown more rapidly than direct spending. Loan guarantees and the off-budget lending of the Federal Financing Bank are not included in the binding totals of the budget process. Moreover, until recently, many credit programs have been completely without limits on their levels of annual activity. The credit budgets that the Congress has experimented with in the concurrent budget resolutions this year and last are useful first steps. The totals, however, are not binding; nor are other provisions of the Budget Act, such as reconciliation, directly applicable to the credit budget.

The imposition of a binding federal credit budget, as envisioned in S. 265, cannot but help reduce the fears of the financial markets about uncontrolled growth of federal credit. This would reduce upward pressures on interest rates, but we do not know how much.

If I may be of further assistance in this regard, please call on me.

Sincerely,

ALICE M. RIVLIN,
Director.

Mr. PERCY. Mr. President, there are many other considerations that Congress should take into account in Federal credit programs. One of the best short discussions of Federal lending was prepared by Dr. Clifford Hardin, director of the Center for the Study of American Business at Washington University in St. Louis, and Dr. Arthur Denzau, a visiting research associate at the center. They summarize the arguments for lending program control and I believe my colleagues in the Senate would find their description helpful in understanding the issue.

Mr. President, I ask unanimous consent that the excerpt from Drs. Hardin and Denzau's booklet, "The Unrestrained Growth of Federal Credit Programs," be included in the RECORD at the close of my remarks.

Our legislation amends the Budget Reform Act of 1974 to establish ceilings and targets for loans and loan guarantees, much as we do now for outlays and budget authority. In each year's budget resolution, it would set forth the appropriate level of direct loans and loan guarantees. The budget would also show itemized estimates of loans and guarantees by budget functions.

The legislation requires the submission of credit plans to the Budget Committees by each authorizing committee. Presently, committees must submit their spending plans to the Budget Committees by March 15 the bill would extend this to loans and guarantees.

Banking Committees of both Houses would submit to the Budget Committees by March 15, each year their estimates and recommendations for the appropriate level of overall guarantees and loans for the next fiscal year. The Banking Committees would, in effect, evaluate the credit needs of private and public borrowers.

Bills or resolutions authorizing new loans or guarantees must be reported from their respective committees by May 15. Bills reported after that deadline would face a point of order on the floor, as do all spending bills under the budget process.

The Congressional Budget Office would report annually to the Budget Committees on all Federal credit programs.

Points of order could be raised, after passage of the second budget resolution, against lending programs that exceed the totals in the budget. Moreover, loans and guarantees must be included within appropriations bills. Points of order could be raised against loans or guarantees that are not subjected to Appropriations Committee review.

Mr. President, I hope this is the year that will see budget reform of the ways we extend Federal credit. No business would operate in the dark about such an important part of its budget and it is time we enacted legislation to bring lending into focus.

I am grateful for my colleagues' support and look forward to working with them on this matter this year.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill and excerpt were ordered to be printed in the RECORD, as follows:

S. 854

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Lending Program Control Act of 1981".

SEC. 2. (a) The Congress finds and declares that—

(1) Federal loans and loan guarantees are becoming an increasingly important means of providing Government services with the total volume of direct loans and guaranteed obligations outstanding in 1980 being 58 per centum and 53 per centum higher, respectively, than in 1976;

(2) the total volume of credit in the economy is finite and limited by the supply of saving, level of interest rates, and Federal monetary policy;

(3) Federal credit programs are not costless to the economy, as they allocate credit to groups and individuals who would otherwise find credit difficult to obtain;

(4) While plans for direct and guaranteed loans under individual Federal credit programs are reviewed each year, there is no systematic mechanism in either the Congress or the executive branch for reviewing the volume of total Federal credit activity, and therefor no systematic way of considering the resource allocation effects of Federal loans and loan guarantees or the reasonableness of the total volume; and

(5) if the Federal Government is to allocate its credit resources efficiently and coordinate that allocation with its fiscal policy and direct expenditures, it must exercise control over Federal credit activities as it does over direct spending activities.

(b) It is therefore declared to be the policy of the Congress and the purpose of this Act to provide a statutory basis for a Federal credit program control system by establishing procedures within the congressional budget process to set targets and ceilings for the gross amount of direct loans which the Federal Government may make, and the

gross amount of loan guarantees which the Federal Government may enter into, during each fiscal year.

SEC. 3. (a) Section 202(a) of the Congressional Budget Act of 1974 is amended by striking out "and (3)" and inserting in lieu thereof "(3) information with respect to direct loans and guarantee of loan principal, and (4)".

(b) Section 202(f) of such Act is amended by striking out "and (B)" and inserting in lieu thereof "(B) the levels of direct loans and guarantees of loan principal, and (C)".

SEC. 4. (a) Section 301(a) of the Congressional Budget Act of 1974 is amended—

(1) by redesignating paragraphs (6) and (7) as paragraphs (8) and (9), respectively; and

(2) by inserting after paragraph (5) the following new paragraphs:

"(6) the appropriate level of total gross obligations for the principal amount of direct loans and the appropriate level of total commitments to guarantee loan principal;

"(7) an estimate of gross obligations for the principal amount of direct loans and an estimate of commitments to guarantee loan principal for each major functional category, based on allocations of the appropriate level of total gross obligations for the principal amount of direct loans and the appropriate level of total commitments to guarantee loan principal;".

(b)(1) Section 301(c)(2) of such Act is amended by striking out ", and budget outlays resulting therefrom," and inserting in lieu thereof "and budget outlays resulting therefrom, and of the total amounts of gross obligations for the principal amount of direct loans and commitments to guarantee loan principal,"

(2) Section 301(c) of such Act is further amended by inserting after "1946." the following new sentence: "The Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate shall each also submit to the Committee on the Budget of its House its recommendations as to the appropriate level of total gross obligations for the principal amount of direct loans and the appropriate level of total commitments to guarantee loan principal.".

SEC. 5. (a) Section 302(a) of the Congressional Budget Act of 1974 is amended—

(1) by inserting "and the appropriate levels of total gross obligations for the principal amount of direct loans and total commitments to guarantee loan principal" after "total new budget authority"; and

(2) by inserting "or authorizing such obligations and commitments" after "such new budget authority".

(b) Section 302(b) of such Act is amended—

(1) by striking out "and" after the semicolon at the end of paragraph (1);

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following new paragraph:

"(2) the Committee on Appropriations of each House shall also, after consulting with the Committee on Appropriations of the other House, subdivide among its subcommittees the allocation of gross obligations for the principal amount of direct loans and of commitments to guarantee loan principal allocated to it in the joint explanatory statement accompanying the conference report on such concurrent resolution; and".

SEC. 6. Section 307 of the Congressional Budget Act of 1974 is amended by inserting ", and the appropriate levels of total gross obligations for the principal amount of direct loans and of total commitments to guarantee loan principal," after "new budget authority".

SEC. 7. (a) Section 308(a)(1) of the Congressional Budget Act of 1974 is amended—

(1) by striking out "and" after the semicolon at the end of subparagraph (B); and

(2) by adding after subparagraph (C) the following new subparagraph:

"(D) how the limitations on gross obligations for the principal amount of direct loans and on commitments to guarantee loan principal provided in that bill or resolution compare with the gross obligations for the principal amount of direct loans and commitments to guarantee loan principal set forth in the most recently agreed to concurrent resolution on the budget for such fiscal year and the reports submitted under section 302; and".

(b) section 308(b) of such Act is amended—

(1) by striking out "and" after the semicolon at the end of paragraph (3);

(2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (4) the following new paragraph:

"(5) an up-to-date tabulation comparing the gross obligations for the principal amount of direct loans and the commitments to guarantee loan principal for such fiscal year in bills or resolutions on which the Congress has completed action to the gross obligations for the principal amount of direct loans and the commitments to guarantee loans set forth in the most recently agreed to concurrent resolution on the budget for such fiscal year and the reports submitted under section 302.".

SEC. 8. (a) Section 309 of the Congressional Budget Act of 1974 is amended by inserting "or providing limitations on gross obligations for the principal amount of direct loans or on commitments to guarantee loan principal for such fiscal year," after "such year," where it first appears in paragraph (1).

(b)(1) The heading of section 309 of such Act is amended by striking out "AND CERTAIN NEW SPENDING AUTHORITY" and inserting in lieu thereof ", LIMITING DIRECT LOANS OR LOAN GUARANTEE COMMITMENTS, OR PROVIDING CERTAIN NEW SPENDING AUTHORITY".

(2) The table of contents for such Act is amended (in the item relating to section 309) by striking out "and certain new spending authority" and inserting in lieu thereof ", limiting direct loans or loan guarantee commitments, or providing certain new spending authority".

SEC. 9. Section 310(a) of the Congressional Budget Act of 1974 is amended—

(1) by striking out "or" after the semicolon at the end of paragraph (3);

(2) by redesignating paragraph (4) as paragraph (5) and (in such paragraph) striking out "and (3)" and inserting in lieu thereof "(3), and (4)"; and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) specify the total amount by which gross obligations for the principal amount of direct loans or commitments to guarantee loan principal are to be changed and direct the committees having jurisdiction to recommend such change; or".

SEC. 10. (a) Section 311(a) of the Congressional Budget Act of 1974 is amended—

(1) by inserting "increasing the limitations on total gross obligations for the principal amount of direct loans or on total commitments to guarantee loan principal for such fiscal year," after "effective during such fiscal year," in the matter preceding paragraph (1); and

(2) by inserting "would cause the appropriate level of gross obligations for the principal amount of direct loans or of commitments to guarantee loan principal set forth in such concurrent resolution to be exceeded," after "exceeded," in the matter following paragraph (3).

(b)(1) The heading of section 311 of such Act is amended by inserting ", LOAN AND LOAN GUARANTEE COMMITMENTS," after "SPENDING AUTHORITY".

(2) The table of contents for such Act is amended (in the item relating to section 311) by inserting ", loans and loan guarantee commitments," after "spending authority".

SEC. 11. (a) Title IV of the Congressional Budget Act of 1974 is amended by adding at the end thereof the following new section:

"LEGISLATION PROVIDING AUTHORITY TO GUARANTEE THE REPAYMENT OF INDEBTEDNESS

SEC. 405. It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which provides, extends, or enlarges authority to insure or guarantee the repayment of indebtedness incurred by another person or government (or any amendment which provides, extends, or enlarges such authority) unless that bill, resolution, or amendments also provides that such authority is to be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.".

(b) The table of contents for such Act is amended by adding at the end of the matter relating to title IV the following new item:

"See. 405. Legislation providing authority to guarantee the repayment of indebtedness.".

SEC. 12. Section 402(a) of the Congressional Budget Act of 1974 is amended by inserting "or which authorizes the insurance or guarantee of the repayment of indebtedness incurred by another person or government for a fiscal year," after "for a fiscal year,".

SEC. 13. Section 2 of the Congressional Budget and Impoundment Control Act of 1974 is amended—

(1) by striking out "and" after the semicolon at the end of paragraph (4);

(2) by redesignating paragraph (5) as paragraph (6); and

(3) by inserting after paragraph (4) the following new paragraph:

"(5) to provide for the congressional determination each year of the appropriate level of gross obligations for the principal amount of direct loans and of commitments to guarantee loan principal; and".

SEC. 14. Section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end thereof the following new paragraph:

"(6) The term 'direct loan' means a disbursement of funds by the United States or any Offficer or agency thereof (not in exchange for goods or services) under a contract which requires the repayment of such funds with or without interest, and in addition includes—

"(A) direct participation in a loan made and held by another person or government;

"(B) the purchase (through secondary market operations) of a loan made by another person or government; and

"(C) the acquisition of a federally guaranteed loan made by another person or gov-

ernment, as collateral or in satisfaction of default or other guarantee claims.".

SEC. 15. Section 201(d) of the Budget and Accounting Act, 1921 (31 U.S.C. 11(d)), is amended by striking out "items enumerated in section 301(a)(1)-(5)" and inserting in lieu thereof "items enumerated in section 301(a)(1)-(7)"

SEC. 16. Section 201(a) of the Budget and Accounting Act, 1921 (31 U.S.C. 11(a)), is amended—

(1) by striking out "and" after the semicolon at the end of paragraph (12);

(2) by striking out the period at the end of paragraph (13) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (13) the following new paragraph:

"(14) all essential facts regarding direct lending by the Government, and guarantees by the Government of the repayment of indebtedness incurred by another person or government.".

SEC. 17. The amendments made by this Act shall be effective with respect to fiscal years beginning on and after October 1, 1980.

"THE UNRESTRAINED GROWTH OF FEDERAL CREDIT PROGRAMS"

In recent public discussions of the causes of high interest rates, the "tight money" policy of the Federal Reserve Board has received most of the blame, and the demand pressure exerted by the rapid and unrestrained growth in government credit activity has been all but ignored.

During the past four years, the annual supply of funds advanced in credit markets has remained generally unchanged—ranging from a low of $345 billion to a high of $414 billion during the period—while the share of credit utilized by the federal government has bloated from about 30 percent in 1978 and 1979 to approximately 43 percent in 1980 and 1981. Funds remaining to meet the combined needs of the private sector, state and local governments, and federally sponsored enterprises were $300 billion in 1979, $200 billion in 1980 and $230 billion in 1981.

Federal borrowing to finance budget deficits has grown modestly in the past four years, but the use of off-budget financing and federally guaranteed loans has expanded more rapidly. The greatest total pressure on unassisted private borrowers has come from the expansion of private-sector loans that were guaranteed by government.

Government has crowded out many unassisted borrowers and raised the costs of borrowing money, not only to the private sector, but to government itself.

As government credit activity crowds out private borrowers, it is, in reality, substituting political judgments for the discipline of the marketplace. When fewer productive projects can be financed because of record-high interest rates, the nation's ability to produce goods and services is almost certain to decline.

More than three-fourths of federal lending occurs outside the federal budget and is not subject to review by the Congress. The general public—and even many members of Congress—is unaware of the scope, the uncontrolled growth, or the hidden costs to the nation

Off-budget loan programs have been popular with members of both the Executive Branch and the Congress because these programs have provided ways to be generous to constituents without appearing to be extravagant.

Credit activities that began with sound and even laudatory social and economic objectives have been expanded and exploited as Congress and a succession of Administrations have yielded to pressures to extend special privileges to a growing collection of favored individuals and business groups. As one senior U.S. Treasury official has stated recently, "It sometimes seems that the federal government is on its way to making every borrower a preferred borrower."

Federal credit activities live on and grow long after the problems they were created to solve have disappeared. A basis for the phasing out of each federal credit program should be specified at its inception.

Federal credit accounting procedures are so complicated—and sometimes so misleading—that only a few federal budget "buffs" are able to discover what is happening. Data on defaults, loan rescheduling, delinquencies, and non-payment of interest and frequently either non-existent or hidden. There is no central management or control, and little coordination among programs.

It is no exaggeration to describe federal credit activity as a sprawling, bureaucratic morass that continues to grow without guidance or restraint. Backdoor financing and shadow budgets of the magnitude that now exist are no longer affordable.

What is needed and what must occur is the establishment of an overall management program that encompasses all federal credit activities. Such a system must involve firm central control, the design of effective standards, coordination and, finally, the ability to tailor credit services to the needs of the entire American economy.

Since most major credit programs are in departments and agencies that report directly to the President, he can take some necessary actions immediately. However, a series of legislative corrections must also be made. The preparation and passage of a comprehensive federal credit act in 1982 should be a high-priority agenda item for both the Congress and the White House.

By Mr. TRIBLE (for himself and Mr. PROXMIRE):

S. 855. A bill to extend the expiration date of the Defense Production Act of 1950; to the Committee on Banking, Housing, and Urban Affairs.

EXTENSION OF DEFENSE PRODUCTION ACT

Mr. TRIBLE. Mr. President, I send to the desk a bill to extend for 5 years the Defense Production Act of 1950 which expires on March 31, 1983. The Defense Production Act (DPA) is the foundation for our Nation's defense preparedness capability both in times of war and times of peace. The bill provides the President with the authority to: divert certain materials and facilities to defense purposes; reduce time required for full mobilization; insure availability of strategic and critical materials, including energy; insure productive capability and supply; and develop preparedness programs.

This legislation has been routinely extended since the 1950's but in recent years has come perilously close to expiring in the logjam of legislation that invariably occurs in the closing days of the Congress. For this reason I am strongly advocating a 5-year extension of the Defense Production Act.

Title I of the act contains vital contracting authorities needed to avoid substantial delays and accompanying increases in the cost of defense contracts. At a time when eliminating waste in Government spending is on everyone's mind, it seems foolish to continue flirting with the expiration of a statute which is responsible for saving so many taxpayer dollars.

The administration strongly supports an extension of 5 years in the Defense Production Act and has submitted legislation to the Congress to accomplish this purpose. I ask unanimous consent that a letter from the General Counsel of the Federal Emergency Management Agency to Vice President BUSH, which explains the need for a long-term extension of the act, and the problems that would arise from its termination, be included in the RECORD at the conclusion of my statement. In addition to FEMA, the Department of Defense and the Department of Commerce have both expressed their support for a 5-year extension of the Defense Production Act.

It has become apparent that efforts will be made to reduce the time period for the extension of the Defense Production Act to only 6 months, to September 30, 1983. Should this occur, the extension of these authorities could be caught in the confusion prevailing at the end of the fiscal year, endangering final passage. I fail to see the logic or propriety of this course of action, particularly when there is no apparent reason for not extending the act for a longer period of time.

The extension of the Defense Production Act for 5 years will maintain the availability of many of the authorities necessary to continue improvement in our Nation's ability to mobilize resources in times of national emergency, and I am pleased to introduce, along with Senator PROXMIRE, legislation to accomplish this purpose.

I ask unanimous consent that the text and other supporting material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 855

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 717 (a) of the Defense Production Act of 1950 (50 U.S.C. App. 2166 (a)) is amended by striking out "March 31, 1983" and inserting in lieu thereof "September 30, 1988".

IMPACTS OF THE EXPIRATION OF THE DEFENSE PRODUCTION ACT

HIGHEST NATIONAL URGENCY PRIORITY RATED WEAPONS PROGRAMS

Approximately 25 percent of defense procurements receive the highest national urgency DX priority ratings. These programs could experience delay and setbacks in production schedules due to the slower delivery of essential materials and equipment. DX

programs can include such high priority projects as the B-1 bomber, Trident submarine, the MX missile program, command-control and communications systems, and the Abrams tank. The negative impact of the loss of priorities support for these weapon systems can severely affect or strategic posture.

DEFENSE PRIORITY RATED PROGRAMS

All other defense procurements receive DO priority ratings to help ensure the timely delivery of the goods and equipment and early completion of production schedules. Priorities support is extended for all military and atomic energy production and construction, foreign military assistance, and space projects. Expiration of the Act could stretch out delivery dates on all these programs. For example, the resulting slowdown in the delivery on foreign military assistance could negatively impact on our relations with friends and allies.

DEPLOYMENT OF MILITARY FORCES

The deployment of military forces in a major emergency would be severely hindered because the necessary transportation assets are made available for defense use under DP Act, Title I authorities. The Civil Reserve Air Fleet (CRAF), the Contingency Response Plan (CORE), and other rapid deployment plans and programs would be unable to operate without these authorities, and consequently the mobility of military forces is severely hampered.

INCREASED PROCUREMENT COSTS

The lapse in DP Act extension or its termination would add to the costs of defense procurements because of the additional risk to the contractors in obtaining critical and scarce materials and equipment. Contracts let without priorities support could have difficulty in obtaining materials and equipment in future years especially if the economy heats up again as was the case in the late 1970's.

TRANSPORTATION STRIKES

Title I of the DP Act is the only Presidential authority (Section 101(b)) available to prioritize transport movements in the civil economy in the event of a rail or truckers' strike. This authority was used three times in the early 1970's and its use was planned in the recent air traffic controller and railroad strikes to ensure the movement of defense goods and personnel. Its absence will severely limit the President's ability to alleviate the impacts of a national transportation strike.

MACHINE TOOL TRIGGER ORDER PROGRAM (MTTOP)

The basic authority for the establishment and maintenance of the Machine Tool Trigger Order Program (MTTOP) is Title III of the DP Act. Without this authority the program would have to be terminated and existing standby purchase agreements would have to be cancelled. To date, thirty-five companies have been invited to participate and approximately one-third of these standby agreements have been signed (16 agreements) covering 940 items with contract values of $222 million. The program is a government/industry cooperative effort to cut mobilization lead-times by speeding delivery of machine tools essential to defense production. Cancellation of the program would set back our mobilization preparedness effort with this industry by 12 to 18 months, if a mobilization occurred.

LOSS OF MOBILIZATION PREPAREDNESS LEAD TIME

Dismantling the DP Act priorities and allocations systems and other contingency programs would seriously hinder any mobilization effort during the first 12-18 months because of the lack of trained personnel and administrative systems between government and industry.

CRITICAL MATERIALS AND FORGING PRESSES

New contracts for the guayule project would be prevented and DOD's overall project would be in danger.

NATIONAL DEFENSE EXECUTIVE RESERVE

The 11 NDER units would have to be disbanded and the reserve membership terminated by the departments and agencies with the resulting loss of talent and experience necessary for adequate mobilization preparedness.

FEDERAL EMERGENCY MANAGEMENT AGENCY,
Washington, D.C.

Hon. GEORGE BUSH,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The Defense Production Act of 1950 is the cornerstone of the present legal structure for ensuring that we are prepared to meet national emergencies requiring the mobilization of the Nation's industrial and material resources. Its continuation is essential to the national defense. Enclosure A is proposed legislation which would extend the Defense Production Act for an additional 5 years.

Title I of the Defense Production Act provides authority to require priority treatment for vital defense contracts as well as authority to allocate materials and facilities for defense programs. It is under these authorities that the Departments of Commerce, Energy, and Transportation have established specific resource priority and allocation systems. Failure to extend the Act will lead to severe and costly impacts on our weapons acquisitions and defense preparedness programs. See Enclosure B.

A 5-year extension will provide orderly programming for expansion of essential industrial capacity and resource supply projects which require several years for completion. In addition, the Administration has authority in Fiscal Year 1983 and is seeking funding in Fiscal Year 1984 to carry out the purposes of Title III of the Act. This funding will help to expand productive capacity and supply beyond levels needed to meet civilian demand in order to reduce the time required for full mobilization.

The Office of Management and Budget advises that there is no objection to the submission of this proposal for the consideration of the Congress and that its adoption would be in accord with the program of the President.

Sincerely,

GEORGE JETT,
General Counsel.

By Mr. COCHRAN (for himself, Mr. ANDREWS, Mr. COHEN, Mr. NICKLES, Mr. STEVENS, Mr. STENNIS, and Mr. MURKOWSKI):

S. 856. A bill to provide for an Indian housing program for construction and financing of housing for Indians, and for other purposes; to the Select Committee on Indian Affairs.

INDIAN HOUSING

Mr. COCHRAN. Mr. President, I am pleased that Senators ANDREWS, COHEN, NICKLES, STEVENS, STENNIS, and MURKOWSKI are joining me today in reintroducing a bill to establish a comprehensive Indian housing program in the Bureau of Indian Affairs. This program will assist Indians in obtaining decent, safe, and sanitary housing by providing necessary grants, financing, and loan guarantees.

Despite past efforts by the Federal Government to provide housing on Indian reservations, American Indians suffer from the worst housing conditions of any U.S. citizens. While approximately 12 percent of all Americans live in substandard houses, over 43 percent of all Indians live under these conditions. Many of these houses are not safe and do not have electricity or sanitation facilities. Twenty seven percent of Indian houses are overcrowded, and the latest figures from the Bureau of Indian Affairs show that 28,600 families on reservations have no housing at all. Many live in cars and tents. Water is not always available and has to be brought in from miles away. Health statistics are grim.

Chief Phillip Martin and the other leaders of the Choctaw Indian Tribe in my State of Mississippi are very concerned about the housing needs of their people. Private market funds are not available for reservation housing and it is very difficult to find any rental property off the reservation.

At least one-third of the existing housing on the Choctaw Reservation is substandard and an equal number has been listed by the Indian Health Service as being overcrowded. There has never been enough housing to meet the needs of the population or keep up with the deterioration.

The United States has a special responsibility for Indian tribes and their members, and needs to establish a flexible housing program that can meet the unique needs of our various native American communities.

The public housing program in HUD has been the primary source of new housing assistance for Indians since the early 1960's. Even though some revisions were made to adapt this essentially urban program to address rural areas, its rigid requirements have caused unnecessary construction delays and the program has proved very costly to the Federal Government. In many cases houses have been overbuilt or unsuited to Indian's needs and cultural concerns.

The Bureau of Indian Affairs reports that some new housing has been provided by Farmers Home Administration, Veterans' Administration, tribal credit programs, and private financing sources but with very limited success. The number of units con-

structed have not been significant, mainly due to the trust land situation.

Under the existing program, HUD constructs the housing units, the BIA provides the realty work and builds the roads to the project, and the Indian Health Service in the Department of Health and Human Services provides the water and sanitation facilities.

This requires the coordinated efforts of three executive branch departments, two sets of congressional authorizing and appropriating committees, and three sections within the Office of Management and Budget. The complexity has severely hampered the effective administration of the HUD Indian housing program, particularly with respect to providing water and sewer facilities to new HUD units. Housing units have actually been allocated and constructed without funds being appropriated for the necessary water and sewer systems.

The existing program locks the United States into a long-term commitment by subsidizing both the capital cost of the house and the interest over a long period of time. With interest, the cost per unit is between $160,000 and $170,000. The program also includes additional cost of utility and maintenance subsidies.

The bill my colleagues and I are introducing is virtually identical to S. 2847, which last year was favorably reported by the Select Committee on Indian Affairs. The bill has three basic elements.

Title I provides a statutory basis for the existing Indian housing improvement program administered by the Bureau of Indian Affairs. This program provides grants to Indian families who are at the very lowest income levels or in the most isolated or other extreme circumstances. Grants under this title can be made through agreements with the tribe or directly to individual Indians.

Title II establishes an Indian housing finance fund for the purpose of providing financing to Indian tribes for the construction, acquisition, or rehabilitation of standard housing for Indian families who could not realistically support a full mortgage but who have some ability to pay.

The construction of new units or repairs of existing units will be paid up front with no interest factor, in contrast to the present HUD program which involves a continuing Federal obligation over the full term of the mortgage. A tribal housing agency would collect monthly payments from the individual families and after deducting administrative and maintenance expenses, return the balance to a revolving fund. This fund can be used for future housing needs and result in the diminishing financial involvement of the Federal Government.

Tribes will have the primary responsibility for planning and administering their housing program. Provisions are included to provide tribes with technical assistance, to encourage innovative and cost-effective use of funds in order to achieve the greatest number of units.

To prevent a long pipeline of unbuilt homes, each tribe is required to have their project under contract for construction within 1 year, with provisions for a 90-day extension.

Sanctions are imposed on both the tribe and the individual to assure payment of individual and tribal financial obligations.

Title III provides for Federal guarantees of loans made by private lenders to Indian families with sufficient income to support a home mortgage.

Conventional lenders are unwilling to lend to Indians living on Indian reservations, especially on trust land, because they cannot enforce a lien or market the house in case of default. Therefore, people who can most afford housing are less likely to have housing available to them. The lack of housing for the people needed to work and manage new or developing reservation businesses has had an adverse effect on economic development.

This guarantee program will remove the obstacles now present that inhibit lenders from making long-term mortgage money available on trust land.

The housing program to be established by this legislation is designed with needed flexibility to meet the specific requirements of our American Indian communities. The need for decent Indian housing is immediate and I hope a comprehensive housing program will be adopted by this Congress.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 856

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Indian Housing Act of 1983".

FINDINGS AND POLICY

SEC. 2. (a) The Congress finds, based upon the Federal Government's historical and special legal relationship with, and resulting responsibility to, American Indian people that—

(1) the goal of decent, safe, and sanitary housing has not been realized for many Indian families and elderly residing on Indian reservations and in Indian communities;

(2) nearly 40 per centum of all Indian housing is in substandard condition as compared with a national figure of 12 per centum;

(3) this situation is of grave concern; and

(4) special efforts are needed to mobilize public and private resources for the realization of this goal.

(b) It is declared to be the policy of the United States to provide grants, financing, and loan guarantees to assist Indians in obtaining decent, safe, and sanitary housing.

DEFINITIONS

SEC. 3. For the purpose of this Act, the term—

(1) "adjusted family income" means gross family income less $1,000 for each member of the household, plus a further deduction of $3,400 or the amount of itemized deductions from the family's current Federal income tax return, whichever is higher;

(2) "amortization payment" means that payment which would be the equivalent of the level monthly amount needed to amortize the capital cost of a house over the term of a housing assistance contract for twenty-five years at the Federal Housing Administration mortgage rate in effect on the date of the execution of a project agreement;

(3) "family" means one or more persons maintaining a household. The tribal housing agency shall determine which adult members of a family will be required to execute a housing assistance contract;

(4) "housing assistance contract" means the executed agreement between the tribal housing agency and an eligible family which specifies the terms, conditions, rights, and responsibilities of the parties;

(5) "Indian" means a person who is a member of an Indian tribe or who is an Indian as defined in section 19 of the Act of June 18, 1934 (48 Stat. 988; 25 U.S.C. 479);

(6) "mortgage" means a mortgage, deed of trust, or any other instrument establishing a lien on real property;

(7) "project" means the entire undertaking to provide housing under a project agreement, including the minimum number of housing units to be developed or rehabilitated with funds allocated under such agreement;

(8) "Secretary" means the Secretary of the Interior; and

(9) "standard housing" means a dwelling in a condition which is decent, safe, and sanitary so that it at least meets the following minimums—

(i) general construction conforms to applicable standards for the region;

(ii) the heating system has the capacity to maintain a minimum temperature of sixty-five degrees Fahrenheit in the dwelling during the coldest weather in the region. It must be safe to operate and maintain and deliver a uniform distribution of heat. Applicable tribal heating codes are to be followed or, if there are no applicable tribal codes, county, State, or national codes shall be used as a guide;

(iii) the plumbing system includes a properly installed system of piping. Fixtures consist of a kitchen sink and a partitional bathroom with lavatory, toilet, and bath or shower. The water supply, plumbing, and sewage disposal systems meet applicable tribal codes, or if there are no applicable tribal codes, the minimum standards of the Indian Health Service, county, or State, whichever is applicable;

(iv) the electrical system includes wiring and equipment properly installed to safely supply electrical energy for adequate lighting and for operation of appliances and meets applicable tribal codes. If there are no applicable tribal codes, county, State, or national codes shall be used as a guide; and

(v) family size per dwelling is not less than—

(I) five hundred and seventy square feet for a family of up to four members;

(II) eight hundred and fifty square feet for a family of five to seven members; and

(III) one thousand and twenty square feet for a family of eight or more members;

except that the Secretary, upon the request of a tribe or tribal housing agency, may, in appropriate circumstances, waive the minimum size standards established by this subparagraph;

(10) "tribal housing agency" means that entity or administrative unit of the tribal government which has been designated or established by the tribe to administer housing programs under this Act;

(11) "tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined or established pursuant to the Alaska Native Claims Settlement Act (86 Stat. 688) which is recognized as eligible for the special programs and services provided by the Bureau of Indian Affairs to Indians because of their status as Indians; and

(12) "trust land" means land title to which is held by the United States for the benefit of an Indian or Indian tribe or title to which is held by an Indian or Indian tribe subject to a restriction against alienation imposed by the United States.

TITLE I—INDIAN HOUSING IMPROVEMENT PROGRAM

BASIC AUTHORITY

SEC. 101. (a) There is hereby established an Indian housing improvement program for the purpose of making grants or providing assistance to preserve existing housing, make repairs, and construct or acquire standard housing for Indians.

(b) The Secretary is authorized, upon application of an Indian tribe or individual, to make grants or provide assistance to assist Indian families who are not eligible for housing assistance under titles II and III of this Act because of low income or extremely isolated circumstances.

(c) The Secretary shall assure that grants or assistance provided under this title shall be consistent with plans and priorities established by tribes and shall, upon the request of the appropriate tribe or tribal housing agency, make such grants or assistance available through agreements with the tribe or tribal housing agency. In the absence of such an agreement, the Secretary may—

(1) make, with appropriate safeguards, direct grants to individual Indians;

(2) contract with private construction firms pursuant to standard Federal contracting procedures, except that the Act of April 30, 1908 (35 Stat. 71; 25 U.S.C. 47), as amended, shall apply unless the concerned tribe requests, through formal action, that the applicability of the Act be waived on a specific procurement action; or

(3) have repairs or new construction performed directly by the Bureau of Indian Affairs.

(d) With respect to assistance provided under agreements entered into pursuant to subsection (c) of this section, a tribe or tribal housing agency, in its discretion, may require an assisted family to make a monthly payment not to exceed the administrative charge established for such tribe or tribal housing agency pursuant to section 210 of this Act or, if no such amount has been approved, an amount satisfactory to the Secretary. Receipts from such payments shall be used solely for housing-related activities of such tribe.

ELIGIBLE ACTIVITIES

SEC. 102. (a) Grants or assistance may be provided under this title to—

(1) finance minor repairs and additions to existing substandard housing to improve safety and sanitary conditions until such time as standard housing assistance can be made available to such family;

(2) finance major repair, renovations, or enlargement of existing dwellings that are structurally sound, but deteriorated, and which can be economically placed in standard condition; and

(3) finance the construction or acquisition of new standard housing where severe need is demonstrated and it is established that there is no reasonable prospect that standard housing can be financed from other sources.

(b) Appropriate insurance shall be required on housing constructed, acquired, or improved under subsection (a) (2) or (3) of this section, unless waived by the Secretary.

RESERVATION OF INTEREST

SEC. 103. (a) Where a house constructed, acquired, or repaired pursuant to section 102(a) (2) or (3) of this title is located on trust land, the Secretary shall not approve the sale or lease of individual trust land or lease of tribal trust land, as the case may be, unless the provisions of section 104 of this title have been met.

(b) Where a house constructed, acquired, or repaired pursuant to section 102(a) (2) or (3) of this title is located on fee land, the Secretary shall insure that a lien upon such land is recorded under appropriate State law, noting the encumbrance imposed by section 104 of this title.

SALE OF PROPERTY

SEC. 104. Any house constructed, acquired, or repaired pursuant to section 102(a) (2) or (3) of this title may be sold, except that the sale price shall not be less than the value of the assistance provided pursuant to section 102 reduced five per centum per year for twenty years. The amount of the minimum sale price shall be reimbursed to the United States and shall be credited to the appropriation authorized by section 105 of this title. Any amount in excess of such minimum sale price shall be the property of the assisted Indian family. Where such house is located on tribal trust land, the tribe shall have the right of first refusal on the sale of such house.

AUTHORIZATION

SEC. 105. There are authorized to be appropriated for the purpose of this title not to exceed $30,000,000 in fiscal year 1984, not to exceed $40,000,000 in fiscal years 1985 and 1986, and not to exceed $50,000,000 in fiscal year 1987.

TITLE II—INDIAN HOUSING FINANCE FUND

ESTABLISHMENT

SEC. 201. There is established an Indian housing finance fund (hereinafter referred to as the "fund") for the purpose of providing financing to Indian tribes for the construction, acquisition, or rehabilitation of standard housing for Indian families who are unable to obtain financing from other sources on reasonable terms and conditions and who are not eligible for assistance under title III of this Act, but who can meet the minimum monthly payment required by this title.

TRIBAL HOUSING PLAN

SEC. 202. As a prerequisite for eligibility for financing from the fund, a tribe must prepare and submit to the Secretary for approval a tribal housing plan. Such plan, at a minimum, shall include an inventory of existing housing; an assessment of housing needs; a proposed tribal administrative structure to implement a housing program; an assessment of the tribe's capacity to administer such program; and a projection of how the tribe intends to meet its housing needs over a multiyear period.

APPLICATIONS

SEC. 203. (a) Applications for financing from the fund shall be submitted to the Secretary and shall specify the number of housing units to be developed and methods of production and development; shall include preliminary drawings and specifications; and shall otherwise be consistent with the approved tribal housing plan.

(b) Applications for funding shall be evaluated and approved, subject to the availability of appropriations, based upon, but not limited to, the following criteria—

(1) a priority for those tribes which have not received financing from the fund in prior fiscal years;

(2) a determination of the administrative, management, and accounting capability of the tribe to implement the proposed housing project;

(3) a determination of the percentage of tribal housing units in a substandard condition;

(4) the housing needs of such tribes as contained in the biennial housing inventory required by section 405 of this Act; and

(5) a determination by the Secretary that there is a reasonable prospect of repayment.

(c) The application shall include a tribal ordinance or other evidence of action of the governing body of the tribe designating or establishing a tribal housing agency (hereinafter referred to as the "agency") which shall be responsible for implementing the project agreement.

(d) Nothing herein shall preclude the submission and approval of multitribal applications and the Secretary shall encourage, but shall not require, multitribal applications to achieve economy of scale in housing projects.

PROJECT AGREEMENT

SEC. 204. Upon approval of an application, the Secretary and the agency shall enter into a project agreement which shall specify the amount of funds to be made available, the minimum number of housing units to be developed with such funds, the production method, and such other terms and conditions as may be reasonable and consistent with the provisions of this title.

ADMINISTRATIVE AND FUNDING PROVISIONS

SEC. 205. (a) The project agreement shall set forth the administrative and judicial authorities, forums, procedures, remedies, and sanctions that the tribe or tribal housing agency will employ to insure collections of monthly payments and the deposit of residual receipts as required by section 211 of this title. It shall also contain a provision that the tribe specifically agree that—

(1) it shall require any Indian family executing a housing assistance contract to authorize the Secretary, on his own motion or at the request of the agency, to attach unobligated trust funds of the adult members of such family for a failure to meet the obligations incurred in such contract; and

(2) its unobligated tribal trust funds may be subject to attachment for failure to meet the requirements of section 211 only as provided in subsection (b) of this section.

Notwithstanding any other provision of law, Indian trust funds shall be subject to attachment as provided in this section. Funds attached under this section shall be paid into the fund as residual receipts.

(b) Tribal trust funds shall be subject to attachment only when (1) its tribal housing agency has failed to meet the financial obligations imposed under section 211 of this title; (2) the Secretary has reasonably exhausted all other available remedies to satisfy the default; and (3) the Secretary has made a specific finding that the tribe has not acted in good faith in carrying out the undertaking as required in subsection (a) of this section.

(c) Prior to the attachment of any trust funds as provided in this section, the Secretary shall provide the tribe or Indian family, as the case may be, with written notice of his intent. Within sixty days of such notice, the tribe or Indian family shall be entitled to (1) pay the amount in default; (2) negotiate a repayment schedule satisfactory to the Secretary; or (3) institute such administrative appeals or judicial actions as may otherwise be authorized.

(d) The Secretary may not refuse assistance under this title on the basis that a tribe or Indian family has no trust funds to their credit.

DISBURSEMENTS

SEC. 206. (a) An initial disbursement may be made from the fund, under a project agreement, to cover costs incurred by the agency for preliminary planning and administration. The initial disbursement shall not exceed $50,000 or 3 per centum of the total funding of the project, whichever is greater. Further disbursements under the project agreement shall be made by the Secretary to the contractor or developer based upon the percentage of completion of the project as specified in the project agreement and as determined pursuant to the plans and specifications approved under section 207 of this title. Percentage of completion of a project shall be certified jointly by the agency and a person designated by the Secretary who shall have no financial or tribal interest in the project.

(b) A jointly conducted final inspection and certification of completion of the project shall be made by the designee of the Secretary, the agency, the contractor, or developer, and, where appropriate, the Indian Health Service.

(c) All moneys disbursed from the fund shall be maintained by the agency in an account separate from all other funds of the tribe or the agency and shall be accounted for as provided in the project agreement.

(d) All housing units provided for in the project agreement shall be placed under construction or acquisition contracts within one year of the execution of the project agreement, except that, where the Secretary determines that the inability of the agency to place units under contract is due to circumstances beyond the control of the agency, he may extend the period for an additional ninety days. Funds for units not placed under contract within such time shall be returned to the fund or such amount shall be deducted from approved allocations from the fund for such tribe in subsequent years.

SUBMISSION OF FINAL PLANS AND SPECIFICATIONS

SEC. 207. Within one hundred and twenty days of the initial disbursement of funds as provided in section 206, the agency shall submit to the Secretary the final plans and specifications for housing units to be developed under the project agreement. Such plans and specifications shall include a phased construction schedule necessary to facilitate periodic disbursements from the fund as provided in section 206. The Secretary shall approve such plans and specifications if they meet the standard housing criteria as defined in section 3(9) of this Act and are otherwise consistent with the project agreement. The Secretary shall encourage the development of plans and specifications that reasonably promote the conservation and efficient use of energy in housing constructed under the project agreement.

SITE ACQUISITION

SEC. 208. (a) Prior to the construction or acquisition of any housing units under a project agreement, the agency shall secure either a fee title to, or a lease of, such lands as may be necessary for the construction or acquisition of such units.

(b) Where the housing site is upon tribal or individual trust land, the agency shall secure, without cost to itself, a twenty-five year lease with option to renew for not to exceed an additional twenty-five years. Where the housing site is on fee land, the agency shall require, without cost to itself, the transfer of the fee title to such lands.

(c) Where the Secretary determines that no suitable lands are available to the tribe for construction of housing, he may authorize the use of project funds to purchase land for the tribe. Such land purchase cost shall be a part of the total project cost.

HOUSING ASSISTANCE CONTRACT PROVISIONS

SEC. 209. (a) An eligible Indian family shall make application for housing assistance to the agency. Upon approval of the application by the agency, the family and the agency shall enter into a housing assistance contract (hereinafter referred to as the "contract") in which the agency shall agree to construct or acquire a standard housing unit or rehabilitate an existing house to standard condition for such family upon lands to be provided by the family or the tribe.

(b) The family shall agree in such contract that it shall—

(1) at no cost to the agency, lease or transfer its trust or fee lands on which such housing is to be built, if required by the agency;

(2) make monthly payments to the agency in the amount of 20 per centum of the adjusted family income, except that (A) the adjusted family income shall be reviewed at least biennially during the twenty-five year period of the contract and the monthly payment shall be adjusted upward or downward as indicated, except that upward adjustments in any one year may not exceed 50 per centum of the prior payment, and (B) such monthly payment shall be not more than the amortization payment and not less than the minimum payment established in section 210 of this title;

(3) accept responsibility for all utilities and maintenance; and

(4) subject the trust funds of its adult members to attachment as provided in section 205 of this title.

(c) Where the housing site is located on the trust or fee lands of the family which has fully met its obligations under the housing assistance contract, at the end of twenty-five years, the land will revert to its former status and the agency will transfer full ownership of the house to the family. Where the housing site is located on tribal lands and the family has fully met its obligations under the housing assistance contract, the lands will revert to their former status and the agency will transfer ownership of the house to the family, except that the tribe may not deny the family the continued use of the land site unless the Secretary, the tribe, and the family negotiate for the tribal purchase of the house for an amount not less than the fair market value of such house.

MINIMUM PAYMENT

SEC. 210. The project agreement shall provide for a minimum monthly payment to be made by families receiving assistance under this title. Such minimum monthly payment shall be composed of—

(1) an administrative charge which shall be in an amount deemed sufficient by the Secretary to enable the agency to perform the administrative functions required by this Act;

(2) a premium for insurance; and

(3) an amount deemed reasonable by the Secretary as a contingency reserve for maintenance. Such amounts shall be deposited by the agency into an interest-bearing account as a reserve for maintenance which may be used, principal and interest, as provided in section 214 of this title.

The minimum payment shall be reviewed annually and may, subject to the approval of the Secretary, be adjusted upward or downward as warranted.

RESIDUAL RECEIPTS

SEC. 211. (a) The project agreement shall require the agency to establish an account for residual receipts. Residual receipts shall be the amount of the monthly payments collected by the agency less the minimum payment to be retained by the agency as provided in section 209.

(b) Residual receipts shall be deposited by the agency in the fund annually on a fiscal year basis. The agency shall, on a quarterly basis, certify to the Secretary the collection and deposit of the required monthly payments in the agency's residual receipt account. Initial residual receipts due the fund are those that are the result of monthly payments established by the agency and which have been certified by an independent audit or agreed to by the Secretary in the project agreement. Thereafter, residual receipts due to the fund shall be in accordance with amounts established by an annual independent audit of the adjusted family incomes of the participating families.

(c) Residual receipts due the fund from an agency shall not fall below 90 per centum of the amount due based upon an amount established by the annual independent audit as required by subsection (b). Within ten days after a determination of a default by an agency in its annual payment of residual receipts to the fund or a failure to make a quarterly certification of collection and deposit of receipts in its residual receipts account, the Secretary shall notify the tribe and the agency in writing of such determination. The tribe or the agency shall have thirty days within which to satisfy the default. Upon a failure of the tribe or agency to do so, the Secretary may—

(1) declare such tribe to be ineligible for further housing assistance from the fund;

(2) take any other action to satisfy the default as may be otherwise authorized by law; or

(3) attach tribal or appropriate individual trust funds as provided and authorized in section 205 of this title, except that the Secretary may exercise this authority only

after all other reasonable action has been exhausted.

MONITORING AND INSPECTION

SEC. 212. (a) The agency shall be responsible for the implementation of monitoring and construction inspection procedures necessary to assure the Secretary of satisfactory quality control and fund utilization, including compliance with the minimum housing standards and the approved drawings and specifications of a project. When the Secretary determines that the monitoring and inspection procedures are not adequate, he shall initiate action to assure implementation of such procedures by the agency as a requirement for continuation of the project.

(b) The technical staff of the Indian Health Service within the Department of Health and Human Services shall, in the course of fulfilling its existing responsibilities in providing sanitation facilities to Indian housing, be responsible for the surveillance of the construction, inspection, and monitoring procedures of the agency. The Indian Health Service shall provide recommendations to the agency and the Secretary as to the adequacy of the construction inspection procedures of the agency to assure compliance with the minimum housing standards and the approved plans and specifications.

BONDING REQUIREMENTS

SEC. 213. (a) Tribal and agency officials and employees who are responsible for the receipt and disbursement of funds under this title shall be bonded in amounts satisfactory to the Secretary. No such disbursement shall be made until a bond satisfactory to the Secretary is obtained.

(b) The agency shall require performance bonds from its contractors except for those projects where settlement is on the basis of turnkey construction.

(c) The agency shall also require irrevocable letters of credit, mechanics' and workmen's lien bonds and warranty maintenance bonds or cash equivalents from its contractors in amounts satisfactory to the Secretary.

MAINTENANCE AND UTILITIES

SEC. 214. Maintenance and cost of utilities for the house shall be the responsibility of the participating family. Upon the failure of a family to perform adequate maintenance to the extent necessary to prevent health hazards or preserve the capital value of the unit, the agency shall use the reserve for maintenance established by section 210 of this title to correct any deficiencies. At the end of the contract period, the amount remaining in the maintenance reserve account to the credit of the family, excluding any accrued interest, shall become the property of the family.

AWARD OF CONTRACTS

SEC. 215. All contracts under this title shall be awarded in accordance with procedures satisfactory to the Secretary and shall result in the judicious use of Federal funds. Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) shall apply to all contracts, subcontracts, and employment opportunities supported by funding under this title, except that a tribe may, by formal action of its governing body, waive the applicability of section 7(b) in specific cases.

SALE OF HOUSING

SEC. 216. A family may, subject to the approval of the Secretary and the agency, sell or purchase a house constructed, acquired, or rehabilitated with funds under a project agreement. The minimum sale or purchase price of the house shall be the amount of the principal remaining on the amortization schedule for such house, except that, where a family has a deficit in its reserve for maintenance account, such minimum sale or purchase price shall be increased by that amount. The minimum sale or purchase price shall be reimbursed to the fund and any amount in excess of the minimum sale price shall be the property of the family.

ASSIGNMENTS

SEC. 217. (a) The contractual interest of a family in housing constructed, acquired, or rehabilitated with moneys provided from the fund may be inherited or assigned if the heirs, devisees, or assignees agree to assume the responsibilities and obligations under the original contract, and if any assignee of such interest is otherwise eligible for assistance under this title.

(b) Abandoned houses shall revert to the agency and shall be available to another eligible family under a new housing assistance contract.

DOWNPAYMENT ASSISTANCE

SEC. 218. Tribal housing agencies may use funds made available under a project agreement, if the agreement so provides, to assist Indian families in making a downpayment, including closing costs, on standard housing to be financed through other sources of credit. The family shall be obligated to repay such amount, with or without interest, over a period of not to exceed ten years. Exclusive of closing costs, assistance provided under this section shall not be in excess of 10 per centum of the purchase price of the house.

CREDIT ELSEWHERE

SEC. 219. If an agency, in establishing the adjusted family income of an applicant family, determines that the income of such family is sufficient to support the payment of a reasonable economic rent, the agency shall require such family to provide evidence that at least two lending institutions in the area making home mortgage loans have rejected loan applications submitted by such family before the family is eligible for housing assistance under this title.

RENTAL HOUSING

SEC. 220. Funds made available under this title may, as provided in a project agreement, be used to construct rental housing, except that—

(1) the tribe shall require monthly rental payments from eligible Indian families as determined by section 209 except that the maximum monthly payment shall be an amount agreed upon by the Secretary and the agency;

(2) a minimum monthly rental payment shall be established as provided in section 210 and the tribe shall be responsible for the payment of residual receipts as provided in section 211;

(3) the tribe shall be responsible for the payment of utilities and maintenance costs; and

(4) all other appropriate provisions of this title shall be applicable to such rental housing projects.

AUTHORIZATION

SEC. 221. There are authorized to be appropriated for the purpose of carrying out the provisions of this title $100,000,000 in fiscal year 1984; $200,000,000 in fiscal year 1985; and for fiscal years 1986 and 1987, such sums as may be necessary which, when added to the total residual receipts and other deposits paid into the fund during the preceding fiscal year, will restore the balance in the fund to $250,000,000 at the beginning of each fiscal year.

TITLE III—INDIAN HOUSING LOAN GUARANTEE FUND

ESTABLISHMENT OF FUND

SEC. 301. In order to provide access to sources of private financing for Indian families who otherwise would not be eligible for housing credit because of Federal laws restricting mortgage or other encumbrance of trust land, there is established an Indian housing loan guarantee fund (hereinafter referred to as the "guarantee fund") which shall be available as provided in section 311 of this title.

GUARANTEE AUTHORITY

SEC. 302. The Secretary is authorized to guarantee not to exceed 100 per centum of the unpaid principal and interest due on any loan made to an Indian for the acquisition or construction of a standard house on trust land. Such loans may be secured by any collateral authorized by law.

INTEREST RATE

SEC. 303. Loans guaranteed pursuant to this title shall bear interest (exclusive of premium charges for guarantee and service charges, if any) at a rate agreed upon by the borrower and the lender and determined by the Secretary to be reasonable, but which is not more than that being charged in the area by lenders for home mortgage loans without a guarantee or insurance by a Federal agency or instrumentality.

PREMIUM CHARGES

SEC. 304. The Secretary shall fix such premium charges for the guarantee of loans as are in his judgment adequate to cover expenses and probable losses, and shall deposit receipts for such charges in the guarantee fund.

APPLICATION

SEC. 305. The application for a loan to be guaranteed hereunder shall be submitted to the Secretary for prior approval. Upon approval, the Secretary shall issue a certificate as evidence of the guarantee. Such certificate shall be issued only when the Secretary determines there is a reasonable prospect of repayment.

SALE OR ASSIGNMENT OF LOANS

SEC. 306. Any loan guaranteed hereunder, including the security given therefore, may be sold or assigned by the lender to any financial institution subject to examination and supervision by an agency of the United States or of any State or the District of Columbia.

LIMITATIONS OF LOANS

SEC. 307. Any loans guaranteed hereunder shall be restricted to those made by a financial institution subject to examination and supervision by an agency of the United States, a State, or the District of Columbia and shall meet the following requirements:

(1) the maturity of any loan guaranteed hereunder shall not exceed thirty-three years;

(2) loans guaranteed hereunder may be made by any lender satisfactory to the Secretary except loans insured or guaranteed by an agency or instrumentality of the Federal Government or made by an organization of Indians from funds borrowed from the United States shall not be eligible for guarantee hereunder;

(3) the liability under the guarantee shall decrease or increase pro rata with any decrease or increase in the unpaid portion of

the obligation pursuant to the provisions of the loan agreement; and

(4) any loan made by any national bank or Federal savings and loan association or savings bank, or by any insurance company authorized to do business in the District of Columbia, at least 20 per centum of which is guaranteed hereunder, may be made without regard to the limitations and restrictions of any other Federal statute with respect to (A) ratio of amount of loan to value of property; (B) requirement of mortgage or other security; (C) maturity of loans; (D) priority of lien; or (E) percentage of assets which may be invested in real estate loans.

REGULATORY AUTHORITY

SEC. 308. Whenever the Secretary finds that any lender or holder of a guarantee certificate fails to maintain adequate accounting records or to demonstrate proper ability to service adequately loans guaranteed or to exercise proper credit judgment, or has willfully or negligently engaged in practices otherwise detrimental to the interests of a borrower or the United States, the Secretary may refuse, either temporarily or permanently, to guarantee any further loans made by such lender or holder, and may bar such lender or holder from acquiring additional loans guaranteed hereunder. The Secretary shall not refuse to pay a valid guarantee on loans previously made in good faith.

DEFAULT PROCEEDINGS

SEC. 309. (a) In the event of a default on a loan guaranteed hereunder, the lender holding the guarantee certificate must notify the Secretary of the default in writing and may thereupon proceed under either of the following methods for obtaining payment under the guarantee—

(1) the lender may initiate foreclosure proceedings in a court of competent jurisdiction after providing prior written notice of such action to the Secretary and upon a final order authorizing foreclosure by such a court and upon submission to the Secretary of a claim for payment under the guarantee, the Secretary shall pay to such holder the full pro rata portion of the amount guaranteed plus reasonable fees and expenses as approved by the Secretary and the Secretary shall be subrogated to the rights of the holder of the guarantee and receive an assignment of the obligation and security; or

(2) without seeking a judicial foreclosure or in the event that a foreclosure proceeding initiated by or on behalf of the lender as authorized under paragraph (1) above continues for a period in excess of one year, the lender may submit a claim for payment under the guarantee, except that the Secretary shall only pay to such holder for a loss on any one loan an amount equal to 95 per centum of the pro rata portion of the amount guaranteed, and the Secretary shall be subrogated to the rights of the holder of the guarantee and receive an assignment of the obligation and security.

(b) Upon receipt from the lender of a notice of default, the Secretary may, in his sole discretion, accept assignment of such loan if such action is determined by the Secretary to be in the best interest of the United States and shall thereupon pay to the holder the pro rata portion of the amount guaranteed and shall be subrogated to the rights of the holder of the guarantee and receive an assignment of the obligation and security.

(c) Before any reimbursement is made under subsection (a), all reasonable collection efforts shall have been exhausted by the lender. Upon reimbursement, in whole or in part, to the lender, the note or judgment evidencing the debt shall be assigned to the United States and the lender shall have no further claim against the borrower or the United States. The Secretary shall then take such further collection actions as may be warranted.

CONCLUSIVENESS

SEC. 310. Any evidence of guarantee issued by the Secretary shall be conclusive evidence of the eligibility of the loan for guarantee under the provisions of this title and the amount of such guarantee. Such evidence shall be incontestable in the hands of the bearer and the full faith and credit of the United States is pledged to the payment of all amounts agreed to be paid by the Secretary as security for such obligations. Nothing in this section shall preclude the Secretary from establishing, as against the original lender, defenses based on fraud or material misrepresentation or bar him from establishing by regulations in force on the date of such issuance or disbursement, whichever is earlier, partial defenses to the amount payable on the guarantee.

USE OF GUARANTEE FUND

SEC. 311. (a) There is hereby established an Indian housing guarantee fund which shall be available to the Secretary as a revolving fund without fiscal year limitation for carrying out the provisions of this title. The guaranteed loan program under this title shall be operated separately from the Indian housing finance fund established under title II of this Act and no funds designated for one program may be transferred to the other program. There are authorized to be appropriated $2,500,000 in fiscal year 1984; $3,000,000 in fiscal year 1985, and $3,500,000 in fiscal years 1986 and 1987.

(b) The Secretary may use the guarantee fund for the purpose of fulfilling the obligations with respect to loans guaranteed under this title, but the aggregate outstanding principal amount guaranteed by the Secretary shall be limited to $400,000,000 or such lesser amount as may be provided in appropriations Acts.

(c) All funds, claims, notes, mortgages, contracts, and property acquired by the Secretary under this section, and all collections and proceeds therefrom, shall constitute assets of the guarantee fund. All liabilities and obligations of such assets shall be liabilities and obligations of the guarantee fund. The Secretary is authorized to make agreements with respect to servicing loans acquired or guaranteed under this title and to purchase such guaranteed loans on such terms and conditions as the Secretary may prescribe.

(d) The Secretary may utilize the guarantee fund to pay taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application and transmittal of collections, and other expenses and advances to protect the Secretary for loans which are guaranteed under this title or held by the Secretary, to acquire such security property at foreclosure sales or otherwise, and to pay administrative expenses.

TITLE IV—MISCELLANEOUS PROVISIONS

OFFICE OF INDIAN HOUSING PROGRAMS

SEC. 401. (a) The Secretary shall establish in the Bureau of Indian Affairs an Office of Indian Housing Programs which shall be vested with the primary responsibility for administering the programs established by this Act. The Office of Indian Housing Programs shall be under the supervision of a Director of Indian Housing Programs who shall be under the immediate supervision of the Assistant Secretary of the Interior for Indian Affairs.

(b) The authority to approve applications as provided in section 203, execute project agreements as provided in section 204, approve loan guarantees under title III, and to allocate and assign personnel of the Office of Indian Housing Programs within the administrative structure of the Bureau of Indian Affairs shall not be delegated below the Office of the Director of Indian Housing Programs.

(c) Funds appropriated under authorization of this Act shall include employee costs and other administrative expenses of the Office of Indian Housing Programs. Annual appropriation requests for the Office of Indian Housing shall specify the number of employees by location, employee costs, and related administrative expenses. Funds made available for such purposes shall not be available for any other purposes.

TECHNICAL ASSISTANCE

SEC. 402. (a) The Secretary is authorized to provide technical assistance to Indian tribes to assist them in developing tribal housing plans, preparing and submitting applications for financing, and implementing housing programs funded under this Act.

(b) The Secretary shall provide for the establishment of a training program to develop an understanding by the participating families of the respective roles and responsibilities of the tribal housing agency, the Federal Government, and the participants under titles I and II. Such program shall include basic home maintenance training for participating families.

(c) Not to exceed 1 per centum of the funds appropriated under the authority of titles I and II may be used to provide the technical assistance and training authorized by this section.

INDIAN HEALTH SERVICE

SEC. 403. The Indian Health Service in the Department of Health and Human Services shall be responsible for the provision of water and sanitation facilities for houses constructed, acquired, or rehabilitated with assistance provided under this Act. The Secretary shall coordinate with the Secretary of Health and Human Services with respect to such responsibilities and activities and shall ensure that planning and budgeting for necessary roads and sanitation facilities shall be done in conjunction with planning and budgeting for new housing to be constructed with funds appropriated pursuant to this Act.

SITE IMPROVEMENTS

SEC. 404. (a) Funds appropriated under titles I and II may be used to provide site improvements, streets and driveways within multiunit housing projects. Such streets shall be built to the usual standards of the Bureau of Indian Affairs and, where appropriate, shall thereafter be maintained by the Bureau of Indian Affairs under existing road programs and authorities.

(b) All-weather access roads to multiunit projects constructed under this Act shall continue to be provided by the Secretary through existing road programs and authorizations.

HOUSING INVENTORY

SEC. 405. The Secretary shall conduct a biennial housing inventory of current Indian housing needs and conditions to be used as a

basis for determining housing assistance needs for the purposes of sections 202 and 203 of this Act. The Secretary shall submit a copy of such inventory to the Congress.

RULEMAKING

SEC. 406. The Secretary shall promulgate such rules and regulations as are necessary to carry out the provisions of this Act.

RELATION TO OTHER PROGRAMS

SEC. 407. Housing assistance provided under this Act shall not exclude Indians from being eligible for other federally assisted housing programs.

● Mr. ANDREWS. Mr. President, the introduction of the Indian Housing Act of 1983, in which I am proud to join as a cosponsor today, is a significant step toward improving the deplorable situation concerning Indian housing in this country.

Since the early 1960's, the primary source of housing assistance to Indian tribes has been the HUD Indian housing program. Although progress has been made to improve the quality of housing available to Indian families living on reservations and trust lands, recent Bureau of Indian Affairs (BIA) figures indicate that Indians have the worst housing conditions of any citizens in this country.

Statistics show that of the 165,000 Indian families living in reservation areas, 28,600 have no housing of their own. Of the 136,400 existing Indian housing units, 60,184 need repair while another 32,048 need replacement. Thus, some 92,232 reservation families live under substandard conditions. These statistics vividly underscore the need for a new approach to address this problem.

In 1981, the administration proposed the elimination of the HUD Indian housing program because of high cost, administrative complexity, and poor management. At that time, the administration promised that an alternative program would be forthcoming. The administration, therefore, through the Office of Management and Budget, established an interagency task force to review the Indian housing delivery system. The purpose of the task force was to recommend methods of improving housing assistance to Indians, and to propose ways to draw private capital to Indian reservations.

The interagency task force recommended that several criteria be followed in any new Indian housing initiative. The bill that we are introducing today specifically incorporates the majority of those elements. It is a comprehensive program that reaches all income levels of Indian families. Title III of the bill facilitates housing construction by bringing in the private sector for those who can afford to support a mortgage, but have been prohibited access to the private mortgage market because of the trust status of their land. Title II creates a simple housing delivery mechanism designed specifically for Indian areas and assures long-term funding through a revolving fund rather than budget authority commitments that are far more costly. Title I provides a statutory basis to the BIA housing improvement program that will insure continued assistance to those Indian families most in need. By consolidating the program in the one agency most responsible for Indian affairs, the BIA, the problems of triagency coordination and costly delays will be eliminated. Further, this legislation requires a biennial survey of current Indian housing needs and conditions necessary for proper planning of housing assistance.

Housing under this initiative will cost taxpayers much less and will enable tribes to respond to the needs of their members. The innovative approach of this bill enables the Government to avoid the long-term interest charges that make the current HUD program so expensive. Instead, the Federal Government appropriates the actual cost of constructing a specific number of houses each year. Thus avoiding the interest cost that have been incurred over an average 28-year period under the current HUD Indian housing program.

The Indian Housing Act of 1983 proposes a mechanism that will continue to provide needed housing without the associated interest costs. In order to implement this concept, the early years of the program will require greater outlays to establish the loan funds in titles II and III. The benefit to the Government is that more Indian home buyers will participate in paying their share based on their income levels. At the same time, the Government will be able to stay out of the credit market, thus contributing to the Nation's goal of decreasing the Federal deficit. Both the Government and Indian people benefit from this program-cost savings to the Government and better housing for Indian people.

I firmly believe that it is time for a change in the current Indian housing program, a change away from substandard, poorly constructed, and tremendously costly houses. Unfortunately, some of the most grievous examples of the housing program can be seen on reservations in North Dakota. We need a change. I am confident this legislation will benefit everyone.

FHA and other federally insured programs have not worked in reservation areas. The lenders are in a bind because of the trust status of the lands. Should the Indian default, the lender in fact cannot foreclose and sell the house to recoup any loss. Title III of this bill provides for Federal guarantees of loans made by private lenders to Indian families with sufficient income to support a home mortgage. This guarantee program will remove the obstacles now present that discourage lenders from making long-term mortgage loans available on trust land.

I was appalled to learn that our Native Americans who served their Nation in the Armed Forces, including those who received the Congressional Medal of Honor, are not considered for VA housing programs because of the trust status of their lands. Although our bill does not require the participation of the VA housing program, it does provide a workable alternative that will enable veterans to obtain safe, affordable housing in reservation areas.

Rather than go over a litany of the problems with the current housing programs, I just want to say that it is time we did something positive and longlasting for the betterment of housing conditions on reservations and trust lands. I feel strongly that this bill will provide a most positive mechanism toward assisting the Government in meeting its moral and legal commitment to Indian people.

As you know, this bill was introduced last year as S. 2847 and reported out favorably from the Select Committee on Indian Affairs. I applaud Senator COCHRAN for reintroducing this bill, and I wish to commend my other colleagues for their cosponsorship. As soon as possible the Select Committee on Indian Affairs will schedule hearings on this bill.●

● Mr. COHEN. Mr. President, I am pleased to join Senator COCHRAN today as a cosponsor of the Indian Housing Act of 1983. This bill is the successor to S. 2847, which was introduced in the 97th Congress. S. 2847 was referred to the Select Committee on Indian Affairs, of which I was then the chairman, and a thorough hearing was held on it. Subsequently it was reported from the committee but failed to pass the Senate for lack of sufficient time. In cosponsoring the Indian Housing Act of 1983 today, I would like to make a few remarks about the bill and the problems that it addresses.

To begin with, Indian tribes suffer the most acute housing needs of any group in the United States. Although they have been served by the Department of Housing and Urban Development under general statutory authority since the early 1960's, the magnitude of the housing problem is such that, to this day, the quality of Indian housing lags far behind the national norm.

The administration, in its fiscal year 1982 budget proposals, recommended the elimination of all funding for the Indian housing program. This recommendation was based on the belief that the HUD Indian housing program was too expensive, that the housing units already authorized were not being completed in a timely manner with a resultant backup in the housing

pipeline, and that some Indian housing authorities had experienced difficulties in managing their HUD funds. Although these criticisms pointed up deficiencies in the HUD Indian housing program, the administration proved slow in developing a more efficient alternative.

The Indian Housing Act, which Senator COCHRAN is introducing today, meets many of the objections raised by the administration to the original HUD Indian housing program and also fits the criteria that the administration has set for a new Indian housing program. In the interest of brevity, I will only touch on the most important of those criteria.

First, the administration has insisted that any new Indian housing program provide incentives for the attraction of private capital to the construction of Indian housing. Title III of this bill addresses this criterion by authorizing the Secretary of the Interior to provide loan guarantees which will induce private lenders to extend loans to Indians who have the financial resources to support a mortgage but who, because of the trust nature of their land, have been unable to obtain conventional financing.

Second, the administration required that other forms of property—in lieu of trust land—be made available to secure the guarantee programs. Section 205 of the bill requires that individual Indians subject their trust funds for attachment in the event of default on an individual housing project and that Indian tribes do likewise in the event of default of a tribal housing project.

Third, the administration stated that incentives should be included in the new housing program to insure that the maximum number of units are built with the funds available. By departing from the HUD Indian housing program practice of setting a given number of units under a certain amount of contract authority and, instead, providing Indian tribes with the capacity to build as many units as possible even exceeding the original amount estimated as long as the money lasts, this bill provides such an incentive.

Finally, the administration's insistence that the establishment of a new Indian housing program not generate increases in Federal employment is met in this bill, according to testimony offered by administration officials before the Indian Affairs Committee last year. At that time, officials for the Bureau of Indian Affairs (BIA) testified that they could operate the program envisioned under this bill with fewer employers than now operate the HUD program.

Still another concern of the administration was that the cost of the Indian housing program should be lowered. This bill would meet this criterion by departing from the expensive and drawn out method of financing through contract authority and placing the financing on an annual basis. Although this approach will result in higher budget authority in the early years, it will lower budget authority in the outyears.

The Indian Housing Act of 1983, therefore, meets many of the criteria set down by the administration for a new and more efficient Indian housing program. It constitutes a responsible and effective approach to Indian housing problems that is sensitive to the integrity of tribal and individual trust land and, at the same time, recognizes the very real limitations that have been placed on the Federal budget.

Before closing, I would like to say a word about the placement of the Indian housing program in the BIA as is contemplated in this bill. At first blush, the establishment of the Indian housing program in the BIA might appear unusual. It should be remembered, however, that BIA has administered its own housing program, the housing improvement program or HIP, for many years. In fact, title I of this bill creates no new program at all but simply provides separate statutory authority for the HIP program. The HIP program includes rehabilitation of existing housing units and construction of new units. The cost of units constructed under this program stands in stark contrast to the costs incurred by HUD under its Indian housing program. According to testimony offered to the Indian Affairs Committee last year, the average cost of a new house constructed under the HIP program is $33,700. This compares with the administration's estimate of $80,000 per unit for calendar year 1982.

BIA, therefore, already operates a successful housing program. It also stands as the lead Federal agency in the field of Indian affairs and has the necessary expertise in the land title problems that have stood as such a formidable bar to the attraction of private capital to the Indian housing market.

I commend Senator COCHRAN for reintroducing this bill today and recommend it to my colleagues in the Senate.●

By Mr. HELMS (by request):

S. 857. A bill to amend the Consolidated Farm and Rural Development Act; to the Committee on Agriculture, Nutrition, and Forestry.

EXTENSION OF CERTAIN LOAN PROGRAMS

● Mr. HELMS. Mr. President, at the request of Secretary of Agriculture, John R. Block, I introduce a bill that would extend certain insured and guaranteed loan programs administered by the Farmers Home Administration (FmHA). The bill would make a number of amendments to the Consolidated Farm and Rural Development Act that would increase loan limits in the farm ownership and farm operating loan programs; delete provisions for limited resource subsidized farm ownership and farm operating loans; and delete authority to make such loans for outdoor recreation enterprises, and farm operating loans for other nonagricultural enterprises. The bill would also give the Secretary of Agriculture discretionary authority to forego making disaster emergency farm loans in areas where Federal crop insurance is generally available and make a number of changes in administrative procedures to provide for more efficient operation of the FmHA loan programs.

Mr. President, I ask unanimous consent that the transmittal letter from the Secretary of Agriculture as well as the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 857

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Consolidated Farm and Rural Development Act is amended as follows:

SECTION 1. (1) Section 303(a) is amended by deleting "(2) recreational uses and facilities," and changing numbers "(3)", "(4)", and "(5)" to read "(2)", "(3)", and "(4)", respectively.

(2) Section 304(a) is amended by deleting ", and without regard to the requirements of section 302(2) and (3), to farm owners or tenants to finance outdoor recreational enterprises or to convert to recreational uses their farming or ranching operations, including those heretofore financed under this title." and inserting a period in lieu thereof.

(3) Section 307(a)(6)(B) is amended by deleting subparagraph (ii) and renumbering subparagraphs (iii) through (vii) as subparagraphs (ii) through (vi), respectively.

(4) Section 312(a) is amended by deleting subsection (a)(5) and renumbering subsections (a)(6) through (a)(11) as subsections (a)(5) through (a)(10), respectively.

(5) Section 313 is amended by changing the period to a semicolon and adding a new paragraph (3) to read:

"or (3) for recreational enterprises or uses." and changing the period in (2) to a semicolon.

(6) Section 316(a) is amended by deleting paragraph (3).

SEC. 2. (1) Section 305 is amended by deleting the words ", and 310D."

(2) Section 307 is amended by deleting subsection (a)(3)(B) and by deleting subsection (a)(6)(B)(viii).

(3) Section 310D is repealed.

(4) Section 316(a)(i) is amended by deleting the words "and loans as provided in paragraphs (2) and (3)".

(5) Section 316(a) is amended by deleting subsections (2) and (3).

(6) Section 333(c) is amended by deleting the words within and including the parentheses.

SEC. 3. Section 305 is amended by deleting "$200,000" and "$300,000" and inserting in lieu thereof "$300,000" and "$400,000", respectively.

SEC. 4. (1) Section 312 is amended by deleting subsection (b) and renumbering subsections (c) and (d) as subsections (b) and (c), respectively.

(2) Section 317 is amended by deleting "(except section 312(b))".

(3) Section 309A(a) is amended by deleting "310B, and 312(b)" and inserting in lieu thereof "and 310B".

(4) Section 310B(d)(2) and (3) are amended by deleting "310B, and 312(b)" and inserting in lieu thereof "and 310B".

(5) Section 344 is amended by deleting "'312(b)', or '312(c)' and inserting in lieu thereof 'or 312(b)'."

SEC. 5. Section 313 is amended by deleting "$100,000" and $200,000" and inserting in lieu thereof "$150,000" and "$300,000", respectively.

SEC. 6. (1) Section 329 is amended by inserting "(a)" before the existing text and adding new subsections (b) and (c) to read as follows:

"(b) No applicant under subsection (a) shall be eligible for a production loss loan under this subtitle if crop insurance was available to the applicant under the Federal Crop Insurance Act with respect to the crop(s) damaged by the disaster.

"(c) Notwithstanding the provisions of subsection (b), the Secretary may make production loss loans to applicants under subsection (a) whenever the Secretary determines that—

(1) as a result of the disaster, such applicants have suffered substantial production losses and such losses have created an economic emergency for such applicants;

(2) Federal crop insurance indemnity payments and other forms of Federal Government assistance for such losses are insufficient to alleviate such economic emergency; and

(3) additional assistance must be made available to such applicants to alleviate the economic emergency."

(2) The provisions of this section apply to loans made in connection with disasters which occur 180 days after enactment.

SEC. 7. Section 331(d) is amended by deleting "$25,000" and inserting in lieu thereof "$50,000".

SEC. 8. Section 331(d)(4) is amended to read: "any claim which is due and payable and where the debtor (i) has no assets or no apparent future debt paying ability from which the claim could be collected, or (ii) is deceased and has left no estate, or (iii) has no known assets from which the claim can be collected and debtor's whereabouts cannot be ascertained without undue expense, may be charged off or released by the Secretary upon a report and favorable recommendation of the County Committee and of the employee having charge of the claim. Any claim involving a principal balance not referable to the Department of Justice may be charged off or released whenever it appears to the Secretary that further collection efforts would be ineffectual or likely to prove uneconomical; and".

SEC. 9. Section 333(b) is amended by inserting after the words *"Provided,* That" the following:

"(i) for operating type loans such certification or recommendation shall be effective for all loans made during the same crop year, and (ii)".

SEC. 10. Section 343(3) is amended by deleting the words "in the State of Hawaii".

SEC. 11. Section 346 is amended by deleting subsection (d) and amending subsection (b) to read:

"(b)(1) To the extent and in such amounts as are approved, in advance, in appropriation acts, loans for each of the fiscal years 1984, 1985, and 1986 are authorized to be insured, or made to be sold and insured, or guaranteed under the Agricultural Credit Insurance Fund as follows:

"(A) real estate loans, $680,000,000 including $650,000,000 for farm ownership loans of which $600,000,000 may be for insured loans and $50,000,000 may be for guaranteed loans with authority to transfer 25 per centum of such amounts between categories, and $26,000,000 for water development, use, and conservation loans of which $20,000,000 may be for insured loans and $6,000,000 may be for guaranteed loans with authority to transfer 25 per centum of such amounts between categories;

"(B) operating loans, $1,860,000,000 of which $1,810,000,000 may be for insured loans and $50,000,000 may be for guaranteed loans with authority to transfer 25 per centum of such amounts between categories; and

"(C) emergency loans, not to exceed $1,540,000,000.

"(2) To the extent and in such amounts as are approved, in advance, in appropriation acts, loans for each of the fiscal years 1984, 1985, and 1986 are authorized to be insured, or made to be sold and insured, under the Rural Development Insurance Fund as follows:

"(A) water and waste disposal loans, $250,000,000; and

"(B) community facility loans, $100,000,000."

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., February 23, 1983.

Hon. GEORGE BUSH,
President, U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed for the consideration of the Congress is a draft bill "To amend the Consolidated Farm and Rural Development Act."

The draft bill would extend certain insured and guaranteed loan programs administered by the Farmers Home Administration (FmHA). It also incorporates amendments of the Act that would increase loan limits in the farm ownership (FO) and farm operating (OL) loan programs; delete provisions for limited resource subsidized FO and OL loans; delete authority to make FO and OL loans for outdoor recreation enterprises, and OL loans for other nonagricultural enterprises; give the Secretary of Agriculture discretionary authority to forego making disaster emergency farm loans in areas where federal crop insurance is generally available; increase the maximum amount of debt settlement authority that the FmHA Administrator may delegate to field personnal; abolish a requirement that FmHA must wait 5 years before settling claims against debtors; provide that FmHA county committees may certify eligibility of OL loan applicants on a crop year basis; extend to all states and territories the authority of FmHA to make FO loans to farmers who have adequate long-term arrangements for operating on trust or leased land.

The Department of Agriculture strongly recommends that this draft bill be enacted.

Section 1 of the draft bill relates to sections of the Consolidated Act that allow for real estate and operating loans to farmers and ranchers to establish outdoor recreational enterprises. The bill would delete provisions to that effect now contained in sections 303(a), 304(a), 307(a)(6)(B), 312(a) 313 and 316(a). Demand for such loans has declined in recent years, only 9 having been made in fiscal year 1982. Statutory limits on the amount of FO and OL loans usually are less than the amount required to finance a successful outdoor recreation enterprise. Farmers undertaking such developments will find more adequate resources available through established channels of business financing. It is therefore recommended that the recreation loan authority be deleted from farmer program authorizations contained in the Act.

Section 2 of the draft bill would delete provisions for limited resource subsidized FO and OL loans now found in sections 305, 307(a)(3)(B) and (a)(6)(B)(viii), 310D, 316(a)(1), (2) and (3), and 333(c) of the Consolidated Act. This action will reduce Government costs over the 1985 to 1988 period of approximately $100 million. Agency experience has demonstrated that with adequate technical and business management counseling from FmHA, under the "supervised credit" concept, borrowers of limited resources can build sound and successful farming operations without reliance on subsidized credit.

Section 3 of the draft bill would amend section 305 of the Consolidated Act to raise the limits on FO and other types of real estate loans to farmer-borrowers made pursuant to sections 302, 303 and 304. The limit on insured loan indebtedness would be increased from $200,000 to $300,000, and on guaranteed indebtedness from $300,000 to $400,000. Such higher limits are consistent with current financial requirements of family farms.

Section 4 of the draft bill would delete subsection (b) from section 312 of the Consolidated Act and amend section 317, thereby eliminating authority for the use of OL loan funds for nonagricultural purposes. Subsection 312(b) currently provides that such loans may be made to "residents of rural areas," a term embracing nonfarmers, for "small business enterprises." Other sources of business credit are more appropriate for financing small rural non-farm business enterprises.

Section 5 of the draft bill would amend section 313 of the Consolidated Act to raise the limit on an OL loan. The limit on an individual borrower's insured loan indebtness would be raised from $100,000 to $150,000, and on guaranteed loan indebtness from $200,000 to $300,000. The higher limits will be consistent with current financial requirements of family farms and for properly establishing new applicants in farming.

Section 6 of the draft bill would amend section 329 of the Consolidated Act to provide that, at the discretion of the Secretary, when federal crop insurance is generally available to producers in an area, emergency disaster loans will no longer be available. Enactment of the proposal would provide an incentive for farmers to participate in the crop insurance program rather than rely on subsidized loans to recover from disasters. The prospect that loans would become available in the event of such loss has encouraged some farmers to assume otherwise unacceptable financial risks. More reliance on crop insurance should provide farmers with incentives to reduce their risk of sustaining severe financial loss.

Section 7 of the draft bill would amend section 331(d) of the Consolidated Act to increase the amount of debt settlement authority the FmHA Administrator may delegate to agency field personnel. Under present law, delegation may be granted with respect to settlements involving less than

$25,000. The proposed amendment would extend such delegation to amounts less than $50,000. This action would expedite debt settlements now delayed because of national office review.

Section 8 of the draft bill would delete from section 331(d)(4) of the Consolidated Act a requirement that claims by FmHA must be due and payable for at least 5 years before they can be compromised, adjusted or reduced. This action would eliminate much delay, now mandatory under the law, in resolving accounts that are conclusively shown to be uncollectable. The change would also allow charging-off debt which cannot be referred to the Department of Justice because of their small sums.

Section 9 of the draft bill would amend section 333(b) of the Consolidated Act to authorize an FmHA county committee to certify an applicant's eligibility for OL credit on a crop year basis. This action would relieve the committee of responsibility to recertify a borrower's eligibility for a subsequent loan within the same crop year that an operating loan was made. It would eliminate much duplicative loan processing procedure and expedite timely action on many OL loan applications.

Section 10 of the draft bill would amend section 343(3) of the Consolidated Act to permit making farm ownership loans to eligible applicants in states where lands are held in trust and in states and territories where farmland can be obtained under long-term lease arrangements. Under present language of the Act, such authority applies only to the State of Hawaii. This restriction is inequitable to other states and territories where the same authority could be properly exercised.

Section 11 of the draft bill would amend section 346 of the Consolidated Act to extend authorities for farm real estate, farm operating, farm emergency, water and waste disposal and community facility loans through fiscal year 1986, at annual appropriation levels that are consistent with the President's budget recommendations and adequate to meet essential needs served through these programs.

An identical letter has been sent to the Speaker of the House of Representatives.

The Office of Management and Budget advises that enactment of this legislation would be consistent with the Administration's program.

Sincerely,

JOHN R. BLOCK,
Secretary.●

By Mr. THURMOND (for himself, Mr. RIEGLE, Mr. RANDOLPH, Mr. INOUYE, Mr. EXON, Mr. MELCHER, Mr. GARN, Mr. BURDICK, Mr. KENNEDY, Mr. HEFLIN, and Mr. SPECTER):

S. 858. A bill to recognize the organization known as the National Association of State Directors of Veterans Affairs, Inc.; to the Committee on the Judiciary.

NATIONAL ASSOCIATION OF STATE DIRECTORS OF VETERANS AFFAIRS, INC.

Mr. THURMOND. Mr. President, today I am introducing legislation to grant a Federal charter to the National Association of State Directors of Veterans Affairs, Inc. This legislation is identical to legislation that I introduced during the 97th Congress. That bill, S. 2215, was passed by the Senate but did not receive House approval. I am pleased to have Senators RIEGLE, RANDOLPH, INOUYE, EXON, MELCHER, GARN, BURDICK, KENNEDY, HEFLIN, and SPECTER join with me as cosponsors of this bill.

Many of you may be familiar with the work of this organization. The National Association of State Directors of Veterans Affairs is a nonprofit service organization of professionals who are dedicated to assisting veterans and their families without regard to their affiliation with any special interest veterans group. The association has a profound and enduring concern for the welfare of all veterans, notwithstanding their time or branch of service, their background, or their experience in the armed services.

The National Association of State Directors of Veterans Affairs had its inception at a conference of representatives from most of the States which was sponsored by the U.S. Army Air Corps in early 1945. The organization was founded in 1946 at the behest of Gen. Graves B. Erskine, then Administrator of the Federal Retraining and Reemployment Administration, to encourage each State to provide services to veterans returning from World War II. At this organizational conference, held here in Washington, D.C., the association adopted the following declaration of purpose:

The purposes of the Association are to provide a medium for the exchange of ideas and information; to facilitate reciprocal State Services; to foster better understanding of the national veterans' problems; to secure uniformity and equality of service in all the States and the Territories; to maintain an interest in all veterans' legislation.

The Association recognizes the great worth and merit of all existing congressionally chartered veterans organizations, and asserts a willingness to cooperate with such organizations. It further declares a deep and abiding interest in the welfare of all veterans, regardless of organizational affiliation or the lack of it.

The association had its first National Convention in Chicago, Ill., in June of 1947. At that time, the association determined to hold a yearly meeting in Washington, D.C., in conjunction with the Washington conferences of the American Legion or the Veterans of Foreign Wars.

The National Association of State Directors of Veterans Affairs was incorporated in the District of Columbia on March 12, 1973. It is the only organization representing the State veterans affairs agencies. The function of the association is to advise veterans of available benefits and services; to coordinate the activities and purposes of the several States and territorial agencies affecting veterans; to serve as liaison between the Governors and concerned officials on the Federal level; and to maintain close contact with all branches of the armed services. The association operates wholly for charitable, educational, historical, patriotic, and research purposes.

The national scope of the association is clear from its membership, which currently consists of representatives from 48 States, 4 territories, and the District of Columbia. No other organization exists which, in addition to its other services, coordinates the efforts and policies of the State and territorial veterans affairs agencies in order to ensure the fair and equitable treatment of veterans throughout our country. The association is a vital educational organization which fills the critical role of liaison between the Federal structure of veterans' services and entitlements and the various State structures of resources devoted to serving the Nation's veterans and their families.

The National Association of State Directors of Veterans Affairs has quietly served the needs of veterans and veterans' organizations for 36 years, and epitomizes the private initiative that has made our Nation great. A Federal charter will express the recognition of Congress for the association's efforts on behalf of countless veterans and their families. I call upon my colleagues to again support this legislation and urge early enactment of this bill.

I ask unanimous consent that a copy of this bill be printed in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 858

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CHARTER

SECTION 1. The National Association of State Directors of Veterans Affairs, Incorporated, organized and incorporated under the Nonprofit Corporation Act of the District of Columbia, is hereby recognized as such and is granted a charter.

POWERS

SEC. 2. The National Association of State Directors of Veterans Affairs, Incorporated (hereinafter referred to as the "corporation") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

OBJECTS AND PURPOSES OF CORPORATION

SEC. 3. The objects and purposes for which the corporation is organized shall be—

(1) to provide a medium for the exchange between veterans and veterans' organizations of ideas and information,

(2) to foster a better understanding of the national veterans' problems,

(3) to promote uniformity and equality of service to veterans in all the States and territories,

(4) to maintain an interest in all veterans' affairs,

(5) to disseminate advice and information to veterans or their dependents, regardless of their membership affiliation with any veterans' organizations,

(6) to actively participate in the national conventions of congressionally chartered veterans' organizations and service organizations recognized by the Veterans' Administration, as well as to perform liaison work and to cooperate with these organizations at their national, local, or Washington office headquarters, and

(7) to maintain close liaison with the four branches of the armed services of the United States wherever located.

The corporation shall function as an educational, patriotic, civic, historical, and research organization as authorized by the laws of the State or States wherein it is incorporated.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. Eligibility for membership in the corporation and the rights and privileges of members shall be as provided in the bylaws of the corporation.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 6. The board of directors of the corporation and the responsibilities thereof shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

OFFICERS OF CORPORATION

SEC. 7. The officers of the corporation, and the election of such officers shall be as is provided in the articles of incorporation of the corporation and in conformity with the laws of the States or States wherein it is incorporated.

RESTRICTIONS

SEC. 8. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director of the corporation or be distributed to any such person during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation shall not make any loan to any officer, director, or employee of the corporation.

(c) The corporation and any officer and director of the corporation, acting as such officer or director, shall not contribute to, support or otherwise participate in any political activity or in any manner attempt to influence legislation.

(d) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(e) The corporation shall not claim congressional approval or Federal Government authority for any of its activities.

LIABILITY

SEC. 9. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

SEC. 10. The corporation shall keep correct and complete books and records of account and shall keep minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right of vote. All books and records of such corporation may be inspected by any member having the right to vote, or by any agent or attorney of such member, for any proper purpose, at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(58) National Association of State Directors of Veterans Affairs".

ANNUAL REPORT

SEC. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit required by section 11 of this Act. The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 13. The right to alter, amend, or repeal this Act is expessly reserved to the Congress.

DEFINITION OF "STATE"

SEC. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

TAX EXEMPT STATUS

SEC. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code. If the corporation fails to maintain such status, the charter granted hereby shall expire.

TERMINATION

SEC. 16. If the corporation shall fail to comply with any of the restrictions or provisions of this Act the charter granted hereby shall expire.

By Mr. THURMOND (for himself, Mr. INOUYE, Mr. COHEN, Mr. COCHRAN, Mr. CRANSTON, Mr. DENTON, Mr. EXON, and Mr. MELCHER):

S. 859. An act to amend title 38, United States Code, to require the continued payment of disability compensation at an unreduced rate pending review and appeal of a determination to reduce or discontinue such compensation by reason of a change in service-connected or employability status or in physical condition in the case of any veteran whose disability has been rated as total for a period of at least 10 years ending on the date such determination was made, who files a statement of disagreement with such determination, and who requests such continued payment, and for other purposes; to the Committee on Veterans' Affairs.

RETENTION OF BENEFITS DURING REVIEW PERIOD

Mr. THURMOND. Mr. President, I rise today to introduce legislation which would amend title 38 of the United States Code, to allow service-connected, disabled veterans who have been rated totally disabled for a period of 10 years or more to continue to receive benefit payments during the appeal of an initial Veterans' Administration decision reducing their total disability evaluation. I am pleased to have Senators INOUYE, COHEN, COCHRAN, CRANSTON, DENTON, EXON, and MELCHER join with me as cosponsors of this bill.

This legislation is very similar to legislation which I cosponsored, and which was enacted last year, providing the recipients of social security disability benefits the opportunity to retain their benefits during appeal. Veterans who avail themselves of this provision, like social security beneficiaries, would be required, upon a final decision upholding the initial decision, to repay the amounts which they would not have received had they not retained their benefits pending appeal. However, there would be no interest charged on these repayments.

Mr. President, as a result of periodic reviews by the Veterans' Administration of the disability ratings of veterans who are compensated for service-connected disabilities, determinations are made to reduce or discontinue the benefits of some veterans. Under current law the effective date for such a reduction or discontinuance in benefits is between 60 and 90 days following the date of notice to the veteran.

Veterans may, of course, appeal the determination to reduce or discontinue their benefits, and a significant number of veterans have received favorable decisions upon appeal. The appeal process, however, can involve months, or in some cases, years. In the meantime, the reduction of benefits can cause serious problems for recipients who depend on payment of their service-connected disability benefits, especially those who are totally disabled and have relied upon these benefits for many years. While I strongly support periodic disability rating reviews, I believe that steps must be taken to insure that these veterans have the opportunity to retain their benefits during an appeal. The legislation which I am introducing would provide this opportunity.

Mr. President, I send this initiative to the desk and ask unanimous consent that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 859

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sec-

tion 3012 of title 38, United States Code, is amended—

(1) in subsection (b)(6), by inserting a comma and "except as provided in subsection (c) of this section," after "shall be"; and

(2) by adding at the end thereof the following new subsection:

"(c) The effective date of a reduction or discontinuance of disability compensation payable under subchapter II or IV of chapter 11 of this title by reason of a change in service-connected or employability status or change in physical condition in the case of a veteran who files a request pursuant to subsection (a) of section 3117 of this title shall be the earliest of the following dates—

"(1) the date on which such veteran withdraws the notice of disagreement described in subsection (a)(4) of such section;

"(2) the date on which such veteran files a statement pursuant to subsection (b) of such section;

"(3) the date on which such case is closed pursuant to the sixth sentence of section 4005(d)(3) of this title; or

"(4) the date on which the Board of Veterans' Appeals makes a final determination upholding the determination referred to in subsection (a)(2) of such section,

except in no event shall the reduction or discontinuance be earlier than provided in subsection (b) of this section.

SEC. 2. (1) Chapter 53 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 3117. Continuation of disability compensation pending review and appeal

"(a) Any veteran—

"(1) who is receiving disability compensation under subchapter II or IV of chapter 11 of this title;

"(2) who receives from the Veterans' Administration a notice of a determination to reduce or discontinue such compensation by reason of a change in service-connected or employability status or change in physical condition;

"(3) whose disability was rated as total for the purpose of subchapter II or IV of chapter 11 of this title for a period of not less than ten years ending on the date such determination was made; and

"(4) who, within thirty days after the date on which the notice of such determination was sent to such veteran (at such veteran's last address of record), files a notice of disagreement with such determination pursuant to section 4005 of this title (other than the first sentence of subsection (b)(1) of such section),

may file with such notice of disagreement a request that such compensation not be reduced or discontinued pending review by the activity making such determination and pending the final determination of the Board of Veterans' Appeals on any formal appeal with respect to such determination that may thereafter be timely filed under section 4005(d)(3) or 4005A(b) of this title.

"(b) Any veteran filing a request under subsection (a) of this section may, at any time, file with the Veterans' Administration a written statement withdrawing such request.

"(c) A reduction or discontinuance of disability compensation with respect to which a request is filed pursuant to subsection (a) of this section shall not take effect before the date determined under section 3012(c) of this title.

"(d) If a reduction or discontinuance of disability compensation payable to a veteran takes effect as provided in subsection (c) of section 3012 of this title, such veteran shall be indebted to the United States in an amount equal to the excess of the total amount of such compensation paid to such veteran over the total amount of such compensation that would have been paid to such veteran if the reduction or discontinuance of such compensation had taken effect as provided in subsection (b)(6) of such section without regard to subsection (c) of such section.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new items:

"3117. Continuation of disability compensation pending review and appeal.".

SEC. 3. The amendments made by this Act shall be effective with regard to determinations to reduce or discontinue made thirty days or more after enactment.

By Mr. HART (for himself, Mr. GORTON, Mr. MOYNIHAN, Mr. TSONGAS, and Mr. DODD):

S. 860. A bill to reauthorize and expand the hazardous waste response trust fund; by unanimous consent, referred jointly to the Committee on Finance and the Committee on Environment and Public Works.

HAZARDOUS SUBSTANCES RESPONSE ACT OF 1983

● Mr. HART. Mr. President, I am introducing today, along with Senators GORTON, MOYNIHAN, TSONGAS, and DODD, a bill to reauthorize and expand the Superfund program, the Nation's program to clean up hazardous waste sites.

Our legislation would achieve four major purposes. First, the amount of money in the Superfund would be increased, from the current total authorized amount of $1.6 billion to about $15 billion. Second, the legislation will establish nonregulatory, economic incentives to promote safe alternatives to continued production and landfill disposal of hazardous wastes. Third, it will authorize grants to States for the costs of their programs to regulate and clean up hazardous wastes. Fourth, it will establish new safeguards to prevent misuse of the Superfund account.

The chemical contamination of our land, air, and water is our Nation's most serious environmental problem. Hazardous wastes are responsible for much of this problem. In 1981, the Environmental Protection Agency conservatively estimated 43 million tons of hazardous wastes were generated in the United States. More recent studies indicate the magnitude of hazardous waste generation may be far in excess of the EPA's estimate. In a report released Wednesday of this week, following a 3-year study of hazardous wastes, the Congressional Office of Technology and Assessment estimated that between 255 and 275 million tons of hazardous wastes subject to Federal and State regulation are generated every year in the United States. This is more than 1 ton of hazardous waste being produced every year for every woman, man, and child in the United States.

The OTA report included some very disturbing passages about the public health dangers caused by hazardous wastes. Some excerpts from the report:

Uncontrolled and careless disposal of industrial waste became a national concern in the mid and late 1970's. It became evident at many waste sites that mismanagement and indiscriminate dumping of waste were causing harmful substances to be released into the land, water, and air. Waste handlers and the general public alike were threatened with direct exposure to hazardous waste.

It also became increasingly clear that even well-intentioned and presently accepted waste management practices, particularly the use of landfills, surface impoundments, and lagoons, might still constitute substantial threats. These threats arise from the potential slow leakage of waste constituents or leachate through the soil and into ground water, which is a source of drinking water for many communities.

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Studies across the Nation revealed that the disposal of hazardous waste decades earlier had left undetermined, but possibly very large, amounts of dangerous substances in and on the land. Moreover, wastes were leaking from many hazardous waste sites. some of which were closed.

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Adverse health effects attributable to hazardous waste remain inadequately documented. However, a 1980 survey by the Environmental Protection Agency (EPA) of 350 uncontrolled hazardous waste sites indicated substantial threats to the public. At the time, these were essentially all the sites for which there was detailed information. There are currently more than 15,000 uncontrolled sites in EPA's Emergency and Remedial Response Information System. The survey found:

Contamination of ground waters and reservoirs, affecting water supplies of 168 communities;

Contamination of drinking water wells leading to closure of at least 468 individual wells; and

A total of 108 other adverse incidents, including damage to human health, natural habitats, fish and livestock, crops, sewer systems, and soils.

Furthermore, an unreleased EPA study, in progress for several years, indicates there are 80,263 sites in the Nation with contaminated surface impoundments (pits, ponds, and lagoons). Ninety percent are believed to pose at least a potential threat of ground water contamination. Another unreleased EPA study reports that testing of underground drinking water supplies in 954 cities found contamination in 29 percent. All the affected areas had populations of more than 10,000. Leaching of toxic substances from waste landfills is believed to be a contributory factor in these cases.

Long-term health effects from exposure to hazardous waste are uncertain, but they may be serious. For example, in one case of contaminated drinking water (associated with a hazardous waste dump in Hardeman County, Tenn.), the levels of carbon tetrachloride were so high that they exceeded proposed water quality criteria by a factor of 10,000. EPA has said that of the 418 uncontrolled hazardous waste sites in the

Nation that need priority attention, 347 pose direct threats to drinking water supplies and could cause birth defects, cancer, and other diseases.

Although information is scanty on the amounts and types of releases, many hazardous wastes are persistent, mobile, and highly toxic. It is possible that large segments of the population are being exposed to releases of hazardous waste constituents.

Congress has in recent years enacted two major laws to provide for the management and cleanup of hazardous wastes. The Resource Conservation and Recovery Act of 1976 (RCRA) authorized the Environmental Protection Agency to establish a cradle-to-grave program for the regulation of substances which EPA lists as hazardous wastes. The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) established a program for the cleanup of hazardous substances that had been released into the environment. Part of that cleanup program includes a $1.6 billion Superfund program, funded primarily by taxes on petroleum and certain chemicals, to finance the removal of hazardous substances when the responsible private parties could not be identified or could not pay for the cleanup.

Unfortunately, we now know that neither of these programs will be adequate to protect people from hazardous substances.

RCRA gave EPA too much discretion in how to regulate hazardous wastes. The regulations finally issued by the agency last summer—6 years after enactment of the law—contain more loopholes than standards. Only about 15 percent of the hazardous wastes regulated by State governments are subject to the Federal regulations. Existing hazardous waste disposal facilities are exempted from the most important standards set by the Agency. And even where there are standards they are woefully inadequate.

When EPA established the standards, it conceded that they were not adequate to protect the public. The Agency required only that disposal facilities be designed well enough to prevent leakage of hazardous wastes for 30 years—even though the hazardous wastes may remain in the facilities for eons. EPA said it would rely on detection and cleanup of hazardous wastes after they leak out of the disposal facilities to make up for the inadequacy of the RCRA standards. According to congressional testimony by Mr. William Sanjour, a civil service employee who is Chief of EPA's Hazardous Waste Implementation Branch:

This is a very frightening concept. Regulations which instead of preventing disaster, knowingly allow it by promising to provide disaster relief. Can we expect EPA to carry this line of thinking into other areas by issuing gas masks as a means of regulating air pollution? Or by stockpiling canned fish and tetanus injections to regulate water pollution?

But if the concept is bad, what is worse is that it is unworkable. For many different reasons, which I will go into, it is unreasonable to expect that these regulations (on monitoring and clean-up) can provide that second line of defense, and therefore there is no way that these regulations can protect public health and the environment as required by law. It is as if the Federal Aviation Administration were to issue an airworthiness certificate to an aircraft based not on the ability of the aircraft to stay up in the air but on the availability of crash control equipment—and then welsh on the crash equipment.

What RCRA regulations will not prevent, the current Superfund cannot clean up. When the special Superfund taxes on petroleum and chemicals expire in 1985, probably less than the $1.6 billion authorized by the law will have been raised. The program will not be able to pay for cleaning up even half of the 418 national priority sites EPA has identified, let alone the 15,000 abandoned hazardous substances sites EPA has already identified in its still-ongoing national inventory.

The legislation we are introducing today, the Hazardous Substances Response Act of 1983, will shore up both the national program to improve the management of hazardous wastes and the program to clean up abandoned dump sites.

To begin with, our legislation will establish adequate funding for the Superfund. Our bill would let the current Superfund taxes expire as scheduled, at the end of fiscal year 1985, and replace those taxes with new, higher taxes on the generation of hazardous wastes, raising between 1985 and 1995 about 10 times as much revenue as is now authorized for the Superfund.

To maintain the current 7-to-1 ratio of special tax and regular appropration funding of the program, the bill would raise to $190 million the amount authorized to be appropriated for the Superfund every year. Together, the new taxes and appropriations would make about $15 billion available for hazardous substances cleanup between 1985 and 1995. With this level of funding, the Superfund will be able to pay for the cleanup of 10 times as many sites as under current law.

Our legislation also will substantially improve our national management of hazardous wastes, because the new taxes are designed to operate as strong economic incentives for the development of safe alternatives to the continued production and disposal of hazardous wastes. The amount of the new taxes will vary according to the degree of hazard of the waste and the safety with which it is handled, ranging from a low of 50 cents per ton to a high of $100 per ton for disposal of extremely hazardous wastes in an unlined landfill grandfathered from the RCRA regulations. The tax will be paid by the company generating the hazardous wastes. The amount of the tax in all categories will double in 1990 to strengthen the incentives for development of safe alternatives and to maintain revenues as land disposal and production of most most hazardous wastes are phased out.

Mr. President, the benefits of this new tax system will be manyfold. We will begin, for the first time, to encourage the safe treatment and disposal of hazardous waste through direct economic or market-oriented incentives. These incentives will have a far more successful effect on industrial management decisions and will ultimately result in a significant reduction in the volume of generated wastes. These taxes will penalize and discourage the mismanagement that has left us with thousands of contaminated sites nationwide. This is the best way to avoid countless repetition of the environmental disasters at Love Canal and Times Beach.

This system of targeted taxation is based on the OTA hazardous waste report, which assessed several approaches to improve RCRA and CERCLA. Some excerpts from the report:

A Fee System.—There is a trend toward State use of fee systems, some of which are based on wastes, both to raise revenues and to influence choices among hazardous waste management alternatives, although results of these relatively new programs are mixed. California, Kentucky, Missouri, and New York impose fees on waste generators. The CERCLA program, at the Federal level by comparison is based on the collection of a fee or tax on the production of petroleum feedstocks and specified chemicals, raising 87.5 percent of the $1.6 billion fund. Many critics of this approach believe that the fund should have been financed through a "tail-end" fee or tax on actual waste generated, rather than on "front-end" feedstock materials that only indirectly, and to different degrees, lead to hazardous waste generation. A strong disincentive is thus inadvertently established which penalizes those generators choosing to minimize waste generation. However, there was insufficent information on waste generators originally available to facilitate such an approach. When collection under CERCLA expires in 1985, it is likely that substantial sums will continue to be required to clean up uncontrolled sites. EPA's original estimate of several years ago was that $44 billion might be required. There have also been indications from the administration that it is currently disinclined to seek reauthorization of the tax collection program. Continuation of the current CERCLA fee system offers no direct incentive to alternatives to land disposal, although continued experience with CERCLA may prove to be an effective indirect influence on use of such alternatives.

An approach that would satisfy several objectives could be based on the use of the CERCLA funding mechanism for RCRA purposes, using the tail-end fee system. This would involve shifting the collection of CERCLA moneys (including the post-closure liability turst fund to start in 1983) to hazardous waste generators. For such an ap-

proach to be effective, fees would have to be reduced, on a unitweight basis, when: (1) alternatives to disposal and dispersal were used by the generator, either onsite or offsite, and (2) the hazard level of the waste or residue finally disposed of was relatively low.

The critical feature of such a system is that such a fee should be substantially greater (perhaps double) for disposal and dispersal options and substantially lower for low-hazard or treated waste (perhaps by half). A fee discrimination would provide the desired economic incentives for alternatives to disposal and dispersal. Moreover, the discriminatory ratios and/or the amounts of the fees on land-disposed waste might be increased over time, as waste volumes decline and after ample time has been given for adopting alternatives. A zero tax for those wastes (or portions of them) recycled for materials or energy that would otherwise become hazardous wastes would appear equitable and desirable.

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The underlying philosophy of this approach would be to reward those who minimize future risks and costs to society through the use of preferred alternatives which permanently reduce the risks involved in hazardous waste management. As existing uncontrolled sites are cleaned up, future uncontrolled sites make less likely, and hazardous waste generation reduced, the fees for non-land-disposed wastes could eventually be decreased. Morever, such an incentive system would encourage efforts to reduce the amounts of waste generated.

The OTA report indicates there is a potential for substantial improvements in how we manage hazardous wastes—if there are new economic incentives for industry to make those improvements. Currently, about 80 percent of hazardous wastes are disposed of in landfills, even though all experts agree this is the least desirable way to manage most wastes. If there were adequate economic incentives—such as those that would be created by the taxes we are proposing—industry could develop much better ways to handle their hazardous wastes. Again, to quote the OTA report:

An important way to reduce threats to public health and the environment from hazardous waste and to lessen the cost of waste management is to reduce the amount of waste generated. Generators of waste can accomplish this by segregating waste more carefully or recycling them, or sometimes by changing manufacturing processes or products. Whether they will in fact do so depends on the economic costs and savings involved. The generator's costs are influenced by government regulations. A generator may, for example, recycle a waste even though it adds to his costs, if the cost is less than treating or disposing of the waste in the manner required by government regulations.

Some initiatives undertaken by the private sector indicate that there are opportunities for waste reduction which, in the right circumstances, can lead to economic benefits for the waste generator. First, the cost of changes that reduce waste generation may be more than offset by lower waste management costs. Then, materials or energy recovered from materials before discard or from wastes can in some cases be used or sold for profit. Sometimes, changes in processes motivated by waste management concerns may help introduce innovative new technologies.

Table 2 presents a summary of the advantages and disadvantages of the major approaches to waste reduction. There is considerable evidence based on practical experience that these approaches are technically feasible, to different degrees, for many hazardous wastes. Specific findings concerning the current state of usage of the four major approaches to waste reduction are:

Source segregation or separation is usually the easiest and cheapest method of reducing waste before they require management as hazardous waste. This method has been widely used in industry and offers further opportunities for application. The basic principle is to keep waste in concentrated, isolated forms rather than to form large volume indiscriminate mixtures that must be separated later.

Hazardous waste reduction by process modification is usually a secondary benefit; the changes are motivated by other engineering and economic considerations, such as improving process efficiency and yield. The benefits are usually specific to individual plants and processes. Impacts on hazardous waste reduction industry-wide have been limited.

End-product substitution appears to offer long-term benefits. However, full realization of the benefits depends on its application to many industrial sectors and markets. Changing one product, or one application of a product, is likely to have only a relatively small effect on hazardous waste generation. Here, too, waste reduction is usually a secondary benefit, with product performance improvements being the main driving force for change. However, as hazardous waste management becomes more expensive and costs are passed on to consumers, the awareness of the "hazardous waste-intensiveness" of products may contribute more to end-product substitutions.

In-plant recycling has been widely used in industry for waste reduction. Onsite recycling and recovery can be done before materials are discarded and managed as hazardous waste, thereby reducing the volume and perhaps the hazard level of the waste that are eventually generated. Commercial or offsite recovery operations have had varying degrees of success, depending on problems with contamination of waste, consistency of waste composition and supply, and market factors. All these greatly influence profitability. Generally, commercial recovery is more attractive to small- to medium-sized waste generators that do not have the capital for inplant installations. Waste exchanges have not yet become a major influence because larger generators cannot transfer their liability for the waste (imposed by RCRA) to the waste user, and small generators have too little waste to pay the costs of exchange, or, in some cases, to assure consistent types and volumes to users.

TABLE 2.—A COMPARISON OF THE FOUR WASTE REDUCTION METHODS

Advantages	Disadvantages
SOURCE SEGREGATION OF SEPARATION	
(1) Easy to implement; usually low investment. (2) Short-term solution.	(1) Still have some waste to manage.
PROCESS MODIFICATION	
(1) Potentially reduce both hazard and volume. (2) Medium-term solution (3) Potential savings in production costs.	(1) Requires R&D effort; capital investment. (2) Usually does not have industry-wide impact.
END PRODUCT SUBSTITUTION	
(1) Potentially industrywide impact—large volume, hazard reduction.	(1) Relatively long-term solutions. (2) Many sectors must be affected to achieve significant benefits. (3) Usually a side benefit of product improvement. (4) May require change in consumer habits. (5) Major investments required—need growing market.
RECOVERY/RECYCLING	
In-plant:	
(1) Medium-term solution (2) Potential savings in manufacturing costs. (3) Reduced liability compared to commercial recovery or waste exchange.	(1) May require capital investment. (2) May not have wide impact.
Commerical recovery (offsite):	
(1) No capital investment required for generator. (2) Economy of scale for small waste generators.	(1) Liability not transferred to operator. (2) If privately owned, must make profit and return investment. (3) Requires permitting. (4) Some history of poor management. (5) Must establish long-term sources of waste and markets. (6) Requires uniformity in composition.
Waste exchange:	
(1) Transportation costs only	(1) Liability not transferred. (2) Requires uniformity in composition of waste. (3) Requires long-term relationships—two party involvement.

Source: Office of Technology Assessment.

Institutional Factors.—The Federal hazardous waste regulatory structure does not now provide direct incentives for use of any of the approaches mentioned above: segregation of waste components at the source of generation, modifications in manufacturing processes, development of end-product substitutions, and greater use of in-plant and commercial recycling and recovery operations. In part, this is because the emphasis in RCRA is not on reducing waste generation but on management of waste once they are generated, and EPA has not generally pursued the resource recovery aspects of RCRA. Moreover, a number of current regulatory policies and practices may actually act as disincentives for waste reduction and treatment activities. In some instances, process intermediates containing recoverable materials or energy are defined as waste even though they are not discarded. This can act as a disincentive to some recycling.

An important disincentive is the policy of keeping landfill costs low, even under the new RCRA regulations by:

Not requiring comprehensive, stringent monitoring at landfills;

Not requiring retrofitting of existing, active landfills;

A liberal interpretation of "existing" in exempting, from some of the new regulations, portions of existing landfills that do not yet contain waste;

Limiting post-closure monitoring requirements to 30 years; and

Not requiring location of waste management facilities to protect drinking water sources.

As discussed further in the next section, the defects of the land disposal method may

be postponing cleanup costs to the future, and it is likely that these costs will be borne by government or society in general. Externalizing such costs away from the private market to the public sector provides an indirect incentive for land disposal. Nevertheless, to a limited extent, for some waste generators, increasing costs under the current program and the perceived liabilities of land disposal are indirectly promoting more use of waste reduction methods.

A common question is: How much of the Nation's hazardous waste could be eliminated by the various approaches to waste reduction? Any estimate of what could be done technically and economically can be only a crude approximation. Theoretically, the generation of almost every hazardous waste might be affected to some extent by one or more of the approaches discussed previously. A 1981 California study of future hazardous waste generation concluded that new industrial plants will produce only half the amount of hazardous waste currently produced. Other estimates for potential waste reduction range from 30 to 80 percent. Waste reduction efforts, however, are more difficult to make in existing plants than in new ones. In addition to regulatory factors, capital and R&D needs—particularly for smaller hazardous waste generators—are important obstacles to implementing waste reduction efforts. General economic and market factors play a crucial role in raising and committing capital.

Management Alternatives.—Once hazardous waste are generated, they can be managed by one of two broad categories of technologies:

1. Treatment by one or more steps to reduce the hazard level of the waste, or
2. Disposal through containment or dispersal on land or in the oceans.

Treatment technologies reduce the hazard level directly or facilitate reduction in other steps by changing the physical or chemical nature of the waste, by separating waste constitituents, by reducing the waste volume, or by reduction the concentration of hazardous substances in the waste. The treatment technologies include chemical, thermal, and biological treatments.

Containment technologies hold waste in a manner intended to inhibit release of hazardous components into the environment or keep releases to acceptable levels. These technologies include landfills, surface impoundments, and underground injection wells. With most containment options, it is probable that releases will occur at some time.

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It is not possible at present to compare costs of treatment and disposal alternatives on the basis of comparable levels of control because:

1. Consensus is lacking about what constitutes comparable levels of control across technologies;
2. There are regulatory uncertainties in the evolving Federal program;
3. Cost data are specific to applications, locations, and wastes; and
4. Costs are changing as generators find lower cost alternatives in response to regulatory and market conditions.

An important conclusion, however, is: even though RCRA regulations will increase land disposal costs, land disposal is still likely to be the low-cost option under the current regulations for most hazardous waste. In addition, costs for treatment technologies are more sensitive to waste type than are land disposal options.

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The uncertainty of the risks, the fact that people are unable to control their own exposure to the risks, the as yet unproven ability of RCRA regulations to detect or minimize releases, and the uncertainties about effective cleanup of old waste dumps that are a legacy of past land disposal practices all contribute to a widespread belief by technical experts and the public that land disposal of many types of waste poses unacceptable risks. As with most public debates over perceived risky situations, it is not only the technical aspects of the risk that matter. In addition, public perceptions of the risk levels and their acceptability influence priorities. In the case of land disposal, the issue appears to be when and how, rather than if the use of land disposal is to be reduced.

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In 1981, a study on California waste managed offsite concluded that:

1. 75 percent of the hazardous waste disposed in landfills (classified as the most secure by the State) could be recycled, treated, or dest"oyed;
2. Almost 40 percent of all land disposed hazardous waste were highly toxic and very persistent;
3. Most of the additonal waste management capacity needed to recycle, treat, or destroy hazardous waste could be developed in less than 2 years; and
4. The additional cost of recycling, treating, or incinerating highly toxic waste would have a minimal effect on industry.

Nationally, a recent study for EPA of nine major commercial waste management companies showed that capacity utilization for incineration in recent years was about 80 percent, for chemical treatment just over 50 percent, and for recycling it was 24 percent. These data indicate that available capacity for offsite management of wastes is not a barrier to shifting management choices away from land disposal.

Even more technological alternatives to traditional land disposal could be developed in the years ahead. Only about 10 percent of EPA's current R&D efforts for hazardous waste are devoted to alternatives to land disposal. Emerging thermal, physical, and chemical treatment technologies are at a point where they could substantially benefit from more R&D support. Certain physical/chemical processes now being developed offer unusual benefits with regard to preventing emissions of hazardous constituents, providing resource recovery, and reducing toxicity.

Of course, the use of taxes on hazardous wastes as economic incentives to develop safer alternatives to current practices will increase the costs of transporting, storing, and disposing of hazardous wastes. But a substantial ounce of prevention can avoid a far greater pound of cure. To quote the OTA report one final time:

[G]reater use of alternatives to land disposal—treatment, recycling, and especially more investment in waste reduction—could increase industry's near-term costs significantly, perhaps by as much as 50 to 100 percent. But years or decades from now, cleaning up a site from which there are hazardous releases, and compensating victims, might cost 10 to 100 times the additional costs incurred today to prevent releases of hazardous materials.

For example, in the case of Love Canal, it has been estimated that disposal of the waste dumped there decades ago—according to the standards and practices of today—would have cost $2 million (in 1979 dollars)* versus $36 million for remedial action already spent through 1980. Ultimate costs for remedial action are expected to exceed $100 million; in addition about $2 billion in lawsuits have been filed by persons claiming damages.

EPA estimates that the average cost of disposing of hazardous waste in compliance with the new RCRA regulations is about $90 per tonne. The EPA estimate of the cost of cleaning up improperly dumped waste is up to about $2,000 per tonne. In addition, much of the burden of future costs would likely fall on the general public. Costs incurred today by improved management of hazardous waste would be borne, more equitably, by waste generators and by consumers of "hazardous waste-intensive" products.

Besides expanding and reauthorizing the Superfund program, our legislation will help end the shortage of funds for State hazardous waste programs—a shortage that has been a major obstacle to sound management and cleanup of hazardous wastes. RCRA authorizes EPA to make grants to States for hazardous waste management programs, but this administration has undertaken a deliberate program to reduce and eventually eliminate funding of such grant programs. But it is in the national interest to have States carrying out hazardous waste management programs, since many States regulate substantial quantities of hazardous wastes which EPA has exempted from Federal regulation. State programs therefore hold more promise than the current Federal program, at least under this administration, to avoid future contamination of the environment from hazardous wastes.

To provide a stable source of funds for State programs, the legislation we are introducing today would set aside up to 10 percent of the Superfund for grants to States operating hazardous waste management and cleanup programs.

Finally, our legislation will establish new safeguards to prevent misuse of the Superfund account. The initial audit of Superfund expenditures by EPA's Inspector General—the only audit mandated by the current law—concluded that fully one-third of the Superfund expenditures made so far have been for routine EPA activities, not the cleanup for which the program is exclusively earmarked. To prevent a repetition of this, the bill would require the Inspector General at the EPA to conduct an annual audit of Superfund expenditures to insure the fund is used only for the costs incurred in cleaning up hazardous waste sites. If, on the basis of this report, it is determined that funds have been used by departments and programs

not associated with Superfund, the Secretary of the Treasury is authorized to transfer funds from the department to reimburse the Superfund account.

Mr. President, the Congress should move promptly and effectively to revamp our national programs for cleaning up hazardous waste sites and preventing new contamination of our environment by hazardous wastes. Prompt passage of the Hazardous Substances Response Act of 1983 would accomplish that purpose.

I ask unanimous consent to have reprinted at this point in the RECORD a section-by-section summary of the bill, a table indicating the taxes that would be imposed on hazardous wastes, and the text of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 860

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Hazardous Substances Response Act of 1983".

TITLE I—HAZARDOUS WASTE RESPONSE REVENUE

AMENDMENT OF INTERNAL REVENUE CODE

SEC. 101. Unless otherwise expressly provided, a reference in this title to a section or other provision of law shall be a reference to a section or other provision of the Internal Revenue Code of 1954.

TAX ON GENERATION OF HAZARDOUS WASTES

SEC. 102. Chapter 38 of Subtitle D is amended by inserting after Subchapter B the following new subchapter:

"Subchapter C—Tax on Generation of Hazardous Wastes

"Sec. 4671. Imposition of Tax.
"Sec. 4672. Classification of Hazardous Wastes.
"Sec. 4673. Reporting.
"Sec. 4674. Definitions.

"SEC. 4671. IMPOSITION OF TAXES.

"(a) GENERAL RULES.—There are hereby imposed taxes on the generation of hazardous wastes that after the effective date of this section are transported, disposed of, or placed in storage for a period of more than one year.

"(b) AMOUNT OF TAXES.—The amount of taxes imposed by subsection (a) shall be—

"(1) through September 30, 1990—

"(A) $100 per ton, in the case of extremely hazardous wastes disposed of other than in a new hazardous waste disposal facility;

"(B) $75 per ton, in the case of extremely hazardous wastes disposed of in a new hazardous waste disposal facility;

"(C) $50 per ton, in the case of extremely hazardous wastes placed in storage for a period of more than one year;

"(D) $50 per ton, in the case of highly hazardous wastes disposed of other than in a new hazardous waste disposal facility;

"(E) $30 per ton, in the case of highly hazardous wastes disposed of in a new hazardous waste disposal facility (other than in a double-lined surface impoundment);

"(F) $20 per ton, in the case of highly hazardous wastes disposed of in a double-lined surface impoundment or placed in storage for a period of more than one year;

"(G) $12.50 per ton, in the case of non-toxic hazardous wastes disposed of other than in a new hazardous waste disposal facility;

"(H) $10 per ton, in the case of non-toxic hazardous wastes disposed of in a new hazardous waste disposal facility or placed in storage for a period of more than one year;

"(I) $5 per ton per 100 miles in the case of extremely hazardous wastes being transported;

"(J) $2.50 per ton per 100 miles, in the case of highly hazardous wastes being transported; and

"(K) $0.50 per ton per 100 miles, in the case of non-toxic hazardous wastes being transported; and

"(2) from October 1, 1990, through September 30, 1995, twice the amounts specified in paragraph (1).

"(c) PERSONS LIABLE FOR TAX.—The taxes imposed by this section shall be paid by the generator of the hazardous wastes, whether or not such generator is in physical control of such hazardous wastes at the time of the transportation, disposal, or storage of the hazardous wastes. A generator of hazardous wastes subject to taxation under this section shall be responsible for retaining accurate and current information on the transportation, disposal, and storage of all such hazardous wastes.

"(d) SUCCESSIVE TAXATION.—The taxes imposed by this section shall be assessed with respect to every taxable transportation, storage, or disposal of hazardous wastes, whether or not taxes have previously been imposed under this section with respect to the same quantity of hazardous wastes.

"(e) FRACTIONAL PART OF TON.—In the case of a fraction of a ton, the tax imposed by this section shall be the same fraction of the amount of such tax imposed on a whole ton.

"(f) FRACTIONAL PART OF DISTANCE.—In the case of hazardous waste being transported a fraction of 100 miles, the tax imposed by this section shall be the same fraction of the amount of such tax imposed on hazardous waste being transported 100 miles.

"(g) TERMINATION.—The taxes imposed by this section shall not apply after September 30, 1995.

"SEC. 4672. CLASSIFICATION OF HAZARDOUS WASTES.

"(a) GENERAL RULES.—Before July 31, 1985, the Administrator of the Environmental Protection Agency (hereinafter referred to as 'the Administrator') shall give notice to the Secretary of, and shall publish in the Federal Register, a classification of all listed hazardous wastes and residues of such hazardous wastes as extremely hazardous waste, highly hazardous waste, or non-toxic hazardous waste. In the case of any substance which the Administrator lists as a hazardous waste after July 31, 1985, the Administrator shall simultaneously with such listing give notice to the Secretary of, and publish in the Federal Register, a classification of such hazardous waste and all residues of such hazardous waste as extremely hazardous waste, highly hazardous waste, or non-toxic hazardous waste. Such classifications shall be made after public notice and opportunity for hearing, and shall be based on the following criteria:

"(1) EXTREMELY HAZARDOUS WASTES.—Extremely hazardous wastes shall be hazardous wastes and residues of hazardous wastes that may reasonably be anticipated to cause adverse effects on public health or on the environment if disposed of without prior treatment;

"(2) HIGHLY HAZARDOUS WASTES.—Highly hazardous wastes shall be hazardous wastes and residues of hazardous wastes that are neither extremely hazardous wastes nor non-toxic hazardous wastes; and

"(3) NONTOXIC HAZARDOUS WASTES.—Non-toxic hazardous wastes shall be—

"(A) hazardous wastes that were listed as hazardous wastes because of characteristics other than toxicity, and

"(B) residues of hazardous wastes that the Administrator determines, on the basis of information available to him, do not have toxicity such as to warrant being listed as hazardous wastes.

"(b) ALL HAZARDOUS WASTES CLASSIFIED.—All hazardous wastes, and all known residues of hazardous wastes, shall be classified as either extremely hazardous wastes, highly hazardous wastes, or non-toxic hazardous wastes. Any hazardous waste, or any residue of a hazardous waste, not otherwise classified by the Administrator shall be considered to be highly hazardous waste.

"SEC. 4673. RECORDS, STATEMENTS, AND RETURNS.

"Every person who generates, transports, treats, disposes of, or stores hazardous wastes and residues of hazardous wastes subject to taxation under this Subchapter shall keep such records, render such statements, make such returns, and comply with such rules and regulations as the Secretary may prescribe to ensure proper assessment, payment, and collection of the taxes imposed by section 4671, including, if the Secretary deems necessary, rules and regulations requiring persons who transport, treat, dispose of, or store hazardous wastes to inform the generator of such wastes of the actions referred to in section 4671. Whenever it is in the judgment of the Secretary necessary, the Secretary may require any person involved in the generation, transportation, treatment, disposal, or storage of hazardous wastes by notice served upon such person or by regulations, to make such returns, render such statements, or keep such records, as the Secretary deems sufficient to show whether or not that person or any other person is liable for tax under this Subchapter. The Secretary shall consult with the Administrator of the Environmental Protection Agency to ensure that records, statements, and returns required to be kept, rendered, and made under this section shall be consistent, to the extent possible, with the reports required to be submitted to the Administrator under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

"SEC. 4672. DEFINITIONS.

"For the purposes of this subchapter—

"(1) DISPOSAL, DISPOSED.—The terms 'disposal' and 'disposed' shall have the meaning given to the term 'disposal' by paragraph (30) of section 1002 of the Solid Waste Disposal Act, except that the placement of hazardous wastes in a surface impoundment or in a waste pile and the land treatment of hazardous wastes (as such terms are defined in regulations promulgated by the Administrator of the Environmental Protection Agency under that Act) shall be considered to be disposal for the purposes of this subchapter whether or not such action would constitute disposal for the purposes of that Act;

"(2) DOUBLE-LINED SURFACE IMPOUNDMENT.—The term 'double-lined surface impoundment' shall have the meaning given to that term by regulations promulgated by the Administrator of the Environmental Protection Agency under the Solid Waste Disposal Act (40 C.F.R. 264.222);

"(3) GENERATOR.—The term 'generator' shall mean any person whose act or process produces hazardous waste, or whose act first causes a hazardous waste to be subject to regulation under the Solid Waste Disposal Act, except that such term shall not include a Federal, State, or local government agency whose act causes a hazardous waste to be subject to regulation under the Solid Waste Disposal Act solely by reason of removal (as defined in paragraph (23) of section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980) of such waste;

"(4) HAZARDOUS WASTE.—The term 'hazardous waste' shall mean any substance listed as a hazardous waste under section 3001 of the Solid Waste Disposal Act; except that such term shall not include any such substance produced by a person whose hazardous wastes are not subject to regulation under section 3002 of the Solid Waste Disposal Act because such person generates only small quantities of hazardous wastes;

"(5) NEW HAZARDOUS WASTE DISPOSAL FACILITY.—The term 'new hazardous waste disposal facility' shall mean a facility for the disposal of hazardous waste (or portion thereof) that—

"(A) is subject to all standards established under section 3004 of the Solid Waste Disposal Act for such facilities, including such standards applying to portions of such facilities other than existing portions of such facilities; or

"(B) if not subject to all standards referred to in paragraph (A), has been certified by the Administrator of the Environmental Protection Agency as complying, for the purposes of this subchapter, with all such standards;

"(6) PERSON.—The term 'person' shall have the meaning given to such term by paragraph (15) of section 1004 of the Solid Waste Disposal Act;

"(7) RESIDUES.—The term 'residues' shall mean all materials remaining after treatment of hazardous wastes or remaining after resource conservation or resource recovery of hazardous wastes;

"(8) RESOURCE CONSERVATION.—The term 'resource conservation' shall have the meaning given to that term in paragraph (21) of Section 1004 of the Solid Waste Disposal Act;

"(9) RESOURCE RECOVERY.—The term 'resource recovery' shall have the meaning given to that term in paragraph (22) of section 1004 of the Solid Waste Disposal Act;

"(10) STORAGE.—The term 'storage' shall have the meaning given to that term by paragraph (33) of section 1004 of the Solid Waste Disposal Act;

"(11) TON.—The term 'ton' shall mean 2,000 pounds, except that in the case of a hazardous waste that is a gas, such term shall mean the amount of such gas in cubic feet that is the equivalent of 2,000 pounds on a molecular weight basis;

"(12) TRANSPORTED.—The term 'transported' shall mean moved by air, rail, highway, or water by a transporter and in a manner subject to regulation under the Solid Waste Disposal Act; and

"(13) TREATMENT.—The term 'treatment' shall have the meaning given to that term by paragraph (34) of section 1004 of the Solid Waste Disposal Act.".

CONFORMING AMENDMENTS

SEC. 103. (a) Subchapter C of Chapter 38 of Subtitle D is amended by amending the title thereof to read:

"Subchapter D—Tax on Disposal of Hazardous Wastes".

(b) The table of subchapters for Chapter 38 of Subtitle D is amended by striking out the entry regarding Subchapter C and inserting in lieu thereof the following:

"Subchapter C—Tax on Generation of Hazardous Wastes.

"Subchapter D—Tax on Disposal of Hazardous Wastes.".

SEC. 104. The amendments made by this title shall take effect on October 1, 1985.

TITLE II—HAZARDOUS SUBSTANCES RESPONSE TRUST FUND

AMENDMENT OF COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT

SEC. 201. Unless otherwise expressly provided, a reference in this title to a section or other provision of law shall be a reference to a section or other provision of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

AUDITS BY INSPECTOR GENERAL

SEC. 202. (a) Section 111(k) is amended by striking the second and third sentences thereof and inserting in lieu thereof the following: "Each such Inspector General shall submit to the President and to the Congress an annual report on such auditing of the Fund, and shall specifically identify in such report any improper payments, obligations, reimbursements, or other uses of the Fund, including any payments from the Fund for any administrative costs or expenses incurred by such department or agency that are not reasonably necessary for and incidental to the implementation of this title."

(b) Title I is amended by inserting at the end thereof the following new section:

"REIMBURSEMENT FOR IMPROPER EXPENDITURES

"SEC. 116. If, on the basis of a report submitted to him by an Inspector General under section 111(k) or any other information available to him, the President determines that any department or agency to which responsibility is delegated to obligate money in the Fund has made expenditures from the Fund for administrative costs or expenses that are not reasonably necessary for and incidental to the implementation of this title, the President shall direct the Secretary of the Treasury to transfer, and the Secretary of the Treasury shall transfer, a sum of money equal to such expenditures, from the account for the current fiscal year from which such expenditures should have been drawn (as if made in the current fiscal year), to the Fund.".

(c) Section 221(b)(1) is amended—

(1) in subparagraph (D) by striking out "and"; and

(2) by inserting before the period at the end thereof a comma and the following:

"and

"(F) any amounts transferred under section 116".

AUTHORIZATION FOR APPROPRIATIONS

SEC. 203. Section 221(b) is amended—

(a) in subsection (1)(A) by striking "section 4611 or 4661" and inserting in lieu thereof "sections 4611, 4661, and 4671";

(b) in subsection (2)(D) by strik'ng "and"; and

(c) in subsection (2) by inserting before the period at the end thereof a comma and the following:

"(F) 1986, $190,000,000, plus an amount equal to so much of the amount authorized to be appropriated under subparagraph (E) as has not been appropriated before October 1, 1985,

"(G) 1987, $190,000,000, plus an amount equal to so much of the amount authorized to be appropriated under subparagraph (F) as has not been appropriated before October 1, 1986,

"(H) 1988, $190,000,000 plus an amount equal to so much of the amount authorized to be appropriated under subparagraph (G) as has not been appropriated before October 1, 1988,

"(I) 1989, $190,000,000 plus an amount equal to so much of the amount authorized to be appropriated under subparagraph (H) as has not been appropriated before October 1, 1988,

"(J) 1990, $190,000,000 plus an amount equal to so much of the amount authorized to be appropriated under subparagraph (I) as has not been appropriated before October 1, 1989,

"(K) 1991, $190,000,000 plus an amount equal to so much of the amount authorized to be appropriated under subparagraph (J) as has not been appropriated before October 1, 1990,

"(L) 1992, $190,000,000 plus an amount equal to so much of the amount authorized to be appropriated under subparagraph (K) as has not been appropriated before October 1, 1991,

"(M) 1993, $190,000,000 plus an amount equal to so much of the amount authorized to be appropriated under subparagraph (L) as has not been appropriated before October 1, 1992,

"(N) 1994, $190,000,000 plus an amount equal to so much of the amount authorized to be appropriated under subparagraph (M) as has not been appropriated before October 1, 1993, and

"(O) 1995, $190,000,000 plus an amount equal to so much of the amount authorized to be appropriated under subparagraph (N) as has not been appropriated before October 1, 1994.".

GRANTS TO STATES

SEC. 204. (a) Section 111 is amended—

(1) in subsection (a)(3) by striking out "and" at the end thereof;

(2) by inserting before the period at the end of the first sentence of subsection (a) a semicolon and the following:

"and

"(5) grants to states under section 224".

(3) in subsection (e)(2) by inserting "other than money granted to States under section 224" after "Act".

(b) Section 221 is amended—

(1) in subsection (c)(1) by inserting "grants to States under section 224 and" after "making"; and

(2) in subsection (e)(2) by inserting "other than money granted to States under section 224" after "and (2)".

(c) Subtitle B of Title II is amended by inserting at the end thereof the following new section:

"SEC. 224. GRANTS TO STATES.

"(a) IN GENERAL.—The President may make grants to States to cover all or a portion of the costs of establishing and implementing authorized State hazardous waste programs, in accordance with the provisions of section 3011 of the Solid Waste Disposal Act (42 U.S.C. 6931) (other than the limitation on funds authorized to be appropriated under that section) and of establishing and implementing State programs to perform the types of activities described in section 111 (other than subsection (j) thereof) with

regard to releases or threats of releases of hazardous substances in the environment.

"(b) LIMITATIONS ON EXPENDITURES.—No more than 10 percent of the amount of funds transferred to the Fund in a fiscal year may be granted to States under subsection (a) in that fiscal year. No more than 10 percent of the funds available for grants to States in any one fiscal year may be granted for programs in any one State in that fiscal year. No one of the several States or the District of Columbia that receives grants under subsection (a) in a fiscal year shall receive less than one-half of one percent of the total amount of funds granted to States in that fiscal year.

"(c) DELEGATION OF AUTHORITY.—The President is authorized to designate a Federal official to implement the responsibilities given to the President by this section.".

THE HAZARDOUS WASTE RESPONSE ACT OF 1983

SECTION-BY-SECTION SUMMARY

The short title of the bill is "the Hazardous Waste Response Act of 1983".

TITLE I

Title I amends the Internal Revenue Code to establish new taxes to generate revenue earmarked for the Hazardous Waste Response Trust Fund (the "Superfund").

Section 101 includes technical amendments.

Section 102 imposes taxes on the generation of hazardous wastes that are transported, disposed of, or placed in storage for more than one year.

The amounts of the taxes vary depending on the degree of hazard of the hazardous waste and the degree of hazard in how they are transported, disposed of, or stored. The taxes will double on October 1, 1990. The tax rates are shown on the attached chart.

The taxes are anticipated to raise approximately $13.3 billion over the ten year period in which they would be in effect.

Section 103 includes conforming amendments.

Section 104 specifies that the taxes imposed by section 102 shall take effect on October 1, 1985. This is the expiration date of the current "Superfund" taxes on petroleum and chemical feedstocks.

TITLE II

Title II amends the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (the Superfund law).

Section 201 includes a technical amendment.

Section 202 requires the Inspector General of EPA to make an annual audit of expenditures from the Superfund. If the audit shows that Superfund money was expended for other EPA activities, the President shall direct the Secretary of the Treasury to reimburse the Superfund from the account from which the expenditures should have been made. (The current law requires only one initial audit after the program is established. That first audit showed that about one-third of the initial expenditures from the Superfund were for other EPA activities.)

Section 203 authorizes appropriations of $190 million per year for each of the ten fiscal years 1986 through 1995. (This level of appropriation would maintain the current 12.5 percent Federal financing of the Superfund, based on an assumption of $13.3 billion being raised by the new taxes on hazardous wastes.)

Section 204 authorizes the Environmental Protection Agency to make grants to states to cover the costs of programs to regulate and clean up hazardous wastes. The amount granted in any fiscal year could not exceed 10 percent of the amount of new revenue placed in the Superfund in that year.

AMOUNT OF TAXES ON GENERATORS OF HAZARDOUS WASTES

	Extremely hazardous wastes and residues		Highly hazardous wastes and residues		Nontoxic hazardous wastes and residues	
	1985–90	1990–95	1985–90	1990–95	1985–90	1990–95
Disposition:						
Transportation (per 100 miles)	$5	$10	$2.50	$5	$0.50	$1
Storage	50	100	20.00	40	10.00	20
Disposal in new double-lined surface impoundment	75	150	20.00	40	10.00	20
Disposal in other new facility	75	150	30.00	60	10.00	20
Other disposal	100	200	50.00	100	12.50	25

●

● Mr. GORTON. Mr. President, I join the distinguished Senator from Colorado and my other colleagues in cosponsoring this bill. Senator CHAFEE at the time he introduced S. 757 on March 10 of this year stated the problem well, he said:

[A]s an industrial, technical society, we manufacture products through processes which produce byproducts and wastes which may pose a threat to public health and the environment. Unless we safely handle or dispose of these waste products we threaten the society which supports the sales and use of the primary products. Our choice is to stop manufacture or to control the disposal of these wastes in a manner that is protective of both public health and the environment.

Not only must we continue to work to develop a program that effectively minimizes the risks of hazardous wastes, but we must do so in a way that enhances the public's confidence in the effectiveness of the methods of treatment, transportation, storage, and disposal which we choose for such hazardous wastes. In this regard, it is the best interests of industry to cooperate with the Congress in our continuing efforts to develop a comprehensive response to the hazardous waste problem; one which will appropriately distribute the costs of clean-up, will insure prompt clean-up of both controlled and uncontrolled sites, will encourage innovation in techniques to treat and recycle wastes, will discourage "dumping" and will restore the public's confidence. Mr. President, we are rapidly approaching the day when it will be nearly impossible to site new hazardous wastes facilities. Indeed, we may have reached that day. Public opposition to disposal facilities can only be reduced by a comprehensive program of economic incentives, appropriate regulatory standards and funds sufficient to afford speedy clean-up and compensation for innocent victims.

The proposal which is introduced today responds to one of the suggestions contained in the report issued Wednesday by the Office of Technology Assistance. It is one of several options which OTA suggested could be adopted as a package or independently. It is intended to provide economic incentives to generators to treat or recycle hazardous wastes and for those which are disposed of, it will encourage their disposal in sites which are best able to prevent any risk of health or safety problems.

Certainly, there will be changes made in this bill if and when it is considered by the Senate. I do not purport to know whether the level of fees currently contained in the bill is appropriate in every case. Moreover, I am deeply concerned that this strategy be designed in a way to minimize and discourage illegal dumping. But I do believe that this proposal is an appropriate point at which to start our discussions. The Superfund will not be sufficient to answer all the needs of the Nation. The progress of EPA to date has been disappointing at best. Clearly, changes are needed in the structure of our approach, in addition to the need for additional funds with which to accomplish the cleanup of the Nation's hazardous waste sites.

Mr. President, Washington State has 10 hazardous waste sites on EPA's priority list of 418 sites. Those sites must be cleaned up. Unfortunately, I do not think that the laws as currently written and enforced are equal to the task. I am joining the Senator from Colorado in sponsoring this bill because I intend to be a part of any discussion regarding how we can reduce the anxiety of the American people and provide incentives to industry to aid us in that endeavor. I commend Senator HART for his efforts in this vital area of concern.●

● Mr. MOYNIHAN. Mr. President, I rise today to join my distinguished colleague from Colorado, Mr. HART, in introducing legislation to extend and expand the financing title of the Superfund law—the Comprehensive Environmental Response, Compensation and Liability Act of 1980—Public Law 96-510—for the cleanup of hazardous waste sites. Title II of the current law, which authorizes the tax on crude oil and chemical feedstocks that finance seven-eighths of the Superfund trust fund, expires on September 30, 1985. As an original cosponsor of the 1980 Superfund legislation, and as a member of the Senate Finance Committee responsible for drafting the law's tax title, I know that there is a need to extend and expand the tax provisions. It is not a question of whether the tax should be reauthorized but rather it is a question of in what form.

As of December 1982, the U.S. Environmental Protection Agency (EPA) had identified the 418 worst hazardous waste sites in the Nation. By EPA's own estimate, however, the current

$1.6 billion trust fund only will provide for the Superfund-financed cleanup of 170 sites. In a report issued Wednesday, the Office of Technology Assessment (OTA) indicates that between $10 billion and $40 billion will be needed to clean up some 15,000 uncontrolled waste sites around the country. When the current Superfund tax expires in 1985, there will be much work left to do. May I say by way of example that in New York there are 26 sites on the EPA's proposed Superfund cleanup list but to date only 3 have been funded.

This bill proposes a new tax to continue support of the Superfund beyond 1985. The new tax would begin in 1986 and is expected to raise some $13 billion over the 10 years it will remain in effect. It will be levied on generators of hazardous wastes who transport, dispose of, or store hazardous wastes for more than 1 year. The amount of the tax will vary depending on the degree of hazards attached to the waste itself and the degree of hazard associated with its method of disposal.

The bill would implement one of the policy options contained in the Office of Technology Assessment's just-completed hazardous waste study, entitled "Technologies and Management Strategies for Hazardous Waste Control." The OTA study proposes a levy of "[F]ederal fees on waste generators to support Superfund and to provide an economic incentive to reduce the generation of waste." Our bill would do just that by shifting from the current tax on chemical feedstocks to a tax on the transportation, storage, and disposal of the end product, the actual hazardous wastes. By varying the tax to incorporate the degree of hazardous concept we are also trying to encourage currently preferred, safer means of disposal.

In addition our bill addresses another serious concern raised in the OTA study. The OTA has found that "[F]inancial restraints and lack of technical resources will make it difficult for States to fulfill their increased responsibility for waste management policy." In an effort to mitigate this problem we have included a provision in the legislation that would set aside up to 10 percent of the annual Superfund trust fund revenues to be used to make grants to the States to cover the costs of their programs for regulating and cleaning up hazardous wastes.

Mr. President, I believe the approach we have taken in this bill is eminently sensible and I urge my colleagues to join in cosponsoring this most important measure.

I ask unanimous consent that both a summary of the Office of Technology Assessment's study, "Technologies and Management Strategies for Hazardous Waste Control," and a most informative article on the issue of hazardous waste management written by Philip M. Boffey that appeared in Wednesday's New York Times be printed in the RECORD in full. I urge my colleagues to read each.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TECHNOLOGIES AND MANAGEMENT STRATEGIES FOR HAZARDOUS WASTE CONTROL

The Environmental Protection Agency's (EPA) regulations do not assure consistent nationwide levels of protection for human health from the potential effects of massive annual accumulations of hazardous waste.

These regulations for hazardous waste management do not effectively detect, prevent, or control the release of toxic substances into the environment, particularly over the longer term. Yet every year 1 metric ton (tonne) of hazardous waste is added to the environment for every individual in the Nation. Moreover, financial restraints and lack of technical resources will make it difficult for States to fulfill their increased responsibility for waste management policy.

Industry and government are spending $4 billion to $5 billion annually to manage the approximately 250 million tonnes of regulated hazardous waste generated each year. The annual costs are expected to rise to more than $12 billion (in 1981 dollars) in 1990. Some States have stricter definitions for hazardous waste than the Federal program, which regulates about 40 million tonnes annually.

As their responsibilities mount, States fear reductions in Federal support and seek a stronger policy role. States sometimes cannot raise even the required minimum 10 percent of initial Superfund cleanup costs—and they must assume all future operation and maintenance costs.

Because there are no specific Federal technical standards for determining the extent of Superfund cleanup, and because there is an incentive under EPA rules to minimize initial costs, remedial actions may be taken that will prove ineffective in the long term. Much of the $10 billion to $40 billion which will be needed for cleaning up the 15,000 uncontrolled sites of previous disposals so far identified may be wasted. When Superfund expires in 1985, many uncontrolled sites still will require attention. It is estimated that only $1.6 billion will be collected under Superfund by 1985 for cleanup of these sites.

Inappropriate disposal of hazardous waste on land creates the risk of contaminating the environment, including ground water, which could cause adverse health effects and for which cleanup actions are costly and difficult. As much as 80 percent of regulated hazardous waste—some of which may remain hazardous for years or centuries—is disposed of in or on the land.

In addition, millions of tonnes of federally unregulated or exempted hazardous wastes are disposed of in sanitary landfills (meant for ordinary solid wastes) and pose substantial risks. Such exemptions cover all types of hazardous wastes from generators producing less than 1 tonne a month, and other types of waste, such as infectious waste.

Current policies are likely to lead to the creation of still more uncontrolled sites which will require Superfund attention. The unregulated burning of wastes as fuel supplements in home and industrial boilers may result in toxic air pollutants.

Greater use of alternatives to land disposal could increase industry's near-term costs significantly. However, years or decades from now, cleaning up a site and compensating victims might cost 10 to 100 times today's costs of preventing releases of hazardous wastes.

Federal policies may reduce industry's costs of land disposal by shifting some long-term cleanup and monitoring costs to government or to society as a whole. The effect may be to retard the adoption by industry of alternatives such as waste reduction and waste treatment.

A key policy issue is: Can unnecessary risks and future cleanup costs be eliminated by limiting the use of land disposal, and by making alternatives to it more attractive?

The Federal regulatory program for hazardous waste management was established by the 1976 Resource Conservation and Recovery Act (RCRA), primarily concerned with the proper management and permitting of present and future wastes; and the Comprehensive Environmental, Response, Compensation, and Liability Act of 1980 (CERCLA), or Superfund, enacted to deal with the many substantiated and potential hazards posed by old and often abandoned uncontrolled hazardous waste sites. The OTA study supports the need for greater integration by EPA of these two programs.

POLICY OPTIONS

OTA has identified four policy options—beyond maintaining the current Federal program—which could form the basis for an immediate and comprehensive approach to protecting human health and the environment from the dangers posed by mismanagement of hazardous waste:

1. Extend Federal controls to more hazardous wastes, and establish national regulatory standards based on specific technical criteria. Also restrict disposal of high-hazard wastes on land and improve procedures for permitting facilities and deregulating wastes.

2. Establish Federal fees on waste generators to support Superfund and to provide an economic incentive to reduce the generation of waste and discourage land disposal of wastes; impose higher fees on generators of high-hazard wastes that are land disposed; provide assistance for captial investments and research and development for new waste reduction and treatment efforts.

3. Study the costs and advantages of classifying wastes and waste management facilities by degree of hazard to match hazards and risks with levels of regulatory control.

4. Examine the need for greater integration of Federal environmental programs to remove gaps, overlaps, and inconsistencies in the regulation of hazardous waste, and to make better use of technical data and personnel.

KEY ISSUES AND FINDINGS

Current monitoring practices and EPA requirements under RCRA—especially for land disposal sites—do not lead to a high level of confidence that hazardous releases will be detected and responsive action quickly taken.

There are numerous technically feasible management options for hazardous wastes, but they are not being used to their full potential. On the whole, Federal programs indirectly provide more incentive for land disposal than for treatment alternatives that permanently remove risks, or for waste reduction although technologies are available to reduce waste.

States are being given increasing responsibility by EPA without matching technical and financial resources. A lack of State funds often prevents Superfund cleanups. A Federal fee system on waste generators could also be used to support State programs. EPA should make better use of State data and expertise.

Actions that enhance public confidence in the equity, effectiveness, and vigorous enforcement of government programs may reduce public opposition to siting hazardous waste facilities. Opposition may also be reduced by improvement in the dissemination of accurate technical information on issues such as waste treatment alternatives to land disposal.

EPA's risk assessment procedures for selecting Superfund sites and for developing RCRA regulations have serious technical inadequacies that weaken protection of the public.

Data inadequacies conceal the scope and complexity of the Nation's hazardous waste problems and impede effective control. There is a need for a long-term, systematic EPA plan for obtaining more complete, reliable data on hazardous waste, facilities, sites, and exposure to and effects from releases of harmful substances.

Wastes can be classified into at least three categories of hazard and, combined with facility classes, might form a technical base for Federal regulatory policies.

[From the New York Times, Mar. 16, 1983]

EXPERTS SHOWING CONCERN ON SAFETY OF BURYING TOXIC WASTE IN LANDFILLS

(By Philip M. Boffey)

WASHINGTON, March 15.—Burying hazardous wastes on land, by far the most common method of disposal in this country, may be the least safe practice in the long run, according to an emerging consensus of expert opinion.

This judgment applies not only to past practices, which virtually everyone agrees were sloppy and dangerous, but also to some of the most advanced techniques required under the tougher laws of recent years.

Nobody doubts that the United States has made progress in coping with the flood of wastes generated by the world's leading industrial society. New laws have been passed; industrial polluters, frightened at the prospect of enormous liability suits, are scrambling to find safer ways to dispose of toxic byproducts, and a vast new waste disposal industry has sprung up to receive and get rid of the toxic residue of American industry.

BILLIONS SPENT EACH YEAR

Billions of dollars a year is spent by industry and government to manage a pile of hazardous waste that is growing by hundreds of millions of metric tons annually.

But the vast bulk of that waste, as much as 80 percent by some counts, continues to be placed in hundreds of landfills scattered around the nation. That, according to an increasing number of experts, may be a tragic mistake in the long run.

Even the most advanced current landfills will eventually leak, all experts agree, so their toxic contents will sooner or later begin to ooze into underground waterways or the surface environment. The landfills are designed to be monitored for decades, but their contents can remain dangerous for centuries or even, in the case of toxic metals, forever.

NOT THE WAY TO GO

"The use of secure landfills is not the way to go," said Samuel S. Epstein, a professor of environmental medicine at the University of Illinois Medical Center in Chicago, who is the author of a newly published book on hazardous waste in America.

"They're not really secure," he said. "In fact, they're impractical and unsafe unless you're prepared to spend overwhelming amounts of money to produce hermetically sealed underground caskets with linings that will resist degradation for as long as the chemicals last."

The chief reason for the popularity of landfills is their low immediate cost in relation to incineration and many other alternative disposal methods. But critics contend that if the toxic dumpers were forced to assume full liability for cleaning up any future leaks and providing medical care for any future victims, the cost advantage of landfills would disappear.

"The moment you start taxing hazardous wastes to reflect external costs and start creating the right mix of economic incentives and regulation, you'll encourage a move to other alternatives and to less use of toxic chemicals," Dr. Epstein said in a telephone interview. "Any country that can put a man on the moon can solve this problem. It's not pie in the sky. We can easily cope with this problem and still function without perturbation as a highly industrialized society."

There are sharp disputes over whether the leakage that will inevitably occur at landfill sites would be truly hazardous or a minor risk of little concern. The Federal Environmental Protection Agency and leaders in industry contend that the risk posed by leaking is often not great enough to warrant spending large sums to destroy or recycle the chemicals. Nevertheless, experts on all sides of the debate agree that land disposal should be further curtailed and that alternative technologies should be brought into greater use. They disagree only on the extent and rate of change needed.

The National Governors Association recently approved a resolution that the Federal Environmental Protection agency "should be required to develop regulations phasing out the burial of hazardous wastes where alternative treatment technologies are reasonably available."

"The land disposal of wastes which are highly toxic or persistent should be immediately prohibited," it said.

EXPERTS DEPICT ALTERNATIVES

Virtually all experts agree that there are alternatives, many of them already in hand, that can be used to replace or supplement land burial in many cases. These are some of the options:

Changing industrial processes so as to reduce the generation of waste.

Recovery and recycling of waste materials for use in other products.

Incineration, on land or at sea.

Physical, chemical and biological treatments to reduce the volume or toxicity of the waste.

Injection into deep wells.

Dumping in deep ocean water under some circumstances.

Interim storage in surface tanks while further research is conducted to find the best possible treatments.

Banning any product or process that produces wastes that cannot be handled safely by any means at all.

CALIFORNIA TOOK A STEP

California has already taken the lead with a policy, enunciated with Edmund G. Brown Jr. was Governor and thus far left intact, to reduce dependence on landfills and increase the use of alternative treatments. "We found that at least 70 percent or more of all hazardous wastes generated in California could be recycled, treated or destroyed without going to land disposal," Kent Stoddard, director of California's toxic waste assessment program, said in a telephone interview. "We felt there was overwhelming evidence that there is no such thing as a secure landfill."

A three-year study of the Congressional Office of Technology assessment, to be made public Wednesday, is expected to cast further doubt on land disposal. Joel S. Hirschhorn, the study's director, has testified that the "long-term effectiveness of landfilling can be seriously questioned." In an interview, he said, "Our report will substantiate people's worst fears about land disposal, though we're not as extreme as some groups that are totally against land disposal of any kind."

Hearings late last year before a House Science and Technology subcommittee, headed by Representative James H. Scheuer, Democrat of Queens, produced a parade of witnesses who argued, in varying degrees, that land burial should be reduced. At one extreme, Wiliam Sanjour, an official of the Environmental Protection Agency who is at odds with his agency's leaders, proposed no landfilling at all for hazardous wastes for which alternative treatments were certifiably available.

CHEMICAL GROUP IS AT OTHER END

At the other extreme, the Chemical Manufacturers Association, whose member companies generate much of the nation's hazardous wastes, argued that "landfilling of most hazardous wastes can be done in an environmentally sound manner." But even the chemical group acknowledged a "need to reduce dependency on landfills" and said the nation was already "headed toward a condition where landfills will be used as a last resort."

Current Environmental Protection regulations require that land burial be carried out far more carefully than in the past. The regulations require, for example, that new landfills have liners to keep the waste inside, collection systems to remove the liquid that inevitably forms, monitoring devices to detect the escape of toxic materials, and "caps" to close off the site once it is filled. The regulations also discourage burial of most, but not all, liquids and encourage burial in solid form.

The rationale behind these rules, said John P. Lehman, director of the agency's hazardous and industrial waste division, is that typical land disposal sites will be kept under close surveillance for 20 years of operation and 30 years after the cap is on, long enough to detect and correct any leaks.

But critics say even some of the best liners and landfills appear to spring leaks quickly. Kirk Brown, a professor of soil science at Texas A&M University, testified last fall that 11 out of 12 liners he tested under field conditions leaked after six months.

Peter Montague, head of a research program at Princeton University's Center for Energy and Environmental Studies, found that four supposedly "secure" and "state-of-the-art" landfills in New Jersey developed leaks in the innermost of two linings within a year after being put into service. "I think

the whole idea of secure landfills in really a figment of optimistic imaginations," he said.

ALL LEAVE SOME TOXIC RESIDUE

The available alternatives are not considered to be panaceas. All are either costly or create some environmental risks of their own, and none is applicable to every kind of waste.

Although hazardous waste is often portrayed as a staggering problem that almost defies solution, virtually all experts say it can be solved, given the will and commitment. The real problems are not technical, they say, but economic, political and social. The nation must decide how much it is willing to pay and what level of risk it will tolerate.

"There is no hazardous waste for which some sort of treatment could not be devised," Mr. Lehman of the E.P.A. said. "The issue is whether that is practical in the real world at a cost that would not drive all businesses into the ground. The issue gets to be how fast can you move away from a practice that's been with us throughout history."●

By Mr. KASTEN (for himself and Mr. FORD):

S. 861. A bill to amend the Consumer Product Safety Act (15 U.S.C. 2051 et seq.) to provide authorization of appropriation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

CONSUMER PRODUCT SAFETY COMMISSION AUTHORIZATION ACT OF 1983

● Mr. KASTEN. Mr. President, today Senator FORD and I are introducing the Consumer Product Safety Commission Authorization Act of 1983. This bill reauthorizes the Consumer Product Safety Commission for 2 years at $35 million per year.

Two years ago, we reauthorized the Consumer Product Safety Commission. At that time, the Commission was surrounded by controversy. America's business and industry was hamstrung by Commission redtape. The Commission disclosed information naming products without first checking to assure its accuracy. The Commission preferred to develop mandatory standards without attempting to work with business and industry, even when business and industry was willing to develop voluntary safety standards which would have adequately protected the American public.

Two years ago, I introduced amendments to correct the Commission's problems. Most of my amendments were passed by Congress.

This year, none of the witnesses who testified at the February 25, 1983, reauthorization hearing requested major revision of the Consumer Product Safety Act. The witnesses acceptance of the existing law suggests that the 1981 amendments have been a success. Consequently, the bill Senator FORD and I introduce today is relatively simple, and, I believe, noncontroversial.

Because of the success of the 1981 amendments, and because of the new cooperative attitude of the Commission, the bill we introduce today reauthorizes the Commission at $35 million per year for 2 years. I firmly believe that this increase in funding will permit the Commission to better assist the American consumer and will allow the Commission to carry on its important task of protecting the people from products which are found to be hazardous.

In addition our bill includes four amendments which will expedite agency procedures. The amendments will allow the Commission to disclose information to Commission contractors without requiring the Commission to first verify the accuracy of that information; to clarify that the Commission has the authority to assess penalties administratively; to relax the conflict-of-interest criteria for members of the Commission's chronic hazard advisory panels; and to remove the requirement that the Commission retain certificates of compliance for sellers of products within the jurisdiction of the Flammable Fabrics Act.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 861

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consumer Product Safety Commission Authorization Act of 1983".

DISCLOSURE TO CONTRACTORS

SEC. 2. Section 6(a)(8) of the Consumer Product Safety Act (15 U.S.C. 2055(a)(8)) is amended by striking "or employees" and inserting in lieu thereof ", employees or representatives of the Commission (including contractors)".

CIVIL PENALTIES

SEC. 3. Section 20 of the Consumer Product Safety Act (15 U.S.C. 2069) is amended—

(1) in subsection (b), by inserting "administrative proceeding or civil" immediately before "action";

(2) by redesignating subsections (c) and (d) as subsections (d) and (f), respectively;

(3) by inserting after subsection (b) the following—

"(c) In its discretion, the Commission may either assess a civil penalty for violation of section 19(a) administratively (after an opportunity for a hearing in accordance with section 554 of title 5, United States Code) or bring an action for assessment of a civil penalty in the United States District Court for the District of Columbia or for the district in which the respondent or defendant resides or has his principal place of business.";

(4) in the last sentence of subsection (d), as so redesignated by paragraph (2) of this section, by striking "such penalty" and inserting in lieu thereof "any civil penalty under this section"; and

(5) by inserting after subsection (d), as so redesignated by paragraph (2) of this section, the following:

"(e)(1) If the Commission assesses a civil penalty administratively for a violation of section 19(a), not later than 30 days after the issuance of the Commission's order making the assessment, the person adversely affected by the order may seek review solely in the Unted States Court of Appeals for the District of Columbia or for the circuit in which such person resides or has his principal place of business. The Commission's order shall not be affirmed by the court of appeals unless the order is supported by substantial evidence in the administrative record.

"(2) In a civil action by the Commission to recover a civil penalty under this section, the validity, amount and appropriateness of the penalty shall not be subject to review.".

CHRONIC HAZARD ADVISORY PANEL

SEC. 4. Section 28(b)(1) of the Consumer Product Safety Act (15 U.S.C. 2077(b)(1)) is amended by inserting "that may be the subject of the Panel's investigation" immediately after "product".

AUTHORIZATION OF APPROPRIATIONS

SEC. 5. Section 32(a) of the Consumer Product Safety Act (15 U.S.C. 2081(a)) is amended—

(1) by striking "and" at the end of paragraph (8);

(2) by striking the period at the end of paragraph (9) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following—

"(10) $35,000,000 for the fiscal year ending September 30, 1984; and

"(11) $35,000,000 for the fiscal year ending September 30, 1985.".

FLAMMABLE FABRIC GUARANTY

SEC. 6. The second sentence of section 8(a) of the Flammable Fabrics Act (15 U.S.C. 1197(a)) is amended—

(1) by inserting "or" immediately before "(2)"; and

(2) by striking all after "prescribe" the first time it appears therein through the end of such sentence, and inserting in lieu thereof a period.●

By Mr. McCLURE (for himself and Mr. SYMMS):

S. 862. A bill to amend the act of May 31, 1962 (76 Stat. 89); to the Committee on Energy and Natural Resources.

OMITTED LANDS ACT AMENDMENTS

● Mr. McCLURE. Mr. President, the bill we are introducing today seeks to provide redress for a problem with which many people from my State have been living for far too long. The problem relates to what has come to be referred to as omitted lands along the Snake River in Idaho.

The omitted lands question is an old, old one for those of us in the West. In the mid-1800's the Federal Government made its first survey of the land in question. This survey became the basis for grants to private landholders who developed farms and ranches along either side of the Snake River. They proceeded to develop the land, to fence it, build their houses and barns on the land, and to pay taxes to the local, State, and Federal Governments.

In 1920, the Federal Government first discovered that an error had been made in the original survey affecting land on both sides of the Snake River. Yet the Government was to do noth-

ing to resolve the title problems which arose for another 40 years. It then stepped in and attempted to deny the use of benefit of the land to the people who had developed it and who had every reason to believe that it was their own.

In 1962 legislation was signed into law which was intended to do equity to the landowners, at least partially in that it was intended to permit them to reacquire the land they had thought was their own through the years. That act provided that the Government should sell, at the Secretary of the Interior's discretion, lands it claimed on either side of the river at market value less the value of the improvements that had been made on the land.

Mr. President, I was not in the Congress at the time the Omitted Lands Act was passed, but I know many of us, despite our dim view of the concept of requiring these people to repurchase what they and everyone else thought they already owned, looked at that act and hoped it would at least work to set the problem to rest. Except for a few people, though, it has not worked.

In many instances, the Interior Secretary decided against selling the land for one reason or another or simply did not decide whether to sell it or not, so that many of the people along the river have not been given relief. There have been other problems in the way the act has been administered which have consumed its usefulness as a remedy. It took, Mr. President, some 15 years for the Bureau of Land Management to begin to implement the law. During that period the value of the land escalated greatly. Yet another situation of the Government winning out by sheer delay has been created.

The omitted lands question is one of a class of erroneous surveys in which the dice is loaded against the individual taxpayer because the Government can win by inaction. The Government has simply refused to do anything, and the taxpayer is left without recourse. If as a matter of fact he attempts to exercise a legal remedy to this situation the entire weight and power of the Federal Government and its armies of personnel arrayed against the taxpayer. Thus, the people who have been caught in this situation have no available solution other than our enacting additional legislation to direct the Federal Government to take the action Congress directed to be taken once already.

The original Omitted Lands Act attempted to solve the problem by saying the Government would give the people a second chance to buy the land they thought they owned. Frankly that approach has never seemed right, to me. It asked these people to pay the Government twice simply because the Government is the Government, and I think that is wrong; but it was a way of trying to solve the problem against a government that did not necessarily want to solve it.

Even after the act was passed, the Government continued to say, "well, even though it was our mistake and we probably should not own that land—even if the problem was the result of our mistake and our inaction, now that we have it we have decided we do not want to sell it." Land values have gone up to such a degree since the original law was passed that people for the most part are unable to pay the present value.

What our bill would do is simply to provide a means whereby the landowners will have the right to secure good title to their land from the Government for a price which is less than the current market value. Frankly my preference would be for a price substantially less than the current fair market value, in fact my real desire would be that title be transferred without additional compensation inasmuch as the land has indeed been paid for once already. Unfortunately though, the situation has apparently become too complicated for such a simple solution. But at the very least we should give the owners the benefit of what they could have secured the land for had the Government not been at fault in taking inordinate time to complete its own work to implement the 1962 legislation.

The bill, Mr. President, continues to allow the Secretary to use his discretion in the sale of the omitted lands. It does not, for example, mandate that lands in the ecosystem of the South Fork of the Snake River be sold. This issue, as some of my colleagues may recall, was one of the problems which was encountered in getting an earlier bill on this subject through Congress. Among other things, that bill would have removed the Secretary's discretion in making these sales. While I may object to the idea of people predominately from outside our State making decisions for us about lands within our borders, I am also anxious that this effort at resolving the problem of omitted lands to the greatest extent possible not be scuttled like the last one. Since the bill does maintain that the land is to be sold at the Secretary's discretion, the fears of those concerned about the lower Snake River ecosystem should be allayed.

Frankly, I am not particularly happy with the approach the bill takes, or with the approach taken back in 1962 for that matter. If one of the parties was not the Federal Government, under the common law there would be no question about the ownership of the land. There is indeed a question as to what was the original boundary line of the river at the time of the original survey 100 years ago; yet under any ordinary application of the law, the meander line is a description of the property, but actual ownership extends to the center of the main channel of the stream. That is common law. It applies to everybody—except the Federal Government where it has made a mistake. The Government's mistake bars the application of ordinary law to the detriment of the person who thought he had title to the land.

The extent of the mistake, though, was far greater than that the surveyor had trouble finding the stream. The site of the intersect line in the city of Idaho Falls is on a lava bluff that rises 25 feet above the water. The same thing is true in St. Anthony where a portion of the city, built on lava rock many feet above the stream, has been in private hands for years with substantial building and improvements on it, and the Federal Government now claims that. One lady who came to a public meeting I held in Rexburg this winter was literally in tears over the issue. Her problem—part of her house, her one asset—is partially on omitted lands, partially not.

This situation has gone on long enough. Without this legislation the Government would not only benefit from its initial error, but would benefit again by the appreciation in value during the period it has delayed in implementing the act passed 20 years ago. I think on examination of this issue my colleagues will agree that it is a necessary and fair attempt to resolve a grossly unfair situation. My friend and colleague in the other body, Congressman HANSEN, in whose district these lands lie has worked diligently on this problem as well, and is introducing a companion bill in the House. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 862

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of May 31, 1962 (76 Stat. 89) (hereafter called the 1962 Act) is hereby amended to read as follows:

"SEC. 2. (a) Notwithstanding the provisions of Section 1 of this Act, any citizen of the United States who, in good faith under color of title or claiming as a riparian owner, has, prior to March 30, 1961, placed valuable improvements upon, reduced to cultivation, or occupied any of the lands subject to the operation of the Act, or whose ancestors or predecessors in title have taken such action, shall, if such lands be offered for sale by the Secretary, have a preference right to purchase such lands at their fair market value as of May 31, 1967 (which shall not include any increased value resulting from the development or improvement thereof for agricultural or other purposes by the applicant or his predecessors in interest), under such rules and regulations as the Secretary may prescribe for the operation of this Act.

"(b) An applicant claiming a preference right as defined in subsection (a) of this section, shall file an application therefor with one year after the date of approval of this Act, in accordance with the regulations prescribed by the Secretary. Failure to file an application within the time specified shall conclusively constitute an abandonment of the preference right which shall then expire and cannot thereafter be reasserted, and the provisions of section 1 of this Act shall apply.

"(c) Where a survey completed after the enactment of the amendment to this section discloses the existence of omitted lands subject to the operation of this Act, any person claiming a preference right as defined in subsection (a) of this section shall file an application therefor within one year after receiving notice that the land has been found to be omitted. Failure to file an application within the time specified shall constitute an abandonment of the preference right which shall then expire and cannot thereafter be reasserted, and the provisions of section 1 of this Act shall apply.

"(d) The Secretary shall complete all sales authorized by this section within two years after receiving application therefor."

SEC. 2. Nothing in this Act or in any amendment to the 1962 Act shall be deemed to create a right or equity in any person for reimbursement for money paid for lands heretofore acquired by such person under the 1962 Act.●

By Mr. BOSCHWITZ (for himself, Mr. CHAFEE, Mr. CHILES, Mr. RUDMAN, Mr. INOUYE, Mr. DANFORTH, Mr. GORTON, Mrs. HAWKINS, Mr. ROTH, Mr. GARN, Mr. MATTINGLY, Mr. HEINZ, Mr. KASTEN, Mr. HATCH, Mr. DENTON, Mr. TOWER, Mr. GRASSLEY, Mr. JEPSEN, Mr. PERCY, Mr. DURENBERGER, Mr. SPECTER, Mr. D'AMATO, Mr. TRIBLE, Mr. ANDREWS, Mr. HEFLIN, Mr. WARNER, Mr. PRESSLER, Mr. MATSUNAGA, Mr. WILSON, Mr. BRADLEY, Mr. ABDNOR, Mr. SIMPSON, Mr. DOMENICI, Mr. DOLE, Mr. BAKER, Mr. MURKOWSKI, and Mr. LAXALT):

S. 863. A bill entitled the "Enterprise Zone Employment and Development Act of 1983"; to the Committee on Finance.

(The remarks of Mr. BOSCHWITZ and Mr. GORTON on this legislation appear earlier in today's RECORD.)

By Mr. McCLURE (by request):

S. 864. A bill to amend the Volunteers in the Parks Act of 1969, and for other purposes; to the Committee on Energy and Natural Resources.

AMENDMENT OF VOLUNTEERS IN THE PARKS ACT

● Mr. McCLURE. Mr. President, at the request of the administration, I send to the desk for appropriate reference a bill to amend the Volunteers in the Parks Act of 1969, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the bill, and the executive communication which accompanied the proposal from the Assistant Secretary be printed in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

S. 864

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Volunteers in the Parks Act of 1969 (84 Stat. 472; 16 U.S.C. 18j) is amended by changing the comma after the word "Act" to a period and striking out the remainder of the section.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., February 22, 1983.

Hon. GEORGE BUSH,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is enclosed a draft bill, "To amend the Volunteers in the Parks Act of 1969, and for other purposes."

We recommend that the draft bill be introduced, referred to the appropriate committee for consideration, and enacted.

The Volunteers in the Parks Act of 1969 authorized the acceptance of volunteer services of individuals without compensation for or in aid of interpretive functions, or other visitor services or activities in and related to areas administered by the National Park Service. Under the Act, the National Park Service provides incidental transportation, uniforms, lodging, and subsistence, and the volunteer citizen is protected from tort claims and work injuries. The program provides one of the most successful and cost-effective ways of accomplishing needed work available to the National Park Service.

As originally enacted on July 29, 1970 (P.L. 91-357; 84 Stat. 472), the Act limited appropriations to carry out its provisions to $100,000 per year. This limitation was increased by the Act of November 13, 1975 (P.L. 94-128; 89 Stat. 682), to $250,000 per year. The enclosed bill would strike out the annual limitation in order to permit the authorities in the Act to be used as an integral part of overall park operations. Thus, a park manager would be able to budget expenses for volunteer support in the same manner as costs of salaries, travel, utilities, fuel, and other normal costs of operating and managing a park area are budgeted. The current ceiling of $250,000 per year not only limits the number of volunteer whose services can be accepted, but also requires a separate accounting system, distinct from normal operating costs, which we believe is unnecessary. We note that the Congress removed the annual appropriation ceiling applicable to the Volunteers in the National Forests program in 1978 (P.L. 95-289; 92 Stat. 289). The same action should be taken with respect to the parallel program in the national parks.

Thousands of people have contributed their time and talent to help the National Park Service accomplish its mission. In fiscal year 1981 alone, 8,326 individual volunteers contributed more than 535,000 hours of work, valued at about $4 million. This represents a 28 percent increase in the numbers of volunteers over fiscal year 1980, and a similar or higher rate of increase appears to have continued in fiscal year 1982. Presently, the National Park Service receives approximately $16 worth of voluntary work from every one dollar spent on the program. Enactment of the draft bill would permit the National Park Service to make further use of this highly cost-effective program.

The Office of Management and Budget has advised that there is no objection to the submission of this proposed legislation from the standpoint of the Administration's program.

Sincerely,

J. ROBINSON WEST,
Assistant Secretary.●

ADDITIONAL COSPONSORS

S. 17

At the request of Mr. DOLE, the names of the Senator from Pennsylvania (Mr. HEINZ) and the Senator from Wisconsin (Mr. KASTEN) were added as cosponsors of S. 17, a bill to expand and improve the domestic commodity distribution program.

S. 20

At the request of Mr. ROTH, the name of the Senator from Oregon (Mr. HATFIELD), was added as cosponsors of S. 20, a bill to provide for a 2-year budget process, and for other purposes.

S. 102

At the request of Mr. PELL, the names of the Senator from Colorado (Mr. HART) and the Senator from Arkansas (Mr. PRYOR) were added as cosponsors of S. 102, a bill to require the Administrator of General Services to notify States of the availability of surplus real property and to convey at reduced cost certain surplus real property for public park or public recreational use to State and local governments.

S. 113

At the request of Mr. ABDNOR, the name of the Senator from Alabama (Mr. HEFLIN) was added as a cosponsor of S. 113, a bill to amend the Internal Revenue Code of 1954 to repeal the highway use tax on heavy trucks and to increase the tax on diesel fuel used in heavy trucks.

S. 222

At the request of Mr. KASTEN, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsors of S. 222, a bill to repeal the withholding of tax from interest and dividends and to require statements to be filed by the taxpayer with respect to interest, dividends, and patronage dividends.

S. 268

At the request of Mr. McCLURE, the name of the Senator from Idaho (Mr. SYMMS) was added as a cosponsor of S. 268, a bill to authorize the Secretary of the Interior to construct, operate, and maintain hydroelectric powerplants at various existing water projects, and for other purposes.

S. 269

At the request of Mr. McCLURE, the name of the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of S. 269, a bill to provide for the disposal of silver from the National De-

fense Stockpile through the issuance of silver coins.

S. 314

At the request of Mr. GOLDWATER, the name of the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of S. 314, a bill to encourage in-flight emergency care aboard aircraft by requiring the placement of emergency equipment, supplies, and drugs aboard aircraft and by relieving appropriate persons of liability for the provision and use of such emergency equipment, supplies, and drugs.

S. 454

At the request of Mr. BYRD, the name of the Senator from Georgia (Mr. MATTINGLY) was added as a cosponsor of S. 454, a bill to provide for an accelerated study of the causes and effects of acidic deposition during a 5-year period, and to provide for grants for mitigation at sites where there are harmful effects on ecosystems resulting from high acidity.

S. 496

At the request of Mr. COHEN, the names of the Senator from South Carolina (Mr. THURMOND), and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 496, a bill to amend title 10, United States Code, to authorize the Secretary concerned to transport to the place of burial the remains of a member of the uniformed services entitled to retired or retainer pay who dies in a military medical facility.

S. 530

At the request of Mr. PELL, the name of the Senator from Alabama (Mr. HEFLIN) was added as a cosponsor of S. 530, a bill to provide for a program of financial assistance to States in order to strengthen instruction in mathematics, science, computer education, foreign languages, and vocational education, and for other purposes.

S. 540

At the request of Mr. GOLDWATER, the name of the Senator from Pennsylvania (Mr. HEINZ) was added as a cosponsor of S. 540, a bill to amend the Public Health Service Act to establish a National Institute of Arthritis and Musculoskeletal and Skin Diseases, and for other purposes.

S. 553

At the request of Mr. HART, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 553, a bill to authorize a national program of improving the quality of education.

S. 571

At the request of Mr. ROTH, the names of the Senator from Utah (Mr. HATCH), and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of S. 571, bill to amend the Federal Property and Administrative Services Act of 1949 to make Federal surplus property more accessible to local emergency preparedness and volunteer firefighting organizations and to authorize and direct the Federal Emergency Management Agency to recommend available Federal surplus to the Administrator of the General Services Administration, and for other purposes.

S. 591

At the request of Mr. INOUYE, the names of the Senator from Alabama (Mr. HEFLIN), and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of S. 591, a bill to amend the Internal Revenue Code of 1954 to provide a mechanism for taxpayers to designate $1 of any overpayment of income tax, and to contribute other amounts, for use by the U.S. Olympic Committee.

S. 593

At the request of Mr. INOUYE, the name of the Senator from Illinois (Mr. PERCY) was added as a cosponsor of S. 593, a bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to permit distribution of certain State-inspection meat and poultry products, and for other purposes.

S. 657

At the request of Mr. DOLE, the name of the Senator from Kentucky (Mr. FORD) was added as a cosponsor of S. 657, a bill to amend the Animal Welfare Act to insure the proper treatment of laboratory animals.

S. 671

At the request of Mr. MCCLURE, the name of the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 671, a bill to authorize a national program to encourage dam safety.

S. 738

At the request of Mr. DANFORTH, the name of the Senator from Oklahoma (Mr. BOREN) was added as a cosponsor of S. 738, a bill to amend the Economic Recovery Tax Act of 1981 to make the credit for increasing research activities permanent.

S. 769

At the request of Mr. STAFFORD, the name of the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 769, a bill to amend the Clean Air Act.

S. 788

At the request of Mr. QUAYLE, the name of the Senator from Delaware (Mr. ROTH) was added as a cosponsor of S. 788, a bill to amend the Agricultural Act of 1949 to reduce the loan rates for the 1983 through 1985 crops of sugarcane and sugar beets.

SENATE JOINT RESOLUTION 11

At the request of Mr. ROTH, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of Senate Joint Resolution 11, a joint resolution entitled "National Safety in the Workplace Week."

SENATE JOINT RESOLUTION 20

At the request of Mr. INOUYE, the names of the Senator from South Carolina (Mr. THURMOND), the Senator from Alabama (Mr. HEFLIN), and the Senator from Utah (Mr. HATCH) were added as cosponsors of Senate Joint Resolution 20, a joint resolution to authorize and request the President to designate March 27, 1983, as "National Recovery Room Nurses Day."

SENATE JOINT RESOLUTION 35

At the request of Mr. HUDDLESTON, the names of the Senator from Alabama (Mr. DENTON), the Senator from South Dakota (Mr. PRESSLER), the Senator from Vermont (Mr. STAFFORD), and the Senator from Georgia (Mr. NUNN) were added as cosponsors of Senate Joint Resolution 35, a joint resolution designating the week beginning March 20, 1983, as "National Mental Health Counselors Week."

SENATE JOINT RESOLUTION 45

At the request of Mr. BURDICK, the names of the Senator from Massachusetts (Mr. KENNEDY), the Senator from Iowa (Mr. JEPSEN), the Senator from North Carolina (Mr. EAST), the Senator from Georgia (Mr. MATTINGLY), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Michigan (Mr. RIEGLE), the Senator from Mississippi (Mr. COCHRAN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from South Dakota (Mr. ABDNOR), the Senator from Florida (Mrs. HAWKINS), the Senator from Florida (Mr. CHILES), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Arizona (Mr. DECONCINI), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from New York (Mr. MOYNIHAN), the Senator from Indiana (Mr. LUGAR), the Senator from New Mexico (Mr. DOMENICI), the Senator from Nebraska (Mr. ZORINSKY), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Colorado (Mr. ARMSTRONG), the Senator from Indiana (Mr. QUAYLE), and the Senator from North Dakota (Mr. ANDREWS) were added as cosponsors of Senate Joint Resolution 45, a joint resolution designating November 20 through 26, 1983 as "National Family Week."

SENATE JOINT RESOLUTION 49

At the request of Mr. PERCY, the name of the Senator from Alabama (Mr. HEFLIN) was added as a cosponsor of Senate Joint Resolution 49, a joint resolution to authorize and request the President to proclaim the week of April 10–16, 1983, as "A Week of Remembrance for the 40th Anniversary of the Warsaw Ghetto Uprising."

AMENDMENT NO. 512

At the request of Mr. LONG, the names of the Senator from Maryland (Mr. MATHIAS), the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Texas (Mr. BENTSEN) were

added as cosponsors of amendment No. 512 intended to be proposed to S. 1, a bill to implement the consensus recommendations of the National Commission on Social Security Reform.

SENATE RESOLUTION 93—RELATING TO SALE OF NATIONAL FOREST LANDS

Mr. BAUCUS submitted the following resolution; which was referred to the Committee on Energy and Natural Resources:

S. Res. 93

Whereas, the Public Law Review Commission, in its 1964 public land study ordered by Congress, concluded that most public lands would not best serve the public interest if they were in private ownership;

Whereas, the Federal Land Policy and Management Act of 1976 and the National Forest Management Act of 1976 state that public lands will be retained in Federal ownship;

Whereas, the Secretary of Agriculture intends to propose legislation to expand his authority to sell National Forest System land;

Whereas, the Federal lands are a great national treasure and an important part of our heritage;

Whereas, Federal lands managed under multiple use represent a vast storehouse of publicly owned resources, such as fossil fuels, nonenergy minerals, rangeland, forests, wilderness, water, wildlife habitat, wildlife, fish, and many other valuable amenities and commodities;

Whereas, these Federal lands provide millions of hunters, fishermen, campers, picnickers, backpackers, snowmobilers, boaters, and recreational vehicle users a place to pursue recreational activities without encountering "no trespassing" signs;

Whereas, retention of Federal lands in Federal ownership will promote access to the public lands and water for the maxium number of people for recreational and economic purposes;

Whereas, Federal lands are now available for use and enjoyment by all United States citizens;

Whereas, public ownership of Federal lands will ensure continued multiple-use management and public access to these lands; and

Whereas, since the sale of public lands could be made to the highest bidder, the result could be the elimination of the small rancher, timber operator, and other small commercial enterprises; Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) public lands should be retained in Federal ownership except as provided in existing land-use planning statutes; and

(2) legislation that the Administration intends to propose which would permit the sale of National Forest System lands, excepting the sale of unmanageable, isolated parcels of land and financially burdensome, outdated, nonessential facilities should be rejected by the Congress.

● Mr. BAUCUS. Mr. President, on Wednesday of this week the administration announced plans to seek authority to begin selling off the national forests as part of what it euphemistically calls its asset management program.

If Congress grants the Department of Agriculture this authority, intensive study of 6 million acres nationwide for sale potential would begin. The biggest bloc of lands is in Montana—more than 800,000 acres. On a percentage basis, Ohio is in first place with 36 percent of the Federal forest lands under consideration for sale.

I have no argument with sales of isolated, unmanageable tracts of Federal lands. However, 6 million acres is an area approximately equal in size to the State of Vermont. This is no Federal garage sale—it is a modern day land rush.

Montanans have spoken loud and clear in their opposition to this plan. In fact, the State legislature recently passed a strongly worded resolution opposing the sale of our national forests.

I am today introducing a parallel resolution for which I ask permission to have it included at the end of my statement.

I urge my colleagues to join in supporting this resolution. Before precious time and resources are wasted on this program, it is time that Congress says no without question or reservation.●

AMENDMENTS SUBMITTED FOR PRINTING

SOCIAL SECURITY ACT AMENDMENTS

AMENDMENT NO. 527

(Ordered to be printed and to lie on the table.)

Mr. BAUCUS submitted an amendment intended to be proposed by him to the amendment No. 516 proposed by Mr. DOLE to the bill (H.R. 1900) to assure the solvency of the social security trust funds, to reform the medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes.

AMENDMENT NO. 528

(Ordered to be printed and to lie on the table.)

Mr. HEINZ submitted an amendment intended to be proposed by him to the amendment No. 516 proposed by Mr. DOLE to the bill H.R. 1900, supra.

AMENDMENTS NOS. 529 AND 530

(Ordered to be printed and to lie on the table.)

Mr. PRESSLER submitted two amendments intended to be proposed by him to the bill H.R. 1900, supra.

● Mr. PRESSLER. Mr. President, I am submitting two amendments today which will provide for the fair treatment of blind recipients of social security disability income. The action which I am proposing has already been passed by the Senate, but important parts of this legislation were deleted in conference.

Currently, blind recipients of social security disability income can earn up to $550 per month. When these people reach this mark, however, they lose all benefits. For the 30,000 blind persons in this country who earn over $550, the current regulations cause them to be penalized for working. Mr. President, I do not believe that this is what Congress meant to do. We should be encouraging disability recipients to work, not discouraging them. However, the current law certainly operates as a work disincentive for this group or disability recipients.

My amendment would treat blind disability recipients in the same way that we treat social security retirees' income. That is, for every $2 earned over and above $550, beneficiaries lose $1 in benefits. By passing this amendment, we will send a message to the 120,000 current blind disability recipients that we are serious about providing work incentives. This is an important and necessary step, and I would hope that those who have supported it before will do so again.

The second amendment I am submitting provides that the earnings test will be phased out for blind disability recipients just as for retirees. This bill already provides that, between 1990 and 1994, we will phase out the earnings test for retirees. I would ask that we include blind disability recipients in that phaseout, as a matter of fairness. I would hope that my colleagues will support me in this effort.●

NOTICE OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee's hearing scheduled for March 21, 1983, has been rescheduled for Thursday, March 24, 1983, at 1 p.m. in the Clinton High School gymnasium, in Clinton, Ark. For further information contact Marc Smolonsky of the committee staff at 224-3099.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, the Senate Select Committee on Indian Affairs will hold a business meeting on S. 726, Tribally Controlled Community College Assistance Act of 1978 on Wednesday, March 23, 1983, at 3 p.m., in room SD-538. For further information, contact Patricia Zell at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban

Affairs be authorized to meet during the session of the Senate on Monday, March 21, at 10 a.m., to hold an authorization hearing on Defense Production Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

ST. PATRICK'S DAY IN CARLSBAD

● Mr. DOMENICI. Mr. President, all across the Nation yesterday, Americans celebrated St. Patrick's Day. The festivities, however, have traditionally not been exclusively for the enjoyment of the Irish. Thus, in many large metropolis areas such as New York and Boston, the Irish were joined by scores of others to celebrate this special day with parties and parades. In Carlsbad, N. Mex., however, the view is that pomp and grandeur do not necessarily have to be accompanied by countless cars, floats, and bands. That city was noted nationwide yesterday for having had the smallest St. Patrick's Day parade in the Nation, an honor which in no way detracts from the festive spirit behind the event. I ask that the article written in the Carlsbad Current Argus on the parade be printed in the RECORD so that all may take note of Carlsbad's recent fame.

The article follows:

CITY'S SMALL PARADE GETS BIG ATTENTION

Carlsbad gained national attention today as it held what it hoped would be the shortest and smallest St. Patrick's Day parade in the U.S.

But, according to Radio KBCO-FM in Boulder, Colo., that city has the shortest St. Pat's Day parade, although announcer Mike McClain, who called the Current-Argus this morning, said Carlsbad's may be the smallest.

McClain claims that Boulder elects a "Spud Queen," and the lucky girl is carried a total of 57 feet. He said thousands attend the event, but admitted the parade is part of a promotion at a local mall, and not city sponsored.

Following Wednesday's news release that Carlsbad would have the block-long parade, Current-Argus reporter Jim O'Hearn, who led today's procession, was contacted by NBC national news, Boston's WRKO-FM radio, Las Cruces' KRWG-FM, the Boulder radio station and Seamus O'Connally, a Hobbs radio announcer.

The item was also carried in newspapers, and ABC also made remarks about the parade on its national network. Local radio stations and Carlsbad and Roswell television news also were present to record the even which drew a standing-room-only crowd of under 20 people.

Today's parade, organized by Carlsbad Mayor Walter Gerrells, consisted of one local fire truck traveling the block on Canyon Street between Fox and Mermod streets. The truck, decorated by the Carlsbad Fire Department, carried green signs, shamrocks and an Irish Republic flag.

Gerrells praised the fire department for its excellent efforts, and said the work was especially notable because firefighters had only one day to prepare.

The mayor also drove the truck which picked up several good Irishmen and an Irishwoman as part of its happy crew.

Capt. James Williams of the Carlsbad police led the siren-howling parade during its short stint.●

TRIBUTE TO SENATOR JENNINGS RANDOLPH

● Mr. GLENN. Mr. President, I want to take a few moments to recognize the achievements of our gracious friend and colleague, Senator JENNINGS RANDOLPH of West Virginia, who has seen and made great moments in American history during a distinguished congressional career that spans a half century.

Because our States share a common border and common problems, the people of Ohio regard Senator RANDOLPH with special respect and affection.

JENNINGS RANDOLPH believes that behind every problem lies an opportunity for human progress, and his career is marked by a commitment to giving our people a chance to develop their talents. For the handicapped, Senator RANDOLPH produced thousands of jobs by authoring landmark legislation in 1936 to permit the blind to operate vending stands in Federal buildings. For coal miners, he has been a compassionate friend and effective advocate for a safe workplace and a secure retirement.

JENNINGS RANDOLPH helped bring better schools, better health care, improved highways and safer bridges to the people of his region, fully confident that given an opportunity, his many friends in the Appalachian Mountains could make their own lives happier and more prosperous.

As a Member of the House in the 1940's Senator RANDOLPH was among the first to recognize the enormous potential of an Interstate Highway System. Since then, he has been a leader in his support for the public investment needed to maintain our industrial economy.

As our colleagues know well, it would take hours to describe in detail all of Senator RANDOLPH'S accomplishments. But we admire JENNINGS RANDOLPH as much for his personal qualities as for his record of achievement. Senator RANDOLPH was appropriately named for William Jennings Bryan; and on the Senate floor, his speaking skills and tireless energy have changed many minds and the course of our Nation. After working with Senator RANDOLPH for 8 years, I know that neither his enthusiasm nor his willingness to work long hours for the people of West Virginia have diminished. Just this month, Senator RANDOLPH celebrated his 81st birthday, once again reminding us of the contribution senior citizens make to the quality of life in our country.

I am honored to count Senator RANDOLPH among my friends in the U.S. Senate, and I look forward to serving with him for the remainder of his term. Though his experience and his commitment will be sorely missed, we can profit from his example. If we face our future with the kind of unshakable faith JENNINGS RANDOLPH'S career exemplifies, the next 50 years will see our Nation move closer to the goals we share: A prosperous America at peace with the world, and an America in which justice and progress are realities, not distant dreams.●

AMERICAN HOSPITAL ASSOCIATION ELECTS IDAHOAN AS 1983 CHAIRMAN

● Mr. McCLURE. Mr. President, several weeks ago I was honored to be able to participate in the investiture of E. E. "Gil" Gilbertson as the new chairman of the American Hospital Association's board of trustees. Gil is the president of the St. Luke's Regional Medical Center/Mountain States Tumor Institute in Boise, Idaho. He is a former president of the Idaho Hospital Association and former member of the board of directors of the American Protestant Hospital Association and was, from 1977 to 1980, a member of the AHA board of trustees.

The job Gil now faces is the highest elected office in the American Hospital Association. Gil was elected by the AHA House of Delegates, representing all 50 States. I am personally pleased and proud that the AHA has elected a chairman from Idaho to help steer the course that the hospital industry will take over the next year. With Gil's guidance, I think great strides can be made in keeping the cost of health care down, while maintaining the highest quality. America has the best health care in the world. The challenge of not only keeping the status quo, but improving the system, while working with limited dollars, is an enormous one. Gil Gilbertson is more than capable of meeting that challenge.

Mr. President, I join all Idahoans in honoring Gil and I ask that the text of his investiture speech be printed in the RECORD.

The material follows:

INVESTITURE SPEECH

And I will be brief because my remarks will be limited to the historical commitment of this industry and this association to all people needing medical care and to the pressures which seem to be forcing some hospitals to reconsider that commitment.

The origins of hospitals throughout the world—and in this country—are a reflection of humanitarian concern for the disadvantaged. MacEachern put it this way: "The story of the birth and evolution of the hospital portrays the triumph of civilization

over barbarism and of altruism over egoism . . . and the progress toward an ideal characterized by interest in the welfare of the entire community."

The first hospitals in the United States provided care—not to the well-to-do—but to the aged and the sick poor who couldn't afford to have physicians visit them in their homes. As hospitals improved in quality, they became acceptable places for physicians to see all patients who required specialized services. From that time forward—in good times and in bad times—the hospitals of this country have generally been accessible to everyone seeking care.

For hospitals, some of the worst of times occurred during the depression. Economic conditions forced drastic cutbacks in personnel and salaries to counter reduced volumes and dramatic declines in revenue. While many hospitals bristled at their societal obligations during those years, they actually increased their charity load, often at the expense of their own creditors.

World War II presented another trying period for hospitals. Revenues were better but overwhelming demands for service, coupled with critical shortages of personnel, posed enormous problems. But hospitals again provided care to everyone through the innovative use of thousands of volunteers.

Following the war, government at all levels increased its commitment to the aged and to the poor and disadvantaged. Those years were among the best of times for hospitals and the beneficiaries of those governmental programs were spread more evenly throughout the industry.

The American Hospital Association responded to those good times by enlarging its long-standing commitment to universal service. The original purpose of the association was to provide health care to all the people. Over the years, the association, through its board and house of delegates, expanded and articulated that purpose in a variety of ways. A code of ethics for hospitals was developed in 1941 which stated in its first paragraph that the objective of a hospital was "to render care to the sick and injured" as its primary responsibility and that "financial return and other interest should be of secondary consideration."

In 1971, in the face of wage and price controls, the association put the work of the Perloff Committee into a Policy Statement on the Provision of Health Services. The first paragraph deserves repeating:

"As a nation we must provide better quality, more convient health care for all the people, at reasonable cost and in a manner in keeping with human dignity. This must be done because we accept one basic, irreducible principle:

Health care is an inherent right of each individual and all the people of the United States."

That statement became obsolete when the health care corporation concept it embraced failed to attract much attention. It was succeeded by a document which was accepted by the house in 1977 entitled Provision of Health Services Under Universal Health Insurance. Currently, there isn't much interest in universal health insurance on the part of either the hospital industry or the government. However, because this statement has never been rescinded, I think some of its words continue to be important. The following are a few samples:

"Good health for all persons is fundamental to the best interests of our nation".

"Medical and health care services should be made available to all individuals and should be organized to be readily accessible to all".

"Medical and health services should be provided . . . on the basis of individual needs regardless of financial status . . .".

"Special emphasis and effort should be given to improving care in underserved and unserved areas of the country".

". . . financing . . . should reflect an equitable sharing of the cost of health care among all persons, recognizing differences in family income and eliminating for the poor and near-poor financial barriers to the acquisition of good health care".

Other AHA statements and guidelines such as the Imperatives of Hospital Leadership reflect similar concerns—by hospitals and by the association—for our humanitarian purpose.

So where are we as we enter the 80's? Escalating costs—particularly those associated with hospital care—have forced federal, state and local governments to back away from their legislative promises. This has led to continued restrictions on reimbursement to providers, to reduced benefits for Medicaid recipients and may lead to similar benefit reductions for those covered by Medicare.

The rationing of health care is now being seriously discussed and significant moral and ethical questions are being raised. Should we put a halt to the production, acquisition and use of medical technology? Should we have a two-tiered health care system? Should we limit funding for medical education and research? Health care "votes" on these and other questions are being taken in such places as Des Moines, Iowa and the American Hospital Association has just completed a public opinion poll on many similar issues.

The federal government is moving toward a prospective payment system and the state of California, some Blue Cross plans, and many businesses and industries are negotiating with hospitals on a price basis.

The reaction of hospitals to reimbursement limitations and to such a price competitive environment has been mixed. Most of them have responded by working with their medical staffs to reduce unnecessary utilization, by reducing expenses through affiliations with other hospitals in a number of different consortiums and systems, and by improving productivity instead of simply measuring it.

A few hospitals have taken a different tack. They've developed a survival syndrome in which "doing well" is seemingly more important than "doing good". As a result, they've responded to reimbursement limitations and to price competition by denying access to certain patients. Such actions may be appropriate if acceptable alternatives are available to those patients. But some hospitals are making those access decisions without knowing where the denied patients are going to go for the care they need.

An era of price competition among hospitals and other providers may ultimately result in a suitable shrinking of a system that allegedly has too many units and too many beds. But such an environment also poses enormous risks for a number of health care institutions and for certain segments of society.

Our major teaching hospitals, for example, will never be able to compete on a price basis—and yet they constitute a national treasure that, once lost, can never be replaced. Price competition also has the prospect of placing an unbearable burden on our large, urban, public-general hospitals. Most of them are critically under-funded at present and will have difficulty absorbing the additional patients that may increasingly be referred their way. But the poor and disadvantaged obviously face the greatest risk of all. Their very health and welfare will be determined by the access decisions individual hospitals will make in a price competitive environment.

In his concluding remarks last year, Stan Nelson said "We'll succeed as an industry and as an association if we maintain an advocacy role for the health needs of those not organized or qualified to represent themselves in the competition for this nation's resources. . . . To pursue this course is not just the humanitarian thing to do. It is good public policy. It can be good economics. It can be cost effective".

I couldn't agree more. We simply can't allow the tremendous gains in life expectancy and the incredible progress that's been made in medical science to be denied one segment of our population. But altruistic statements in AHA policy documents, in individual hospital mission statements and in speeches such as this aren't enough. As Bob Cunningham said in a recent article ". . . . it is the behavior of the principal actors, and not the philosophies they profess, that is the true indication of what they really believe." Hospitals are instruments of society and society will be the final judge of whether the association and its member hospitals have behaved in accord with their words.

To paraphrase the book titles of one of my favorite authors—James Herriott—if we're wise and wonderful in dealing with our problems—if we continue to serve all creatures great and small—our future, as individual hospitals and as an industry, may, in fact, be bright and beautiful.

REVISED CHECKLIST OF ITEMIZED DEDUCTIONS

● Mr. INOUYE. Mr. President, a checklist of itemized deductions for the 1982 tax year has been prepared in an effort to assist older Americans in claiming all legitimate income tax deductions, exemptions, and tax credits to which they are entitled.

This service by the Senate Special Committee on Aging, in cooperation with the Internal Revenue Service, has proven to be a most helpful guide in the preparation of Federal income tax returns.

Although it is intended for older Americans, many of the tips it contains are applicable to all taxpaying citizens.

Four prominent changes in the tax law should be noted when filling out 1982 returns: First, a new form, Form 1040EZ, will be available for certain taxpayers; second, charitable deductions may be claimed, even by those who do not itemize on their tax returns; third, tax credits for expenses incurred for child and dependent care have been increased and out-of-home care for the disabled or spouse-dependent may now, in some cases, qualify for tax credits; and fourth, overall income tax rates have been reduced.

In the hopes of assisting citizens in filling out their tax forms—a compli-

cated but essential part of citizenship—I ask that the checklist be reprinted in the RECORD.

The checklist follows:

PROTECTING OLDER AMERICANS AGAINST OVERPAYMENT OF INCOME TAXES

Who must file a Federal tax return

You must file a return for 1982, even though you owe no tax if:	And your income was at least:
1. You were single, divorced, or married with a dependent child and living apart from your spouse for all of 1982 and were:	
Under age 65	$3,300
Age 65 or over	4,300
2. You were married filing a joint return and were living with your spouse at the end of 1982 or on the date your spouse died and:	
Both were under age 65	5,400
One was age 65 or over	6,400
Both were 65 or over	7,400
3. You were married filing a separate return or married but you did not share the same household at the end of 1982	1,000
4. You were a qualifying widow(er) with a dependent child and:	
Under age 65	4,400
Age 65 or over	5,400

5. You received *any* advance earned income credit (EIC) payments from your employer(s) during 1982.

6. You were self-employed and your net earnings from this work were at least *$400,* then you must file a return to pay self-employment tax. You are self-employed if you carry on a trade or business as a sole proprietor, a member of a partnership, or an independent contractor. This includes certain part-time work that you do at home or in addition to your regular job. This rule applies regardless of your age; whether or not you are receiving social security benefits; and even if you are otherwise not required to file a Federal tax return.

7. Income tax was withheld from your pay, then you should file a return so that you can get a refund of the tax withheld, even if you are not required to file a return.

FORM 1040EZ

There is a new tax return form for 1982, called Form 1040EZ. You may only use this form if:

(1) You are single.

(2) You do not claim an extra exemption for age and blindness.

(3) You claim no dependents.

(4) Your taxable income is less than $50,000.

(5) Your income is all from wages, salaries, tips, and interest of $400 or less; and

(6) You do not itemize your deductions.

You should use the new form if you meet these qualifications, because it is easier to fill out than the other forms. If you cannot use Form 1040EZ, you should use either Form 1040 or Form 1040A.

TAX WITHHOLDING AND ESTIMATED TAX PAYMENTS

Beginning January 1, 1983, Federal income tax will be withheld from the taxable part of most pension and annuity payments. If you receive periodic pension or annuity payments, you can help make sure that the right amount of tax is withheld by giving the payer of your pension or annuity a Form W-4P, or a similar statement, showing your marital status and the number of withholding allowances to which you are entitled. If you do not give the payer a Form W-4P, tax will be withheld as if you are married claiming three withholding allowances. You may also use this form to tell the payer that you do not want any tax withheld. If you receive a nonperiodic distribution, the payer can tell you the amount that will be withheld.

Beginning July 1, 1983, tax will also be withheld from many interest and dividend payments. The amount withheld will be 10 percent of each payment. However, individuals will not be required to have their tax withheld. And, certain payers may be allowed to delay withholding until 1984. You may choose not to have tax withheld from the interest and dividends you receive if:

(1) Your tax for last year was $600 or less.

(2) You are 65 or older, and your tax for last year was $1,500 or less.

(3) You filed a joint return for last year, and your tax was $1,000 or less.

(4) Either you or your spouse (or both) is 65 or older, you filed a joint return last year, and your tax was $2,500 or less; or

(5) You (or you and your spouse) were not required to file an income tax return for last year.

If you qualify to be exempt from withholding and you do not want tax withheld, you should give the payer of your interest of dividends an exemption certificate (Form W-6 or other form provided by the payer) so that tax will not be automatically withheld.

Remember, if no tax or not enough tax is withheld from your income, you may need to pay estimated tax.

Your estimated tax generally is the total of your expected income tax and self-employment tax minus your expected withholding and credits. Form 1040-ES provides a worksheet for making this computation.

If your estimated tax for 1983 is $300 or more and your estimated gross income not subject to withholding includes more than $500 of taxable income, you must use Form 1040-ES and pay estimated taxes. Installment payments are due April 15, June 15, September 15, and January 15.

You may be charged a penalty if you do not pay enough estimated tax. However, the penalty will not apply if you make each payment on time and:

(1) The payment is at least 80 percent of the amount of estimated tax due based on the tax shown on your tax return, or

(2) The payment is based on one of four exceptions shown on Form 2210, "Underpayment of Estimated Tax by Individuals."

TAX TABLE AND EXEMPTIONS

Tax table

The tax table has been developed to make it easier for you to find your tax if your taxable income (line 16, Form 1040A; line 7, Form 1040EZ; line 37, Form 1040) is less than $50,000. You must use this table unless you compute your tax using Schedule G (income averaging). In that case, you must use the tax rate schedules. The tax table is designed to be used by individuals (other than Schedule G filers) whether or not they itemize their deductions. This is possible because of an adjustment made on Schedule A and an amount built into the tax table known as the "zero bracket amount." This flat amount based on your filing status provides a minimum deduction for all individuals. If you are married filing jointly or a qualifying widow or widower, your zero bracket amount is $3,400. If you are single or a head of household, your zero bracket amount is $2,300. If you are married filing separately, it is $1,700.

Deductions for two-earner married couples

Two-earner married couples filing jointly are allowed a deduction based upon the earnings of the spouse with the least income. The 1982 maximum deduction is $1,500.

Exemptions

You are allowed a $1,000 deduction for each exemption shown on your tax return (line 5e, Form 1040A; line 6, Form 1040EZ; line 6e, Form 1040). You and your spouse are allowed an additional $1,000 exemption if either or both of you are age 65 or older on the last day of the tax year.

In addition, you or your spouse may be able to claim a $1,000 exemption for blindness (refer to your tax instruction booklet for more details on this exemption). Age and blindness are determined on the last day of your tax year. This is December 31 for most taxpayers. You are considered age 65 on the day before your 65th birthday. Thus, if your 65th birthday was on January 1, 1983, you may take the extra exemption for age on your 1982 tax return.

MULTIPLE SUPPORT AGREEMENTS

In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met: (1) Support, (2) gross income, (3) member of household or relationship, (4) citizenship, and (5) separate return.

The support requirement is that the person claiming the exemption must have contributed more than one-half of the individual's total living expenses. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support. However, it still may be possible for one of the individuals to be entitled to a $1,000 dependency exemption if all of the following requirements for multiple support are met:

(1) Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

(2) Any one of those who individually contribute more than 10 percent of the mutual dependent's support, but only one of them, may claim the dependency deduction.

(3) Each of the others must file a written statement that he or she will not claim the dependency exemption for that year. The statement must be filed with the income tax return of the person who claims the dependency exemption. Form 2120, "Multiple Support Declaration," may be used for this purpose.

Note: You may include with your medical expenses those medical expenses you paid for a person for whom you meet the support test under a multiple support agreement even if you may not claim the person as a dependent because he or she had gross income of $1,000 or more.

CHECKLIST OF ITEMIZED DEDUCTIONS FOR SCHEDULE A (FORM 1040)

Medical and dental expenses

Medical and dental expenses are payments you make for the diagnosis, cure, relief, treatment, or prevention of disease. They also include payments for treatment affecting any part or function of the body. Expenses for transportation for needed medical care are included in medical expenses.

Payments for insurance that provides medical care for you, your spouse, and dependents are included in medical expenses. Unreimbursed expenses are deductible to the extent they are more than 3 percent of your adjusted gross income (line 33, Form 1040). Expenses may be deducted only in the year you paid them. If you charge medical expenses on your credit card, the expenses are deducted in the year the charge is made regardless of when the bill is paid.

Drugs and medicines.—Medicines and drugs legally obtained and generally recognized as medicines and drugs are deductible. They do not have to be prescribed. These items are included in medical expenses (subject to the 3-percent rule) but only to the extent they exceed 1 percent of adjusted gross income (line 33, Form 1040).

Examples of unreimbursed medical and dental expenses.—You may deduct the costs of:

Medicines, drugs, vaccines, and vitamins recommended by your doctor.

Doctors, surgeons, dentists, eye doctors, gynecologists, chiropractors, osteopaths, podiatrists, chiropodists, psychiatrists, psychologists, physical therapists, acupuncturists, Christian Science practitioners, and psychoanalysts.

Medical examination, X-rays and laboratory services, insulin treatments, and whirlpool baths ordered by a doctor.

Nursing help. However, if you pay someone to do both nursing and housework, you may deduct only the cost of the nursing help.

Hospital care (including meals and lodging), clinic costs, lab fees.

Medical treatment at a center for drug addicts or alcoholics.

Medical aids such as hearing aids (and batteries), false teeth, eyeglasses, contact lenses, braces, orthopedic shoes, crutches, wheelchairs, guide dogs and the cost of maintaining them if you are blind or deaf.

Oxygen equipment and oxygen to relieve problems in breathing caused by a medical condition.

Ambulance service and other travel costs to get medical care. If you used your own car, you may claim what you spent for gas and oil to go to and from the place you received medical care, or you may claim 9 cents a mile. Add parking fees and tolls to the amount you claim under either method.

Cosmetic surgery.

Cost and repair of special telephone equipment for the deaf.

Extra cost of a specially equipped television set and the cost of an adapter for a regular set that provides subtitles for a deaf person.

Part of the cost of braille books and magazines that is more than the price for regular books and magazines.

Capital expenditures for medical purposes, such as air-conditioning or elevators. If these expenses are for permanent improvements that increase the value of the property, you may include them as medical expenses only to the extent that they are more than the increase in the value of the property.

Cost of a nursing home (including meals and lodging) if the availability of medical care is a principal reason for being in the nursing home.

Medical care included in the "life-carefee" or "founders fee" of a retirement home that is paid monthly or as a lump sum under an agreement with the home. The deductible amount must be set apart for medical care.

Cost of special equipment, such as a motorized wheelchair or autoette, special hand controls and other special equipment installed in a car specifically for the use of a physically handicapped person.

Insurance premiums.—One-half of medical, hospital, or health insurance premiums are deductible (up to $150) without regard to the 3-percent limitation for other medical expenses. The remainder of these premiums can be deducted subject to the 3-percent rule.

Beginning in 1983, you may only deduct those medical expenses that are more that 5 percent of your adjusted gross income. The separate deduction for half of your health insurance premiums up to $150 will be eliminated. The full amount of the premiums will be included in medical expenses and be subject to the 5-percent limit.

Beginning in 1984, the 1-percent limit on drugs will be eliminated. The deduction for drugs will be allowed only for prescription drugs and insulin and will be subject to the 5-percent limit.

Taxes

Real estate: General sales; State, local, or foreign income: Personal property.

If the sales tax tables are used in arriving at your deduction, generally the only additional sales taxes you may add to the table amount are those you paid to purchase the following items: Automobiles, trucks, motorcycles, airplanes, boats, mobile homes, and material used to build a new home if the sales tax on the materials is imposed on you.

When using the sales tax tables, add to your adjusted gross income any nontaxable income such as social security, veterans, and railroad retirement benefits, workers' compensation, the untaxed because of the exclusion, interest on municipal bonds, untaxed interest on all-savers certificates, the untaxed part of unemployment compensation, untaxed disability income, the deduction for a married couple when both work, and public assistance payments.

Interest

Personal loan; Home mortgage; Auto loan; Loans on life insurance; Installment purchases.

Bank and other general purposes credit cards.—Deduct the finance charge added to your monthly statement if no part of the charge was for investigation fees, membership fees, loan fees, service charges, or similar charges.

Points.—When buying a residence, "points" are interest paid in advance. You may deduct the amount you pay as points in the year of the payment—if the loan is used to buy or improve your principal residence and is secured by that residence. In addition, the payment of points must be an established business practice in the area where the loan was made, and the points must not exceed the number of points generally charged in your area.

If the residence you purchase is not your principal residence, you may not deduct the full amount for points in the year paid. Instead, the prepaid interest paid as points must be spread over the life of the mortgage, and it is considered "paid" and is deductible over that period.

Points are not deductible if they represent charges for services rendered by the lending institution (e.g., VA or FHA points are not deductible as interest). Also, points are not deductible if paid by the seller. These are selling expenses that reduce the amount realized.

Penalty for prepayment of a mortgage.—This is deductible as interest.

Revolving charge accounts.—These finance charges may be deducted if separately stated on your bill.

Contributions

In general, contributions to religious, charitable, educational, scientific, or literary organizations may be deducted up to 50 percent of your adjusted gross income (line 33, Form 1040). Contributions to certain private nonoperating foundations, veterans organizations, fraternal societies, or nonprofit cemetery companies are limited to 20 percent of adjusted gross income (line 33, Form 1040). There is a limit of 30 percent of adjusted gross income for contributions of certain capital gain property. Special rules also apply to contributions of appreciated property. To deduct your contributions, you must make them in cash or other property before the close of your tax year. Other property (clothing, books, furniture, etc.) is deducted at the fair market value. You may deduct contributions you charge to your bank credit card in the year the charge is made.

Examples of other charitable contributions include:

The cost and upkeep of uniforms that you must wear while performing charitable activities.

Out-of-pocket expenses (postage, phone calls, stationery) while providing services without pay to a charitable organization.

Payment of more than the fair market value to an organization for goods, merchandise, services, banquets, shows, sporting events, etc.

You may also deduct unreimbursed out-of-pocket expenses directly related to services you give to a charitable organization, such as gas and oil for your car. If you do not want to deduct actual expenses, you may use a standard rate of 9 cents a mile. In either case you may deduct parking fees and tolls.

Partial deduction for nonitemizers. For 1982 and 1983, you may deduct 25 percent of the first $100 of contributions ($50 for a married person filing a separate return if you do not itemize your deductions. For 1984, the deduction for nonitemizers will be 25 percent of the first $300 ($150 for a married person filing a separate return). For 1985, the deduction will be 50 percent of all qualifying contributions and for 1986, it will be 100 percent. The deduction for nonitemizers will not be available after 1986.

A partial credit for political contributions may also be claimed (line 44, Form 1040; or line 17a, Form 1040A).

Casualty or theft losses

You may deduct casualty losses, such as tornado, flood, storm, fire, auto accident (provided not caused by a willful act or willful negligence), or theft losses. The amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. You must use Form 4684 to figure your casualty or theft loss. Report your casualty or theft loss on Schedule A.

For tax years beginning after 1982, your nonbusiness casualty or theft losses will be deductible only to the extent that your total losses during the year exceed 10 percent of your adusted gross income. You still must reduce each separate casualty or theft by $100.

Miscellaneous deductions

In addition to the other itemized deductions, you may deduct certain miscellaneous expenses on Schedule A, Form 1040. A list of the most common expenses follows. For more information, see Publication 529, "Miscellaneous Deductions."

Educational expenses.—Amounts you paid for education that is: (1) Required by your employer to maintain your position, or (2) for maintaining or improving skills you must have in your present position.

Business use of your home.—You may deduct expenses for business use of part of your home only if you use that part exclusively and continually in your work and for the convenience of your employer.

Employee expenses.—Examples of expenses you may deduct if you were not reimbursed for them are:

Union dues.

Safety equipment, small tools, and supplies you need for your job.

Protective clothing, such as hard hats and safety shoes.

Uniforms required by your employer which you cannot usually wear away from work.

Maintenance of uniforms required by your employer.

Costs of bond, if required for employment.

Physical examinations required by your employer.

Dues to professional organizations and chambers of commerce.

Fees to employment agencies and other costs to get a new job in your present trade or profession.

Expenses of producing income.—You may deduct what you paid to produce or collect taxable income or to manage or protect property held for producing income.

Examples of these expenses are:

Tax return preparation fees.

Safe deposit box rental.

Custodian (e.g., trust accounts) fees.

Fees paid to investment counselors.

Fees to collect taxable interest or dividends.

Gambling losses, but not more than gambling winnings.

CREDITS

Tax credits are used to reduce the amount of tax you owe. All credits must be taken on Form 1040, with the exception of the credit for contributions to candidates for public office and the earned income credit which may be taken on Form 1040A. No credits may be taken on Form 1040EZ.

The most common credits are:

CREDIT FOR THE ELDERLY

You may be able to claim this credit and reduce taxes by as much as $375 (if single) or $562.50 (if married filing jointly) if you are: (1) Age 65 or over, or (2) under age 65 and retired under a public retirement system.

For more information, see the instructions for Schedule R & RP.

EARNED INCOME CREDIT

If you have a dependent child who shares your principal residence in the United States, you may be entitled to a special payment or credit of up to $500. This is called the earned income credit. It may come as a refund check or be applied against any taxes owed. Generally, if you reported earned income and had adjusted gross income (line 33, Form 1040 or line 12, Form 1040A) of less than $10,000, you may be able to claim the credit.

Earned income means wages, salaries, tips, strike benefits, other employee compensation, disability pensions, and net earnings from self-employment (generally the amount shown on Schedule SE (Form 1040) line 9). A married couple must file a joint return to be eligible for the credit. Certain married persons living apart with a dependent child may also be eligible to claim the credit.

For more information, see instructions for Form 1040 or 1040A.

CREDIT FOR CHILD AND DEPENDENT CARE EXPENSES

A portion of certain payments made for child and dependent care may be claimed as a credit against tax.

If you maintained a household that included your dependent under age 15 *or a dependent or spouse incapable of self-care,* you may be allowed a credit for employment-related child and dependent care expenses. These expenses must have been paid during the taxable year in order to enable you to work either full or part time.

The amount of credit is 30 percent of your qualifying expenses if your adjusted gross income (line 33, Form 1040) is $10,000 or less. The 30-percent rate is reduced by 1 percent for each additional $2,000 of adjusted gross income (or part of $2,000) until the percentage is reduced to 20 percent for income above $28,000.

The maximum amount of expenses that may be used to compute the credit is $2,400 for one qualifying person and $4,800 for two or more qualifying persons.

See Form 2441 for more information, including a special rule for divorced or separated taxpayers.

RESIDENTIAL ENERGY CREDIT

The residential energy credit was designed to encourage energy saving and the development of renewable energy sources. There are two energy credits, each with its own conditions and limits. These credits are based on: (1) Costs for home energy conservation, and (2) costs for renewable energy source property.

A credit of up to $300 may be claimed for expenditures for energy conservation property installed in or on your principal residence, whether you own or rent it. The residence must have been substantially completed by April 20, 1977. Items eligible for the credit are limited to the following: Insulation (fiberglass, cellulose, etc.) for ceilings, walls, floors, roofs, water heaters, etc.; exterior storm (or thermal) windows or doors; calking or weatherstripping for exterior windows or doors; a furnace replacement burner that reduces the amount of fuel used; a device to make flue openings (for a heating system) more efficient; an electrical or mechanical furnace ignition system that replaces a gas pilot light; an automatic energy-saving setback thermostat; and a meter that displays the cost of energy usage.

For years beginning after 1979, the maximum credit for renewable energy source property is $4,000. Equipment used in the production or distribution of heat or electricity from solar, geothermal, or wind energy sources for residential heating, cooling, or other purposes may qualify for this credit.

Examples of items that *do not* qualify for energy credit are the following: Carpeting, drapes, awnings, shades, wood paneling, fire screens, new or replacement walls (except for insulation inside the walls), exterior siding, heat pump, wood or peat burning stoves, flourescent lights, hydrogen fueled residential equipment, equipment using wind energy for transportation, expenditures for a swimming pool used as an energy storage medium, and greenhouses.

For further information, consult the instructions for Form 5695, "Residential Energy Credits," and IRS Publication 903, "Energy Credits for Individuals."

SALE OF YOUR PERSONAL RESIDENCE

You may exclude from your gross income some or all of your gain from the sale or exchange of your principal residence, if you meet certain age, ownership, and occupancy requirements at the time of the sale or exchange. If you were age 55 or older on the date of sale or exchange you may elect to exclude up to $125,000 of gain provided you owned and occupied the residence for 3 of the 5 years ending on the date of sale.

In addition, payment of the tax on the gain from the sale or exchange of your personal residence will be deferred if, within 24 months before or 24 months after the sale or exchange, you buy and occupy another residence, the cost of which equals or exceeds the adjusted sales price of the old residence.

Taxable gains from the sale of your residence should be reported on Schedule D. Losses from such a sale are not deductible. Form 2119, "Sale or Exchange of Principal Residence," is used to report the sale of your principal residence whether or not you bought another one.

See Publication 523, "Tax Information on Selling Your Home."

SAVINGS INCENTIVES

All-savers certificate.—An exclusion of up to $1,000 ($2,000 for a joint return) is provided for interest on qualified savings certificates. These "all-savers" certificates must have been issued after September 30, 1981, and before January 1, 1983, and must have a yield equal to 70 percent of the yield on 52-week Treasury bills.

Dividend exclusion.—Beginning in 1982, you may exclude up to $100 on a separate return and up to $200 on a joint return of your qualifying dividend income. There is no longer any exclusion of dividends and interest.

Exclusion of reinvested stock dividends from public utilities.—Beginning in 1982, shareholders in a domestic public utility corporation who choose to receive their dividends in the form of qualified common stock may exclude up to $750 ($1,500 for a joint return) from taxable income.

Individual retirement accounts.—Beginning in 1982, the limit on contributions has been increased to the lesser of 100 percent of compensation or $2,000. In addition, workers covered by a company or government pension may participate in an IRA. The law also increases the limit on spousal IRA's and eliminates the provision that contributions be equally divided. See Publication 590, "Tax Information on Individual Retirement Arrangement," for more information.

Keogh plans.—For 1982 and later years, important changes have been made to the rules on self-employment (H.R. 10/Keogh) retirement plans. Some of the changes include: (1) An increased limit on the deductible amount an employer can pay to a plan on behalf of a self-employed individual, (2) the new right of a participant in an H.R. 10 plan to make payments to an individual retirement arrangement (IRA), (3) an increased limit on each employee's compensation that may be taken into account in figuring contributions or benefits under the plan, and (4) the new right to make a tax-

free withdrawal of excess payments. For more information, see Publication 560, "Tax Information on Self-Employed Retirement Plans."●

MILITARY AID TO TURKEY

● Mr. KENNEDY. Mr. President, the administration's request for military aid to Turkey for fiscal year 1984 represents an unacceptable increase that would nearly double the funds requested and appropriated for the current year. The increase is particularly objectionable because President Reagan has not seen fit to support a corresponding increase in aid to Greece.

In the past, Congress has consistently adopted a ratio of 7 to 10 in aid appropriated for Greece and Turkey. In effect, by breaking this relationship, the administration is asking the Congress to tilt unfairly against Greek democracy and toward the right-wing military dictatorship in Turkey, and to become a partner in the unjust Turkish occupation of the island of Cyprus.

Apparently, the administration's concern over the fate of U.S. military bases outweighs its support for democracy and human rights in the eastern Mediterranean. The cornerstone of postwar U.S. foreign policy—the Truman Doctrine—was based on a deep commitment to democracy in Europe, and most notably in Greece. To reduce our affinity for that country, the cradle of democracy, in order to bolster the entrenched military government of Turkey, is contrary to sound and long-accepted American foreign policy.

In considering aid to Turkey or any other nation, Congress must judge whether such aid is being used to oppose democratic institutions and to reinforce military dictatorships. Above all, we must insure that no aid will be used to threaten our Greek allies, and that the Turkish Government will seriously pursue, at long last, a just and lasting peace in Cyprus.

The United States should support the complete implementation of United Nations Resolution 3212, including the withdrawal of all Turkish military forces from Cyprus, a complete accounting for all those missing as a result of the invasion, the return of all refugees to their homes, and the cooperation of all parties in achieving a negotiated solution, with full peace and respect for human rights in Cyprus.

The United States must demonstrate that it is not alined with military dictatorship and military occupation. Instead, we must be steadfast in our commitment to democracy, political liberty, and economic progress and social justice throughout the world. These are the ideals on which America was founded and which has made this Nation great. They are the values we must continue to advance in all aspects of our foreign policy, including military aid.●

RETIREMENT OF FLORENCE BARR

● Mr. GARN. Mr. President, it gives me a great deal of pleasure to acknowledge today the retirement of one of the Senate's most loyal and dedicated employees, Miss Florence Barr, the Chief Clerk of the Senate Committee on Banking, Housing, and Urban Affairs.

Florence first came to the Senate in 1946 as a secretary on the personal staff of the Senator from her home State of Indiana, Senator Homer E. Capehart. In 1953, Senator Capehart assumed the chairmanship of the committee and wisely brought Florence back from a brief stay in the private sector and appointed her to the staff. Now, Senator Capehart made many important contributions during his distinguished career in the Senate, but I do not think he ever made a wiser decision than hiring Florence Barr.

For over 30 years, Florence has given dedicated service to the Banking Committee, and those who have worked with her—both committee members and staff—will testify to the unfailing enthusiasm and good human with which she approaches her job. Not only is Florence an accomplished employee, but her knowledge of the legislation and issues before our committee makes her a vital information source for staff members and the public as well. Her tremendous energy and her willingness to work until the job is done, combined with her style and charm, have made her invaluable to the committee.

As she looks back over her career here, I am sure that Florence has many memories. She has seen Senators and staff come and go: No present number of the committee or its staff has served on the Banking Committee longer than she.

Florence, along with Carol Pugh, Henrietta Chase, and Polly Beam, constituted the entire clerical staff of the committee in the early fifties. These four women affectionately dubbed the "four sisters," and five professional staff members, completed the Banking Committee staff. At that time all staff—both committee staff and personal staff—worked in the only building on the Senate side—the Russell Building. By contrast, the committee today employs 40 staff members and Senate operations have expanded to fill the Russell Building, the Dirksen Building, and of course, the newly completed Hart Building.

Florence's tenure with the committee has now spanned 30 years, serving under the chairmanships of Senator Capehart, of Indiana, Senator Fulbright, of Arkansas, Senator Robertson, of Virginia, Senator Sparkman, of Alabama, Senator PROXMIRE, of Wisconsin, and this Senator, from Utah. It has been suggested that Florence, who came to the Senate and to the Banking Committee under the chairmanship of a Republican, could not leave with complete satisfaction until the chairmanship of the committee was again under the control of the GOP. She has never acted in a partisan or discriminating way, always treating everyone alike.

Whatever the reason for her leaving, through her 30 years of service on the staff of the committee, Florence has become well liked and well known for her skills, her competence, and her friendliness. Over the years, she has assisted Banking Committee activities during the deliberation of a vast range of legislative issues, including housing programs, the birth of the Department of Housing and Urban Development, and all of the related programs, mass transit, monetary policy debates, the imposition, and then lifting of wage and price controls, international trade and trade finance, coinage, many Government financial assistance programs such as Lockheed, New York City, Chrysler, and of course, banking organization, regulation, and now deregulation.

Since coming to the committee, Florence has served in various administrative capacities and, since 1981, has been the chief clerk of the committee. In that role, she has utilized her extensive background and experience to manage the committee's administrative and support operations. Her tireless efforts in keeping close tabs on the committee budget have been instrumental in keeping the committee's finances in balance and within budgeted guidelines. Her diligence at committee hearings and markup sessions has expecially helped this Senator to maintain an effective handle on votes and other procedural matters.

Prior to coming to Washington, Florence studied nursing for a brief period; and little did she know that this educational experience would be useful in her work here. Through the years, she has treated with special care the countless Senators and staff members who have passed through the committee's portals. The sound advice and able assistance she has provided to young and eager staff members over the years has been a major factor in so many of them obtaining senior positions on the committee staff, in other areas of government, and in the private sector. All owe a special debt of gratitude to Florence.

Florence Barr's contributions to the committee might best be characterized by a common byword of the committee staff—and others—whenever a question arose involving the Banking Committee. That byword is "ask Flo," because Florence, like as not, will either

know the answer or will know exactly whom to call or where you can go to get the answer. By reason of her long years in the Senate, her numerous friendships all over the Senate, her intelligence, her youthfulness, and her hard work, Florence has a wealth of information which she has always freely dispensed with unfailing courtesy. As literally hundreds of professional staff came and went through the years, her knowledge, abilities, friendliness, and commitment to her work contributed greatly to the smooth and consistent operation of the Senate Banking Committee.

The Senate owes a great measure of gratitude to Florence Barr, and we will miss, as well as remember with respect, admiration and affection, her devotion to this institution. As we acknowledge and thank her for her service, we also want to wish her great happiness and Godspeed in the new direction her life is taking.●

NATIVE HAWAIIAN STUDY COMMISSION REPORT

● Mr. INOUYE. Mr. President, in a few weeks the Native Hawaiian Study Commission will be releasing its final report to the Congress. In reference to this matter, I would like to submit for the RECORD an article written by an important and gifted constituent, Mr. Arthur Trask, and recently published in the Honolulu Star Bulletin. This article was written in response to the Commission's first draft issued on September 23, 1982. It is anticipated that the final report will be quite similar to the preliminary draft.

I have reviewed the preliminary version and found it to be deficient in both historical and legal analyses. Because the conclusions are based on faulty premises, I feel that it would be most unfortunate if the findings as set forth in the draft version were to foreclose the final outcome.

I wish to share this article with my colleagues to demonstrate the depth of dissent and divergence of opinion surrounding the issue of Native Hawaiian claims.

The article follows:

NAGGING HAWAIIAN QUESTIONS

(By Arthur Kaukaohu Trask)

Sound the ancient drums of shark skins throughout Hawaii in thanks to the *Honolulu Star-Bulletin* for the editorial publication last Jan. 6 of the full message of President Grover Cleveland to the Congress in 1893, withdrawing the treaty of annexation.

Its purpose was declared to be "an important message for those wishing to understand Hawaiian demands for reparations, a question under study by Congress."

After 90 years! A historic primacy in journalism in modern Hawaii.

On Jan. 11, the *Star-Bulletin* under title of "The Failing Reagan Presidency," published an editorial of the *New York Times.* The topic sentence was "The stench of failure hangs over Ronald Reagan's White House."

Your sensitive printing of these articles may be regarded as important events to help create some thoughts on the recurrent divergent American philosophy of domestic versus foreign affairs of the stars of this publicity, Cleveland and Reagan. The "Hawaiian question" has never left the forum of American conscience.

Now, about "the stench . . ." Well, I did not hold my breath. I read it easily and admiringly. It carried the sweet tradewind of truth for older Americans of the Hoover-Roosevelt era of "forgotten men" and Depression.

But for us in Hawaii, the *Times'* editorial on Reagan's presidency went historically much deeper in political bewilderment.

Every responsible voice in Hawaii, our congressional senators and representatives in leadership, are dismayed by the Reagan-appointed commission on Native Hawaiian Study draft report, finding "that the Native Hawaiian has no legal title to the Hawaiian Islands."

Well, who does? According to the scenario, Ronald Reagan, of course. He has assumed the role of rewriting the "Tale of Two Nations"—the kingdom of Hawaii and the United States of America. Only the Hawaiians and their Kingdom of Hawaii and Queen Liliuokalani are ignored as facts of existence!

This Hollywood rewrite operation enlisted U.S. Navy legal historians to outmaneuver the studied, investigated facts of special Commissioner James Blount confirmed by the State Department legal historians in the message of Cleveland.

With this perversion of history established, the Reagan "draft report" wallows over 400 pages of irrelevance of the condition of the Hawaiian people in this time of 1982 in economic, social, occupational, educational and political non-well-being to trumpet this masquerade of designed dishonor.

Now, about the nation and independent Kingdom of Hawaii, and Cleveland and the final infamy of annexation of 1898.

Kamehameha the Great united his people and raised a nation into the enlightened Kingdom of Hawaii in 1795—recognized in the family of nations by the empires of Great Britain, Russia, Japan, France, Italy, Germany, China, Portugal, Spain and the United States of America—unto the overthrow of Queen Liliuokalani in 1893.

Upon the death of Kamehameha II in 1824 in London of measles, King George IV of Great Britain proclaimed his protection of the Kingdom of Hawaii—"and that their internal affairs were their Hawaiian affairs."

And so, when Lord Paulet in breach of British policy of protection toward the nation of Hawaii took control of the kingdom for a few months in 1843, Adm. Richard Thomas under orders of Queen Victoria promptly arrived in Honolulu from Peru, dismissed Paulet and restored the kingdom of Kamehameha III, who proclaimed the motto, "The life of the land is perpetuated by righteousness."

This date of 1983 marks the 90th year of that American dishonor detailed by President Cleveland upon the impartial and sweeping investigation of Blount and supported by Secretary of State W. Q. Gresham.

Queen Liliuokalani was imprisoned in degradation by the missionary party; Democrat Cleveland was engulfed in a depression and powerless to persuade Republicans William McKinley and Teddy Roosevelt and the missionary party and sugar interests to restore the queen.

To this date, not a dime was paid for the kingdom and Hawaiian star on the American flag to the Hawaiian people!

What happened to the conscience and morality of the American people?

America lit the torch of freedom for all men, everywhere, in its revolution from the tyranny of Great Britain in 1776 and in its Constitution of 1787 as a nation is a model for emerging nations.

The American Civil War was the second crisis whether America would be half free and half-slave ending in 1865 as a nation of freemen.

The third crisis was the "Hawaiian question" debated by Congress from 1893 to annexation in 1898. This third question of crisis in morality and conscience involved whether the traditional American virtue of freedom for all men shall be forfeited by taking over friendly and defenseless nations of Cuba, Puerto Rico, Virgin Islands, Mexico, Central America, Philippine Islands and the Kingdom of Hawaii—for greed of the Yankee trader.

In 1898 President McKinley and the Republicans launched America into a colonial empire. Politically it was styled: "Carrying the white man's burden," which was stealing other peoples' properties!

The Philippines were given back their freedom and destiny in 1946.

The Kingdom of Hawaii remains in the wing of history awaiting Cleveland's assurance to Queen Liliuokalani of "American right and justice."

Now, Hawaii is the 50th State of the Union of States. Uniquely American, yet indigenously Hawaiian we have welcomed generously in aloha tradition the rejected aliens of China, Portugal, Japan, Russia, Puerto Rico, Korea and the Philippines into Americanization.

Yet, the Hawaiian remains aloof. Poetically he prays to his gods: This is my own, my native land tell the stranger to go his way and leave me what belongs to me. Hawaii is a state but the native is a psychic colonist.

The Hawaiian is a stranger in his native land—wrenched by an overwhelmingly grasping alien civilization which still has him bewildered.

The "Hawaiian question" will not go away. The world knows that Cleveland called the overthrow "outrageous" even after annexation in 1898. It must not be allowed to gnaw at the American conscience as its honor and credibility in this tumultuously differing cultured peoples of the Pacific world who think fondly of Hawaii, as Hawaiian first, and then American.

The East-West Center in Honolulu is a propaganda American campus to teach American studies. Hawaii is perhaps America's refreshing tradewind of peace.

Whether Queen Liliuokalani was right to wait for American justice is a repulsive inquiry. Her consort was an American and naturalized Hawaiian citizen. She knew Cleveland in Washington in 1887, returning from the Golden Jubilee of Victoria in London Cleveland told her in 1897, at the White House that he threw the papers of the missionary party for annexation into the waste basket. Yet after 90 gross years of Hawaiian degradation of waiting what shall be the action of this "race of strong strange, fascinating, kindly, romantic peopole" as Mark Twain called them?

My view is this. The drama is extraordinary in world history. America is beautiful

in its ideal; on the dignity of man. Hawaii lived and lives this ideal as a fact of life. Life being evolutionary and politics being American, it is a fascinating enterprise for us Hawaiians as an oceanic people to look into the eyes of all Americans and say:

Hawaiians feel, with statehood and our sensible peoples, that they have reason to believe that the genius and flexibility of American law and love for justice will be achieved, and soon.

For the foregoing reasons, no conflagration of eloquence is needed to condemn the "draft report as a stench of political pollution which demands editing consonant with historical truth before congressional reading, on President Cleveland's demand of restoration, damages and reparations to Queen Liliuokalani and her native Hawaiian people.●

TRIBUTE TO A. RAY OLPIN

● Mr. HATCH. Mr. President, I should like to take a few moments to review with my colleagues the accomplishments of one of Utah's finest citizens, Dr. A. Ray Olpin, who passed away March 7, 1983, at the age of 87.

From 1946 until 1964, Dr. Olpin served as president of the University of Utah. The bywords of his administration during these 18 years would seem to be responsiveness, vision and advancement. All the participants in Utah's colleges and universities, myself included, were bettered by his influence on his school and his State.

Thousands of returning servicemen accompanied Dr. Olpin to the university when he assumed his post after World War II. As an administrator intent on meeting the needs of his students, Dr. Olpin organized classes and programs that ran from 7 a.m. to 10 p.m. He converted unused buildings into classrooms and study halls, added new curriculums and colleges, and spearheaded the establishment of the University of Utah's nationally recognized graduate schools.

Dr. Olpin kept an eye on the university's future, and directed the acquisition of nearly 300 acres of what used to be U.S. Government property at Fort Douglas, which has made much of the university's advancement since the end of his term possible.

As a result of these and other efforts on behalf of the students and educational capability of his school, enrollment rose from 3,000 to almost 13,000; scholastic renown grew similarly.

Dr. Olpin's interests were not limited to the academic. He headed a strong family that is well-regarded in its own right. He served the entire State of Utah as a supporter of the arts, as a spiritual leader in this church, and as a teacher, author, and leader in his chosen field of physics and mathmetics. He actively participated in international programs and causes, and worked to achieve many other awards and accomplishments that are too numerous to mention.

Summing up his life of service and achievement, the Salt Lake Tribune paid him this honor, with which I strongly concur:

He met the exacting changes and insistent education demands of his time with an understanding, a foresight and an effective counsel that Utah and its people will benefit from permanently.●

ORDER OF BUSINESS

Mr. BAKER. Mr. President, I see no Senator on the floor, other than the distinguished Senator from Minnesota, seeking recognition to transact business at this time. I have inquired of the minority leader and our own cloakroom and I believe there is no other requirement for morning business.

Therefore, I ask unanimous consent for two things:

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

First, a limitation of time provided for in the original order for morning business be abrogated and that the Senator from Minnesota be permitted to speak not past the hour of 5 p.m.

ORDER FOR THE PRESIDING OFFICER TO PLACE SENATE IN ADJOURNMENT

I further ask unanimous consent that at the conclusion of the remarks of the Senator from Minnesota and the introduction of a bill which he anticipates, with referral, that the Chair automatically place the Senate in adjournment pursuant to the order previously entered without the transaction of any further business.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 863—ENTERPRISE ZONE EMPLOYMENT AND DEVELOPMENT ACT OF 1983

Mr. BOSCHWITZ. Mr. President, today I am pleased to have 36 of my distinguished colleagues join me in introducing the administration's enterprise zone bill.

Mr. President, the cosponsors of my bill are: Senators CHAFEE, CHILES, RUDMAN, INOUYE, DANFORTH, GORTON, HAWKINS, ROTH, GARN, MATTINGLY, HEINZ, KASTEN, HATCH, DENTON, TOWER, GRASSLEY, JEPSEN, PERCY, DURENBERGER, SPECTER, D'AMATO, TRIBLE, ANDREWS, HEFLIN, WARNER, PRESSLER, MATSUNAGA, WILSON, BRADLEY, ABDNOR, SIMPSON, DOMENICI, DOLE, BAKER, MURKOWSKI, and LAXALT.

I am confident that more of my colleagues will join in support of this bill and that this will be the last time it is necessary to introduce legislation. We have introduced it a couple of times before.

The enterprise zone concept has gathered impressive bipartisan support, including repeated affirmations by President Reagan. I am pleased that President Reagan called for enactment of enterprise zone legislation in his state of the Union message, and that he recently confirmed his personal support by meeting with a number of the principal sponsors at the White House.

While the President's commitment is important, the continued efforts in Congress are needed to achieve our goal and enact responsible enterprise zone legislation. I commend Senator CHAFEE for his efforts and am confident that we can, with the support of our colleagues, achieve our goal.

Indeed, the action here in the Senate and in the House are the things that will eventually make this legislation a reality.

In this time of double digit unemployment, we need enterprise zones more than ever. As the economy is in the process of turning around, more and more Americans are going back to work, but the need will be increasing for the enterprise zone concept. Areas such as Minnesota's Iron Range, where the jobless have been stung by the ravages of structural unemployment, can use the boost the enterprise zones can provide.

As a matter of fact, Mr. President, today 1,200 additional Minnesotans will be laid off because Reserve Mining Co. is closing down for 6 months.

In simple terms, the supporters of enterprise zones view the problems of joblessness like this: There are no jobs because there are not enough opportunities in the areas that need them the most. Enterprise zones would encourage job creation through a Federal/local package of tax breaks and other incentives for businesses which locate in a designated zone.

There are many problems faced by businesses wishing to locate in enterprise zones, or areas that could become enterprise zones, that cannot be corrected by the Federal Government alone.

Such problems as crime, weak infrastructure support, city taxes, and the inability to get insurance are the kinds of things that will be addressed by the cities, counties, and States.

These serve as a double whammy when you consider that a prospective business already faces the usual problems of tax burdens, startup capital and technical expertise.

Enterprise zones address these problems by combining incentives provided by the Federal Government with those of local governments. That an area shows signs of high unemployment, poverty, or outmigration is not enough to qualify for an enterprise zone designation. The local government must also assemble a package of tax and other incentives that meet the particular problems of the area. Moreover, the award of an enterprise zone

will be granted on a competitive basis to test local commitment. That could include any number of things, such as improved infrastructure support, reduction of local taxes, relaxation of local regulations, managerial assistance and technical help.

These local contributions are then matched by Federal tax breaks, such as the elimination of capital gains taxes for business investment in the area, significant reductions in income taxes, and tax credits for wages paid to previously unemployed workers. This local/Federal package addresses the problems that all small businesses face, as well as the particular problems of a business located in a depressed area.

Enterprise zone legislation should be aimed primarily at small business because they create the vast majority of new jobs. In the past 10 years nearly 80 percent of new jobs have been created by businesses with less than 100 employees.

My faith in business goes much deeper than statistics. My experience as a businessman has shown me that small businesses offer an increased opportunity for rapid advancement when compared with larger corporations. People at the lower end of the wage scale are not so easily lost in the shuffle; the small businessman is far more involved with the lives of his employees. A worker's qualities, problems, family, and ambitions do not easily escape the boss' notice. Getting in on the ground floor of a small business is a very effective method of advancement, but most important, it stands in stark contrast from welfare.

Mr. President, the administration's bill addresses these issues directly. The bill provides incentives for businesses that will expand entrepreneurial activity in the zones, and includes incentives that will encourage the poor on welfare to seek taxpaying jobs and give them a stake in their community. This bill embraces the basic legislation that was reported by the Finance Committee last year but makes additional changes that I believe improve that bill and should be included in the legislation enacted into law. At this point, Mr. President, I ask unanimous consent that a description of the administration's bill be printed in the RECORD.

There being no objection, the description was ordered to be printed in the RECORD, as follows:

THE ENTERPRISE ZONE EMPLOYMENT AND DEVELOPMENT ACT—BRIEF DESCRIPTION

Local and state governments will designate enterprise zones, subject to Federal approval. Within these zones the Federal government will offer major tax incentives for job creation and small business growth.

The incentives are designed to meet two crucial goals:

1. First, they will create a new sense of economic buoyancy within the zones, by dramatically expanding entrepreneurial activity. The bill does this by:

Eliminating capital gains taxes on investment within zones.

Providing an additional investment tax credit for investment within zones: 5 percent for zone pesonal property and 10 percent for new construction property.

Extending the excess credit carryback to three years and the excess credit carryforward to up to 15 years or the life of the enterprise zone.

Insuring that industrial developments bonds will continue to be available within zones.

2. Second, the bill recognizes that the poor on welfare may face the highest marginal tax rates of all. This creates a poverty trap for millions of Americans. To entice the poor, when able, to seek taxpaying jobs and to encourage job creation within enterprise zones, the bill provides the following incentives:

An employee personal income tax credit for wages earned in the zone: 5 percent, up to a cap of 1.5 times the FUTA wage base.

An employer credit for hiring disadvantaged workers equal to 50 percent of the worker's wage for three years, phasing out to 40 percent, 30 percent, 20 percent, and 10 percent over the following four years. This credit has no cap, which gives the employer a major incentive to train disadvantaged workers for higher-wage jobs.

An employer credit for 10 percent of total enterprise zone payroll (for existing businesses, this is 10 percent of the increase in payroll after the zone is designated).

DESIGNATION

A local and state government may together request enterprise zone designation if they certify that the area meets certain qualifications. To insure that the local and state governments are committed to making enterprise zones work, they must submit a zone "course of action" which outlines steps they will take to improve the climate for job creation, economic growth, and community development within the zone. This course of action may include tax reduction, regulatory reform, improved local services, and/or commitments from private groups to provide assistance to zone entrepreneurs and residents, or other incentives they may wish to provide. The Secretary of HUD, in consultation with other Federal agencies, would designate up to 75 zones, with one-third going to rural areas, during a three-year period giving preference to zones with the strongest and highest quality courses of actions, and the broadest support and commitment by private entities, organizations, neighborhood associations and community groups.

OTHER PROVISIONS

State and local governments may together apply for the modification of Federal regulations if such modification is in the public interest, would not overturn a statutory requirement, and would not present a risk to health, safety, or the environment. The bill does not propose a change in the minimum wage.

Whenever possible and desired, foreign trade zones should be established within enterprise zones.

THE ENTERPRISE ZONE EMPLOYMENT AND DEVELOPMENT ACT OF 1983

The draft legislation incorporates several technical amendments plus the following changes from the Enterprise Zone Tax Act of 1982, (H.R. 6009, S. 2298):

1. Adds a "Purposes" section, which states the joint objectives of stimulating creation of new jobs and promoting revitalization of economically distressed areas. [Section 2.]

2. Retains the provision added by the Senate Finance Committee requiring that at least one-third of the zones designated be located outside Metropolitan Statistical Areas or in jurisdictions within Metropolitan Statistical Areas that are determined by the Secretary of HUD, in consultation with the Secretary of Commerce, to be rural. [Subsection 7871(a)(2)(C)(ii).]

3. Reduces the minimum population requirement for areas outside of Metropolitan Statistical Areas from 2,500 to 1,000 to encourage participation by smaller communities. [Subsection 7871(c)(2)(C)(i)(II).]

4. Requires State and local governments with jurisdiction over nominated areas to certify that a nominated area meets the eligibility requirements, rather than the Secretary so certifying. [Subsection 7871(c)(3).]

5. Adds an "Evaluation and Reporting Requirements" section to insure that the program will be monitored and evaluated. [Section 103.]

6. Adds a section exempting from NEPA and related laws the act of designating an Enterprise Zone itself. NEPA and related protections continue to be mandated in the zone following designation. [Subsection 104(c).]

7. Provides retroactive eligibility for employment tax credits for businesses that hire qualified workers after a zone receives State enterprise zone designation but before Federal designation. [Subsections 201(c)(3)(A) and (d)(3)(B).]

SUMMARY OF "THE ENTERPRISE ZONE EMPLOYMENT AND DEVELOPMENT ACT OF 1983"

OBJECTIVES

The proposed Enterprise Zone program is an experimental, free-market initiative for dealing with economic distress in inner cities and rural towns. Its objectives are twofold:

To create jobs in depressed areas of our Nation's cities, large and small, particularly jobs for disadvantaged workers and long-term unemployed individuals.

To redevelop and revitalize the geographic zone areas themselves.

CONCEPTS

The underlying concept of Enterprise Zones is to create a free-market environment in depressed areas through: relief from taxes, regulations and other government burdens; improved municipal services; and involvement of private entities, organizations, neighborhood associations, and citizens groups. Because the program is based on the concept of removing government burdens rather than providing government subsidies, it involves no Federal appropriations.

The removal of these burdens will create a climate for the enterprise system to flourish within the zones, allowing private sector firms and entrepreneurs to create jobs expand economic activity.

The program is intended primarily to stimulate new economic activity within the zones which would not otherwise have occurred at all, anywhere, rather than to encourage existing outside activity to relocate into the zones. In addition, the intent behind the program is not to stimulate a particular kind of business, but rather to let the market decide what activities should take place in the zones. While the Federal tax incentives are skewed towards labor-in-

tensive businesses and jobs for disadvantaged workers, the program generally provides a balanced set of stimuli for a broad range of economic activities and businesses.

PROGRAM STRUCTURE

The proposed legislation establishes what areas are eligible to be designated Enterprise Zones based on criteria concerning poverty, unemployment, and other indicators of distress. However, this is not an entitlement program, and, consequently, eligible areas do not automatically become Enterprise Zones. Rather, an eligible area must first be nominated by its local and State governments. Both the nominating State and local governments would then apply to the Secretary of Housing and Urban Development for Federal designation. In general, any jurisdiction satisfying the minimum population requirements and which is eligible under the UDAG program would be eligible for State and local nomination if it meets the distress criteria.

The Secretary of Housing and Urban Development will then evaluate the zone nomination on a competitive basis. The primary criterion for choosing which proposed zones will receive Federal designation will be the quality and strength of the incentives to be contributed by the State and local governments. Particular emphasis will be given to incentives and contributions consistent with the overall Enterprise Zone theme of creating an open market environment through the removal of government burdens. These contributions may include tax relief, regulatory relief, increase in the level of efficiency of local services possibly through experimentation with private sector providers of public services, and involvement in the program of private entities, and neighborhood and community groups. Other contributions and factors will also be considered in this competition.

A maximum of 75 zones will be approved during the first three years of the program. There is a rural setaside of at least one-third of the zones designated over the three year period. Each zone's designation will last for the period chosen by the nominating State and local governments, with a maximum of 20 years of Federal participation, plus a four-year phaseout of that participation. The Department of Housing and Urban Development will administer the program.

FEDERAL TAX INCENTIVES

The major features of the Federal tax package are:

A nonrefundable investment tax credit for capital investments in an Enterprise Zone. For personal property, such as machinery or equipment, this credit will be 5 percent. For the construction or rehabilitation of commercial, industrial, or rental housing structures within a zone, the credit will be 10 percent. Unused investment tax credits may be carried over for the life of the zone or 15 years, whichever is longer.

A nonrefundable 10 percent income tax credit to employers for payroll paid to qualified zone employees in excess of payroll paid to such employees in the year prior to zone designation.

A special strengthened, nonrefundable 50 percent income tax credit to employers for wages paid to zone employees who were disadvantaged individuals when hired.

A nonrefundable 5 percent income tax credit to employees for wages paid to zone employees for wages earned in zone employment.

The elimination of capital gains taxes within the zones.

The designation of suitable Enterprise Zone areas as Foreign Trade Zones, providing relief from tariffs and import duties.

The continued availability of Industrial Development Bonds (IDBs) to small businesses in Enterprise Zones when the availability of such bonds is terminated elsewhere after 1986, and use of accelerated cost recovery for EDB-financed property.

A carryover of any unused employment tax credits for the life of the zone in which a firm is located or 15 years, whichever is longer, and a carryback of up to three years.

COST AND EFFECT OF THE TAX PACKAGE

The Administration estimates that the cost of the Enterprise Zone program in FY 1984 would be $87 million, since tax incentives would effect taxable years beginning after January 1, 1984; and the cost in terms of foregone revenues would be $400 million in FY 1985, when it is assumed that the increased business activity would have occurred in any event elsewhere. The total cost of the program would then increase commensurately in future years for increased numbers of zones. When, however, any of the business activity is new and would not have occurred otherwise, the net cost will be substantially reduced.

FEDERAL REGULATORY RELIEF

Under this proposal, Federal regulatory bodies (all agencies covered by the Administrative Procedures Act) will be given discretionary authority to relax or eliminate their nonstatutory regulatory requirements within Enterprise Zones, but only upon the request of the State and local governments.

To utilize this authority, the State and local governments governing each zone must request Federal agencies to relax or eliminate particular regulations within the zone. The Federal bodies that promulgated the regulations will have the statutory power to grant such requests at their discretion. Congressionally mandated standards will dictate how the agencies use this discretion. The standards will include an instruction to each body to weigh the special job creation and economic revitalization purposes of the zones against other important aspects of the public welfare which may underlie the regulation, and to relax or eliminate each particular regulation within the zone when appropriate. A Federal regulatory body will have no authority to take any action without a prior request from both the State and local governments governing each zone.

Regulations which are specifically imposed and spelled out by statute will not be affected by this authority. The minimum wage law, for example, will not be affected, since the statute expressly requires that a minimum of $3.35 an hour be paid. The authority will only be used to relax regulations where agencies now have some discretion. Regulations affecting civil rights or the relaxation of which would harm the public safety or health, including environmental health, will be exempted from this authority.

STATE AND LOCAL GOVERNMENT ROLE

The Enterprise Zone program is not simply a Federal Government effort. To be successful, the program must have substantial contributions from State and local governments. In fact, State and local contributions may make the critical difference as to whether a zone succeeds or fails.

The proposed State and local contributions will determine which zones will be Federally approved. The Federal posture towards these contributions will be highly flexible. No particular element of tax relief or regulatory relief, or any other possible contributions will be required. Failure to include one element in a State and local package or contributions can be offset by greater strength in the other elements. It should be remembered, however, that each State and local contribution package will be competitively evaluated against the other State and local packages.

In the area of tax relief, State and local governments may provide reductions in State and local income taxes, property taxes, sales taxes, and other taxes which vary among the jurisdictions.

State and local deregulation may be provided in such areas as zoning, occupational licensure laws, usury laws, price controls, permit requirements, central planning regulations, and building codes.

In the area of service improvement, "contracting out" or "privatization" may be one means of improving local services, along with increased police or fire protection or street or sewer repairs.

State and local governments may also provide funding for projects which contribute to economic development in a zone, such as job training or infrastructure improvements. These governments may use their Community Development Block Grants, Urban Development Act Grants, or Revenue Sharing funds for these efforts.

To encourage local community involvement, State and local governments may encourage the creation of enterprise associations by zone residents. These associations may undertake the provision of some city services in their areas; help local residents to participate in the economic success of the zones, particularly through mechanisms providing for equity participation; and support volunteer, self-help efforts for the zone areas. Participation in the program by other private sector organizations in performing these functions may also be encouraged by the State and local governments. The extent to which residents of the zone have a stake in the success of the zone will be an important factor in the Federal designation competition.

Mr. BOSCHWITZ. Mr President, I first introduced enterprise zone legislation over 2 years ago, and support for it has come from many sources—both conservative and liberal. I most recently renewed my support for enterprise zones when I introduced S. 98 on January 26, 1983. Both the administration's proposal and S. 98 seek the same goal and are quite similar. Even so, there are some differences which should be discussed.

The administration's proposal includes two provisions that are not contained in S. 98. First, zone employees would receive a personal tax credit of up to 5 percent for wages earned in the zone. This credit is limited by 1½ times the FUTA wage base—currently a maximum credit of $450 per employee.

Second, the employment tax credits for employers that hire qualified workers would be retroactive for businesses that locate in State-designated zones that are subsequently designated as Federal enterprise zones. This provision recognizes the initiative of the many States that have passed or

are considering State enterprise zone legislation, and the businesses that are or will be operating in them.

The administration's proposal does not contain a provision that I believe is necessary to attract the start-up capital for small businesses to locate in a zone. S. 98 includes a provision to generate that start-up capital by giving investors an incentive—called equity expensing—to purchase stock in an enterprise zone. Equity expensing works much like an individual retirement account (IRA). An investor can expense—write off—up to $100,000 a year of the amount paid to buy stock in an enterprise zone small business having a net worth of less than $2 million.

That would be a powerful incentive to get people to invest in a new business in an enterprise zone. Like an IRA, the investor must pay the tax when he gets his investment back—in this case by selling the stock. Because equity expensing only defers taxes, it is a strong incentive to keep the capital invested, as well as an incentive to make the initial investment.

While these difference are significant, the foundation has been laid for building responsible, effective enterprise zone legislation. I pledge my concerted efforts and continued dedication for enterprise zones. I urge the Finance Committee to act quickly and favorably and join our colleagues in enacting enterprise zone legislation early this year.

Mr. President, I yield to the Senator from the State of Washington (Mr. GORTON).

Mr. GORTON. I thank my friend from Minnesota.

Mr. President, I want to say a few words in support of the bill just introduced by my distinguished colleague, the Senator from Minnesota. I am a cosponsor of this bill, and I believe it merits the serious consideration of the Senate.

The enterprise zone approach represents an innovative attempt to deal with the problems of economic development in areas of this country facing long-term economic hardship. It is an experiment, predicated on the belief that the American people will continue to display the qualities of entrepreneurship and enterprise that have made our country strong, if only we will remove the barriers that stand in their way.

Economically depressed areas become that way for a reason. Too often, especially in some of our larger cities, economic growth has been discouraged by a lack of incentives for business investment. High tax rates, combined with declining local services and a local labor pool lacking the skills needed by business have resulted in the creation of permanent economic backwaters.

Mr. President, I sympathize with the problems faced by these cities and other economically disadvantaged areas. Too often as business moved out local authorities have had to raise tax rates on a declining base to support local services. The sad and predictable result has been to speed business outmigration even further. The bill recognizes this fundamental problem and attacks it by offering tax and regulatory relief to businesses established in designated enterprise zones. This represents a departure from traditional Federal attempts to help these areas—attempts which have too often been costly and futile.

The bill has many features which recommend it as a well thought out approach. It calls for cooperation between the Federal Government and State and local authorities in creating an atmosphere conducive to business and employment. It emphasizes local development. No one believes that because of this bill these areas will miraculously be the recipients of massive investment by large corporations, building huge factories where formerly there were none. Instead the bill emphasizes the encouragement of local business enterprises, providing for realistic employment opportunities, and encouraging the provision of jobs appropriate to the local labor force.

Enterprise zones are an experiment. I do not suggest that they will eliminate the need for job training or community development activities by the Federal Government. The bill recognizes the experimental nature of the idea by limiting the number of zones which can be created, and by requiring an evaluation of the degree to which they achieve their objectives. It is an experiment worthy of undertaking.

The Senator from Minnesota is to be commended for the leadership he has shown in this vital area. I have served with the Senator on the Budget Committee for the last 2 years and have come to admire greatly the thoughtfulness and creativity he brings to his work. His sponsorship of this bill is further evidence of this, and I urge the Senate to give the bill speedy and serious consideration.

Mr. BOSCHWITZ. I thank the Senator.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 863

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This title may be cited as the "Enterprise Zone Act of 1983".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SECTION 2. PURPOSES.

It is the purpose of this Act to provide for the establishment of enterprise zones in order to stimulate the creation of new jobs, particularly for disadvantaged workers and long-term unemployed individuals, and to promote revitalization of economically distressed areas primarily by providing or encouraging:

(a) tax relief at the Federal, state and local levels;

(b) regulatory relief at the Federal, state and local levels; and

(c) improved local services and an increase in the economic stake of enterprise zone residents in their own community and its development, particularly through the increased involvement of private, local, and neighborhood organizations.

TITLE I—DESIGNATION OF ENTERPRISE ZONES

SEC. 101. DESIGNATION OF ZONES.

(a) GENERAL RULE.—Chapter 80 (relating to general rules) is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER C.—DESIGNATION OF ENTERPRISE ZONES.

"Sec. 7871. Designation.

"SEC. 7871. DESIGNATION.

"(a) DESIGNATION OF ZONES.—

"(1) DEFINITIONS.—For purposes of this title, the term 'enterprise zone' means any area—

"(A) which is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (hereinafter in this section referred to as a 'nominated area'), and

"(B) which the Secretary of Housing and Urban Development, after consultation with—

"(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration, and

"(ii) in the case of an area on an Indian reservation, the Secretary of the Interior,

designates as an enterprise zone.

"(2) LIMITATION ON DESIGNATIONS.—

"(A) PUBLICATION OF REGULATIONS.—Before designating any area as an enterprise zone, the Secretary of Housing and Urban Development shall prescribe by regulation no later than four months following the enactment of this Act, after consultation with the officials described in paragraph (1)(B)—

"(i) the procedures for nominating an area under paragraph (1)(A),

"(ii) the parameters relating to the size and population characteristics of an enterprise zone, and

"(iii) the manner in which nominated areas will be compared based on the criteria specified in subsection (d) and the other factors specified in subsection (e).

"(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development shall designate nominated areas as enterprise zones only during the 36-month period beginning on the later of—

"(i) the first day of the first month following the month in which the effective date of the regulations described in subparagraph (A) occurs, or

"(ii) July 1, 1983.

"(C) NUMBER OF DESIGNATIONS.—

"(i) IN GENERAL.—The Secretary of Housing and Urban Development may not designate more than 75 nominated areas as enterprise zones during the period beginning with the first day of the 36-month period described in subparagraph (B).

"(ii) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated under clause (i), at least one-third must be areas—

"(I) which are within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined under the most recent census data available) and which are determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas; or

"(II) which are outside of a metropolitan statistical area (within the meaning of section 103A(1)(4)(B)).

"(D) PROCEDURAL RULES.—The Secretary of Housing and Urban Development shall not make any designation under paragraph (1) unless—

"(i) the local government and the State in which the nominated area is located have the authority—

"(I) to nominate such area for designation as an enterprise zone,

"(II) to make the State and local commitments under subsection (d), and

"(III) to provide assurances satisfactory to the Secretary of Housing and Urban Development that such commitments will be fulfilled,

"(ii) a nomination therefor is submitted in such a manner and in such form, and contains such information, as the Secretary of Housing and Urban Development shall by regulation prescribe,

"(iii) the Secretary of Housing and Urban Development determines that any information furnished is reasonably accurate, and

"(iv) the State and local governments certify that no portion of the area nominated is already included in an enterprise zone or in an area otherwise nominated to be an enterprise zone.

"(3) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

"(b) PERIOD FOR WHICH DESIGNATION IS IN EFFECT—

"(1) IN GENERAL.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

"(A) December 31 of the 24th calendar year following the calendar year in which such date occurs,

"(B) the termination date designated by the State and local governments as provided for in their nomination pursuant to subsection (a)(2)(D)(ii), or

"(C) the date the Secretary of Housing and Urban Development revokes such designation under paragraph (2).

"(2) REVOCATION OF DESIGNATION.—The Secretary of Housing and Urban Development, after consultation with the officials described in subsection (a)(1)(B), may revoke the designation of an area if the Secretary of Housing and Urban Development determines that the local government or the State in which it is located is not complying substantially with the State and local commitments pursuant to subsection (d).

"(c) AREA AND ELIGIBILITY REQUIREMENTS.—

"(1) IN GENERAL.—The Secretary of Housing and Urban Development may make a designation of any nominated area under subsection (a)(1) only if it meets the requirements of paragraphs (2) and (3).

"(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

"(A) the area is within the jurisdiction of the local government,

"(B) the boundary of the area is continuous, and

"(C) the area—

"(i) has a population, as determined by the most recent census data available, of at least—

"(I) 4,000 if any portion of such area (other than a rural area described in subsection (b)(2)(C)(ii)(I)) is located within a metropolitan statistical area (within the meaning of section 103A(1)(4)(B)) with a population of 50,000 or greater, or

"(II) 1,000 in any other case, or

"(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

"(3) ELIGIBILITY REQUIREMENTS.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State and local governments in which it is located certifies and the Secretary of Housing and Urban Development, after such review of supporting data as he deems appropriate, accepts such certification, that—

"(A) the area is one of pervasive poverty, unemployment, and general distress,

"(B) the area is located wholly within the jurisdiction of a local government which is eligible for Federal assistance under section 119 of the Housing and Community Development Act of 1974, as in effect on the date of the enactment of this section, and

"(C) one of the following criteria is met—

"(i) the unemployment rate, as determined by the appropriate available data, was at least 1½ times the national unemployment rate for that period, or

"(ii) the poverty rate (as determined by the most recent census data available) for each populous census tract, (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was at least 20 percent for the period to which such data relates, or

"(iii) at least 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974), or

"(iv) the population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available.)

"(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

"(1) IN GENERAL.—No nominated area shall be designated as an enterprise zone unless the local government and the State in which it is located agree in writing that, during any period during which the area is an enterprise zone, such governments will follow a specified course of action designed to reduce the various burdens borne by employers or employees in such area.

"(2) COURSE OF ACTION.—The course of action under paragraph (1) may be implemented by both such governments and private nongovernmental entities, may be funded for proceeds of any Federal program, and may include, but is not limited to—

"(A) a reduction of tax rates or fees applying within the enterprise zone,

"(B) an increase in the level or efficiency of local services within the enterprise zone, e.g., crime prevention (particularly through experimentation with providing such services by nongovernmental entities),

"(C) actions to reduce, remove, simplify, or streamline governmental requirements applying within the enterprise zone, and

"(D) involvement in the program by private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a commitment from such private entities to provide jobs and job training for, and technical, financial or other assistance to, employers, employees, and residents of the nominated area.

"(e) PRIORITY OF DESIGNATION.—In choosing nominated areas for designation, the Secretary of Housing and Urban Development shall give special preference to the areas with respect to which the strongest and highest quality contributions described in subsection (d)(2) have been promised as part of the course of action, taking into consideration the fiscal ability of the nominating State and local governments to provide tax relief. The Secretary shall also give preference to—

"(1) the nominated areas with respect to which the strongest and highest quality contributions other than those described in subsection (d)(2) have been promised as part of the course of action.

"(2) the nominated areas with respect to which the nominating State and local governments have provided the most effective and enforceable guarantees that the proposed course of action under subsection (d) will actually be carried out out during the period of the enterprise zone designation,

"(3) the nominated areas with high levels of poverty, unemployment, and general distress, particularly the areas—

"(A) which are near areas with concentrations of disadvantaged workers or long-term unemployed individuals, and

"(B) with respect to which there is a strong likelihood that residents of the area described in subparagraph (A) will receive jobs if the area is designated as an enterprise zone,

"(4) the nominated areas the size and location of which—

"(A) will primarily stimulate new economic activity, and

"(B) minimize unnecessary tax losses to the Federal Government,

"(5) the nominated areas with respect to which private entities have made the most substantial commitments in additional resources and contributions, including the creation of new or expanded business activities, and

"(6) the nominated areas which best exhibit such other factors determined by the Secretary of Housing and Urban Development as are—

"(A) consistent with the intent of the enterprise zone program, and

"(B) important to minimizing the unnecessary loss of tax revenues to the Federal Government.

"(f) DEFINITIONS.—For the purposes of this title—

"(1) GOVERNMENTS.—If more than one government seeks to nominate an area as an enterprise zone, any reference to, or require-

ment of, this section shall apply to all such governments.

"(2) STATE.—The term 'State' shall also include Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

"(3) LOCAL GOVERNMENT.—The term 'local government' means—

"(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State,

"(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development, and

"(C) the District of Columbia."

"(b) CONFORMING AMENDMENT.—The table of subchapters for chapter 80 is amended by adding at the end thereof the following new item:

"SUBCHAPTER C—DESIGNATION OF ENTERPRISE ZONES".

SEC. 103. EVALUATION AND REPORTING REQUIREMENTS.

Not later than the close of the fourth calendar year after the year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each fourth calendar year thereafter, the Secretary of Housing and Urban Development shall prepare and submit to the Congress a report on the effects of such enterprise zones' designation in accomplishing the purposes of this Act.

SEC. 104. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) TAX REDUCTIONS.—Any reduction of taxes under any required program of State and local commitment under section 7871(d) of the Internal Revenue Code of 1954 shall be disregarded in determining the eligibility of a State or local government for, or the amount or extent of, any assistance or benefit under any law of the United States.

(b) COORDINATION WITH RELOCATION ASSISTANCE.—The designation of an enterprise zone under section 7871 of the Internal Revenue Code of 1954 shall not—

(1) constitute approval of a Federal or Federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601)), or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(c) COORDINATION WITH ENVIRONMENTAL POLICY.—Designation of an enterprise zone under section 7871 shall not constitute a Federal action for purposes of applying the requirements of the National Environmental Policy Act (42 U.S.C. 4341) or other provisions of Federal law relating to the protection of the environment.

TITLE II—FEDERAL TAX INCENTIVES

Subtitle A—Credits for Employers and Employees

SEC. 201. CREDIT FOR ENTERPRISE ZONE EMPLOYERS.

(a) CREDIT FOR INCREASED ENTERPRISE ZONE EMPLOYMENT AND EMPLOYMENT OF DISADVANTAGED WORKERS.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44H. CREDIT FOR ENTERPRISE ZONE EMPLOYMENT.

"(a) IN GENERAL.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) 10 percent of the qualified increased employment expenditures of the taxpayer for the taxable year, and

"(2) the economically disadvantaged credit amount of the taxpayer for such taxable year.

"(b) LIMITATIONS BASED ON AMOUNT OF TAX.—

"(1) IN GENERAL.—The credit allowed by subsection (a) for a taxable year shall not exceed the tax imposed by this chapter for such taxable year, reduced by the sum of the credits allowable under any section of this subpart having a lower number of letter designation than this section, other than the credits allowable by sections 31, 39, and 43. For purposes of the preceding sentence, the term 'tax imposed by this chapter' shall not incude any tax treated as not imposed by this chapter under the last sentence of section 53(a).

"(2) CARRYBACK AND CARRYOVER OF UNUSED CREDIT.—

"(A) ALLOWANCE OF CREDIT.—If the amount of the credit determined under this section for any taxable year exceeds the limitation provided by paragraph (1) for such taxable year (hereinafter in this paragraph referred to as the 'unused credit year'), such excess shall be—

"(i) an enterprise zone employment credit carryback to each of the 3 taxable years preceding the unused credit year, and

"(ii) an enterprise zone employment credit carryover to each of the 15 taxable years following the unused credit year,

and shall be added to the amount allowable as a credit by this section for such years. If any portion of such excess is a carryback to a taxable year beginning before January 1, 1984, this section shall be deemed to have been in effect for such taxable year for purposes of allowing such carryback as a credit under this section. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 18 taxable years to which (by reason of clauses (i) and (ii)) such credit may be carried, and then to each of the other 17 taxable years to the extent that, because of the limitation contained in subparagraph (B), such unused credit may not be added for a prior taxable year to which such unused credit may be carried.

"(B) LIMITATION.—The amount of the unused credit which may be added under subparagraph (A) for any preceding or succeeding taxable year shall not exceed the amount by which the limitation provided by paragraph (1) for such taxable year exceeds the sum of—

"(i) the credit allowable under this section for such taxable year, and

"(ii) the amounts which, by reason of this paragraph, are added to the amount allowable for such taxable year and which are attributable to taxable years preceding the unused credit year.

"(C) SPECIAL RULE IF PERIOD OF ZONE EXTENDS MORE THAN 15 YEARS.—If the number of taxable years during the period—

"(i) beginning with the taxable year after the unused credit year, and

"(ii) ending with the taxable year in which the designation of the enterprise zone to which the credit under subsection (a) relates expires under section 7871.

exceeds 15, then subparagraph (A) shall be applied by substituting such number for '15', such number plus 3 for '18', and such number plus 2 for '17'.

"(c) QUALIFIED INCREASED EMPLOYMENT EXPENDITURES DEFINED.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified increased employment expenditures' means the excess of—

"(A) the qualified wages paid or incurred by the employer during the taxable year to qualified employees with respect to all enterprise zones, over

"(B) the base period wages of the employer with respect to all such zones.

"(2) LIMITATIONS AS TO QUALIFIED WAGES TAKEN INTO ACCOUNT.—

"(A) DOLLAR AMOUNT.—The amount of any qualified wages taken into account under paragraph (1) for any taxable year with respect to any qualified employee may not exceed 2.5 times the dollar limitations in effect under section 3306 (b)(1) for the calendar year with or within which such taxable year ends.

"(B) APPLICATION WITH ECONOMICALLY DISADVANTAGED CREDIT AMOUNT.—Qualified wages shall not be taken into account under paragraph (1) if such wages are taken into account in determining the economically disadvantaged credit amount under subsection (d).

"(3) BASE PERIOD WAGES.—

"(A) IN GENERAL.—The term 'base period wages' means, with respect to any enterprise zone, the amount of wages paid to employees during the 12-month period preceding the date on which the enterprise zone was designated as such under section 7871, or the date on which the enterprise zone is designated under State law, enacted after January 1, 1981, if earlier, which would have been qualified wages paid to qualified employees if such designation had been in effect for such period.

"(B) RULES OF SPECIAL APPLICATION.—For purposes of subparagraph (A)—

"(i) subsection (f)(1) shall be applied by substituting '12-month period' for 'taxable year' each place it appears, and

"(ii) the dollar limitation taken into account under paragraph (2) in computing qualified wages shall be the amount in effect for taxable year for which the amount of the credit under subsection (a) is being computed.

"(d) ECONOMICALLY DISADVANTAGED CREDIT AMOUNT.—For purposes of this section—

"(1) IN GENERAL.—The term 'economically disadvantaged credit amount' means the sum of the applicable percentage of qualified wages paid to each qualified economically disadvantaged individual.

"(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term 'applicable percentage' means, with respect to any qualified economically disadvantaged individual, the percentage determined in accordance with the following table:

"If the qualified wages are paid for services performed:	The applicable percentage is:
Within 36 months of starting date	50
More than 36 months but less than 49 months after such date	40
More than 48 months but less than 61 months after such date	30
More than 60 months but less than 73 months after such date	20
More than 72 months but less than 85 months after such date	10
More than 84 months after such date	0

"(3) STARTING DATE; BREAKS IN SERVICE—For purposes of this subsection—

"(A) STARTING DATE.—The term 'starting date' means the day which the qualified economically disadvantaged individual

begins work for the employer within enterprise zone.

"(B) BREAKS IN SERVICE.—The periods described in the table under paragraph (2) (other than the first such period) shall be extended by any period of time during which the individual is unemployed, and by any period of time during which the individual is employed by a taxpayer in an enterprise zone designated under State law enacted after January 1, 1981, if such designation occurs prior to the designation of the enterprise zone under section 7871.

"(e) QUALIFIED WAGES DEFINED.—For purposes of this section—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, the term 'qualified wages' has the meaning given to the term 'wages' by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such section).

"(2) REDUCTION FOR CERTAIN FEDERALLY FUNDED PAYMENTS.—For purposes of this section the wages paid or incurred by an employer for any period shall not include the amount of any Federally funded payments the employer receives or is entitled to receive for on-the-job training of such individual for such period.

"(3) SPECIAL RULES FOR AGRICULTURAL AND RAILWAY LABOR.—Under regulations prescribed by the Secretary, rules similar to the rules of section 51(h) shall apply with respect to services described in subparagraphs (A) and (B) of section 51(h)(1).

"(f) QUALIFIED EMPLOYEE DEFINED.—

"(1) IN GENERAL.—For purposes of this section, the term 'qualified employee' means an individual—

"(A) at least 90 percent of whose services for the employer during the taxable year are directly related to the conduct of the employer's trade or business located in an enterprise zone, and

"(B) who performs at least 50 percent of his services for the employer during the taxable year in an enterprise zone.

"(2) EXCEPTION FOR INDIVIDUALS WITH RESPECT TO WHOM CREDIT IS ALLOWED UNDER SECTION 44B.—The term 'qualified employee' shall not include an individual with respect to whom any credit is allowed the employer for the taxable year under section 44B (relating to credit for employment of certain new employees).

"(g) QUALIFIED ECONOMICALLY DISADVANTAGED INDIVIDUAL.—

"(1) For purposes of this section, the term 'qualified economically disadvantaged individual' means an individual—

"(A) who is a qualified employee,

"(B) who is hired by the employer during the period a designation under section 7871 is in effect for the area in which the services which qualify such individual as a qualified employee are performed, and

"(C) who is certified as—

"(i) an economically disadvantaged individual,

"(ii) an eligible work incentive employee (within the meaning of section 51(d)(9)), or

"(iii) a general assistance recipient (within the meaning of section 51(d)(6)).

"(2) ECONOMICALLY DISADVANTAGED INDIVIDUAL.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The term 'economically disadvantaged individual' means any individual who is certified by the designated local agency as being a member of a family that had a combined family income (including the cash value of food stamps) during the 6 months preceding the month in which such determination occurs that on an annual basis, was equal to or less than the sum of—

"(i) the highest amount which would ordinarily be paid to a family of the same size without any income or resources in the form of payments for aid to families with dependent children under the State plan approved under part A of title IV of the Social Security Act for the State in which such individual resides, plus,

"(ii) the highest cash value of the food stamps to which a family of the same size without any income or resources would be paid aid to families with dependent children under such State plan in the amount determined under clause (i).

Any such determination shall be valid for the 45-day period beginning on the date such determination is made.

"(B) SPECIAL RULE FOR FAMILIES WITH ONLY 1 INDIVIDUAL.—For purposes of clause (i) of subparagraph (A), in the case of a family consisting of only one individual, the 'highest amount which would ordinarily be paid' to such family under the State's plan approved under part A of title IV of the Social Security Act shall be an amount determined by the designated local agency on the basis of a reasonable relationship to the amounts payable under such plan to families consisting of two or more persons.

"(3) CERTIFICATION.—Certification of an individual as an individual described in paragraph (1)(C) shall be made in the same manner as certification under section 51.

"(h) SPECIAL RULES.—For purposes of this section—

"(1) APPLICATION TO CERTAIN ENTITIES, ETC.—Under regulations prescribed by the Secretary, rules similar to the rules of section 52 (other than subsection (b) thereof) and section 44F(f)(3) shall apply.

"(2) PERIODS OF LESS THAN A YEAR.—If designation of an area as an enterprise zone under section 7871 occurs, expires, or is revoked on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year—

"(A) the limitation specified in subsection (c)(2)(A), and the base period wages determined under subsection (c)(3), shall be adjusted on a pro rata basis (based upon the number of days), and

"(B) the reduction specified in subsection (e)(2) and the 90 percent and 50 percent tests set forth in subsection (f)(1) shall be determined by reference to the portion of the taxable year during which the designation of the area as an enterprise zone is in effect.

"(i) PHASEOUT OF CREDIT.—In determining the amount of the credit for a taxable year under subsection (a) with respect to qualified wages paid or incurred for services performed in an enterprise zone—

"(1) the following percentages shall be substituted for '10 percent' in subsection (l)(1):

"(A) 7.5 percent in the earlier of—

"(i) the taxable year which includes the date which is 21 years after the date on which such enterprise zone was designated under section 7871, or

"(ii) the taxable year which includes the date which is 4 years before the date (if any) on which such enterprise zone ceases to be a zone under section 7871(b)(1)(B),

"(B) 5 percent in the next succeeding taxable year,

"(C) 2.5 percent in the second next succeeding taxable year, and

"(D) zero thereafter, and

"(2) the amount determined under subsection (a)(2) shall be reduced by—

"(A) 25 percent in the case of the taxable year described in paragraph (1)(A),

"(B) 50 percent in the next succeeding taxable year,

"(C) 75 percent in the second next succeeding taxable year, and

"(D) 100 percent thereafter.

"(j) EARLY TERMINATION OF EMPLOYMENT BY EMPLOYER IN CASE OF QUALIFIED ECONOMICALLY DISADVANTAGED INDIVIDUALS, ETC.—

"(1) GENERAL RULE.—Under the regulations prescribed by the Secretary, if the employment of any qualified economically disadvantaged individual with respect to whom qualified wages are taken into account under subsection (a) is terminated by the taxpayer at any time during the 270-day period beginning on the date such individual begins work for the employer, the tax under this chapter for the taxable year in which such employment is terminated shall be increased by an amount (determined under such regulations) equal to the credit allowed under subsection (a) for such taxable year and all prior taxable years attributable to qualified wages paid or incurred with respect to such employee.

"(2) SUBSECTION NOT TO APPLY IN CERTAIN CASES.—

"(A) IN GENERAL.—Paragraph (1) shall not apply to—

"(i) a termination of employment of an employee who voluntarily leaves the employment of the employer,

"(ii) a termination of employment of an individual who, before, the close of the period referred to in paragraph (1), becomes disabled to perform the services of such employment, unless such disability is removed before the close of such period and the employer fails to offer reemployment to such individual,

"(iii) a termination of employment of an individual, if it is determined under the applicable State unemployment compensation law that the termination was due to the misconduct of such individual, or

"(iv) a termination of employment of an individual due to a substantial reduction in the trade or business operations of the employer.

"(B) CHANGE IN FORM OF BUSINESS, ETC.—For purposes of pargraph (1), the employment relationship, between the employer and an employee shall not be treated as terminated.—

"(i) by a transaction to which section 381(a) applies, if the employee continues to be employed by the acquiring corporation, or

"(ii) by reason of a mere change in the form of conducting the trade or business of the taxpayer, if the employee continues to be employed in such trade or business and the employer retains a substantial interest in such trade or business.

"(3) SPECIAL RULE.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit allowable under subpart A."

(b) NO DEDUCTION ALLOWED.—

(1) IN GENERAL.—Section 280C (relating to disallowance of deductions for that portion of wages for which credit is claimed under section 40 or 44B) is amended—

(A) by adding at the end thereof the following new subsection:

"(c) RULE FOR SECTION 44H CREDITS.—No deduction shall be allowed for that portion of the wages or salaries paid or incurred for the taxable year which is equal to the amount of the credit allowable under section 44H (relating to the employment credit for enterprise zone businesses). This subsec-

tion shall be applied under a rule similar to the rule under the last sentence of subsection (b)."; and

(B) by striking out "OR 44B" in the heading and inserting in lieu thereof ", 44B, OR 44H".

(2) CONFORMING AMENDMENT.—The table of sections for part IX of subchapter B of chapter 1 is amended by striking out "or 44B" in the item relating to section 280C and inserting in lieu thereof ", 44B, or 44H".

(c) TECHNICAL AMENDMENTS RELATED TO CARRYOVER AND CARRYBACK OR CREDITS.—

(1) CARRYOVER OF CREDIT.—

(A) Subparagraph (B) of section 55(c)(3) (relating to carryover and carryback of certain credits) is amended—

(i) by striking out "or 44F" in clause (i) and inserting in lieu thereof "44F, or 44H", and

(ii) by inserting "44H(b)(1)," after "44F(g)(1)," in clause (ii).

(B) Subsection (c) of section 381 (relating to items of the distributor or transferor corporation) is amended by adding at the end thereof the following new paragraph:

"(30) CREDIT UNDER SECTION 44H.—The acquiring corporation shall take into account (to the extent proper to carry out the purposes of this section and section 44H, and under such regulations as may be prescribed by the Secretary) the items required to be taken into account for purposes of section 44H in respect to the distributor or transferor corporation."

(C) Section 383 (relating to special limitations on unused credits and capital losses), as in effect for taxable years to which the amendments made by the Tax Reform Act of 1976 apply, is amended—

(i) by inserting "to any unused credit of the corporation under section 44H(b)(2)," after "44B(b)(2)," and

(ii) by inserting "ENTERPRISE ZONE EMPLOYMENT CREDITS," after "EMPLOYEE STOCK OWNERSHIP CREDITS," in the section heading.

(D) Section 383 (as in effect on the day before the amendments made by the Tax Reform Act of 1976) is amended—

(i) by inserting "to any unused credit of the corporation which could otherwise be carried forward under section 44H(b)(2)," after "44G(b)(2)," and

(ii) by inserting "ENTERPRISE ZONE EMPLOYMENT CREDITS," after "EMPLOYMENT STOCK OWNERSHIP CREDITS," in the section heading.

(E) The table of sections for part V of subchapter C of chapter 1 is amended by inserting "enterprise zone employment credits," after "employee stock ownership credits," in the item relating to Section 383.

(2) CARRYBACK OF CREDIT.—

(A) Subparagraph (C) of section 6511(d)(4) (defining credit carryback) is amended by striking out "and employee stock ownership credit carryback" and inserting in lieu thereof "employee stock ownership credit carryback, and enterprise zone employment credit carryback."

(B) Section 6411 (relating to quick refunds in respect to tentative carryback adjustments) is amended—

(i) by striking out "or unused employee stock ownership credit" each place it appears and inserting in lieu thereof "unused employee stock ownership credit, or unused enterprise zone employment credit carryback;"

(ii) by inserting ", by an enterprise zone employment credit carryback provided by section 44H(b)(2)," after "by an employee stock ownership credit carryback provided by section 44G(b)(2)" in the first sentence of subsection (a);

(iii) by striking out "or employee stock ownership credit carryback from" each place it appears and inserting in lieu thereof "employee stock ownership credit carryback, or enterprise zone employment credit carryback from;" and

(iv) by striking out "research and experimental credit carryback)" in the second sentence of subsection (a) and inserting in lieu thereof "research and experimental credit carryback, or in the case of an enterprise zone employment credit carryback, to an investment credit carryback, a new employee credit carryback, or an employee stock ownership credit carryback)."

(d) OTHER TECHNICAL AND CLERICAL AMENDMENTS.—

(1) Subsection (b) of section 6096 (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by striking out "and 44G" and inserting in lieu thereof "44G and 44H".

(2) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting before the item relating to section 45 the following new item:

"Sec. 44H. Credit for enterprise zone employment."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1983.

SEC. 202. CREDIT FOR ENTERPRISE ZONE EMPLOYEES.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable), as amended by section 201, is amended by inserting immediately before section 45 the following new section:

"SEC. 44J. CREDIT FOR ENTERPRISE ZONE EMPLOYEES.

"(a) IN GENERAL.—In the case of a qualified employee, there is allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 5 percent of the qualified wages for the taxable year.

"(b) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED EMPLOYEE.—The term 'qualified employee' means an individual—

"(A) who is described in section 44H(f)(1), and

"(B) who is not the employee of the Federal Government or any State or subdivision of a State.

"(2) QUALIFIED WAGES.—

"(A) IN GENERAL.—The term 'qualified wages' has the meaning given to 'wages' under subsection (b) of section 3306, attributable to services performed for an employer with respect to whom the employee is a qualified employee, in an amount which does not exceed 1½ times the dollar limitation specified in such subsection.

"(B) EXCEPTION.—The term 'qualified wages' does not include any compensation received from the Federal Government or any State or subdivision of a State.

"(3) ENTERPRISE ZONE.—The term 'enterprise zone' means any area with respect to which a designation as an enterprise zone is in effect under section 7871.

"(c) PHASEOUT OF CREDIT.—In determining the amount of the credit for the taxable year under subsection (a) with respect to qualified wages paid to qualified employees for services performed in an enterprise zone, the following percentages shall be substituted for '5 percent' in subsection (a):

"(1) 3¾ percent in the taxable year in which the date which is—

"(A) 21 years after the date on which such enterprise zone was designated under section 7871 occurs, or

"(B) if earlier, the date 4 years before the date the zone designation is to expire;

"(2) 2½ percent in the next succeeding taxable year;

"(3) 1¼ percent in the second next succeeding taxable year; and

"(4) zero thereafter.

"(d) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) for a taxable year shall not exceed the tax imposed by this chapter for such taxable year, reduced by the sum of the credits allowable under a section of this subpart having a lower number or letter designation than this section, other than the credits allowable by sections 31, 39, and 43. For purposes of the preceding sentence, the term 'tax imposed by this chapter' shall not include any tax treated as not imposed by this chapter under the last sentence of section 53(a)."

(b) CONFORMING AMENDMENT.—The table of section for subpart A of part IV of subchapter A of chapter 1 is amended by inserting immediately before the item relating to section 45 of the following new item:

"SEC. 441. CREDIT FOR ENTERPRISE ZONE EMPLOYEES."

(c) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years after December 31, 1983.

Subtitle B—Credits for Investment in Tangible Property in Enterprise Zones

SEC. 211. INVESTMENT TAX CREDIT FOR ENTERPRISE ZONE PROPERTY.

(a) SECTION 38 PROPERTY.—Paragraph (1) of section 48(a) (defining section 38 property) is amended by striking out "or" at the end of subparagraph (F), by striking out the period at the end of subparagraph (G) and inserting in lieu thereof "; or", and by adding after subparagraph (G) the following new subparagraph:

"(H) enterprise zone property (within the meaning of subsection (r)) which is not otherwise section 38 property."

(b) AMOUNT OF CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 46(a)(2) (relating to amount of investment tax credit) is amended by striking out "and" at the end of clause (iii), by striking out the period at the end of clause (iv) and inserting in lieu thereof ", and", and by adding at the end of thereof the following new clause:

"(v) in the case of qualified enterprise zone property, the enterprise zone percentage."

(2) ENTERPRISE ZONE PERCENTAGE DEFINED.—Paragraph (2) of section 46(a) is amended by adding at the end thereof the following new subparagraph:

"(G) ENTERPRISE ZONE PERCENTAGE.—

"(i) IN GENERAL.—

"For purposes of this paragraph—

"In the case of qualified enterprise zone expenditures with respect to:	The enterprise zone percentage is:
Zone personal property (within the meaning of section 48(r)(2))	5
New zone construction property (within the meaning of section 48(r)(3))	10

"(ii) PHASEOUT OF CREDIT AS ENTERPRISE ZONE ENDS.—Clause (i) shall be applied by substituting the following percentages for 5 percent and 10 percent, respectively:

"(I) For the taxable year described in section 44H(i)(1)(A), 3.75 and 7.5.

"(II) For the next succeeding taxable year, 2.5 and 5.

"(III) For the second next succeeding taxable year, 1.25 and 2.5.

"(IV) For any subsequent taxable year, zero."

"(3) ORDERING RULES.—That portion of paragraph (7) of section 46(a) (relating to special rules in the case of energy property) which precedes subparagraph (B) is amended to read as follows:

"(7) SPECIAL RULES IN THE CASE OF ENERGY PROPERTY OR ENTERPRISE ZONE PROPERTY.—Under regulations prescribed by the Secretary—

"(A) IN GENERAL.—This subsection and subsection (b) shall be applied separately—

"(i) first with respect to so much of the credit allowed by section 38 as is not attributable to the energy percentage or the enterprise zone percentage,

"(ii) second with respect to so much of the credit allowed by section 38 as is attributable to the application of the energy percentage to energy property, and

"(iii) third with respect to so much of the credit allowed by section 38 as is attributable to the application of the enterprise zone percentage to enterprise zone property."

"(4) CONFORMING AMENDMENT.—Section 48(o) (defining certain credits) is amended by adding at the end thereof the following new paragraphs:

"(9) ENTERPRISE ZONE CREDIT.—The term 'enterprise zone credit' means that portion of the credit allowable by section 38 which is attributable to the enterprise zone percentage."

"(c) DEFINITIONS AND TRANSITIONAL RULES.—Section 48 (relating to definitions and special rules) is amended by redesignating subsection (r) as subsection (s) and by inserting after subsection (q) the following new subsection:

"(r) ENTERPRISE ZONE PROPERTY.—

"(1) The term 'enterprise zone property' means property—

"(A) which is—

"(i) zone personal property, or

"(ii) new zone construction property,

"(B) not acquired (directly or indirectly) by the taxpayer from a person who is related to the taxpayer (within the meaning of section 168(e)(4)(D)), and

"(C) acquired and first placed in service by the taxpayer in an enterprise zone during the period the designation as a zone is in effect under section 7871.

"(2) ZONE PERSONAL PROPERTY DEFINED.—The term 'zone personal property' means property which is—

"(A) 3-year property;

"(B) 5-year property;

"(C) 10-year property; and

"(D) 15-year public utility property,

which is used by the taxpayer predominantly in the active conduct of a trade or business within an enterprise zone. Property shall not be treated as 'zone personal property' if it is used or located outside the enterprise zone on any regular basis.

"(3) NEW ZONE CONSTRUCTION PROPERTY DEFINED.—The term 'new zone construction property' means 15-year real property which is—

"(A) located in an enterprise zone,

"(B) used by the taxpayer predominantly in the active conduct of a trade or business within an enterprise zone, and

"(C) either—

"(i) the construction, reconstruction, rehabilitation, renovation, expansion, or erection of which is completed by the taxpayer during the period the designation as a zone is in effect under section 7871, or

"(ii) acquired during such period if the original use of such property commences with the taxpayer and commences during such period.

In applying section 46(c)(1)(A) in the case of property described in clause (i), there shall be taken into account only that portion of the basis which is properly attributable to construction or erection during such period.

"(4) REAL ESTATE RENTAL.—For purposes of this section, ownership of residential, commercial, or industrial real property within an enterprise zone for rental shall be treated as the active conduct of a trade or business in an enterprise zone.

"(5) DEFINITIONS.—For purposes of this subsection, the terms '3-year property,' '5-year property,' '10-year property,' '15-year real property,' and '15-year public utility property' have the meanings given such terms by section 168(c)(2)."

(d) LODGING TO QUALIFY.—Paragraph (3) of section 48(a) (relating to property used for lodging) is amended—

(1) by striking out "and" at the end of subparagraph (C),

(2) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof ", and," and

(3) by adding at the end thereof the following new subparagraph:

"(E) new zone construction property."

(e) RECAPTURE.—Subsection (a) of section 47 (relating to certain dispositions, etc., of section 38 property) is amended by adding at the end thereof the following new paragraph:

"(9) SPECIAL RULES FOR ENTERPRISE ZONE PROPERTY.—

"(A) IN GENERAL.—If, during any taxable year, property with respect to which the taxpayer claimed an enterprise zone credit—

"(i) is disposed of, or

"(ii) in the case of zone personal property—

"(I) otherwise ceases to be section 38 property with respect to the taxpayer, or

"(II) is removed from the enterprise zone, converted, or otherwise ceases to be enterprise zone property (other than by the expiration or revocation of the designation as an enterprise zone),

the tax under this chapter for such taxable year shall be increased by the amount described in subparagraph (B).

"(B) AMOUNT OF INCREASE.—The increase in tax under subparagraph (A) shall equal the aggregate decrease in the credits allowed under section 38 by reason of section 46(a)(2)(A)(v) for all prior taxable years which would have resulted solely from reducing the expenditures taken into account with respect to the property by an amount which bears the same ratio to such expenditures as the number of taxable years that the property was held by the taxpayer bears to the applicable recovery period for earnings and profits under section 312(k)."

(f) BASIS ADJUSTMENT TO REFLECT INVESTMENT CREDIT.—

(1) IN GENERAL.—Paragraph (3) of section 48(q) (relating to basis adjustment to section 38 property) is amended to read as follows:

"(3) SPECIAL RULE FOR QUALIFIED REHABILITATION AND ENTERPRISE ZONE EXPENDITURES.—In the case of any credit determined under section 46(a)(2) for—

"(A) any qualified rehabilitation expenditure in connection with a qualified rehabilitated building other than a certified historic structure, or

"(B) any expenditure in connection with new zone construction property (within the meaning of section 48(r)(3)),

paragraphs (1) and (2) shall be applied without regard to the phrase '50 percent of'."

(2) CONFORMING AMENDMENT.—The heading for subsection (c) of section 196 (relating to deductions for certain unused investment credits) is amended by striking out "rehabilitated buildings" and inserting in lieu thereof "rehabilitation and enterprise zone expenditures."

(g) INVESTMENT CREDIT CARRYOVER PERIOD EXTENDED.—Paragraph (1) of section 46(b) (relating to carryover and carryback of unused credits) is amended by adding at the end thereof the following new sentence: "If the number of taxable years during the period beginning with the taxable years following the unused credit year and ending with the taxable year in which the designation of the enterprise zone to which the unused credit relates expires under section 7871 exceeds 15, then the preceding sentence shall be applied by substituting such number for '15,' such number plus 3 for '18,' and such number plus 2 for '17'."

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 1983, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1954.

SUBTITLE C—REDUCTION IN CAPITAL GAIN TAX RATES

SEC. 221. CORPORATIONS.

(a) GENERAL RULE.—Subsection (a) of section 1201 (relating to alternative tax for corporations) is amended by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) a tax of 28 percent of the excess (if any) of—

"(A) the net capital gain for the taxable year, over

"(B) the qualified enterprise zone capital gain."

(b) DEFINITION OF QUALIFIED ENTERPRISE ZONE CAPITAL GAIN.—Section 1201 is amended by redesignating subsections (b) and (c) as subsections (c) and (d) and by inserting after subsection (a) the following new subsection:

"(b) QUALIFIED ENTERPRISE ZONE CAPITAL GAIN.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified enterprise zone capital gain' means gain which is—

"(A) described in section 1222(3),

"(B) attributable to the sale or exchange of qualified property, and

"(C) properly allocable only to periods during which the property is qualified property.

"(2) LIMITATIONS.—The term 'qualified enterprise zone capital gain' does not include any gain attributable to the sale or exchange of an interest in a qualified business to the extent attributable to—

"(A) any property contributed to the quaified business within the previous 12 months,

"(B) any interest in any business which is not a qualified business, or

"(C) any other intangible property to the extent not properly attributable to the active conduct of a trade or business within an enterprise zone.

"(3) DEFINITIONS.—

"(A) The term 'qualified property' means—

"(i) any tangible personal property used by the taxpayer predominantly in an enterprise zone in the active conduct of a trade or business within such enterprise zone,

"(ii) any real property located in an enterprise zone used by the taxpayer predominantly in the active conduct of a trade or business within such enterprise zone, and

"(iii) any interest in a corporation, partnership, or other entity if, for the three most recent taxable years of such entity ending before the date of disposition of such interest, such entity was a qualfied business.

"(B) QUALIFIED BUSINESS.—The term 'qualified business' means any person—

"(i) which is actively engaged in the conduct of a trade or business within an enterprise zone during the period described in subparagraph (A)(iii),

"(ii) with respect to which at least 80 percent of such person's gross receipts for the taxable year are attributable to the active conduct of a trade or business within an enterprise zone, and

"(iii) with substantially all of its tangible assets located within an enterprise zone.

"(C) REAL ESTATE RENTAL.—For purposes of this section, ownership of residential, commercial, or industrial real property within an enterprise zone for rental shall be treated as the active conduct of a trade or business in an enterprise zone.

"(D) PROPERTY REMAINS QUALIFIED AFTER ZONE DESIGNATION CEASES TO APPLY.—

"(i) IN GENERAL.—The treatment of property as qualified property under subparagraph (A) shall not terminate when the designation of the enterprise zone in which the property is located or used expires or is revoked.

"(ii) EXCEPTIONS.—Clause (i) shall not apply after the first sale or exchange of property occurring after the designation expires or is revoked,"

SEC. 222. TAXPAYERS OTHER THAN CORPORATIONS.

Subsection (a) of section 1202 (relating to deduction for capital gains) is amended to read as follows:

"(a) DEDUCTION ALLOWED.—

"(1) IN GENERAL.—If for any taxable year a taxpayer other than a corporation has a net capital gain, there shall be allowed a deduction from gross income an amount equal to the sum of—

"(A) 100 percent of the lesser of—

"(i) the net capital gain, or

"(ii) the qualified enterprise zone capital gain (as defined in section 1201(b)), plus

"(B) 60 percent of the excess (if any) of—

"(i) the net capital gain, over

"(ii) the amount of the net capital gain taken into account under subparagraph (A)."

SEC. 223. MINIMUM TAX.

Paragraph (9) of section 57(a) (relating to tax preference for capital gains) is amended by adding at the end thereof the following new subparagraphs:

"(E) For purposes of this paragraph, gain attributable to qualified enterprise zone capital gain (within the meaning of section 1201(b)) shall not be taken into account."

SEC. 224. EFFECTIVE DATE.

The amendments made by this subtitle shall apply to sales or exchanges after December 31, 1983.

Subtitle D—Rules Relating to Industrial Development Bonds

SEC. 231. INDUSTRIAL DEVELOPMENT BONDS.

(a) LIMITATION ON ACCELERATED COST RECOVERY DEDUCTION NOT TO APPLY TO ENTERPRISE ZONE PROPERTY.—Subparagraph (C) of section 168(f)(12) (relating to limitations on property financed with tax-exempt bonds) is amended—

(1) by striking out "or" at the end of clause (iii),

(2) by striking out the period at the end of clause (iv) and inserting in lieu thereof", or ", and

(3) by adding at the end thereof the following new clause:

"(v) as enterprise zone property (within the meaning of section 48(r))."

(b) TERMINATION OF SMALL ISSUE EXEMPTION NOT TO APPLY.—Subparagraph (N) of section 103(b)(6) (relating to termination of small issue exemption after December 31, 1986) is amended by adding at the end thereof the following new sentence: "This subparagraph shall not apply to any obligation which is part of an issue substantially all of the proceeds of which are used to finance facilities within an enterprise zone if such facilities are placed in service while the designation as such a zone is in effect under section 7871."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after December 31, 1983, in taxable years ending after such date.

SUBTITLE E—SENSE OF THE CONGRESS WITH RESPECT TO TAX SIMPLIFICATION

SEC. 241. TAX SIMPLIFICATION.

It is the sense of the Congress that the Secretary of the Treasury should in every way possible simplify the administration and enforcement of any provision of the Internal Revenue Code of 1954 added to, or amended by, this Act.

TITLE III—REGULATORY FLEXIBILITY

SEC. 301. DEFINITION OF SMALL ENTITIES IN ENTERPRISE ZONES FOR PURPOSES OF ANALYSIS OF REGULATORY FUNCTIONS.

Section 601 of title 5, United States Code, is amended by—

(1) striking out "and" at the end of paragraph (5); and

(2) striking out paragraph (6) and inserting in lieu thereof the following:

"(6) the term 'small entity' means—

"(A) a small business, small organization, or small governmental jurisdiction within the meaning of paragraphs (3), (4), and (5) of this section, respectively; and

"(B) any qualified business; any governments which designated and approved an area which has been designated as an enterprise zone (within the meaning of section 7871 of the Internal Revenue Code of 1954) to the extent any rule pertains to the carrying out of projects, activities, or undertakings within such zone; and any not-for-profit enterprise carrying out a significant portion of its activities within such a zone; and

"(7) the term 'qualified business' means any person, corporation, or other entity—

"(A) which is engaged in the active conduct of a trade or business within an enterprise zone (within the meaning of section 7871 of the Internal Revenue Code of 1954); and

"(B) for whom at least 50 percent of its employees are qualified employees (within the meaning of section 44H(f) of such Code)."

SEC. 302. WAIVER OR MODIFICATION OF AGENCY RULES IN ENTERPRISE ZONES.

(a) Chapter 6 of Title 5, United States Code, is amended by redesignating sections 611 and 612 as sections 612 and 613, respectively, and inserting the following new section immediately after section 610:

"§ 611. Waiver or modification of agency rules in enterprise zones

"(a) Upon the written request of the governments which designated and approved an area which has been designated as an enterprise zone under section 7871 of the Internal Revenue Code of 1954, an agency is authorized, in order to further the job creation, community development, or economic revitalization objectives of the zone, to waive or modify all or part of any rule which it has authority to promulgate, as such rule pertains to the carrying out of projects, activities or undertakings within the zone.

"(b) Nothing in this section shall authorize an agency to waive or modify any rule adopted to carry out a statute or Executive order which prohibits, or the purpose of which is to protect persons again, discrimination on the basis of race, color, religion, sex, marital status, national origin, age, or handicap.

"(c) A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If a request is made to an agency other than the Department of Housing and Urban Development, the requesting governments shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

"(d) In considering a request, the agency shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area which would be affected by the change. The agency shall approve the request whenever it finds, in its discretion, that the public interest which the proposed change would serve in furthering such job creation, community development or economic revitalization outweighs the public interest which continuation of the rule unchanged would serve in furthering such underlying purposes. The agency shall not approve any request to waive or modify a rule if that waiver or modification would—

"(1) directly violate a statutory requirement (including any requirement of the Fair Labor Standards Act of 1938 (52 Stat. 1060; 29 U.S.C. 201 et seq.)); or

"(2) be likely to present a significant risk to the public health, including environmental health or safety, such as a rule with respect to occupational safety or health, or environmental pollution.

"(e) If a request is disapproved, the agency shall inform the requesting governments in writing of the reasons therefor and shall, to the maximum extent possible, work

with such governments to develop an alternative, consistent with the standards contained in subsection (d).

"(f) Agencies shall discharge their responsibilities under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

"(g) A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of this title. To facilitate reaching its decision on any requested waiver or modification, the agency may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account considering the request. The agency shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section.

"(h) In the event that an agency proposes to amend a rule for which a waiver or modification under this section is in effect, the agency shall not change the waiver or modification to impose additional requirements unless it determines, consistent with standards contained in subsection (d), that such action is necessary.

"(i) No waiver or modification of a rule under this section shall remain in effect for a longer period than the period for which the enterprise zone designation remains in effect for the area in which the waiver or modification applies.

"(j) For purposes of this section, the term 'rule' means (1) any rule as defined in section 551(4) of this title or (2) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to section 556 and 557 of this title."

(b) The table of sections for such chapter is amended by redesignating "Sec. 611." and "Sec. 612." and "Sec. 613.", respectively, and inserting the following new item immediately after "Sec. 610.":

"Sec. 611. Waiver or modification of agency rules in enterprise zones."

(c) Section 601(2) of such title is amended by inserting "(except for purposes of section 611)" immediately before "means."

(d) Section 613 of such title, redesignated by subsection (a) of this section, is amended by—

(1) inserting "(except section 611)" immediately after "chapter" in subsection (a); and

(2) inserting "as defined in section 601(2)" immediately before the period at the end of the first sentence of subsection (b).

SEC. 303. COORDINATION OF HOUSING AND URBAN DEVELOPMENT PROGRAMS IN ENTERPRISE ZONES.

Section 3 of the Department of Housing and Urban Development Act is amended by adding at the end thereof the following new subsection:

"(d) The Secretary of Housing and Urban Development shall—

"(1) promote the coordination of all programs under his jurisdiction which are carried on within an enterprise zone designated pursuant to 7871 of the Internal Revenue Code of 1954;

"(2) expedite, to the greatest extent possible, the consideration of applications for programs referred to in paragraph (1) through the consolidation of forms or otherwise; and

"(3) provide, whenever possible, for the consolidation of periodic reports required under programs referred to in paragraph (1) into one summary report submitted at such intervals as may be designated by the Secretary."

TITLE IV—ESTABLISHMENT OF FOREIGN-TRADE ZONES IN ENTERPRISE ZONES

SEC. 401. FOREIGN-TRADE ZONE PREFERENCES.

(a) PREFERENCE IN ESTABLISHMENT OF FOREIGN-TRADE ZONES IN REVITALIZATION AREAS.—In processing applications for the establishment of foreign-trade zones pursuant to an Act entitled "To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes," approved June 18, 1934, (48 Stat. 998), the Foreign-Trade Zone Board shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a foreign-trade zone within an enterprise zone designated pursuant to section 7871 of the Internal Revenue Code of 1954.

(b) APPLICATION PROCEDURE.—In processing applications for the establishment of ports of entry pursuant to an Act entitled "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and fifteen, and for other purposes," approved August 1, 1914 (38 Stat. 609), the Secretary of the Treasury shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a port of entry which is necessary to permit the establishment of a foreign-trade zone within an enterprise zone.

(c) APPLICATION EVALUATION.—In evaluating application for the establishment of foreign-trade zones and ports of entry in connection with enterprise zones, the Foreign-Trade Zone Board and the Secretary of Treasury shall approve the applications to the maximum extent practicable, consistent with their respective statutory responsibilities.

Mr. WARNER. Mr. President, I am a cosponsor of the Enterprise Zone Employment and Development Act of 1983 that is being introduced today.

In the past, the problem of neighborhood renewal has been addressed by Government loans and grants provided for activities ranging from rehabilitation of buildings to building community facilities. A great deal of money has been spent, but the record of success is mixed.

Enterprise zones are a different approach to reviving economically depressed places. The idea is to select economically distressed places and offering incentives to businesses which locate or expand their operations in the zone. No Government grants or loans are given, instead, the removal of governmental burdens and redtape is stressed.

This bill provides an array of Federal tax incentives, possible regulatory relief, and an expedited procedure for establishing foreign trade zones. Combined with State and local government contributions to aid zone development, this legislation will encourage the formation of new business and new jobs on a long-term basis.

Fourteen States have already enacted enterprise zone laws, including my own State of Virginia, and now is the time to enact Federal legislation.

I believe this bill can create jobs in distressed areas by stimulating new economic activity, not just make-work jobs, but real long-term employment.

This bill is similar to the bill reported from the Finance Committee last year, and I urge my colleagues to pass this legislation as soon as possible.

Mr. CHAFEE. Mr. President, for 3 years, I have been working on legislation to create an enterprise zone program for reversing severe economic decline in our inner cities and rural towns. During this time, the enterprise zone concept has gathered widespread support and is now endorsed by Republicans and Democrats from across the country, by mayors and Governors, civil rights groups, and businessmen.

Representative BARBER CONABLE, Representative BOB GARCIA, and Representative JACK KEMP, all of New York State, and Senator RUDY BOSCHWITZ of Minnesota, Senator JOHN HEINZ of Pennsylvania, and Senator JOHN DANFORTH of Missouri, have contributed enormously to this legislative project. We are all pleased that President Reagan has endorsed this concept and has used many of our ideas in proposing his own Enterprise Zone Employment and Development Act of 1983. Today I join Senator BOSCHWITZ and a bipartisan group of 30 other Senators in introducing the administration's bill.

This bill is very similar to enterprise zone legislation that was favorably reported out of the Senate Finance Committee last year. Its objectives are to create jobs in targeted distressed urban and rural areas, particularly for disadvantaged workers, and to revitalize the geographic zone areas themselves. The underlying concept of this experimental program is to encourage job-creating investment and entrepreneurial activity in the zones. This would be accomplished by providing relief from Federal, State, and local taxes, and from Federal, State, and local regulations, while improving some local services.

The combination of all these elements—the municipality, the State, the Federal Government, and the private sector—can, we hope, create the environment necessary to revive rundown areas. Because the revitalization program is based on removing Government burdens rather than providing Government grants, it will involve no Federal appropriations. It will be an important complement to existing economic development tools, such as community development block grants,

UDAG, job training, and antirecessionary jobs programs.

Eligibility of an area for enterprise zone designation will be based on criteria of poverty, unemployment, and economic distress. However, this will not be an automatic entitlement. Rather, an eligible area will have to be nominated by the city and State government, and then officially designated by HUD. The Federal designation process will be competitive, with 75 zones selected over 3 years. The purpose of this is to move ahead slowly, to get some experience, to see whether we are embarking down the right road before we start on a full-blown program with zones all across the Nation.

Fourteen States have already enacted enterprise zone legislation and some have even started designating areas eligible for State and local government incentives. It is my hope that we can enact this Federal legislation quickly and implement this program as soon as possible. With the active support of the administration and the 32 Senate cosponsors already on board, I am confident this goal can be met. My Finance Subcommittee on Savings, Pensions, and Investment Policy will conduct hearings on this bill on April 22.

Mr. DURENBERGER. Mr. President, I support the legislation introduced today on behalf of the administration by the distinguished Senators from Minnesota and Rhode Island, to create enterprise zones designed to revitalize economic growth and development in distressed areas.

During the past year, we in the Congress have heard a great deal about how the Nation needs to invest more in the "infrastructure," a term broadly defined to mean the roads, bridges, waterworks, and other capital facilities that make economic activity possible. But economic growth also depends on an infrastructure of incentives, or opportunities, which help to channel entrepreneurial behavior into productive activities. This is the contribution of the enterprise zone.

As with any infrastructure program, the incentives envisioned in the Enterprise Zone Employment and Development Act need not—should not—be viewed as a "jobs program" or a "quick fix" to cyclical downturns in the Nation's economy. Rather, the legislation must be seen as an important reaffirmation of the Federal Government's role in promoting the long-term recovery and redevelopment of those local economies that have fallen victim to structural changes in our industrial base, and to the affliction of fiscal disparities caused by suburban absorption of the urban tax base.

Many will recall the 1980 report by President Carter's Commission for a National Agenda for the Eighties, which advised the Federal, State, and local levels of government to divide their responsibilities according to what each does best. The report said, essentially, that the Federal Government should concentrate its resources on "safety net" programs designed to alleviate the problems of people, while State and local governments should concentrate on alleviating the problems of places, for example, by repairing infrastructure. For those of us who had watched with alarm the ever growing complexity of intergovernmental relations, these recommendations outlined a sensible—though not ironclad—course for decongesting the intergovernmental system.

Although enterprise zones, like the programs that preceded them, are intended to simultaneously address the problems of people and places, they depart in two key respects from traditional economic development schemes. First, enterprise zones would accomplish their objectives using tax and regulatory relief. Past programs have taken a "tail first" approach: tagging selected spots for substantial capital projects, which themselves were designed to serve as incentives for further economic growth and development. By contrast, enterprise zone incentives work more directly. If people do not respond to them, there will, in theory at least, be no costly and vacant monument to a grant plan gone awry.

Second, enterprise zones incorporate a unique, innovative approach to dealing with the problems of places. The "structures" they are designed to create are not convention centers or shopping malls, but a new type of jurisdictional structure. Many of the problems of places now arise from the existence of unequal wealth and tax burdens among jurisdictions, aggravated by a vicious circle: Wealthy jurisdictions become wealthier by attracting economic activity from the distressed areas through lower taxes, lower crime, and other related factors, leaving the distressed areas spiraling downward, continually worse off. Enterprise zones seek to interupt this process by establishing within distressed communities tax and regulatory subjurisdictions designed to reverse the outmigration of human and physical capital. The theory is that over time, through a gradual restoration of the local tax base, such areas can again enjoy healthy, self-sustaining economic growth.

While enterprise zones are an important new experiment in the field of economic development, they will help decongest the intergovernmental system only if designed to take into account the prerogatives of the States and local governments in which they are to be located. Specifically, we must take special care to insure that the Federal Government's establishment of enterprise zones does not conflict, directly or indirectly, with economic development initiatives undertaken at the State and local levels. Direct interference might occur, for example, where the Federal Government designates a zone in an area not considered a top priority for redevelopment by the affected States and localities. Indirect interference could come about if, in anticipation of Federal enterprise zone designations, businesses and investors deferred their participation in State enterprise zone programs out of a desire to capture the Federal benefits.

On this latter issue, I am pleased to see that the administration shares my concern. Included in this year's legislation is a retroactive benefits provision, which I first introduced as an amendment to the bill (S. 2298) that was reported by the Committee on Finance in the 97th Congress. The provision deals with businesses that locate, grow, or invest in State enterprise zones which are later codesignated as Federal enterprise zones. Such businesses would be eligible for the Federal benefits as if the activities had begun on or after the date of the Federal zone's designation.

The effect of this provision will be far reaching. Fourteen States have already enacted enterprise zone legislation, and many more are likely to follow suit. Hundreds of State enterprise zones may be designated in the next several years. To allow the development of these zones to be impeded by the Federal program is to run counter to President Reagan's objective of reducing State and local dependency on Federal actions; moreover, the ill effects would be wholly out of proportion to the modest cost of the available remedy.

On other points, however, there remains room for improvement. I am hopeful that, as this legislation moves through Finance Committee, additional consideration can be given to improving State and local discretion in the designation process, and toward building greater flexibility into the structure of tax and regulatory incentives so that State and local governments are not irrevokably tied to incentives which may in some cases prove to be inefficient generators of growth and development. The lessons of the past must not be forgotten: enterprise zones should not themselves be allowed to stand as monuments to well intended, but fatally flawed, social planning.

Mr. President, in closing, I would like to remind my colleagues that the

Commission for a National Agenda for the Eighties also recommended that the Federal Government develop the capacity and will to assist local governments in devising strategies to disinvest in severely distressed areas. Although President Carter subsequently disavowed this recommendation, it should be remembered that the report's authors possessed solid credentials within President Carter's own party. We now have before us a proposal by his conservative successor—a President often wrongly accused of insensitivity to the urban condition—who is proposing that the Federal Government do just the opposite. I think it is time for we in the Congress to put away our skepticism and give President Reagan's Enterprise Zone Employment and Development Act a fair chance to succeed.

ADJOURNMENT UNTIL MONDAY, MARCH 21, 1983, AT 12 NOON

The PRESIDING OFFICER. Under the previous order, the Senate will stand adjourned until 12 noon Monday, March 21, 1983.

Thereupon, at 5:02 p.m., the Senate adjourned until Monday, March 21, 1983, at 12 noon.

EXTENSIONS OF REMARKS

EDUCATIONAL TECHNOLOGY

HON. JOHN J. LaFALCE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. LaFALCE. Mr. Speaker, in President Reagan's January state of the Union message, the President set forth in broad terms his educational agenda. Though the President announced his support for efforts to boost math and science instruction, conspicuously absent from the administration's educational policies is any significant commitment to boosting technology as a method of improving the delivery of educational instruction to our Nation's schoolchildren.

Repeatedly we are deluged with warnings that the dearth of computer equipment in our classrooms is hindering the development of a computer-literate generation of youngsters. The focus of these warnings usually concerns the resulting inability of students to develop a needed understanding of computers and technology in general. What is often overlooked is that by neglecting the use of computers in the delivery of the educational product we are missing a tremendous opportunity to use technology to assist teachers in imparting all types of curricula to students.

The burgeoning number of manufacturers of instruction-oriented computers is testimony to the fact that private entrepreneurs recognize the great potential for using technology to provide school curricula in an innovative and effective way. It is time that Government reached the same conclusion.

Mr. Speaker, recently Josephine Genovese and Edward A. Lehan have prepared an excellent paper entitled "Educational Technology: A Reagan Opportunity." In it, they contend that the administration's educational policies dictating a lessening Federal role in education is inconsistent with the administration's stated objectives of economic recovery and industrial competitiveness. In the formulation of our educational policies we must look beyond the question of which level of government: National, State, or local must bear the primary responsibility for meeting education needs. Rather, we must recognize that the information age holds forth great opportunities for improving the quality of education afforded the Nation's youth.

Today's technology can significantly assist all educational providers with improved instruction techniques. The Congress must consider this as we proceed with our deliberations over our Nation's educational agenda and the myriad of legislative proposals to address our educational challenges.

At this time, I wish to insert for the RECORD a copy of "Educational Technology: A Reagan Opportunity".

EDUCATIONAL TECHNOLOGY: A REAGAN OPPORTUNITY

(By Josephine Genovese and Edward A. Lehan)

Adamantly anti-programmatic, President Reagan's policies toward education assume that desirable changes in educational productivity can be brought to pass by changing the technique of school finance.

This conception contrasts sharply with the strategies of previous Presidents who authorized thousands of specific categorical grants designed to impact on the nuts and bolts of schoolhouse practice. Because these grants did not, indeed, could not alter the traditional delivery system of education, the teacher-led class, this vast expenditure produced ambiguous results. Today, however, the means of achievement is at hand: computer-based pedagogy. It is, therefore, ironic that Presidents who were willing to use categorical grants lacked sufficient conditions for success, while a President who has a rare and magnificent opportunity to use them effectively to foster fundamental change shrinks from their use.

By all reports, American educators are beginning to enlarge the role of computers in the work of learning. This, after many years of hesitancy, indifference and outright resistance. This footdragging is understandable. Strong traditions guide educators and students. To countless millions, education signifies schoolhouses, classrooms, teacher's telling and questioning, upraised hands and blackboard work. To be sure, when the proofs of the past coincide with the conditions of the present, traditions provide a way, and a life. Unfortunately, when they do not, tradition degrades to mere precedent, useful only to rearguards disputing the ground before the advance of new techniques, or better ideas. The struggle to provide technology to American students will not be easy, or cheap. Many need persuasion. Training and retraining costs will be steep. Equipment and software is expensive. On expedient grounds, alone, a strong Federal role would be very helpful. On equity grounds, a strong Federal role is mandatory.

Because the usage of computers is spotty, incremental, and in most cases, experimental, the issues surrounding this fabulous technology are getting only a fraction of the attention given to the so-called "big issues" of our day, namely, the federal withdrawal and the tuition tax credit scheme. It is certainly possible, and intellectually respectable, to separate these political and technological developments, the better to worry them. Many do. We think it more productive, however, to bring these conceptions together within a single context of thought, and thereby provoke some fundamental thinking about the future of education.

It is significant to note that all three developments involve shifts of power. Based on an ideology of "self-reliance," President Reagan's attack on the Federal presence in education, and the tuition tax credit scheme are explicit political measures, deliberately aimed at a redistribution of power. In the first case, power shifts to the States; in the second, to parents, and thence to private schools. But what of computer-based pedagogy? What are its power implications?

By all odds, computers seem an inherently liberating technology, more certain in its decentralizing effects than either the Federal withdrawal, or tuition tax credits. Some prophets freely predict that computer-based pedagogy will assuredly result in the de-institutionalization of education, with family and/or self-education the dominant mode. Even the more moderate enthusiasts expect drastic modifications in school environments and in student-teacher relationships, with the teacher's role shifting from subject matter exposition to diagnosis and counseling. Most importantly, for many educators, the advent of computer-based pedagogy places the venerable goal of individualized education within reach, at last. This is a dazzling prospect for an establishment tormented for decades by its inability to overcome intractable socio-economic influences on student performance.

Of the three developments, the consequences of computer-based pedagogy run deepest, for neither the Federal withdrawal, nor tuition tax credits automatically alter the technique of education. These legislative measures may determine who delivers education, but not how. Computer technology, in sharp contrast, is intrusive, challenging familiar ways in every institution and in every walk of life. As a medium of information, par excellence, its application to the tasks of education is bound to be revolutionary (using that overworked word advisedly). In the educational context, computer technology appears as a radical innovation, since it extends the reach of the human nervous system and the power of the human memory to potentially limitless dimensions. When students are thus empowered, what is a school? A classroom? A teacher? These rather profound questions are surfacing in a society increasingly interested in the issues of "quality" education.

The number of high school graduates is at an all-time high. This quantitative achievement is overshadowed by persistent and growing doubts about the competence of these graduates, measured against the advancing standards of a knowledge-based society. Traditional methods could not solve the quality issues which lay at the very heart of the desegregation struggle, much less cope with the competence questions raised by the demands of a knowledge-based service economy. Schools without technology are out of "synch" with a technology-rich civilization. This is the real issue confronting our educational establishment and the Nation, not the shifting of power to the States via block grants, or the provision of relief for taxpayers sending students to private schools.

There is every reason to believe that student access to computer resources will be the common measure of quality education in the 1980's and beyond. A laissez faire policy toward computer-based pedagogy will predictable produce uneven diffusion. The resulting inequities will press every State to even out access to computer resources across local districts. These pressures for equal access are bound to reverberate in Washington, as issues of equality properly do. In sum, an Educational Technology Act is required, shifting the reduced Federal support for education from block grants to categorical investments in computer equipment and software development. The sooner the better.

As a liberating technology, policies to speed and equalize the diffusion of computer-based pedagogy ought to have an important place in President Reagan's programme. Indeed, policies encouraging technological change in American education fit hand-in-glove with the economic recovery policies of the Reagan Administration, which stress capital investment and competitive productivity. Furthermore, early and aggressive espousal of technological initiatives in American education would allay criticism concerning the Administration's misplaced on physical investments, rather than on investments in human resources, the latter appearing to be the better key to lasting economic renewal.●

RURAL DOUBLESPEAK

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. GEJDENSON. Mr. Speaker, as a resident of a rural area since childhood, and as a Representative of a district which is more than 75 percent rural, it has been with great anticipation that I have awaited this administration's report on rural America. As you are aware, such a report was mandated by the Rural Development Policy Act of 1980. The result was "Better Country: A Strategy for Rural Development in the 1980's."

I would like to applaud the innovative approach taken by Secretary of Agriculture Block in finding the needs and desires of rural Americans. Secretary Block appointed a 25-man National Advisory Council on Rural Development. This Council, made up of individuals from all parts of rural America and from all walks of life, did an exemplary job of meeting experts on rural problems, representatives from rural governments, and a large cross section of rural Americans themselves. By so doing they have identified what the people involved feel to be the problems with rural America. The Council also played a large role in shaping the administration's rural strategy, which serves as the focus of the Council's report.

The strategy, as outlined in the report, is in many ways to be congratulated. Such proposals as the Technical Rural Assistance Network (TRAIN), the Rural Resources Guide, and improved rural data collection by the Bureau of the Census, the Bureau of Labor Statistics, and so forth, are innovative and show a positive and encouraging direction to administration policy.

On the other hand, the more major proposals, no matter how they may be stated in the Council's report, do not meet the needs of rural Americans as outlined in the report. The Council recognized a need for improving facilities and services and a need for improving housing in rural areas. These two fields have long been the most stressed and assisted in this country's rural policy.

As a resident of rural America, I am well aware that its two greatest needs are improved housing and a strong system of water supply and waste disposal. It was thus with disappointment that I looked upon the administration's budget proposals for the Farmer's Home Administration (FmHA), under which most of the programs for rural housing and water fall. These proposals are so out of line with the tone of the National Advisory Council on Rural Development report as to lead me to ask why the report was even prepared. That question is, however, unnecessary, the answer being that the previous administration, which did care for rural America beyond the polling place, made it mandatory through the Rural Development Policy Act of 1980.

Some of the more blatant examples of this administration's gutting of the FmHA budget include:

One. Water and waste disposal grants: Cut from $210 million in fiscal year 1981 to $218 million in fiscal year 1983 and a proposed $90 million in fiscal year 1984. This proposed figure represents a 30.1-percent cut from 1983, and a 58.1-percent cut from the final Carter budget in 1981.

Second. Water and waste disposal system loans: Cut from $750 million in fiscal year 1981 to $375 million in fiscal year 1983 and a proposed cut to $250 million in fiscal year 1984. This proposed figure represents a 33.3-percent cut from fiscal year 1983 and a 66.7-percent cut from the final Carter budget in fiscal year 1981.

Third. Rural community development loans and grants: Cut from $937 million in fiscal year 1983 to $440 million proposed for fiscal year 1984, a cut of 53 percent.

Fourth. Rural housing programs: Cut from $3.5 billion in fiscal year 1983 to $1.2 billion proposed for fiscal year 1984, a cut 66 percent. This cut does not include, of course, the administration's proposed housing block grant of $850 million. However, even when this figure is combined with the proposed $1.2 billion for current programs the total is only $2.05 billion, and represents a cut of 41.4 percent from fiscal year 1983. Several individual programs have been especially hard hit to provide this huge cut. One is the very low income housing repair grants program, which which has been slashed from $25 million in fiscal year 1981 to $12.5 million in fiscal year 1983, and is now slated for an appropriation of $0. That is a 100-percent cut. Also hard hit are the subsidized housing loan assistance programs, which have been pared from $3,851.8 million in fiscal year 1982 to $3,437.7 million in fiscal year 1983 and to a proposed $300 million in fiscal year 1984. That figure represents a cut of 92.2 percent from the first Reagan budget.

These are just a few of the Reagan administration's proposed improvements for rural America. This indefensible attack upon the budget is totally beyond me. In this time of high unemployment and widespread economic suffering I find it inexplicable that anyone would consider cutting the budget where it will adversely affect some of our most economically oppressed individuals: the residents of rural America. It seems to me that all of the defense funding in the world is worthless if we allow our Nation's breadbasket to decay beyond repair.●

LITHUANIAN OBSERVANCE

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. HOYER. Mr. Speaker, legend has it that in the year 1323, Gediminas, the ruler of Lithuania, was out hunting, accompanied by the nobility of his court. While pursuing a magnificent bison, Gediminas happened to come to the top of a high mountain situated at an angle formed by the rivers Neris and Vilnele. In awe of the view, Gediminas ordered the camp pitched at that spot. Tired from the hunt, he soon fell asleep and had a strange dream. He beheld an iron wolf standing on the top of the mountain uttering such piercing howls it seemed as though hundreds of wolves were simultaneously raising their voices. The next morning Gediminas sent for the high priest of the nearby sanctuary of Perkunas, the thunderer, who attentively listened to the King's narration of the dream. Then he spoke:

Sire, the iron wolf signifies a large and mighty city, the howling means the clamour that will arise from it reaching far beyond the country's borders and proclaiming through long centuries the glory of Lithuania.

Upon his return home, Gediminas had a castle erected upon the mountaintop. Upon its completion, the King established residence there and thus was founded Vilnius, the capital of Lithuania.

The history of Lithuania is replete with such tales of grandeur. During the Middle Ages, when governed by her rulers, Mindaugas, Gediminas, Algirdas, Kestutis, Vytautas and Jagaila, Lithuania was one of the most powerful nations of Europe. The ties that bound Lithuania with Poland were forged in 1385 upon the marriage of the Grand Duke Jogaila to Queen Jadviga of Poland. Those ties were formalized in 1569 upon the establishment of the Lithuanian-Poland Union. That union was dissolved by the Russian annexation of Lithuania in 1795 and for the next 120 years, Russian domination comprised of severe persecution, human bondage and cultural strangulation. In 1915, at the outbreak of World War I, Vilnius was occupied by German troops. On September 18-23, 1917, a national conference was held at Vilnius, which elected a Lithuanian council of 20 members to oversee the national interests. In its session of February 16, 1918, the council proclaimed to the world the reestablishment of Lithuania as an independent nation. It was a victorious moment for the people of Lithuania, but the dreams of a rebirth would be shattered by invasions by the Bolsheviks and later the Poles. The 1920 Peace Treaty with Soviet Russia returned Vilnius to the Lithuanians. On August 3, 1940, Lithuania was officially accepted as the 14th Republic of the Soviet Union by the Supreme Soviet in Moscow.

Despite the vicissitudes of her history, Lithuania has retained a national consciousness that has defied the yoke of Soviet repression. The dream common to all Lithuanians is sovereignty, the right of self-determination, and statehood for a nation that has existed for centuries. The cry for restoration of an independent Lithuania is not a cry for territory. It is the soul of millions seeking union with the temporal. Mr. Speaker, despite the forced imposition of arbitrary ties with the Soviet Union, we in the United States join in the cry for the restoration of an independent Lithuania. As a nation premised upon the right of self-determination, the United States continues to recognize Lithuania as a nation among nations of the world.●

PUT HEAT ON JAPAN: PAUL TIPPETT, CHAIRMAN, AMERICAN MOTORS CORP.

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. OTTINGER. Mr. Speaker, I would like to call to the attention of my colleagues an article by W. Paul Tippett, Jr., chairman and chief executive of the American Motors Corp., which appeared in the New York Times on March 10.

Mr. Tippett accurately outlines the threat to American industry presented by the unfair trade practices of many of our foreign competitors. He also warns of the danger of not continuing to pursue legislation such as H.R. 1234, the domestic content legislation that I have introduced and that was passed by the House last Congress. Japan and our other international trade partners have made some concessions to open their markets, largely as a result of the get-tough stance we have displayed in Congress. These positive actions, however, will not continue unless we maintain our commitment to American industry and its place on the world market.

The article follows:

PUT HEAT ON JAPAN

(By W. Paul Tippett, Jr.)

SOUTHFIELD, MICH.—No major company should expect to participate in a foreign market if its activities are limited to selling products and taking the profits home without investing in the host country. Nor should any responsible company expect to enjoy a long-term presence in a foreign market if it has unfair political and economic advantages that are denied the host country's own basic industries. Free trade is not fair trade as long as any company or government violates either of these two principles.

The way Japan has achieved its unparalleled record in exporting manufactured goods bears close examination. Japan's success has been attributed to a productive workforce and superior management. These are important factors, but Japanese manufacturers' export success is equally the result of the Government's political treatment of industrial growth and foreign trade.

The "targeted industry" strategy, in which key industries with high export potential are nurtured by government, has been a way of life in Japan for more than three decades. Most of Japan's successful exporting companies have benefited from special legislation and decrees. One such law exempts Japanese computer and machinery manufacturers from many antitrust requirements and stipulates that the Government foot the bill for a large portion of their reseach-and-development programs. Other Japanese exporters enjoy special tax breaks, low-cost loans and, currently, a substantially undervalued yen.

A landmark 700-page petition was filed in 1982 with the United States Trade Representative by Houdaille Industries Inc. to document how these practices have aided Japan's machine-tool industry. The petition details how the Japanese Government sanctioned formation of a domestic cartel by forcing small manufacturers out of specific market segments. Remaining members of the cartel were authorized to import sugar at world prices and sell it in Japan at a much higher price in order to support low export prices for their machine-tool products. Money from gambling on bicycle and motorcycle races was also funneled into research and development for the cartel.

How long can any of America's basic industries—not just the auto, steel, machine-tool and electronics industries—continue to compete if the Japanese enjoy advantages not available in a free market? The answer is: not for long.

No one in United States industry wants the hothouse protection Japan gives its targeted industries. We don't want to eliminate antitrust laws, we don't believe in price-fixing, we don't want to restrict consumer choice. We want a truly free market—a level playing field on which to compete.

In the wake of House passage of local-content legislation and the Administration's criticism of Japanese trade policies, there have been some positive signs. The yen has strengthened somewhat and the Japanese Government reportedly will open its market to some degree. However, we must not allow these relatively minor developments to lull us back to sleep. The pattern over the past decade has been for Japan to make positive gestures whenever the United States raises its voice in protest and then go back to its old ways once the headlines fade.

Leveling the playing field should be a top priority for Washington as it tackles the question of economic recovery. The Congress should begin an exhaustive analysis of all the methods Japan uses in expanding its basic industries through exports. When we see that Tokyo clearly has created advantages for Japanese goods in our market and put our own companies at a disadvantage in the Japanese market, we should put the Japanese on notice. If all else fails, this may mean direct retaliation by our Government, using tariffs, quotas or even local content—whatever is necessary—until they change their ways. It is suicidal to follow a turn-the-other-cheek free-trade ideology when a competing government has intervened to promote and protect its basic industries the way Japan has.

Some observers perceive the current decline in our basic industries—a decline in which McDonald's fastfood network now employs more people than U.S. Steel—as a historic shift from an industrial economy to a service economy. Such thinking is dangerously naive. When you sell an insurance policy or a hamburger, you can't create the number of jobs that result from the manufacture of a car, a steel pipe or even a toothpick.

The Japanese have long recognized this fact, and it is high time we did. Healthy basic industries are essential to our national survival. We cannot hope to remain a world political leader or even guarantee our own national defense if we have to rely on other countries for most of our manufactured products. If we don't get serious soon, it may be too late.●

OPPOSITION TO ALASKA NATIONAL HUNTING BILL

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. BROWN of California. Mr. Speaker, the CONGRESSIONAL RECORD of February 15, 1983, reports, on page 2195, that I am a cosponsor of H.R. 1493—the Alaska national hunting bill—championed by our colleague, Mr. YOUNG of Alaska. While this mistake has been corrected, I feel strongly about this piece of legislation and wish to state my opposition.

Mr. Speaker, I do not choose to be a cosponsor of this proposed bill. Under its misleading title, the real purpose of this bill is to cut 12 million acres of federally owned lands out of the great national parks which Congress established in the State of Alaska. In what I consider to be a misrepresentation, the supporters of this bill are trying to suggest to hunters all across America that this bill presents a fundamental test vote about the future of hunting on public lands everywhere.

Mr. Speaker, that is simply wrong. I am second to none in my desire to support and protect the rights and interests of America's sport hunters. Many of my constituents are hunters who use and enjoy public lands in California and in other States for sport hunting. I will fight to protect the real interests of this constituency, and I will not stand by and see them misled.

I would like to share some simple statistics about this bill with my colleagues. Alaska is a very big, very rich State. It embraces 375 million acres of land, 85 percent of which is already open to sport hunting. Over the years—and most recently in the historic Alaska National Interest Lands Act of 1980, which I strongly supported—we have designated a small but relatively outstanding portion of the wildlands in Alaska as national parks—sanctuaries for undisturbed wilderness and where undisturbed wildlife may "pasture freely," to use Thoreau's phrase. As a result of these actions, some 8.5 percent of the total land mass of Alaska has been placed off limits to sport hunters. In these places, we preserve the environment and the ecosystem, including the wildlife, as a legacy to pass on to future generations.

In 1980, when the Congress established the particular boundaries for the Gates of the Arctic National Park, the Wrangells-St. Elias National Park, the Denali—formerly Mount McKinley—National Park and others, we did so as the result of a carefully crafted compromise. Under the leadership of Mr. SEIBERLING and Mr. UDALL, and with the help of groups such as the National Wildlife Federation, the Sierra Club, the Izaak Walton League, and the National Audubon Society, we enacted boundaries that were fair to the sport hunting community, and fair to the supporters of national park preservation. The groups involved have remained faithful to this compromise. But others now have been so bold as to believe they can simply come to the Congress, only 3 years later, and ram through a deletion of 12 million acres from those new national parks on the basis of a deceptive, emotional appeal to the "hunting vote."

I was a strong supporter of the Alaska National Interest Lands Conservation Act. Mr. Speaker, although I may not support every provision of that law, I believe it represents a wise and balanced compromise of the many difficult issues involved and the many diverse viewpoints concerned. I believe congressional interference with this carefully balanced compromise would be a misguided and improper action at this time.●

COURTS OVERRULE OSHA, SET HEALTH PRIORITY

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. GAYDOS. Mr. Speaker, the judgment of the Assistant Secretary of Labor for Occupational Safety and Health twice has been overruled in a controversy about a dangerous substance, ethylene oxide.

These court rulings strongly suggest to me, as chairman of the Subcommittee on Health and Safety, that it is time for Assistant Secretary Thorne Auchter to show some of the adaptability he says he is trying to bring to the protection of worker health and safety in the name of good government.

Ethylene oxide is one of those two-edged swords that seem to be the chief tools of the modern world.

Properly controlled, this gas makes life a little easier. In the case at hand, the one in which two courts have overruled the agency, it is used in sterilizing many of the things that make modern health care so effective.

Improperly controlled, according to mounting scientific evidence and the judgment of two courts based on that evidence, it causes cancer, leukemia, and chromosome damage in some of those who work with it.

An OSHA standard attempting to set nonharmful levels of exposure was established in 1971. But, concerned by growing scientific evidence, groups representing exposed workers petitioned the agency in 1981 to establish a better standard, an emergency standard, because the old one allowed exposure at levels the new evidence showed to be dangerous.

Mr. Auchter refused. In refusing, he said the 1971 standard does not seem to be good enough, and he set out on a process that could have a new one in place by the fall of 1984.

The workers' group went to court.

The U.S. District Court for the District of Columbia said he should have acted with an emergency standard and criticized the course he chose as the one that would do as little as possible in response to the petition; the judge called it the least responsive course short of inaction.

And Mr. Auchter appealed, commenting publicly that it is not for the courts to set the agency's regulatory priorities.

This week the U.S. Court of Appeals for the District of Columbia, while not directing the emergency action, ordered Mr. Auchter to have a standard proposed within 30 days.

Adding something of an urgent note, this court said it expects a final rule within a year.

So two courts have said it could be dangerous to the health of more than 140,000 persons who work in—ironically—health care, if the agency does not act.

And from these two court rulings one clear decision emerges: The evidence against ethylene oxide is serious enough to give it a high place on the agency's list of priorities, and that the prior absence of a priority was a mistake.

As one early student of American Government observed, "The best government is that in which the law speaks instead of the lawyer."

And as the court of appeals said, citing grave danger, "delays that might be altogether reasonable in the sphere of economic regulation are less tolerable when human lives are at stake."

Mr. Speaker, further resort to lawyers and legal delay would be intolerable.

So, if this administration's goal really is good government and effective health protection, it is time to get ethylene oxide out of the courts and into the Federal Register; that it deserves a priority should be in dispute no longer.●

STOP THE ASSAULT ON FEDERAL WORKERS

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. HOWARD. Mr. Speaker, the Third District of New Jersey, which I represent, includes a large number of Federal workers and over the past 2 years I have heard from them quite often regarding pending legislation. However, during these last 2 months, their concerns have dramatically increased and a quick look at the President's budget clearly illustrates why this has occurred.

Many of these employees are currently earning less money than they did in 1982. With increases in health insurance premiums and the imposition of a 1.3 percent medicare tax, the 4-percent increase Federal employees received last October is not keeping pace with the cost of living, but rather is being absorbed by these additional administrative costs.

We currently find ourselves presented with a wide range of new proposals

which continue the assault on the Federal Government's work force. The President has asked the American people for sacrifices in order to lower the Federal deficit. It is my position that the Federal worker has already sacrificed.

One of the most distressing items in the new proposals is one mandating a pay freeze for civil servants and the military during fiscal year 1984. If approved, this means in all practicality that for the last 2 years Federal civil servants will not receive any cost-of-living increases.

This is indeed troubling, especially when you consider that Federal workers are already behind their private sector counterparts in pay by 20 percent. Finally, the administration wants to go a step farther by adding on additional administrative costs in the form of increased employee contributions to their retirement and health insurance programs.

In recent conversations with Federal employees I sense strong feelings of betrayal, frustration, and hopelessness. One Federal worker with many years of experience reports morale is at an all-time low. Is it any wonder?

Can we really expect to keep competent and qualified personnel in our Government with this trend continuing? The answer is we cannot. What we will have is a mass exodus of qualified personnel to the private sector. The programs Congress approves for the good of our environment, our educational system, or the welfare of our children and senior citizens will be ineffective if we do not have qualified people administering them.

We simply cannot afford to continue the trend of lowering Federal deficits on the backs of Federal Government personnel. I hope my colleagues will join with the Budget Committee in rejecting these proposals which so adversely affect Federal employees and retirees.●

LOWENSTEIN RECALLED

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. WALGREN. Mr. Speaker, this weekend, a number of our colleagues are sponsoring the second Allard Lowenstein congressional symposium to discuss future directions for our country in the context of the memory of Al Lowenstein. I would like to include in the RECORD this memorial thought. If one of the many young people that became an activist on matters of public concern in response to Al Lowenstein's example.

LOWENSTEIN RECALLED IN NORWAY BY MAN HE SMUGGLED TO FREEDOM

(By Jeff Robbins)

In Oslo, Norway, in January, I telephoned a man named Hans Beukes. Beukes is a 43-year-old black man, born and raised in South-West Africa but forbidden by the South African government ever to return there.

In 1959, the Norwegian Student Association notified Beukes in Africa that it had awarded him a scholarship to study in Norway. A few days later, the South African government banned Beukes from accepting the scholarship and revoked his passport.

It quickly became an international story, and in the midst of the controversy, Beukes disappeared. Police could not find him. Two weeks later, Beukes surfaced at the United Nations. There he told his story, and the story of South African apartheid, to the American media, which wondered how Beukes had escaped.

The story was surprisingly simple. Beukes had gone to hear a young American named Allard Lowenstein speak at a university. Lowenstein had been asked to travel to South-West Africa to investigate conditions there and to report to the United Nations.

"After the speech, I went up to this chap," Beukes said, "and asked him if he could help me get out of the country. His eyes lit up and he said, 'I wasn't going to mention it myself, but I was hoping you'd ask.'"

Two days later, Lowenstein crammed the six-foot, four-inch Beukes into the back of a Volkswagen, covered him with empty suitcases and drove him out of the country. "When I got to New York," Beukes said, "Al had arranged for me to get a diplomatic visa, to tell my story on American television and to have tea with Eleanor Roosevelt. I had no idea how he did it."

In Norway, Hans Beukes—like so many people, from Mississippi to Poland to Massachusetts to Valley Stream—will spend a good portion of March remembering Al Lowenstein, who was murdered two years ago this month in his Manhattan law office by a former political associate.

Lowenstein, who was 51, was a one-term congressman from Nassau County, best known for his role in the civil rights movement, as the originator of the dump-Johnson antiwar effort of 1968 and as America's representative to the UN Human Rights Commission in Geneva.

History will remember that Lowenstein burned with irritation at injustice, and that he had enormous strength in pressing on to fight it. It will record that Lowenstein was a human whirlwind, active in more causes in an average week than most individuals are during a lifetime. What will be more difficult to describe is his impact on those who loved him—those who, like Hans Beukes, he literally carried to freedom, and those who, like myself, worked with him, and whose lives he changed and enriched with his extraordinary humor, intelligence and warmth.

As a nonentity in 1967, he launched a national antiwar movement that toppled Lyndon B. Johnson from the presidency of the United States; as a national figure some years later, he dashed off from meetings with senators to visit the bedridden father of a student he hardly knew. On another day, Lowenstein would call a family to report that he had spoken at their son's university, had seen their son and could report that the son seemed to be eating properly; two days later, he would be in Geneva.

In Oslo, this month, Hans Beukes wrote reminiscences for Norwegian newspapers about the American whose courage enabled him to live in Norway. In Washington, D.C., people who knew Al gathered at a symposium to consider his life.

On Long Island's South Shore, residents are remembering their independent congressman, who preferred to lose his seat rather than back down from principle. Al Lowenstein's friends remember that their friend is gone. For so many people in so many places, March is a time to remember what the late Harry Chapin said so simply at Al Lowenstein's funeral, as he looked at Lowenstein's three children: "For the rest of your lives, people will be coming up to you and say, 'I knew your father.'"

(Jeff Robbins is a law student at Boston University. He grew up in Malverne.)●

MR. UDALL'S VOTING RECORD

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. UDALL. Mr. Speaker, it has become my practice from time to time to list my votes in the House of Representatives here in the CONGRESSIONAL RECORD. I strongly believe that the people of Arizona have a right to know where I stand on the issues decided by the House, and I have found that printing my record here is the best way to provide that information.

This is not an all-inclusive list. I have omitted noncontroversial votes such as quorum calls, motions to resolve into the Committee of the Whole House, and motions to approve the Journal of the previous day.

The descriptions are necessarily somewhat short, and I am sure that some of my constitutents will have additional questions about the issues described here. So I invite them to write me for specifics, or to visit my district office at 300 North Main in Tucson or 1419 North 3d Street, Suite 103, in Phoenix.

The list is arranged as follows:

KEY

1. Official rollcall number;
2. Number of the bill or resolution;
3. Title of the bill or resolution;
4. A description of issue being voted on;
5. The date of the action;
6. My vote, in the form Y=yes, N=no, and NV=not voting.
7. The vote of the entire Arizona delegation, in the form (Yes-No-Not voting);
8. An indication whether the motion or amendment was passed or rejected; and
9. The total vote.

VOTES

252. H.R. 5203. Federal Insecticide, Fungicide and Rodenticide Act. Amendment to eliminate a section setting deadlines for state pesticide regulatory decisions, and permitting the administrator of the Environmental Protection Agency to overrule certain state requests for pesticide data from manufacturers. Adopted 250-154: Y(1-3-0), August 11.

253. H.R. 5203. Federal Insecticide, Fungicide and Rodenticide Act. Passage of the bill to amend federal pesticide law and to authorize funds for pesticide programs for fiscal years 1983 and 1984. Passed 352-56: Y(3-1-0), August 11.

254. H.R. 6214. Military Construction Authorizations, Fiscal 1983. Amendment to direct the secretary of defense to withhold the fiscal 1983 U.S. contribution to the NATO Infrastructure (common construction account) if he determined that any three NATO member nations failed in fiscal 1983 to meet their pledge to increase military spending by 3 percent over fiscal 1982. Rejected 151-245: Y(1-2-1), August 11.

255. H.R. 6214. Military Construction Authorizations, Fiscal 1983. Amendment to prohibit obligation or expenditure of funds authorized by the bill to improve, construct or expand any temporary or permanent airfield in Honduras. Rejected 109-280: Y(1-2-1), August 11.

256. H.R. 6214. Military Construction Authorizations, Fiscal 1983. Passage of the bill to authorize $7,515,167,000 for military construction programs in fiscal year 1983. Passed 332-57: Y(3-0-1), August 11.

258. H.R. 6542. Wilderness Protection Act. Amendment to permit surface use of explosives for seismic exploration for minerals in designated wilderness areas. Rejected 115-281: N(3-1-0), August 12.

259. H.R. 6542. Wilderness Protection Act. Passage of the bill to withdraw permanently designated federal wilderness areas from oil, gas and some mineral leasing and to provide temporary withdrawal of lands that are candidates for future designation as wilderness. Passed 340-58: Y(2-2-0), August 12.

260. H.R. 5595. Federal Payment to the District of Columbia. Amendment to earmark $14.3 million of the funds authorized by the bill to eliminate deficits in the D.C. teachers', police officers' and firefighters' retirement fund. Adopted 221-181: N(2-2-0), August 12.

261. H.R. 5595. Federal Payment to the District of Columbia. Passage of the bill to authorize $361 million in federal funds as the annual federal payment for the District of Columbia for fiscal 1983. Passed 279-122: Y(2-2-0), August 12.

262. H.R. 6100. National Development Investment Act. Amendment to exempt projects funded with Economic Development Administration grants from wage requirements of the Davis-Bacon Act if the bid of the Contractor awarded the grant is 10 percent less than the next lowest bid. Rejected 140-237: NV(2-0-2), August 12.

263. H.R. 6100. National Development Investment Act. Passage of the bill to revise the Public Works and Economic Development Act of 1965, authorize fiscal 1983-85 funding for economic development programs in distressed areas, and authorize funding to complete the Appalachian regional development program by fiscal 1987 and the Appalachian highway system by fiscal 1990. Passed 281-95: NV(0-2-2), August 12.

265. H.R. 6957. State, Justice, Commerce Appropriations, Fiscal 1983. Motion to order the previous question on the State, Justice, Commerce appropriations bill, thus ending debate and the possibility of amendment on the rule (H. Res. 560). Motion rejected 144-208: Y(1-3-0), August 13.

266. H.R. 6957. State, Justice, Commerce Appropriations, Fiscal 1983. Motion to table (kill) the Zeferetti, D-N.Y., motion to refer the rule (H. Res. 560) on the State, Justice, and Commerce appropriations bill back to the Rules Committee. Motion rejected 173-179: N(3-1-0), August 13.

267. H.R. 6957. State, Justice, Commerce Appropriations, Fiscal 1983. Motion to order the previous question, thus ending debate and the possibility of amendment, on the Zeferetti motion to refer H. Res. 560, waiving certain points of order against the bill, to the Rules Committee. Motion agreed to 183-170: Y(1-3-0), August 13.

268. H.R. 1489. Puerto Rican Passenger Service. Motion to suspend the rules and pass the bill to allow the transportation of passengers between Puerto Rico and U.S. ports on foreign-flag vessels when U.S. flag ships are not available. Motion agreed to 387-0: Y(4-0-0), August 17.

269. H.R. 5618. Organic Farming Act of 1982. Motion to suspend the rules and pass the bill to establish pilot projects on organic farming and to disseminate information on organic farming through the cooperative agricultural extension service and volunteers. Motion rejected 189-198: Y(1-3-0), August 17.

270. H.R. 6323. Environmental Protection Agency Research Authorization, Fiscal 1983-84. Amendment to the Carney, R/N.Y., substitute to reduce the Fiscal 1983 authorization level for Environmental Protection Agency research and development to $277.9 million from $296.8 million, instead of $225.5 million as proposed by Carney, and to authorize $291 million in Fiscal 1984. Adopted 244-153: Y(1-2-1), August 17.

271. H.R. 6323. Environmental Protection Agency Research Authorization, Fiscal 1983-84. Amendment to reduce the Fiscal 1983 authorization for Environmental Protection Agency research and development to $277.9 million from $296.8 million, and to reduce the Fiscal 1984 authorization to $291 million from $310.9 million. Adopted 394-7: NV(2-0-2), August 17.

272. H.R. 6323. Environmental Protection Agency Research Authorization, Fiscal 1983-84. Passage of the bill to authorize $277.9 million for Environmental Protection Agency research and development in Fiscal 1983 and $291 million in Fiscal 1984. Passed 314-92: Y(2-2-0), August 17.

273. H.R. 6324. National Oceanic and Atmospheric Administration Authorization, Fiscal 1983-84. Passage of the bill to authorize $542.8 million in fiscal 1983 and $575.3 million in fiscal 1984 for the atmospheric, climatic and ocean pollution activities of the National Oceanic and Atmospheric Administration. Passed 340-65: Y(2-2-0), August 17.

274. H.R. 6955. Omnibus Reconciliation Act of 1982. Motion to recommit to the conference committee the bill to reduce federal spending for fiscal 1983-1985. Motion agreed to 266-145: N(2-2-0), August 17.

275. H.R. 6530. Mount St. Helens National Volcanic Monument. Adoption of the conference report on the bill to create a 110,000-acre national monument in the area of Washington state devastated by the May 18, 1980 volcanic eruption of Mount St. Helens. Adopted 393-8: Y(4-0-0), August 17.

277. H.R. 6955. Omnibus Reconciliation Act of 1982. Adoption of the conference report on the bill to reduce the federal budget for fiscal years 1983, 1984 and 1985 by approximately $13.3 billion. Adopted 243-176: Y(4-0-0), August 18.

278. H.R. 5540. Defense Industrial Base Revitalization Act. Motion that the House resolve itself into the Committee of the Whole for consideration of the bill to provide financial incentives to defense-related industries. Motion agreed to 357-8: Y(4-0-0), August 18.

279. H.R. 5540. Defense Industrial Base Revitalization Act. Amendment to prohibit use of funds authorized under the bill unless the funds were attributed to budget functions or allocations other than those for the departments of Education and Labor or for any programs under the jurisdiction of congressional committees responsible for education and labor programs. Adopted 242-180: Y(1-3-0), August 18.

280. H.R. 6863. Supplemental Appropriations, Fiscal 1982. Adoption of the conference report on the bill to appropriate $14,578,111,924 in new fiscal 1982 budget authority for federal military and civilian employee pay raises, commodity credit programs, defense and other programs, and to rescind $400,846,000 in previously appropriated funds. Adopted 348-67: Y(3-1-0), August 18.

281. H.R. 6863. Supplemental Appropriations, Fiscal 1982. Motion that the House recede from its disagreement and concur with a Senate amendment to appropriate $350 million for President Reagan's Caribbean Basin Initiative. Motion agreed to 281-129: Y(3-1-0), August 18.

282. H.R. 6863. Supplemental Appropriations, Fiscal 1982. Motion that the House recede from its disagreement and concur with a Senate amendment to provide funds for Military Assistance Program (MAP) grants, with an amendment to provide $2 million in new budget authority and to reprogram $25 million in already appropriated funds as follows: $10 million for Honduras, $5 million for Somalia, $2 million for Costa Rica and $10 million for Portugal. The principal effects of the amendment were to eliminate $20 million in military aid to El Salvador and halve the amount given to Somalia. Motion agreed to 237-175: N(3-1-0), August 18.

283. H.R. 6863. Supplemental Appropriations, Fiscal 1982. Motion that the House agree to a Senate amendment to help the U.S. copper industry by requiring that all proceeds from sales of material in the government's national defense stockpile between July 31, 1982, and Oct. 1, 1983, be used to purchase copper, mined and smelted in the United States after July 31, 1982, for the stockpile. Motion rejected 62-339: Y(4-0-0), August 18.

284. S 2248. Department of Defense Authorizations, Fiscal 1983. Adoption of the conference report on the bill to authorize $177,867,548,000 for Defense Department programs in fiscal year 1983. Adopted 251-148: Y(3-0-1), August 18.

286. H R 4961. Budget Reconciliation Tax Increases/Spending Cuts. Motion to table (kill) the Rousselot, R-Calif., resolution (H Res 571) to return H R 4961 to the Senate with a message that the Senate amendments and conference actions were not in accord with the Constitution and were an infringement on the privileges of the House. Motion agreed to 268-144: Y(2-2-0), August 19.

287. H R 4961. Budget Reconciliation Tax Increases/Spending Cuts. Motion to order the previous question (thus ending debate and the possibility of amendment) on the rule (H Res 569) providing for House floor consideration of the conference report on the bill. Motion agreed to 220-210: Y(3-1-0), August 19.

288. H R 4961. budget Reconciliation Tax Increases/Spending Cuts. Adoption of the rule (H Res 569) providing for House floor consideration of the conference report on the bill to raise revenues by $98.3 billion in fiscal 1983-85 in compliance with the fiscal

1983 budget resolution. Adopted 253-176: Y(2-2-0), August 19.

289. H R 4961. Budget Reconciliation Tax Increases/Spending Cuts. Adoption of the conference report on the bill to raise revenues by $98.3 billion in fiscal 1983-85 and reduce projected spending by $17.5 billion in fiscal 1983-85 in compliance with the fiscal 1983 budget resolution. Adopted 226-207: Y(3-1-0), August 19.

293. H.R. 6307. Resource Conservation and Recovery Act Reauthorization. Amendment, to the Florio, D-N.J. substitute, to strike provisions that apply the law's regulations to small-quantity generators of hazardous waste, and to require the Environmental Protection Agency to study the advisability of applying regulations to such operations. Rejected 148-183: NV(1-0-3), September 8.

294. H.R. 6307. Resource Conservation and Recovery Act Reauthorization. Amendment, to the Florio, D-N.J. substitute, to strike language preserving the rights of private individuals to sue under federal common law. Rejected 85-255: N(0-2-2), September 8.

295. H.R. 6307. Resource Conservation and Recovery Act Reauthorization. Passage of the bill to expand and tighten the act's regulation of hazardous wastes and to authorize appropriations of $105.5 million in fiscal 1983 and 111.5 million in fiscal 1984. Passed 317-32: Y(2-0-2), September 8.

297. H.R. 5831. Farm Credit Limits. Motion that the House resolve itself into the Committee of the Whole for consideration of the bill to authorize lending limits for fiscal years 1983-85 for Farmers Home Administration programs, and to revise certain loan programs. Motion agreed to 381-0: Y(2-0-2), September 9.

298. H.R. 5831. Farm Credit Limits. Passage of the bill to authorize lending limits for fiscal years 1983-85 for Farmers Home Administration programs, to revise certain loan programs and to extend the economic emergency loan program through fiscal 1983. Passed 372-39: Y(2-0-2), September 9.

299. HR 6863. Supplemental Appropriations, Fiscal 1982. Passage, over President Reagan's Aug. 28 veto, of the bill to appropriate $14,578,111,924 in new fiscal 1982 budget authority for federal military and civilian pay raises, commodity credit programs, defense and other programs, and to rescind $400,846,000 in previously appropriated funds. Passed 301-117: Y(2-0-2), September 9.

300. HR 6666. James Madison Memorial Building Authorization. Adoption of the rule (H Res 556) providing for House floor consideration of the bill to increase the construction authorization for the Library of Congress James Madison Memorial Building. Adopted 365-21: Y(1-0-3), September 9.

301. HR 6666. James Madison Memorial Building Authorization. Motion that the House resolve itself into the Committee of the Whole for consideration of the bill to increase the construction authorization for the Library of Congress James Madison Memorial Building. Motion agreed to 343-12: Y(2-0-2), September 9.

302. HR 6666. James Madison Memorial Building Authorization. Passage of the bill to increase from $130,675,000 to $138,815,000 the construction authorization for the Library of Congress James Madison Memorial Building, amending PL 89-260. Passed 188-186: Y(2-0-2), September 9.●

BULLETPROOF VESTS

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. HOYER. Mr. Speaker, on September 14, 1982, Officer Donald G. Luning stopped a stolen car in Northeast Washington. The man operating the vehicle ran into a nearby apartment building and the 31-year-old officer pursued him. During an attempt to arrest the suspect a struggle ensued and Officer Luning was knocked to the floor and his service revolver taken. The suspect then stood over the officer and fired at point blank range into the officer's body.

Members of the community became so incensed over this killing that numerous calls were received by the District of Columbia Police Department from citizens who wished to donate funds to buy officers bulletproof vests. As a result, Officer Gary Hankins, labor representative for the Fraternal Order of Police, working in close conjunction with Chief of Police Maurice T. Turner, Jr., set about to create a committee to raise funds from private sources since they were not immediately available through the existing budget. Receiving the full endorsement and backing of Mayor Marion Barry and other elected city officials, the committee has attracted the volunteer services of distinguished and respected elected officials and civic and business leaders. The committee was officially incorporated on December 14, 1982, at which time it began formulating its program.

On February 8, 1983, the District of Columbia's Metropolitan Police Department announced the official start of its campaign to raise $500,000 to purchase 3,000 bulletproof vests for its officers. Bruce Weitz, the fiesty suspect-biting Mick Belker of the award-winning police show, "Hill Street Blues," is serving as the national celebrity chairman of the Vest Fund Committee.

Just 1 day after the committee was incorporated in December, 24-year-old Officer Robert K. Best was shot and killed while pursuing a subject wanted for auto theft. Officer Best was pronounced dead just 2 hours and 55 minutes after completing his first year as a member of the Metropolitan Police Department.

On February 21, 1983, Officer Robert Maring entered a delicatessen while an armed robbery was in progress. He was shot and killed that day, his assailant, only recently paroled from serving time for the shooting of an Alexandria police officer and two other persons.

In the last 20 years, 32 District police officers have lost their lives in the performance of duty. Of these, 22 were shot to death. In the past 10 years no fewer than 330 officers have been assaulted with knives or firearms. While it is difficult to state with certainty how many of these lives may have been saved or injuries prevented if officers had been wearing protective vests, the vests will certainly provide needed and added protection and may serve as a lifejacket for many officers.

To quote Herbert Spencer, "Policemen are soldiers who act alone." I think at this time we should proclaim our respect and demonstrate our concern for the lives of the professional men and women of the District of Columbia Metropolitan Police Department.

Mr. Speaker, I am sure that my colleagues will join me in remembrance to those police officers who so unselfishly gave their lives in the performance of their duties.●

MINES, ROCKETS, AND A NEW NERVE GAS AGENT FATTEN THE PENTAGON'S CHEMICAL WARFARE BUDGET

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. GEJDENSON. Mr. Speaker, as my colleagues begin consideration of the fiscal year 1984 budget request for the Department of Defense, I would ask that they put aside for a moment the MX, the B-1, and nuclear carriers to look at a smaller request—the request for new production of binary chemical weapons.

As my colleagues may remember, chemical weapons and the MX missile were the only two weapons to undergo any setback in the fiscal year 1983 defense budget. Funding for production of chemical weapons was deleted in a strong bipartisan effort led by Representatives ZABLOCKI and BETHUNE.

I sense, Mr. Speaker, that nerve gas will again be targeted for deletion in the fiscal year 1984 budget. With this in mind, I would like to share with my colleagues an article that appeared recently in Defense Week.

The article is as follows:

[From the Defense Week, Mar. 7, 1983]

MINES, ROCKETS AND A NEW NERVE AGENT FATTEN PENTAGON'S CHEMICAL WARFARE BUDGET

While much of the public debate this winter over defense spending centers on the Reagan Administration's request for significant additions to certain weapons accounts—the B-1B bomber budget rises by $2 billion, for example, while MX missile funding increases by $4 billion—little attention has been accorded the Pentagon's new chemical warfare program. Funding skyrockets by 63 percent over the 1983 figure. The Administration asks $965 million in 1984, compared to $592 million in 1983.

The Defense Department's ambitious chemical warfare projects are unlikely to be ignored by the new Congress much longer. In late February, the Pentagon quietly sent its annual report on chemical warfare to Capitol Hill, and it is likely to rekindle the three-year congressional debate over the wisdom of producing nerve agent bombs and rockets in the U.S. for the first time since 1969.

Legislative luminaries such as Rep. Clement Zablocki of Wisconsin, chairman of the House Foreign Affairs Committee, and Senator David Pryor of Arkansas, oppose production while the Administration supports it. Congress has approved the construction of a chemical bomb plant at the Army arsenal in Pine Bluff, Arkansas, but has twice refused to condone the actual testing or manufacture of artillery shells and glide bombs filled with lethal nerve agents.

There is no prohibition against designing such munitions, however, and the Army, which would produce chemical bombs, rockets and warheads for all the services, has several developmental projects underway. Among them; the design of chemical mines to be released from a dispenser, or large rocket, and scattered about a battlefield; a chemical warhead for the Multiple Launch Rocket System (MLRS); a medium altitude proximity fuse for the MLRS devised by the Army's Harry Diamond Laboratory in Adelphi, Maryland; tests (using liquid simulants, not nerve agents) of a 155mm chemical artillery shell; and the development of a new, more deadly chemical given the bland label "intermediate volatility agent." According to chemical warfare experts, the Army hopes to derive in one compound the lethal characteristics of its two standard nerve gases: GB, a vaporous substance which enters the body principally by inhalation, and VX which has the consistency of heavy lubricating oil and is absorbed through the skin.

The Pentagon's annual report also notes that work continues on chemical warheads for "extended range artillery projectiles, division support weapons systems and several missile systems." According to previous annual reports which were far more detailed, these include the ground launched cruise missile, the corps support weapon system, the 4.2 inch mortar and the Lance missile. Experiments with the Big Eye, a large glide bomb for Navy and Air Force planes, are continuing, according to the Pentagon's most recent report which reviews the services' chemical projects. The new budget allots $30 million to the production of "dichlor," a basic compound in GB, while equipment to make the Big Eye would consume $31.5 million and M687 155mm artillery shells would cost $18 million.

This new array of chemical munitions is needed, says Defense Secretary Caspar Weinberger, because "the U.S. and its allies lack an effective chemical warfare capability while the Soviet Union . . . deploys large and well-equipped chemical warfare forces. . . . We must develop a credible and effective deterrent, Weinberger maintains in his annual report to Congress, "so that the U.S. can gain negotiating leverage" similar to that which Weinberger believes is needed in the strategic arena. The NATO allies are divided on the use of nerve agents, however.●

SYNFUELS

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. CORCORAN. Mr. Speaker, on February 28, my friend from Colorado, Mr. BROWN, and I introduced H.R. 1701, a bill to redirect the Synthetic Fuels Corporation from a potential $88 billion program of synthetic fuel commercialization to a $3 billion research and development effort. We will soon be sending you a "Dear Colleague" letter to ask for your cosponsorship of H.R. 1701. In the meantime, I would like to share with you the first of two articles on the synthetic fuels program that appeared in the Chicago Tribune. The initial article, from the Sunday, March 6, 1983, edition reviews the origin of the SFC and describes the difficulty it has encountered trying to launch a commercial synthetic fuel industry at a time when oil prices are falling and synfuel costs are escalating. The need for a change in our synfuel program is plain.

[From the Chicago Tribune, Mar. 6, 1983]

SYNFUEL PROJECT COMES UP EMPTY DESPITE BIG BUDGET—CRITICS ANGERED OVER INACTION IN U.S. HUNT FOR OIL ALTERNATIVE

(By James O'Shea)

WASHINGTON.—There aren't many federal agencies nowadays that are having a hard time giving their money away.

Yet that is what is happening at the U.S. Synthetic Fuels Corp. [SFC], the federal agency intended to free the nation from the whims of oil sheikdoms.

Weary of being vulnerable to oil-producing Arab nations, Congress in 1980 authorized more than $80 billion to federal loan and price guarantees for the SFC and told it to start a new industry—one to convert the nation's vast oil shale and coal supplies into fuel to power America.

But in the 2½ years since its birth, the SFC hasn't been able to fund a single project.

Citing soaring plant costs and depressed oil prices, energy companies have turned their backs on the proposed subsidies. Meanwhile, the SFC, under congressional pressure to spend money before someone takes it away, has created an "outreach" program in which SFC officials travel to Japan, West Germany and throughout the United States trying to drum up business.

Despite its billions in federal guarantees, the closest thing the SFC has to a synfuels plant is a proposal to make a gasoline enhancer from a huge peat bog owned by Malcolm McLean, a wealthy New York shipping magnate. The plan is backed by some prominent Republican investors, including William Casey, director of the Central intelligence Agency.

"My biggest problem with the SFC centers on what kind of criteria it's using when it picks harebrained projects like a peat plant as opposed to [a technology] that offers some potential and would justify spending the taxpayers' money," said Charles Ebinger, associate director of energy studies at Georgetown University's Center for Strategic and International Studies

Rep. Tom Corcoran [R., Ill.], a synfuels critic and member of the House Energy and Commerce Committee, said "It's preposterous to dole out billions in synfuel subsidies when we're faced with a massive budget deficit, cuts in social spending and high interest rates."

But Edward R. Noble, an Oklahoma oil man who is chairman of the SFC, insists the effort is needed for the nation's defense. He said development of the synthetic-fuels industry is favored by the Department of Defense, and that synfuels would ensure the U.S. has a source of energy in the event of war.

Congress' Office of Technology Assessment said the nation probably should pursue a synfuels effort, but it said the goals Congress set for the SFC "would require a war effort."

To many, the SFC might seem like one more arcane government program, but there is more to it than that.

Congress, for example, authorized the SFC to commit $88 billion to help produce 2 million barrels of synfuels a day by 1997—a goal many energy experts think impossible. For purposes of comparison, that is nearly three times larger than what the Reagan administration wants to spend on the MX missile.

Not all of the synfuels money will be spent, because the SFC's main tools are loan and price guaranteed. Whether they will be used depends upon the projects' success. Noble said he hopes the synfuels job can be done in the first phase, which calls for committing $17.5 billion. However, he has not said the SFC wouldn't recommend that more be spent when it reports to Congress in 1984.

Meanwhile top SFC officers estimate that 60 percent or 90 percent of the money the agency intends to commit over the next three years will result in outlays, and the SFC said it will adopt an expedited procedure to commit the funds to its latest round of proposals.

But more than anything else, the story of the synfuels program is a tale of Washington—of the ability of powerful members of Congress to insulate heavily criticized pet projects in their home states from harsh budget realities. Indeed, some of the same people who decry "big government" and soaring federal deficits are ardent supporters of synfuels subsidies.

"I introduced a bill to kill it (the SFC) last year," said Sen. William Proxmire (D., Wis.), "but it has a lot of influential backers. I couldn't even get a hearing before the Energy Committee. You're talking about real pork—fat, juicy pork just waiting to be barbecued."

It all started in 1979. At the time, the nerves of Americans were frayed by gas lines, oil embargos and soaring fuel prices. Oil prices climbed toward $34 a barrel, up from $2.50 in 1972, and most analysts expected them to jump higher. Then on Nov. 4, 1979, the Iranians stormed the U.S. Embassy in Tehran; President Jimmy Carter slapped an embargo on oil imports from Iran, then a major U.S. supplier; and Congress swung into action.

Lawmakers took a relatively modest $3.5 billion synfuels program that was in a House Banking Committee bill and converted it into an $88 billion synfuels program.

At the urging of President Carter and synfuel lobbyists and spurred by gas lines and rage at the Iranians, Congress provided for a quick start to the program by appropriating $17.5 billion, about $2.5 billion for some

"fast track" projects to be run by the Department of Energy and about $15 billion for the SFC to help finance the output of 500,000 barrels of synfuels a day by 1987.

It also acted to lure qualified people by allowing the SFC to pay wages higher than those at other government agencies. Top SFC salaries exceed $100,000 a year. The corporation has generous savings and pension plans, and staffers have envious fringe benefits.

Finally, Congress exempted SFC projects from laws disliked by many businessmen. SFC projects don't have to file environmental impact statements, even though synfuels plants often raise serious environmental questions, and they are exempt from the Freedom of Information Act, which requires public disclosure of records. SFC aid applicants don't even have to publicly disclose how much government money would be at risk if the SFC adopts a proposal. Congress also exempted the SFC from a federal ethics law prohibiting ex-government bureaucrats from working for companies they regulated until they have been out of government for a year.

But the biggest boon was the financial window Congress opened for SFC projects. In the past, investors had balked at financing synfuels projects because they were too expensive and risky.

With a SFC loan guarantee, however, a bank would lend money because the government promised to repay the loan. The SFC also issues price guarantees that, in effect, promise to pay, say, $3 a gallon for gas from an SFC project even if it would only fetch $1 on the open market.

Beyond all that, the agency operates in Washington's nether world—off the budget. The SFC can agree to guarantee a price for synfuels that could cost taxpayers $3 billion over the next several years. But the cash outlays won't show up in the budget (and, therefore, won't attract so much attention) until the money is paid under a loan or price guarantee, typically years after the commitment is made.

Proxmire said the SFC's off-budget status shields it from the scrutiny demanded of programs in the budget. Once commitments for specific projects are made, he said, they often develop powerful, protective sponsors. Price guarantees "can really kill you," Proxmire said, but the SFC's off-budget status insulates it from attacks.

At first, the synfuels program was a big hit. The SFC had some start-up problems, but 65 corporations, including Ashland Oil, Exxon, Sohio, Metropolitan Life Insurance, Bechtel and many others sponsored proposals to build synfuels plants with SFC aid.

By early 1981, the SFC started assessing projects and cutting some. Those cut were invited to reapply later. By June, 1981, the SFC selected two projects to make synthetic crude oil from coal. One was in Breckinridge County, Ky., and the other was in Gillette, Wyo. Together, they sought between $3 billion and $6 billion in aid.

Troubles surfaced rapidly. The major problem was oil prices. The soaring price for oil and the recession convinced Americans to conserve energy. Imports of foreign oil plunged, and by the end of 1981, they were down by 3 million barrels a day—a reduction that exceeded the SFC's goal of displacing 2 million barrels a day by the end of the century.

The same analysts who had predicted oil prices would soar started talking about the demise of the Organization of Petroleum Exporting Countries. Oil prices, they said, would level off—even decline.

Meanwhile, the oil companies involved in some synfuels projects got a firsthand look at what the plants would cost, and they didn't like what they saw. Exxon, for instance, had bought into a "fast track" plant authorized in the program's early stages.

"The costs just kept rising, going from an anticipated $2 billion to $3 billion when we entered the project to a more recent estimate of $5 billion to $6 billion," Clifton Garvin, chairman of Exxon, told stockholders when discussing a Colorado oil shale plant the company abandoned in May. "Finally, we concluded that even when giving the project all the credits we could for its newness and eventual desirability, the economics were no longer attractive."

Exxon didn't write off all of its $300 million investment in the plant, and the company said it still thought there was a long-term need for synfuels. It paid off its government guaranteed loan, too.

Nevertheless, the decision sent shock waves through the industry. Within months, other oilmen, such as Leland Adams, president of Amoco Production Co., told the American Gas Association that crude oil prices would have to more than double to $60- to $90-a-barrel before synthetic fuels would be competitive.

Soon, financial sponsors for the two SFC-approved projects threw in the towel. Ashland Oil pulled out of its Breckinridge County project, leaving Bechtel without its major financial backer, and the Wyoming project suffered a similar fate.

None of this went unnoticed on Capitol Hill. Illinois' Corcoran launched several attacks on the synfuels program, at first trying to kill it and then attempting to divert $1 billion in synfuels funds to the depressed housing industry.

But Corcoran said his efforts suffered a fate similar to that suffered by Proxmire in the Senate. He said he couldn't get the measure on the floor for a vote.

Among those continuing to back the SFC were House Majority Leader James Wright [D., Tex.]; Sen. Pete Domenici [R., N.M.], chairman of the Senate Budget Committee; Sen. James McClure [R., Idaho], chairman of the Senate Committee on Energy and Natural Resources; and Rep. Tom Bevill [D., Ala.], chairman of the House Energy and Water Appropriations Subcommittee. Many of these men have joined the chorus of critics of large federal budgets and large federal deficits; all but McClure have proposed synfuels projects in their states.

Wright and the House Democractic leadership killed Corcoran's bill. When Corcoran and others tried to attach their measure to a Wright-supported housing bill, the House leadership simply brought the measure to the floor under a procedure that allowed no amendments.

"We were picking up support because a lot of people thought this [the SFC] was nothing but corporate welfare," Corcoran said, "but we never got a clear vote on the issue."

Likewise, when attempts have been made to kill specific projects, sponsors have come to the rescue. When the Carter administration, wrestling with budgetary problems, attempted to kill a proposed Alabama plant in Bevill's district, Bevill told the Huntsville Times: "We'll just give it [the Carter initiative] the appropriate funeral and move right along." The project still is an active candidate for SFC assistance.

The legislative give-and-take did focus some attention on the program, though, and the SFC came under intense pressure to approve some projects before its critics killed the program.

Environmental Policy Institute said pressure from backers such as Wright and McClure prompted the SFC to tentatively approve the $576 million North Carolina peat bog project.

"Here's a project they rejected on their first round," Roach said. "But they were hard up for something their supporters could use to show people they were doing something. They looked for the one that was furthest along, and the peat project was it. So they issued a letter of intent to fund it. One is hard pressed to find another agency that has been so desperate to justify its existence."

The SFC staff had published a report on peat as a fuel source and concluded it had limited applications. Even if peat projects were successful, the staff report said, they didn't add much to the nation's energy security. Noble said the project was tentatively approved to test the technology to be used in the project's gasifier, which, if successful, could be applied to coal.

Rep. John Dingell [D., Mich.], chairman of a House Energy investigations subcommittee, is looking into the matter.

Meanwhile, pressure on the SFC to spend its money has intensified. For example, McClure held a hearing on the SFC's budget earlier this month and complimented Noble on his ability to win White House support for synfuels and his tentative approval of the peat project. At the same time, he urged Noble to adopt an expedited process to fund future projects.

Noble acknowledged that the SFC has gotten off to a slow start. "But it wasn't our fault that [companies] backed out," he said.

"We didn't have any control over low oil prices," he said. "Low oil prices may be good for the country, but they certainly don't encourage the development of synthetic fuels. We didn't have any control over interest rates . . . and Congress refused to extend the energy investment tax credits. That cuts the average 30 percent rate of return in half," he said. The tax credit expired at the end of 1982.

He said he expects to complete funding for the peat bog project and a few others over the next year. Congress mandates the SFC achieve funding for 500,000 barrels a day by 1985, and Noble said the SFC intends to comply. It was just two years ago that noble headed the energy transition team that recommended President Reagan scrap the SFC.

"It is no secret that I was not particularly in favor of the development of synthetic fuels," said Noble, who works for a token salary.

"But when I looked at the hard facts about the situation with our energy reserves," he said, "we're still dependent for roughly one-third of our conventional liquid fuels [on imports]. We have [reserves] sitting here in solid form . . . and we know how to extract liquid [fuel from them]. But we aren't doing it. That's why I say just a few plants will make a lot of difference."

As a result, the SFC is moving toward financing several projects this year. One is the project to make methanol from peat and another is a New Mexico tar sands project. More than 40 other projects are under review, ranging from a proposed synthetic gas plant in Louisiana to a couple of projects in Tennessee, home of Senate Majority Leader Howard Baker, a Republican.

Several of the more advanced projects are in the home states of members of committees that play a big role in their fate, such

as the Senate Energy and Natural Resources Committee.

Noble told the committee that the SFC has not actually funded any project until now because "no project was ready." Now, he said, things are different. The quality of the projects is improving, he said. He pleaded for Congress to reauthorize special tax credits for the projects.

The SFC's ability to survive has baffled its critics, a class that ranges from environmentalists to liberals and conservatives. Environmental questions aside, the fact that so many huge private companies have bailed out of synfuels is ample evidence the SFC shouldn't squander the taxpayers' money, Roach said. Others said the government should not do what private industry refuses to do.

Victor Schroeder, a former shopping center developer who is president of the SFC, vigorously defends the program. Deriding headlines about plant cancellations, Schroeder told the World Energy Conference in Houston last September:

"We at the SFC intend to do our job assisting private enterprise. We have $17 billion appropriated for the task and the blessing of the President and Congress to risk that money and foster the industry."

Schroeder urged the audience to check into the SFC's programs that generate median rates of return of 30 to 35 percent. "Time is of the essence," Schroeder said. "The next six months are a window. Unless industry launches some viable projects, the SFC must consider less competitive solutions for gaining experience and production.

"In the extreme, you nor I want government-owned projects, which the Energy Security Act anticipates if it becomes necessary to get the production. We're philosophically opposed to this, but it could become necessary."●

FIRST SPACE WALK ANNIVERSARY

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. AKAKA. Mr. Speaker, today marks the 18th anniversary of the world's first space walk. Eighteen years ago, to this very day, a man left the safety of his spacecraft to venture into what was then considered the unknown void of space, Before we congratulate ourselves and celebrate the anniversary of another American space first, let me tell you the rest of the story: The man was cosmonaut Alexei Leonov; the spacecraft was the Voskhod II; and the nation to achieve this remarkable first in space was the Soviet Union. In fact, the Soviet Union has a habit of achieving remarkable firsts in space. Although the list of Russian firsts in space goes on for pages, let me take the opportunity to list a few. The Soviets can claim: The first satellite in space, the first animal in space, the first man in space, the first woman in space, the first pictures of the far side of the Moon, the first soft landing on the surface of the planet Venus, the first pictures of the surface of Venus, and the first manned space station. In fact, the Soviet space station was launched as long ago as 1971—2 years before the first U.S. space station. If you in this body are not ashamed at the length of the list of Soviet space firsts, let me call one more fact to your attention. On March 10, 1983—that is just a mere 8 days ago—the Soviet spacecraft Cosmos 1443 docked with the Soviet space station Salyut 7. This maneuver just about doubles the size of the Soviet space station. It is speculated that the Soviets will man this station in late April. I want to take this opportunity to point out to my colleagues that while we in this Nation engage in lengthy studies ad infinitum on the need for a space station, the Soviets have already established the capability for a permanent manned presence in orbit, and can take advantage of this at any time. I also want to point out to my colleagues that we have been studying the space-station concept since the beginning of our space program and have plans to continue to study space stations in fiscal year 1984. While we study space stations, the Soviets build them. I call on my colleagues to focus their attention on this issue and join me in this plea to the administration: Let us stop studying a space station and start building one. If we continue, however, to defer this decision, maybe the Russians will let us borrow theirs.

Mr. Speaker, when I was listening to WRC radio this morning, I heard a detailed account of that first Russian space walk 18 years ago. I insert the text of the program "Star Date" in the RECORD immediately following my remarks:

On this date in 1965, a Soviet cosmonaut became the first person to walk in space. His name was Lieutenant Colonel Alexei Leonov and his craft was called Voskhod, the Russian word for sunrise. In all there were two Voskhod spacecraft; Leonov's was the second to be launched from earth. Controversy still surrounds the origin and purpose of these two flights, but they said it was proposed by Nikita Khruschev who wanted a three-man Soviet crew in space before America flew its two-man Gemini spacecraft less than a year later. The first Voskhod did hold a three-man crew, but the craft was so small and cramped that the crew had to fly without space suits. The second Voskhod, the platform for the world's first space walk, held only two crew members, so if the spacewalk was slated to occur, spacesuits were essential, but Leonov's spacesuit later caused him life-threatening problems. Cosmonaut Leonov stayed outside his spacecraft for a total of about ten minutes. He said he looked down and could distinguish the dark waters of the Black Sea. He was held to the craft by a 15-foot tether and his maneuvers were recorded by a T.V. camera. Things went well until he tried to re-enter the craft; in the vacuum of space, his spacesuit had ballooned in size, apparently becoming too big for the entry hatch. He struggled for another eight minutes before squeezing safely back into the craft's airlock.

For March 18th, this is our program. "Star Date" is written by Deborah Byrd and is produced by the University of Texas' McDonald Observatory in Austin, Texas. I'm Joel Block.●

THE LAST WORD ON THE MIDDLE EAST

HON. MARK D. SILJANDER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. SILJANDER. Mr. Speaker, it is my privilege to draw attention to the book "The Last Word on the Middle East" by Derek Prince.

Derek Prince has devoted a great part of his life to studying and the teaching of the Bible. He is internationally recognized as one of the leading Bible expositers of our time. He has authored over 20 books, most of which have been translated into several foreign languages.

Nondenominational and nonsectarian in his approach, Mr. Prince has a prophetic insight into the significance of current events, especially those in the Middle East.

I strongly recomment this book to my colleagues. As a member of the Foreign Affairs Committee, the work has an impact on the Middle East. Mr. Prince gives a first-hand account of the astonishing birth of the modern State of Israel against all odds. His research carries us through a fast-paced overview of the enemies and events that have swept the Jewish people along on a tumultuous, heartbreaking course for 2,000 years.

I, commend Mr. Prince on his work and insight into the Middle East. In fact, I am so impressed with his insight that I have distributed to all the members of the European and Middle East Subcommittee a copy of the book. It is my hope that the rest of my fellow colleagues will read this important work by Mr. Prince.●

FEDERAL OFFICIALS OPTIMISTIC

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. WHEAT. Mr. Speaker, I would like to bring to the attention of my colleagues an article written by the distinguished gentleman from Missouri, Representative IKE SKELTON, entitled. "Why I Am Optimistic." I am honored to have my district border the area represented by this fine statesman.

The people of eastern Jackson County are fortunate to have Mr. SKELTON representing them in Con-

gress. Yes, there is reason to be optimistic for the future. The spirit of the American people calls for optimism.

The article follows:

[From the Blue Springs Examiner, Feb. 24, 1983]

U.S. REP. IKE SKELTON: OUR FEDERAL OFFICIALS OPTIMISTIC ABOUT 1983

I am an optimist; always have been. Those who live in Eastern Jackson County should all be optimists too. Do you want to know why?

Well, for one thing, Eastern Jackson County is one of the fasterst growing areas in the Midwest. That means new people, new businesses and new opportunities. We've seen other areas experience growth and we can learn from their failures as well as their successes. It can be done the right way.

Why do all these people want to make our home theirs too? Futurists (scientists who calculate and project what life will be like in the future) predict that three of the major shortages in the next half-century will be food, water and energy supplies. We are right on top of the food belt and a center for commerce in all sorts of agricultural commodities, so this will be less of a problem for us. Also, Eastern Jackson County sits at the confluence of the Missouri River and some of its major tributaries, such as the Kansas and the Little Blue River. If we can protect these sources from those who covet them (and I think we can) then water won't be a problem for us either. As for energy sources, our water can be used for hydro power; coal fields are plentiful; and oil, gas and interstate coal are all transported through Jackson County. That's another advantage. If energy does become short, the nation's transportation systems will have to become even more efficient. What better location could there be for the hub of a transportation system than the center of the country; particulary if agricultural products are the main priority.

Some people worry about the future of our great nation. While we should be concerned enough to work to create our own destiny, we can't afford to let our fear of the unknown intimidate us. Anyone over 50 will tell you that we have come through tougher times than these and were stronger and better for it. Sure, our institutions and businesses have been slow to change to meet the challenge of a world market. We've never had to face these difficulties before. I think that we've turned the corner. Our businesses are waking up to efficiency and quality. Our work force has demonstrated that they are willing to work with management to meet any challenge. It's not our downfall on the horizon but, rather, opportunity, and opportunity has always been the mainstay of American success. The process is slow, but we'll make it.

The most important thing that we have going for us is that Eastern Jackson County is a nice place to live. The people are friendly, the climate is favorable; the cultural advantages of the big city exist side-by-side with the pioneering spirit of our open countryside. As far as I am concerned, the prospects for our area are unbounded. I hope that if someone asks you what you think about Eastern Jackson County, you can say, "I'm optimistic, do you want to know why?"●

THE CONGRESSIONAL BLACK CAUCUS 1984 CONSTRUCTIVE ALTERNATIVE BUDGET

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 18, 1983

● Mr. DIXON. Mr. Speaker, for the third year, the Congressional Black Caucus has put forth an alternative budget resolution for consideration by this body.

As chairman of the caucus, I am honored to have introduced House Concurrent Resolution 87, setting forth the congressional budget for the U.S. Government. In order to provide the rationale and further details of this resolution, I have prepared an analysis of this resolution and narrative which follows.

Those of us in the Congressional Black Caucus take pride in the movement which our alternatives have prompted in this body's consideration of the budget, and we are hopeful that a measure can be passed that will move this Nation away from the dangerous course of economic stagnation prompted by the Reagan administration's policies.

CONGRESSIONAL BLACK CAUCUS ALTERNATIVE BUDGET SUMMARY

The Congressional Black Caucus will continue to meet the challenge set forth by President Reagan by introducing its Constructive Alternative Budget for the third consecutive year. This budget, fashioned by the 21 Member Caucus, provides the Congress with a comprehensive alternative to a Reagan Administration program which would continue to inflict suffering and distress on poor, working class and middle class Americans without solving the nation's economic problems. The specific policies outlined in the attached Resolution would stimulate the creation of jobs, reduce excessive military spending, eliminate certain tax expenditures and restore funding to threatened social programs.

The Constructive Alternative would help to move America toward these objectives while reducing the federal deficit and spurring economic recovery even beyond the projected 4 percent annual growth rate. Under this plan, federal outlays in fiscal 1984 would total $858.5 billion, revenues $691.3 billion, for a deficit of $167.2 billion. The Reagan Administration budget calls for outlays totaling $848.5 billion and revenues of $659.7 billion, for a deficit of $188.8 billion.

The Congressional Black Caucus Budget Resolution is designed to meet the following objectives:

(1) To enact a substantial jobs program: The Caucus strongly believes that the first fiscal responsibility of Congress for fiscal year 1984 should be the creation of job opportunities for America's 11.4 million unemployed. Therefore, the Caucus feels it imperative to enact H.R. 1036, the Community Renewal Employment Act. As such, $8.9 billion has been provided in this budget resolution to fully fund the bill which would create approximately 900,000 new jobs. The CBC also proposes $365 million for the Work Incentive Program (WIN) which has been proposed for elimination by the Reagan Administration.

(2) Reduce defense spending: the Congressional Black Caucus rejects the President's proposed 'real' increase of over 10 percent in national defense and dismisses it as extremely excessive and unnecessary. The CBC has called for spending levels of $215 billion in budget authority and $218.8 in budget outlays representing cuts fo $65 billion and $26 billion respectively, from the Administration's program.

The CBC proposal makes systematic reductions in procurement and research and development for destabilizing the MX, Trident II, Pershing II and Cruise Missile systems. In addition, the CBC proposal includes a major "conversion" employment program to provide funds for approximately 300,000 jobs for fiscal year 1984 in areas where workers on military programs have been displaced as a result of weapon systems cuts.

(3) Reduce the deficit: The Caucus proposal will reduce the deficit significantly below that proposed by the Administration despite the increases we project in federal spending. More important, in the CBC budget "out years" it is projected that the deficit will be only one-third of that proposed by the Reagan budget in fiscal year 1985.

(4) Restore funding for needed social programs:

Education: Preserve existing aid to higher education and propose an overall increase of 9.8 billion in educational assistance programs.

Health: Include an increase of $1 billion for health benefits for the unemployed.

Housing: Support a new authorization of $15.9 billion for Section 8 and Public assisted housing.

Food stamps: Provide a total of $14.4 billion in budget authority representing a $4 billion increase over the Administration's proposal.

(5) Reform the tax system: Due to the inequities which still exist in the President's original tax proposal, the Congressional Black Caucus is recommending that the scheduled 10 percent tax cut for July, 1983 be limited to the first $50,000 of gross revenue and phased out thereafter. This would provide some relief to those individuals who have lost their borrowing power due to inflation and the increase in social security taxes.

In addition, the Caucus would repeal the indexing of the tax code scheduled to take effect in 1985 in an effort to prevent further cuts in revenues. The CBC would also repeal the phased lowering of the maximum tax rate on newly discovered oil; the royalty credit for oil; and the special rates on the first 1,000 bbls of oil produced by the independents.

[In billions of dollars]

Budget function	Fiscal year— 1984 budget authority		1985 budget authority		1986 budget authority		Differences between CBC budget and baseline: Fiscal year—		
	CBS	Baseline	CBC	Baseline	CBC	Baseline	1984	1985	1986
National defense	215.00	280.20	221.30	329.60	227.70	364.30	−65.20	−108.30	−136.60
International affairs	25.70	26.70	16.00	17.30	15.70	17.20	−1.00	−1.30	−1.50
General science and technology	8.60	8.00	8.30	8.10	7.80	8.20	.60	.20	−.40
Energy	4.00	4.10	4.10	4.10	4.20	3.90	−.10	.00	.30
Natural resources and environment	8.90	11.70	9.20	11.80	9.60	12.20	−2.80	−2.60	−2.60
Agriculture	13.70	13.70	15.00	15.00	14.30	14.30	.00	.00	.00
Commerce and housing credit	10.30	5.90	7.30	6.60	7.50	6.80	4.40	.70	.70
Transportation	28.10	27.90	29.10	29.00	30.30	30.20	.20	.10	.10
Community and regional development	13.20	7.20	9.40	8.40	9.60	8.60	6.00	1.00	1.00
Primary, secondary, and vocational education	10.80	6.90	11.40	7.30	12.00	7.70	3.90	4.10	4.30
Higher education	9.80	6.70	10.30	7.10	10.20	7.10	3.10	3.20	3.10
Education research and aids	1.20	1.20	1.20	1.20	1.30	1.30	.00	.00	.00
Employment and job training	21.20	9.20	15.90	6.00	15.80	6.30	12.00	9.90	9.50
Labor services and other	.70	.70	.70	.70	.70	.70	.00	.00	.00
Social services	6.70	6.60	7.10	6.90	7.60	7.30	.10	.20	.30
Total: Education, employment and social services	50.40	31.20	46.60	29.10	47.60	30.20	19.20	17.50	17.40
Health care	95.40	92.90	106.70	104.10	119.40	116.70	2.50	2.60	2.70
General retirement and disability	103.40	170.30	204.80	188.10	222.60	205.30	13.10	16.70	17.30
Federal employee retirement	37.10	37.10	40.00	40.00	42.60	42.60	.00	.00	.00
Unemployment compensation	34.50	29.50	29.60	29.60	29.60	29.60	5.00	.00	.00
Housing assistance	17.90	10.60	18.70	11.10	19.40	11.50	7.30	7.60	7.90
Food and nutrition assistance	21.50	17.50	22.00	18.00	23.00	19.00	4.00	4.00	4.00
Income assistance	23.00	19.50	21.80	20.30	22.10	20.60	3.50	1.50	1.50
Total income security	317.40	284.50	336.90	307.10	359.30	328.60	32.90	29.80	30.70
Veterans benefits	25.70	25.70	26.10	26.10	26.40	26.40	.00	.00	.00
Administration of justice	5.50	5.40	5.60	5.50	5.70	5.60	.10	.10	.10
General government	5.50	5.50	5.80	5.80	6.00	6.00	.00	.00	.00
General purpose fiscal assistance	10.10	7.10	10.20	7.20	10.50	7.50	3.00	3.00	3.00
Interest on national debt	94.00	96.00	100.00	106.90	105.00	114.70	−2.00	−6.90	−9.70
Allowances	1.70	1.70	3.20	3.20	4.90	4.90	.00	.00	.00
Offsetting receipts	−17.40	−17.40	−18.80	−18.80	−23.60	−23.60	.00	.00	.00
Total expenditures	915.80	918.00	942.00	1,006.10	987.90	1,082.70	−2.20	−64.10	−94.80

[In billions of dollars]

Budget function	Fiscal year— 1984 outlays		1985 outlays		1986 outlays		Differences between CBC budget and baseline: Fiscal year—		
	CBC	Baseline	CBC	Baseline	CBC	Baseline	1984	1985	1986
National Defense [1]	218.80	244.70	227.20	282.30	227.30	321.60	−25.90	−55.10	−94.30
International affairs	12.20	12.40	12.20	12.80	12.20	13.10	−.20	−.60	−.90
General science and technology	8.30	7.90	8.40	8.10	7.90	8.10	.40	.30	−.20
Energy	4.10	4.10	4.20	3.30	4.10	3.50	.00	.90	.60
National resources and environment	9.10	11.70	9.60	12.20	9.40	12.00	−2.60	−2.60	−2.60
Agriculture	13.50	13.50	13.50	13.30	14.20	14.20	.00	.00	.00
Commerce and housing credit	3.00	1.70	1.60	.10	1.10	−.10	1.30	1.50	1.20
Transportation	25.90	25.80	27.20	27.00	28.50	28.30	.10	.20	.20
Community and regional development	9.40	7.90	11.20	8.20	13.50	8.50	1.50	3.00	5.00
Primary secondary and vocational education	10.20	6.70	10.90	6.90	11.40	7.30	3.50	4.00	4.10
Higher education	9.40	6.40	10.00	6.80	10.00	6.80	3.00	3.20	3.20
Education research and aids	1.20	1.20	1.20	1.20	1.30	1.30	.00	.00	.00
Employment and job training	14.20	5.50	13.80	5.80	13.80	6.00	8.70	8.00	7.80
Labor services and other	.70	.70	.70	.70	.70	.70	.00	.00	.00
Social services	6.60	6.50	7.10	6.90	7.50	7.20	.10	.20	.30
Total: Education, employment, and social service	42.30	27.00	43.70	28.10	44.70	29.20	15.30	15.60	15.50
Health Care	95.10	92.70	106.80	104.30	119.70	117.10	2.40	2.50	2.60
General retirement and disability	185.30	188.60	196.10	199.80	209.50	213.40	−3.30	−3.70	−3.90
Federal employee retirement	22.30	22.30	23.90	23.90	25.90	25.90	.00	.00	.00
Unemployment compensation	31.00	26.00	24.60	24.60	24.30	24.30	5.00	.00	.00
Housing assistance	10.50	10.40	11.90	11.40	13.90	11.80	.10	.50	2.10
Food and nutrition assistance	21.40	17.40	22.00	18.00	22.90	18.90	4.00	4.00	4.00
Income assistance	22.90	19.60	21.80	20.30	22.10	20.70	3.30	1.50	1.40
Total income security	293.40	284.30	300.30	298.00	318.60	315.00	9.10	2.30	3.60
Veterans benefits	25.50	25.50	25.80	25.80	26.10	26.10	.00	.00	.00
Administration of justice	5.50	5.40	5.60	5.50	5.70	5.50	.10	.10	.20
General government	5.40	5.40	5.60	5.60	5.70	5.70	.00	.00	.00
General purpose fiscal assistance	10.00	7.00	10.10	7.10	10.50	7.50	3.00	3.00	3.00
Interest on national debt	94.00	96.00	100.00	106.90	105.00	114.70	−2.00	−6.90	−9.70
Allowances	1.70	1.70	3.40	3.40	5.20	5.20	.00	.00	.00
Offsetting receipts	−17.40	−17.40	−18.80	−18.80	−23.60	−23.60	.00	.00	.00
Total expenditures	859.80	857.30	897.40	933.20	935.80	1,011.60	2.50	−35.80	−75.80
Personal income taxes	310.70	294.90	347.70	320.80	388.80	345.80	15.80	26.90	43.00
Corporate income taxes	65.90	55.80	79.80	65.20	91.50	74.00	10.10	14.60	17.50
Social Security taxes	241.50	232.10	263.90	258.20	292.00	283.20	9.40	5.70	8.80
Excise and other taxes	73.20	70.50	74.50	70.70	70.30	65.20	2.70	3.80	5.10
Total revenues	691.30	653.30	765.90	714.90	842.60	768.20	38.00	51.00	74.40
Deficit	168.50	204.00	131.50	218.30	93.20	243.40	−35.50	−86.80	−150.20

[1] Baseline for national defense equals Reagan administration proposed budget.

CBC TAX REFORM PROPOSALS

Last year, the Congressional Black Caucus proposed a fiscal 1983 budget which would have raised $225 billion in revenues between fiscal 1983 and fiscal 1985 through the elimination of tax loopholes. Congress enacted a budget which called for less than half of the Caucus proposal for new revenues or $98.3 billion over the same three year period. Of the $98.3 billion which will be raised pursuant to the budget resolution, approximately $52 billion or over 52 percent of the tax reforms enacted were proposed in our budget alternative. While we believe that last year's tax bill was a step in the right direction, the Caucus strongly urges that more tax reform is needed.

Despite the fact that many of the tax abuses, enacted as part of the $750 billion tax give away Economic Recovery Tax Act (ERTA) of 1981, were cut back, the CBC still remains firm in its belief that the major inequity of the President's original tax proposal still exits. In 1981, Congress enacted a staged 25 percent across the board tax cut. This has provided wealthy Americans with large tax breaks while those earning less than $20,000 have yet to receive enough to off-set inflation and recent increases in social security taxes. Therefore, the Caucus is of the belief that the scheduled 10 percent tax cut for July of this year should be limited to the first $50,000 of gross income and phased out thereafter.

The Caucus also feels that at a time when we are facing deficits in the magnitude of $200 bilion, that we cannot afford to enact further cuts in revenues. Therefore, the CBC would repeal the indexing of the tax code scheduled to begin in 1985. Any cuts in taxes should be made on the basis on sound economic principles. Raising the deficit through further cuts in revenues would only create more pressure on capital markets resulting in higher interest rates and slower economic recovery.

Further, the Caucus believes that other tax give aways enacted in 1981, as part of the Economic Recovery Tax Act, should be eliminated. We would therefore repeal: the phased lowering of the maximum tax rate on newly discovered oil; the royalty credit for oil; and the special rates on the first 1,000 bbls of oil produced by the independents. We would also encourage the Congress to require a full basis adjustment on the investment tax credit, rather than the mere 50 percent basis adjustment enacted last year. There is no reason why a 10 percent tax credit should be allowed on the purchase of machinery which would then be allowed to depreciate the full purchase price while the government subsidized 10 percent of the cost.

Equally abhorrent to the CBC are provisions in ERTA which provide further tax loopholes for the rich, such as: the virtual elimination of Estate and Gift taxes; the scheduled escalation to $85,000 on the tax exemption for U.S. citizens working overseas, and the change in the interest exclusion which would allow 15 percent net interest to be excluded from taxation. This will allow many wealthy Americans a larger tax deduction without insuring any greater savings. We would significantly cut back on these tax exclusions which result in an even larger tax burden on the middle class.

In renewing the appeals we made last year for tax reform, the Congressional Black Caucus would ask for the repeal of Intangible Drilling Costs and the Depletion Allowance. In view of the overly generous investment incentives enacted under ERTA as part of the Accelerated Cost Recovery System, there is no justification for the continuation of these tax incentives which provide excessive opportunities for tax avoidance. The CBC again calls for the repeal of DISC and Deferral which have proven to be one time incentives for companies to increase their exports as a way to shelter income from U.S. taxation. We would also urge repeal of Employee Stock Ownership Plans, the capital gains treatment for timber, and the allowance of a mortgage interest deduction on 2nd and 3rd homes.

Finally, the Congressional Black Caucus is strongly of the opinion that the corporate tax burden is too small while the tax burden on individuals is too large. In 1983, the Joint Committee on Taxation has estimated that corporations will pay a mere 12 percent of the income tax, while individuals, mostly the middle class, will pay an incredible 88 percent of the income taxes collected by the federal government. Therefore, we would propose that a real 15 percent alternative minimum tax be imposed on corporate earnings.

It is the considered opinion of the Congressional Black Caucus that enactment of the tax reform proposals contained in our fiscal 1984 budget will go a long way toward making our tax system fair and equitable. We can no longer expect middle class Americans to pay their share of taxes while corporate America continues to take advantage of laws which allow tax liability. Further, it is the Caucus' feeling that rather than leave legislation on the books which would further enlarge the deficit, we should make every effort possible to widen the tax base and in so doing, reduce the pressure on the capital markets. Any real economic recovery must be accompanied by lowering interest rates. This can only be accomplished by assuring financial institutions that the government's demand for capital will shrink rather than increase.

NATIONAL DEFENSE—FUNCTION 50

Description of function

This function contains the budget proposals for the Department of Defense; strategic and general purpose forces; research and development; and development and utilization of weapons systems, including nuclear weapons.

CBC policy objectives

The Congressional Black Caucus rejects the whole nature of the present debate which focuses on the amount of "real" growth to be approved in defense spending this year. The defense budget function must be analyzed in terms of US foreign and military objectives. The CBC proposes fiscal year 1984 spending levels of $215 billion in budget authority and $218.8 billion in budget outlays representing cuts of $65 billion and $26 billion, respectively. The CBC proposal assumes a budget authority increase of 16 percent in real terms (almost 4 percent per year real increase) over the fiscal year 1980 levels, which gave disproportionate weight to military spending. Moreover, the outlay levels are identical to President Reagan's massive fiscal year 1983 spending. The CBC proposal also assumes modest reductions (2 percent real reduction per year) over the fiscal year 1984–1988 period. This would result in budget savings of over $600 billion as compared with the Administration proposal.

Description of major CBC changes

More than 50 percent of the items included in the Administration's military proposals are targeted for operation and maintenance and compensation for active and retired personnel, rather than for major weapons systems as most critics would believe. Of the remaining amount, principally the so-called "investment accounts", less than 12 percent of the entire military budget has been targeted for the big ticket weapons systems, including the MX, the B-1, the Trident Submarine, the nuclear carriers, the attack submarines, the Trident, Pershing and Cruise missiles, and others. Even a total nuclear freeze would reduce fiscal year 1984 military budget purchases by only $27 billion in the fiscal year 1984 budget. Thus, while significant cuts could be made by eliminating dangerous, counterproductive and unnecessary weapons systems, the only way to reduce substantially the defense budget is to examine the overall mission of the armed services, including an examination of troop levels and the operation and maintenance expenditures required to support such levels.

The CBC proposal makes systematic reductions in procurement and research and development for destabilizing weapons systems (the MX, the Trident II, Pershing II and Cruise missiles). The approximately 9,000 nuclear warheads in the present US arsenal are vastly more than sufficient for any deterrence objectives. Also rejected is the proposed massive build-up in the large and vulnerable surface Navy including the two new nuclear "carrier" battle groups and their related support structure. Cutbacks are also proposed in various weapons systems that are impractical, unnecessary, have suffered massive cost over-runs, or have been ordered in quantities far beyond realistic defense needs.

Additionally, the CBC proposal includes a major "conversion" employment program of $45 billion over the next five years. The burden to eliminate or reduce certain weapons systems should be a national one and not concentrated in those cities and towns where those particular systems are produced. Thus, the CBC budget includes funding for approximately 300,000 jobs for fiscal year 1984 in areas where workers on military programs have been displaced as a result of weapons systems cuts.

Also proposed is a 3 percent reduction in force levels from fiscal year 1984, and a 15 percent reduction over the next five years based on a re-evaluation of foreign commitments and rejection of the proposed massive expansion to a 640 ship Navy. At the same time, the CBC proposes a 35 percent increase in readiness spending on a per-weapon and per-force basis. A reorganization of the operation and maintenance account would be the direct result of these proposed weapon and force level cuts.

An example of the proposed force reductions concerns the carrier "battle groups". The Administration proposed in increase in the number of battle groups to 15; up from the present 13. The CBC would maintain the current level of 13 with phased reductions to 10 over the next five years. The Administration presupposes a forward deployment of 5 to 6 battle groups at all times. Viewing this as being totally unnecessary, the CBC would maintain 10 battle groups, with 4 to 5 battle groups forward-deployed in the short-term, with a reduction to 3–4 groups forward-deployed by fiscal year 1988. This would still allow an additional 5–6 battle groups available should a major emergency arise.

It should be noted that the cuts proposed here are constrained by the nature of the present debate on the size of the defense budget, and do not constitute a truly efficient defense policy. Such a defense policy, based on the defense of U.S. interests, rather than arming for intervention around the world, would require even lower levels than those proposed on the adjacent sheet.

CBC BUDGET ALTERNATIVE: A SYNOPSIS

Following is a comparison of CBC budget priorities versus the budget recommended by the Reagan administration.

[In billions of dollars]

	Reagan 1984	CBC 1984	CBC versus Reagan
Total outlays	848.5	859.8	+11.3
Total revenues	659.7	691.3	+31.6
Deficit	188.8	168.5	−20.3

Revenues

The CBC revenue projection is based on a tax reform package that raises $27 billion in additional revenue for 1984. The crux of this package involves modifying the third year tax cut so that it is limited to the first $50,000 of income only. This modification will increase Government revenues by $8 billion.

The package will also:

Raise $6 billion through oil and gas tax modifications;

Raise $5 billion through estate, luxury and capital gains tax modifications;

Raise $5 billion through corporate tax modifications; and

Raise $3 billion through other tax modifications.

In addition, the CBC has allowed $5 billion for increased revenue collected through social security tax increases.

[In billions of dollars]

	Reagan 1984	CBC 1984	CBC versus Reagan
Jobs:			
H.R. 1036, Community Renewal Employment Act	0	8.9	+8.9
Work incentive program	0	.365	+.365
Community service employment for older Americans	.277	.296	+.019
Unemployment trust fund for training	1.042	1.386	+.344
Training and employment services	4.281	10.043	+5.762
Defense:			
Total budget authority	280.2	215.0	−51.1
Procurement	94.2	48.1	−46.1
Research and development	29.6	20.9	−8.7
Operations and maintenance	74.0	66.3	−8.7
Social programs:			
Total social programs	412.6	463.7	+51.1
Housing and commerce:			
Housing for elderly and handicapped	.436	.819	+.383
New Single-family housing aid program	0	3.5	+3.5
Postal service	.400	1.1	+.7
Community and regional development:			
CDBG	3.5	4.6	+1.1
UDAG	.196	.460	+.264
New National Development Bank loan program	0	5.0	+5.0
Education and Social Services:			
Vocational and adult education	.500	1.9	+1.4
Comp. Education for disadvantaged	3.0	5.5	+2.5
Student financial assistance	3.6	4.7	+1.1
Guaranteed student loans	2.2	4.2	+2.0
Community services grants	.003	.373	+.370
Health:			
Health care service grants	.154	1.939	+1.785
Other health care services	3.5	4.0	+.5
Health benefits for unemployed	0	1.5	+1.5
Income security:			
Housing assistance	.397	17.929	+17.532
Food stamps	10.4	14.4	+4.0
WIC food program	1.1	1.3	+.2
Low-income energy assistance	1.3	4.1	+2.8
AFDC assistance payment program	7.6	8.7	+1.1
Other programs:			
Mass transit	3.9	4.7	+.8
Revenue sharing	4.6	7.6	+3.0

SENATE—*Monday, March 21, 1983*

The Senate met at 12 noon, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

O Lord our Lord, how excellent is thy name in all the earth! who hast set thy glory above the heavens.—Psalm 8: 1

I will praise thee, O Lord, with my whole heart; I will shew forth all thy marvellous works. I will be glad and rejoice in thee: I will sing praise to thy name, O thou most High.—Psalm 9: 1, 2

We thank Thee, Father, for the memory of Catherine Marshall Le Sourd, widow of a former Chaplain of the Senate. May Thy comfort and peace be with her loved ones in their loss of this remarkable woman.

Almighty God, our Founding Fathers took Thee seriously. Their speeches, their papers, their actions reveal trust in Thee as the center of their thinking and the foundation for the concepts which gave birth to this Republic. Most of us profess to believe in Thee—many of us live as though belief in Thee makes no difference. We profess faith in God; we live as though we do not. As the world struggles with the relentless threat of Godless government, help us not to be a Godless government. Help us to realize, Almighty God, that taking Thee seriously is our greatest resource. Through Jesus Christ, the Lord. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

SPRING

Mr. BAKER. Mr. President, I find it all too fitting, though perhaps a bit predictable, that this week's poem celebrate the arrival of a new season. I ask unanimous consent that "Spring," by Edna St. Vincent Millay, be printed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

SPRING

To what purpose, April, do you return again?
Beauty is not enough.
You can no longer quiet me with the redness
Of little leaves opening stickily.
I know what I know.
The sun is hot on my neck as I observe
The spikes of the crocus.
The smell of the earth is good.
It is apparent that there is no death.
But what does that signify?
Not only under ground are the brains of men
Eaten by maggots.
Life in itself
Is nothing,
An empty cup, a flight of uncarpeted stairs.
It is not enough that yearly, down this hill, April
Comes like an idiot, babbling and strewing flowers.

AN UPDATE ON PENNSYLVANIA AVENUE CONSTRUCTION

Mr. BAKER. Mr. President, several weeks ago in this Chamber, I remarked on the construction taking place on Pennsylvania Avenue. It was my fear at that time, that a crew of construction workers had been sent out to repair the Pennsylvania Avenue roadway, but instead of stopping after the job was finished, they simply proceeded to tear up the road again, and begin the process of rebuilding all over again.

Mr. President, I rise today a corrected man. Henry Berliner, Jr., the new chairman of the Pennsylvania Avenue Development Corporation has graciously updated me on the process that is occurring on one of this city's most historic avenues, and I am pleased to learn of the success of this project.

The current Pennsylvania roadway is over 100 years old and has never been comprehensively rebuilt. As a result, the entire street is being overhauled, and the road will be in good shape for the next 50 to 100 years.

This coming year will prove to be a most exciting year for Pennsylvania Avenue. The Apex Building at the corner of Seventh Street and Pennsylvania Avenue will be complete, and I was most happy to learn that Sears, Roebuck & Co. will be occupying that building. Next to the Apex Building the Westminster Investing Co. will begin construction of a multi-use project that will include not only retail and office use, but also housing units and a hotel. Westward, the Old Post Office will be ready for Federal workers within the next month, and on July 1 the festive market retail center in the building will open. The office building on the square occupied by the National Theater will open this June, and the theater, completely renovated and with new interior appointments, will have a gala opening in the fall. The Marriott Hotel, on the same square is ahead of schedule and will open for business in February of 1984.

All of us should be proud of these achievements, Mr. President, and I want to take this opportunity to commend the Pennsylvania Avenue Development Corporation and its new members, Mr. Arthur Fletcher, designed as Vice Chairman, Mr. Carl Shipley, board member, and Henry Berliner, Chairman. They, along with the rest of the Corporation, have made this effort a distinguished one, and I am sure that I am joined by residents of the city in awaiting anxiously the completion of this project.

ORDER FOR RECOGNITION OF SENATOR BYRD AND SENATOR HATFIELD

Mr. BAKER. Mr. President, there are special orders in favor of Senators WARNER and THURMOND. I ask unanimous consent that, in addition, there be 15-minute special orders in favor of the distinguished minority leader, Mr. BYRD, and the distinguished chairman of the Appropriations Committee, Mr. HATFIELD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE SCHEDULE

Mr. BAKER. Mr. President, after the four special orders are executed, there will be a brief time for the transaction of routine morning business.

Then the Senate will resume consideration of H.R. 1900, at which time the Bradley amendment, No. 520, will be the pending question. That amendment is to the committee amendment No. 516.

Mr. President, I hope we can finish this bill today; but, in all candor, I must say that it appears that it may run over until tomorrow.

I had first anticipated that the Senate might be asked to stay late today in order to finish. In taking a look at the absentees, it would seem pretty difficult to finish the bill and do justice to the views of many Senators. So I do not intend to ask the Senate to stay in late tonight. I say that with reluctance and hesitation. I expect that we will have to finish the bill tomorrow.

Mr. President, the conference on the jobs bill will begin this afternoon between the House and the Senate. I urge the conferees to finish that conference today and to resolve their differences. Even though many of us supported some measures that were adopted by the Senate, some of them

may have to be dropped temporarily in order to get this bill, because unemployment benefits are in jeopardy. We have to assure that those benefits are provided for and can be paid on schedule, without interruption.

Mr. President, the principal business of the Senate, other than the passage of the social security bill, will be to attend to the two conference reports—the jobs bill and the social security bill.

It is hoped that the Senate can complete its business on Wednesday or Thursday of this week and adjourn over, then, for the Easter recess.

Mr. President, I have no further need for my time under the standing order, and I yield it to the control of the distinguished minority leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The distinguished minority leader is recognized.

Mr. BYRD. Mr. President, I thank the majority leader for yielding his time.

Mr. President, I yield back my time under the standing order.

CHANGE OF CONFEREE ON H.R. 1718

Mr. BAKER. Mr. President, will the minority yield?

Mr. BYRD. I yield.

Mr. BAKER. I believe this has been cleared by the minority leader, and if it has, I am prepared to put the request at this time.

Mr. President, I ask unanimous consent that the Senator from Arizona (Mr. DECONCINI) be appointed a conferee on H.R. 1718, to replace the Senator from North Dakota (Mr. BURDICK).

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR HATFIELD

The PRESIDENT pro tempore. The Senator from Oregon (Mr. HATFIELD) is recognized.

S. 865—DEEP-DRAFT NAVIGATION ACT OF 1983

Mr. HATFIELD. Mr. President, today, along with my colleagues, Senator BYRD, Senator WARNER, Senator THURMOND, Senator MATTINGLY, and others, I am introducing the Deep-Draft Navigation Act of 1983. This bill is the product of nearly 4 months of work, day and night. A staff working group has talked with every major commodity, user, and port group, Senate and House staff, and the administration to develop this compromise bill.

Mr. President, the Senator from Virginia (Mr. WARNER) has been one of the major laborers on behalf of this bill, and the same is true of the Senator from West Virginia (Mr. BYRD). We have been joined by the President pro tempore of the Senate, the Senator from South Carolina (Mr. THURMOND), and others in this bill.

I do not know of any bill that has evolved out of longer and more complex negotiations than this one. I take this opportunity to express my deepest appreciation to Senator WARNER and Senator BYRD, particularly, who have given much time, as have Senator THURMOND and others, in bringing this bill to reality.

I recall that more than 3 years ago, the President pro tempore of the Senate and I visited with White House people on this whole question. Much has occurred since that time, and the major credit is due to the tenacity of my colleagues, who have pursued this matter with great diligence.

The entire issue of deep-draft user fees has been controversial since President Carter suggested some cost recovery nearly 4 years ago. The Reagan administration fully supports the concept of cost recovery, and elevated the discussion of deep-draft user fees to national prominence when President Reagan addressed such legislation in the state of the Union message.

I have been involved in the user-fee debate for some time. Early in my Senate career, I emphasized the importance of a strong dredging program by the Corps of Engineers. To insure our ability to compete in world commerce, we must have a viable national port system. The Reagan administration proposed legislation last Congress that would have put in place a user-fee system. It was an approach I could not support because it would have put smaller ports at a competitive disadvantage, to such an extent, they would no longer be commercially viable. A number of my colleagues also introduced legislation that was objectionable to one faction or another. I too introduced a bill, S. 2217, that had its detractors, and by the end of the 97th Congress, we were at an absolute logjam as to the best approach toward user fees.

With the beginning of the new Congress, our staff working group began its work to develop a consensus bill, that while not perfect, would be acceptable as the main vehicle on which to build a user-fee system. I believe we have such a bill. The legislation will establish a trust fund for deep-draft navigation operations and maintenance, navigation improvements, and a special credit account for ports that contribute a significant excess to the trust fund.

The O&M portion would be raised by a nationally uniform user fee, based on the earning capacity of a vessel, by assessing the value of the cargo carried. This ad valorem approach assures the market-sensitive commodities will not be priced out of the world market, and that high-value commodities will not be overburdened with a fee.

The navigation improvement account will be generated by an earmarking of customs revenue. The amount earmarked would be less than the new money generated by the O&M user fee. While modest, this account reflects the Corps of Engineers' ability to begin new projects and the Nation's needs to develop our channels and harbors. The special credit account is designed to return to ports, who dramatically overpay moneys into the trust fund, above their operator and maintenance needs. This special credit can only be used as a portion of any new deep-draft channel or harbor improvement, and will only be available for 5 years.

This legislation would also provide a basis to expedite the project design, congressional approval, funding, and eventual agency permitting. They would be accomplished by placing deadlines on existing procedures, without removing the specific requirements of established practice and law.

This is not a perfect bill. But it is the vehicle for compromise among the various interest groups. I received a letter from David Stockman of the Office of Management and Budget supporting the concepts of this bill. While we disagree on certain technical details, we have come together. Last week, the two major coalitions of the American Association of Port Authorities met in Charleston, S.C., and for the first time since the beginning of the controversy over user fees, they have agreed that this bill is a reasonable place to start. Like the administration, they have problems with details of the legislation, but they are not rejecting this bill, and indeed will be working with the sponsors of this legislation to make it better.

It is clear that even the cosponsors of this legislation are not fully satisfied with every dotted "I" or crossed "T", but we are proud of the legislation we are introducing today. We are proud because we have done what was said to be impossible—we have developed a bill that everyone can use as a starting point for a new beginning.

Mr. President, now is the time to begin to develop the finest port system in the world. We must be prepared to meet the world demand for American goods, not only in the marketplace, but in our ability to efficiently and effectively move our goods through our ports. With each passing day, the security and the well-being of the American worker increasingly depends on our ability to compete in the international marketplace. A sound and ener-

getic commitment on the part of the Federal Government to the ports system is a vital component of the effort to promote America's trade potential.

I take this opportunity to thank those staff members that have made this legislation possible. These are the people that have worked so hard and long on this bill: Mr. Jeff Arnold of my staff, Susan Magill of Senator WARNER'S staff, Randy Ihara with Senator BYRD, Cliff Humphrey of Senator MATTINGLY'S staff, Mark McKnight working with Senator THURMOND, Roger Sindelar of the Senate Energy and Natural Resources Committee. These and a host of other staffers have devoted time and energy to this effort.

Mr. President, this is the time, and this is the bill. I hope my colleagues will work with us to develop a new strategy for the development of our Nation's ports.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter signed by David Stockman, addressed to me, in support of this concept; and I ask unanimous consent to have the bill printed in the RECORD.

There being no objection, the letter and the bill were ordered to be printed in the RECORD, as follows:

S. 865

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Deep-Draft Navigation Act of 1983".

TITLE I—FINDINGS AND PURPOSES; DEFINITIONS

SEC. 101. (a) The Congress finds and declares that—

(1) it is in the national interest to develop and maintain a viable marine transportation system for the United States, including an integrated network of deep-draft commercial seaports adequate to accommodate the needs of foreign and domestic commerce, promote economic stability and provide for the national security of the United States and its allies;

(2) the current national system of deep-draft waterborne transportation has been accomplished through a productive partnership in which the Federal Government has developed and maintained the navigability of deep-draft channels and harbors and has thus facilitated maritime commerce, while States, port authorities and private commercial enterprises provided landside facilities and other improvements necessary to accommodate waterborne commerce, and that the continuation of such partnership is in the national interest;

(3) while each deep-draft port in the United States has its own concerns, problems and opportunities, which affect the flow of foreign and domestic commerce, it is in the public interest to treat each individual port as an integral component of a national port system to facilitate the waterborne commerce of the Nation;

(4) ports in the United States are significant generators of national and regional revenue and customs receipts and are promoters of commerce which improves the United States' balance of trade, providing economic stability and growth; domestic and foreign shippers, producers, and consumers have been well-served by the Nation's unified seaport system;

(5) there have been lengthy and costly delays in the authorization of, and the issuance of required Federal permits for, new deep-draft navigation improvement projects; there is a significant backlog of economically justified projects which, when constructed, will enhance the overall efficiency of the Nation's waterborne transportation system; and

(6) due to the general state of the Nation's economy and Federal budgetary restraints there is a need to more directly recover a portion of the Federal costs associated with the operation, maintenance and improvement of of deep-draft commercial channels and harbors.

(b) It is the purpose of this Act to—

(1) provide a national policy that recognizes the significant role and importance of waterborne commerce to the economic well-being of the United States;

(2) establish a procedure which facilitates the orderly authorization and funding of necessary maintenance, operation and construction projects for deep-draft commercial channels and harbors and which provides consistency, predictability and promptness in the issuance of required Federal permits with respect to such projects;

(3) promote the efficient movement of domestic and foreign waterborne commerce by providing the means to recover a portion of the costs of operation and maintenance of deep-draft commercial channels and harbors through the imposition of a nationally uniform tax upon the use of such channels and harbors by deep-draft commercial vessels, by establishing a Trust Fund to efficiently administer funds collected, and by maintaining a viable Federal, state and industry partnership for the continued operation, maintenance and improvement of deep-draft commercial channels and harbors, while also ensuring that such cost recovery and funding programs do not—of themselves—introduce any new elements creating competitive disadvantages among commercial seaports or impair the viability of any commodity or item of commerce in the World market; and

(4) integrate the operation, maintenance and improvement of the Saint Lawrence Seaway and Great Lakes ports into the nationally uniform system of financing deep-draft navigation improvement projects and deep-draft commercial channel and harbor operations and maintenance costs.

DEFINITIONS

SEC. 102. (a) For purposes of this Act—

(1) DEEP-DRAFT COMMERCIAL CHANNEL OR HARBOR.—The term "deep-draft commercial channel or harbor" shall mean any channel or harbor, or element thereof, with a depth exceeding 24 feet at mean low tide, which channel, harbor or element is open to public navigation, and which is utilized in the transportation of commercial cargo in domestic or foreign waterborne commerce by means of deep-draft commercial vessels.

(2) ELIGIBLE DEEP-DRAFT COMMERCIAL CHANNEL OR HARBOR.—The term "eligible deep-draft commercial channel or harbor" means a deep-draft commercial channel or harbor located at, or adjacent to, any port which, when used by any deep-draft commercial vessel at any time during the fiscal year, subjects such vessels to a qualified State vessel tax, pursuant to Section 302 of this Act.

(3) DEEP-DRAFT COMMERCIAL VESSEL.—The term "deep-draft commercial vessel" has the meaning given to such term by section 4237 (2) of the Internal Revenue Code of 1954.

(4) QUALIFIED STATE VESSEL TAX.—The term "qualified State vessel tax" has the meaning given to such term by section 302 of this Act.

(5) DEEP-DRAFT NAVIGATION IMPROVEMENT PROJECT.—The term "deep-draft navigation improvement project" shall mean the dredging or other construction required to deepen, widen or otherwise improve an eligible deep-draft commercial channel or harbor, or any element thereof, to a depth or width greater than the greatest depth or width actually maintained during the five-year period immediately preceeding the enactment of this Act.

(6) ELIGIBLE DEEP-DRAFT NAVIGATION IMPROVEMENT PROJECT.—The term "eligible deep-draft navigation improvement project" shall mean a deep-draft navigation improvement project authorized by Congress under section 502 of this Act.

(7) ELIGIBLE OPERATIONS AND MAINTENANCE.—

(A) IN GENERAL.—The term "eligible operations and maintenance" shall mean all dredging or other mechanical functions necessary to maintain the depth and width of any eligible deep-draft commercial channel or harbor, including any eligible deep-draft commercial channels or harbors located within the Great Lakes, at the lesser of—

(i) the depth or width authorized by Congress for such channel or harbor or any element(s) thereof; or

(ii) the depth or width actually maintained for such channel or harbor; or

(iii) the depth or width which the United States Army Corps of Engineers has agreed to maintain for such channel or harbor pursuant to a memorandum of agreement entered into in accordance with subsection (a) of section 402 of this Act.

(B) SAINT LAWRENCE SEAWAY.—As applied to the Saint Lawrence Seaway and any Great Lakes navigation improvement, the term "eligible operations and maintenance" shall include all operations, maintenance, repair and rehabilitation, including maintenance dredging, reasonably necessary to keep such Seaway or navigation improvements operated or maintained by the Saint Lawrence Seaway Development Corporation or the United States in operation and reasonable state of repair during such times as they may be in actual operation upon the date of enactment of this Act.

(8) GREAT LAKES NAVIGATION IMPROVEMENT.—The term "Great Lakes navigation improvement" shall mean any lock, channel, harbor or navigational facility located in the Great Lakes of the United States or their connecting waterways, including, but not limited to, the Detroit River, Saint Clair River, Lake Saint Clair and the Saint Marys River, but shall not include the Saint Lawrence Seaway.

(9) FISCAL YEAR.—The term 'fiscal year' means the 1-year period beginning on October 1 of each calendar year.

(10) FEDERAL SHARE.—The term "federal share" shall mean the percentage of the project cost of a deep-draft navigation improvement payable by the United States out of the Navigation Improvement Account of the National Port System Trust Fund established under subsection 201(a)(1) of this Act.

(11) LOCAL SHARE.—The term "local share" shall mean the percentage of the project cost of a deep-draft navigation improvement

project payable by the port authority or authorities sponsoring the project under a memorandum of agreement entered into in accordance with section 401(a) of this Act.

(12) LANDSLIDE FACILITIES.—The term "landslide facilities" shall mean facilities for the transfer, handling or storage of commercial cargo at the point of transfer between deep-draft waterborne transportation and land or shallow-draft waterborne transportation.

(13) NOMINAL DEPTH.—The term "nominal depth" shall mean, in relation to the stated depth for any deep-draft navigation improvement project, such depth, including any greater depths which must be maintained for any channel or harbor or element(s) thereof included within such project in order to ensure the safe passage at mean low tide of any vessel requiring the stated depth.

(14) PERSON.—The term "person" shall mean a natural person, partnership, corporation or other entity organized for the transaction of business for profit, and any government or governmental unit or agency thereof engaged in waterborne commerce, other than the governments of the United States, Canada, a State, a political subdivision of a State, or any agency thereof, but shall not include a public or quasi-public corporation or other entity operating under a charter from or under the authority of the United States, Canada, a State, a political subdivision of a State or an interstate authority, agreement or compact.

(15) PORT.—The term "port" shall mean any place located on or adjacent to a deep-draft channel or harbor and having facilities for the loading and unloading of commercial cargo onto or from a deep-draft commercial vessel, including a commercial vessel used in the transhipment of commercial cargo between a deep-draft commercial vessel and a port.

(16) PORT AUTHORITY.—The term "port authority" shall mean—

(A) a State;

(B) a political subdivision of a State; or

(C) any authority established for the purpose of operating, promoting, developing or managing landside facilities at a port or ports under an interstate compact or under a law or ordinance of, or charter issued by, a State or political subdivision thereof; and

(D) any individual or other nongovernmental entity engaged in the operation of a deep-draft channel or habor for the commercial waterborne transportation of items or units of cargo by means of vessels with a draft exceeding fourteen feet.

(17) PROJECT COST.—The term "project cost" or "total project cost" shall mean all essential costs associated with the construction of a deep-draft navigation improvement, including, but not limited to, the cost of dredging or other mechanical functions, dredge spoil disposal, diking, and acquisition of any necessary lands, easements or rights of way.

(18) STANDARD COASTAL AND GREAT LAKES RANGES.—The term "standard coastal and Great Lakes ranges" shall mean those 22 coastal areas designated as such in the Corps of Engineers, Institute of Water Resources, National Waterway Study.

(19) STATE.—The term "State" shall mean any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands of the United States, The Commonwealth of the Northern Marianas, the Trust Territory of the Pacific Islands, and any other territory or possession over which the United States exercises jurisdiction.

(2) UNITED STATES.—The term "United States" shall mean all area included within the territorial boundaries of the United States, including the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands of the United States, the Commonwealth of Northern Marianas, the Trust Territory of the Pacific Islands, and any other territory or possession over which the United States exercises jurisdiction.

TITLE II—CREATION OF TRUST FUND TO ADMINISTER ACCOUNTS FOR OPERATIONS AND MAINTENANCE, IMPROVEMENT PROJECTS AND LOCAL-SHARE CREDITS

SEC. 201. (a)(1) Notwithstanding any other provision of law, there is established in the Treasury of the United States a trust fund to be known as the Deep-Draft Navigation Trust Fund (hereinafter referred to as the 'Trust Fund') consisting of three individual Accounts as follows—

(A) the Operations and Maintenance Account;

(B) the Navigation Improvement Account; and

(C) the Special Credit Account.

(2) The Trust Fund shall remain available without fiscal year limitation and the amounts therein may be used only as provided in this section.

(3) The Secretary of the Treasury shall be the trustee of the Trust Fund and shall report to Congress not later than March 1 of each year, on the operation and status of the Trust Fund during the preceding fiscal year and on the expected operation and status of the Trust Fund during the three fiscal years immediately following such fiscal year.

Operations and Maintenance Account

(b)(1) The Operations and Maintenance Account of the Trust Fund shall consist of the amounts transferred to such account under paragraph (2), and any other amounts as Congress may from time to time appropriate to such account. Funds in such account may only be used for appropriations and payments authorized under paragraph (3) of this subsection and for the provision of credits allowed under paragraph (3) of subsection (d) of this section.

(2) The Secretary of the Treasury shall transfer each month from the general fund of the Treasury of the United States to the Operations and Maintenance Account of the Trust Fund an amount equal to the sum of—

(A) the amounts received into such general fund during the preceding month from—

(i) the taxes imposed by sections 4231, 4232, and 4233 of the Internal Revenue Code of 1974, and

(ii) the qualified State vessel taxes imposed by the States, and

(B) Such amounts as shall be remitted to the Treasury of the United States during the preceding month by the Saint Lawrence Seaway Development Corporation pursuant to section 13(b) of the Act of May 13, 1954 (68 Stat. 92), as amended by this Act.

(3) Not later than October 1 of each year, the Secretary of the Army shall transmit to the Secretary of the Treasury an estimate of the total cost of all eligible operations and maintenance for such fiscal year.

(4)(A) There are authorized to be appropriated out of the Operations and Maintenance Account of the Trust Fund for each fiscal year such sums as may be necessary to pay—

(i) 100 per centum of the eligible operations and maintenance costs of those portions of the Saint Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation for such fiscal year; and

(ii) 40 per centum of the eligible operations and maintenance costs of—

(I) all eligible deep-draft commercial channels and harbors within the United States; and

(II) all Great Lakes navigation improvements operated or maintained by the United States.

(B) For the purpose of applying subparagraph (A)(ii) with respect to the fiscal year beginning October 1, 1983, "20 per centum" shall be substituted for "40 per centum."

(C) For the purpose of applying subparagraph (A)(ii) with respect to the fiscal year beginning on October 1, 1984, "30 per centum" shall be substituted for "40 per centum."

Navigation Improvement Account

(c)(1) The Navigation Improvement Account of the Trust Fund shall consist of the amounts transferred to such account by the Secretary of the Treasury under paragraph (2) of this subsection and paragraphs (4) and (5) of subsection (d), and such other amounts as Congress may from time to time appropriate to such account.

(2) Not later than October 31 of each year, the Secretary of the Treasury shall transfer from the general fund of the Treasury of the United States to the Navigation Improvement Account of the Trust Fund that portion of all amounts received into such general fund from the tariffs imposed under the Tariff Schedules of the United States which is equal to 85 per centum of such amounts as are authorized to be transferred by the Secretary to the Operations and Maintenance Account of the Trust Fund under section (b)(2) for such fiscal year.

(3) There are authorized to be appropriated out of the Navigation Improvement Account of the Trust Fund such sums as may be necessary to pay the federal share of any eligible deep-draft navigation improvement project.

Special Credit Account

(d)(1) The Special Credit Account of the Trust Fund shall consist of the amounts transferred to such account under paragraph (2). Funds in such account may only be used to provide the credits allowed pursuant to paragraph (3) and any amounts credited to the subaccount of a qualified port authority under paragraph (3) may only be used to offset the local share of any eligible deep-draft navigation improvement project sponsored by such qualified port authority.

(2) At the end of each fiscal year, the Secretary of the Treasury shall transfer the unexpended balance remaining in the Operations and Maintenance Account of the Trust Fund to the Special Credit Account of the Trust Fund.

(3)(A) For each fiscal year, the Secretary of the Treasury shall credit to a subaccount maintained within the Special Credit Account of the Trust Fund for the benefit of a qualified port authority the amount determined with respect to such qualified port authority under subparagraph (B) for such fiscal year.

(B) The amount of the credit allowed under subparagraph (A) for the benefit of a qualified port authority in any fiscal year

shall be an amount equal to the product of—

(i) the special credit percentage for such fiscal year, multiplied by

(ii) the amount by which the sum of—

(I) the aggregate amount of the vessel tax assessed and collected pursuant to section 4235(a) (1) of the Internal Revenue Code of 1954, and

(II) the aggregate amount of any qualified State vessel tax assessed and collected, at any eligible ports operated under the jurisdiction of such port authority in such fiscal year exceeds the costs of operation and maintenance of all eligible deep-draft commercial channels and harbors located at, or adjacent to, such ports for such fiscal year.

(C) For the purposes of this paragraph—

(i) the term "qualified port authority" shall mean any port authority for which, in any fiscal year, the sum of—

(I) the aggregate amount of tax assessed and collected pursuant to section 4235(a) (1) of the Internal Revenue Code of 1954, and

(II) the aggregate amount of any qualified State vessel tax assessed and collected at any eligible ports operated under the jurisdiction of such port authority exceeds the cost of eligible operations and maintenance for all eligible deep-draft commercial channels and harbors located at or adjacent to such ports for such fiscal year.

(ii) the term "special credit percentage" shall mean for each fiscal year the percentage ratio of the amounts transferred to the Special Credit Account under paragraph (2) to the amount by which the sum of—

(I) the aggregate amount of tax assessed and collected pursuant to section 4235(a)(1) of the Internal Revenue Code of 1954, and

(II) the aggregate amount of any qualified State vessel tax assessed and collected, at eligible ports operated under the authority of all qualified port authorities exceeds the costs of eligible operations and maintenance for all eligible deep-draft commercial channels and harbors located at or adjacent to such ports for such fiscal year.

(iii) The term "eligible port" means any port operated under the jurisdiction of any qualified port authority which, when used by a deep-draft commercial vessel at any time during a fiscal year, subjects such vessel to the imposition of a qualified State vessel tax.

(D) Amounts credited to the subaccount maintained within the Special Credit Account for the Trust Fund for the benefit of a qualified port authority may be used by such qualified port authority only for the purpose of paying the local share of any eligible deep-draft navigation improvement project sponsored by such qualified port authority.

(4) Any amounts credited to a subaccount maintained within the Special Credit Account of the Trust Fund for the benefit of a qualified port authority which have not been expended within five fiscal years shall be transferred to the Navigation Improvement Account of the Trust Fund.

(5) If, in any fiscal year, no port authority meets the definition of 'qualified port authority' for the purpose of this subsection, then such amounts as would have been transferred to the Special Credit Account of the Trust Fund under paragraph (2) shall be transferred instead to the Navigation Improvement Account of the Trust Fund.

(e) After the Secretary has made the transfers required under subsections (b)(2), (c)(2) and (d)(2), proper adjustments shall be made in any amounts subsequently transferred to the extent prior estimates were in excess of, or less than, the actual revenues from such taxes for preceding quarters.

TITLE III—TAX ON DEEP-DRAFT COMMERCIAL VESSELS USING DEEP-DRAFT COMMERCIAL CHANNELS, HARBORS AND NAVIGATIONAL FACILITIES; ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

SEC. 301. (a) Chapter 33 of the Internal Revenue Code of 1954 (relating to facilities and services) is amended by inserting before subchapter B the following new subchapter:

"SUBCHAPTER A—DEEP-DRAFT COMMERCIAL CHANNELS, HARBORS AND NAVIGATIONAL FACILITIES

"Sec. 4231. Tax on the use of deep-draft commercial channels and harbors.
"Sec. 4232. Tax on the use of Great Lakes navigation improvements.
"Sec. 4233. Tax on the use of deep-draft commerical channels or harbors for purposes other than loading or unloading commercial cargo.
"Sec. 4234. Reporting Requirements.
"Sec. 4235. Collection of Tax.
"Sec. 4236. Violations; Enforcement.
"Sec. 4237. Definitions.

"SEC. 4231. TAX ON THE USE OF DEEP-DRAFT COMMERCIAL CHANNELS AND HARBORS.

"(a) IMPOSITION OF TAX.—There is hereby imposed a tax on the use of any deep-draft commercial channel or harbor within the United States by a deep-draft commercial vessel.

"(b) RATE OF TAX.—The amount of the tax imposed by subsection (a) with respect to any deep-draft commercial vessel shall be equal to the product of—

"(1) the uniform national vessel charge for the fiscal year, multiplied by

"(2) the value of any qualified commercial cargo unloaded from such vessel at a port or ports within the United States.

"(c) INTRAPORT TRANSFER.—The tax imposed under this section shall not apply to any vessel to the extent the commercial cargo unloaded from such vessel was loaded upon such vessel at the same port.

"SEC. 4232. TAX ON THE USE OF GREAT LAKES NAVIGATION GREAT LAKES NAVIGATION IMPROVEMENTS.

"(a) IMPOSITION OF TAX.—There is hereby imposed a tax on the use of any Great Lakes navigation improvement operated or maintained by the United States by a deep-draft commercial vessel.

"(b) RATE OF TAX.—The amount of tax imposed by subsection (a) shall be equal to the product of—

"(1) the uniform national vessel charge for the fiscal year, multiplied by

"(2) the value of all qualified commercial cargo contained in such vessel at the time of such use.

"SEC. 4233. TAX ON THE USE OF DEEP-DRAFT COMMERCIAL CHANNELS OR HARBORS FOR PURPOSES OTHER THAN LOADING OR UNLOADING COMMERCIAL CARGO.

" IMPOSITION OF TAX.—There is hereby imposed a tax on the use of any deep-draft commercial channel or harbor within the United States for a purpose or purposes other than the loading or unloading of commercial cargo, including, but not limited to, convenience, bunkering, refitting, or repair.

"(b) Rate of Tax.—The amount of the tax imposed by subsection (a) shall be determined by reference to a uniform national schedule of vessel charges established by the Secretary of the Treasury for this purpose.

"SEC. 4234. REPORTING REQUIREMENTS.

"(a) REPORTING REQUIREMENTS.—(1) Upon the loading or unloading of any commercial cargo; or (2) upon passage through any Great Lakes navigation improvement operated or maintained by the United States, the Master of a deep-draft commercial vessel shall report the value of all qualified commercial cargo loaded onto, unloaded from or contained in such vessel to the United States Customs Service or such other agency as the Secretary may designate for such purpose.

"(b) POWERS OF SECRETARY.—For the purpose of determining whether any person is in violation of subsection (a) of this section—

"(1) The Secretary may require any person engaged in waterborne commerce to (A) establish and maintain such records, (B) submit such reports, and (C) provide such other information as the Secretary may reasonably require.

"(2) the Secretary may also utilize any documentation required to be submitted pursuant to section 11 of the Act of September 22, 1922 (42 Stat. 1043); and

"(3) the Secretary, or his designee, shall have a right of entry to, upon, or through any vessel or any other premises of such person and may have access to and make copies of any records or other documents, not otherwise privileged, within the possession or control of such person, his agents or assigns.

SEC. 4235. COLLECTION OF TAX.

"(a) ASSESSMENT AND COLLECTION.—The Secretary, acting through the United States Customs Service or such other agency as the Secretary may designate for such purpose, is authorized to assess and collect the taxes imposed under sections 4231, 4232 and 4233 of this subchapter.

"(1) the tax imposed under section 4231 shall be assessed and collected at the port of unloading;

"(2) the tax imposed under section 4232 shall be assessed and collected at such point or points within the Great Lakes as the Secretary may designate by regulation or otherwise.

"(3) the tax imposed under section 4233 shall be assessed and collected pursuant to regulations promulgated by the Secretary for this purpose.

"(b) LIABILITY FOR TAX.—Liability for the payment of the taxes imposed under section 4231, 4232 and 4233 of this subchapter shall be imposed on the owner of such vessel, and, until paid, such taxes shall constitute a valid lien against such vessel in favor of the United States.

"SEC. 4236. VIOLATIONS; ENFORCEMENT.

"(a) FINDING BY SECRETARY.—Whenever, on the basis of any information available, the Secretary finds that any person is in violation of any requirement of this subchapter, the Secretary shall order such person to comply with this subchapter, including payment of any taxes which the Secretary determines to have been wrongfully withheld, with interest at the rate specified under section 6621 of the Internal Revenue Code of 1954, as amended. Thirty days after the date of an order from the Secretary to a person to be in compliance with this subchapter, and after an opportunity for a hearing, it shall be unlawful for that person to engage in waterborne commerce during any period when that person is in violation of any requirement of this subchapter.

"(b) ACTION BY ATTORNEY GENERAL.—Upon the request of the Secretary, the Attorney General may bring a civil action for a permanent or temporary injunction, or to assess and recover a civil penalty or not more than $200,000, or both, whenever any person violates any requirement of this subchapter or fails or refuses to comply with any order issued under subsection (a) of this section. Such penalty shall be deposited in the general fund of the Treasury of the United States.

"(c) JURISDICTION AND VENUE.—Any action under this section may be brought in the district court of the United States for the district in which the defendant resides, does business or is engaged in waterborne commerce, and such court shall have jurisdiction to require compliance, to assess any appropriate taxes or civil penalties as authorized under this subchapter, and grant injunctive or other equitable relief. Any deep-draft commercial vessel on account of which any tax shall have accumulated shall be liable for such taxes and may itself be arrested and proceeded against upon principles applicable to admiralty actions in rem.

"(d) UNLAWFUL DEPARTURE.—It shall be unlawful for any vessel engaged in waterborne commerce to depart or attempt to depart from any United States waters without making payment in full for all taxes imposed under this subchapter. Any vessel engaged in waterborne commerce which departs or attempts to depart from any United States waters without payment of all required taxes shall be subject to seizure by the Secretary.

"(e) UNLAWFUL DIVERSION.—It shall be unlawful for any person engaged in waterborne commerce knowingly to divert or cause to be diverted any waterborne commercial cargo destined for use or consumption in the United States from a port or ports within the United States to a port or ports outside of the United States for the purpose of avoiding the tax imposed under section 4231 of this subchapter. Any person in violation of this subsection shall be subject to a civil penalty not to exceed double the amount of tax which otherwise would have been imposed under section 4231, and any cargo found to have been so diverted shall be subject to seizure at the point of entry of such cargo into the United States, and shall not be released except upon payment of the penalty provided herein.

"SEC. 4237. DEFINITIONS.

"For purposes of this subchapter—

"(1) COMMERCIAL CARGO.—The term 'commercial cargo' shall mean any commodity, class or category of commodities or classification of articles of waterborne commerce, including the carriage or transportation of passengers for hire, but shall not include bunker fuel, ships' stores, sea stores, or the legitimate equipment necessary to the operation of a vessel.

"(2) DEEP-DRAFT COMMERCIAL VESSEL.—The term 'deep-draft commercial vessel' shall mean a vessel engaged in waterborne commerce which when fully loaded, requires a channel or harbor of at least 24 feet nominal depth to ensure safe passage at mean low tide including also vessels of lesser draft engaged in the carriage or transportation of commercial cargo utilizing deep-draft channels or harbors in direct competition with deep-draft commercial vessels; *Provided, however,* That this term shall not be construed to include any vessel which requires a channel or harbor of at least 24 feet nominal depth to ensure safe passage at mean low tide engaged primarily in the ferrying of passengers or vehicles, or vessels engaged primarily in fishing or the cultivation or harvesting of other marine foodstuffs.

"(3) DEEP-DRAFT COMMERCIAL CHANNEL OR HARBOR.—The term 'deep-draft commercial channel or harbor' shall mean any channel or harbor, or element thereof, which channel, harbor or element is open to public navigation, and which is utilized in the transportation of commercial cargo in domestic or foreign waterborne commerce by means of deep-draft commercial vessels.

"(4) FISCAL YEAR.—The term 'fiscal year' means the 1-year period beginning on October 1 of each calendar year.

"(5) GREAT LAKES NAVIGATION IMPROVEMENTS.—The term 'Great Lakes navigation improvements' shall mean any lock, channel, harbor or navigational facility located in the Great Lakes of the United States or their connecting waterways, including, but not limited to, the Detroit River, Saint Clair River, Lake Saint Clair and the Saint Marys River, but shall not include the Saint Lawrence Seaway.

"(6) PERSON.—The term 'person' shall mean a natural person, partnership, corporation or other entity organized for the transaction of business for profit, and any government or governmental unit or agency thereof engaged in waterborne commerce, other than the governments of the United States, Canada, a State, a political subdivision of a State, or any agency thereof, but shall not include a public or quasi-public corporation or other entity operating under a charter from or under the authority of the United States, Canada, a State, a political subdivision of a State or an interstate authority, agreement or compact.

"(7) PORT.—The term 'port' shall mean any place located on or adjacent to a deep-draft channel or harbor and having facilities for the loading or unloading of commercial cargo onto or from a deep-draft commercial vessel, including a commercial vessel used in the transhipment of commercial cargo between a deep-draft commercial vessel and a port.

"(8) QUALIFIED COMMERCIAL CARGO.—

"(A) IN GENERAL.—The term "qualified commercial cargo" means, with respect to any vessel, any item or unit of cargo which has not previously been taken into account in determining the amount of tax imposed by section 4231, 4232, or any qualified state vessel tax with respect to such vessel.

"(B) EXPORTS EXCLUDED.—The term 'qualified commercial cargo' shall not include any item or unit of cargo which is being exported from the United States to a point or points outside of the U.S. or its territorial waters.

"(9) the term 'Secretary' shall, unless otherwise indicated, mean the Secretary of the Treasury.

"(10) UNIFORM NATIONAL VESSEL CHARGE.—(A) In general.—The term 'uniform national vessel charge' shall mean, with respect to any fiscal year, an amount equal to the lesser of—

"(i) 0.06 per centum; or

"(ii) the lowest percentage which, when multiplied by the value of all qualified commercial cargo as projected by the Secretary of the Treasury for the next fiscal year, will equal the sum of—

"(I) 44 per centum of the eligible operations and maintenance costs for all deep-draft commercial channels and harbors within the United States and Great Lakes navigation improvements operated and maintained by the United States, as estimated by the Secretary of the Army for such fiscal year under section 201(b)(3) of the National Port System Act of 1983, plus

"(II) 100 per centum of the eligible operations and maintenance costs of the Saint Lawrence Seaway for such fiscal year.

"(B) TRANSITIONAL RULES.—

"(i) FISCAL YEAR 1984.—For the purpose of applying subparagraph (A)(ii)(I) with respect to the fiscal year beginning on October 1, 1983, '22 per centum' shall be substituted for '44 per centum.'

"(ii) FISCAL YEAR 1985.—For the purpose of applying subparagraph (A)(ii)(I) with respect to the fiscal year beginning on October 1, 1984, '33 per centum' shall be substituted for '44 per centum.'

"(11) ELIGIBLE OPERATIONS AND MAINTENANCE; ELIGIBLE DEEP-DRAFT COMMERCIAL CHANNELS AND HARBORS.—The terms 'eligible operations and maintenance' and 'eligible deep-draft commercial channels and harbors have the respective meanings given to such terms by section 102(a) of this Act.

"(12) UNITED STATES.—The term 'United States' shall mean all area included within the territorial boundaries of the United States, including the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands of the United States, the Commonwealth of the Northern Marianas, the Trust Territory of the Pacific Islands, and any other territory or possession over which the United States exercises jurisdiction.

"(13) QUALIFIED STATE VESSEL TAX; FOREIGN-BOUND COMMERCIAL CARGO.—The terms 'qualified State vessel tax' and 'foreign-bound commercial cargo have the respective meaning given to such terms by section 302 of this Act.

"(14) VALUE.—The term 'value' shall mean the declared value of any commercial cargo as evidenced by any bill of lading, cargo manifest, contract for carriage or other documentary evidence of value, or, if the cargo shall not have a declared value, the fair market value of the cargo as determined by the Secretary.

"(15) WATERBORNE COMMERCE.—The term 'waterborne commerce' shall mean any commercial activity relating to the carriage or transportation of commercial cargo by a deep-draft commercial vessel."

(b) The table of subchapters of chapter 33 of such code is amended by inserting before the item relating to subchapter B the following item: "Subchapter A. Deep-Draft Commercial Channels, Harbors and Navigational Facilities."

(c) The amendments made by this section shall not alter, amend or repeal any other provision of law imposing or relating to the imposition of a tax, fee or charge on maritime vessels or on the use of navigable waterways.

(d) The amendments made by this section shall take effect on the day after the date of enactment of this Act.

AUTHORIZATION OF QUALIFIED STATE VESSEL TAXES

SEC. 302. (a) Consent is hereby given, pursuant to clauses (2) and (3) of section 10 of article I of the Constitution, to the imposition of a qualified State vessel tax by any State.

(b) For the purposes of this Act, the term "qualified State vessel tax" means a tax—

(A) which is imposed by a State on the use by any deep-draft commercial vessel of any deep-draft channel, harbor or element thereof located at or adjacent to any port or

portion thereof over which the State has jurisdiction.

(B) the amount of which is determined under subsection (c)(1), and

(C) which meets the requirements of subsection (c)(2).

(c)(1) The amount of any qualified State vessel tax imposed with respect to the use of a port by a vessel shall be equal to the product of—

(A) the uniform national vessel charge for the fiscal year, multiplied by

(B) the value of foreign-bound commercial cargo loaded onto such vessel at such port.

(2) A tax imposed with respect to the use of a port by a vessel meets the requirements of this paragraph if—

(A) the owner of such vessel is the person liable or the payment of such tax;

(B) except for the costs directly allocated and attributable to the collection of such duty or tax, the net proceeds of all such collections shall be paid into the general fund of the Treasury of the United States for the use and benefit of the Operations and Maintenance Account of the Trust Fund established herein, and

(C) the State authorizes the United States Customs Service to collect payment of such tax on behalf of the State from the person liable for the payment thereof, and

(D) the State imposes penalties on any person who fails to pay such duty or tax which are similar to the penalties imposed under the Internal Revenue Code of 1954 on persons who fail to timely pay the tax imposed by section 4231 of such Code, and

(E) if the State elects not to authorize the United States Customs Service to collect payment of such duty or tax, then—

(i) the State must provide to the Comptroller General of the United States, upon his request, such books, documents, paper or other information as the Comptroller General considers to be necessary or appropriate to enable him to carry out the audit required under subsection (d) of this section.

(ii) the State provides an adequate means of collecting such tax from any person who does not pay such tax to the United States Customs Service;

(F) the State diligently uses the means described in subparagraph (E);

(d) The Congress expressly reserves the right to withdraw the consent guaranteed by it under subsection (a) with respect to any State if at any time it is determined that the conditions of consent set forth on subsection (c) of this section are not being complied with by such State, or an impediment to compliance with any such conditions is imposed under State law.

(e) The Comptroller General of the United States shall carry out periodic audits of the deep-draft commercial harbor operations of States that have elected not to authorize the United States Customs Service to accept payment of the duty or tax levied under this section in order to ascertain if the conditions of consent are being complied with. The Comptroller General shall submit to each House of Congress a written report containing the finding resulting from such audit and shall make such recommedations as he deems appropriate regrading the compliance of each State with the requirements of this section.

(f) For the purposes of this section—

(1) the term "foreign-bound commercial cargo" means commercial cargo which is being exported from the United States to a point or point outside the United States or its territorial waters.

(2) The terms "deep-draft commercial vessel" and "uniform national vessel charge", and "commercial cargo" have the respective meaning given such terms by section 4237 of the Internal Revenue Code of 1954.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

SEC. 303. The Act of May 13, 1954 (16 Stat. 92) (relating to the Saint Lawrence Seaway) is amended as follows:

(a) Add a new paragraph at the end of section 4(a):

"(13) shall accept such amounts as may be appropriated to the Corporation under subparagraph (b)(3)(A) of section 201 of the Deep-Draft Navigation Act of 1983; *Provided, however:* That such amounts shall be available only for the purpose of operating and maintaining those works which the Corporation is obligated to operate and maintain under subsection (a) of section 3 of this Act."

(b) Add a new section at the end thereof:

"SEC. 13. WAIVER OF COLLECTION OF CHARGES OR TOLLS; REMITTAL OF REVENUES TO THE TREASURY OF THE UNITED STATES.

"(a) To the extent that that portion of the charge or toll levied on a vessel for its use of the Saint Lawrence Seaway payable to or on behalf of the Corporation exceeds the vessel tax which would have been imposed upon such vessel for its use of a Great Lakes navigation improvement under section 4232 of the Internal Revenue Code of 1954, as amended, the collection of such charge or toll by or on behalf of the Corporation is waived.

"(b) The Corporation shall remit to the Treasury of the United States all revenue derived from the collection of charges or tolls established under section 12 of this chapter."

SEC. 304. Not later than two years after enactment of this act, the Secretary of State, in consultation with the Secretary of Transportation, shall initiate discussions with the Government of Canada with the objective of reducing or eliminating all tolls on the international Great Lakes and/or the Saint Lawrence Seaway, and the Secretary of Transportation shall report to the Congress on the progress of such discussions and on the economic effects upon waterborne commerce in the United States of any proposed reduction or elimination in tolls.

TITLE IV—ESTABLISHMENT OF FEDERAL/LOCAL PARTNERSHIP FOR DEEP-DRAFT NAVIGATION IMPROVEMENT PROJECTS

SEC. 401. (a) Prior to the submission to Congress of recommendations for the authorization or reauthorization of deep-draft navigation improvement projects under subsection 502(c)(1) of this Act, the Secretary of the Army (hereinafter referred to as the "Secretary") shall enter into a memorandum of agreement with the port authority or authorities sponsoring such project.

(b) The memorandum of agreement shall contain provisions establishing the responsibilities of each party with respect to the construction and operation of the project, including, but not limited to, a formula for the allocation of project costs between the United States and the port authority or authorities sponsoring the project, to be determined as follows—

(1) The local share of the total project cost for any deep-draft navigation improvement project shall be—

(A) For projects with nominal depths greater than twenty-four feet, but not exceeding thirty-five feet, twenty percentum;

(B) For projects with nominal depths greater than thirty-five feet, but not exceeding forty feet, twenty-five percentum;

(C) For projects with nominal depths greater than forty feet, but not exceeding forty-five feet, twenty-five percentum, plus one percentum of total project cost for each foot or fraction thereof over forty feet;

(D) For projects with nominal depths greater than forty-five feet, but not exceeding fifty feet, thirty percentum, plus two percentum of total project cost for each foot or fraction thereof over forty-five feet;

(E) For projects with nominal depths greater than fifty feet, but not exceeding fifty-five feet, forty percentum, plus three percentum of total project cost for each foot or fraction thereof over fifty feet;

(F) For projects with nominal depths greater than fifty-five feet, but not exceeding sixty feet, fifty-five percentum, plus four percentum of total project cost for each foot or fraction thereof over fifty-five feet; and

(G) For projects with nominal depths greater than sixty feet, seventy-five percentum.

(2) The local share of the project cost shall be reimbursed to the Treasury of the United States over the life of the project as estimated by the Secretary, but in no event to exceed fifty years from the date of completion of the project. The rate of interest on any indebtedness to the United States incurred as a result of the construction of a deep-draft navigation improvement project shall equal the rate of interest paid on the longest term obligation of the United States at the time the indebtedness was incurred, plus one percentum.

(c)(1) The Congress consents, under clauses 2 and 3 of section 10 of Article I of the Constitution of the United States, to the imposition or levy of a duty or tax upon any vessel engaged in foreign commerce by any State, political subdivision of a State, or agency thereof, for the purpose of recovering the local share of any deep-draft navigation improvement project. All revenues derived from the imposition or levy of such duty or tax shall be paid into the Treasury of the United States, and shall be credited against the outstanding balance of the local share of the project costs.

(2) The Congress expressly reserves the right to withdraw the consent granted by it under paragraph (1) whenever it shall determine that—

(A) the conditions of consent set forth in paragraph (1) are not being or have not been complied with; or

(B) an impediment to compliance with any such condition has been or is likely to be imposed by such State, political subdivision of a State, or agency thereof.

(3) The consent granted under paragraph (1) shall not be construed to limit or deny any source of revenue for the financing of the local share of any deep-draft navigation improvement project not otherwise prohibited by law or the Constitution of the United States.

(d) Notwithstanding any other provision of this Act, navigation improvement projects previously authorized by Congress need not be reauthorized as provided in section 401(a). Such projects which have entered into a memorandum of agreement with the Secretary as outlined under section 401 (b) shall be eligible for appropriations under section 201 (c) of this Act, and are eli-

gible for inclusion in the Secretary's recommendation under section 501 (c)(1) and will, if included in the Secretary's recommendations, be submitted directly to the Appropriations Committees of Congress.

LOCALLY FINANCED CONSTRUCTION

SEC. 402. (a) A port authority or authorities may undertake the construction and operation of a deep-draft navigation improvement project upon entering into a memorandum of agreement with the Secretary.

(b) The memorandum of agreement shall contain provisions requiring the port authority or authorities—

(1) to comply with all applicable laws and regulations of the United States in the construction and operation of the project;

(2) to pay all costs of construction of the project without recourse to federal funds;

(3) to pay all costs of post-construction operations and maintenance of the project in excess of the costs of operations and maintenance of such channel or harbor had such project not been undertaken, as determined by the Secretary; and

(4) to hold the United States, its agents and employees harmless for any loss or damages which may be incurred as a result of the construction or operation of the project.

(c)(1) Whenever the Secretary shall determine, on the basis of any information available and after opportunity for a hearing, that any person or port authority is in violation of any provision of the memorandum of agreement entered into under this section, the Secretary shall order such person or port authority to comply with the memorandum of agreement, and such person or port authority shall have 90 days from the date of such order to come into compliance with the memorandum of agreement.

(2) Whenever any person or port authority shall remain in violation of an order of the Secretary in excess of 90 days, the Attorney General, upon the request of the Secretary, may bring a civil action for a permanent or temporary injunction or such other relief as may be necessary to bring such person or port authority in compliance with the memorandum of agreement. Any action under this paragraph may be brought in the district court of the United States for the district in which the defendant resides or does business.

TITLE V—EXPEDITED PROCEDURE FOR AUTHORIZATION AND REVIEW OF DEEP-DRAFT NAVIGATION IMPROVEMENT PROJECTS

RECOMMENDATIONS TO CONGRESS

SEC. 501. (a) Beginning 90 days after the date of enactment of this Act, port authorities may submit to the Secretary of the Army (hereinafter referred to as the "Secretary") proposals for the construction of deep-draft navigation improvement projects in accordance with section 401 (hereinafter referred to as the "project proposal"). Each project proposal shall contain—

(1) a detailed description of the project, including any related landside facilities to be constructed by the port authority or authorities sponsoring the project; and

(2) a detailed plan for the financing of the local share of the project cost, including such assurances as to the repayment of any amounts to be borrowed from the Treasury of the United States as the Secretary, in consultation with the Secretary of the Treasury, may reasonably require.

(b)(1) Upon the receipt of a project proposal, the Secretary shall direct the Corps of Engineers (hereinafter referred to as the "Corps") to prepare and submit on an expedited basis—

(A) a report on the feasibility and benefit/cost ratio of the proposed project; and

(B) an assessment of the environmental impact of the proposed project.

(2) In order to assist the Corps in the discharge of its duties under paragraph (1), the Secretary shall, within 90 days of the date of enactment of this Act, enter into a memorandum of agreement with the Administrator of the Environmental Protection Agency, the Secretary of Commerce, the Secretary of the Interior, and the heads of such other agencies as may be authorized to enforce and administer the treaties and laws of the United States relating to the preservation and protection of the environment, providing, to the greatest extent practicable, for interagency cooperation and consolidated review of the environmental impact of any deep-draft navigation improvement project which may be proposed under subsection (a). The memorandum of agreement shall specify the Corps as the lead agency in the consolidated review process, and shall establish a schedule for the completion of such review, including the conduct of such public hearings and the preparation of such reports as may be required by law, within a period not to exceed 240 days from the date of receipt of a project proposal by the Secretary.

(3) In the discharge of its duties under paragraph (1), the Corps may review and resubmit within 180 days any previously prepared feasibility studies, benefit/cost analyses or environmental impact assessments, with such changes or other modifications, if any, as, in the determination of the Corps, may be necessary to reflect the current feasibility, benefit/cost ratio or environmental impact of the project. The Corps may also accept any feasibility studies, benefit/cost analyses or environmental impact assessments prepared and submitted by the port authority or authorities sponsoring the project, and shall have 180 days from the date of acceptance of such studies, analyses, assessments or other reports to review the same and make such changes or other modifications, if any, as, in the determination of the Corps, may be necessary to accurately reflect the feasibility, benefit/cost ratio or environmental impact of the project.

(4) The preparation and submission of the reports and assessments required under paragraph (1) shall not be construed to constitute final agency action, and shall not be subject to review in the courts of the United States.

(c)(1) The Secretary shall evaluate the reports and assessments prepared by the Corps and, not later than January 31 of each year, shall submit to the appropriate Committee of each House of the Congress his recommendations for the construction of deep-draft navigation improvement projects, together with a list of all project proposals which have been submitted to the Secretary under subsection (a).

(2) The recommendation shall, to the greatest extent practicable, reflect a mix of projects of differing depths and scope and from each of the standard coastal and Great Lakes ranges.

(3) The Secretary shall not recommend to the Congress any project, or any combination of projects, for which the federal share of projected annual outlays, when combined with the federal share of projected annual outlays for all projects previously authorized or reauthorized under section 502, will exceed the amounts of the National Port System Trust Fund in such fiscal year.

AUTHORIZING RESOLUTION

SEC. 502. (a) Not later than 90 calendar days after the Secretary submits his recommendations for the construction of deep-draft navigation improvements projects, the committee to which the recommendations were submitted shall report a joint resolution approving or disapproving such recommendations in whole or in part.

(b)(1) If at the end of 90 calendar days after the committees to which the recommendations have been submitted have not reported a joint resolution approving or disapproving such recommendations in whole or in part, it shall be in order to move to discharge the committee from further consideration of such recommendations.

(2) A motion to discharge may be made only by an individual favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same program), and debate thereon shall be limited to not more than one hour, to be divided equally between those opposing and those favoring the resolution. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(3) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(c)(1) When the committee has reported, or has been discharged from further consideration of such resolution, it shall be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to consideration of the resolution. The motion to proceed shall be highly privileged. An amendment to the motion to proceed shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(2) Debate on the motion to proceed shall be limited to not more than two hours, which shall be equally divided between those opposing and those favoring the resolution.

(d)(1) Consideration of the resolution, and any amendment, debatable motion, points of order, appeals, quorum calls, and recorded votes shall be limited to 10 hours equally divided between those favoring and those opposed to the resolution.

(2) Debate on any amendment shall be limited to one hour, equally divided between those favoring, and those opposed to the amendment. No second degree amendment shall be in order.

(3) Any joint resolution or amendment thereto including projects other than those recommended by the Secretary shall not, if adopted, exceed the amounts available for expenditure from the Navigation Improvement Account of the Deep-Draft Navigation Trust Fund in such fiscal year.

(4) When debate has concluded, the vote shall occur on the resolution without intervening business, points of order, motions or appeals. It shall not be in order to move to reconsider the vote by which the resolution was agreed to or disagreed to.

PERMIT SCHEDULE

SEC. 503. (a) Not later than seventy-five days after the date of authorization or reauthorization of any deep-draft navigation improvement project, the Secretary, in consultation with affected agencies, shall establish and publish in the Federal Register a sched-

ule for the issuance or nonissuance of all federal permits required to be issued prior to the initiation of construction of such project or related landside facilities (hereinafter referred to as the "permit schedule"). Each permit schedule shall establish deadlines for the issue or nonissuance of all required permits within a period not to exceed twelve months from the date of publication of such schedule, and shall clearly identify the deadline applicable to the issuance or nonissuance of each permit governed by the schedule. Each schedule shall also provide for the joint processing and/or review of permits governed by the schedule wherever practicable.

(b) Any permit schedule established under subsection (a) shall apply to the issuance or nonissuance of all permits governed by such schedule in lieu of any schedule for such issuance or nonissuance which otherwise would apply, and shall be binding on the agencies affected by such schedule, except to the extent such schedule may be extended or otherwise modified under subsection (f) of this section or subsection (a)(3) of section 504.

(c) Any agency subject to the permit schedule may modify any schedule otherwise applicable to the issuance or nonissuance of any permits governed by the permit schedule, including, but not limited to, any schedule for the issuance or nonissuance of such permits established by law other than this Act, where such agency determines that such modification will facilitate compliance by the agency with the permit schedule. No such agency may, however, modify the permit schedule.

(d) The permit schedule, and any schedule otherwise applicable to the issuance or nonissuance of required permits modified under subsection (c) shall be reasonably designed to ensure adequate consideration of all matters relating to the processing or issuance or nonissuance of such permits.

(e) All agencies subject to the permit schedule shall, to the greatest extent practicable, consolidate its proceedings respecting the processing of permits governed by the schedule with the proceedings of other agencies respecting such processing.

(f) Upon the petition of any agency subject to the permit schedule, the Secretary may modify the deadline applicable to the issuance or nonissuance of any permit by such agency, but in no event to extend beyond the twelve-month period established under subsection (a). No extension of any deadline applicable to the issuance or nonissuance of any required permit by any agency may be granted under this subsection unless, in the opinion of the Secretary—

(1) such agency has exercised all due diligence in attempting to comply with the permit schedule and is nonetheless unable to comply with such schedule; or

(2) it would be impracticable for such agency to meet such deadline due to lack of sufficient funds or personnel or other matters beyond the control of the agency.

DECISIONS BY SECRETARY

SEC. 504. (a)(1) The Secretary shall monitor compliance with the permit schedule by all agencies subject to such schedule, and may require such agencies to submit such information or reports as the Secretary deems necessary for such purpose. If the Secretary determines, based upon such information as may be available to him, that the permit schedule is threatened with delay, the Secretary shall determine the reason for such delay, and notify the appropriate agency of his determination. Following such notification, the Secretary may take such action as he deems reasonable and necessary to avoid any delay.

(2) Whenever the Secretary shall determine, on the basis of any information available to him, that an agency subject to the permit schedule has failed, or is reasonably likely to fail, to meet any deadline imposed under the schedule, the Secretary shall provide notice of his determination to such agency and other interested persons or parties requesting notification of such determination. The Secretary shall then proceed, on an informal basis, to determine the cause of such failure and any action which may be taken by the agency to conform to the permit schedule.

(3) Within 60 days of any determination under paragraph (2), the Secretary shall, in furtherance of the purposes of this Act—

(A) modify the permit schedule so as to allow the agency additional time in which to meet the deadline imposed under the schedule; or

(B) assume the function of such agency with respect to the matter governed by the permit schedule.

In no event may any modifications of the permit schedule under subparagraph (A) provide for an extension of time beyond the twelve-month period established under subsection (a) of section 503.

(4) Any determination by the Sectetary under paragraph (2), and any action by the Secretary under paragraph (3), shall not be construed to constitute final agency action, and shall not be subject to review in the courts of the United States.

(b)(1) Whenever the Secretary shall determine that an agency subject to the permit schedule cannot, in the exercise of due diligence, meet a deadline imposed under the schedule, and that a modification of the schedule so as to allow such agency additional time to meet such deadline would lead only to further delay in the issuance or nonissuance of the permit to which the deadline applies, the Secretary shall issue an order requiring the agency to transmit all records or other documents pertinent to the issuance or nonissuance of such permit to the Secretary for action in lieu of action by such agency. Notice of such order shall be published in the Federal Register and provided to such agency and such other interested persons or parties requesting notification of such order.

(2) Upon receipt of notice of an order under paragraph (1), the agency subject to such order shall transmit all records or other documents pertinent to the issuance or nonissuance of such permit to the Secretary for his action. Upon the receipt of such records or other documents, and within the twelve-month period established under subsection (a) of section 503, the Secretary shall take such additional action as is necessary to make, and shall make, a final decision with respect to the issuance or nonissuance of the subject permit.

(3) Nothing in this section or in section 503 shall be construed to relieve any agency of any requirement established by law, or to affect the application of any law or regulation to a deep-draft navigation improvement project or related landside facilities. Nothing in this section or in section 503 shall be construed to affect the substantive basis upon which any agency decision is made with respect to a deep-draft navigation improvement project or related landside facilities, or to affect or influence the outcome of any such agency decision.

JUDICIAL REVIEW

SEC. 505. (a)(1) Any action or other proceeding for review of any final agency action, any action or other proceeding for review of any statement, assessment, analysis, report or other document required to be filed prior to the initiation of construction of a deep-draft navigation improvement project or related facilities, may only be brought in the district court of the United States for the district in which such project or related facilities are to be constructed or located, and any such action or other proceeding shall be filed in such court no later than 90 days after the date of publication of notice of such final agency action or notice of the filing of such statement, assessment, analysis, report, or other document.

(2) The court shall, to the greatest extent practicable, consolidate all actions and proceedings relating to a single deep-draft navigation improvement project or related landside facilities, and shall expedite its consideration of such actions or proceedings to the greatest extent practicable within the bounds of its discretion and applicable law.

(3) No court shall have jurisdiction to grant injunctive or other equitable relief with respect to any action or proceeding filed in accordance with this subsection, except when the court finds an emergency to exist or in conjunction with a final judgment or decree. In issuing a final judgment or decree, the court may award the prevailing party its costs and attorneys' fees when, in the determination of the court, such action or proceeding was instituted or maintained without good cause and solely for the purpose of delay.

(b) Any final agency action governed by the project schedule, and any statement, assessment, analysis, report or other document required to be filed prior to the initiation of construction of a deep-draft navigation improvement project or related landside facilities, shall not be subject to review except as provided in subsection(a) of this section; and any final agency action governed by the project schedule, and any statement, assessment, analysis, report or other document required to be filed prior to the initiation of construction of a deep-draft navigation improvement project or related landside facilities, with respect to which review could have been obtained under subsection (a) of this section, shall not be subject to review in any other action or proceeding.

SEPARABILITY OF PROVISIONS

If any provision of this Act, any amendment made by this Act, or the application of such provision or amendment to any person or circumstances is held to be invalid, the remainder of this Act, the amendments made by this Act, and the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C.

HON. MARK O. HATFIELD,
U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR MARK: This is to respond to your March 2nd letter asking for Administration comments on the port legislation you have been developing with Senators Thurmond, Mattingly, and Byrd. I understand the bill will be introduced March 21st and will be known as the "Deep-Draft Navigation Act of 1983."

You are certainly to be commended for building a broad-based coalition to break

the three-year logjam over port legislation. As the President said in his State of the Union message ". . . it's time for us to get together and enact a port modernization bill."

The concepts in your legislation appear to be a workable compromise, recognizing our policies of Federal fiscal constraints, while at the same time providing the assurance of port maintenance and a framework for authorizing navigation improvements. Passage of legislation to maintain and improve our nation's ports enhances our international trade position and translates into jobs in our coalfields and grainfields, railroads, trucking industry, and port communities. A modern port system improves our national security since it enhances America's capacity to assist our Allies to meet their energy and food requirements.

Because of the severe restraints on the Federal budget, it is impossible for the Federal government to continue paying for the full cost of maintaining and improving our nation's ports. When users of services can be readily identified, then they should share in the costs.

We are pleased that your legislation calls for user fees to pay for a portion of both operation and maintenance and new construction of our nation's ports. Allowing port specific user fees to pay for improvements will insure that a market test is met before any new navigation improvements are undertaken.

Under your proposal, Federal expenditures will be restrained because the amount of Federal funds available for navigation improvements will be limited to 95 percent of the funds raised through the national uniform fee for operation and maintenance. This is a responsible and equitable approach.

The fast-tracking of the planning, permitting and authorization process in your legislation is similar to concepts which have been developed by the Corps of Engineers over the last few years and should go a long way towards assuring that port improvements can proceed expeditiously.

While we agree with the overall thrust and the concepts in your legislation, we do suggest certain changes. We recommend that the cost recovery from the uniform fee to pay for operation and maintenance be raised from the 40 percent level in your bill. We also recommend that the definition of what is included in articles of local cooperation for navigation improvements be amended to what is included under existing law. An alternative suggestion would be to retain the definition of articles of local cooperation in your bill but increase the non-Federal share for new construction.

We commend your leadership and that of Senators Thurmond, Mattingly and Byrd, and we will work with the Congress to pass port improvement legislation.

Sincerely,

DAVID A. STOCKMAN.

P.S.—Identical letter sent to Senator John W. Warner.

Mr. HATFIELD. Mr. President, again I want to pay the highest tribute and to state my appreciation from the heart to my two colleagues, particularly, who have worked so hard on this matter, Senator WARNER and Senator BYRD, as well as Senator THURMOND and others, for their wonderful support, because this could not have happened without them.

Mr. STENNIS. Mr. President, will the Senator yield me one-half minute?

Mr. HATFIELD. I yield the floor.

The PRESIDING OFFICER (Mr. SYMMS). The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, it is a pleasure for me to join my distinguished colleagues to introduce the National Deep Draft Navigation Act of 1983.

I, of course, could easily explain why a Senator from West Virginia, which is landlocked, is deeply interested in development of legislation to improve the Nation's deep draft ports, and the explanation is simple, and that explanation is one word which could be enlarged upon by using other words, but in particular, coal.

West Virginia is endowed with substantial reserves of metallurgical coal which are among the finest in the world, and we also have high quality steam coal reserves. So this has helped to make West Virginia the leading coal-export State in the Nation. Almost half of all U.S. coal exports come from West Virginia.

A healthy export market is important to people of my State because it means jobs for thousands of miners. But the ability of the United States to compete in the world coal market depends to a large extent upon the development of the deep-draft ports through which coal moves to overseas markets.

Unfortunately, for the past 2½ years there has been a legislative stalemate on the issues of port development.

The bill that I join today with my colleagues in introducing is a reasonable compromise which offers a balanced approach to the maintenance and improvement of the Nation's port system, and I am confident that this bill will be the vehicle for ending the current stalemate.

The bill was drafted and crafted in the course of several months of intensive discussions dealing with complex issues which at times seem to be intractable, and it is appropriate that I take this opportunity to commend the principal cosponsors of the bill for their commitment to the spirit of compromise, without which our efforts could not have succeeded, and I should also compliment the staffs, who have worked day in and day out over a period of many months and who have worked with industry, with the port authorities, and others to come up with this kind of compromise and have also worked with the administration in the effort to come up with a compromise that would have reasonable chances of success.

We are all aware of the competitive challenges from other nations to important sectors of our economy, such as steel and automobiles. We are aware of the competition. In the face of that intense competition, there is widespread concern that we are in danger of losing our capability to compete in many major markets in the world economy.

Coal exports are one important area where the United States could enjoy a significant advantage relative to our major competitors in world coal trade. Although the global recession has depressed the coal export markets in the short term, the prospects for increased world coal trade in the long-term future remain bright.

Coal is an important energy source for the future, the current world oil situations and the disarray within OPEC notwithstanding. Indeed, some of the downward pressures on coal prices are only temporary, while the underlying factors that make world oil markets unstable tend to be more enduring. Thus, many of our allies in Western Europe and the Pacific rim continue to view coal as an attractive alternative to imported oil.

Despite some predictions that oil prices could fall as low as $20 per barrel, world oil prices, in real terms, have increased severalfold since mid-1973. Therefore, there is an important reason that coal remains an attractive alternative fuel. Coal is cheaper than oil.

Although the United States is facing strong competition from Australia, South Africa, and Canada in world coal trade, the magnitude of our coal reserve base gives us a competitive advantage in the long run. The United States has coal resources which have been estimated to be almost 2 trillion tons, of which about 470-odd billion tons are classified as the demonstrated reserve base. So we have the capacity to produce enormous quantities of coal for the foreseeable future to meet both domestic demand and world coal demand without causing significant upward pressure on coal prices.

In contrast, our major competitors in world coal trade have significantly smaller coal reserves. For the future, this means that as they try to meet future world coal demand, production costs will go up as their more easily accessible reserves are depleted. Therefore, while the future price of U.S. coal is expected to be relatively stable, our major competitors are expected to experience upward pressures on the price of their coal.

But I am speaking here of long-term potentials. There should be no mistake about it. Currently we are facing very stiff competition from Australia, South Africa, and Canada for export coal markets in the Pacific rim and Western Europe, where the delivered price of U.S. coal is significantly higher than the coal of our competitors.

Ocean transportation costs account for a substantial share of the price disadvantage of U.S. coal. This is due to

the fact that the Nation's ports do not have channels of sufficient depth to accommodate the large coal-carrying "supercolliers," ships of 100,000 deadweight tons and over. The largest ship which can be loaded out of any U.S. coal port is 75,000 to 80,000 deadweight tons. The average ship carrying coal from east coast ports is about 40,000 deadweight tons. It has been estimated by the Coal Exporters Association that the cost of shipping U.S. coal to Europe could be reduced by about 40 percent if we used 120,000-ton ships. But there is no port in the United States which can accommodate such vessels.

There are over 30 foreign deepwater port facilities in operation or in the planning stage which have depths of at least 50. Unfortunately, we are among the minority of the world's major industrial powers with deepwater channels that cannot accommodate coal supercolliers.

Australia, South Africa, and Canada already have channels greater than 50 feet, and they are moving forward with projects to increase those depths and to add new deep draft port facilities. In stark contrast, we have not had a major port development project moved forward for the past 10 years. Our competitors, therefore, are positioning themselves for the future to offset the potential price advantage afforded the United States by its extensive coal reserve base.

If we do not take action now to move forward to develop our port facilities, we may find that the United States will be only a marginal supplier of coal to the world market. Our competitors will be moving coal in supercolliers, while we will be sending coal to Europe and Japan, at greater cost, in 40,000-ton ships.

I am told that by 1985, 25 percent of the coal that is transported across the oceans will be transported in supercolliers, and by 1990, 44 percent of the coal that is transported across the oceans will be carried in the supercolliers, not one of which can be accommodated by any one single coal port in this country.

So if we hope to take advantage of our huge reserves, it is imperative, it is absolutely necessary that we take steps to deepen our coal ports, and we who have introduced this legislation feel that the Federal Government has a duty to play a part in this because it is, after all, the Federal Government that has the responsibility for the national defense, the national security of this country. Not only from an economic standpoint, but also from the standpoint of our national security we need to deepen these ports. Not only coal will be benefited but other products will be as well.

Mr. President, this bill looks to the future. The intent of the National Deep Draft Navigation Act is to provide the basis for insuring the competitive position of the United States in future world trade. I urge my colleagues to join us in supporting this bill.

Mr. President, I ask unanimous consent that Mr. FORD of Kentucky be added as a cosponsor of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, will the Senator yield? I have some time remaining which I would like to yield to Mr. WARNER for his control, and Mr. HATFIELD and Mr. THURMOND. I would like to yield my remaining time.

Mr. WARNER. I thank the distinguished minority leader.

Mr. President, I wish to speak later on this matter, and I wish to yield to my two colleagues who have time-urgent matters.

Before my distinguished colleague from Oregon and the distinguished minority leader are distracted by other business here, I would simply like to say as a third member of this triumvirate that it has been a rewarding experience for me to work with these two Members of the Senate.

The distinguished minority leader said there has been a stalemate and, indeed, there has been for 2 years or more. I first started on this legislation in the Governor of Virginia's office when a delegation came from France and said they were unable to make contracts with our Government because of the uncertainty of our port facilities in the years to come as a means to accommodate supercolliers. That was back in 1980.

It was not, in my judgment, until my distinguished colleagues from West Virginia and Oregon joined wholeheartedly in this effort that this stalemate was broken.

So while they are here I would certainly want to express my appreciation to them, as well as to the President pro tempore, Mr. MATTINGLY of Georgia, and Mr. ABDNOR of South Dakota.

At this time I yield to the distinguished President pro tempore, the Senator from South Carolina (Mr. THURMOND).

The PRESIDING OFFICER. Under the previous order, the Senator from South Carolina (Mr. THURMOND) is recognized.

Mr. THURMOND. I am today joining with my distinguished colleagues from Oregon (Mr. HATFIELD), West Virginia (Mr. BYRD), Virginia (Mr. WARNER), and Georgia (Mr. MATTINGLY), in introducing the Deep-Draft Navigation Act of 1983, of which I am a cosponsor.

Mr. President, this bill will establish a productive partnership between government at all levels and the private sector for the continued operation, maintenance, and improvement of our Nation's deep-draft seaports. It is the result of many hours of negotiation and hard work by its sponsors, in active consultation with the administration and various port interests, both large and small. It is my hope, Mr. President, that it will receive favorable consideration in this Congress, breaking the logjam in legislation of this sort which has prevailed in past Congresses.

For many years now, Mr. President, fiscal and other constraints have prevented the authorization or reauthorization of much-needed deep-draft navigation improvement projects at our Nation's seaports. This situation has now reached critical proportions, especially in light of the need to develop seaports adequate to compete effectively in the international market for coal. The United States has the world's largest proven reserves of recoverable coal, but lacks conveniently located seaports of sufficient depth to facilitate international commerce in this commodity. The approach provided in this measure will expedite the development of such facilities, as well as the construction of many other much-needed but long overdue navigation improvement projects.

This bill does not stop here, Mr. President. One of the earlier initiatives of this administration was to transfer the cost of many Government operations from the general taxpayer to those who most directly benefit from the services provided. This bill provides a mechanism for the recovery of much of the cost of deep-draft channel and harbor operations and maintenance directly from those who benefit from their use, but in a way which will not disturb the competitive balance between our Nation's ports or the competitiveness of American goods in the world market.

Mr. President, I commend this measure to my colleagues for their consideration. I believe that it provides a reasonable and well-balanced approach to the problem of the continued operation, maintenance, and improvement of our Nation's deep-draft navigation system. In so doing, Mr. President, it provides an acceptable vehicle for breaking the legislative logjam which has afflicted this system for far too long.

Mr. President, I might say when the administration bill was first mentioned, it disturbed some of us very much, and we went to the White House, the distinguished Senator from Oregon (Mr. HATFIELD), the distinguished Senator from Georgia (Mr. MATTINGLY), and I, and we had a conference with Mr. Ed Meese and other officials there, and explained that we felt an equitable bill could be worked out and should be worked out, but that the bill under consideration at that time, at least the proposed bill, was not at all satisfactory.

I am very pleased that this matter has been worked out and that the administration, as I understand now, goes along with this bill. It will, I think, accomplish the purpose.

Mr. President, while I am speaking about this bill, I want to take this opportunity to pay my respects to a member of my staff who has worked on this bill so assiduously throughout this time. Since 1981, when we went to the White House, he has been working on this bill. He is leaving my staff soon to practice law in Charleston, S.C. I refer to Mr. Mark McKnight, who is a young man of character, ability, and courage, and who has done a fine job on my staff, and I deeply appreciate certainly his work on this particular piece of legislation.

Mr. WARNER. Mr. President, if I might add for the record at this point, the distinguished Senator from South Carolina mentioned meetings at the White House. The one in particular which he mentioned was when the small ports were lining up together and there was disagreements with the big ports.

Our distinguished colleague from West Virginia (Mr. BYRD) saw the President in December, and later I saw the President in connection with the large ports, and I think one of the most dramatic parts of this legislation is that it represents a consensus at long last reached between small and large ports. That consensus led to the President's including in his State of the Union message this year, and I quote:

> It is time for us to get together and enact a port modernization bill.

Mr. President, I will be gald to yield to the distinguished Senator from Georgia (Mr. MATTINGLY).

Before I do so, however, let me say that reference was made this morning to a letter from Mr. Stockman. Before the distinguished Senator from Oregon leaves, there were a number of discussions in the last few weeks with Mr. Stockman in which we participated. So again I think this letter indicates the degree to which the administration has joined behind this very important piece of legislation.

Mr. President, I ask unanimous consent to have printed in the RECORD a summary of the bill and also a letter addressed to me by David A. Stockman.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

"DEEP-DRAFT NAVIGATION ACT OF 1983"

The proposed legislative compromise would establish a mechanism to ensure funding for the maintenance and improvement of the nation's port system.

I. A National Port System Trust Fund would be established to fund port operation and maintenance and navigation improvements. The Secretary of the Treasury would administer the Trust Fund. The Trust Fund would consist of three accounts: The Operations and Maintenance Account, the Navigation Improvement Account, and a Special Credit Account.

A. Operation and maintenance: 40 percent of all operation and maintenance will be paid by a uniform user fee; 60 percent will be paid by general revenues; uniform fee will consist of an ad valorem vessel charge based on the value of the cargo: (a) a charge of approximately $0.00025 per dollar value; (b) up to a maximum of $0.0005 per dollar value; Fee will be collected on all imports, exports, coastwise, and lakewise traffic using deep-draft commercial channels or harbors, but each cargo would only be charged once; fee would be phased in over 3 years beginning in 1984 to pay for 20 percent, 1985 30 percent, and thereafter 40 percent; all moneys collected from the fee will go into a trust fund account for operation and maintenance; the States will be responsible for collecting the fee.

B. Navigation improvements: Federal Government and local authorities will share the cost of new construction; the local share will increase as depth increases; to pay the Federal share, customs revenues will be diverted from the general fund to Navigation Improvement Account; the amount diverted to pay for the Federal share of navigation improvements will be equal to 95 percent of new money generated by the operation and maintenance ad valorem fee. For example, if $140 million is raised in the ad valorem fee to pay for operation and maintenance, then the amount of Federal funds diverted to the Navigation Improvement Trust Fund that year would be $126 million; local authorities will be given flexibility to generate revenues to pay their share of navigation improvements; local share may be repaid to the Federal Government over the life of the project, but not to exceed 50 years.

C. Special credit account: Some ports will contribute to the Operation and Maintenance Account significant sums in excess of the cost of operation and maintenance at their ports; a small portion of this excess payment will be returned to these ports to credit against the local share of navigation improvements at that port; the amount in the Special Credit Account should approximate 4 percent of the projected total national cost of operation and maintenance; an additional ad valorem charge sufficient to generate the additional 4 percent will be assessed.

II. Great Lakes: Because tolls on the St. Lawrence Seaway are negotiated on a bilateral basis, the U.S. cannot eliminate tolls; tolls on most cargo are higher than the proposed ad valorem fee. Only the amount of the ad valorem fee would be collected; foreign traffic transiting the St. Lawrence Seaway and not docking at U.S. ports would pay ad valorem fee if they use U.S. maintained channels; 100 percent of the U.S. portion of St. Lawrence Seaway operation and maintenance would be paid by the Operations and Maintenance Account.

III. Fast tracking: While the authorization and permitting process will be expedited, no existing laws will be obviated; local ports will have the option of completing all pre-Corps application work themselves or have the Corps do it; Congress will have specific deadlines within which to act.

IV. Enforcement: Cargo diversion would be curbed by appropriated enforcement language; penalties will ensue for any deliberate circumvention of the provisions of the bill.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,

Washington, D.C.

Hon. JOHN W. WARNER,
U.S. Senate,
Washington, D.C.

DEAR JOHN: This is to respond to your March 2nd letter asking for Administration comments on the port legislation you have been developing with Senators Thurmond, Mattingly, and Byrd. I understand the bill will be introduced March 21st and will be known as the "Deep-Draft Navigation Act of 1983."

You are certainly to be commended for building a broad-based coalition to break the three-year logjam over port legislation. As the President said in his State of the Union message, ". . . it's time for us to get together and enact a port modernization bill."

The concepts in your legislation appear to be a workable compromise, recognizing our policies of Federal fiscal constraints, while at the same time providing the assurance of port maintenance and a framework for authorizing navigation improvements. Passage of legislation to maintain and improve our nation's ports enhances our international trade position and translates into jobs in our coalfields and grainfields, railroads, trucking industry, and port communities. A modern port system improves our national security since it enhances America's capacity to assist our Allies meet their energy and food requirements.

Because of the severe restraints on the Federal budget, it is impossible for the Federal government to continue paying for the full cost of maintaining and improving our nation's ports. When users of services can be readily identified, then they should share in the costs.

We are pleased that your legislation calls for user fees to pay for a portion of both operation and maintenance and new construction of our nation's ports. Allowing port specific user fees to pay for improvements will insure that a market test is met before any new navigation improvements are undertaken.

Under your proposal, Federal expenditures will be restrained because the amount of Federal funds available for navigation improvements will be limited to 95 percent of the funds raised through the national uniform fee for operation and maintenance. This is a responsible and equitable approach.

The fast-tracking of the planning, permitting an authorization process in your legislation is similar to concepts which have been developed by the Corps of Engineers over the last few years and should go a long way towards assuring that port improvements can proceed expeditiously.

While we agree with the overall thrust and the concepts in your legislation, we do suggest certain changes. We recommend that the cost recovery from the uniform fee to pay for operation and maintenance be raised from the 40 percent level in your bill. We also recommend that, the definition of what is included in articles of local cooperation for navigation improvements be amended to what is included under existing law. An alternative suggestion would be to retain the definition of articles of local cooperation in your bill but increase the non-Federal share for new construction.

We commend your leadership and that of Senators Thurmond, Mattingly and Byrd,

and we will work with the Congress to pass port improvement legislation.

Sincerely,

DAVID A. STOCKMAN.

Mr. WARNER. Mr. President, I want to go into some considerable detail about the technical aspects of this bill, which will consume a little time. If I can accommodate my distinguished colleague from Georgia I would be happy to yield to him so that he can make his statement.

Mr. MATTINGLY. Mr. President, it is with great pleasure that I join today in introducing the Deep-Draft Navigation Act of 1983. It was more than 15 months ago when I first met with Senators THURMOND and HATFIELD to begin discussing the concepts which are now embodied in this important legislation. Our earlier efforts resulted in the introduction of S. 2217 in the last Congress. At that time, however, there was a great deal of discord within the shipping industry and among the various port authorities. As a result, none of the numerous bills then pending was acted upon.

Last November I joined with Senator WARNER, Senator HATFIELD, Senator THURMOND, and Senator BYRD of West Virginia in yet another attempt to solve the problems facing America's deep-draft port system. Since then we have met almost continuously with representatives of the shipping industry, major users of deep-draft vessels, port authorities, and the administration in an attempt to indentify all major concerns and to resolve those concerns in this bill. I am happy to say that we have come a long way toward reaching that goal. The vast majority of our port representatives have agreed to support the concepts and approach taken in the legislation and the administration has likewise given its nod of approval.

The efficient functioning of our U.S. waterborne commerce system is of crucial importance if we are to regain our posture in world trade. This is especially true of the deep-draft ports and harbors which are needed to carry our goods and products to foreign buyers. In the midst of a worldwide recession, we risk losing sight of the fact that our commercial facilities must be ready and able to rapidly adjust to an improving world economy and the resultant increase in demand. There are many port improvement projects which must be started now in order to allow our exporters to take advantage of the coming increase in world demand. Farm products, coal, manufactured products, and other goods will all benefit from a program which insures the upgrading and improvement of America's deep-draft channels and harbors. This entire issue is made even more important due to the fact that many of our competitors in world trade have been in the process of modernizing their cargo-handling capacities while we have been on dead center for more than 7 years.

The Deep-Draft Navigation Act of 1983 will establish a mechanism which will help insure that funding is available for the continued operations, maintenance, and improvement of all U.S. deep-draft ports and harbors. This is accomplished while still retaining the traditional partnership in such activities between the Federal Government and State port authorities who are the local sponsors. The bill will establish a small-vessel fee which will be collected for the use of deep-draft facilities. This fee will pay for some 40 percent of the cost of operations and maintenance. In the current fiscal year these costs are approximately $350 million, so the bill would anticipate that the vessel fees would pay about $140 million of the total. Even this small amount will be phased in over a 3-year period in order to allow for a gradual transition.

In addition to the vessel fee, the bill will require that an amount received from current customs revenues be set aside for the exclusive purpose of meeting the Federal share for new construction projects. This amount will be almost equal to the amounts of new revenue derived from the vessel-fee system. Now, no one is going to pretend that the moneys earmarked for new work are entirely sufficient to meet the needs. However, it is a starting point which will enable several of the most important projects to get underway. This approach will allow us to break the existing logjam which has prevented any new projects for far too long.

We have reached the point where the Federal Government can no longer be counted on to bear the full expense of maintaining and operating our ports out of general revenue funds. However, this legislation underscores the continuing Federal interest and national importance of this vital commercial framework. At a time when world trade is essential to strengthening our industries, providing jobs for our workers, and rejuvenating farm income, we cannot allow our port system to become inefficient and obsolete.

Mr. President, I want to commend the Senators who have joined me in working on this measure. I am indebted to them for their continuing attitude of cooperation and compromise. Also to be commended for their diligent work are the staff members of those Senators for their dedication to this project and the long hours they invested in order to help finalize the bill. I would ask that the members of the Senate Finance Committee and of the Senate Committee on Environment and Public Works to whom this measure is referred adopt the same attitude of cooperation and compromise in an effort to report out the bill in an expeditious manner. I have great faith in their judgment and their ability and pledge my full cooperation as these committees begin their important deliberations.

Thank you, Mr. President.

Mr. President, this compromise legislation is fair to both the large and the small ports.

What it will do is provide for a uniform vessel fee based upon the value of deep-draft waterborne cargo. Unlike some legislation that was introduced in the last Congress, the Deep-Draft Navigation Act of 1983 will not give an unfair competitive advantage to large, high-volume ports.

We have reached the point where the Federal Government can no longer be counted on to bear the full expense of maintaining and operating our ports of general revenues funds. To put it bluntly, the Federal Government has run out of money; it is broke.

We have to begin charging the users of ports to help defray the cost of maintenance and improvements while insuring that U.S. commerce will not suffer.

Mr. President, this piece of legislation excels in one area, and that is it is fair.

Mr. WARNER. Mr. President, the legislation will be referred to both the Finance Committee and the Public Works Committee. There are Federal tax aspects as well as port improvements and, therefore, will require the jurisdiction of these committees.

I am pleased to say that Chairman STAFFORD and subcommittee Chairman ABDNOR, as well as the ranking minority member of the Public Works Committee, the distinguished Senator from West Virginia (Mr. RANDOLPH), have all provided valuable assistance in working on this bill and given the assurances that prompt hearings will be held. Likewise, Senator DOLE and his staff have been exceptionally helpful and we are hopeful both committees will shortly initiate hearings.

As mentioned by several of my colleagues, this bill represents a compromise and the principal features are as follows: First, a national port system trust fund will be established to provide a stable source of funds for port operations as well as navigation improvements.

The formula contained in this bill provides that 40 percent of all operation and maintenance will be paid out of this trust fund. The trust fund will receive the necessary funds from an authorization to be given to the States to initiate uniform users fee that will be put on all cargoes in accordance with their value. And I stress ad valorum because consideration was given, quite understandably, to a tonnage formula. But it was the judgment of the drafters of this bill that would

impose an unfair disadvantage on certain commodities which are extremely price sensitive in the international market, among them being grain.

Now, again the formula in the bill is 40 percent of O&M to be paid by the uniform user fee out of the trust fund and 60 percent by the general revenues. The Federal Government and the local authorities will share in the cost of new construction. And that, of course, varies by the degree to which the channels have to be deepened.

The local share of navigation improvements will increase with the depth. To pay the Federal share of improvements, customs revenues will be diverted to the national port system trust fund.

Local authorities will be given flexibility to generate revenues to pay their share of the navigation improvements. Of course, that would include a user fee. It might well be that the locals would want to use bonds or any other means that they desire to get the needed revenue.

Now, realistically speaking, we have to put a potential cap on the magnitude of the totality of such improvements nationwide. To do that, a very unique formula was devised whereby the amount diverted to pay for the Federal share of navigation improvements—again those are the improvements primarily consisting of the deepening of the channel—the Federal share will equal 95 percent of the new money generated by the operation and maintenance uniform fee.

There are other provisions in the bill which are commonly termed today as fast tracking. And I wish to emphasize that I reviewed them again this morning and there do not appear to be any fast-tracking provisions which would compromise environmental considerations. They are basically patterned after previous legislation that contained fast-tracking provisions.

There is also a special credit account. Recognizing that some ports, through their collection of fees, will undoubtedly generate more funds which in turn are paid into the common trust fund than the annual maintenance cost at their particular port.

In fairness to those ports, they will receive a small portion of the excess amount collected. Under this proposed bill that excess could be devoted toward their allocation of cost in connection with whatever port improvements and dredging that port elects to do. The amount in the special credit account should approximate 4 percent of the projected total national costs of operation and maintenance. And additional advelorum charge, therefore, in the totality of the Nation sufficient to generate that 4 percent will be assessed.

Questions were raised earlier today about the enforcement provisions. It is conceivable that certain shippers from overseas might seek out other ports, should we say Mexico or Canada, and then by land transportation their cargoes would reach their eventual destination here in the United States. We devised a provision by which cargo diversion would be curbed by appropriate enforcement language. And there are penalties which will insure any clear deliberate circumvention of this bill we be penalized.

Mr. President, I certainly would want to indicate by deep respect for two members of my staff, Mr. Roger Sindelar and Ms. Susan Aheron Magill, who have worked tirelessly on this particular piece of legislation. Mr. Sindelar has worked on it for over 3 years and in many respects he and other members of the Senate staff certainly deserve great deal of credit for this bill.

Mr. BYRD. Will the Senator yield at that point without his losing the floor?

Mr. WARNER. Yes.

Mr. BYRD. I wish to do the same in expressing my appreciation for the help of our staffs. Mr. Randy Ihara has spent a great deal of time on this from my staff and Mr. David Pratt. I wish the RECORD to show that their efforts have been acknowledged by me on the public record. I commend them and I thank them.

I thank the Senator.

Mr. WARNER. I thank the Senator from West Virginia for mentioning that.

I know, for example, these staffs, the individuals that the Senator named, worked all last weekend and this weekend to insure the timeliness and the accuracy of this particular piece of legislation.

Mr. BYRD. Mr. President, they have also worked during several of the Senate recesses, may I say to my good friend. During several of the Senate recesses, they worked on this measure, counseling with port authorities and others involved.

Mr. WARNER. I thank the distinguished minority leader.

We have to look back a few years to understand why this proposal is so significant to Appalachian States. The short answer is jobs—jobs to produce and move coal.

In 1981, over 170 coal ships waited at anchor at Hampton Roads, Va., to load American coal. Every day that they idly "swung on the hook"—as those of us who have been to sea refer to that problem—enormous sums of money wasted away. Other coal ports experienced similar backlogs.

This problem demanded solution or jobs would be lost in the coalfields, as indeed they have been lost, and the United States would lose not only present but long-term economic advantages. Our competitors moved to fill the gap, and they are still moving. Fortunately, this legislation, I hope, will now enter the United States in that race as a strong competitor.

I am convinced that the long-term solution is to deepen some ports to accommodate super colliers. In the interim, I support short-term measures to make American coal as competitive as possible. These include midstream loading, use of mother ships, and topping off. I have supported these measures with the understanding that they are done in accordance with the Jones Act. Congress enacted the Jones Act to insure that America's Merchant Marine fleet remains viable and is ready when called upon to meet America's national defense needs.

While coal demand is lower today, the vision of those waiting colliers should never leave our minds. The world is constantly searching for a stable, long-term source of reasonably priced energy. The United States in 1981 was not ready to meet that demand.

The next time that demand arises, it is hoped that this legislation will have been adopted and we will be prepared.

Most energy-dependent nations, aware of the enormous volumes of coal they will need to convert from OPEC oil, have or plan to deepen their harbors to accommodate super coal colliers. When super colliers can exist fully loaded, there is substantial transportation savings.

South Africa, Canada, and Australia, our chief competitors in the world coal trade, are ahead in the race and deepening their channels and portside facilities. Our energy trading partners have made it very clear that, unless the United States expeditiously builds deepdraft channels, they will look elsewhere for their long-term energy needs.

What would this mean to the United States? A drastic loss to America's balance of payment but, more importantly, the loss of thousands of jobs in the coal fields and supporting industries.

Unemployment in the coal fields of Virginia has reached the intolerable level of 30 percent. We must put American miners back to work by improving our harbors and capturing more of the world coal trade. And we must do it now.

I urge my colleagues to support the Deep Draft Navigation Act of 1983, sponsored by the distinguished minority leader, the distinguished chairman of the Appropriations Committee, and myself, the triumvirate sponsoring the Hatfield-Byrd-Warner bill.

I am pleased to announce that my distinguished junior colleague from Virginia (Mr. TRIBLE) requests that he be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, again I express my appreciation to my col-

league, the distinguished Senator from West Virginia. Most of the almost irreconcilable differences have been settled and we have gotten on the fast track in this regard.

Mr. BYRD. Mr. President, I thank the Senator from Virginia for his comments. I compliment him for the cooperation he has given and for his counsel in this matter.

Mr. President, I ask unanimous consent that if any Senators wish to add their names as cosponsors, they be allowed to do so during the rest of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, will the Senator yield back any time remaining?

Mr. WARNER. Mr. President, I am happy to yield back to the distinguished minority leader such time as remains.

Mr. BYRD. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from West Virginia has 16 minutes remaining. All time under the special order has been used.

Mr. BYRD. I thank the Chair.

● Mr. ABDNOR. Mr. President, I want to take this opportunity to comment briefly on the proposal which has been made by the senior Senator from Oregon relating to the development of our Nation's ports.

The Senator from Oregon (Mr. HATFIELD) and his cosponsors are to be commended for their hard work and innovative approach to this issue. I want to assure them that as chairman of the Water Resources Subcommittee, I intend to schedule hearings shortly on the pressing need to move forward in an efficient and cost-effective manner with development of our national port system.

Mr. President, the question really is whether we are to move to a program that essentially is an entitlement program for the Nation's harbors, or whether we take a market approach that allows the coal-harbor-financial industry to focus the available funds where they will do the most good.

Mr. President, these are important issues. The sponsors of this bill are to be commended for their hard work and the contribution they have made toward the continuing debate on these questions.●

A TRIBUTE TO A RADIANT WOMAN WHO LIGHTENED OUR GENERATION

Mr. BYRD. Mr. President, I want to join millions of other Americans and many of our colleagues in offering condolences to the family of Catherine Marshall LeSourd, who died last Friday in Florida. Mrs. Marshall, as she will always be remembered, was the widow of perhaps the best-known Senate chaplain in history, Dr. Peter Marshall. But as an author of her husband's biography, "A Man Called Peter," and as an editor and inspirational writer, Catherine Marshall earned fame and admiration in her own right.

Many people know that Mrs. Marshall was a native of Johnson City, Tenn., and that she was a graduate of Agnes Scott College in Decatur, Ga., where she first met Dr. Marshall.

Most people may be unaware, however, that Catherine Wood—as Mrs. Marshall was known by her maiden name—grew up in Keyser, W. Va., along the banks of the North Branch of the Potomac River. Her father Rev. John A. Wood was called to Keyser Presbyterian Church in the 1920's. For 12 years, Keyser was Catherine Wood's hometown, and after graduating from Keyser High School, she went on to college in Decatur. And just as significantly, Catherine Wood became Mrs. Peter Marshall at the chancel of Keyser Presbyterian Church in 1936. From that marriage ceremony, the Marshall's matured together to become two of the 20th century's most outstanding spiritiual leaders—Dr. Marshall primarily through his ministries here in Washington, and Mrs. Marshall through the 18 million copies of her books in 35 languages, and through her association with Guideposts magazine.

Mr. President, West Virginians are proud and honored that Mrs. Marshall spent so many of her formative years in our home State. We like also to think that West Virginia's spiritual values and religious heritage played a role in her nurture and in the growth of her own faith and life's philosophy—an influence that can also be seen in the work of two other world-famous authoresses with West Virginia roots—Pearl Buck and Eugenia Price. Those women's lives and achievements, West Virginians believe, reflect well the inherent decency and faith of our State's people and our unique family life, and we are grateful that their influence has, in turn, touched so many millions around the world.

But today, we mourn the passing of Katherine Marshall, and speaking for my wife Erma, for the people of West Virginia, and for all of our colleagues, I again extend to Mrs. Marshall's family our sympathies in a loss that we all share with them.

Mr. LEAHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 5 minutes each.

The Senator from New York is recognized.

THE DEATH OF DR. ERVING GOFFMAN

Mr. MOYNIHAN. Mr. President, when Dr. Erving Goffman died last November 19, the academic community lost one of its most beloved scholars. Those of us who were fortunate enough to know him or know of his work realize how much we owe to his scholarship. Because he was a good and valued friend, as well as a neighbor while at Harvard, let me simply bring that debt to the attention of my colleagues.

Having earned his bachelor's degree from the University of Toronto and his master's degree and doctorate from the University of Toronto, Erving Goffman rose to the pinnacle of his chosen field. Indeed, at the time of his death, he was recognized among his peers as one of the leading sociologists of our era.

Certainly his was an extraordinary career, as singular in thought as it was prodigious in achievement. While others drew conclusions from the broader sweeps of human history and events, Dr. Goffman found meaning in the routine of everyday life, arguing that even small and seemingly inconsequential actions are in fact calculated maneuvers designed to enhance one's identity.

Erving Goffman will be painfully missed not only by those who knew him, but also by the thousands of students and researchers whose lives he touched with his ideas. Yet, it is our good fortune that many will continue where he broke ground.

Mr. President, I ask unanimous consent that an obituary for Dr. Goffman that appeared in the New York Times after his death be printed in the RECORD at this point.

There being no objection, the obituary was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 22, 1982]

ERVING GOFFMAN, SOCIOLOGIST WHO STUDIED EVERYDAY LIFE

(By William Dicke)

Erving Goffman, a sociologist who searched for the meaning in the routine transactions of everyday life, died Friday in Pennsylvania Hospital in Philadelphia after a long illness. He was 60 years old.

Dr. Goffman, the Benjamin Franklin Professor of Anthropology and Sociology at the University of Pennsylvania, argued in a number of books that even seemingly innocuous social acts could be calculated to show an individual in the best light. People are

essentially performers whose main business is fabricating an identity, he argued.

Geoffrey Nunberg of Stanford University, reviewing Dr. Goffman's book, "Forms of Talk" in The New York Times Book Review last year, said that the sociologist had acquired a wide audience because he brought "a mordant irony to the pretensions and theatricality of everyday interaction" and had "considerable gifts for rendering the everyday as bizarre and amusing."

He added: "But Mr. Goffman's moral is very sad because his skepticism is unrelieved. In his catalogues of effects, he finds only the management of impressions; there is rarely an intimation that anything animates our performances beyond the terrible fear of being caught out."

Dr. Goffman's other books included "Presentation of Self in Everyday Life," "Asylums: Essays on the Social Situation of Mental Patients and Other Inmates," "Interaction Ritual," "Encounters," "Behavior in Public Places," "Strategic Interaction," "Relations in Public," and "Gender Advertisements."

CALLED AN IMPORTANT INFLUENCE

Alice Rossi, president of the American Sociology Association, said that Dr. Goffman was a "very important influence on two generations of researchers and students."

Erving Goffman was born June 11, 1922, in Manville, Alberta. He received a bachelor's degree from the University of Toronto, and his master's degree and doctorate at the University of Chicago. Mr. Goffman joined the faculty of the University of California at Berkeley in 1958 and became a full professor in 1962. He joined the faculty at the University of Pennsylvania in 1968.

Mr. Goffman was president of the American Sociological Association in 1981 and was a member of the American Academy of Arts and Sciences and the American Anthropological Association.

In the 1970's, he served on the Committee for the Study of Incarceration, which concluded that prisons should be retained but only for individuals convicted of the most serious crimes.

He is survived by his wife, Gillian Sankoff, graduate chairman of the department of linguistics at the University of Pennsylvania; a son, Thomas, and a daughter, Alice. Funeral services will be private.

A TRIBUTE TO THE PEOPLE OF GEORGETOWN, S.C.

Mr. THURMOND. Mr. President, I rise today to pay tribute to a community in my home State of South Carolina which has reaffirmed the old adage that America's greatness is revealed in the deeds of its people.

Last weekend, I had the privilege of attending dedication ceremonies for a new $12.9 million wing of the Georgetown County Memorial Hospital in Georgetown, S.C.

What makes this project so unique is the degree of community involvement in raising funds to complete this valuable addition to the hospital. The people of Georgetown County succeeded in obtaining $1,850,000 in private financial pledges for this project—$600,000 more than the goal it set for itself.

This is one of the finest examples I know of that the spirit of voluntarism and community spirit are alive and well. The people of Georgetown, through their generosity and cooperation, have set an example for all of us to follow. In their actions, we can all see what an interested and active community can do for itself.

I want to commend this effort to my colleagues in the hope that it will inspire other communities, across the country, to get involved with similar projects.

I ask unanimous consent that my address at the dedication of the hospital wing be printed in the RECORD as well as an article from the Georgetown, S.C., Times of March 17, 1983.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR STROM THURMOND

It is certainly a pleasure to be here today to help dedicate this new wing of the Georgetown County Memorial Hospital, and to recognize the man for whom it is named—Joel P. Parrish—for his many contributions to the quality of health and medical care in the community.

This is an exciting day for the people of Georgetown County, not unlike one 33 years ago when I stood near this site, as Governor of South Carolina, and helped dedicate the opening of this fine hospital.

Since that time, Georgetown has experienced great growth and prosperity, and I am pleased to see that this facility has grown with the community. The wing we are dedicating today is the second major renovation and expansion of this hospital since it first opened its doors in 1950.

A great deal of hard work has gone into the completion of this important project, and everyone associated with the planning, fundraising, and construction of this hospital wing is to be commended for all that they have done.

Today, we recognize the efforts and leadership of one particularly dedicated individual, a man who has been the driving force behind this hospital's future. I am speaking, of course, of Joel Parrish, a member of this hospital's original Board of Trustees and its Chairman for 20 years.

Joel, the people of Georgetown County and the surrounding areas this hospital serves owe you a great debt of gratitude for your devotion to this facility and your interest in the future of this area. It is only appropriate that this new wing be dedicated in your honor. I know I speak for everyone in attendance today in saying thank you for all that you have done.

In preparing this speech, I was struck by the fact that something very special has happened here, something I think all Americans can learn from. It goes beyond the actual construction of this new addition to the hospital, although you have every right to be proud of the new and modern facilities which are being dedicated today.

What makes this project so extraordinary is community involvement and the generosity of one particularly fine institution—the Duke Endowment.

The bulk of the funds needed to finance this $12.9 million endeavor came from Hospital Facilities Revenue Bonds, authorized by the Georgetown County Council. Your County officials should be commended for having the foresight to approve these bonds, which, incidentally, involve no financial liability to taxpayers.

However, this community set a goal for itself of raising $1,250,000 in private funds to supplement money raised through the sale of the revenue bonds. Business, industry, and private citizens responded to that challenge in a big way. They not only met the goal in financial pledges, they exceeded it by $600,000.

That goes beyond being an accomplishment of note. It is, quite frankly, one of the most impressive and inspiring examples I have ever witnessed that the American spirit of volunteerism is alive and well.

By undertaking this initiative, your community has demonstrated that this Nation's greatest natural resource truly is its people. By exceeding the financial goal by more than a half million dollars in pledges, you have shown that government does not have to be the prime-mover in community improvement.

I was so impressed by what you have done here that I want the entire Nation to know about the energy and dedication of the people of Georgetown County. In this project, you have set an example for everyone to follow.

When I return to Washington, I plan to recognize this effort in a speech on the Senate floor. Those remarks will then become part of the Congressional Record for everyone to read.

This County also owes its appreciation and gratitude to the Duke Endowment for its generous gift of $900,000 for this project. Mr. Billy McCall, a representative of that prestigious organization, is with us today. This Country can be proud that institutions like the Duke Endowment have such a firm interest in facilities like this one and in helping communities which help themselves.

While Georgetown should consider itself blessed with this hospital, there is one major ingredient which is of critical importance if a health care facility is to fulfill its purpose. I refer, of course, to the staff of this hospital—the doctors, nurses, laboratory technicians, therapists, administrators, and volunteers who determine the success or failure of this kind of institution.

All of these individuals share a common concern for the well-being of all people. In fact, they have dedicated their lives to serving their fellow man and relieving the suffering of others.

I have nothing but respect for those people because they have pledged their lives to the loftiest of goals. There can be no finer professions than those dedicated to serving people, especially in areas as critically important as medicine.

No institution, regardless of how large it may be or how modern its facilities, can effectively accomplish the goal of caring for the sick and healing the afflicted without a staff whose commitment is underscored by a deep sense of compassion.

As I said, people are this Nation's greatest resource, and I salute the staff and management of the Georgetown Hospital for the great contributions they make each day in the lives of the citizens of this community.

This renovation program, however, has provided new tools and facilities for this community to use. The completion of this project is a firm demonstration that private-sector initiatives can thrive in this Nation.

We must not forget that the backbone of the health care system in this country is the private sector. We need to preserve that relationship and guard against unwarranted intrusions by the Federal government into that arena.

Government, rightfully, has a role to play in health care. The renovation program you have undertaken here is a good example of how the private-sector can work hand-in-hand with government.

In closing, let me just say that I stand ready to assist you in any way I can. I want to help ensure that your goal of providing quality health care for all people is preserved and nourished.

May God bless each of you as you seek to help the helpless, give hope to the hopeless, and provide comfort to the afflicted. Thank you for allowing me to share in today's festivities.

[From the Georgetown (S.C.) Times, Mar. 17, 1983]

GEORGETOWN COUNTY MEMORIAL HOSPITAL EXPANSION

(By Alma White)

Georgetown County Memorial Hospital will celebrate the completion of a $12.9-million expansion project Sunday and U.S. Sen. Strom Thurmond will be the keynote speaker for the 2:30 p.m. dedication ceremony.

The Georgetown Presbyterian Church parking lot will be available for parking, and the church will serve as an alternate site in case of rain.

Georgetown's only hospital, a non-profit operation, relied totally on donations and bond sales to meet the financial challenge of funding the additional 70,000-square-foot, three-story wing.

History will repeat itself when Thurmond faces the audience to speak on this special occasion, in light of the fact that Thurmond served as the guest speaker for the original dedication ceremony in 1950.

When the hospital trustee board made an important decision to expand the facilities to a 142-bed medical outfit, it had already assessed the community medical service needs.

In reviewing the needs of the hospital and the community, the board had considered whether it would have been feasibility of building a new hospital or simply expand the existing premises, explained Jim Pulley, the hospital administrator.

"Sometime in 1977, a decision was made that we'll continue to operate as a community hospital with local trustees and expand the existing location," said Pulley.

The hospital sought professional guidance from a public accounting firm—requesting a feasibility study to be done—before concrete decisions were made in regard to the expansion project, Pulley said.

A Chicago-based professional fund-raising firm was contacted, the wheels started to spin and the response for contributions were enormous. The fund raising campaign has surpassed its $1.2-million goal.

The hospital's basic financial support comes from grants and donations. It is a non-profit operation which receives no revenues or indigent funds from the city or county government.

After the architectural/engineering firm had made preliminary plans for the hospital's addition as authorized during the summer of 1978, a certificate of need was submitted the following year and the ground breaking ceremony was held in August 1980, noted Pulley.

Revenues for the hospital expansion project were obtained from an $8.6 million bond sale plus $1.5 million from the hospital's reserve funds in addition to the $1.8 million raised during the fund-raising campaign.

Major pledges were made by:

The Duke Endowment—$900,000

International Paper (IP) Company and IP's Foundation—$150,000

Mrs. Thomas A. Yawkey—$250,000

Mr. and Mrs. William A. Kimbell—$75,000

Georgetown Steel—$150,000

Georgetown County—$200,000

This celebration by no means marks the end of the hospital's upgrading, just the expansion project.

"We have some areas in the present building that will be renovated—the X-ray department and the surgical department," said Pulley.

"We also plan to renovate the nursery," he added.

JOHN CHANCELLOR ON THE NUCLEAR THREAT TO SURVIVAL

Mr. PROXMIRE. Mr. President, recently I saw and heard John Chancellor deliver one of the most powerful and moving television editorials I have ever heard. Chancellor spoke very briefly—took about 90 seconds. But in those 90 seconds he delivered a message to us in the Congress and to the President and his top advisers that we should think about and act on. Chancellor addressed the question of how we win an understanding from this country's leaders of what nuclear weapons really mean—how immensely awesome and devastating they can be.

Mr. President, I challenge Members of this body to read this brief statement and think about it. Just maybe it could help provide the kind of realization that could help us down the long, long path toward restraining the nuclear arms race that—absent that understanding—could destroy all of us, the country we love, civilization and possibly mankind—forever.

Mr. President, I ask unanimous consent that the editorial may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ADDRESS BY JOHN CHANCELLOR

Here's how to watch a nuclear explosion.

Stand five miles away, and just before it goes off, turn around, close your eyes and put your arm across your face.

Like this.

And when it goes off, the light is so bright that even with your eyes shut you can see the bones in your arm, as though you were being x-rayed.

You would not forget.

If you talk to people who've been present at nuclear tests, you find that the experience changed them. Talk to senior officers in the military who have seen tests; many of them came away deeply frightened by what they saw.

There are no more open-air tests, thanks to the test ban treaty of 1963, so there's no way for people today to learn, first-hand, about the terrible power of these weapons.

And when you think about it, most of the world's political leaders have never seen a nuclear weapon explode, and that includes leaders of some of the nuclear nations. They're all talking about something they've never seen.

What if all these world leaders were put aboard a ship in the Pacific Ocean and allowed to see a weapon tested? Close enough to be warmed by its heart, shaken by its blast, awed by the enormity of its fireball?

Chances are, it would change their way of thinking. And when they would meet later with their experts, the ones who talk about nuclear war-fighting, the leaders would be different people, no longer dealing with abstractions and theory.

Seeing one of those things go off might change their lives.

And it might make our lives safer.

A QUEST FOR JUSTICE

Mr. PROXMIRE. Mr. President, Dr. Charles H. Kremer is a remarkable man. I rise today to pay tribute to him and to his tireless efforts against evil and persecution. For the first half of his life, Mr. Kremer ran from persecution; during the last half, his persecutors ran from him.

In 1919, at the age of 21, Charlie Kremer had the courage of youth to run from anti-Semitism in Romania. He made his way to America, but years later while he was safe here, 77 members of his family, unable to escape, were killed by the Nazis.

On a cold night in 1941, Charlie Kremer heard a report of the Jewish Telegraphic Agency from its office in Sofia, Bulgaria:

On Wednesday afternoon, the Iron Guard "general staff" ordered the destruction of the Bucharest Jewish quarter and the murder of its inhabitants.

Storming through the Jewish quarter in a mad orgy of killing and destruction, armed Guardist gangs killed or beat up every person they saw who appeared to be Jewish. . . . The program, which cost the lives of at least 1,000 Jews in Bucharest, was not accidental but an integral part of the Guardist insurrection and had been prepared in advance. . . . The synagogue went up in a pillar of fire and smoke visible from all points of the city.

The most horrifying episode of the program was then reported in great detail, the butchering of over 200 Jews in the municipal slaughterhouse.

One of the men charged with responsibility for that program was Viorel Trifa, the then head of the Guardist student movement called the Green Shirts. Trifa managed to enter the United States in 1950. Since that day, Charlie Kremer has dedicated his life to exposure of Trifa's participation in the genocide of Romanian Jewry.

Recently, the Pennsylvania Gazette, the alumni magazine of the University of Pennsylvania, chronicled those efforts, stating:

Kremer has spent more than $70,000 on gathering documents and written testimony, on telephone calls to hundreds of United States government officials, on demonstrations and paper and postage. He's written thousands of letters to Federal, Christian, and Jewish agencies. In the face of rudeness, governmental indifference, and bureaucratic delay, without moral or financial support of the major American Jewish organizations, without even the aid of his fellow Rumanian Jews in America, Charlie Kremer

has plowed through the years like a horse with blinders in pursuit of Valerian Trifa.

On October 7, 1982, these tireless efforts were rewarded. At a trial on that date, Trifa admitted lying to immigration authorities. Trifa will now be deported for concealing his war crimes.

The story of Charlie Kremer's efforts serves as an important reminder that each of us has a responsibility to speak out against persecution. I do not believe that Charlie Kremer's responsibility is any greater than ours. We all must do our part to stop such atrocities from happening again. One of the ways we can meet this responsibility as U.S. Senators is to ratify the Genocide Convention.

This treaty declares genocide of a national, ethnic, racial, or religious group an international crime. Through its ratification, we lay a cornerstone of support for the efforts of men like Charlie Kremer. I urge my colleagues to show their support through immediate ratification of this important international treaty.

AGRICULTURE

Mr. HELMS. Mr. President, today, March 21, is being celebrated in communities around the Nation as Agriculture Day, in accordance with Public Law 97-318, passed by both Houses last September and approved by the President on October 14, 1982.

As chairman of the Senate Committee on Agriculture, Nutrition, and Forestry, I extend my heartfelt thanks to the American farmers, who provide food and fiber to the people of this and other countries more efficiently than farmers anywhere else in the world.

American agriculture is the backbone of the U.S. economy. What Americans spend on food, clothing, tobacco, shoes, cut flowers, seeds, potted plants, and other products, as well as the export of these products, accounts for 20 percent of our gross national product. In one recent year, the flow of farm products into markets generated $156 billion in the production agriculture sector of the economy and $765 billion in the nonfarm economy.

Even more importantly, all of this economic activity translates into jobs in the private sector. Agriculture generates an estimated 23 million jobs, more than 22 percent of the entire U.S. work force. Eighty-five percent of the jobs related to agriculture are off the farm. Activity on the farm produces jobs in food processing, manufacturing, transportation, trade, retailing, and eating establishments.

The person who ultimately benefits from the efficiency of the agricultural system is the urban consumer. In 1980, the average American consumed more food but spent a smaller percentage of income on food than in 1966. The average American consumes over 1,400 pounds of food each year, but spends only about 12 percent of his after-tax disposable income on groceries. Because food prices have increased less than prices for other consumer goods, Americans can now buy more with 1 day's wage than they could in 1960.

The productive capability of American farmers is particularly amazing when one considers the hazards of the job. Farming is a high-risk proposition. Farmers are each year subjected to unpredictable weather conditions, uncertain economic conditions, finicky consumer demand, fluctuating foreign demand, and, yes, even the changing, unpredictable, and often harmful Government policies. And farmers cannot take vacations or long weekends and forget the pressures of the job. Farming is a 7-days-a-week, 4-weeks-a-month, 12-months-a-year job. Yet through all this adversity, our farmers have provided a constant and reliable supply of inexpensive food and fiber to the consumer.

On this Agriculture Day, I particularly commend Secretary of Agriculture John R. Block. Jack Block has devoted his life to agriculture. In addition to raising corn and hogs on his Illinois farm, he has served as State director of agriculture in Illinois. When President Reagan summoned Jack Block to Washington, he inherited a farm economy that looked like it had been run by too many city folks. Jack Block has brought farmer know-how and ingenuity back to our U.S. farm policy. Make no mistake—it has not been an easy job. The past 2 years have been tough ones for farmers. But in agriculture, just as in the economy in general, we are turning the corner. Much of the credit goes to Jack Block.

Mr. President, I will resist the temptation to go on at great length in priase of the American farmer. Our farmers and agricultural enterprises are all too often taken for granted. We should be grateful to the farmer every day of the year. On this special day of recognition of the American farmer, I wish to extend my heartiest commendation and sincere thanks to our farmers across the land for their dedication and hard work.

I also commend my colleagues on the Senate Agriculture Committee. No committee chairman has ever been blessed with a finer ranking minority member than I have in Senator HUDDLESTON. DEE has always been very sincere, cooperative and fair, and has been a tremendous asset to the committee. The same is true of BOB DOLE, the ranking majority leader. BOB is a very hard-working Senator who is always ready to lead the fight for the farmer. I thank both of these fine friends and colleagues, and all other members of the Senate Agriculture Committee for their hard work and dedication to the American farmer.

AGRICULTURE TRADE ISSUE DRAWS EUROPEAN ATTENTION

Mr. HELMS. Mr. President, the Senate Agriculture Committee has approved S. 822, the Agricultural Export Equity and Market Expansion Act, in an effort to counter foreign export subsidies and expand U.S. farm exports. I commend the members of the committee for their firm and expeditious action.

Next, Mr. President, I anticipate that the full Senate will consider this measure at its earliest opportunity. For too long, American farmers have lost overseas markets—not to fair competition, but to exports subsidized by foreign governments such as the European Economic Community. It is time to stand up for our farmers and counter these subsidies, through negotiation and, if necessary, through action.

Interestingly, this view is held not only by farmers in this country, but by observers in Europe as well. The March 5 issue of The Economist from London points out the economic faults of the EEC's export subsidy policy. While the editorial may overstate the prospects of trade disruptions, it makes this point very clearly: The United States has every chance of prevailing on this issue, as long as we keep our nerve.

No one knows this truth better than the Europeans themselves. It is a useful reminder to Senators and to the American public.

The United States does not seek a permanent policy of export subsidies. Certainly, we do not seek a trade war. But we do seek to stand up for American interests, and firm action on our part shguld encourage a solution that is better for American farmers, and ultimately better for the people of Europe as well.

Mr. President, I ask unanimous consent that the editorial from The Economist be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EUROPEANS WILL LOSE IF THE EEC WINS ITS FARM TRADE WAR AGAINST AMERICA

Let the fur fly—and the butter and flour and wheat, too—in the fight over farm trade between the United States and Europe. Americans have decided to subsidize the sale of Im tonnes of flour to Egypt, to get that market back from Europeans. In retaliation the European community is offering some $80 of subsidy per tonne of wheat sold to China, a big customer for American grains. Cheer like mad: the resulting chaos just might persuade European governments at last to insist on overdue economies in the EEC's common agricultural policy (CAP).

Europe's farm policy has helped increase the EEC's share of world food exports from 8 percent in 1976 to around 17 percent now, and to make the common market the world's second biggest exporter of food after

America. These trade gains do not result from efficiency, much though that has improved in Europe during the CAP years. Wheat still costs about $210 a tonne in Europe against $130 a tonne in America. Europe's new export markets are primarily the result of massive subsidies.

The CAP is budgeted to cost $14 billion in 1983, and this tells less than half the story. The hidden costs of the combination of European protectionism and subsidies are far higher, both in much-higher-than-necessary food prices in Europe and in the damage done to agricultural production in the Commonwealth and the third world by dumped European surpluses.

The EEC's cure for a farm-subsidy war is worse than the disease. It wants an agreement that will carve up world trade in agriculture. It is in nearly everybody's interests, not least those of European consumers, that America says no and redoubles its retaliatory dumping of food on world markets.

Since American farmers produce most food far more cheaply than European farmers, the Reagan administration has every chance of winning the fight so long as it keeps its nerve. A few months of chaos on the world's food markets may be the price, but it is a price well worth paying if it forces the acceptance of some recognition of the laws of comparative advantage in agriculture.

The CAP has resisted every effort to reform it from within and the EEC farm ministers are now engaged in the annual haggle that customarily ends with yet another increase in food prices. The General Agreement on Tariffs and Trade (the Gatt) has again shown itself ill-equipped to introduce sense into agricultural trade, by rejecting an American complaint that the EEC is unfairly filching new markets for wheat flour. Let battle continue, and root for America.

THE NOMINATION OF WILLIAM RUCKELSHAUS AS EPA ADMINISTRATOR

Mr. BAKER. Mr. President, earlier this afternoon I had the opportunity to meet with William Ruckelshaus, President Reagan's nominee to be the new Administrator of the Environmental Protection Agency, and I must confess that I am most excited by this appointment.

I have known Bill Ruckelshaus for over 15 years. When Bill served as the first chief of the EPA from 1970 to 1973, I worked with him and Senator Muskie and Senator RANDOLPH and others in forging several of the country's most important pieces of environmental legislation.

There is no doubt in my mind that Bill Ruckelshaus will be able to administer and lead the EPA in the manner that it should be. I am confident of his ability as one of the caretakers of our environment, and I am confident of his ability to work with President Reagan and the Congress to insure that actions and policy are responsible and part of a comprehensive plan to save and protect our land resources.

ISRAELI ACTIONS IN LEBANON

Mr. STEVENS. Mr. President, I recently received an article from a close friend, printed in the Chicago Tribune on September 20, 1982, regarding a misperception that Israel and, in particular, Prime Minister Begin, do not desire a peaceful solution to the crisis in the Middle East. The article is written by Sister Margaret Ellen Traxler, director of the Institute of Women Today and member of the board of the National Coalition of American Nuns.

In the midst of all the accusations of Israeli aggression, the fact that Israel's move into Lebanon was in reaction to PLO terrorism is conveniently forgotten. The article points to other Western leaders who have, in the past, authorized similar actions to protect the welfare of the citizens of their respective nations.

Mr. President, I ask unanimous consent that Sister Traxler's article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY IS BEGIN CALLED A WARMONGER?

(By Margaret Ellen Traxler)

It is presently fashionable to forget that Menachem Begin returned the Sinai Peninsula—with an area three times larger than pre-1967 Israel—to Egypt less than five months ago. Why did he do such a thing? For peace.

In post-World War II history, no other nation has made such a concrete gesture for peace. The Soviets still hold parts of Japan, the United States occupies Pacific Islands wrested from the Japanese. Much of Germany is now Poland, and Northern Ireland is as yet still British. No other leader in memory has voluntarily returned land—when not at the point of a gun—to previously hostile neighbor, and where war and bloodshed once reigned there is now peace.

Yet Menachem Begin is considered a warmonger.

Israel was roundly condemned by the entire world when it bombed the Iraqi nuclear reactor 15 months ago, not in the least by the disarmament factions both here and in Europe, even though almost all reasonably neutral observers believed Iraq was about to "go hot" and activate the reactor for the purpose of building nuclear weapons.

It is highly likely that such weapons would have been used against Iran during Iraq's recent reverses in their border war, but the press said nothing. One of the most volatile and warlike nations in the world was denied nuclear weapons by what even its detractors concede was a surgical strike, yet the consensus remains the same.

Menachem Begin is a warmonger.

During the uneasy years of the 1930's when Western Europe masked its failure of will towards blatant Nazi aggression with the panglossian plea for "peace in our time," Winston Churchill (then out of office, he was considered a "warmonger," also) publicly despaired that civilization was purposely blinding itself to the realization that evil does, indeed, exist in the world; that sterner measures early on could save untold thousands in the future, but he was ignored.

The German blitzkrieg brought England to its senses just in time—too late for France, however—and civilization was saved. The cost: probably 50 million lives. Churchill is now remembered as a revered hero.

And Menachem Begin is a warmonger.

While it is perhaps altogether too calculating to remind observers of the recent events in Lebanon of Gen. Charles de Gaulle's (another warmonger) famous aside that "blood dries fast," this is, sadly, so.

The suffering of the Palestinian and Lebanese civilians in the confilct was indeed horrible and reprehensible. The media have amply brought home the fundamental fact of war into our houses every night—people do die during wartime. But the media never did adequately cover the bloodshed of the last six years in Lebanon—more than 100,000 killed by most estimates—and this double standard is their hypocrisy and shame.

Before the Israeli invasion (and no matter what the semanticists call it, it was an invasion), the Lebanese had no hope. They were destined to an unending horror of fraticide and civil war. The Syrians occupied half of the country through "invitation" and armor, primarily the latter.

The Palestinians, originally granted refuge from the rest of the Arab world by the benevolence of the Lebanese people, repaid that charity by plunging the nation into civil war, killing untold tens of thousands of innocent Christians and Moslems in the process, mocking Lebanese sovereignty by creating a state within a state—all to attack civilian Israelis. Yet the PLO is considered a humanitarian organization.

And Menachem Begin is a warmonger.

The media have also failed adequately to report the ongoing terrorist outrages perpetrated by the PLO against innocent Israeli civilians during the last 12 years.

Does anyone remember Kiryat Sbemona, 1974? PLO terrorists based in southern Lebanon burst into an elementary school in that town and murdered more than 20 Israeli schoolchildren.

And then there was the attack on a civilian bus on the coastal road in 1978, where a dozen stalwart PLO fighters machine gunned and grenaded that bus, killing 35 innocent people.

And then there was the Naharlya massacre. You might remember Naharlya as the small Israeli town near the Lebanese border that was under consistent PLO rocket barrage before the June operation. A few years earlier, PLO murderers attacked an apartment building (the PLO never attacks military targets—there is too much of a chance that they will find someone with the means to fight back) in a quiet residential neighborhood and took a young father and child hostage.

A young mother nearby, hysterical, hid in a closet and accidentally smothered her baby with a pillow while attempting to quiet its cries. When Israeli troops surrounded the area, the terrorists took their hostages to the beach. When the Israelis closed in, one PLO hero shot the father dead, another picked the infant up by the heels and dashed her brains out.

The raid was planned and sanctioned by Yasser Arafat, the very same man who posed with babies in his arms throughout the Beirut stalemate. Had the customarily clever members of the media been less biased in their coverage, there is little doubt that this horrible juxtaposition would have been noted and condemned. The headline "Yasser, that's my baby" comes to mind,

but nothing was reported. The baby-killer Arafat is now a humanitarian and a hero.

And Menachem Begin is a warmonger.

It is basic political theory that the fundamental responsibility of government is to protect its citizens from outside attack. Prime Minister Begin took this responsibility seriously. He could not stand idly by to watch the continuous murder of Israel's people by rocket, grenade and automatic rifle.

American Presidents could do no less. In 1916, President Woodrow Wilson sent an expeditionary force into Mexico after Mexican bandits operating outside the control of the central Mexican government. The bandits had killed several Americans in a raid on a sleepy New Mexican town. Wilson knew his duty, and he sent Gen. John J. Pershing to do the job.

Suppose Canada was in chaos and armed French Separatists periodically attacked New England villages in response to American support for the central Canadian government? Would the U.S. ask for a UN study on the root causes of French-English Canadian hostilities?

No, we would defend our citizens, and with vigor.

While the civilian toll in Lebanon was terrible, there is now little doubt that Lebanon finally has the chance to pull itself back together, to the benefit of all its citizens. Before, there was only bloodshed, but no hope. Now there is that hope to sustain all of those who have suffered so much. Facile but naive pundits are fond of saying that no war can solve anything. This is a patent absurdity. War solved Hitler. War gave our nation independence. Perhaps now it can do the same for Lebanon.

Yet Menachem Begin is a warmonger.

Now there is the peace plan proposed by President Reagan. What does it ask of the Arabs? Nothing. What does it ask of Israel? That it withdraws to terribly insecure borders—at one point leaving the country less than 15 miles wide—in exchange for assurances from tyrants who have amply proven they cannot be trusted. The United States has told Israel that it will assure its security. But do you want to send American troops if such a responsibility must be honored?

We also made assurances to the Shah of Iran. He died a hounded exile. We made assurances to the South Vietnamese. Now there is no South Vietnam. We made assurances to Taiwan. Now we are very quietly casting that country adrift in favor of improved relations with Mainland China. Unfortunately, our assurances do not mean much anymore, and Prime Minister Begin does not want to risk the very existence of his nation upon them.

So Menachem Begin is a warmonger.

The Camp David treaty was not an amorphous mist, a vague spirit—it was a contract. Each side had its own rights and obligations that were spelled out in great detail. Obviously, some point one side did not agree to is not a part of such a contract, and the vague spirits President Reagan seems to be summoning forth as part of this contract simply are not part of the deal.

It is very easy to pressure Israel now. In exchange for a set of signatures the Israelis voluntarily withdrew from a huge buffer zone, several ultra-sophisticated military bases and oil fields that provided a large proportion of the nation's energy needs. In exchange for this sacrifice, the Israelis agreed to diplomatic relations with Egypt and a very detailed schedule of negotiations on the Palestinian issue. They have fulfilled their responsibilities to the letter and have fulfilled their end of the contract. Now it is time for us to do the same.

Insisting that the United States keep its word does not make Menachem Begin a warmonger.

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WARNER). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

SOCIAL SECURITY ACT AMENDMENTS OF 1983

The PRESIDING OFFICER. The unfinished business will be stated.

The acting assistant legislative clerk read as follows:

A bill (H.R. 1900) to assure the solvency of the Social Security Trust Funds, to reform the Medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes.

The Senate resumed consideration of the bill.

Mr. DOLE. Mr. President, I shall take a minute to notify Senators, who are in their offices, or their staffs, that we wish to immediately start work on the Social Security Act Amendments of 1983.

There are a number of amendments that I understand will be brought up. Some may require rollcall votes.

The pending amendment is the amendment offered by the Senator from New Jersey (Mr. BRADLEY). We are certainly willing to proceed with that amendment.

The distinguished Senator from Colorado (Mr. ARMSTRONG) has a couple of amendments. We are willing to proceed with those amendments. The Senator from Florida (Mrs. HAWKINS) has an amendment. We are willing to proceed with that amendment.

But I hope that we can have the cooperation of Senators so that we can move this bill along and hopefully finish it this evening because we have at least six or seven amendments which may require rollcall votes.

So, Mr. President, I hope that those who have amendments will come to the Chamber at the earliest possible time so we may dispose of these amendments in a timely fashion.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, when the Senate convened today, I indicated that there were a number of absentees and it would appear to be very difficult to anticipate final passage of this bill today, with the likelihood that we would have to go over until tomorrow. For a change, I have good news, Mr. President. I have to report that our absentee list has shrunk to less than half the size reported to me earlier today.

While we have an agreement and understanding that there will be no votes prior to 2:30 p.m. this afternoon, I urge the managers of this bill to get on with the matter at hand and see if we cannot finish this bill today at a reasonable hour or, if we cannot finish it, at least make substantial progress toward that goal. I am prepared to stay as long as the managers want to stay, but so that Members may make their plans—and I know a good number may have to rearrange or remake their plans based on the schedule today—I also ask that we get an appraisal soon of how much we can do, whether we can finish, and to what time the managers would like to go.

With that, Mr. President, let me rescind the statement I made earlier. We may be here later than I had thought. We may be able to finish the bill. That is still a fond hope, perhaps, but I think it has improved considerably by the reduction in the number of absentees that had been reported.

AMENDMENT NO. 520

The amendment is as follows:

On page 100, between lines 12 and 13, insert the following:

DISABILITY RETIREMENT BENEFITS

SEC. . (a) Title II of the Social Secuirty Act is amended by adding at the end thereof the following new section:

DISABILITY RETIREMENT BENEFITS

SEC. 234. (a) Every individual who—

"(1) meets the criteria for entitlement to old-age insurance benefits which are specified in paragraphs (1) and (2) of section 202(a) (but only if he first meets the criterion specified in paragraph (2) of such section in or after the calendar year 2000).

"(2) is under an occupational disability (as defined in subsection (c) of this section); and

"(3) has filed application for disability retirement benefits.

shall be entitled to a disability retirement benefit for each month beginning with the first month for which he would be so entitled under clause (A) or (B) of section 202(a) if such benefit were an old-age insurance benefit, and ending with the month preceding whichever of the following months is the earlier: the month in which he dies, or

the month in which he attains retirment age (as defined in section 216(1)).

"(b) Except as provided in section 202(q)(12), an individual's disability retirement benefit for any month shall be equal to his primary insurance amount (as defined in section 215(a)) for such month.

"(c) For purposes of this title, the term occupational disability' (with respect to any individual) means the inability of such individual, by reason of any medically determinable physical or mental impairment (as defined in section 223(d)(3)), to engage in substantial gainful activity of the type primarily performed by such individual during the 10-year period immediately preceding the onset of such inability (or, if such individual has not engaged in any one type of such activity for 2 years or more during such 10-year period, the inability to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time).

"(d) The Secretary shall by regulations prescribe the criteria for determining whether or not an individual is under an occupational disability; and an individual shall not be considered to be under an occupational disability unless he furnishes such medical and other evidence of the existence thereof as the Secretary may require.

"(e) Except as otherwise specified in this section or in other sections of this Act, the provisions of this title shall apply with respect to disability retirement benefits in the same way they apply with respect to old-age insurance benefits.".

"(b)(1) Section 201(h) of such Act is amended by inserting ", including payments of disability retirement benefits," after "226)".

"(2) Section 202(a)(3) of such Act (as amended by section 201(c)(1)(A) of this Act) is further amended by inserting "or disability retirement benefits" after "disability insurance benefits".

"(3) Section 202(q) of such Act is amended by adding at the end thereof the following new paragraph:

"(12) Paragraph (1) of this subsection shall apply with respect to disability retirement benefits payable under section 234 in the same way it applies with respect to old-age insurance benefits; except that paragraph (9) shall not apply and, with respect to an individual applying for or receiving disability retirement benefits, the reduction period and adjusted reduction period for any such benefit shall be determined under paragraph (7) as though retirement age (as otherwise defined in section 216(1)) were age 65.".

(4) Section 226(b)(2)(A) of such Act is amended—

(A) by inserting "or 234" after "benefits under section 202" in subsection (a)(2)(A); and

(B) by adding after "or" at the end of subsection (b)(2)(A) the following new clause:

(iv) disability retirement benefits under section 234, or".

(c) The amendments made by this section shall apply only with respect to benefits for months after December 1999.

Mr. DOLE. Mr. President, as I understand it, the pending amendment is the Bradley amendment, is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOLE. The Senator from New Jersey, as I recall, did briefly discuss the amendment last Thursday. At that time, I suggested to the distinguished Senator that he give us an opportunity to look at it, because it is an area that the Senator from Kansas had not had a chance to focus on. We have since had that opportunity.

The amendment does not take effect until the year 2000, so I hope we shall not have to rush in to do something today that is not going to take place until the year 2000. We have not had 5 minutes of hearings on this in the Finance Committee. It does liberalize the eligibility for disability benefits for older workers in the year 2000 when the increase in the retirement age becomes effective. It would cost something like $600 million a year in 1983 dollars, which is .04 percent of the taxable payroll in the long range. The proposal would work, as I understand it, so that people age 62 or older who are not disabled enough to qualify for benefits under the regular DI program would be eligible to receive payments out of the retirement fund if they were 'occupationally disabled." this would include people who could no longer perform the major occupation they held during the preceding 10 years. Such people would then receive benefits financed out of the old-age and survivors insurance trust fund at a rate equal to the amount payable to early retirees under present law. In other words, they would not receive full benefits—as they would if they met the regular DI eligibility requirements—nor would they suffer the full penalty for early retirement that would be in effect under S. 1 after the turn of the century.

An "occupationally disabled" person aged 62 after the year 2000 would be eligible for 80 percent of his full benefits, rather than 75 percent were he or she to simply take early retirement.

Mr. President, this amendment may have great merit. I assume it does or it would not be offered by the distinguished Senator from New Jersey, but raising the retirement age will clearly put new strains on the DI program. The majority of the National Commission acknowledged this in the statement recommending that the retirement age be increased.

As stated in the Commission report:

Because some workers, particularly those in physically demanding employment, may not benefit from improvements in mortality and be able to work longer, we assume that the disability program will be improved prior to the implementation of this recommendation to take into account the special problems of those between age 62 and the normal retirement age who are unable to extend their working careers for health reasons.

It is not that I am not sympathetic to the idea of the Senator from New Jersey. It just seems to me it is an area we ought to look at carefully before we suggest adopting it on the House program. It is not in the House bill. I suggest we schedule hearings on this proposal. Again, I see no great urgency, since we have some time before we reach the year 2000. Some have more time than others.

I support the approach in the House bill of studying our options carefully. We have the time. As I have said, the retirement age does not change for another 17 years, then only a month a year.

The House bill (H.R. 1900) would require the Secretary of Health and Human Services to report to Congress by January 1, 1986, with a comprehensive study of the implications of raising the retirement age for people in physically demanding jobs and those with health problems. Such a report would contain any recommendations the Secretary finds necessary or desirable.

On that basis, Mr. President, I hope we might reject this amendment.

Mr. BRADLEY. Mr. President, this amendment is a very important message to send to that small group of working Americans who look at the action of the Senate with regard to retirement age and conclude that, while indeed, life expectancy has increased, their ability to work longer has not increased commensurate with that raising of the retirement age. There are still people in very difficult manual labor jobs in the country who, by the time they reach age 62, are ready for retirement, and certainly by the time they reach age 65 are ready for retirement. All my amendment does is say to this group of Americans that they shall not be penalized because of the action that this Congress will no doubt take in raising the retirement age.

As it is now, a worker can opt to retire at age 62 and receive 80 percent of his benefits. Under the Finance Committee bill, once the retirement age is reversed, that benefit would drop to 75 percent of his full retirement benefit if he chose to retire at age 62. Likewise, at age 63, under current law, if a person chooses to retire because his profession is exceedingly difficult, he or she could receive 87 percent of the full retirement benefit. Under the bill pending before the Senate, that benefit would be reduced to 80 percent. Under current law, if a person chooses to retire for health reasons at age 64, he presently will receive 93 percent of his full retirement benefits. Under the bill we are now considering, that would be reduced to 87 percent of the full retirement benefit. At age 65, under current law, a person who chooses to retire may receive a full 100 percent of his retirement benefit. But under the bill that we are now considering, that person who is planning to retire at age 65 will have that benefit cut to 93 percent of

his full retirement and it will not be until age 66 that he will be able to receive 100 percent of what has been promised to him through the social security system.

Mr. President, all this amendment says is that people with poor health who are working in difficult professions—in professions in which manual labor and occupational strain and occupational safety are very real threats to their physical well-being—if they choose to retire at age 62, they should have the same rights and benefit levels as they do under current law prior to the proposed changes in the social security retirement age. That is all this amendment says. It will be characterized by some as an enormous new disability program. It is not. It simply holds harmless those people who are out there today who would qualify for early retirement and get 80 percent of the social security benefit.

I say let us not cut him back arbitrarily to 75 percent of their full benefits. Why 75? Why not 85, why not 70, why not 80? What is the rationale for 75 percent?

Mr. President, this amendment is, I think, a prudent amendment because it has a much smaller eligibility pool than the disability program. There are about 100 million workers in the United States today, and all are potentially eligible for disability benefits, but the eligibility pool for people helped by this amendment is not all 100 million workers. It is, rather, about 6 million workers—those people who are between the ages of 62 and 66. So this is not a new large disability program that 100 million people will be eligible for. This is a very narrow program that attempts to hold harmless those people who themselves have had very dangerous work experiences and deserve the same retirement benefit as they would receive under current law.

Another point, Mr. President, is that the cost per award for this new program is significantly smaller than the regular disability program. The average disability worker with a family who qualifies for disability insurance now receives about $841 per month. For our program, the average increase over the regular OASI benefit that a worker with a spouse would receive is about $35 to $50 a month. That is all. It is not a new disability program costing an additional $800 a month per worker. It says to those 6 million workers between the ages of 62 and 66 that if they, indeed, are in a line of work that is adverse to their health, they should have the right to get the same benefits as they would under current law, which means an additional $35 to $50 a month.

Mr. President, to say to someone who has had a very dangerous occupation, someone who has worked in a steel mill for 30 years, or someone who has worked in an asbestos factory or in a coal mine, or whatever, "Yes, you can retire at age 62 but if you retire, you can only get 75 percent of your benefit instead of 80 percent," I think, is the wrong message to send to a large number of American workers.

Mr. President, the growth in the disability program, indeed, has exceeded expectations and the question has to be asked: Will the same thing happen to this program? Mr. President, I say no for two reasons. First, we have a smaller eligibility pool—not 100 million workers eligible but only 6 million workers eligible. And, second, the cost per award is much smaller—not $841 per month but $35 to $50 per month.

Mr. President, we are legitimately addressing a very ciritical issue—the long- and short-term stability of the social security system. We should not neglect what a majority of the members of the Social Security Commission itself said about the need for this kind of amendment. Mr. President, a majority of the members of the Social Security Commission, including Senators DOLE and HEINZ, recommended that the retirement age be raised, that is true. In addition, these same members recommended a liberalization of the disability program for those aged 62 or above, and I quote from the Commission report:

> Disability benefits are now available under somewhat less stringent definitions for those age 60 to 64. However, because some workers, particularly those in physically demanding employment, may not benefit from improvements in mortality and be able to work longer, we assume that the disability benefits program will be improved prior to the implementation of this recommendation to take into account the special problems of those between age 62 and the normal retirement age who are unable to extend their working careers for health reasons.

Mr. President, that is not the Senator from New Jersey speaking. That is not the Senator from Louisiana speaking. That is not the Senator from Iowa speaking. That is a majority of the members of the Social Security Commission, composed of that wide spectrum of American political life, that came together and gave us a solution in very difficult political times to the threat that exists out there to our social security system. The recommendation I have just read comes from the Commission, not from any one Senator, and it says very clearly, "Let us do something about those who will have their benefits reduced if they, indeed, fall under, as they will if we do nothing, this change in the retirement age of the social security system."

So, Mr. President, it finally comes down to a question of timing: Do we pass an amendment such as this that clearly expresses the intent of Congress to hold harmless these older workers in ill health who are in dangerous professions? Do we provide for these people the right for an early retirement benefit or do we simply commission a study and say to these people, "Your day will come in the future. Maybe."

Mr. President, I think that my conclusion is quite clear. It is important for us to include this amendment in this bill to say to that group of Americans that they still count, and that they will be protected. Mr. President, I prefer to act now and tell these people out there who are working that we are going to be able to hold them harmless against charges in the retirement age. The Secretary still has 17 years to devise regulations that will answer the worry of every Senator about the possibility that this program might be abused, which, as I have said, because of a smaller eligibility pool and a smaller increase in benefit, is highly unlikely.

Mr. President, I do not think that that is too much to ask, and that is, indeed, why I have offered this amendment. It comes again at the time when we are proposing to raise the retirement age from 65 to 66—the House has raised it to 67—and, indeed, to reduce early retirement benefits. The amendment is quite simple, and I hope that the Senate will see its merit and adopt it.

Mr. President, I ask unanimous consent that the following individuals be added as cosponsors: Senators HOLLINGS, SASSER, HART, GLENN, and BIDEN.

Mr. SASSER. Mr. President, I rise today to offer my support for the amendment offered by the distinguished Senator from New Jersey (Mr. BRADLEY). The issue of raising the retirement age is one which certainly cannot be taken lightly. The amendment offered by the Senator from New Jersey sufficiently addresses serious inequities which would exist if the retirement age were simply raised without regard for those who find that they no longer can work past a certain age.

I have had grave reservations over raising the retirement age above 65 because of its adverse effects upon the early retirement benefit formula. For many workers, particularly those in stressful or physically demanding occupations, it is important to keep the option to retire early open. Very simply put, there are many individuals who cannot work past the age of 62. These individuals must be afforded protection from an unwarranted reduction in early retirement benefits. The Bradley amendment provides this protection.

Supporters of raising the retirement age point to demographics: longer life expectancy rates and labor supply shortages in the coming century. These statistical calculations, however accurate, fail to take into account

workers with poor health, low skill levels, and inconsistent work histories who will be unable to work or will be unable to find employment when they are older. The Bradley amendment would establish a new program that will allow a limited group of workers aged 62 up to the "normal retirement" age to qualify for "disability retirement benefits." Workers qualify for these benefits if they can demonstrate inability to perform the major occupation they had held during the 10-year period before the onset of their disability. The costs of the program are minimal, estimated to be 0.04 percent of payroll, and benefits would be paid out of the Old-Age and Survivors Insurance Trust Fund.

Without this amendment, I believe it would be very hard for many of us here to support raising the retirement age to conform to the Senate Finance Committee recommendations. Thus, I urge my colleagues to join me in lending support for this needed amendment.

THE DISABILITY RETIREMENT SAFETY NET

● Mr. GLENN. Mr. President, I am please to cosponsor the disability retirement amendment offered by the Senator from New Jersey (Mr. BRADLEY), which would all a measure of fairness to the provision of the social security bill which raises the retirement age for full benefits.

If we increase social security's retirement age, we need to have a safety net for older persons, who for health reasons, cannot continue working. This amendment provides that a limited number of workers between the ages of 62 and 66 would receive a "disability retirement" benefit if they are unable to continue their jobs because of poor health. These benefits would be paid according to the current law retirement benefit formula.

The disability retirement amendment's purpose is to provide financial protection for those older workers who cannot keep their jobs because of poor health, yet cannot meet the stringent standards of the regular disability insurance program. It would allow these workers to retire with dignity and security. Older workers would be eligible for benefits if they can show they can no longer perform the major type of work they did before the onset of health problems. This is of particular importance for manual laborers.

The savings provided for in the Finance Committee bill slightly exceed those estimated as necessary to insure the long-term solvency of the social security system by 0.08 percent of payroll. Since the amendment is targeted to help a specific group of workers—an estimated 10 percent of future retirees—it would not be a solvency buster. Rough calculations show its long-term cost to be relatively low—0.04 percent of payroll—which can be accommodated by the bill's savings.

Overall life expectancy has increased since the 1930's. This has not been at issue in the debate over increasing social security's retirement age. One of the major questions has been whether there will be parallel improvements in health and the ability to work, and whether certain groups of people will be unable to participate in a trend toward longer working life.

The National Commission on Social Security Reform had two witnesses who testified on the issue of increasing social security's retirement age. They were Dr. Jacob Feldman from the National Center for Health Statistics and Dr. Robert Butler, formerly Director of the National Institute on Aging. Their testimony supported the conclusion that an increase in retirement age would have a disproportionate impact on some future retirees.

Dr. Feldman testified that the downward trend in mortality for men aged 50 to 69 had been matched by increases in the incidence of disability, For men aged 60 to 64, Dr. Feldman said that during the past decade the rate of longevity has improved 10 percent, but during this same time, the disability incidence rate has increased 26 percent.

Dr. Butler told the Commission that minority citizens in physically demanding jobs largely retired before age 65. Unfortunately, at this time, these citizens still endure poorer health and mortality rates nearly double of other workers. They suffer the addition burden of a higher unemployment rate.

Dr. Butler's testimony is consistent with data from the Department of Labor's national longitudinal survey, which has shown health and one's employment history tend to interact to cause retirement from the labor force before age 65. A study published just a few months ago in the Social Security Bulletin, "Mortality and Early Retirement," offered additional analysis that workers seeking retirement at age 62 were more likely to suffer health problems and higher death rates than other workers.

Available evidence demonstrates that workers who retire early for the reason of poor health tend to be the recipients of lower social security benefits. Many of them spend a lifetime in physically demanding jobs. These are the people who cannot afford significant reductions in their social security checks and are most in need of full, early retirement benefits.

I commend Senator BRADLEY for his work on this amendment and for raising the issue for the Senate's consideration. I urge all my colleagues to vote for the pending amendment.●

Mr. LONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. LONG. Mr. President, I regret that I cannot support the amendment.

The Senator from Louisiana was one of those who sponsored the amendment many years ago to provide disability benefits both under public welfare and under social security.

Mr. President, our experience in that program has been disappointing in that we had so many more people who have claimed and obtained the disability benefits than we had in mind. I recall when Walter George, a Senator from Georgia at the time and former chairman of the Senate Finance Committee, made the closing speech for the amendment on social security. He laid out the number of people that we expected to be affected. His estimate was based on what he could obtain from the Department and from other sources.

Looking at our disability program today, we have about three times the number of people in that program, with the program costing about three times as much in terms of percent of payroll, as the Senator from Georgia estimated at that time.

As a cosponsor of the amendment, I know that I was in good faith in supporting it and voting for it, and so were the other cosponsors. I am sure the same applied to every Senator who voted for that disability proposal.

What happened down through the years was just human nature, I suppose, among those administering such a program, which would cause them to be more tolerant toward those persons who were handicapped, who were partially disabled but not totally and permanently disabled.

We have a program today costing about $18 billion in social security alone because of disability, in terms of percent of payroll, about three times what we estimated that program would be costing us at this point.

I am not here to look with scorn on those judges and the administrative personnel who handled this program down through the years. I believe that with regard to many of these people who obviously had a severe disability, looking at it personally, they would be inclined to be sympathetic toward the applicant. In many cases, the applicant would know that he could retire on disability if he could persuade others that he was disabled. He would start out by persuading himself he was disabled, and then persuade others that he was disabled, including the persons who had the responsibility to handle the administrative appeals.

I can just picture a judge, having reversed the people in the Department who found that this applicant was not disabled, saying to himself: "Well, I think I will sleep well tonight. I know that person wasn't really totally and permanently disabled, but I felt sorry for that man and his family. They need the income, and that fellow probably couldn't find a job anywhere else.

So, thanks to my decision, he will be taken care of, at the taxpayers' expense, from this day until the good Lord calls him home. While I know that is not what Congress had in mind, I don't feel bad about it. I feel good about it. I'll have a good night's rest by deciding that case in that person's favor."

I have no doubt that that is the way a lot of judges looked at it when they were restoring to the rolls those people who had been found not to be totally and permanently disabled and who were never intended to go under that program.

We are having great difficulty trying to get the genie back into the bottle, and so far we have not succeeded in doing that.

I think that if Congress at this point voted a benefit for occupational disability, which would obviously be intended to be a liberalized standard of disability, this would indicate that Congress is not really serious about staying to the strict definition of disability that is in the law.

Things have happened in recent years to give signals to those who are trying to administer programs for us out there, tough though it may be to reject people who are severely handicapped, but not totally disabled. The signals coming from Congress have not always been as clear as they are today. For us now to put into the law a program for occupational disability can only be construed by those who are out there in the field, trying to do what Congress intended—and that is to provide disability benefits only where somebody is so disabled that the person is incapable of holding any job, incapable of earning any substantial income from gainful employment of any sort—that Congress is retreating from the position it took.

Mr. President, if this provision is to be approved by the Congress, I have no doubt that if it becomes the law, long before the effective date of this provision, long before the year 2000, there will be other amendments triggering more benefits to persons who are occupationally disabled; and I have a lot of sympathy with that.

It was my father, as a young lawyer, and his brother, a more senior lawyer to him, in the State of Louisiana, who played a major part in winning the lawsuits to have a person construed in our State has being totally and permanently disabled when a person was occupationally disabled; this is, disqualified to do the job that person had done previously.

The State law had provided that there would be a certain benefit schedule if a person lost a hand, and there would be a larger benefit schedule if he lost two hands, and a still larger benefit schedule if he were totally disabled. In the case of my father and his brother, they were successful in persuading the court that if a person had been a switchman on a railroad and had a job that required two useful hands, he was totally disabled if he lost one hand. I find much sympathy for that type of proposal because it runs in my family tradition.

However, Mr. President, must we do this now, understanding that during the next 18 years this will be setting the stage for large increases in disability payments in other programs, totally unrelated to this?

It challenges the imagination to think of the many different situations in which one can urge that this precedent be used to advance disability coverage to others. If we put this into the law, how can anyone contend that, once having provided a special benefit for disability on an occupational basis at age 62, we should stop at age 62? Cannot Senators understand how a Senator in the future could appear with his amendent and say, "The Congress has already agreed that this person ought to receive retirement benefits for occupational disability at age 62. That is agreed in the law. Having agreed to that, why should he have to be 62? Why not 60? Why not 56? Why not 52? Why not 50? How can you be so cruel? This person is disabled from doing that job, and he is only 49 years old."

Mr. President, from what begins to be a small acorn, a giant oak grows; so that the taxpayers, in due course, are picking up the tab for all this.

That has been the history of many of these spending programs, particularly in the social welfare area. Someone starts out with something, makes an eloquent appeal, such as today, and in due course he sells Congress on it, without Congress thinking about the ramifications and what happens further down the road.

I know there is no particular joy to me—and there is no particular joy to the Senator from Kansas—to stand here and oppose more and more benefits, to advocate that we tighten up on programs rather than loosening up on them. But that sort of duty besets one when he assumes a position of responsibility.

It was a degree of pressure this Senator never experienced before, when he became the ranking member of the Finance Committee and at one time the chairman of the committee, to have to be the one to oppose all these proposals that were going to do many things for many people, at great expense—some of them at not such great expense—knowing that we do not have the money to pay for them.

But, Mr. President, this would do no good for anyone for the next 18 years. As the Senator from Kansas, the distinguished chairman of the committee has pointed out, if this is right we have plenty of time to do this during this next 18 years. If it is not something we can afford, we would be unwise to set a precedent that would lead to a great deal of additional cost in other areas that the mind of man cannot fully anticipate at this moment.

I hope that the amendment will not be agreed to at this point and that this proposed liberalization, along with others that will be suggested, will be reserved by the Senate for hearings on future social security and public welfare bills, because this is an area that we will continue to explore. This is an area that in time we may want to liberalize. But I submit that the time is not yet here.

Mr. BRADLEY. Mr. President, I appreciate the comments of the distinguished Senator from Louisiana. Indeed he found himself in very difficult positions when he was chairman of the Finance Committee in the Chamber arguing against expansions of the disability program. I understand his long record of responsible spending policy, and I understand it is not easy to do what he has done over the years.

But I would argue to the Senator from Louisiana that this is a different kettle of fish—that the pool of potential eligibles for this new program is not 100 million workers as it is under the disability program. It is only about 6 million workers who find themselves between the ages of 62 and 66.

Mr. President, I understand how the Senator can say that it is very difficult to know whether someone is really disabled when he is there before a judge with his human case. Indeed, judges possibly allow more people on the disabity rolls under the law because of this human factor.

Same paragraph but under my amendments, that human factor is limited by one thing, and that is demographics. There are only a certain number of people between the ages of 62 and 66 and they are only a fraction of the number potentially eligible for disability.

Mr. President, the Senator's other fear is that if we take this step to hold harmless those people who are out there working in manual jobs and dangerous occupations, somehow or other we will lower the age from 62 to 60 and then 55. I think it is important to remember that it was in 1956 that early retirement for women was put into the law and 1961 that early retirement for men was put in the law. So, Mr. President, I argue that it would be unlikely that we would do anything irrationally on the retirement age since we have not done anything since 1961 for men and 1956 for women.

I think the best way to get at the modesty of this amendment is to take a human situation and look at what the law is today, what it would be under the bill presently pending, and

then what it would be if this amendment is passed.

Mr. President, right now let us say that one is a steelworker. He reaches age 61 or age 60 after working 30 years in the steel mill. He has problems breathing. He has gone to work every morning before dawn for 30 years. He realizes that his health will not allow him to continue to work to age 65. He would like to spend some time with his family. So this person under current law decides he will opt for early retirement at age 62 and accept 80 percent of the benefit that he would receive if he worked until age 65.

That is the calculation that the worker makes today: "I am in bad enough shape that I will retire early and take 80 percent of what I would get if I continued to work until age 65."

Mr. President, all this amendment does is to say that this person will continue to receive 80 percent of his benefits if he retires at age 62. If this amendment is adopted, there is no greater incentive to retire at 62 than there is under current law. There is simply no greater incentive because the person would still only get 80 percent of his benefits. Right now the best argument against the charge that the cost is going to mushroom into some gigantic spending bill is that right now you do not find people stumbling over themselves to retire and take only 80 percent of their benefits. They continue to work.

Mr. President, under the bill before us, this person's benefits would be cut to 75 percent. Why cut it to 75 percent? Keep it where it is now at 80 percent. Again, there is no more incentive for that person to retire early with my amendment than there is under current law.

Finally, Mr. President, I want to address the cost issue. The Senator from Kansas said that according to the social security actuaries the cost will be $600 million a year, or one-hundredth of 1 percent of payroll. I personally find it very difficult to determine what costs are going to be. I can see the outward limit but I find it difficult to see what costs are precisely going to be. I do know one thing and that is that there is a surplus in this bill over what the long-term needs are, of $1.2 billion a year, or eight one-hundredths of 1 percent of payroll, and all this amendment would do is to cut that surplus in half.

Mr. President, I think that the least we should do is send the right message to those sick people who have had very hard work lives and should be able to retire at age 62 with 80 percent of their benefits, as under current law, instead of 75 percent of their benefits, as under the bill before us.

Mr. President, if the Senator has concluded, I am prepared to ask for the yeas and nays unless the Senator is going to accept the amendment.

Mr. DOLE. No; I would like to but I cannot.

Mr. BRADLEY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficent second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I am not certain there is going to be any surplus. We had all these actuaries working up the long-term and the short-term estimates, and 0.04 percent is half the projected long-term surplus. But there are other amendments going to be offered, in fact one by the distinguished Senator from Louisiana, that would wipe that out and more if he is successful because we are advised by the actuaries that, if in fact the Federal employees are not included, we are going to lose 0.28 percent of payroll, which is a substantial amount: That is long term, and that would more than take care of any surplus which is probably only hypothetical in any event.

But I urge the Senator from New Jersey to wait, and again I do not quarrel with any of his statements, but I do not understand why with a program that would not even take effect until the year 2000, when we are trying to rush and pass this program to save the social security system we have to act on his program right now. I understand there has never been a hearing, not 1 minute, not 1 hour, not 1 day of hearings on this particular subject concerning what we call occupationally disabled in the Finance Committee.

It would seem to me before we launch into a new program that may have great merit, we may want to see whether there are other things that should be done in addition. We may decide the program does not have any merit or very little merit, but at least the matter ought to be heard and, therefore, it would seem to me, as I said earlier, that the House took the appropriate course in asking that the Secretary of Health and Human Services report to Congress by January 1, 1986, with a comprehensive study about the implications of raising the retirement age for people in physically demanding jobs and those with health problems.

The Senator from Louisiana has had much more experience in this area than the Senator from Kansas. We watched the disability program grow between 1970 and 1980, where the cost of the disability program rose fivefold, from $3.3 to $15.8 billion. Between 1970 and 1977 alone, the number of disabled workers on the rolls almost doubled, from 1.5 to 2.9 million.

As my colleagues are aware, a series of events in recent years, including the periodic review of continuing disability and generally tighter administration, have led to a recent decline in the number of people on the DI rolls.

Today the program spends about $19 billion on 4.4 million beneficiaries, including spouses and children.

Twenty-two percent of the DI worker beneficiaries are 62 or older; 10 to 12 percent of new awards are made to people 62 or older.

So it just seems to me that we ought to proceed with caution when we start out and when we talk about making modifications of the disability determination process. That was a statement that was made by the distinguished Senator from Louisiana, and one this Senator shares.

Again I think it would be great to stand here all day and appropriate more benefits for this group and more benefits for that group. The only reason we are here today is because we provided too many benefits in years past, and that is why we are asking Federal workers to come into the system, why we are delaying the COLA's, and why we are taxing benefits and accelerating payroll taxes, because we have been too generous in the past.

I hope we will not make that same mistake. Give us a chance to look at this over the next few years. There is no big rush. Certainly there is no need to do it today on this legislation.

So, Mr. President, I hope this amendment will be defeated. I thought about moving to table the amendment. Does it make any difference to the Senator? Is it better if it is up or down? It is better for you.

Mr. BRADLEY. Yes, I would prefer an up-or-down vote.

Mr. DOLE. If you can assure me you would lose. [Laughter.]

Mr. BRADLEY. It depends on how many of my colleagues indeed want to address the problems of the person in ill health who has been out there in a very hard physical job for 30 years at the same time that we are addressing the issue of the raising of the retirement age.

I hope we will have an up-or-down vote.

Mr. DOLE. The Senator from Kansas is willing to have an up-or-down vote. I know the Senator from New Jersey feels strongly about the amendment. It would have been my hope that he would have made this very persuasive argument and then withdrawn the amendment and then allow us to have a chance to have an appropriate hearing.

It would seem to me this should be a fairly clear test on whether we should liberalize a program 17 years in advance, which does not make much sense to this Senator, and I hope my colleagues will reject this amendment, give the Senate Finance Committee an

opportunity to take a look at it before we make any such change.

The Commission recognized this problem, and, as the Senator from New Jersey properly pointed out, the Senator from Kansas was a member of that Commission. But I would like to have the amendment voted on so that we can get onto other amendments and maybe pass this bill, although I must say there are rumors lurking around that there is another withholding amendment to be attached to the social security bill. Apparently, the American Bankers Association, not having been successful in attaching the withholding amendment to the bill on the jobless and the homeless, want to attach withholding to the social security bill. I hope that is not the case. The American Bankers Association has a lot of money and not much else to do, and this looks like another good target for the strategists in the American Bankers Association.

I am prepared to vote on this one and, hopefully, get onto something else.

Mr. BRADLEY. Mr. President, I would like to add Senator RIEGLE as a cosponsor of this amendment, and I ask unanimous consent to do so, and to just clarify for my colleagues who are listening that this amendment does not deal with interest withholding. This amendment deals with whether we are going to hold harmless those people who have worked hard for 30 years in the steel mills and are forced to retire because of poor health.

Mr. DOLE. I think we ought to withhold judgment on it until we have had hearings.

The PRESIDING OFFICER. Without objection, Senator RIEGLE will be added as a cosponsor.

Is there further debate? If not, the question is on agreeing to the amendment of the Senator from New Jersey. The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from New Mexico (Mr. DOMENICI), the Senator from South Dakota (Mr. PRESSLER), the Senator from Indiana (Mr. QUAYLE), the Senator from Texas (Mr. TOWER), and the Senator from Wyoming (Mr. WALLOP) are necessarily absent.

I also announce that the Senator from Maryland (Mr. MATHIAS) and the Senator from Oregon (Mr. PACKWOOD) are absent due to a death in the family.

Mr. BYRD I announce that the Senator from California (Mr. CRANSTON) and the Senator from Colorado (Mr. HART) are necessarily absent.

The PRESIDING OFFICER (Mrs. HAWKINS). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 30, nays 61, as follows:

[Rollcall Vote No. 35 Leg.]

YEAS—30

Biden	Glenn	Metzenbaum
Bingaman	Heflin	Mitchell
Bradley	Hollings	Pell
Burdick	Inouye	Proxmire
Byrd	Jackson	Randolph
Chiles	Kennedy	Riegle
DeConcini	Lautenberg	Sarbanes
Dodd	Levin	Sasser
Eagleton	Matsunaga	Tsongas
Ford	Melcher	Zorinsky

NAYS—61

Abdnor	Goldwater	Moynihan
Andrews	Gorton	Murkowski
Armstrong	Grassley	Nickles
Baker	Hatch	Nunn
Baucus	Hatfield	Percy
Bentsen	Hawkins	Pryor
Boren	Hecht	Roth
Boschwitz	Heinz	Rudman
Bumpers	Helms	Simpson
Chafee	Huddleston	Specter
Cochran	Humphrey	Stafford
Cohen	Jepsen	Stennis
D'Amato	Johnston	Stevens
Danforth	Kassebaum	Symms
Denton	Kasten	Thurmond
Dixon	Laxalt	Trible
Dole	Leahy	Warner
Durenberger	Long	Weicker
East	Lugar	Wilson
Exon	Mattingly	
Garn	McClure	

NOT VOTING—9

Cranston	Mathias	Quayle
Domenici	Packwood	Tower
Hart	Pressler	Wallop

So Mr. BRADLEY's amendment (No. 520) was rejected.

Mr. DOLE. Madam President, I move to reconsider the vote by which the amendment was rejected.

Mr. HEINZ. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order, please.

UP AMENDMENT NO. 102

(Purpose: To require the Quadrennial Advisory Council to study and make recommendations on the increase in the retirement age and its effects on SSI, DI, and unemployment compensation programs)

Mr. HEINZ. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. HEINZ) proposes an unprinted amendment numbered 102.

Mr. HEINZ. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 100, between lines 12 and 13, insert the following:

(d)(1) The 1987 Quadrennial Advisory Council on Social Security appointed pursuant to section 706 of the Social Security Act shall study the effect of raising the normal retirment age, and shall recommend to the Congress changes in the supplemental security income program, disability insurance benefits, and unemployment compensation which may be necessary to meet the special needs of individuals between the ages of 62 and 66, effective in the year 2000 who are unable to work because of poor health or lack of employment opportunities.

(2) In order to adequately address the issues described in paragraph (1), the Secretary of Health and Human Services shall appoint to such Council representatives of organized labor, and experts on the problems of older workers, disability and employment, and the labor market. Such experts shall be appointed subject to the approval of the chairman of the Senate Committee on Finance and the chairman of the House Committee on Ways and Means.

Mr. HEINZ. Madam President, the amendment I am offering would direct the 1987 Quadrennial Social Security Advisory Council to study the effect of raising the normal retirement age in social security, and to report to the Congress on changes which should be made in the supplemental security income program, the disability insurance program, and unemployment compensation to assure that the needs of those who will be unable to work longer are met.

Madam President, the proposal to raise the retirement age gradually to 66, beginning in the year 2000, is a partial recognition of the dramatic changes that have taken place and are expected to continue to occur in life expectancy. Over the last 40 years, life expectancy at age 65 has increased among men by 2 years, and among women by 5 years. By the year 2000, life expectancy is expected to increase by another 1½ years among men and another 2 years among women. It is also a proposal which is expected to coincide with changes in preferences for work and the demand for labor which should occur before the turn of the century. By the year 2000, we fully expect that our older citizens will not only be living longer, but that they will want to and be able to work longer as well. Demographers today project that toward the end of this century there will be proportionately fewer younger workers in the labor force, leading to labor supply shortages and an increasing demand for older workers. In addition, today's younger generation, which entered the labor force later, has developed a higher level of education and skills, and has worked in less physically demanding occupations than their elders, may prefer to work longer than the current generation of retirees.

But, Madam President, while the average worker may be able to work longer, there will be those who will need to maintain the option to retire early. During the deliberations of the National Commission on Social Security Reform last year, those of us who participated in those sessions had the opportunity to hear from two experts on the question of life expectancy and health trends. It was apparent to me from their testimony that there is no

clear evidence at this time that improvements in life expectancy are going to be accompanied by improvements in morbidity. Even though we fully expect people to live longer in the future, there is no assurance that they are going to be any healthier.

Today nearly two-thirds of those who retire under social security receive benefits which are reduced for early retirement. While many of these people are receiving reduced early retirement benefits by choice, perhaps as many as one-third of them had to stop working for health reasons. Workers who have spent 40 years in backbreaking labor frequently find it impossible to continue in their line of work by the time they reach 62. With few other job opportunities, older workers who have to stop working in one job stand little chance of finding employment in another line of work.

In addition to those no longer healthy enough to work in the same occupation, there are those in hazardous jobs demanding physical skills such as balance and timing which cannot be relied upon in later years.

While the average worker of the future may choose to delay retirement, there will still be those in stressful or hazardous jobs who will need to maintain the option to retire early. There will continue to be workers with poor health, low skill levels, and inconsistent work histories who will be unable to work or find new employment when they are older.

For those who can work longer, raising the retirement age will conform to their choices and their opportunities. Combined with the incentives in this package to delay retirement—the increase in the retirement age should help to dilute the strong association which has existed in the past between age 65 and retirement.

For those who cannot continue working past age 62, improvements should be made in disability insurance (DI), supplemental security income (SSI) and unemployment compensation to assure that those unable to work longer are not unfairly or unnecessarily punished for events which are fully beyond their control.

Madam President, I do not believe we know yet what kind of improvements should be made in these programs to respond to the special needs of these workers. Instead, I believe we have the time to develop solid legislation to complement the increase in the social security retirement age, since this increase is not scheduled to go into effect for another 17 years.

This amendment will charge the next quadrennial council, already scheduled to convene in 1987 to study programs authorized under the Social Security Act, with the responsibility of reviewing this issue and making specific recommendations to the Congress. By the end of the decade, I am confident we will have a clear sense of how to proceed to assure those who will have to rely upon early retirement will not be unfairly penalized by the increase in the social security retirement age.

Madam President, the amendment I am offering would simply direct the 1987 Quadrennial Social Security Advisory Council to study the effect of raising the formal retirement age in social security, as we do in this bill and, for that matter, as the House does in their bill, by 1 additional year, and to report to the Congress on changes which should be made in the supplemental security income program, the disability insurance program, which was the subject of Senator BRADLEY's amendment, and the unemployment compensation program, to assure that the needs of those who will be unable to work longer indeed are met.

Madam President, I will not explain the need——

Mr. DOLE. Madam President, may we have order in the Chamber?

The PRESIDING OFFICER. The Senate will be in order. Those wishing to have conversations, including those on the sofas in the back of the room, will retire from the Chamber.

Mr. HEINZ. Madam President, I shall not take the Senate's time to explain the need for this amendment. Indeed, it attempts to answer the very real questions that Senator BRADLEY very persuasively raised in offering his amendment. Let me say that, although I happen to oppose the amendment of the Senator from New Jersey, I have a great deal of sympathy for it. I originally had intended to support it, but when we got the additional cost estimates of some $800 million a year, I decided that now is not the time to start liberalizing some additional benefits, when we have 17 years to make the changes to do so.

It so happens that there is a careful and thoughtful way we cannot only meet the objectives of the Senator from New Jersey, but address, rather than in a piecemeal fashion, the problems that we shall encounter in the other programs that we use to take care of the special needs of not just working people who are relatively well to do, but those people, for example, who are not well to do but who are covered by the SSI program or, for that matter, those people who become unemployed and have to rely on the unemployment compensation program.

Those were not specific features of the amendment of the Senator from New Jersey, even though I salute the objective and the principle that he had in mind, which is to recognize, quite simply, that there are people who are simply going to be unable to work longer, even though Congress would like them to.

For that reason, Madam President, I offer this amendment. I hope that it is adopted by my colleagues. I have discussed it somewhat with the managers of the bill, and I hope they will accept it.

Mr. DOLE. Madam President, this has been discussed, and I think it is a responsible alternative. Again I am sympathetic with the efforts of not only the distinguished Senator from New Jersey, but the distinguished Representative from Oregon, who has been working on this for some time. This will give us an opportunity not only to outline what the distinguished Senator from Pennsylvania has just stated, but also have some hearings in our committee. We still have ample time, it seems to me. This will be an appropriate approach.

I am willing to accept the amendment. I know there is no objection to the study on the other side.

The PRESIDING OFFICER. Is there further debate?

Mr. LONG. Madam President, I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 102) was agreed to.

Mr. HEINZ. I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Madam President, I thank the sponsor of the bill for his support of this amendment.

UP AMENDMENT NO. 103

(Purpose: To delay implementation of the withholding provisions on interest and dividend income until January 1, 1984)

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MELCHER. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Montana (Mr. MELCHER) proposes an unprinted amendment numbered 103.

Viz: At the end of the bill add the following new section:

"DELAY IMPLEMENTATION OF WITHHOLDING ON INTEREST AND DIVIDEND INCOME

"SEC. . Section 308A of the Tax Equity and Fiscal Responsibility Act of 1982 is amended by striking out 'June 30' and inserting in lieu thereof 'December 31.'"

Mr. DOLE. Madam President, as I understand, this is a sense-of-the-Senate resolution but one which I hope the Senate will not agree to. It is a second shot by the American Bankers Association to not only hold up the jobless and the homeless but now all those who depend on social security. I

hope we do not spend a great deal of time on this. I shall move to table the amendment at an early time.

I know everybody wants to get into the act because this is very popular. It is easy to be on the side of the bankers. They are flooding us with mail. We learned yesterday from the Washington Post that they had two-way mirrors to find out how people react to this scheme before they set it in motion, a sort of "bankscam" so they could find out how to proceed with this campaign. I think it shows a new low the American Bankers Association reached when it kicked off this campaign.

I hope we shall keep our eye on social security.

Mr. MELCHER. Will the Senator yield?

Mr. DOLE. As soon as I finish, I shall. I am probably going to be here for some time.

What we are trying to do is carry out what I consider to be the most important piece of legislation we shall have for a long, long time in this body and in the Congress itself. I know that everybody wants to be on record as being with the bankers and the financial institutions and the power in this country and the big PAC's and all those things, but we are talking about benefits to 36 million Americans and 115 million to 116 million people affected who are paying into the social security system. I hope we might get on with the social security bill but if, in fact, there is going to be a debate, we may as well start it now rather than April 15.

It is this Senator's feeling that we had agreed in this Chamber that we would debate the merits of withholding on interest and dividend income commencing April 15.

The Senator from Kansas learned when he left the floor that day that we had withholding on interest and dividend income back in 1862. I shall be discussing that at greater length starting on April 15, but this is not something that has not been around before.

As I understand the Senator's amendment—we do not particularly need to understand it fully, but it is injecting withholding back into this debate. If that is the intent of some of the Senators on the floor, we ought to find out right now, because that will change how long we stay tonight and how long we stay the rest of the week.

I am prepared to yield the floor.

Mr. MELCHER. Madam President.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. I think perhaps, from the kind remarks of the Senator from Kansas, he misunderstands the amendment. The amendment is not a sense-of-the-Senate resolution; the amendment goes directly to the implementation date of the withholding tax on savings and interest. It would move that date from July 1 to the end of the year.

For all the reasons that have been debated on the floor concerning the Kasten amendment, which would have repealed the withholding tax provision on interest and dividends, it is clear that there does need to be further consideration, as the Senator from Kansas, the chairman of the Committee on Finance, has often stated, and complete and thorough discussion, as the chairman has repeatedly stated regarding the Kasten amendment to repeal withholding. To accomplish that purpose, Madam President, I have introduced this amendment. This will give time for Congress, both the Senate and the House, if they are so inclined, to look at the proposal, to look at whether or not the withholding of taxes should go into effect is reasonable.

Mr. DOLE. Will the Senator yield?

Mr. MELCHER. Yes, Madam President.

Mr. DOLE. The Senator said withholding tax. It is not a tax.

Mr. MELCHER. Withholding of the tax on dividends and interest. I thank my friend from Kansas. We want this to be clear. We want this to be thoroughly understand. I know this is not a new tax.

If there is any doubt in the minds of the taxpayers just what the advantages or disadvantages of this are for the Nation of the withholding of taxes up to 10 percent on interest and dividends, it should be thoroughly and completely reviewed by Congress. It was clear that the Kasten amendment for outright repeal created some problems, although I support repeal.

It was clear that the Kasten amendment created some problems for the administration. Treasury strongly objected to it. Some of the members of the Finance Committee of the Senate very vigorously disagreed with it.

So this amendment I am offering today is to give us time for a thorough consideration of the question. The Senate has agreed by unanimous consent to debate the issue on another bill starting April 15.

The chairman of the Finance Committee, the Senator from Kansas, my good friend, has stated that it will require considerable discussion at that time. The Senator has frequently stated that whatever the discussion of the matter, it should be throughly aired and that it can be throughly aired and he hoped defeated at that time.

Recognizing the feelings and the overwhelming vote for repeal that occurred on the Kasten proposal when we had the vote on cloture, it seemed to indicate a rather strong feeling for consideration of the matter, for thorough debate of it and thorough discussion as to the merits or demerits of——

Mr. HELMS. Will the Senator yield for a question?

Mr. MELCHER [continuing]. The withholding provision in the tax bill of 1982.

Yes, I yield to the Senator from North Carolina.

Mr. HELMS. Looking at the amendment of the Senator, it is not a sense-of-the-Senate vote, is it? I thought I heard reference to "sense-of-the-Senate."

Mr. MELCHER. I thought I heard it also from the Senator from Kansas, but it simply is not a sense-of-the-Senate amendment.

Mr. DOLE. I might just say that we had not been furnished a copy of the amendment. We understood there was going to be a sense-of-the-Senate amendment. We also understood some on this side were drafting different amendments. We now know it is not a sense-of-the-Senate amendment; it simply delays the effective date.

If there is any hope that the banks were serious about implementing it on that date, that might be worth discussing but, having been taken for a ride by postponing it for 6 months in the first place on my motion in the conference, I think all we are doing is providing another 6 months to kill withholding, which we can discuss when the Senator from Montana finishes.

Mr. MELCHER. Madam President, whether or not this provision is repealed will depend upon the votes of the Senate, the votes in the House and the question of whether or not the President wants to veto a bill that has it in it. That is a separate matter.

What my amendment seeks to accomplish is to set a timeframe for that discussion and that debate and, indeed, it is a debate that is thought to be very important by a great number of Americans across the country.

Mr. LONG. Will the Senator yield?

Mr. MELCHER. Yes, I yield to the Senator from Louisiana for the purposes of a question.

Mr. LONG. Do we understand that the amendment of the Senator is not a sense-of-the-Senate amendment?

The Senator, as I understand it, is offering a legislative proposal to defer the effective date of the withholding for 6 months?

Mr. MELCHER. That is absolutely correct.

Mr. LONG. He would defer withholding until January 1 or December 31 of this year? Is the date December 31 or January 1?

Mr. MELCHER. Not before December 31. So, if nothing is done, then the withholding provision would be in effect on January 1.

Mr. LONG. So if the amendment of the Senator becomes law, then withholding would start on January 1, not before?

Mr. MELCHER. That is absolutely correct.

Mr. LONG. It will be on January 1, 1984, not prior to that time?

Mr. MELCHER. That is right.

Mr. LONG. I thank the Senator.

Mr. MELCHER. That is absolutely correct.

The reason we are in this box is this: The provisions in the tax bill of 1982 had a number of tax increases which affected telephones, airline tickets, aviation fuel, tip reporting by people who worked in food and beverage establishments and motels and hotels, a tax increase on some forms of insurance provisions and deductions of health costs.

For instance, if you cut the allowable deduction in the health care or health insurance the taxpayer is allowed, that resulted in a revenue gain for the Treasury, but it also included within that package this provision, that on unearned income from interest and dividends the institutions would start withholding income taxes at 10 percent of the amount of the payments.

Now, that in itself is surely, as the Senator from Kansas has very aptly described, not a tax increase. It is a collection of taxes due. It is patterned somewhat after the Ruml provision in 1943 of withholding taxes on wages and salaries of individual taxpayers, which is a wartime measure that was very much needed because the Treasury needed to get additional revenue very rapidly, and this was one way of doing it. But in turn for that provision, the taxpayers that were required to have withholding on their wages and salaries were forgiven the taxes for the preceding year, whatever they might have owed. Since that time, we have had provisions for estimating taxes due on income of self-employed, partnerships, farmers and ranchers, all sorts of people, and withholding is really the name of the game.

For well over a decade that I can remember a requirement by law for withholding of income taxes on unearned income such as interest and dividends has been a very big issue. As the Senator from Kansas has very correctly said, the wage earner says, "If you are going to withhold it from me, why do you not withhold it from somebody on unearned income?" And labor organizations for a number of years, for well over a decade that I can remember, have picked up that argument and been very persuasive about it. They insisted that Treasury and Congress consider it. We have just never done it. Indeed, during the debate the Senator from Kansas reported to us about a note that he received from off the floor from the United Food Workers signed by Arnold that said, "Anything we can do to help?" And it portrayed the intensive interest that labor has had on making everybody pay their share of taxes, closing what they figured was a big loophole.

Well, we have had a long history of attempting to establish withholding on unearned income, but during that long period of time much has changed about collecting the income taxes due on interest and dividends. One of those changes was the requirement for these institutions paying interest or dividends to file 1099 forms. We all receive them if we have any income at all on interest or dividends, and even holders of insurance policies get a 1099 form.

While my experience with this type of income is not all that great, I think in our house my wife and I get probably a half dozen 1099 forms every year from institutions saying, "Well, here is what you received from us on income; report it on your income taxes." That goes a long way for everybody understanding that indeed that is income and they had better pay their taxes on it, because there is a form sent to you, as an individual taxpayer. You get that 1099 form and the IRS gets it, too. So it is known. Maybe that gap is closed. But there are other steps to be taken.

In the tax bill of 1982, the question of reporting interest from Treasury notes as well as from other types of bonds was taken up, and the requirement for that type of reporting by the people who are handling those bonds was required, to close the gap, so that people could not escape paying their taxes that are due on that type of income.

We hear about underreporting, of tax evasion in this area, outright cheating.

As we review what studies are available, the Treasury presents us with one that says that 88 percent of the tax money is collected on interest and dividends. That is a startling figure; because if that study is accurate, it means that about 12 percent is uncollected.

A further study of the Treasury Department says that 97-percent plus of individual people pay all the tax that is due from interest and dividends.

So the question really is, with the aid of 1099 forms and the revisions in the 1982 tax bill itself, which closed the gap on the reporting of interest on Treasury notes and similar bonds, whether or not the gap is pretty well closed. Could it be, if now the same study was made by the Treasury Department, it would find 96 percent of the money is collected and that 99-percent plus of the people who report are the people who pay taxes on interest and dividends? I do not know. But there is a way to tell, and that is by matching up the 1099's with the amount actually paid in taxes and seeing whether or not all the taxpayers paid what they were supposed to pay. That would be complete checking.

The IRS assures us that at present, with the computer ability they have currently, they cannot do that; but they project that sometime in the future, perhaps next year, that would be possible, but very costly. They say there might be some errors, anyway. Of course, there might be some errors. What we are after is cheaters, and the errors are both ways. Some people overpay, never get it back, do not realize they have overpaid. An audit might show that they had some money coming back. But if the audit showed they had not paid their taxes, those individuals would be identified and they would get their dun plus the penalty from IRS to pay it up.

What does this provision in the 1982 tax bill do? Instead of collecting all the taxes, it simply says 10 percent will be withheld. Ten percent of dividends and interest will be withheld as if it were a tax obligation. That is not a new tax. That is just paying part of your taxes that way.

It is claimed by IRS, Treasury, and the chairman of the Finance Committee that this will be a net gain of approximately $4 billion per year in revenue. Part of that is early collection of taxes due. For fiscal year 1984, it would be more than $4 billion, if the figures are correct, because it is really early collection in that particular year; but in subsequent years, the early collection part of this is just a fraction. What they really feel is that about $3 billion a year from years after 1984 would be produced in new revenue from taxpayers who simply are not paying what they are supposed to pay on interest and dividends.

The IRS states that for $85, on an average, they can track down a nonfiler. That is the biggest area in which this supposedly $3 billion a year is going to bring in additional revenue to the Treasury—from nonfilers, people who do not file an income tax form.

If you can find a nonfiler and bring that nonfiling taxpayer into the proper fold with the rest of us who are paying our taxes, who are filing their 1040 forms and paying their just taxes, it would seem that $85 to track down a cheater is not that much money.

We can project all kinds of figures on the floor of the Senate. We can quote all kinds of studies and all kinds of figures proposed by the agencies or by independent groups. We all know that those figures are just as good and just as sound as the particular agency or the particular private group that proposed them and how sound the study and the reasoning are.

There was a reason for a lot of people asking us this simple question: Why not go after the cheaters? I ask that question, too. Why not? Is it too

costly? Certainly, $85, on average, to track down a nonfiler is not too costly. That seems to me a very good business for the Treasury Department and the IRS to engage in.

The people who ask that question, ordinary taxpayers, are asking it because they know that they pay their taxes on interest and dividends. They say, "What is this new requirement in the law that forces upon us a new method of collecting taxes?" Many of them state in their letters to me—and I assume to every other Senator—that they do pay their taxes; they do view it as income and report it. They attach their 1099 forms to their tax form at the end of the year, the 1040 form. They know they are paying it. Why put another level on this?

I might say this, in sort of rebuttal to what has been said here previously when we are discussing the Kasten amendment for repeal.

I do not believe that we should take too lightly the complaints of these taxpayers. That is No. 1. I think these taxpayers are legitimate in saying to us in their letters: "Why is it necessary to have a new requirement placed on myself and my wife when we have been reporting all of the interest and dividend income that we have? Is this not another intrusion or another layer of IRS regulations upon us? And what good is it?" Those complaints or statements are simply inquiries. I do not think we should take those too lightly because we must be able to justify why this is in the law if it is going to stay in the law. They are the people who provide the money for the Treasury. They are the people whom we represent and the people who are really in a representative form of government supposed to be heard and listened to.

I am not too much impressed by the counterargument that anything dealing with this—the Kasten amendment for an outright appeal or my amendment now for simply a delay in implementation of withholding provisions in the law—is a ploy of the American Bankers Association. I do not believe that has had much effect on me individually. I cannot recall ever a time when I became real concerned about what the American Bankers Association had to say on a tax matter that affected individual taxpayers.

I look to the banking association to give me a viewpoint of banking law, but I am not overly impressed either by whatever they have to say on this particular provision of law or by any counterargument that says "Well, all you are doing is sort of a kneejerk reaction to what the American Bankers Association position is."

I think that that probably holds true for all the Senators of this body. I think it probably holds true for all the Members of the House of Representatives.

I simply cannot believe that the American Bankers Association takes a stand and then immediately that generates thousands upon thousands of letters from Montana to me and scores of thousands of letters to Senators from larger States.

I do not even recall that we mentioned much about the savings and loan people to date. I believe they share about the same position as the American Bankers Association. Hardly ever do we have much comment on what the credit unions feel about this, although I believe and am well aware that they are opposed to this provision; and later on, I will submit some studies that they have provided just recently in a letter to me on March 18 on what they feel from their point of view are the objections of the credit unions both as managers and individual members of a credit union.

What I really believe is that what we are experiencing now is a true form of representative government, where a lot of people all at the same time are zeroing in on something that they feel is not a good tax provision that affects them personally because taxes, after all, for a taxpayer are a very personal thing whether or not you are bearing your share or whether or not you are burdened with a new form or whether or not you put a new requirement of IRS on when you pay or how you pay your taxes. They simply seem to be saying to me they do not feel that this particular provision has merit and they have had too much of this. They want to get rid of some of it.

I do not believe it serves any purpose to glibly overestimate what this particular tax provision would gain in revenue for the Treasury. I think there has been overestimation, and the reason I think there has been overestimation is that I think it has been underestimated how many people will actually readjust their tax payments because of withholding on some of the interest and dividends that they receive.

Why do I say that? If it is an ordinary wage earner or salaried individual who has a certain amount of withholding out every month or every week or every 2 weeks out of every paycheck and he, after July 1, finds that there is additional withholding out of some of the interest income that he has, then he is going to make an adjustment, and that is, our course, provided by law. It is required. It is one of the provisions. How else would it be fair, unless on the same basis of the taxes you have already paid in you decide you do not want to have either overpayment or that much overpayment of tax obligations? So you readjust the amount of taxes simply by changing the number of withholding individuals that are listed as dependents and provided by law. It is a common way of doing it, a common way of adjusting.

I think that it is worth noting right here that the Treasury Department's Office of Tax Analysis in connection with this issue in 1980, when President Carter asked for the withholding proposal, indicated taxpayers would be able to offset this increase through legitimate adjustments, and the Treasury's Office of Tax Analysis in 1980 said approximately 95 percent of the acceleration effect of withholding on dividend and interest income would simply be offset by adjustment.

For the individuals who estimate their taxes due and do it on a quarterly basis, whether they are salaried or self-employed or farmers or ranchers or partnerships, they can also, according to law, change their estimates of what their taxes are due under existing law, and after July 1 it is reasonable to believe that when they make those quarterly estimates they are going to adjust those quarterly estimates on the basis of how much may have already been withheld in taxes from unearned interest or dividends or would be through the remainder of that taxable year.

So a statement that simply says this is a gain of $3 billion for the Treasury may or may not be correct, plus several days ago I submitted a study done by Puglisi, who came out with an entirely different set of figures and computations for the amount of revenue that would be gained by this provision.

A note about people who write us letters on this: Many of them are elderly, and they say that they are very careful about their tax obligation and that either way they are going to pay it. They are going to continue to pay all their income tax obligation, but they really query and they have strong doubts that this provision will really generate much additional revenue. It seems to them that if there is that many people who are evading taxes, cheating on their income tax and not paying on this, surely there must be a way of getting them and making sure that they pay their taxes.

This was pointed out to us as very obvious: What does the 10-percent tax on dividend or interest payment actually mean in the tax obligation for someone who is cheating?

Treasury says if they are nonreporting, if they are just one of those millions of people—and they say 5 million, and I find that a little difficult to believe, nevertheless I accept it for the sake of argument right now—I will just concede it is 5 million—they are going to pick up a lot of people who have never reported and really owe taxes. Well, we have already gone over that a little bit earlier, there is a method of doing it: Just go out and search for people who are nontaxpayers, nonfilers of the 1040 form, and

the Treasury, according to the Joint Committee on Taxation, says that costs about $85 per individual.

The other method is to compare the 1099 form with the taxpayer's statement and see whether or not he really did file and look for that. We have the 1099 form, and look for that individual and see whether he has got a 1040 form, because surely there ought to be some reason for them to file a 1040.

So people are saying, "Well, you know it is pretty hard to believe you can get away without paying taxes and without really being an out-and-out crook, and being a very determined crook." I think there is a lot of merit to that simple statement and there is a lot of truth to it. So they say, "What is that burden?" First of all, it is a withholding provision that would start to come out of their payments on interest and dividends. Then, second, if they do not think they really should be covered at all they can file what is called a W-6 form. That is just something else they can file. They file that with each institution.

Well now I have already stated that while in our household my wife and I receive about half a dozen of these 1099 forms per year, we are not very big in this field and there are a lot of elderly who are receiving more income from different institutions than what is represented in our household, of my wife and me. So let us say many of those households have about 10 different 1099 forms. So they can file a W-6 form if they feel they would be exempt, they can file that W-6 form with each of those institutions and then they are exempt. Those are filed presumably also with the IRS by the institutions. We are told that that figure might be as many as 200 million W-6 forms.

So you begin to understand the magnitude of what this complaint is about. It is about paperwork. It is about additional forms, and it is about really wondering, when it is all over, about that number of forms, about that number of individual transactions with the institutions and the individual taxpayers and then relate it to whether or not the IRS really comes up with any additional revenue.

I happen to believe the estimates for this gain in revenue for the Treasury has been overestimated by the Treasury Department. But even if it were not overestimated I would say to Treasury, I would ask them the same simple question that is asked in so many letters I receive from taxpayers of Montana and that is, why not go after the cheaters then? Why not match up these forms and go after them and collect the money from them, gather them right into the tax-paying fold where they belong?

UP AMENDMENT NO 103—MODIFIED

Madam President, without losing the floor, might I inquire if this amendment is properly drafted to modify the committee substitute?

The PRESIDING OFFICER. It is drafted to the bill.

Mr. MELCHER. I ask it be modified to be drafted to the committee substitute.

Mr. DOLE. Does that require unanimous consent?

The PRESIDING OFFICER. No, it would not. The amendment is so modified.

Mr. MELCHER. So we are at the point where we are really questioning whether all the paperwork is necessary and whether it is really going to bring in the amount of revenue that it is projected to bring in.

Madam President, I would suggest that is the reason for my amendment because there are legitimate questions, because there are unanswered questions, because there is really some concern about this being just another batch of forms to be filed by individual taxpayers without really benefiting anybody very much, and particularly not benefiting the country and the Treasury with additional revenue.

Why? Because, No. 1, how much does it cost to handle all the paper, just to file to be exempt? That is No. 1. We do not have the answer to that. If you ask the Treasury Department, if you ask the Joint Committee on Taxation, if you ask the Senate Finance Committee what does that cost, you will get an answer that is honest and very short; they do not know. They have no idea.

The next point is, what does it really cost the individual taxpayers? Well, there is a cost, sure it is not a new tax, it is just paying your taxes early, but there is a cost because it is an adjustment, and the adjustment is this: That 10 percent that will be withheld from the unearned interest and dividends could have been reinvested for the balance of the year or there may be a provision in the particular setup with a savings account, whether it is in a credit union or an S&L or in a bank or with a particular—whatever the institution is, there may have been an arrangement for that just to be added right back into that—that interest be added right back into the principal and it would be generating new interest income or dividend income.

So that is an amount that would be taken away from the individual saver, and the individual taxpayer, and it too can be calculated, and it is part of the additional revenue that is received by the Treasury by this particular provision of law, this withholding provision.

The concern comes in estimating how much that is and really whether the individual taxpayer feels that the loss to that individual saver is not all that great.

Let me point out what we are trying to do in this very sick economy of the United States is to get additional revenue for the Treasury so the deficit is not as large as it is, and also to encourage savings by individual Americans, and the reason we want to encourage savings is because we realize that the amount of savings per individual in America is lower than any other industrial country, and that is one of the reasons which prevents us from bringing down interest rates as rapidly as we would like to see them brought down.

We have done a lot in the last year or two around here in encouraging savings. Individual retirement accounts come to mind immediately and it is a very sound mechanism, a very sound provision in our tax law to encourage savings, and it is having some advantages.

Now, this, if this is viewed by individuals who have savings as a bad piece of tax law there may be some inadvertent discouragement for greater savings on the part of individual people. That will be counterproductive if that happens to be the case and that should be thoroughly evaluated so that all taxpayers understand "Well, really this is something that does not bother me very much" or "We establish this indeed as something that does bother me as an individual Senator and I think your point is well taken," and I think we ought to reconsider this, and I am hoping for reconsideration.

Our amendment would do that and allow us time for that reconsideration.

Is there a need to consider this proposal if this method gains net dollars for the Treasury? In all candor and in all honesty, I would have to state that it is my judgment that this is the crux of this particular law. If this really gains much in dollars for the Treasury, we have to be very sure that if it is going to be repealed, it is going to be considered that there is some offsetting revenue gains.

Now, I did not happen to vote for this particular bill in 1982. I objected to this provision in it and several other provisions in it and thought it was a rather poor tax revenue bill. But that is just my judgment.

But I felt the proponents of a tax bill, that tax increase, had merit to the argument that additional taxes were necessary; that the economy was at a very fragile stage; that further increase in the deficit over and above what was projected would be very damaging to an economic recovery.

So part of the consideration I believe that must be given to this issue is indeed what the Senator from Kansas, the chairman of the Finance Committee, has so correctly stated. If it is going to be repealed, where is the revenue lost going to be made up?

That presents two points, of course. The first is, what will be the revenue loss? I voice my judgment that revenue gain, as indicated by the Treasury, is overexaggerated; that there simply is not that much revenue gain for the reasons I have outlined and perhaps for others that I have not noted. That can be better addressed, I suspect, in the coming months when we review not only the updated presentation of the Treasury but also updated points that will be made by the opponents of this and see what the merits of the argument are.

But we are going to be looking at a lot of different tax revenue measures. The first one I suspect we are going to be looking at is whether or not the July 1 tax cut that is scheduled will go into effect in its entirety or parts of it or maybe none of it. I suspect we are going to be looking at that.

I suspect we are going to be looking very seriously at all of the interest that has been generated by the Treasury Department telling us that there are so many people who do not pay their legitimate taxes and we want to be reassured by the Treasury Department that they indeed are on top of it. Because if all they are going to get is 10 percent of somebody who does not report, 10 percent of tax obligation of somebody who does not report, I would say that most of us or all of us are going to be dissatisfied. Because if they are really cheating, if they are really evading what their tax liability is, we do not want just 10 percent of that interest and dividend payment, we want whatever they are required to pay, whether it is 12 percent, 15 percent, 38 percent, 45 percent, or 50 percent.

I earlier stated that one of the provisions of the 1982 tax bill was that there would be a correction in different reporting procedures on the middle people that handle these bonds, Treasury notes, or other types of bonds they would have to be reporting. Part of that comes from States.

The State of Montana officials wrote me and said they could not be ready to meet all the requirements of this withholding by July 1. And I suspect other States wrote their Senators, and said the same thing.

So a few weeks ago, on March 2, the Treasury Department put out a press statement, a very lengthy explanation, to the effect that there would be withholding rule revisions on the interest off of Treasury notes and other like instruments, which covered, mind you, what the State of Montana official wrote to me saying they could not comply with by July 1. It takes care of them, too, and they changed the date to January 1.

Now, that leads me to the point of the purpose of this amendment, which is to just simply delay all of the withholding to January 1, not just take care of Treasury Department and the people that handle those Treasury notes and Treasury bonds in the States and the State people that handle those State bonds—just delay it for everybody until January 1 and let us take a real good, long look and let the full discussion of the Senate and the House, too, take place and see whether or not this provision in law should be retained or if it should be rejected and repealed.

The people who expect us to react to these queries or complaints that they lodged with us through their letters and postcards are very sincere. Some stated that, "Well, they have been misled; that there has been some false advertising or rumors have been circulated by banking institutions that would somehow mislead them on what was involved with this."

Well, I have long ago learned that, when you are dealing with taxpayers, the biggest mistake you can make is to feel that they are misled. Quite a few of the letters I have received come to me only from individual taxpayers after they have consulted with their accountants. Quite a few of the letters have come from individual accounting firms themselves and they say, "Well, this is what the requirements, as we view this new procedure, will be and we find it rather burdensome and perhaps unnecessary." Now that is a very quiet way of saying that they would like to have this looked at very thoroughly again.

So I certainly repeat their feelings and repeat it in all candor believing that it is a legitimate judgment and that it should be looked at very carefully.

The credit unions have provided me with a study they have done which indicates what the costs would be for credit unions throughout the country. They come up with a first payment of about $26 million for implementing computers or bookkeeping mechanisms that would be necessary to put this into effect. They view that as an ongoing cost each year.

I would point out that the smaller the credit union is, the more it costs them as a percentage of their earnings. They correctly point out that the withholding on dividends and interest will also cost additionally, which they can figure either out of their own pockets or out of the pockets of the credit union members. So, as you add up their figures, which seem to be well documented, you come up with in excess of $76 million per year.

Mr. President, I ask unanimous consent that their study be made a part of the RECORD at the conclusion of my discussion of this amendment.

The PRESIDING OFFICER (Mr. MATTINGLY). Without objection, it is so ordered.

(See exhibit 1.)

Mr. MELCHER. I feel, very simply put, that we have the opportunity to review very thoroughly and very closely, in light of all the complaints that we received about this provision of law, whether or not it was wise to have it. I feel that it is dependent upon us, as a representative body of the people of this country, to take heed of their queries and their protests and their complaints and review it carefully.

The amendment does not seek to delay passage of this bill. It does not seek to create any distress for the chairman of the Finance Committee or those who are proponents of this particular provision. What it seeks is just a fair airing, one that is in more detail in light of new facts that have been gained and garnered over the past several months after it became law and to review whether or not there were sound judgments in making it part of our Tax Code.

I think that is a fair proposal to make. I think it is obvious that with such a provision, so long as it is so vigorously opposed, even though it seems on its face to be very fair—opposed by the chairman of the Finance Committee and also the administration—it is fair to attach it to a bill of some note, of some importance, that might have a chance of wending its way through both this body and the House and then down to the President's desk to be signed into law.

Since it only is a delay for further review and does not do much damage to anybody's point of view on the merits or demerits of this particular withholding provision in our Tax Code—it simply says let us look at it again before it goes into effect and see whether it is worth it, and if it is worth it, it is justified—I would hope we can accept it. I do not in any respect want to abuse anybody's interest in quick passage of the bill. I simply believe it is a method for accomplishing the purpose which we are all here to do, to be fair in the matter of taxes. It does become a very personal point and is very much on the minds of the individual taxpayers. With evidence that it is on their minds, I think it only just and wise that we heed that evidence and allow for time for a thorough consideration of this provision before it goes into effect in 5 months. This amendment would accomplish that.

EXHIBIT 1

CREDIT UNION NATIONAL ASSOCIATION, INC.,
Washington, D.C., March 18, 1983.

Hon. JOHN MELCHER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MELCHER: The Credit Union National Association, Inc. (CUNA) supports repeal of withholding of taxes on interest and dividends in favor of more reasonable, less costly measures to improve taxpayer compliance in this area.

Before presenting our arguments against withholding, we would like to make you aware of what CUNA has been doing to educate credit unions about compliance with its new withholding law. Our interest is in repealing the law, but our obligation is to obey the law; so we proceed on both fronts.

On November 15, 1982, the day IRS issued temporary withholding regulations, CUNA published a "Special Withholding Edition" of our newsletter, devoted entirely to educating credit unions about withholding.

CUNA has conducted six seminars on withholding, one of which Senate Finance Committee staff helped secure appropriate IRS staff to explain the regulations to us. For that we are grateful.

CUNA has published a 153 page compliance manual and over 5,500 manuals have been ordered to date.

A 90-minute compliance video tape program has been distributed to state credit union leagues as part of our educational video network.

Another six national seminars are being conducted in April 1983, with hundreds of compliance seminars being conducted by credit union leagues and chapters throughout the country.

QUANTITATIVE ARGUMENTS

TABLES 1 AND 2.—COST TO CREDIT UNIONS

Our data suggests that for the first full year of compliance credit unions will have to spend $76 million in order to comply with the new withholding law and regulations.

TABLES 3 AND 4.—VALUE OF FLOAT TO CREDIT UNIONS

The provision for a 30-day float provided by Congress to compensate financial institutions for the start-up costs of withholding 10% of interest and dividend earnings is woefully inadequate. A credit union in the $2 million to $5 million asset category is expected to experience an average cost of $4,000 to be in compliance with the law during the first year. Use of the float for 30 days (really 19 banking days) will provide the credit union only $189.00 during that same year.

Totals indicate that the $76 million first year cost will be reduced by only $3.8 million through float, and that credit unions will therefore have to absorb a $72.2 million operating cost increase the first year in order to collect and deliver withheld taxes to the federal government. This cost is over and above current costs associated with 1099 reporting.

TABLE 5.—TOTAL CREDIT UNION DIVIDENDS PAID IN 1982

This table summarizes some of the major quantitative estimates CUNA has made regarding withholding at source as it applies to all 23,000 credit unions.

That information can be used to define the average impact of withholding on our 45 million members, and on our 23,000 credit unions.

Average impact of withholding per credit union

	Based on 20,000 CU's
CUNA estimates:	
1st year startup costs (tables 1, 2) $72.7 million	$3,600
Lost interest at 8 percent (table 6, column 7) $27 million	1,350
Subtotal	4,950

Average impact of withholding per credit union—Continued

	Based on 20,000 CU's
Dividends withheld (liquidity drain) (table 6, column 4) $314 million	15,700
Total average impact	20,650

TABLE 6.—ESTIMATE OF TREASURY RECEIPTS

If withholding of 10 percent of the interest and dividends earnings of individuals becomes a reality, the Treasury will be able to earn interest on those withheld funds.

Our data in Table 6, adjusted for probable individual exemptions from withholding, suggests that at a 8 percent rate, $27 million dollars will be earned yearly by the Treasury, based on 1981 credit union dividend levels.

This is $27 million dollars in foregone interest to credit union savers, and a $27 million in credit union liquidity loss. This must be added to the actual dollars removed from credit unions through 10 percent withholding; $529 million (no exemptions) to $341 million (with anticipated exemptions). Based on the foregoing figures, credit unions and their members are about to assume significant cost increases because a minority of citizens do not pay their fair share of taxes.

TABLE 7.—IMPACT OF START-UP COSTS ON CREDIT UNION INCOME

Table 7 takes a look at the withholding startup costs as a percentage of operating expenses, net income and as a percentage of individual earnings. This information is broken down by asset category and note should be made of the significant cost increases withholding causes, especially for smaller credit unions.

Is it necessary?

Are there other, more reasonable alternatives?

Withholding of taxes on interest and dividends, as a solution to the taxpayer compliance problem, is an expensive and labor intensive operation for the majority of the 20,000 credit unions in this country. Withholding is a matter of concern, inconvenience and complication for all taxpayers—and particulary frustrating to a majority of your constituents who honestly and fully disclose and pay taxes on their interest and dividend income.

Fairness arguments

Point 1

When the people don't pay their fair share of taxes, the honest taxpayer bears the burden. Honest taxpayers are now being told they must shoulder a new government burden because a few do not pay taxes. Rather than focusing on tax evaders, the Congress is requiring taxpayers to relinquish 10 percent of their interest and dividend earnings to the federal government, generally, at the moment any earnings are credited to their accounts. More reasonable approaches to gain tax compliance are available that will raise nearly the same revenue.

Point 2

Much, if not all, of these withheld interest and dividend taxes will be returned because IRS states that 75 percent of the taxpayers overwithhold now and receive tax refunds. Does it make sense to put individuals and financial institutions through this process only to return a substantial portion of it later?

When taxpayers fail to pay their taxes or pay less than they should, the government charges them interest on the taxes that they owe. Yet the new withholding law forces taxpayers with interest and dividend income to make an interest-free loan for several months to the government whether they owe taxes to Uncle Sam or not.

Point 3

Sure, the withholding law exempts certain people from the withholding requirement, but implementing this system will be complicated, costly and confusing to credit unions and members alike. The smaller the credit union, the more expensive it will be to put the law into effect, as a percentage of earnings.

The cost of implementing the withholding program will, of necessity, be passed on to savers and borrowers. This is especially true for credit unions—non-profit, cooperative, member-owned institutions. Figures supplied by the Credit Unions National Associations' Economic and Research Division reveal that the net cost will approach $76 million in the first year alone.

Point 4

At a time when federal tax policy is trying to encourage people to save more of their money, withholding of taxes on interest and dividends appears to be a puzzling deviation, as savers and investors may be financing some of their own tax cut next July.

On July 1, 1983 paychecks will be larger as taxes on wages are reduced by 10 percent. But, on that same day, 10 percent of the interest earned from savings and stock dividends will begin flowing to the Treasury, and the national savings and investment pool will be depleted by some $28 billion yearly.

Credit unions, which paid $5.29 billion in dividends to members in 1981, will see a $314 million drain in liquidity as a result of withholding. Savings growth in credit unions will thus be slowed by the loss of 10 percent of the dividends.

Point 5

Besides withholding, TEFRA did a great many things to tighten compliance not the least of which was to get the Treasury to begin reporting interest and dividends on billions of U.S. Government obligations. All of the compliance tightening positions in TEFRA should be given a chance to work, and evaluated before withholding should be considered. We are not so far from a high compliance level that abandoning the voluntary compliance system is warranted.

In October 1980, IRS Commissioner Jerome Kurtz testified before a Congressional subcommittee on the "IRS Administration of the Tax Laws; (Income Information Document Matchings)":

"Document matching for information returns is done through the Information Returns Program (IRP). The purpose of this program is to increase the Service's ability to enforce the tax laws equitably and thereby foster a high degree of voluntary compliance. The goal of IRP is to identify income reporting discrepancies or nonfiling of tax returns, and to correct any such discrepancies by collecting any additional tax or refunding any overpayment. IRP is a high priority program which complements the Service's other compliance programs."

"Finally, I would like to discuss several aspects of the draft GAO report on our computer capabilities for document matching. The Service's existing computer system is adequate to accommodate a 100 percent document matching program. We are now beginning a 3-phased plan for replacing and

improving our computer capabilities. Our new computer system will have the capability for 100 percent matching even if there is an annual rate of growth in workload of 8 percent. We believe this provides a sufficient margin for both growth under existing requirements and new programs that would increase the number of documents received."

"The draft GAO report did conclude that inefficient design of the information returns processing system and mismatches between job requirements and computer resources are limiting the productivity of the IRS computers. Several IRS study groups have analyzed these problems and made recommendations for future actions. Changes are now being made to implement some of these recommendations but we cannot immediately undertake the total redesign of the system."

This statement leads CUNA to the conclusion that IRS has the ability to do its job with some help, without creating a new federal bureaucratic system.

Make no mistake; credit unions, and all of our members, welcome simple and just tax laws which ensure that all taxpayers pay their fair share. But the withholding law enacted last year will punish the honest majority of savers and their credit unions.

We stand ready to work with the Senate Finance Committee, the Department of Treasury and the IRS in arriving at interest and dividend compliance improvement measures that will more deliberately preserve the goals of a fair, efficient and voluntary tax collection system.

Sincerely,

JAMES C. BARR, *CAE.*

TABLE 1.—CREDIT UNION WITHHOLDING STARTUP COSTS

Asset category (dollars in millions)	Average members	Member contact	Training costs	System preparation	Overhead	Total costs per CU
	(1)	(2)	(3)	(4)	(5)	(6)
0.0 to 0.05	153	$100.60	$440.00	$100.00	$64.06	704.6
0.05 to 0.10	207	136.10	440.00	100.00	67.61	743.71
0.10 to 0.25	316	207.77	440.00	500.00	114.78	1,262.55
0.25 to 0.50	508	334.01	440.00	500.00	127.40	1,401.41
0.50 to 1.0	809	531.92	440.00	1,500.00	370.79	2,842.71
1.0 to 2.0	1,340	881.05	440.00	1,500.00	423.16	3,244.21
2.0 to 5.0	2,392	1,572.74	440.00	1,500.00	526.91	4,039.65
5.0 to 10.0	4,716	3,100.77	1,060.00	2,500.00	999.12	7,659.89
10.0 to 20.0	8,278	5,442.79	1,060.00	2,500.00	1,350.42	10,353.21
20.0 to 50.0	17,172	11,290.59	1,060.00	2,500.00	1,227.59	17,078.18
50.0 to 100.0	31,614	20,786.21	1,350.00	5,000.00	4,070.43	31,206.64
100.0+	67,951	44,677.78	1,740.00	5,000.00	7,712.67	59,130.45

TABLE 2.—ESTIMATE OF TOTAL STARTUP COSTS

Asset category (dollars in millions)	No. of CU's in category	Total cost per CU	Total start up costs
	(1)	(2)	(3)
0.0 to 0.05	1,160	$704.66	$817.4
0.05 to 0.10	1,590	743.71	1,182.5
0.10 to 0.25	3,610	1,262.55	4,557.8
0.25 to 0.50	3,103	1,401.41	4,348.6
0.50 to 1.0	3,377	2,842.71	9,599.8
1.0 to 2.0	2,992	3,244.21	9,706.7
2.0 to 5.0	2,735	4,039.65	11,048.4
5.0 to 10.0	1,352	7,659.89	10,356.2
10.0 to 20.0	749	10,353.21	7,754.6
20.0 to 50.0	514	17,078.18	8,778.2
50.0 to 100.0	162	31,206.64	5,055.5
100.0+	56	59,130.45	3,311.3
Total			76,517.0

TABLE 3.—ESTIMATED INDIVIDUAL CREDIT UNION EARNING ON INVESTMENT OF DIVIDENDS WITHHELD

Asset size (dollars in millions)	Average dividends paid	Average withholding	Annual earnings per CU
	(1)	(2)	(3)
0.0 to 0.050	$1,011	$101.10	$4.03
0.050 to 0.100	3,283	328.30	13.08
0.100 to 0.250	8,648	864.80	25.88
0.250 to 0.500	19,963	1,996.30	19.68
0.500 to 1.0	38,315	3,831.50	37.78
1.0 to 2.0	82,908	8,290.80	81.74
2.0 to 5.0	192,417	19,241.70	189.71
5.0 to 10.0	458,786	45,878.60	301.56
10.0 to 20.0	956,436	95,643.60	628.67
20.0 to 50.0	2,226,118	222,611.80	1,463.23
50.0 to 100.0	5,215,909	521,590.90	3,428.42
100.0+	17,306,557	1,730,655.70	11,376.07

Source: Credit Union National Association, Inc. Economics and Research Division.

TABLE 4.—ESTIMATED TOTAL ANNUAL EARNINGS BY CREDIT UNIONS ON INVESTMENT OF DIVIDENDS WITHHELD

Asset size (dollars in millions)	No. of CU's in category	Annual earnings per CU	Total earnings for category (in thousands)
	(1)	(2)	(3)
0.0 to 0.05	1,160	$4.03	$4.67
0.05 to 0.10	1,590	13.08	20.80
0.10 to 0.25	3,610	25.88	93.43
0.25 to 0.50	3,103	19.68	61.07
0.50 to 1.0	3,377	37.78	127.58
1.0 to 2.0	2,992	81.74	244.57
2.0 to 5.0	2,735	189.71	518.86

TABLE 4.—ESTIMATED TOTAL ANNUAL EARNINGS BY CREDIT UNIONS ON INVESTMENT OF DIVIDENDS WITHHELD—Continued

Asset size (dollars in millions)	No. of CU's in category	Annual earnings per CU	Total earnings for category (in thousands)
	(1)	(2)	(3)
5.0 to 10.0	1,352	301.56	407.71
10.0 to 20.0	749	628.67	470.87
20.0 to 50.0	514	1,463.23	752.10
50.0 to 100.0	162	3,428.42	555.40
100.0+	56	11,376.07	637.06
Total			3,894.12

TABLE 5.—SUMMARY

Total dividends paid by credit unions in 1981	$5.299 billion.
Acceleration of tax collections:	
Total dividends to be withheld at 10 percent as per TEFRA [1]	529.9 million.
Of CU dividends withheld, dollars already fully reported to IRS (89 percent) [2]	471.1 million.
Of CU dividends withheld, portion representing additional compliance obtained (11%) [2] assumes 100 percent compliance	58.8 million.
Estimated withholding start up costs, less float	72.7 million.

[1] Assumes no withholding exemptions by credit union members.
[2] Internal Revenue Service figures, Report of the Committee on Finance on H.R. 4961, July 12, 1982, p. 228.
Assumptions do not take into account application of minimal interest and annual interest rule.
Source: Credit Union National Association, Inc., Economics and Research Division.

TABLE 6.—ESTIMATE OF TREASURY RECEIPTS

Asset category	Total dividends withheld [1] (dollars in millions)	Adjusted dividends withheld [2] (dollars in millions)	Treasury Earnings Balances: Total withholding (dollars in millions)	Treasury Earnings Balances: Adjusted withholding (dollars in millions)	Treasury Earnings: Total dividend withheld (dollars in thousands)	Treasury Earnings: Total dividends times cash flow adjustment (dollars in thousands)	Adjusted dividends times cash flow adjustment (dollars in thousands)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
0.0 to 0.05	0.117	0.0	0.0	0.0	9.4	0.0	0.0
0.05 to 0.10	0.522	0.0	0.0	0.0	41.8	0.0	0.0
0.10 to 0.25	3.122	1.635	1.717	0.899	249.8	137.4	71.9
0.25 to 0.50	6.195	3.245	3.407	1.785	495.6	272.6	142.8
0.50 to 1.0	12.939	6.777	7.116	3.727	1,035.1	569.3	298.2
1.0 to 2.0	24.206	20.409	13.643	11.225	1,984.5	1,091.4	898.0
2.0 to 5.0	52.626	43.298	28.944	23.814	4,210.1	2,315.5	1,905.1
5.0 to 10.0	62.028	51.034	52.724	43.379	4,962.2	4,217.9	3,470.9
10.0 to 20.0	71.637	58.940	60.891	50.099	5,731.0	4,871.3	4,007.9
20.0 to 50.0	114.422	94.141	97.259	80.020	9,153.2	7,780.7	6,401.6
50.0 to 100.0	84.498	69.521	71.823	59.093	6,759.8	5,745.8	4,727.4
100.0+	96.917	79.739	82.379	67.778	7,753.4	6,590.3	5,422.2
Total	529.829	423.739	419.903	341.819	42,385.9	33,592.2	27,345.4

[1] Average withholding [table 3, col. (2)] times number of credit unions in category [table 2, col. (1)].
[2] The credit union has approximately 46 percent of funds in accounts of less than $2,000. We assume that credit unions with less than $1 million in assets who are using a paper based reporting system would choose to exempt these accounts on the basis of annual dividends being less than $150. We also assume one-third of larger asset sized credit unions also would exempt these accounts. For credit unions with assets of less than $100,000 the Treasury would receive no money during the year since annual withholding is less than $500. For credit unions with assets between $100,000 and $5 million, the nature of cash flow is such that Treasury would have an average of 55 percent of dividends withheld to earn on throughout the year. For credit unions with assets above $5 million, the Treasury cash flow would approximate 85 percent of dividends withheld. In addition 3 percent of member deposits will be assumed to qualify for an exemption.

Note: From the data found in Table 6, we can estimate that the earnings available to the Treasury from the early receipt of credit union withholding would total $27.3 million when adjustments are made to the expected withholding. For credit unions with assets of under $1 million (12,840 credit unions) Treasury earnings would total $512,900. [The estimate would be $1.83 million if Treasury were assumed to receive the unadjusted withholding at the beginning of the year.]

Definitions/Computations for Withholding Tables

TABLE 1

(1) Avg. Members—average number of members per credit union in the asset category (Source: NCUA Annual Report)

(2) Member Contract—assumes that all members receive a mailing from the credit union; 5% of members request additional information either by letter or telephone; 3% of members file an exemption; and 1% of members require help in filing for exemption.

(3) Training Costs—costs associated with obtaining the information necessary to comply with the regulations and transmitting the information to the staff who must implement the program. Each credit union is assumed to send at least one person to a league training program. The number of persons who must be trained increases as the asset size of the credit union increases.

(4) System Preparation—costs associated with preparing the credit unions' accounting/data processing system to comply with the new regulations. Costs are relatively low for relatively small asset sized credit unions who are likely to use a hand-posting system. It is assumed that the costs of preparing an in-house system would be similar to charges imposed by service bureaus.

(5) Overhead—assumed to be 10% of other costs for credit unions with assets of less than $1 million and 15% of other costs for larger asset sized credit unions. Includes printing costs and cost of space, management time, etc.

(6) Total Costs per CU—the sum of (2), (3), (4) and (5)

TABLE 2

(1) No. of CUs in Category—the number of credit unions in the asset category. (Source: CUNA Economics & Research)

(2) Total Costs per CU—from Column (6), Table 1

(3) Total Start Up Costs—product of (1) times (2)

TABLE 3

(1) Avg. Dividends Paid—the dollar dividends paid by each credit union in the asset category in 1981 (Source: NCUA Annual Report)

(2) Average Withholding—assumed to be 10% of average dividends paid with no member exemptions.

(3) Annual Earnings per CU—is based on an effective annual interest rate of 8%. Credit unions are assumed to hold withheld dividends until $500 is accumulated. Once $500 is accumulated, the credit union would forward the money to the Treasury within 15 days of the end of the month following its accumulation. Once $3,000 is accumulated, the eight month rule is assumed to be in operation.

TABLE 4

(1) No. of CUs in Category—same as Column (1), Table 2

(2) Annual Earnings per CU—from Column (3), Table 3

(3) Total Earnings for Category—product of (1) times (2)

TABLE 7.—IMPACT OF STARTUP COSTS ON CREDIT UNION INCOME, ABILITY TO ADD TO RESERVES

[Dollar amounts in millions]

Asset category	Startup costs	Start up costs as percent GI	Percent operating expenses	Percent operating expenses personnel expenses	Percent net income	Percent to undivided earnings	Credit union— Gross income	Operating expenses	Operating expenses personnel costs	Net income for dividends and reserves	Transfers to undivided earnings
0 to $0.05	$704.66	24.29	40.43	51.17	60.75	324.73	$2,901	$1,743	$1,377	$1,160	$217
$0.05 to $0.10	743.71	9.13	17.90	23.63	18.62	112.12	8,147	4,155	3,145	3,991	609
$0.10 to $0.25	1,262.55	7.01	13.34	19.10	12.56	93.66	18,021	9,461	6,611	10,050	1,348
$0.25 to $0.50	1,401.71	3.28	7.07	10.71	6.13	43.43	42,676	19,812	13,081	22,864	3,227
$0.50 to $1	2,742.71	3.34	7.57	12.00	6.00	45.29	84,954	37,544	22,686	47,410	6,277
$1 to $2	3,244.21	1.89	4.51	7.48	3.24	29.40	171,895	71,908	43,355	99,986	11,033
$2 to $5	4,039.65	1.06	2.81	4.67	1.70	14.18	381,589	143,794	86,582	237,614	28,494
$5 to $10	7,659.89	.88	2.41	4.01	1.39	13.81	869,446	318,209	190,971	551,238	55,476
$10 to $20	10,353.21	.60	1.73	2.89	.93	11.25	1,178,234	599,595	358,292	1,118,636	91,993
$20 to $50	17,078.18	.46	1.36	2.29	.69	11.55	3,720,769	1,260,213	744,410	2,460,056	147,891
$50 to $100	31,206.64	.38	1.26	2.01	.55	10.78	8,141,506	2,475,278	1,504,253	5,666,215	289,611
$100 plus	59,130.45	.23	1.04	1.70	.29	6.40	25,976,923	5,681,128	3,458,923	20,295,794	924,006

Source: NCUA annual report; CUNA Economics and Research Division.

Mr. DOLE. I thank the distinguished Senator from Montana for what I consider to be an objective discussion of this matter, one of the few I have heard recently. I commend the Senator from Montana for his thoughtful approach to this whole issue. Again, it is a matter that has to be debated at great length. I am prepared to do that if necessary.

Mr. President, I know the distinguished Senator from West Virginia would like to speak on an unrelated matter. I wonder if I might ask unanimous consent to yield to the Senator from West Virginia for that purpose without losing my right to the floor or recognition.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I will be speaking on social security. I will drop back 48 years and give, I think, some interesting comments about the measure passed at that time. I am the only Member of the Congress serving today who was here in 1935. I supported the measure and, of course, voted for it as a Member of the House of Representatives.

I am very grateful to the Senator from Kansas (Mr. DOLE) for permitting me to step back for almost a half century, not just to be nostalgic, but to give some of the reasons why social security came to passage almost a half century ago.

I am very grateful also to the manager of the bill on the Democratic side, the Senator from Louisiana (Mr. LONG) for the type of consideration being given this important legislation over considerble time here in the Senate.

I have listened, of course, with a process of learning—I am always trying to learn—to the able Senator from Montana (Mr. MELCHER), who has been talking on a specific subject related to the possible inclusion of an amendment relating to withholding on interest and dividends during the consideration of this measure.

The social security program, Mr. President, does have a special significance for me because it was my privilege—yes, it was my responsibility—as a Member of the House of Representatives of the United States to actively support and to vote for the original legislation 48 years ago this April. I point out the date, August, 14, 1935, when Franklin Roosevelt signed this monumental bill, a breakthrough bill, into law.

I recall very vividly on April 19, 1935, when the House, after a long, arduous, ofttimes very spirited 8-day debate, approved the social security package by a vote of 372 to 33.

The Senate, on June 19, passed the measure by an impressive vote of 77 to 6.

At that signing of the bill on August 14, 1935, there were certain words spoken by the President of this Republic. I quote these words from Franklin Roosevelt. He said:

> We can never insure 100 percent of the population against 100 percent of the hazards and vicissitudes of life, but we have tried to frame a law—

Said the then President thinking in terms of the Congress—

> which will give some measure of protection to the average citizen and his family * * * against poverty-ridden old age.

Mr. President, I believe the program has been extremely successful during the years. I think it is an example of a Government program that has worked and fulfilled its original promise.

From a simple premise of assuring our citizens that old age would be free of financial anxiety to a complex program of this very hour that provides tens of millions of Americans with monthly retirement checks as well as health care. Approximately 36 million Americans are now receiving, as we know, monthly checks.

Mr. President, I recall for our colleagues a statement I made on April 15, 1935, during the debate which perhaps is pertinent as I speak today:

> We have passed through the worst, and we now have it behind us; but there are millions of worthy older people in this country who now and in the future will face a real cause of fear a hundred times greater than the fear of depressed business.
>
> Ingratitude is among the more reprehensible of human vices!
>
> Let us not be ungrateful for our delivery from the fear of poverty, and let us demonstrate our gratitude for this blessing by helping to provide protection to those who are not in position to provide it for themselves.
>
> It is a great blessing to possess riches, but it is a greater blessing to possess, also, a heart that is willing to use riches in behalf of those who are helpless.

Mr. President, in 1935 one-third of all elderly Americans were impoverished. Let us not forget that fact. People do not like to look back and talk about the situation then. There are some parallels even today. Let us think of today.

Today, less than 15 percent have poverty-level incomes. The social security program has proved that America can, at times, be at its best helping others to help themselves. Since the inception of social security, many significant changes have reshaped America and the program. I quote now from President Jefferson, who said:

> As new discoveries are made, new truths discovered and opinions change with the change of circumstances, institutions must advance also, and keep pace with the times.

Mr. President, the social security program has been expanded through 13 expansionary laws and seven automatic benefit increases since 1935. In the beginning—I think this is an important fact to state—men dominated the work force. Now, almost half our work force is women. There was a difference then in the work force from the work force now.

In the beginning, there was no Federal minimum wage. It was thought that if we enacted social security, we could partially replace earnings lost through retirement or death.

At the time of the passage of this legislation in 1935, only 5 out of 10 jobs in America were eligible for benefits at age 65. Today 9 out of 10 jobs are included in social security.

In 1940, there were 16 workers supporting each beneficiary. Today, as I

speak, there are 3 workers to every 11 who is a recipient.

There has been a lifespan increase of 20 percent over the last 40 years.

All of this leads to a present rather complex, confused, and troubled situation. Congress is reacting to the problems, frankly, and that is understandable, of this system. We need to provide and we will provide a strong answer to the financing concerns of not only the present but the future. I have no doubt that the membership of Congress, regardless of party, regardless of the occupant of the White House, that all of us working on Capitol Hill and downtown can plan for social security—that, in fact, we may clarify many of the situations which are very, very troublesome at this hour.

Mr. President, what we are doing today will go a long way toward correcting the present financing of the program. There is much remaining to do. I know Senator DOLE and Senator LONG, the two managers of this important legislation, are in a position to improve and can improve it, with their expert handling of measures of this kind over the years. I think that Congress will not renege on its basic promise of 48 years ago. Changes, yes, will be made. Provisions will be modified.

Mr. President, I am gratified to have voted for the original legislation. I believe that it has served the country well. I am sure that out of the work on Capitol Hill now, in both bodies, we shall be able to make necessary improvements. I think, however, we have to come to grips with the financing changes which are necessary in the bill that is before us. We cannot pass them by.

The package that will come out, I say to the managers of the bill, will not be a perfect package. The compromises have already been made, in part, and on subsequent votes will, perhaps, be further made. I am not encouraging my colleagues one way or another on a pending amendment or amendments. I am only saying that, in my opinion, it is absolutely necessary for the Congress to pass a measure coping with the problems of social security as it exists today and that the President of the United States be in a position to sign the measure that comes to him from Capitol Hill.

Mr. DOLE. Mr. President, I thank the distinguished senior Senator from West Virginia (Mr. RANDOLPH). I think it is remarkable that he is standing here today, reciting personal experience with reference to the first Social Security Act. It is another indication of the Senator's commitment and dedication.

I advise the Senator that we are going to do our best to keep our commitment, without getting into the merits or demerits of the pending amendment, as the Senator from West Virginia stated. I deeply appreciate the Senator's statement. It should demonstrate to all of us the seriousness of what we are about and what we should do—hopefully before this coming Friday.

I thank the Senator very much for his eloquence.

Mr. RANDOLPH. I thank the distinguished Senator from Kansas.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas has the floor.

Mr. DOLE. I am happy to yield to the Senator from New York.

Mr. MOYNIHAN. I thank the Senator.

Mr. President, I, too, should like to join in expressing the gratitude of this body and, if we can be surrogates of the people we represent, of the people of the United States for the role the Senator from West Virginia (Mr. RANDOLPH) played in enactment of this legislation and that he plays in its preservation today. Fifty years ago, almost, he helped enact it. Today, he has spoken to the urgency of the legislation before us.

Mr. President, there are not a great many Members of the Senate in the Chamber. Some will be listening on our radio system. I should like to call attention, if I may, to the urgency here, first having said, as I said some weeks ago, I guess, in the jobs bills, that I am committed—it is a commitment from last year—to vote against the repeal of withholding as it is called. I voted against it in committee 1 year ago; I voted against it on the floor. It is a matter of concern to the savings institutions of New York, but the commitment I made I shall keep. But we now have a time on which it can be kept. Whether it will prevail or not, I do not know, but April 15 is settled for that debate to begin.

What I would like to call to the attention of the Senate is a detail, one might say, of the arrangements that have been put in place to do what the Senator from West Virginia has said, which is to preserve the social security system and to try to make clear how precarious they are.

It is not just that so many different groups have had to make concessions which they have not wanted to do but did in the public interest as they judged, but with the understanding that others would make concessions and if any try to withdraw, the whole is risked, but there is a matter of time. Senators know that the authority for interfund borrowing expired on December 31. Prior to that date, the trustees borrowed enough funds to bring the system through July 1. The first actual change in outgo in this system takes place in effect on July 1, July 2, or July 3, when the checks go out. That is when the 37 million checks—36.4; it changes hourly—go out. The provisions of the bill provide for a 6-month delay in the cost-of-living allowances from July 1.

That delay is necessary because the funds will not be there to meet the obligations otherwise.

In terms of the enormous task involved in the Social Security Administration adjusting the retirement benefits of 36 million-plus Americans, the absolute last minute they can have this statute on the books such that they have the authority to make the changes is May 7.

We are recessing this week. We will come back on April 5. There are 4 short weeks, as I count them, during that 28-29 days in which this legislation has to become statute. If anything lets it slip by today or, at the very most, noon tomorrow, prospects of getting a conference with the House, of getting a final bill—it is a large bill; it is not as long as many, but it is a bill filled with details, not just dealing with social security—and getting it to the President, who now expects to sign the legislation as it has passed the House and comes out of the Finance Committee, that is, nonetheless, fraught with the kinds of delays that are natural to the legislative process—if we delay by an extended debate on any extraneous issue, we are putting in peril this entire enterprise.

I do not want to exaggerate, but I do not think what has been done here can be done a second time. Already the strains on the alliances are showing, and to give up that opportunity to show that we can govern, that what we have created we can preserve, seems to me reckless and not in the public interest. In order that I not urge that we speed along, it seems to me I ought not to talk at too great length myself, but I wanted to make clear that we have a deadline and we can meet it, but we are beginning to fritter away that opportunity.

I hope Senators will understand what could be the consequences. It would be ruinous of our reputation and it would be detrimental to the stability of our people, and their confidence in us would be gone.

Mr. DOLE. Mr. President, I thank the distinguished Senator from New York. I certainly share the views expressed by the Senator.

We have agreed on a date to debate withholding. It is difficult to be restrained in talking about this lobbying campaign by the ABA, particularly when you read yesterday's Washington Post. I hope we can finally determine the full truth of how this campaign originated and how they picked those who were engaged in this campaign. But I understand that the American Bankers Association—

borrowed a technique commonly used by marketing departments and conducted "focus-group" sessions with customers.

They discovered that once people were made aware of the new law they were "affronted" by it. That, the lobbyists admit, is just what they were hoping to discover.

Then they took that latent anger and molded it into an outpouring of public wrath that buried Congress beneath a mountain of mail, gummed up the floor of the Senate for a week, generated a flash of temper from President Reagan and provoked threats of retaliation from Treasury Secretary Donald T. Regan and Senate Finance Committee Chairman Robert J. Dole.

The whole effort also touched off an argument over what the boundaries of fair play are when an interest group sets out to mobilize—critics would say inflame—public opinion.

This is how they did it:

In the focus-group sessions in Chicago, put together by the American Bankers Association diverse people were assembled around a table and probed for their attitudes toward government, taxes, savings and banks. They were paid $25 apiece for 90 minutes of their time and thoughts. They were not told who paid the.

We want them to tell what come out of the focus groups. What we do not have—and I hope that somebody will now tell us—is what these people were told. We have been saying for days on this floor that this was an underhanded campaign——

Mr. MELCHER. Will the Senator yield?

Mr. DOLE. Later, because I want to keep my thoughts here—that this was an underhanded, heavyhanded campaign by the American Bankers Association. I hope that we will now have from the American Bankers Association, whoever might have conducted this "focus group," where you put people in a room and you use two-way mirrors to get their reaction, what questions they were asked about withholding, what they were told about withholding. I just assume from the ads that I have read from the American Bankers Association they were probably told it was a new tax. That is what the credit unions told everybody: "We are against this withholding tax." People were told by the American Bankers Association that we were going to loot the savings accounts of their depositors, we were going to pick the pockets of their customers, and that their savings were going to disappear.

And now the truth is starting to come out. That is why this Senator believes this deserves a long discussion.

I did not realize that they had really gone quite that far, using a two-way mirror system to probe and to feed people propaganda, and then get the proper answer, decide what to put in their advertisement and then flood this country with ads and the Congress with mail.

Now, I will say, to his credit that the Senator from Montana said very clearly "This is not a new tax." It is not a new tax, but I must say that I begin to wonder just how far the banks may have gone because today I received a letter from a man in Chicago. Of course, I guess that is where all these shenanigans started. But he said, "Attached is a copy of a letter to Congressman SIDNEY YATES which I thought might be of interest to you." This is addressed to Congressman YATES, a good friend of mine on the House side who happens to be a prominent Democrat.

He said:

DEAR CONGRESSMAN YATES: This week I received a card from you acknowledging receipt of a letter from me opposing the withholding of 10 percent of interest and dividend income.

You may have such a letter bearing my name and address but let me assure you that neither my wife nor I wrote or sent it. Does this not lend credence to Senator Dole's contention that the purported massive public opposition to this measure is not truly public but a strong initiative on the part of service interests, such as the banking lobby?

That is only one letter, but I am wondering how many thousands of letters have been mailed to Senators saying that they have been signed by some of our constituents. This was another part of the bankers' heavyhanded campaign to mail in fictitious letters, or take the list of their depositors and flood us with mail and say, "All these people are opposed to withholding."

To me, I think it is disgraceful. Here we are, having just passed the jobs bill—we have not even finished it yet—and the social security bill should have been finished last week, had it not been for the American Bankers Association gearing up the Senate and trying to repeal withholding.

The so-called Easter recess starts on Friday or Thursday of this week, and now we have another effort. I assume the American Bankers Association is geared up again because now they have the old people hostage. Now they want them to wait while they tie up the Senate.

The social security system is about to go bankrupt. We are talking about $165 billion that we need to infuse into this system in the next several years.

But some seem to be saying, oh, no, we cannot do that. We cannot worry about the senior citizens in America. We first have to take care of the American Bankers Association and their interests. They almost beat the bill to relieve the homeless and the jobless, and now they are after relief for the senior citizens. I wonder to what lengths the American Bankers Association; yes, the Savings and Loan League; yes, the credit unions, will go.

We set a time for debate on withholding, April 15, and we said we will have a full and complete debate. I thought they would be satisfied with that. But it seems to me that there is no way to satisfy the American Bankers Association lobby.

I wonder how long some of the bankers in my State and other States will put up with this kind of campaign. The American Bankers Association position does not reflect the view of the bankers in my State or in the State of Montana. This is a shameful campaign, carried on in an unfair way, by a lobbying group known as the American Bankers Association.

I thought it was rather interesting that Time magazine, on this week's cover, should have highlighted "Tax Cheating—Bad and Getting Worse." That is what we are suggesting is the problem.

Does somebody want to stand up and support tax cheating? It is said, "How are we going to pay for eliminating withholding? We will take it away from the third year of the tax cut, take it away from the working people instead of those who are paying their taxes."

If we have to debate withholding on social security, we will debate withholding on social security.

I will suggest later that we table this amendment and get on, because I share the view of the Senator from New York. There are a lot of other things to concern us around here rather than a mail campaign that has many Senators quaking in their boots. I believe that once we have the full story of how this campaign was started and generated and how it was sustained, many Senators who now have the pro-bank position will suggest that maybe you cannot really support a campaign of that kind.

A lot of my friends say, "Bob, you can't take on the bankers." The Senator from Kansas is not taking on anyone. The Senator from Kansas is supporting the President of the United States, who in his 1983 budget said we should have better collection of taxes so that the system is fair. It is not a new tax. It is a collection of tax.

There are 20 million Americans who do not report all their interest and dividend income. That is a substantial number. I do not suggest for one moment that it is because they are dishonest. Much of it is inadvertent and honest mistakes. But what is wrong with collecting taxes that are due? I think that is the issue.

There was another story that appeared in the Washington Post this morning by Jane Bryant Quinn captioned "The Truth About Withholding, Minus Tall Tales From Banks," which I ask unanimous consent to have printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE TRUTH ABOUT WITHHOLDING, MINUS TALL TALES FROM BANKS

NEW YORK.—You may have been misled by the widespread disinformation campaign that the banking industry is conducting

against the new tax withholding system on interest and dividend income.

Big headlines in ads are scaring savers, by saying that "Congress wants a piece of your savings," or that "10 percent of the money you earn in interest is going to disappear."

Those headlines mean only that most Americans owe taxes on their interest income, and the government will be trying harder to collect the legal taxes due. But the ads have frightened many savers, especially the elderly, into thinking that the government is grabbing something extra. Even President Reagan criticized the banking industry last week for the sound and fury of its campaign.

Congress created the new tax-collecting system during its desperate search for revenues last summer, when it became apparent that the budget deficits were getting much worse. An estimated 10 percent of the people who owe taxes on their interest income don't pay—either because they cheat or because they forget. Taxes are also evaded by an estimated 18 percent of the people who earn dividends.

The most efficient way to collect income taxes is to withhold them automatically at the source. That is what's done for the taxes due on wages; they are deducted from every paycheck you get. Automatic tax withholding on pensions and annuities began this year. And starting July 1, there will be automatic withholding on the income you earn from your savings.

Banks, savings and loan associations and credit unions have been trying to repeal this new law. They stacked protest postcards on their counters, and urged their customers to mail them to congressmen and senators. Some of the banks collected signatures and mailed the cards themselves. Some provided stamps. Altogether, they generated more mail on a single issue than most legislators can remember. Cards have been pouring into the Senate Finance Committee at the rate of 30,000 a week.

The banking institutions object to the cost of tax withholding, which will be paid either by their customers (in higher fees) or by their shareholders (in lower profits).

A majority in the Senate and House of Representatives now backs a bill to repeal tax withholding on interest and dividends. But the leadership of both Houses opposes repeal, as does the public official with the biggest vote of all. Reagan announced last week that he would veto the jobs bill if it came to him with a rider repealing interest and dividend withholding. [The Senate finally passed the jobs bill Thursday after the withholding amendment's sponsor was persuaded to withdraw in return for its consideration on the floor April 15.] The government estimates that automatic tax withholding will pick up an extra $4 billion to $5 billion in taxes next year.

To straighten out the disinformation you have been getting, here is what's scheduled to happen July 1:

Ten percent of your interest and dividend income will be withheld toward your income taxes due. This is not a new tax. It is simply a new way of collecting the present tax.

The government is not withholding 10 percent of your total savings, as some people believe. It is withholding 10 percent of the interest earned on your savings which, for most taxpayers, is less than the actual tax due.

When taxes are withheld monthly from your savings account, you will have a little less money earning compound interest. The banks have been making a great deal of this, claiming that the government is "looting" your savings. But the cost is small. At 9 percent interest, tax withholding will cost you 50 cents a year on each $1,000 in savings. And you need not even lose that. Banks are allowed to withhold taxes all at once, at the end of the year, which would leave all your money free to compound all year.

All low-income people and most of the elderly can exempt themselves from tax withholding. You are exempt if you paid no more than $600 in federal income taxes last year ($1,000 on a joint return); or if you are 65 or older and paid no more than $1,500 in federal taxes last year ($2,500 on a joint return). The Treasury estimates that 87 percent of the elderly will not be subject to tax withholding.

But to get your exemption, you must file a new withholding form (Form W-6) with the companies that pay you dividends and with each banking institution where you keep interest-paying accounts. That won't be hard. When July 1 rolls around, there will be plenty of information about where those forms can be found.

Mr. DOLE. Mr. President, I think that once the people understand that this is not a new tax, they are going to support what we are trying to do. Does anyone want to stand on this floor and say that you should not pay your taxes; that we are going to make certain you do not pay your taxes; that we have to make up for what you do not pay, so we are going to take it away from the working people?

The Senator from Kansas had a note last Friday from Mortimer Caplin, the IRS Commissioner under President Kennedy. Among other things, he thought we were doing the right thing. However, he said:

Withholding is the backbone of our self-assessment system and represents almost half of what the IRS collected in 1982. Yet it has been under frequent attack throughout our tax history. At the same time, its soundness has been proven by the long experience both in England and in this country dating back to the 19th Century. It is hard to conceive of a sound income tax system that does not have the backing of a reasonable withholding procedure.

Tax withholding on dividends and interest was first introduced in the United States by the Revenue Act of July 1, 1862. It applied at an initial 3 percent rate to interest and dividends paid by all railroads, banks, trust companies, fire, marine, life inland, stock and mutual companies. In 1864, the withholding rate was increased from 3 percent to 5 percent and was extended to include interest and dividends of canal, turnpike and canal navigation companies. Only the salaries of government employees were also subject to withholding during the period, as it evidently was regarded as too difficult to extend withholding to the salaries of outside employees. In short, withholding on dividends and interest was workable, but withholding on salaries of non-governmental employees was not.

I have a very extensive history of what happened from 1862 to 1962, 100 years, when we have had withholding in this country. It is not just in this country. Other countries have tried withholding successfully. In Belgium, they have a withholding rate on interest and dividends of 20 percent; in France, 10 percent; in Germany, 25 percent on corporate bonds and dividends. We do not have the information for Italy. In Japan, it is 20 percent on interest and dividend. We do not have the precise percentage in the United Kingdom.

It seems to this Senator, to the President of the United States, to the Speaker of the House of Representatives, and the chairman of the House Ways and Means Committee that we should take a very careful look at withholding. This Senator believes he has an obligation to do so. I cannot expect my colleagues on the House side to defend withholding if we are not willing to defend withholding on this side.

If there is some reason why it is not defensible, or if the President suggests we are going to drop withholding, that we are getting too much heat from the bankers, or if the Senator from Montana can agree that the bankers will start withholding on June 1, 1984, then maybe we will have something to discuss. But until that happens, I think all we can do is discuss withholding.

It would be a budget loss. The amendment is subject to a point of order under the Budget Act, because the loss in 1983 is $1.1 billion, and in 1984 it would be about $0.3 billion. So there is a point of order to be made under the Budget Act.

I know there has been a big question about who is going to be first. There have been meetings on the Republican side of the aisle today, the Steering Committee, trying to find who is going to offer the first withholding amendment. The Senator from Kansas knows that it is popular politically and that you will get a lot of fan mail if you repeal or delay withholding. But that does not mean it is the right thing to do.

The Senator from Kansas is fairly sensible and reasonable, but I really believe there is going to be revulsion in the Senate when we finally learn how this campaign was put together and how it has been sustained.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. DOLE. I will yield for a question.

Mr. MELCHER. The Senator has asked how the campaign was put together. I wonder if he would mind my stating—before I ask my question—that in the case of one taxpayer, who happens to be the wife of the aide who sits in this chair—he is out for a cup of coffee right now—who is a schoolteacher, she received this form, notice 662-A, to which the Senator from Kansas referred, last week I believe, from the Treasury Department.

This is a form that goes out with every tax refund that is being mailed right now. It say, "Attention, recipi-

ents of interest and dividends. New withholding program begins July 1."

So far as that individual taxpayer is concerned—the wife of my aide, who is a schoolteacher—that was the first she heard of it. The first thing she did was buttonhole my aide when he got home that night, and she said to him:

Have you seen this notice? Now do you know what they are going to do to us? They are going to start withholding tax on interest and dividends. Why do you not say something to Senator MELCHER, to see whether he can do something about that, to block it?

I daresay that millions of other taxpayers are going to find out about this withholding to become effective July 1 from the explanation mailed to them either with their refund checks or, as the Senator from Kansas pointed out several days ago, in the 36 million checks which are going to be mailed out to social security recipients on April 1. They are going to learn of it for sure.

Can the Senator tell me does not the reaction of this schoolteacher wife of my aide, just learning of it through the Treasury Department, by receiving this form from the Treasury Department with the refund check point out that there are a lot of people who are completely unaware of it and whatever this big campaign has been by the banks they do not necessarily get the word out? Is it not apparent that the IRS is doing their duty? They are now getting the word out. Would it not also be fair to say that a great number of taxpayers are going to have the same reaction as that schoolteacher did who objects to it?

Mr. DOLE. Mr. President, if the Senator will permit me to answer the question, I cannot believe the schoolteacher did not know it beforehand if she teaches in this area because it has been rather widely reported and the banking lobby has not missed many. I do not know if they have been into the schools but they have been everywhere else. I am certain if she had an account she has gotten a notice in the bank account. If you walk into the bank you are hit with one of these forms to fill out.

But I would also assume they withhold from her check, if she has withholding on her wages as a schoolteacher, and I do not know whether she is objecting to that also, but that is another matter.

Mr. MELCHER addressed the Chair.

Mr. DOLE. I am not going to yield for more questions.

Mr. MELCHER. I think that is the point. I think the point of further withholding is what she is objecting to.

Mr. DOLE. The point the Senator from Kansas makes is why should we withhold from the working people on wages and salaries?

Mr. MELCHER. She is working. These are working people.

Mr. DOLE. I said why should we.

Mr. MELCHER. I am giving the Senator a fair reaction. I am giving him a fair reaction of a taxpayer.

Mr. DOLE. If the Senator wants to broaden the amendment and change withholding on wages and salaries, we might be able to do business. I do not know why he wants to favor the rich and keep zapping the working people.

Mr. MELCHER. This is not the rich.

Mr. DOLE. If we are going to have withholding we should have withholding. If we are going to have special exemptions because the banks are powerful, the savings and loans are powerful, and the credit unions are powerful, we should have the exemptions for the working people, the people out there working with their hands every day.

We have had withholding. Withholding has been around for a long, long time, and I know a lot of working people who would like it if we did not take it out of their checks every 2 weeks. They could put that aside and earn interest on it and do it the next 2 weeks, the next 2 weeks, the next 2 weeks. At the end of the year next April they could pay their taxes.

The banks are arguing that we are not letting people keep money there for investments.

What about the millions and millions of working people who should have the same right?

I wish to say again, just to include in the RECORD a few editorials—here is one from the St. Petersburg Times: "Baloney from Banks," which I thought made a lot of sense. It talks about this campaign and how they give you a little example here.

It has been 40 years since Uncle Sam started taking his piece of every pay check. Had fairness been the guide, that's how long income taxes would have been withheld from bank interest and stock dividends also. However money is earned, it ought to be treated alike.

It takes more than fairness, unfortunately, to make Washington tick; in this case, it took the lengthening shadows of $200-billion budget deficits. The reforms that Congress passed last year, when fully effective, will mean some $4-billion a year in new revenue—nearly all of it representing taxes that are presently being evaded by people who "forget" their dividend and interest income when filing their 1040's.

It went on to say:

The bankers, it seems, are not good losers. Sympathy would come more readily for their valid points, such as the extra paperwork they face, if they were candid about their real stake in the issue. Corporations and pension plans are also newly subject to withholding, but few are protesting. Why the banks? The conspicuous difference is that corporations are accustomed to paying out dividends quarterly while the banks are accustomed to retaining and using and interest they credit to their depositors.

Savings deposits, money market funds, time deposits and other interest-bearing accounts pay household depositors some $220-billion a year, using the industry's own figures. Most of it is credited directly to those accounts, where it remains on deposit, enlarging the banks' own portfolios, raising their lending reserves and increasing their potential profits. At the uniform 10 percent quarterly withholding rate, that's an average of $11-billion a year less on the banks' books, with a corresponding increase in the government's accounts. Much of that, of course, eventually would be paid by depositors who are honest with the IRS regarding their interest income. But if wage-earners have no choice in the matter of withholding, why should anyone else?

And that is the $64 question.

I have not seen the banks up here pleading that we should repeal withholding on those who work in their banks. What about the people who work in their banks? What about all the depositors who work for a living and pay their taxes and have taxes withheld on their wages?

So if the banks want to make a uniform, balanced presentation, then we can listen to those arguments.

But there are literally dozens and dozens of editorials. Once the truth comes out, the people will understand that we had this two-way mirror set up and we had people stashed away being paid $25 by the ABA, and then they probably fed them a lot of propaganda and said, "What do you think about that?" If you only hear one side of the argument you do not have much choice—most of us could convince nearly everyone with one side of the argument. If I tell 10 people in the room that this is a new tax, I assume 10 people might believe it is a new tax. If I tell 10 people that this is going to pick your savings or reduce your savings, I imagine 10 people would believe that.

That is how this campaign was generated. So we owe a debt to Paul Taylor who reported that in yesterday's Post about the bank's psychological ploys to stoke the savings rebellion. They have stoked the rebellion already. They have stoked a rebellion—no doubt about it. The genie is out of the bottle.

Now we must be treated with this issue every time a bill comes up to help someone or carry out the President's program, or to carry out the bipartisan Social Security Commission efforts, which was endorsed by the President, by the Speaker of the House of Representatives, and by a vote of 18 to 1 in the Finance Committee, Democrats and Republicans. We have to lay that aside now so we can debate this for 2 or 3 days. Social security should have been passed last week. But no, we could not do that. We had to take care of the bank interests. We should have passed the jobs bill early last week. But no, we could not do that. We had to take care of the bank interests because they are the ones rushing into town and send-

ing letters and calling on the telephone and flooding you with mail.

They may eventually win, but not on this bill. If we are going to have a social security bill, it is not going to have this amendment on it.

Mr. CHAFEE. Mr. President, will the Senator yield for a question?

Mr. DOLE. I yield for a question.

Mr. CHAFEE. I wish to say to the Senator from Kansas that coming into the middle of this debate after the weekend gives one a horrible feeling that it is a long day's journey into night. We were through this all last week.

Am I not correct in asking the distinguished Senator from Kansas that the Senator from Kansas and the majority leader have promised to those proponents of this legislation that in April the Senator will give these folks who desire a repeal of the withholding on interest and dividends a vehicle and a vote.

Mr. DOLE. Yes. In fact, we decided to take it up on April 15. We thought that was an appropriate date. That is the date for filing deadline for tax returns. We will not vote on April 15 because that is on a Friday. We would not want to delay anyone's travel plans on Friday. But I think within 2 or 3 weeks after that we might get to a vote.

Mr. CHAFEE. So, in effect, they are going to have their day in court sooner or later, as I understand it.

Mr. DOLE. The Senator is correct.

Mr. CHAFEE. I do not understand the reason that the proponents have brought this legislation up now. We thrashed around, lost a whole week last week, and finally got it set aside while we went to the jobs bill, and now we are on one of the most important pieces of legislation we will consider in this Congress; namely, saving of the social security trust fund. I personally believe we have to get on with this. We are running up against deadlines. Not only are we running up against deadlines, but we have a series of other serious amendments that are going to come up.

Am I correct in asking the Senator from Kansas—there are some major amendments that are going to be proposed on the floor dealing with social security; is that not correct?

Mr. DOLE. The Senator is correct.

We still have about a half dozen amendments and the distinguished Senator from Louisiana has a major amendment.

Mr. CHAFEE. I do not know whether we have reached time agreements on those amendments or not.

Mr. DOLE. No. The Senator from Kansas is not willing to give anyone a time agreement for the reason we are now here on this. Had we given a time agreement the Senator from Kansas would be locked into voting on this amendment within 30 minutes or 1 hour or 1 day or 2.

Mr. CHAFEE. So we have a real problem here in getting on with this legislation, getting it passed, and I think I would be correct in saying to the Senator from Kansas that if this social security legislation is not passed within, say, 2 or 3 days, then it has to go to conference, it has got to come back and be passed, and if that does not happen then we will move to the end of the Easter recess, which is 10 days or so away after that.

Meanwhile pressure will be building up from every group that does not want to be in it, those who do not want to postpone the COLAs, those who do not want an increase in taxes, those who do not want the Federal employees included. Am I not correct in suggesting that this very, very delicate and important compromise is liable to become unraveled the longer we wait around and deal with what I might say are extraneous amendments, not going to the substance of the Social Security Act?

Mr. DOLE. There is no doubt about it. This amendment plays right into the hands of the Federal employees who do not want the bill to pass in the first place, do not want to come under the bill. I find this rather strange, the ABA and the Federal employees unions working together. But you come to learn in this area, and I am not unsympathetic to the Federal employees, do not misunderstand me. I am not particularly sympathetic to the ABA.

Mr. CHAFEE. Am I not correct in saying that we have a jobs bill conference report to come back here?

Mr. DOLE. We cannot rush to these things. We have to take care of the banks. We cannot worry about the homeless and the jobless. The banks are the ones with the power, and all the mail in our office comes from them.

Mr. CHAFEE. This legislation helps the crippled and the blind.

Mr. DOLE. I think some in the ABA have a problem, but I am not going to get into that. Yes, it does.

Mr. CHAFEE. I think my real question to the Senator from Kansas is, as I see it: There is a sense of urgency about this matter because we have got to pass it, the conference has to pass it, we have a conference on the jobs bill to wrestle with, and we have a good-sized menu before we get out of here for the Easter recess, if we do get out, and I would presume—well, I think the House is going to go anyway—so the longer we take here the greater it seems to me we endanger the prospects of these two very important bills.

Would the Senator agree with me on that?

Mr. DOLE. The Senator does agree.

The thing that concerns this Senator is we are not going to finish the debate on this amendment in time to take up the one on April 15. We have been tugging and hauling. If we do not finish the bill this week, and we come back on April 6 or 7, we are still on this amendment which, I assume, we will still be on, then we have to debate that for the next 8 or 10 days, and how are we going to accommodate the distinguished Senator from Wisconsin? I would not want him to feel left out of this. I know there is a rush to get in on this. It is a horse, a nice horse to ride, it is popular. Everybody wants to get on it. But we cannot accommodate the Senator from Montana and the Senator from Wisconsin, if we never finish the debate on this, but I am sure the Senator from Wisconsin understands these technical things will happen.

I thank the Senator from Rhode Island.

It seems to me—and I do not quarrel with the Senator's right to offer his amendment. I think he made an objective statement, one of the first I have heard in opposition to withholding on the Senate floor, and so I commend the Senator from Montana for that. He did not call it a new tax. He indicated what he thought it was, what he thought it was not, and I do not quarrel with anything he said except I hope he will let us move on with social security, that he will withdraw his amendment. He understands that there is some concern about it.

Certainly the Senator has the right to be concerned about it, every Senator on this floor has the right to be concerned about it. But I hope he understands our position. There is not a single so-called nongermane amendment—I know they say it is a revenue bill, so that is not the issue—but there is not a nongermane amendment in it since we tried to limit this bill to social security, unemployment, and medicare, and there has not been a single amendment brought to my attention that would violate the spirit of that. At least I hope we can get through this Chamber of the Senate without offering any amendment that did not affect either unemployment, medicare, prospective payment, or social security.

This is one of those, too, but that again does not mean that the Senator cannot offer it. As I have indicated, this is subject to a point of order under the Budget Act, and as to that we are expecting the Senator from New Mexico to arrive at any moment. I think he is still in Chicago. They have had a bad storm there, but at least he is on his way.

I ask unanimous consent to have printed in the RECORD a column by James J. Kilpatrick which appeared in the Kansas City Star on March 1,

1983, "Bankers Shortsighted on Tax Withholding"; an editorial in Newsday, Long Island, N.Y., "An Unconvincing Case Against Withholding Taxes"; "Interest Withholding Not 'Subversive'" from the State-Journal Register, Springfield; "Those 'Untold Billions,'" from the Washington Post; "Let's Give It a Chance," from the Los Angeles Times; "Poison Pens and a Sensible Tax," from the New York Times; "Bank Smokescreen," from the Charleston Gazette, Charleston, W. Va.; "Alarm Over Withholding," from the Baltimore Sun; "Bankers' Clout," from the Cincinnati Post; and "A Message From the Banks," in the Washington Post.

There are others that we will need in the next debate, and perhaps need these again, too.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BANKERS SHORTSIGHTED ON TAX WITHHOLDING

(By James J. Kilpatrick)

WASHINGTON.—When it was all over at Arculum, back in 779 B.C., and the sun was setting on the battlefield, an aide came up to General Pyrrhus. "Well," said the aide, "we whupped the Romans this time."

Pyrrhus looked at the bloody field. He had lost two-thirds of his army. He looked at his aide and uttered the sentence that made him immortal: "One more such victory," said Pyrrhus, "and we are lost."

It is an old story, but it is a story that American bankers might want to think about. The bankers have mounted a massive lobbying campaign to repeal the tax withholding law that Congress approved last year. The campaign has produced the heaviest mail on Capitol Hill since the 1975 fight over the Panama Canal. Says Carroll Hubbard, who represents the First District of Kentucky, "It's awesome."

But in the process, the bankers have taken on (1) the chairman of the Senate Finance Committee, (2) the chairman of House Ways and Means, (3) the speaker of the House and (4) the president of the United States. At the moment, because they have rounded up more than half of each chamber in support of their repeal bill, it looks as if the bankers may win. If they attach their bill as a rider to some other legislation the White House sorely wants, such as Social Security, they may even push the president into a corner where he has to sign the measure willy-nilly. Victory! They will have whupped the Romans.

Under the withholding law, scheduled to become effective in July, banks and corporations would be required to treat the payment of interest and dividends in somewhat the same fashion that all employers treat wages and salaries. Periodically, 10 percent would be withheld as income tax and paid over to the Treasury. This is not a new tax in any sense. Subject to certain exemptions, income from dividends and interest is taxable income.

The trouble is, according to Sen. Bob Dole, Republican of Kansas, that about 11 percent of interest payments and 15 percent of dividends never are reported on individual tax returns. The withholding law, he says, "Will cut these non-compliance rates in half, and raise almost $4 billion each year."

I may be in a small minority, but I see nothing wrong with the act. On the contrary, I see much that is right. To listen to the bankers propaganda campaign, you might suppose that the idea is to penalize millions of little old ladies in tennis shoes. Baloney! The act provides a simple machanism by which old folks in low-income brackets may exempt themselves from the law.

The bankers also are cultivating the impression that the act will cost them "untold billions" in paperwork. This too is baloney. Banks and corporations already are required to compile and report their payments of interest and dividends. In all but the smallest banks, the transfer of withheld taxes can be accomplished in the flicker of a computer's eye.

The repeal campaign has put some odd fellows in bed together. In the House, such conservatives as Kemp of New York, Paul of Texas and Edwards of Oklahoma are cosponsors with such liberals as Mikulski of Maryland, Simon of Illinois and Conyers of Michigan. In the Senate, Helms of North Carolina and Tsongas of Massachusetts are walking hand in hand for repeal. Both Republicans and Democrats see an opportunity to put themselves on the side of the little old ladies, which politically speaking, is a nice side to be on.

But the act is not aimed at the little old ladies. It is aimed at the fat cats who have large incomes from dividends and interest and cheat on their income tax returns. Once this truth is grasped, the political advantage will shift.

In a speech to the American Bankers Association on Feb. 17, Senator Dole denounced the bankers' advertising campaign as false and irresponsible. He gave them a pointed warning: If the bankers succeed in knocking out the $4 billion in estimated revenues from withholding, the bankers had better prepare themselves for alternative measures they will find even more distasteful. For Pyrrhic victories, one pays a heavy price.

[From the Newsday, Long Island, N.Y., Jan. 25, 1983]

AN UNCONVINCING CASE AGAINST WITHHOLDING TAXES

The way bankers all across the country are howling about the prospective withholding tax on interest and dividends, it might appear that they and their customers are soon to be subjected to some exotic torture.

But withholding a portion of income for taxes is hardly new, as every wage earner knows. Federal, state and even some local governments take a bite out of every paycheck. So does the Social Security system. And as taxpayers also understand, if they owe any additional tax beyond what was withheld, it has to be paid by April 15; if the government has withheld more than they owe, they get a refund after filing a return.

So why should interest or dividends be treated any differently?

In its big tax reform legislation last August, Congress wisely decided that they shouldn't be. Beginning July 1, banks, savings and loan associations and corporations will be required to withhold as federal income tax 10 percent of the interest and dividends on accounts yielding more than $150 a year.

Bankers all around the country, led by the American Bankers Association, are leaning on their senators and representatives to repeal this withholding requirement. The banks are also trying to generate opposition to it among their customers, warning that the new rule will allow the government to "stand over your bank teller so it can reach directly into your bank account." Aside from the financial loss involved, the bankers are saying, the new rule will tarnish the confidential relationship between a bank and its customers.

That reasoning argues not only for the abolition of the new requirement but for the elimination of the entire tax withholding system. After all, if the bankers are right, presumably the government is now standing over every payroll clerk each time a paycheck is issued.

Yet there's no reason to suspect that the relationship between wage earners and their employers has been adversely affected by the payroll withholding system. The bankers have failed to make a convincing case against the new withholding tax and neither the public nor Congress should be swayed by their arguments.

[From the State Journal-Register, Springfield, Feb. 1, 1983]

INTEREST WITHHOLDING NOT "SUBVERSIVE"

The banks in town have done a good job of getting people all wound up about interest withholding.

It's a master stroke. You can't walk into a bank lobby in Springfield without seeing the little petition cards to sign and send to your congressman or senators urging repeal of withholding.

And their customers are obediently filling out the forms so the banks can send them in.

These are the same banks that charge you when you give them your money to use. As far as I'm concerned, when the banks say they're looking out for me, I start checking my pockets.

The interest and dividend withholding idea was part of the tax bill suggested last year by President Reagan and adopted by Congress. The whole package, which included tax increases and efforts to improve compliance, was an attempt to close the federal budget gap, something the banks said they wanted.

The provisions require banks and others to withhold 10 percent of the interest earned in accounts that generate at least $151 in annual interest.

Realize this: withholding is not a tax increase for you and me.

We have been taxed on our interest earnings for a long time. But what Congress found was that 11 percent of the people failed to report interest income, and 15 percent failed to report dividend income. And you can bet the non-reporters weren't the ones with just meager savings.

Because it takes the tax money up front, interest withholding is aimed at those who have not paid their fair share. What we keep hearing from the banks, however, is that withholding is something subversive.

Withholding taxes from or savings interest robs us of some of the benefit of compound interest, the banks warn us. Defiled by the government again.

I won't claim to be an average saver—I don't know what the average saver is—but I do have interest-bearing accounts with a money market and with a local savings institution. And I'll tell you what effect withholding would have had on me last year.

About $1.70 in lost earnings.

Those who have a tidy nest egg and are earning $10,000 a year in interest on a $100,000 acount may face a more significant loss. But I can't feel particularly sorry for

them. And I have better ways to spend my time than petitioning Congress to get an extra $1.70 a year.

Yet Congress is listening. There already are several bills in Congress this year to repeal the provisions, including one introduced by Springfield's new congressman, Dick Durbin. In fact, withholding is the only subject about which Durbin has felt so strongly that he's introduced his own bill.

Durbin's spokesman says the congressman is for repeal because he believes the withholding provisions run counter to economic recovery. They're a disincentive for saving or investing, Durbin says.

Well, I'm sure not going to pull my money out of an account because I'm not getting an extra $1.70. What's my alternative? Spend it all and lose all the interest? Put it in a mattress?

I think the real reason we're being asked by the banks to get all upset about this is because the banks don't want to have to deal with it.

They claim the program is onerous and will increase their costs. The provisions of the act, however, allow the banks to invest the funds themselves for a month, keeping the interest, before sending it on to the IRS. Over the long term, that will more than cover the cost of setting up a withholding system.

The banks say they want to protect my right to control my money. I don't think they're concerned about me at all—because I'd rather pay the IRS a little at a time than in one lump sum next April 15.

[From the Washington Post, Feb. 21, 1983]

THOSE "UNTOLD BILLIONS"

What's so wrong with asking people to pay their taxes? Senate Finance Committee Chairman Robert Dole posed that question the other day to leaders of the American Bankers Association. It's a question that needs a much better response than the campaign of obfuscation and hysteria launched by the bankers in opposition to the new law requiring partial withholding of taxes on interest and dividends.

The bankers know full well that the new law will put no burden on any honest taxpayer. No one is being asked to pay anything he does not already owe. People who are elderly or have modest incomes are exempt. The interest lost from quarterly withholding of taxes would amount to a maximum of 50 cents a year on a deposit of $1,000. Would that bank service charges were so low.

But protesting bankers also know that it is easy to confuse people about tax law changes. So instead of preparing to put the law into effect, they have bought ads, given speeches alleging that Congress is "looting" savings, and mailed misleading fliers to their depositors with form letters to congressmen enclosed.

Like most such tactics launched upon an uninformed and frequently elderly public, these have had their effect. The form letters have poured into Congress. A substantial number of senators and representatives—who, alas, are frequently no better informed than their constituents—are said to be considering repealing the withholding provision.

What prompts this disingenuous behavior? Surely no real concern for the convenience of depositors. As a matter of fact, bankers opposed the exemption provisions for elderly and low-income people when the law was being drafted. What they really appear to be worried about is their own convenience—and the prospect that withholding might scare off depositors with an inclination to tax evasion.

Banks already send quarterly information forms to the IRS on all dividends and interest. Accompanying them with a 10 percent fund credit would amount to no more than the electronic equivalent of the flicker of an eyelash. The cost would be minuscule compared with the cost of having the IRS track down and collect from each of the distressingly large number of tax evaders. But the banks would still have you believe that this new chore would cost them and their depositors, as it is regularly said, "untold billions."

But the thing about untold billions is that the usual reason they are untold is that telling them would require using numbers with several zeros immediately to the right of the decimal point. Somehow a number like $.001 billion has a lot less impact. But speaking of untold billions, you might want to remember that these bankers who now claim to be so concered about prudent operation are the same ones who have been recklessly investing overseas and who would now like to have government protection from the consequences of their folly. Here the billions involved are more unspeakable than untold—and certainly uncollectable.

You might also remember, as Sen. Dole has done, that banks now pay notoriously low taxes. If Congress unwisely decides to repeal the withholding provision, one very good way to replace the $22 billion in unpaid taxes that will be lost over the next five years would be to repeal some of the provisions that now favor banks over other taxpayers.

[From the Los Angeles Times, Feb. 27, 1983]

LET'S GIVE IT A CHANCE

The U.S. government does better than most when it comes to collecting taxes owed it, thanks largely to the payroll-withholding tax introduced 40 years ago. But not all income is subject to withholding. Dividend and interest payments, which last year amounted to about $525 billion, have up to now been exempt. The Internal Revenue Service estimates that evasion of taxes due on these earnings cost the Treasury $8.2 billion in 1981. In last year's tax bill, Congress moved to round up some of that missing revenue by subjecting interest and dividends to 10% withholding, beginning July 1.

At the same time, Congress provided certain exemptions so as not to impose hardship on small investors. Taxpayers over 65 can avoid withholding if their 1982 income was under $14,450 for an individual or $22,214 for a couple. Those under 65 can qualify for exemption if their 1982 income was less than $8,000 for an individual or $15,300 for a couple. There will be no taxes withheld on accounts paying dividends or interest below $150 a year. Finally, employed persons who face dividend and interest withholding can offset the new deductions by having less withheld from their paychecks.

These exemptions, the Treasury says, will exclude from withholding provisions fully 60% of those who receive interest and dividend payments. They can also be expected to reduce by about half what the Treasury says it would be getting if it could be sure that all taxes due on interest and dividends were paid. Still, $4 billion in hitherto uncollected taxes due is a worthwhile start.

Lending institutions have been lobbying vigorously to get the withholding provision repealed. They argue that the paperwork costs for banks and corporations could run as high as $1.5 billion a year, with those costs passed on to investors in the form of service charges and lower yields. The Treasury responds that the real cost of withholding would in fact be only about one-tenth that figure, meaning a highly favorable revenue-to-cost ratio—$4 billion raised on $150 million spent—of 25 to 1. Further, the Treasury says, the interest lost by investors on withheld money would be very small.

Equity pretty clearly requires giving the new withholding plan a chance. Payroll tax withholding is a proven means for assuring that taxes due are paid. The same rule ought to be applied to dividend and interest income to narrow the opportunities for tax evasion. If experience shows that the costs of complying with the new law are excessive, then revision or repeal should be considered. Until that can be demonstrated, Congress should stick with the decision that it made last year.

[From the New York Times, Feb. 24, 1983]

POISON PENS AND A SENSIBLE TAX

There's no precedent for the deluge of Congressional mail that the banks have stirred up against the new tax withholding from interest and dividends. There's also no sound reason for it; it should all be forwarded to the dead letter office.

The campaign is financed and orchestrated by the American Bankers Association. It is flooding its thousands of members with propaganda to feed to their millions of depositors. For instance, along with their January statements some customers received printed postcards addressed to their two Senators, ready to sign and send. Anyone needing a stamp was invited to "bring this card to the bank."

Withholding on interest and dividend payments was part of last year's $99 billion tax bill. Effective July 1, 10 percent will be withheld from each payment. This is not a new tax; interest and dividends are already taxable as ordinary income. Neither is it a gross imposition on the banking system, or an unfair penalty on honest taxpayers, as some insinuate. It is simply an effort to catch the cheaters who now escape paying tax on $30 billion of legitmately taxable income.

The banks are understandably agitated because the voluminous paperwork falls to them, along with all the grief they will get from grumbling taxpayers. But this burden has its reward. The banks get free use of the withheld funds for a month before they must turn them over to the Treasury.

There are two other anti-withholding arguments that appear to make sense, but neither bears scrutiny. First, it is said that withholding deprives taxpayers of earnings that they would be saving or investing to earn more money. That's true, but the loss is small. An example: the annual compound interest on a $1,000 savings account paying, say, 9 percent is little more than $90. In the course of a year, withholding would take about $9. If the withheld funds were left on deposit, they would earn less than 50 cents. That's not much of a loss. Moreover, most elderly and low-income taxpayers are exempted.

The second argument is that withholding is unnecessary; the Internal Revenue Service already gets reports on dividends and interest from the corporations and financial institutions that pay them. That's true for securities and bank accounts with the owner's name on them, but not for "bearer"

securities registered in no name. In any case, it's impossible for the I.R.S. to match each dividend or interest report with each taxpayer's return. Withholding what's owed currently is surer, swifter and easier than trying to track it down afterward.

The case in favor of withholding is overwhelming. The Government, faced with gaping deficits far into the future, needs more revenue. Withholding will yield revenue that is already owed. Without it, some other tax would be necessary. Senator Dole, the wily chairman of the Finance Committee, suggests it might even be a tax on banks. Now isn't that an interesting thought?

[From the Charleston Gazette, Charleston, W. Va., Feb. 3, 1983]

BANK SMOKE SCREEN

The Nation's financial institutions have initiated a mammoth campaign to influence Congress to repeal, before it ever takes effect July 1, the withholding on interest and dividend income law enacted last year.

Members of the House of Representatives and Senate are being swamped with letters and postcards from irate depositors and investors. Some lawmakers are receiving as many as 1,000 pieces of mail a day requesting rescission of the withholding law, if news reports are correct.

Congress commits untold follies, but surely it will have the sense not to annul, less than a year after passage, legislation that has never been given a chance to prove itself.

Contrary to claims from bankers, it wasn't to hurt small investors and small depositors—to take away from them an opportunity to earn interest—that the withholding plan was adopted. Indeed, depositors making less than $100 annually in interest won't have the 10 percent withheld from their account, if they choose to apply for an exemption from the plan.

The latter was authorized to make it more difficult for tax scofflaws to evade their civic responsibility. The Internal Revenue Service is convinced that today huge sums—billions of dollars—owed the government aren't paid.

Sponsors of repeal say that the law will penalize the law-abiding and that the federal government currently receives sufficient information to prevent Americans from cheating on their income tax. Sponsors imply that only the investors with small savings or holdings will suffer, since they won't be able to put all their money to work earning compounded interest.

When bankers begin braying about the little depositor are the lion and the lamb living together or is history being stood on its head? History, we we may be certain, is being stood on it's head. Bankers don't worry about the little depositor nearly so much as they worry about the sums which for the bank are earning considerably more money than they're earning interest for small depositors and which, once the withholding law is effective, will be forked over to the IRS.

The withholding law should be permitted to prove itself. Are vast amounts of taxes on interest and dividends owed to the federal government not being collected? The wihholding law ought to answer that question and ought to remain in force until the question is answered.

[From The Baltimore Sun, Feb. 11, 1983]

ALARM OVER WITHHOLDING

A great alarm has been sounded over the law enacted last year requiring banks and other financial institutions to withhold taxes on interest and dividends owed to the government by their customers. The banks say it will be a nightmare to administer (mostly because of exemptions that protect old and poor people). They say their computers will have to be reprogrammed and that their employees will be forced to use expensive time explaining this whole business to savers. Some individual taxpayers complain that the law is unfair and it will cost them money to have their taxes withheld. Much of the alarm, we suspect, is exaggerated.

Those people who think it is wrong for banks to act as tax collectors need look no further than the millions of employers who withhold taxes for the government. Or, the gas stations that collect taxes on gasoline, or the retail stores that collect sales taxes. That's been going on for decades, and it has proved an efficient method of making sure the taxes are paid.

Some people are afraid they will be deprived of interest earnings by paying the government quarterly rather than at the end of the tax year. The Treasury Department has prepared a chart showing exactly how much a citizen might lose. If he has $10,000 in a savings account earning 12 percent interest on December 31, 1983, he would lose a little over $5 in compounded interest by the end of 1984. That's a loss of 50 cents on every thousand. Treasury Secretary Donald Regan says that 85 percent of the elderly will be exempt, and won't even lose the 50 cents. They just have to fill out a simple form.

The banking industry has a different complaint. It is true the banks must program their computers to withhold the 10 percent; they will also have to modify their computers to exempt certain people. But a computer firm in Pikesville says the software is available that will allow banks to perform this function with no great difficulty. That firm, DISC, Inc. is already selling the stuff, and it says banks could pay for it in a couple of months with the earnings they will make on a special provision included in last year's law. The provision allows them to hold on to the withheld taxes for 19 business days, and invest it to pay for their trouble. Employers can't do that.

The issue underlying this law is that of noncompliance with the tax laws. Having studied the question for a decade or more, the IRS says the problem is sufficient to require a change. It estimates that the government, over the next five years, will retrieve up to $200 billion that would be lost without this measure. And, the more the government retrieves in taxes (not new taxes but taxes already owed), the less it will turn to massive borrowing that crowds out important private investments in the national economy.

[From the Cincinnati (Ohio) Post, Feb. 3, 1983]

BANKER'S CLOUT

A useful and important tax reform, requested by President Reagan and passed by Congress last summer, is in danger of getting torpedoed by a powerful special-interest lobby.

The measure, if it survives, will require banks and corporations on July 1 to start withholding 10 percent of most interest and dividend payments. It is designed to lift government revenue by discouraging tax evasion.

The Treasury estimates that 15 percent of taxpayers "forget" to declare what they owe on dividends and interest, costing the government an estimated $3 billion a year.

Claiming that it would be burdened by paperwork, the banking industry fought the bill from the start. Even when it was given free use of the withheld money for 30 days to cover costs, it remained opposed.

The American Bankers Association has urged its 13,100 members to get customers and stockholders to "set up a clamor." Letters are pouring into congressional offices, and 220 representatives and 24 senators have sponsored a repeal bill.

Unless honest citizens who pay their correct taxes let Congress know their views, the bank lobby will win, withholding will be repealed and an opportunity for the selfish to cheat on taxes will continue.

Since 1943 employers have had to withhold taxes from the wages they pay their workers. It is the height of unfairness to treat dividend and interest income more favorably than work income and shield it from taxation.

[From the Washington Post, Feb. 8, 1983]

A MESSAGE FROM THE BANKS

Chances are that the statement you received last month from your bank or savings institution brought with it a special message of concern. The flier suggests that you, the customer, may wish to write your elected representative expressing your opposition to the new requirement that, starting next July, financial institutions withhold part of the taxes owed on interest and dividends.

Perhaps you overlooked this message because it arrived in an envelope stuffed with other communications trumpeting the many new services that your bank can now provide. Thanks to modern electronics, banks will now be pleased to shift your money back and forth among different types of accounts, calculate your accrued interest or account balance at a moment's notice and meet your banking needs day and night through automated tellers.

You might think that all this automation would make it easy for financial institutions to give Uncle Sam a helping hand in collecting the taxes he is owed. After all, employers have long been performing the far more complicated job of withholding taxes on wages paid, and you don't hear either companies or workers complaining. But to hear the banks tell it, this new requirement will impose a crushing burden on their operations and will discourage needed investment.

Your suspicions about these claims will be increased when you realize that, to help cover the cost of introducing withholding, banks will be allowed to retain withheld taxes for 30 days. This amounts to an interest-free loan of billions of taxpayer dollars. As for the impact on savings, most honest investors won't be affected at all.

No withholding is required on accounts earning less than $150 in interest or on those held by elderly people without substantial taxable income. People with substantial investment income are already supposed to be filing quarterly tax returns so that the new system will simply pay part of their taxes for them. And if you hadn't been paying the taxes you owed on interest and dividends until the end of the year, gradual tax withholding will still reduce your effec-

tive annual interest yield by less than five one-hundredths of one percent.

This is not a new tax. It is simply a way for the Treasury to collect taxes more promptly and more completely. It will impose no intolerable inconvenience on either you or your bank, and it will help the economy by reducing the annual budget deficit by several billion dollars.

All of this being so, you may wonder what the bank or savings institution is really saying in its message. Could it be suggesting that the only reason you entrust it with your savings is that you think you can hide that interest you earn from the tax collector? We trust that isn't so. And we hope that if you write your elected representatives it will be to say that you support this way of making sure that everyone pays his fair share of taxes.

Mr. DOLE. It is obvious that one reason for the bankers' rush to vote on withholding now is that many of them may soon be in an embarrassing position. In fact, I think that was reported today in a story in the New York Times, but they are now beginning the process of mailing exemption forms to their customers, as indicated in a recent article in the New York Times. Some bankers may be caught because they have been telling these people about all this complicated redtape, how they are going to get all this complicated redtape, and all these people are going to mail out 8 million of these W-6 forms to all their people with savings accounts, and they are going to find out it is not complicated at all.

In fact, it might be well just to read into the RECORD the comments that appeared in the New York Times on March 17 of this year. It says:

BANK BY MAIL

The nation's banks are waging all-out war against tax withholding on interest and dividend payments. They are stuffing anti-withholding fliers in their customers' monthly statements, along with postcards for them to sign and send to their senators demanding votes for repeal. Legislators are even complaining that the bank mail volume makes it impossible to locate letters about other matters.

The banks argue that withholding will create an administrative nightmare—confusing customers, intimidating the elderly and people with low incomes who qualify for exemption, forcing them to reveal personal information about themselves.

It's instructive, then, to take note of another kind of bank mailing currently going on all over the country—to stockholders of American corporations, even bank corporations. The banks that handle the corporate dividends are mailing shareholders simple forms to file if they qualify for exemption from withholding—as they are required to do by the hated law.

This is all they have to do, this is that complicated form we have been hearing about in all the bankers' ads.

One check-mark and a signature are all they require before being mailed back to the bank.

So you sign your name and make a checkmark. It might take 30 seconds if you work at it. There is nothing complicated about that. The story goes on:

Nothing complicated about that; no secrets revealed. It's almost as if the banks were trying to help make withholding work smoothly, as well they should.

That makes the point.

The W-6 form is what they are mailing out and, of course, it is not complicated. But, you see, the banks are in a bind now because they have been telling people about all this complicated redtape, all this Government redtape, Government intrusion, and all the time they have got people in their banks whose wages have been withheld for the last 40 years, 20 years or 30 years or 5 years, depending on how long they have worked there, and I do not suggest that they are telling all these people that we ought to repeal withholding on wages and salaries. I have not heard from a single banker who wants to repeal withholding on wages and salaries. That is earned income. They just do not want any withholding on unearned income.

Again I want to underscore that it is not a new tax. I notice the distinguished Senator from Wisconsin has a little mailer of his own which goes on to say that we have to repeal this new tax. The Senator from Wisconsin knows it is not a new tax. The bankers know it is not a new tax. But if you write and tell them you are going to have a new tax they will say, "We are opposed to it." But if you write to somebody and say, "Do you think you ought to pay your taxes?" They answer, "Yes, we ought to pay our taxes." But somehow 20 million Americans do not, and fail to report their dividends and interest income. Some of them do not report any at all.

Some of it is because of errors and some is willful evasion. But we are not here to argue that point. We are told we can quarrel about the IRS and quarrel about Treasury figures. We are talking about $11 billion over the next 3 years from lost revenue. Again, to the Senator from Montana's credit he recognizes that. It is one thing to stand up and say, "Repeal withholding." What do we do about the addition to the deficit?

We are told we ought to bring deficits down, bring interest rates down if we keep the deficits down. I do not want to add $20 billion to the deficit over the next 5 years, and that is what we do if we repeal withholding unless we replace it with other revenue or some spending cuts. I have yet to hear a single proponent of repeal of withholding stand up and say:

OK, the Senator from Kansas is right. We are going to lose so many billions of dollars, and this is how I suggest we get it.

We get it through new taxes. We get it through new spending. We take away the tax cuts for the working people in the third year of the tax cut. We defer indexing.

It seems to me, once we understand what the options are, unless we are going to have it both ways, as some would have it, then I think we have to be very careful in what we do.

The Senator from Kansas has talked about the W-6 form, the so-called complicated redtape that the banks and the S&L's advertise. The credit unions, I must say to their credit, make only one mistake in their little postcard by calling it a tax. They know it is not a tax. But, beyond that, they have been fairly circumspect in their lobbying efforts as has, I might say, the savings and loans league.

But even if the banks did not fill in and advance the name and address and the account number, which they do when they mail it out, you would have to fill out the name, address, city, State, ZIP code, and account number, and make one check and sign your name. And it is a permanent exemption. You just say:

My tax liability for last year was $600 or less.

If that is the case, you are exempt.

I am 65 or older, and my tax liability for last year was $1,500 or less.

You are exempt.

My spouse and I filed a joint income return for last year, and our tax liability was $1,000 or less.

You are exempt.

I or my spouse or both are 65 or older, and we filed a joint income tax return last year, and our tax liability was $2,500 or less.

You are exempt.

I was (we were) not required to file an income tax return last year.

That is all you have to check. If you fit in any of those categories, you make one check. You do not even say which one, so you do not reveal anything about yourself. You say that in one of those five instances you are exempt. You make the checkmark. That is all there is to it.

Let me say that the President of the United States is not known to be looking for more ways to interfere with the lives of the American people. I think we have had a lot of good regulatory reforms. This change was in the President's budget for 1983. The Senator from Kansas and others talked to the President directly about withholding interest and dividend income. We knew how it would create a firestorm, but never in our wildest dreams did we believe they would cook up something in a closed room and pay people $25 to do sort of market testing on what to say to stoke a rebellion of their depositors. And they have been successful. They have been successful.

Every office in this Congress is filled with postcards. Some may not have been mailed by the people whose names appear thereon, as is evidenced by the letter I have from the gentleman from Chicago. But somehow we have a lot of mail to answer. We estimated in our office that it is going to cost the taxpayers $300,000 just to

answer all the postcards that have been sent in by banks, S&L's, and credit unions. In addition, you have to put on more personnel.

Someone said, "Don't answer your mail." If you do not, people will write back and say, "Why don't you answer your mail? If you say the banks are wrong, what is your reply"?

So we are in the process, in my office, of writing two-page letters, with enclosures, to everyone who has written us about withholding. Right now it is about 500,000 letters. We are up to 20,000. We have answered 20,000. They are coming in, the mail has leveled off, but the rate I think is still about 2,000 a week a week ago, but it is beginning to drop off.

I know the Senator from Montana has no intention of withdrawing the amendment. I will, at the appropriate time, or the majority leader will at the appropriate time, offer to table the amendment so that we can get on with social security. I make a plea to the American Bankers Association. I know of no one in the Senate unwilling to sit down with representatives of the American Bankers Association, but I know of no one in the American Bankers Association who even wants to talk about withholding.

I hope some of the bankers across the country will take a look at some of the ads and some of the campaigns that they have been paying for; I assume they have been paying for, somebody has been paying for them. I do not know how many millions of dollars it is, when you add the cost of postage. And most banks pay the postage. Most postcards and all the mail we have received was paid for by banks and in some cases run through their meters. So I do not imagine anybody who mailed in any card is out any expense.

But when you run ads that say, "Ten percent of your money is going to disappear," which is an outright misstatement, I can understand why you might excite the fears and emotions of somebody who is 65 or 35 or 25 years of age.

I would just remind my colleagues that this is the President's budget for fiscal year 1983. This is where witholding came from. It was not plucked out of the sky.

It has been recommended by President Franklin D. Roosevelt, by President Kennedy, by President Nixon, by President Ford, by President Carter, and by President Reagan. You may not like any of them, but I have to believe that, overall, they were trying to do what they could to make certain that people who owed taxes paid their taxes. It was not in any President's interest to take on the banks of America or to take on the savings and loans, nor was it in President Reagan's interest to do that and that was not the purpose of suggesting withholding.

We are told by the IRS Commissioner that there is still $100 billion out there in taxes not being collected, and much of it in the private sector. Yes, some is in drugs and some is in prostitution and some in gambling, but the large part of it is in the private sector.

If we had that $100 billion right now, we would not have the deficit we have and interest rates would be a lot lower. But we do not collect all of our taxes, and we never will.

I would again refer to the Time Magazine story today. On the cover of Time Magazine, it says, "Tax Cheating, Bad and Getting Worse." As the article points out, it is getting worse. And why is it getting worse? Because so many people do it and they are not caught, so other people do it. I do not know where it is going to stop.

The compliance rate for people out there working for a living is 99 percent—99 percent. The compliance rate for interest and dividends is around 86 percent. Now, why should this not be 99 percent? It is not 99 percent.

Somebody was quoting a study. It was not a study based on compliance on interest and dividend income. It was only a study. If you met three conditions, the rate was 97.6 percent. I will recite that for the RECORD in a moment.

I do not particularly enjoy railing at the banks. I would like to pass the social security bill. The Senator from Kansas spent a year on the Social Security Commission along with the Senator from New York. We have had hearings in our committee. It has passed the committee by a vote of 18 to 1. The chairman of the House Ways and Means Committee and the chairman of the subcommittee, Congressman PICKLE, did an outstanding job, along with Congressman CONABLE and others, of getting the bill passed through the House, with the Speaker's assistance. And we had a lot of very touchy issues in social security. We have some left. The Senator from Louisiana wants to delay bringing in Federal employees a year, which is another way of not bringing in Federal employees at all. That is going to be a hotly contested amendment.

I do not know why we have to spend 2 or 3 hours or 2 or 3 days debating withholding again. As the Senator from Rhode Island just pointed out, we just finished that debate last week. I do not really believe it is in the interest of the bankers of this country to hold up every piece of legislation, to hold legislation hostage, to hold the next piece of legislation hostage until we just cave in to the bankers.

The Senator from Kansas has no intention of doing that. The Senator from Kansas may lose, but if I thought I was mistaken or if I thought this was a new tax or if I thought we were penalizing senior citizens or the handicapped or low-income Americans, then I would be on the side of the Senator from Montana.

But this may be an irritation to the banks. They do not like it. They do not have to like it. They have a right to oppose it.

But I wondered what had happened. We passed this last August. We did not hear a word in September, October, November, or December. It was not until this massive campaign of deception was unleashed, in January, that it really started to hit us in February.

This study, the IRS study, reports a high compliance rate of 97.3 percent where information returns were matched against selected individual tax returns. That is the story we get from a lot of people. "Why don't you just match that 1099 against the taxpayers, then you don't lose any money at all?"

Believe me, if we could figure out any way to do that, the Senator from Kansas would drop this whole thing like a hot potato. But I have not been convinced, and the IRS says it is not feasible. The 97.3 percent study that has been quoted on this floor cannot be extrapolated to all interest and dividend payments because the study excludes—here is what the study excludes—the estimated 5 million to 6 million individuals who do not file individual tax returns, taxpayers who fail to supply correct identification numbers to financial institutions, and taxpayers who fail to supply correct identification numbers to the IRS.

We have a 97.3 percent compliance, excluding all these things.

This is why the Treasury and the Joint Committee on Taxation estimate that the local compliance rates of interest and dividends can only be substantially improved by the withholding system. Indeed, the joint committee estimates of revenue losses from withholding would be $11 billion in fiscal 1984 through 1986. They take into account the improved compliance which result from the major improvements in information and reporting passed in 1982.

I would assume the amendment of the Senator from Montana does not mean we will have withholding next January. Have the bankers said, "OK, just get this amendment and we will try to help the Government collect taxes."

Mr. MELCHER. Will the Senator yield?

Mr. DOLE. Yes.

Mr. MELCHER. I think I have made it clear that it is the bankers and taxpayers in Montana who are talking to me. I would not prejudge the action of the Senate or the House, the final action of the Congress, on this proposition. I simply believe that it is really getting around to the point where people are beginning to wonder whether this is the imposition of another

layer of bureaucracy or whether it is really worth it. I think the question is here in the Senate and I hope the amendment carries so that we will have time between now and the end of this session of Congress to properly debate it, the same as happened in the House.

Mr. DOLE. I might say I am waiting for the majority leader to arrive.

I would say that few of the Members of Congress who were concerned with the proposal to withhold tax on dividends, interest, and patronage refunds, contained in the Revenue Act, and this is going back to 1962, realize that their predecessors in Congress 100 years before were debating similar legislation.

Early in the Civil War, the Revenue Act of July 1, 1862, was enacted. This act for the first time in the history of the Federal Government applied the principle of tapping revenue at the source, which had first been used by the British in 1803.

The law imposed a tax of 3 percent on salaries and other income over $600 and under $10,000, and 5 percent on income over $10,000. The 3 percent tax was also levied on certain corporation dividends and interest. Applying the withholding system for the first time, the bill required that the 3 percent tax on salaries received by all persons in the civil, military, and naval services of the United States—including Senators, Representatives, and Delegates in Congress—after August 1, 1862, was to be withheld by all paymasters and other Government disbursing officers at the time of paying the salaries.

The disbursing officer was also required to "make a certificate stating the name of the officer or person from whom such deduction was made, and the amount thereof, which shall be transmitted to the office of the Commissioner of Internal Revenue, and entered as part of the internal duties."

That is pretty much about the 1976 form. Maybe that is where Don Regan thought of that.

The withholding system was also applied to the tax on interest and dividends paid by all railroads, banks, trust companies, and fire, marine, life, inland, stock, and mutual insurance companies. These companies were required to withhold the tax of 3 percent on all money paid out as interest and dividends, and pay it to the Government. A $500 penalty was provided for failure to render the return and pay taxes withheld when due.

That was 1862 when we first enacted withholding.

The act of June 30, 1864, enacted because of the increased necessity for war revenue, increased the 3 percent tax on income up to $5,000, and on interest and dividends paid by banks, railroads, insurance companies, and so forth, to 5 percent. Deduction of tax at the source was also extended to include a 5-percent tax on the interest and dividends of any canal, turnpike, canal navigation, or slack-water company. Paymasters were required to withhold 5 percent on salaries of Government employees over $600.

Company engaged in slack-water navigation would dam or impede a stream by erection of dams or locks to produce stretches of deeper water for navigation, in case anybody has a deep interest in that.

The withholding of tax on salaries of Government employees, and on interest and dividends continued until the end of 1871, as the Revenue Act of 1864 expired by limitation in 1872.

This brief and very limited application of the stoppage-at-source tax principle is of great significance in the development of the present tax system, which relies heavily on tax withholding as a means of revenue collection.

The Revenue Act of July 1, 1862, has been called the basis of the present internal revenue system, both as regards objects taxed and organizations for collecting the taxes. It is interesting to note that this act also provided the first use of tax withholding in this country, and proved the value of this method of tax collection.

I am reciting this so that we know this is not something that just happened or just been talked about. It was around long before the President put it in his 1983 budget.

WITHHOLDING AGAIN USED IN 1894

The act of 1894, based almost entirely on Civil War legislation with a few important exceptions, also contained provisions for withholding. Again, tax was collected at source on certain corporation dividends and on the salaries of Government employees. Students of the tax system have noted that an extension of the withholding system at this time would have been a powerful check against evasion.

THE 1913 INCOME TAX LAW

The 1913 Income Tax Law, enacted October 3, 1913, saw the most extensive application up to that time in this country of the collection-at-source method. The principle of stoppage at source, used so successfully in England, was applied wherever possible, to secure maximum revenue and to prevent evasion.

The normal tax on individuals was to be collected at the source as far as possible. A corporation, employer, or other source of income was required to deduct the tax and pay it to the Government, provided the income was regular, definite, and amounted to $3,000 or more. Interest, rent, salary, or any other form of fixed annual income was covered by withholding.

I can debate this in greater detail if it would become necessary, but I would hope that now that we have an agreement to debate this fully we might get on with the business at hand. When the majority leader comes to the floor I am suggesting that we can move to table the amendment.

I yield to the Senator from Utah.

Mr. GARN. I thank the Senator from Kansas.

Mr. President, I rise in opposition to this amendment. It is not because I do not agree with the substance; I do. But I think that the patience of the Senate is worn rather thin when we continue to go over and over on amendments that are not germane to the Senate.

Last week I supported Senator KASTEN. I voted against cloture on the bill, on the jobs bill. I voted for cloture on the Kasten amendment.

I am in favor of repeal. I disagree with the Finance Committee chairman. I am in favor of repeal of withholding, totally. I will so vote when that opportunity comes up.

The reason I rise in opposition on the floor is the procedure. It is not that the distinguished Senator from Montana is violating any procedures. He is totally within his rights to do as he is doing. But the reason I voted against the Senator from Kansas and with the Senator from Wisconsin is because we had no guarantee as to when we could fully debate this issue and come to a decision. But we got that guarantee. There is a bill that will come up on April 15. The Kasten amendment is already attached to that bill. The distinguished majority leader will facilitate that being brought up on that date. And if a cloture petition is necessary, he will make certain that the Senator from Wisconsin is able to file that cloture petition.

Those of us who are opposed to withholding will have our day in court. We will have our opportunity to say why we think it is wrong, why it should be repealed, and we shall find out who wins on the floor of the Senate—whether it is the Senator from Kansas or the Senator from Wisconsin. Again, I shall support the Senator from Wisconsin.

But, after delaying the jobs bill for 3 or 4 days last week, now to do it again, I think, is wrong. It would be different if we did not have that guarantee of this being debated on the 15th of April. Then I would be supporting the Senator from Montana. But we were able to get a cooperative agreement where we could do that.

Mr. President, I want to make it very clear on the issue: I am opposed to withholding. I shall vote for repeal when that opportunity arises. But I am opposed to once again bringing it up as a nongermane amendment on social security. We have an agreement. We ought to abide by it. We ought to be willing to debate it on April 15.

I thank the Chairman.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Utah.

I regret that he will support repeal. I want to assure him that it is not a contest between the Senator from Kansas and the Senator from Wisconsin. If it is a contest at all, it is a contest between the President's budget recommendation for 1983 and those who oppose it.

The Senator from Kansas feels strongly that withholding is the right way to collect tax on interest and dividend income. I do believe, as the Senator from Utah pointed out, that this would be a proper debate, had we not had an agreement, to put the repeal amendment on the reciprocity bill. There is no doubt in my mind that sooner or later, there is going to be a vote on the repeal of withholding in the Senate and in the House. I assume if the repeal of withholding gets a majority in Congress, the President will veto it and it will come back and we shall vote on whether to override the veto.

That is probably the procedure we are going to have to follow. Nevertheless it seems to me there ought to be a full debate. Those who favor withholding, including the President of the United States, ought to have some options, either to amend or modify the simple repeal amendment or in some other way pick up the revenue or cut spending.

I do not really know what will be gained by holding up the social security bill. The critics of withholding should have had enough of trying to deceive the American people. They have been effective.

I assume there is a lot of grassroots misunderstanding. The Senator from Kansas had a lot of mail from his State indicating, "You have gone too far on this one. I do not care whether President Reagan is for it, you are for it, or TIP O'NEILL, you have gone too far." Then they want to tell me about this new tax on their interest income.

Some go so far as to say it is unconstitutional to collect taxes on interest income. Those are some of the people who have not paid their taxes on their interest income or on their dividend income.

I do not know what the answer is. If we just keep taxing the middle class, just keep taxing the workers, and do not bother anybody else, if we just keep taking it away from the workers to pay for all the extravagances and excesses in Government spending then we have reached a sorry state of tax policy.

This Senator believes if we are going to have fairness, we ought to have it up and down the line.

Mr. MELCHER. Would the Senator yield briefly?

Mr. DOLE. I just want to have printed in the RECORD a letter from the American Council of Life Insurance in which they reiterate their support for the withholding provision in the Tax Equity and Fiscal Responsibility Act. I ask unanimous consent that that be done, Mr. President.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN COUNCIL OF LIFE INSURANCE,
Washington, D.C., March 14, 1983

Hon. ROBERT DOLE,
Chairman, Committee on Finance, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I wish to reiterate the support of the American Council of Life Insurance for the withholding provisions of the Tax Equity and Fiscal Responsibility Act of 1982.

The 97th Congress adopted these withholding provisions to ensure the collection of a substantial amount of taxes that might not otherwise be collected. Adequate safeguards were provided for small investors and our older citizens. The provisions dealing with withholding on interest and dividends are a key part of TEFRA and the revenues resulting from TEFRA are needed to help address the substantial budget deficits.

Earlier this week the ACLI Board of Directors reaffirmed its support for TEFRA and urged that any efforts to repeal significant portions of that law be defeated.

Sincerely,

RICHARD S. SCHWEIKER,
President.

Mr. DOLE. I have a letter from Common Cause. I shall read just a portion of that letter and ask that it be made a part of the RECORD.

The first two months of the 98th Congress have witnessed the introduction of hundreds of bills to create new tax preferences and expand existing ones. Certainly such proposals are not unusual in the opening weeks of a session. However, they symbolize a regrettable retreat from the example set in last year's tax Act, which eliminated several tax preferences and restricted a number of others. Even worse are the powerful special interest attacks on one of the 1982 Act's most important provisions, which would improve taxpayer compliance through withholding on interest and dividend income. Common Cause strongly urges you to protect this feature of the Act, and to continue the work begun last year to reduce inequitable tax preferences.

That is the general thrust. I think it is worth noting.

The letter continues:

Common Cause is especially concerned with current efforts to repeal withholding on interest and dividend income. According to the Joint Committee on Taxation, withholding will raise nearly $20 billion over the next five years and increase taxpayer compliance on interest and dividend income—compliance that is now less than 90 percent, compared to 99 percent for wage income.

Withholding is justified. It treats interest and dividend income in the same manner as wage income by withholding taxes at the source, as income is paid, rather than collecting them at the end of the year. It also promotes equity among income groups because those who receive substantial interest and dividend income are disproportionately upper-income taxpayers.

I might also state we now have end-of-the-year withholding on interest and dividend income.

It goes on to say, "Unfortunately"—and I think it is unfortunate—

Unfortunately, financial institutions are trying to frighten Americans into opposing this equitable instrument of compliance. Unwilling to help the government collect taxes—a responsibility most employers and retailers have shouldered for decades—financial institutions have mounted a massive campaign against withholding. Using such deceptive slogans as "ten percent of the money you earn in interest is going to disappear * * *."

I shall just put this ad in the RECORD, although it will not show up in the RECORD the way it did in all the newspapers around the country. You can read "DIS," and you can read "APP," but you cannot read "EAR."

That is going to scare anybody, to say 10 percent of their money is going to disappear. I imagine a lot of people would reach for their pens to write their Congressmen a letter. Common Cause continues:

They have implied that withholding will deprive depositors of substantial income beyond what they already owe the government, and may even drive them to financial ruin. That, of course, is not true.

It is not Senator DOLE suggesting it is not true. This is an independent, outside group saying it is not true. And it is not true.

The letter continues:

The Treasury has estimated that the actual cost of withholding to taxpayers—the loss of compounded interest—will be one-half of one percent of the interest they would otherwise have earned, or about 50 cents on a $1,000 account.

I ask unanimous consent that the entire letter be printed in the RECORD, and the advertisement I mentioned.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMON CAUSE,
Washington, D.C., March 9, 1983.

DEAR SENATOR: The first two months of the 98th Congress have witnessed the introduction of hundreds of bills to create new tax preferences and expand existing ones. Certainly such proposals are not unusual in the opening weeks of a session. However, they symbolize a regrettable retreat from the example set in last year's tax Act, which eliminated several tax preferences and restricted a number of others. Even worse are the powerful special interest attacks on one of the 1982 Act's most important provisions, which would improve taxpayer compliance through withholding on interest and dividend income. Common Cause strongly urges you to protect this feature of the Act, and to continue the work begun last year to reduce inequitable tax preferences.

It is no longer possible to pretend that tax preferences are a costless way of achieving government objectives. They reduce revenues and cause much of the inequity in the tax system. Therefore, Congress must carefully scrutinize all new tax breaks and eliminate many unjustified existing ones. Those deemed absolutely necessary must be recognized as a form of government spending, with resulting revenue losses reviewed periodically and recovered elsewhere if growing deficits are to be contained.

Common Cause supports changes in the federal tax system that would broaden the

tax base and greatly reduce the number of tax preferences. Last year's tax Act—the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA)—made important progress in this direction. While it did not solve all of the tax system's problems, it did restrict several of the most inequitable tax preferences. In doing so, the Act has slowed the steady erosion of the tax base and accretion of deficits that previous tax measures—particularly the 1981 tax bill—had exacerbated. In addition, several important features of the Act have encouraged greater compliance, especially among those taxpayers who have escaped paying their fair share through the use of tax shelters or receipt of non-wage income. Together, these provisions constituted an important first step in rebuilding a tax system too often perceived as benefiting the wealthy and influential at the expense of the average taxpayer.

Unfortunately, there is a danger that Congress will ignore the change of direction that TEFRA held out for the public. Already, legislation has been introduced to establish new tax breaks for fraternity houses, firearms purchases, retirement income, domestic automobile purchases, gambling income, fire alarms, stock purchases, and cigarettes. Legislation has also been introduced that would expand an existing tax break by shortening the holding period for long-term capital gains. These tax breaks are directly antithetical to the philosophy embodied in TEFRA: that we should help to reduce deficits by improving tax compliance and restricting tax preferences. Congress should not retreat from that philosophy.

Common Cause is especially concerned with current efforts to repeal withholding on interest and dividend income. According to the Joint Committee on Taxation, withholding will raise nearly $20 billion over the next five years and increase taxpayer compliance on interest and dividend income—compliance that is now less than 90 percent, compared to 99 percent for wage income. Without the additional compliance that withholding will bring, honest taxpayers will have to face higher taxes or fewer services in order to reduce government deficits. And, without improving compliance with our tax laws, there is danger that taxpayers will continue to lose faith in a tax system that relies fundamentally on voluntary cooperation.

Withholding is justified. It treats interest and dividend income in the same manner as wage income by withholding taxes at the source, as income is paid, rather than collecting them at the end of the year. It also promotes equity among income groups because those who receive substantial interest and dividend income are disproportionately upper-income taxpayers.

Unfortunately, financial institutions are trying to frighten Americans into opposing this equitable instrument of compliance. Unwilling to help the government collect taxes—a responsibility most employers and retailers have shouldered for decades—financial institutions have mounted a massive campaign against withholding. Using such deceptive slogans as "ten percent of the money you earn in interest is going to disappear," they have implied that withholding will deprive depositors of substantial income beyond what they already owe the government, and may even drive them to financial ruin. That, of course, is not true. The Treasury has estimated that the actual cost of withholding to taxpayers—the loss of compounded interest—will be one-half of one percent of the interest they would otherwise have earned, or about 50 cents on a $1,000 account.

Withholding is neither dangerous nor ruinous. The improved compliance it brings will reduce federal deficits and introduce more fairness into the tax system. Congress should not bow down to the pressure of special interest scare tactics. Instead, it should expose the misinformation behind the repeal campaign and defend last year's legislative achievements.

The American public is looking to Congress to rebuild our nation's deteriorating tax system and to reduce our huge deficit in ways that are reasonable and fair. TEFRA neither eliminated the inequities of the tax system, nor solved the deficit crisis; but it did make an important step in the right direction. Common Cause urges you to continue in that direction by further restricting unfair tax preferences, and preserving the requirement for withholding on interest and dividends.

Sincerely,

FRED WERTHEIMER,
President.

WARNING: 10 PERCENT OF THE MONEY YOU EARN IN INTEREST IS GOING TO DISAPPEAR

Recently, Congress quietly passed a withholding law that will cost American savers and investors the use of 10 percent of their interest and dividends.

In simple terms, effective July 1st, 1983, this new law requires banks and other financial institutions to deduct 10 percent of the interest or dividends you earn on your savings and investments. That money then goes to the Internal Revenue Service in much the same way as payroll deductions are now handled.

The sponsors of this law have told us it was designed to catch a small minority of Americans who evade taxes on their interest and dividends. But the truth is the law penalizes the great majority of America's savers and investors who pay their taxes faithfully. What's more, the federal government is now receiving all the necessary information to curtail tax cheating.

Though the law does include exemptions for some low income and elderly Americans, if they go through the red tape of filing an application, most savers and investors will forfeit some of the money they could earn in compounded interest.

We urge you to join our efforts by writing letters to your representative in Congress and to the two senators from this state. Tell them you want the 10-percent withholding tax repealed, because it would impose an unfair penalty on savers like yourself.

For assistance in contacting your representative and senators please ask any of our bankers. If we all act now, Congress will get a clear message from the voters back home, and they will work to repeal this needless law.

Mr. DOLE. Mr. President, that is another indication that once the people have been alerted and once there has been an opportunity—that is all we ask, an opportunity to stand up and debate the issue of withholding.

Talk about frightening those out in our States. I think they have frightened a number of Members of Congress who voted for the withholding and the tax bill last year into rushing to repeal withholding.

The Senator from Kansas is willing to support the President on this issue, because I think the President is right. I say to my friends in the American Bankers Association, in the banks across the country, the S&L's, and the credit unions, if there is any willingness to discuss this issue, then we ought to discuss it. The Senator from Kansas does not detect any willingness to discuss the issue.

When you put millions of dollars into a deceptive campaign, you want to see it work. That investment did not come out of the bankers' salaries, I bet. It probably came from their depositors.

They have a right to oppose it, but they ought to tell the truth. We had ads in the Topeka Capital that cost $4,000 to run, showing Uncle Sam dripping with diamonds, saying, "This time they have gone too far." Then they want to talk about the withholding tax. It is not a withholding tax, it is withholding of taxes on interest and dividend income that you owe.

The Senator from Kansas does not underestimate the power of the American Banking Association. They have it. They know how to use it. But I am willing to warn others on this floor, if we succumb to the efforts of this powerful lobby, just get ready for the next one because, if the banks can send in a million pieces of mail or a half million pieces of mail to one Senator, I bet there is somebody out there who has even more money than the bankers. I cannot think of anybody offhand, but somebody out there probably has more money and a bigger lobby than the bankers of this country.

I do not want to get into the effective tax rates banks pay, but it is not very much. The 20 largest banks paid an effective tax rate of about 2 percent. Some had negative tax rates. Giant, billion dollar credit unions paid no tax on their worldwide operations.

If you looked at the chart in the New York Times a few days ago, it showed all these companies and the taxes they paid. Most companies paid 20 percent, 25 percent, 40 percent. Most individuals paid 20 to 25 percent. What do the banks pay, the 10 largest banks? Two percent. So they have a lot of money to spend for lobbying activities, and they spent a lot on this activity. But if they do it and get away with it, as they are trying to do, then I think we must get ready for the next mass mailing.

Others who disagree with me on the merits of this issue join me in criticizing this lobbying blitz.

Senator GARN favors repeal of withholding, but as chairman of the Banking Committee he issued a statement last week saying he did not agree with the massive campaign the American Bankers Association was undertaking.

I think the distinguished Senator from West Virginia, the minority leader, indicated he was not totally pleased with this massive mail campaign, although he, too, favors repeal of withholding.

Now, in the Washington News is a comment that I think deserves notice, but the Senator from Kansas, whenever the majority leader arrives, is willing to yield to him.

Mr. MELCHER. Will the Senator yield briefly?

Mr. DOLE. I want to put this little bit in the RECORD. I would not want to forget it.

The credit unions have a little magazine called Washington News. CUNA Supply printed 8 million statement stuffers, 4 million response cards addressed to Senator ROBERT DOLE and Representative DANIEL ROSTENKOWSKI, and 2.8 million response cards that CU members can send to their own Members of Congress, so we are in the privileged class. I get 8 million statement stuffers and I get 4 million response cards. That adds up to 12 million. I am not certain how somebody can answer that mail. But if we do 2,000 or 4,000 a day—I have 4 years left on this term—we might be able to start answering some of that mail—8 million. And the credit unions are tax exempt. They do not pay any taxes. Even though we have credit unions of almost a billion dollars in assets, with worldwide operations, they pay zero taxes. It bears noting that even the commercial bankers pay slightly more tax than the credit unions. So they can afford to have 8 million stuffers, whatever they are, and 4 million response cards.

Now, it seems to this Senator that we ought to answer this question: If the banks and the others are so concerned about their depositors losing 50 cents, or less, on $1,000 accounts as they have indicated they were in all their ads, I again ask the bankers and the S&L's and others, "If that is the case, why can't somebody walk into their bank and buy a money market fund for $500?" They cannot, of course; they have to have at least $2,500.

The reason is simple. If you do not have $2,500, you leave your money in passbook savings and that pays 5.5 percent. By contrast, the money market funds pay 8 to 9 percent. The bankers are making a lot of money because they keep the money market certificate high, which keeps out most working people who must keep their savings in passbook accounts. The banks make high profits because they loan out that passbook money at 8 or 9 or 10 or 11 or 12 percent.

I believe that if the banks really want to help, I would be willing to delay this for 6 months. In fact, if the motion to table fails, we have a bargain that we think you will want to be aware of. It would be my hope that the motion to table the repeal amendment passes, but, if not, then the Senator from Kansas would hope to offer a second degree amendment. We would go along with that delay. We would delay the implementation of withholding and we would amend section 308A of the Tax Equity and Fiscal Responsibility Act of 1982:

by striking out June 30 and inserting in lieu thereof December 31; *Provided, however,* the foregoing delay shall take effect only if the average prime interest rate charged by the Nation's 10 largest banks is 6 percent or less on June 30, 1983, and that delay shall remain in effect only as long as that prime rate remains below 6 percent.

It would seem to me, if you really want to help the American people and the economy, that you may even want to accept this amendment. Then we can really talk about what banks can do for the American people.

We have been told for a long time that there is no reason for the prime rate to be 11 or 12 percent and a lot of people can buy homes and a lot of people can buy cars if the banks would lower their interest rates.

The inflation rate is 4 percent, and the interest rates are still 12, 13, 14, and 15 percent. Someone is making a lot of money at the expense of a lot of American taxpayers. If we are so concerned, as I know the banks are, then I think we ought to couple with this delay a real incentive for the banks to eliminate withholding. The banks advertise all these incentives for savings. This would be a real incentive.

So if the motion to table fails, as I hope it will not, then I would hope, if I can be recognized, that we might offer a second-degree amendment that would really help the bankers and the American people, because I do not think we just want to help one special interest group with a multimillion-dollar media campaign and multimillion-dollar political action committees.

I would like to find out some day how much money the 14,000 commercial banks have spent on this campaign. I bet it is staggering. Incidentally, none of those expenses are deductible. I doubt it could ever be computed how many millions of dollars were spent by the banks at the direction of the American Bankers Association on this campaign.

I am certain the Senator from Montana wants to lower interest rates. I think every Senator wants to lower interest rates. Those who want to delay withholding certainly want to lower interest rates. The Senator from Kansas is even willing to delay withholding until we get the prime rate down to 6 percent. We might even make it 7 and really give them an edge. But if we could do this, then we really have made a contribution to the banks and the S&L's and credit unions and, above all, the taxpayers and the people out here paying those high interest payments, people who cannot buy a home. People are being driven out of business, and there are record numbers of bankruptcies, because of high interest rates.

That is another item I should like to discuss more fully when the starting debate starts on April 15.

But while I am waiting for the majority leader——

Mr. MELCHER. Will the Senator yield briefly while he is waiting for the majority leader?

Mr. DOLE. We hear all these things about costs, the banks saying this is too costly, even though they privately tell you that cost is not even a problem because they get what we call a float. They get to hang on to the withheld money long enough to recover their costs. They earn interest on the money they hold. We hear all these exaggerated claims about $2 billion or $1½ billion or $3 billion. They would make you think that this is going to cost more than will be collected through the withholding process.

I should like to include in the RECORD a letter I received from Treasury Secretary Regan dated March 15 in which he says:

I am concerned about certain exaggerated estimates of the costs financial institutions may incur to institute withholding on interest and dividends.

Now they are talking in the neighborhood of, I think, $3 billion. We are talking about thousands and thousands of banks.

The total cost just to put this withholding system into place where it is going to remain, hopefully, for a long time and collect $20 billion over the next 5 years and billions and billions and billions over the next decade, the next 20 to 30 years, the total startup cost, according to the Treasury Department, is going to be only $600 million to $700 million, which is about a third or less than the industry estimates, and these costs can be offset by the extended float allowed on withheld amounts and by the income tax deductions available for such costs—at least for those financial institutions—other than the big banks and credit unions—that actually pay any Federal income tax.

Secretary Regan continues:

Since we have so little data, we cannot be certain that the total startup costs are within that range. Nonetheless, it does appear certain that startup costs are only a fraction of the claimed $3 billion.

Someone said, "All you have to do is hire more IRS agents."

As I understand it, we average about a 2-percent audit, and to recover this much money through the audit process, you would have to audit perhaps as many as 20 percent of all tax returns—1 out of 5. That increased audit

activity would cost the Federal Government about $3 billion.

Then, there is talk about IRS harassment. If you are auditing every fifth tax return, we would be flooded with real letters, from real people, about real harassment from the IRS, and we are trying to avoid that. Withholding is the least intrusive means we have.

Mr. President, I ask unanimous consent that this letter from the Secretary of the Treasury be printed in its entirety in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, March 15, 1983.

Hon. ROBERT DOLE,
Chairman, Senate Finance Committee, Washington, D.C.

DEAR MR. CHAIRMAN: I am concerned about certain exaggerated estimates of the costs financial institutions may incur to institute withholding on interest and dividends. while precise estimates of the costs that will be incurred are not available, some of the figures that have been discussed can be clearly shown to be exaggerations.

Estimates of the total startup costs of $3 billion are greatly overstated. Such estimates are accounting cost allocations rather than estimates of genuine incremental costs that would be incurred even without the new withholding law. True incremental costs will be significantly below cost estimates that include all allocated costs.

A few banks, ranging from small to very large institutions, have informally and confidentially supplied the Treasury Department with their estimates of the administrative startup costs of withholding. We have far too little data to constitute a useful sample, but for those banks on which we have figures, true incremental startup costs appear to average less than $2.00 per account. If this small number of banks is representative of all payors of interest and dividends (including banks, savings and loan institutions, mutual savings banks, and credit unions), then total startup costs would be approximately $600-$700 million. These costs can be offset by the extended float allowed on withheld amounts and by the income tax deductions available for such costs. Since we have so little data, we cannot be certain that total startup costs are within this range. Nonetheless, it does appear certain that startup costs are only a fraction of the claimed $3 billion.

If enough resources were allocated to the Internal Revenue Service to provide the same improvement in compliance and to collect the same additional revenues as will be collected under withholding, the costs to the Government would be well above the estimated $600-$700 million in costs to financial institutions to institute withholding. Small increases in IRS enforcement efforts may recoup relatively high revenues per extra dollar of IRS costs. The enormous increase in IRS audit activity that would be needed to raise $3 billion (an increase in audits by well more than 200 percent) would, however, inevitably result in much lower additional revenues per dollar of IRS costs. Indeed, the incremental IRS costs required to raise the almost $3 billion a year in revenues gained from withholding would be well above $1 billion, perhaps as much as $2 billion. Further, this additional effort would involve such a dramatic increase in IRS staffing that it would take several years for the IRS to add and train the needed agents.

It must be remembered that attempts to reduce noncompliance through greater IRS efforts involve significant cost to the IRS. These arise from the burden more than two million additional audits will impose on taxpayers' time and resources. Inevitably these audits will inconvenience many taxpayers who have correctly paid their taxes.

In contrast, withholding on interest and dividends only requires those taxpayers who correctly pay their taxes on interest and dividend income to pay some of those taxes during interest and dividend income to pay some of those taxes during the year rather than at the time that they file their returns. Requiring those who receive interest and dividends to pay a portion of their taxes as promptly as wage earners pay is not, in my view, unfair.

I recognize that banks must incur some costs to institute a system of withholding on interest and dividends. As I stated above, those costs have been frequently exaggerated. Nonetheless, there is legitimate concern that we not impose an undue burden on the banking system. If, at some later time, it is reliably demonstrated that the true incremental costs that most banks must incur exceeds the value to the banks from the extended float on the withheld amounts that has been allowed, then I would support allowing the extended float for a longer period.

Sincerely,

DONALD T. REGAN.

Mr. MELCHER. Mr. President, will the Senator yield for a question, a procedural question?

Mr. DOLE. Yes, I yield only for a question, not for the purpose of any amendments.

Mr. MELCHER. In view of the fact that the Senator is waiting for the majority leader, I wonder if he would object to my responding to some of these points for 5 minutes. Would that be objectionable, before there is further procedure?

Mr. DOLE. I have no objection to the Senator from Montana responding, if there is a unanimous-consent agreement that there will not be any amendment or modification of the pending amendment and that the Senator from Kansas will not lose his right to the floor.

I want to conduct a debate with the Senator. I commend the Senator for his objectivity. But I do not want to disturb what I consider to be the appropriate way to approach this, and that is a motion to table. If that fails, the Senator from Kansas would like to retain the right to offer an amendment.

Mr. MELCHER. Certainly.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Montana.

Mr. MELCHER. I thank the Senator.

Mr. President, first of all, I point out that the provision in the 1982 bill for this withholding of taxes on interest and dividends passed by a vote of 49 to 48, a very tight vote, and absentees indicated that had they been present and voting, they would have voted against it, which would have defeated it, and it would have been removed from the bill.

The prospect of what we are going to do on April 15, when the Kasten amendment for repeal is brought in the Senate, is rather dim—what the final outcome of that would be if the Senate would adopt it as a part of an extraneous bill and send it to the House. It is not clear that the House would agree to it at all or, for that matter, that the House even would take it up. As a matter of fact, its future on April 15 is very obscure, no matter what the Senate would do at that time.

The purpose of this amendment is simply to allow a longer period of time than April 15 to see what really happens and to give both the Senate and the House some change of action on this before it is locked in, perhaps forever—not necessarily—but locked into the procedures of withholding these taxes. Once they are withheld, there is a tendency to leave them alone.

It is bad enough trying to repeal something we did just last summer, without contemplating what might happen after the whole procedure got in motion.

It is clear that there would be $1.1 billion lost in fiscal 1983 from revenues if my amendment were to be adopted and accepted by the House and became part of the law. In other words, a delay of 6 months is going to lose, for fiscal 1983, $1.1 billion in revenue; but during this time, we will have the chance to decide whether this was wise and whether there are better ways of gaining revenue that is needed.

I am advised by the Joint Committee on Taxation, which states that today the Treasury Department agrees with the $1.1 billion estimate for fiscal 1983 in revenue loss, that in fiscal 1984 the figure would be $300 million.

It is not my contemplation and it is not my purpose in offering the amendment that we lose revenue. It is merely my purpose in offering the amendment that the Senate and the House have sufficient time to discuss this very thoroughly and consider it and see whether we want to reconsider it, possibly repeal it, or modify the provision.

The third point I should like to make is with respect to the question of the large banks and what their purpose has been on this amendment. I simply do not know. I believe that most of the large banks, what people refer to as large banks—such as Bank of America, Chase-Manhattan, and Citibank of New York—are in favor of retaining this withholding provision.

They are not for repeal, so far as I know. It is my understanding that they are against repeal. So I do not believe we are hearing from them with fictitious or false advertising or any influence on Members of the Senate or the public at large, saying, "Let's repeal it." I do not think that is their position. I think their position is that we should retain it.

Fourth, the point has been made about W-6 forms. This is the form that a person who wants to be exempt from this withholding would fill out and file with their institution. We have inquired in Montana whether they are available at the banks, savings and loans, and credit unions—those three groups—and we are advised that, as of last Friday, they are not available.

So it points out the fact that this is a process that takes a lot of paperwork and a lot of time and a lot of delay. I think my amendment has some merit just for their sake in getting out the W-6 form. Who is "they"? The Treasury Department, in sending out the W-6 forms. If we do not reach them in the next 30 days, maybe the time will be a little short for sending them out by July 1.

Fifth, the point has been made by the Senator from Kansas, very eloquently, that he is supporting the President in this endeavor to block any delay of reconsideration. I will read into the RECORD a portion of the Republican platform of 1980:

> We also oppose Carter proposal to impose withholding on dividend and interest income. They would serve as a disincentive to save and invest and create needless paperwork burdens for government, business, industry, and the private citizen. They would literally rob the saver of the benefits of interest compounding and automatic dividend reinvestment programs.

I have received a lot of letters, and evidently they are from Republicans who are following the Republican platform, because some of these letters almost repeat what this platform statement says. I seldom receive a letter saying, "I am a Republican" or "I am a Democrat," but I have to determine that a lot of people writing me are Republicans. They are saying exactly what the Republican platform said in 1980.

Also, I point out that the Senator from Kansas, the chairman of the Finance Committee, very profoundly stated, in a consideration of last year's tax bill:

> I would like to note at the outset that these proposals generally do not substitute a mandatory withholding system * * *

He is speaking about the withholding on the interest and dividends from savings and investments.

He said:

> I would like to note at the outset that these proposals generally do not substitute a mandatory withholding system for a working information reporting system and does not do so in particular with respect to interest and dividend payments. I believe that such proposals may be premature until we have seriously tried to improve our information reporting system.

It is a fine system, and it was true. I think it is obvious that our reporting system has not been addressed adequately.

Mr. DOLE. Mr. President, will the Senator yield? I did not get whose statement that was.

Mr. MELCHER. It was the statement of the Senator from Kansas.

Mr. DOLE. That was in reference to the compliance bill we introduced. The Senator is correct—that did not include interest and dividend withholding. We included some compliance measures. It was a separate measure that the President included in his budget.

Mr. MELCHER. It was on the taxpayer compliance improvement of 1982. The Senator is correct. It was said in March 1982, a few months before we adopted this provision in the tax bill. The Senator is correct.

It is not really my intention to hold up the social security bill. I should just like to have a vote on this. It is not an earth-shaking amendment. It is a delay as to when the withholding will take place on interest and dividends of individual taxpayers. It tracks what the Treasury Department has already announced, the delay they are going to have on the reporting of interest payment from Tresury notes and Treasury bonds and from some other bonds that are handled by States and for that matter other groups that sell bonds.

So it is not meant at all to hold up this bill but is merely an opportunity to make sure there is time for a proper review by Congress of the question.

I trust that the Senate will accept my proposal or at least consider my proposal for delay as a fair method of representing taxpayers.

The first group of taxpayers that I am thinking about are those who already paid all their taxes and are having the taxes withheld from their wages or from their salaries and who know they pay them all and many of whom already pay more through the withholding process.

As to 75 percent of those people, I am told, there is already over withholding. In other words, more is withheld from the taxes than are due and they have to file for a refund.

That is exactly to the point of the taxpayer of this particular person to whom I referred earlier who is the wife of my aide, who is sitting right with me, and who is a schoolteacher who learned that there would be a withholding program when she received her notice from the Treasury Department with a refund check.

The notice was a 662A which explains that recipients of interest and dividends will be faced with a new withholding program which begins on July 1.

That happens to be the first time that she was aware of the actual proposal that is now law and will go into effect July 1, and she says to my aide, her husband:

> Can't you get Senator MELCHER to do something about that because I have already paid more than I should and this will be something more that was added to it that will be withheld and I will just have to refile for that much more?

That is one group.

The second group that are particularly concerned, judging from the comments I received and the letters I received, appear to be the elderly. I will read this short letter which is typical. It says:

> Would you please work to repeal the 10 percent withholding provision of the "Tax Equity and Fiscal Responsibility Act of 1982"?
>
> The net result of this provision is to cheat the small investor out of his money for up to 1½ years at a time, while waiting for a tax refund. And believe me, I don't like being cheated.
>
> My wife and I scrimp and save each month so we can put money aside for retirement. We need to be able to compound our interest so that when we do retire there is enough to live off of.
>
> My wife and I fully realize that by the time we retire, the Social Security system will be bankrupt, and we will get little or nothing back that we put in. I've read that Congress doesn't trust Social Security for its retirement program and frankly I don't either. Anyone with a high school education can look at the numbers and figure that out for himself.
>
> So please—allow us—the little guys to keep one opportunity to save for ourselves and provide for ourselves.
>
> Please repeal the 10 percent withholding provision of the "Tax Equity and Fiscal Responsibility Act of 1982."

Of course, he appears to be elderly. I am not sure. They say they are saving for their retirement. But, nevertheless, they are thinking about earning from interest and what it would mean if some of their taxes are withheld. They could file and get them back, this is true, and I am not trying to apply that they are not going to get their full credit for their money. They certainly are.

These points lead me to believe that the amendment is sound, fair, and equitable to all and above all fair to the taxpayers who are writing these types of letters so that we can be sure that we have given them adequate consideration.

I hope the Senate can agree to the amendment. I realize the constraints of time, and I hope that we can have a resolution of this problem very quickly.

Mr. DOLE. Mr. President, I think we will be ready to vote in a few moments.

I shall read an editorial that appeared in the Minneapolis Star and Tribune on March 16 by Jim Klobuchar, apparently an outstanding columnist. At least, he is on the right side.

Before I do that, I wish to thank the Senator for reading that letter about the social security system going bankrupt. That is why we are trying to convince the Senator not to hold it up. It is about to go bankrupt and we want that couple to get their social security check.

Mr. MELCHER. Mr. President, if the Senator will yield, I think I made it abundantly clear that I have no desire to hold up the bill.

Mr. DOLE. That is what Senator KASTEN said.

Mr. MELCHER. I think it is a good point to adopt this amendment so we know exactly where we are and go on with the remainder of the bill knowing we have plenty of time considering this matter.

Mr. DOLE. I appreciate that. I know the Senator does not want to hold it up too long.

This column from Jim Klobuchar says:

The money wizards around town have been telling me for days that the federal government is about to stomp out the last ember of liberty and decency by putting a tax withholding system on the money we make from investments.

They are furious because I'm having trouble absorbing the purity of their intentions and logic.

Two days ago I was ostracized from a steam room where we have gathered as peers for years. Two of the others were bankers and one was a broker. We have been pals and confidantes, brothers in the struggle against sloth and overweight.

They shunned me unanimously when the talk got around to withholding on interest and dividends.

They began politely by calling me ignorant. As a variation they called me barbaric.

From there it got personal.

They accused me of giving comfort to those who would rip out the fabric of the American savings ethic and they asked, parenthetically, if I also was ready to support incest and rabies.

All of them, Republicans, accused me of being hypnotized by Ronald Reagan.

Stricken mute, I groped for the door.

Meditation seemed to be the only sensible escape. What was there in this simple principle of tax collection—one we have lived with for more than 40 years without genocide—that could create such conversational carnage?

I telephone Ditta Maly, a paralegal secretary of long acquaintance at one of the local law firms.

"Ditta," I said, "as I understand it, all that's involved here is extending the income tax withholding principle to savings and investments. The banks and the savings and loans and brokerages would withhold 10 percent of what the investor earns in interest and dividends. The government believes, with some evidence, that there are people who actually chisel on those earnings. So the government figures it can take in $4 or $5 billion more a year in taxes that aren't being paid now, and also make use of the money sooner, which is what it already does on income taxes."

She said this more or less squared with the facts, yes.

"So why are so many people sounding as though they thought they're about to be disemboweled?"

"If you want to be unpopular," she said, "tell the people you think this dividend withholding is OK. From all the calls we've gotten from our tax clients, a lot of them are feeling that they're being deprived of one of their rights."

But their right to what?

A certain amount of creative amnesia in the filing of income tax reports is not exactly unheard of in this country.

Still, most citizens try to report accurately.

One of their hovering suspicions and worries is that the next guy might not. Worse, he might be getting away with it.

The income tax withholding eased one of those suspicions and made the income tax substantially more democratic.

What's different about dividends and interest?

The banking industry is arguing that it's a bleeding shame because, in the language of one of the form letters it has put in the hands of thousands of its customers, "it's unfair to those of us who have always paid our taxes on interest."

How is it unfair?

If we're talking about poorer people and older people, anybody can file an exception. It's a piece of work, sure. But so is paying an extra tax share for the $5 billion or so being chiseled or slopped away unintentionally by investment earners.

If we're talking about using that interest money now, instead of turning over some of it to the government before the deadline, how much of an oppression is that for the average investor?

For most of us, it is pretty small change.

But there is literature coming out of the money houses that makes it sound as though this is actually a new tax.

They also are citing horror stories about thousands more hours in paper work and giant new computers, but if you compare the government's collection predicaments and budget goals with those of any corporation you deal with, you have to give the government the same allowances.

The gas and phone companies collect from you every month. Every company is automated. The newspaper does the same thing. Some collect before you receive.

It's the way the world spins now, and the way bills are paid.

So I called one of the chummier of local banking presidents, Dick Hillyer of Summit in Richfield.

"You guys pay an average of 2.7 percent income tax," I said. "Only the paper and wood products companies and the crude oil producers pay less, according to the congressional people. Tell me what's so unforgivable about asking the investment industry to help the government bring dividend tax collections into the 20th century."

"I personally don't object to it all that much," he said. "I think there are better ways to get those dividend reports to the government without making us send 1099s to you, and all the rest. I think a lot of banks feel that because of the extra service, they may have to pass on some of those charges to the customers."

This is not a virginal concept.

"Will it be a huge imposition on the banks and brokerages?"

"Well, they scream and yell. You can't blame them. We all have our own interests. But they'll survive."

Which is more than you can say of the jobs bill unless some of the congressional lions rediscover their backbones.

The point of it is after you talked to the banker, the banker really did not have that much objection, and I think that is essentially the case.

Mr. President, I have a lot of other things I would like to say but, hopefully, will not have the opportunity to say on this bill.

● Mr. HATCH. Everyone knows that I am very much in favor of repealing the withholding of dividends and interest language. However, since Senator KASTEN has worked out a time certain and a reasonable bill upon which to debate this matter, I believe the Senator from Montana should withdraw this amendment. All he will accomplish is to extend this debate into the filibuster mode and cause millions of people, who are afraid of the bankruptcy of social security, to become unnecessarily concerned.

I would recommend to my President, and those who advise him, to allow the repeal of this provision because, sooner or later, we are going to repeal it. However, this is not the bill upon which to debate the matter.●

Mr. BAKER. Mr. President, will the Senator yield?

Mr. DOLE. I yield to the distinguished majority leader.

Mr. BAKER. Mr. President, we really should get on with this bill if we can. I indicated to the Senator from Kansas and the Senator from Louisiana, the managers of the bill, that I still entertain the hope that we can finish this measure tonight. But to do so we will have to move with more dispatch than we have so far. In order to facilitate that and move things along, I move to table the Melcher amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee to lay on the table the amendment of the Senator from Montana. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Vermont (Mr. STAFFORD) and the Senator from Wyoming (Mr. WALLOP) are necessarily absent.

I also announce that the Senator from Oregon (Mr. PACKWOOD) and the Senator from Maryland (Mr. MATHIAS) are absent due to a death in the family.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON) is necessarily absent.

The PRESIDING OFFICER. Are there Senators who have not voted who desire to vote?

The result was announced—yeas 37, nays 58, as follows:

[Rollcall Vote No. 36 Leg.]

YEAS—37

Andrews	Hart	Moynihan
Baker	Hatch	Murkowski
Bingaman	Hatfield	Roth
Chafee	Hecht	Rudman
Danforth	Heinz	Specter
Dodd	Jackson	Stennis
Dole	Kassebaum	Stevens
Domenici	Kennedy	Thurmond
Durenberger	Lautenberg	Tower
Garn	Laxalt	Weicker
Goldwater	Leahy	Wilson
Gorton	Lugar	
Grassley	Metzenbaum	

NAYS—58

Abdnor	Exon	Nickles
Armstrong	Ford	Nunn
Baucus	Glenn	Pell
Bentsen	Hawkins	Percy
Biden	Heflin	Pressler
Boren	Helms	Proxmire
Boschwitz	Hollings	Pryor
Bradley	Huddleston	Quayle
Bumpers	Humphrey	Randolph
Burdick	Inouye	Riegle
Byrd	Jepsen	Sarbanes
Chiles	Johnston	Sasser
Cochran	Kasten	Simpson
Cohen	Levin	Symms
D'Amato	Long	Trible
DeConcini	Matsunaga	Tsongas
Denton	Mattingly	Warner
Dixon	McClure	Zorinsky
Eagleton	Melcher	
East	Mitchell	

NOT VOTING—5

Cranston	Packwood	Wallop
Mathias	Stafford	

So the motion to lay on the table Mr. MELCHER's amendment (UP No. 103), as modified, was rejected.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, I think while most Senators are here, we ought to just take a minute to understand where we are not going if this amendment is not eventually disposed of. That is, we are not going to finish any social security legislation this week. Maybe that is not important because we are coming back April 6. But it was the understanding of this Senator that we agreed to debate withholding on April 15, a free-standing debate where everyone would have the chance to debate, offer motions and modifications, and we could then dispose of that issue.

But here we are again, with the jobs bill having been held hostage for several days, and now it is the social security package. I would just suggest that I will stay here as long as it takes to defeat this amendment. If you are not concerned about social security, if there is not any real urgency—we have only worked for a year or year and a half to put this package together—then I think we ought to keep playing the bankers' game.

UP AMENDMENT NO. 104

Mr. DOLE. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an unprinted amendment numbered 104.

In lieu of the language proposed to be inserted by unprinted amendment 103 insert the following:

"Delay Implementation of Withholding on Interest and Dividend Income."

SEC. . Section 308A of the Tax Equity and Fiscal Responsibility Act of 1982 is amended by striking out 'June 30' and inserting in lieu thereof 'December 31;' provided however, the foregoing delay shall take effect only if the average prime interest rate charged by the Nation's ten largest banks is 6 percent or less on June 30, 1983, and that delay shall remain in effect only as long as that average prime rate remains below 6 percent."

SEC. . MINIMUM FOR MONEY MARKET DEPOSIT ACCOUNTS.

Section 204(c)(1) of the Depository Institutions Deregulation Act of 1980 (12 U.S.C. 3503(c)(1)) is amended by adding at the end thereof the following: "The Committee shall not establish or maintain a minimum balance requirement higher than $300 for deposit accounts authorized by this subsection.".

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, if we are going to help the people of this country, here is the way to do it. You can help your bankers in the process, and the depositors as well. For all those people out there who want to invest in a money market fund but cannot do it because they do not have $2,500, this amendment will lower that to $300. The amendment will allow individuals to take their money out of passbooks savings, the 5.5 percent that bankers never talk about in their ads, and put it into the money market funds at 8 or 9 percent.

I cannot think of anyone on this floor who would not want to do that for their constituents. This is part of the second-degree amendment. I cannot think of any of us who want the high interest rates to stay up there, particularly those running for high office, even the U.S. Senate.

This amendment presents a deal that should be hard to resist. We will delay withholding, as the Senator from Montana wishes, if the prime rate decline to 6 percent. That ought to be a real incentive for the banks to reduce interest rates in loans. We know they are not holding up the rates artificially, at least they tell us they are not holding up the rates artificially.

I think we ought to debate this amendment, unless my colleagues are prepared to adopt it now.

SEVERAL SENATORS. Vote, vote.

Mr. DOLE. Would the Senator be willing to accept the amendment?

Mr. MELCHER. Mr. President, I can only answer the question by saying that I personally think it is impossible to get the rates down that fast, but I would like to hope so.

Mr. DOLE. Well, let us try. We tried everything else.

Mr. MELCHER. I think this sort of belies a statement that we want to get on with the bill. Let us get the vote over with.

Mr. DOLE. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

SEVERAL SENATORS Vote, vote.

The PRESIDING OFFICER. Is there debate? If not, the question is on agreeing to the amendment of the Senator from Kansas. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. MURKOWSKI (when his name was called). Present.

Mr. D'AMATO (when his name was called). Present.

Mr. STEVENS. I announce that the Senator from Vermont (Mr. STAFFORD) and the Senator from Wyoming (Mr. WALLOP) are necessarily absent.

I also announce that the Senator from Maryland (Mr. MATHIAS) and the Senator from Oregon (Mr. PACKWOOD) are absent due to a death in the family.

Mr. BYRD. I announce that the Senator from Florida (Mr. CHILES) and the Senator from California (Mr. CRANSTON) are necessarily absent.

The PRESIDING OFFICER (Mr. PRESSLER). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 35, nays 57—as follows:

[Rollcall Vote No. 37 Leg.]

YEAS—35

Abdnor	Gorton	McClure
Andrews	Grassley	Metzenbaum
Baker	Hart	Moynihan
Boschwitz	Hatch	Pressler
Chafee	Hatfield	Roth
Cohen	Hecht	Rudman
Danforth	Heinz	Specter
Dodd	Kassebaum	Thurmond
Dole	Kennedy	Tower
Domenici	Lautenberg	Weicker
Durenberger	Laxalt	Wilson
Garn	Lugar	

NAYS—57

Armstrong	East	Kasten
Baucus	Exon	Leahy
Bentsen	Ford	Levin
Biden	Glenn	Long
Bingaman	Goldwater	Matsunaga
Boren	Hawkins	Mattingly
Bradley	Heflin	Melcher
Bumpers	Helms	Mitchell
Burdick	Hollings	Nickles
Byrd	Huddleston	Nunn
Cochran	Humphrey	Pell
DeConcini	Inouye	Percy
Denton	Jackson	Proxmire
Dixon	Jepsen	Pryor
Eagleton	Johnston	Quayle

Randolph	Simpson	Trible
Riegle	Stennis	Tsongas
Sarbanes	Stevens	Warner
Sasser	Symms	Zorinsky

ANSWERED "PRESENT"—2

D'Amato	Murkowski

NOT VOTING—6

Chiles	Mathias	Stafford
Cranston	Packwood	Wallop

So the amendment (UP No. 104) was rejected.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER (Mr. PRESSLER). The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, may we have order?

I think we are making progress. I do not know how much, yet. I want to see how high my colleagues think the interest rates ought to be. We have an amendment for 7 percent, one for 8 percent. I want to know how high people want the interest rates to be. Maybe prime is just right. I thought it was high. But we will have a chance to see. We have really got the issue focused now between the bankers and the people, and that is sort of where we have been trying to get it for several weeks. We may not get the social security bill passed as quickly as I had hoped, but that maybe all right if enough of my colleagues believe we have to protect the bankers and their interest rates.

Mr. President, I would like to discuss this for 30 or 40 minutes and give people a chance to refresh themselves and then maybe offer another amendment or two on this.

I say, very seriously, I just do not believe that this amendment to delay interest and dividend withholding belongs on the social security bill. Some others may disagree with me, but I do not propose to let it become a part of the social security bill unless we can properly amend it to make certain that we are helping the banks and their customers at the same time. I also would point out that the amendment is still subject to a point of order under the Budget Act. I think as we get nearer the deadline for the social security package Members will understand this is a very important piece of legislation which should not be hindered by an additional 6-month delay on withholding. We have already agreed to a debate on the withholding issue with the distinguished Senator from Wisconsin, which I thought was done in good faith, and that that would end the matter for a few weeks and give us a chance to pass the social security legislation before the Easter recess.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. DOLE. Mr. President, I do not want to unduly detain anybody, but I would like to pass the social security bill. There are 152 million Americans waiting for us to pass the social security bill.

The PRESIDING OFFICER. The Senate will be in order. Those holding conversations will please retire to the cloakrooms. The Senator from Kansas is trying to be heard. Staff who are conversing will please retire to the cloakrooms.

Mr. DOLE. We can play the games on withholding for the next several days, if that is what the Members want.

There are a lot of things in this bill on which the Senator from Kansas is trying to accommodate a number of his colleagues, on both sides of the aisle, but withholding is not one of them. It does not belong on the social security bill.

If anyone is going to insist on putting it on the social security bill, the Senator from Kansas has to protect his rights and protect the social security provisions and try to defeat it somehow. If it cannot be done tonight, we will try tomorrow. If it cannot be done tomorrow, maybe Wednesday. If it cannot be done Wednesday, maybe Thursday. Maybe sooner or later the Senator from Montana will be successful, but I must oppose his efforts.

We still have a number of social security amendments—by the Senator from Florida, the Senator from Colorado, the Senator from Louisiana, and the other Senator from Montana. We thought we had five or six amendments on which there would be rollcall votes. But until we set this matter aside, we cannot proceed on the social security bill.

Mr. President, I do not want to bore people with recounting the reasons why we should not be doing this on this legislation, but I would not want any of my colleagues to leave the floor of the Senate thinking that we must inevitably take care of the bankers in this legislation.

Mr. GARN. Mr. President, will the Senator from Kansas yield?

Mr. DOLE. The Senator from Utah, who is the chairman of the Banking Committee and who supports repeal of withholding, stood on this floor about an hour ago and said he did not think it belonged on this bill. I thank the Senator for his support. We have an agreement to debate withholding on April 15, and he stated he would support me at this time, even though he does not agree with my views on withholding.

If we are not acting in good faith, if any of my colleagues thinks we have reneged on the April 15 agreement, that would be one thing. But I can assure my colleagues I am prepared to uphold that agreement. I must say however, that I am going to do all I can to frustrate the withholding amendment on this bill; and if it is necessary to put off social security, I will do the best I can to do that.

I yield to the Senator from Utah.

Mr. GARN. Mr. President, I want to repeat what I said before we came to that vote. We totally disagree on that issue. I am in favor of repeal. I have always opposed withholding at source. It is another example of Government asking the private sector to do its work for them. I will vote for repeal when we get that opportunity. When we get to April 15, I will vote with Senator KASTEN, and I will vote with him procedurally, and I will do everything I can to repeal withholding. I supported him last week, not only the substance but also on the procedural votes, on cloture. I voted with the Senator on his cloture motion.

We had a unanimous-consent agreement worked out by the leadership. I have been here only 8 years, and that is a relatively brief period of time, but I think we have seen the Senate at its worst demogoguery tonight, because what I have seen is political positioning against an avalanche of mail. To hell with the Senate or any routine procedure for social security. We have to be on record for a 6-month delay; and when it is going to lose, we see a bunch of people running down there to get on the side of the angels. It is absolutely disgusting, in light of the agreement to debate this issue separately.

Nobody can be more against withholding than I, because I am chairman of the Banking Committee. A lot of those letters think it is JAKE GARN'S fault and not BOB DOLE'S.

Mr. DOLE. I do not think I deserve all the credit.

[Laughter.]

Mr. GARN. I say it is a revenue issue, not a banking issue. But I have received a lot of heat.

This is not the right place nor the right time to play political demagoguery. We have our opportunity. I said before to the Senator from Kansas that if we did not have an agreement, I would have voted with the Senator from Montana tonight. If we had not worked that out, I would do every procedural thing I could to repeal withholding. What is the matter with that?

I used to read about how the Senate worked. Now, on every issue that comes up, we have Senators wanting to get in the press to report what they are doing. I hope the press will report tonight what is going on and let the American people know there is an agreement to discuss this issue, up or down, on April 15, and that some of us will do everything we can to see that the Senator from Wisconsin prevails and that we repeal—not just a 6-month delay, but repeal. But here we have to play with it now on social security and delay that. I do not understand; I really do not. I have frustration and irritation with the political game which goes on on this floor.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. GARN. I will be happy to yield. The Senator from Kansas has the floor.

I do not understand. It is the easiest political issue in the world to go home and explain: I voted to table that because we have a unanimous-consent agreement to debate it on April 15.

If we have not got the guts to explain to our constituents that we have an agreement and we will have an opportunity to try to defeat the procedural motions of the Senator from Kansas at that time—but, no, on March 21, we have to delay the Senate so that we can get press. Let the press report over and over and over that there was an agreement, by unanimous consent, to bring this up on the reciprocity bill, prejudicing nobody's rights. In fact, it put us in a better position to try to debate it and defeat it at that time. But we have to play games with it tonight.

I have not changed my mind. There is no Senator in this body more opposed to the substance of getting rid of it than I. But I am not going to be part of the demagoguery games for press purposes, when we can do it on April 15, 3 weeks away.

So I will continue to support the Senator from Kansas on procedural issues until we get to that date, and I am going to leave it. I am going to go back to the Senator from Wisconsin when it can be done in a proper, orderly manner.

Let us be statesmen. Let us go back to being a deliberative body, instead of parading for the press in here.

Mr. DOLE. I thank the Senator from Utah. I do not want to get all the credit for this. I know there is enough to go around. I do not see anybody else claiming it. I do hope, however, that the administration will come in more actively in supporting the President's 1983 budget.

I must say that I do not quarrel with the right of the Senator from Montana to offer the amendment. I have several amendments I am going to offer to his amendment. I would rather it not be on this issue, that we get on with social security. But if it is the will of the Senate not to pass social security before the Easter recess, I am willing to accommodate that wish. We can all go home right now. We will not miss many votes on this package.

I am committed to pass the social security bill as nearly as we can in the form recommended. It is not a perfect package, but I do not think it is helped any by this amendment.

I yield to the Senator from Arizona without losing my right to the floor.

Mr. GOLDWATER. Mr. President, I just want to comment that I stand with the Senator from Utah (Mr. GARN) on this. I oppose withholding as strongly as he does.

However, I suggest to the Senator from Kansas that he is probably losing this fight himself. I am getting damned sick and tired of hearing about the American Bankers Association.

I am a stockholder of a bank. My brother is a director of a bank. I have not had any mail from any banks. I do not even get checks from them any more.

[Laughter.]

I think the Senator should realize that the American poeple do not like this, and they do not care where you put the amendment, whether it is the 15th of next month or now, or wherever you want to jam it. Sooner or later, the American people are going to convince this Congress and the President that they do not like the withholding tax, or whatever you want to call it.

I suggest to my friend that maybe he should sit down and counsel with himself in the quiet of some room or, if the moon is up, maybe out under the moon, and maybe decide that his tactic is not working.

Mr. DOLE. I say to my friend from Arizona that I do not question his integrity or logic when he is debating issues, and I do not appreciate his questioning mine, but that is a right he has.

I will say, as long as I have breath to say it, that I am going to fight to retain withholding on interest and dividends because it is a good provision. You do not have to agree with me, but, if not, you should agree that we should not have withholding on wages, either, and that repeal of both will make the tax laws fairer. If you are going to talk about earned income and earned income, you can.

I am going to spend my time on the Senate floor to preserve this provision.

If you have not had any mail from your banks, you have missed a great treat, because some of our offices are literally covered with mail.

I will be happy to send some over to the Senator from Arizona if he wants some mail. The Senator from Kansas has lots of mail.

I do my best to accommodate Senators in this Chamber, and I do my best to accommodate the President. If the President calls me and says, "Senator, forget about withholding," I would not be offended. It is not a personal matter with me.

I just repeat again that this is a part of the President's 1983 budget. I think it has already been made a part of the RECORD. We could all get personal about these things, and I hope that we do not succumb to that, but it is not very easy to try to retain this provision, in the face of this campaign of preprinted post cards. But I do not believe any of us were elected just to respond to this sort of mail.

I know the Senator from Arizona would not do that. When I supported him in 1964, it was for that reason. You have to stand up sometimes even though it may not be the popular thing to do.

However, I would emphasize again that withholding was included in the President's budget of 1983. It was not dreamed up by the Finance Committee chairman, and it is not going to be frittered away by the Finance Committee chairman.

The Senator from Kansas may lose on this issue, but I will continue to criticize the American Bankers Association for a deceptive campaign, and they know it is deceptive.

If you read the Washington Post yesterday, you know it is deceptive.

The Senator from Arizona would not condone that kind of tactic, and no one in this Chamber would.

It is a deceptive, shameful campaign by the American Bankers Association. That does not mean it is being carried on by all the banks in our States. I think that, despite the association's ads, some of my bankers are beginning to understand that we are not picking anyone's pocket, that we are not looting their savings, that this is not a new tax, that peoples' savings are not going to disappear.

I would say that when the Senator from Kansas and the Senator from Iowa, Senator GRASSLEY, put together a tax compliance bill last year, we did not include withholding. In fact, the Senator from Montana referred to a statement I made at that time about an hour ago. We knew that if we included withholding on interest and dividends we would create a firestorm.

What we tried to do is what everyone else is now suggesting that we should do. We tried to put in enough other compliance measures to collect the revenue. But the IRS, the Treasury, and the revenue estimates from the Joint Tax Committee staff told us that our compliance bill would not collect the taxes we were trying to collect.

But withholding was in the President's budget at that time. I recall him telling Treasury Secretary Don Regan that we would have a hard time enacting withholding. But we had a tough decision in 1982. The Senator from Arizona did not support it, but it was a tough decision. We had galloping deficits, we had galloping interest rates, we had a sick stock market, and the President said we had to do something to get the economy moving again. So we enacted $100 billion in taxes recommended by the President, not the chairman of the Finance Committee, and we got to that revenue number for the most part not by adding new taxes, but by collecting taxes already

in the law from people who have not been complying with the tax laws.

I am not going to defend people who do not pay their taxes. I do not care whether they be bankers, lawyers, Senators, or anyone else.

If that is being stubborn, then I guess I will just have to be stubborn. What is at stake here is a social security bill. We agreed in good faith to debate withholding on April 15. I have not reneged on that promise, and I do not intend to. That does not mean I have to cave in because someone else jumps up with an amendment 3 days after that agreement and says, "I want to delay withholding 6 months."

I remind the Senator from Arizona and others it was the Senator from Kansas who, because the ABA complained about the effective date of January 1, 1983, made the motion to delay withholding for 6 months. My record with bankers, S&L's, and credit unions is probably as good as anyone's in this Chamber.

However, that is not the point here. The point is we have at stake here about $20 billion in revenue over the next 5 years. We must make the choice. Do you want to charge it to the deficit? This Senator does not. Do you want to collect taxes from someone else who is paying his taxes now, do away with the third year, do away with indexing, raise taxes on business to pick up the deficit? This Senator does not. Do you want to cut spending $20 billion the next 5 years? I would like to cut spending in some places, but not just to take care of those who are not paying their taxes. To me, that is not very efficient spending reductions.

So we will have to debate it awhile. It is not because the Senator from Kansas has anything personal at stake, but I would hope if you have a conviction and if you have a responsibility, you have a right to carry out that responsibility. That is what this Senator intends to do.

The Senator from Arizona may be correct that there is a majority who would like to get rid of withholding. We could all write back and say, "Well, this was a bad thing to do."

But I have not yet been convinced that, if it is so bad to have withholding on unearned income, why it is so good to have withholding on wages and salaries? Can no one tell me why, if it is so good to take it out of the worker's check, it is not right to withhold on everyone else's check? Why should it not be taken out of interest and dividend income?

And I may say those who pay out dividends are not complaining. The corporations are not complaining. They are simply complying with the law.

It is the savings institutions and the banks who have led the charge, and maybe we should give in. I guess that is the way you get ahead around here; just cave in and say, "Well, I cannot stand the heat. My colleagues are upset. They want to get rid of withholding. It is causing a lot of pain and a lot of grief."

But I just suggest I must be convinced of two things: First of all, if we had this delay and the bankers said, "OK, we want 6 more months to make it work," then I would say we should talk about that. If I were convinced the banks had made only an honest effort to repeal this, then I would say, "OK, we did the best we could."

But I believe, and I can see it in my own mail, that the tide is starting to turn. Many have listened to one side only. We have been covered up with hundreds and thousands of postcards from people who did not understand the law at all. We have cards saying this is a new tax. It is not a new tax. The Senator from Montana does not claim it is a new tax, to his credit. We have cards saying, "You are taking away my savings and I am frightened; I am 65 years of age," or "You should not collect taxes on interest."

That is not even the issue. IRS collects taxes on interest and dividends income with certain exceptions.

I do not know what the answer is. The answer as far as this Senator is concerned is not just to cave in. The answer is to debate it, to keep the agreement we made last week to bring it up on April 15, and then try to have it out.

It is going to be a freestanding debate. The Senator from Kansas has his rights and every other Senator has his or her rights, but there are Senators in this Chamber who strongly support withholding—not just one Senator. I would guess there are probably 38 to 40 Senators who feel pretty strongly about withholding.

We do have veto provided by the Constitution but we cannot just govern by veto. If we have to start everyone adopting the popular thing around here, I think we should repeal all the taxes. A lot of people do not like income tax at all. Why have it? Just have a voluntary system. Mail in what you want at the end of the year and we will see how it comes out.

Let us not pick on the working people. Most of them, like me, do not care who owns stock in banks. They do not own any stock in banks, or intend to own stock in banks. I do not own any banks. I am not a director in any bank. I do not have much interest income from the banks. I do not care if they withhold on that interest.

So I would just say I have a feeling this debate is starting to heat up, and I would hope that we could stick with the issue.

We came here prepared to dispose of the social security package last week. It should have been done, but no, we could not do that because we all had to cringe because of the bankers, and we delayed the jobs bill.

Maybe that is all right. Maybe the jobs bill is not that important. Now we are faced with social security, and maybe that is not that important. But if somebody has a better idea on how to handle the social security package and we still have got five or six amendments which are going to be debated, then the Senator from Kansas will welcome the idea. But I do not intend, just because one Senator criticizes me, to walk off the floor. I do not want to displease anybody in this body. I do not want to displease any Senator in this body, but I do want to make my point, and once the point is made, some may change their view. Let us take a look at this Kiplinger Tax Letter. That is a fairly respectable letter; it is something I did not talk about earlier that might be of interest. I kind of believe if we ever have an issue, and it is very important, I would rather have somebody up fighting for what he thought was right than yielding to pressure.

This is what the Kiplinger Tax Letter said on February 25:

> First, withholding. It is not a new tax . . . or an extra tax, as some opponents have said. Nor does it make 10 percent of savings disappear.

That is what they are saying in the bank ads. I do not know whether you have ever seen the bank ads, "Are your savings going to disappear?" That is not my answer, that is Kiplinger's answer. "Small savers are exempt."

It goes on:

> The amount of tax that is withheld does not disappear.
>
> It is used to reduce what you owe when you ante up in April . . . or you can trim your estimated tax and payroll withholding during the year.
>
> Your savings account needn't be reduced by the 10 percent tax. Your bank can tap your checking account for it or you can deposit that much more.
>
> Withholding is aimed at tax cheaters . . . to make them pay something instead of having their share picked up by hiking taxes on honest folks.

I do not even agree with that last statement. I think a lot of it is inadvertent. Most taxpayers are honest, but we are told by IRS that there are 20 million Americans who do not report all their interest and dividend income, and I have to believe most of it is inadvertent and not dishonest.

What do we say? Do not worry about it, we will get it from the workers? We will get it from somebody else? It just seems to me if there is a principle involved here, it is tax fairness.

I have heard a lot of speeches on tax fairness. A lot of people have introduced a flat-rate tax proposal, to make everybody pay, with no exemptions or no deductions or a few exemptions or no deductions. That is tax fairness,

and withholding is one way to make sure everyone pays their fair share.

So, Mr. President, I hope there will be some resolution of this, something that will satisfy those who want to leave to fight another day on this issue.

I can tell the Senator from Arizona or anybody else that I do not get any great pleasure in coming over here every day and fighting withholding. There are a lot of other things in our committee we ought to be addressing, including health care for the unemployed, medicare, trade, a lot of issues that affect a lot of States that we cannot get to because every day we have to come over and fight withholding. So from a personal standpoint, the easiest thing to do would be to say, "Get rid of it and let the President worry about it."

So, Mr. President, I would like to yield to the distinguished Senator from Idaho for a motion without losing my right to the floor.

Mr. MELCHER. Mr. President, reserving the right to object——

Mr. LONG. Reserving the right to object, Mr. President, has the Senator been given consent to yield without losing his right to the floor?

The PRESIDING OFFICER. The Senator has not been given such consent. Is there objection?

Mr. LONG. I object.

Mr. DOLE. Mr. President, I do not know what the motion was, but it was in some way to end the impasse and get on with the social security bill.

But if that is not going to be permitted, then I think we will either offer additional amendments——

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. DOLE. The Senator will yield for a question without losing his right to the floor.

Mr. MELCHER. Yes. If the Senator will yield for a question, and I thank the Senator for so doing, this would properly be described not as a debate, but it would most properly fit into the category of a filibuster; is that correct?

Mr. DOLE. Not yet. But I think it could be properly classified at some point. I do not make any bones about it. If this amendment has to be on the bill to get social security, then it is a filibuster. I am making the choice we have to make particularly since we have agreed to debate it later on. I may have to yield on that someday. I am not suggesting I can hold the floor that long, and I am certain a lot of people are eager to get up here and help me, but they are a little slow about it, but it will come.

I think the more we discuss this issue, the more people understand this has been a multimillion-dollar campaign. You can defend the banks all you want to, but you cannot defend them on this issue, and the Senator from Kansas has defended the banks, and I think my record is as good as that of anyone else with the banks. But I do not have to stand here and accept a deception or have my integrity questioned by the banks or their ads or some of those who contact you who have no idea what even some of the bankers think—and I cannot believe bankers if they understood all that was going on—I hope they all read that Washington Post story—I cannot believe that they would enter into a campaign like this one, as though you were getting ready to market tomatoes or gasoline or automobiles; put people in a room where you can look through a one-way mirror and see what their reactions are. The only thing we do not know is what questions were asked and what information they were given.

I will bet that I know what information was given. I will bet they told the people that this is a new tax, and the response from the participants was, "I don't want a new tax." This Senator does not want a new tax either. I will bet the bankers told them they were going to take money out of their savings accounts, maybe even that the Government was going to loot those accounts, and were told, in turn, "We wouldn't want that" and I would not want it either. We do not know what the bank lobbyists told the participants, although they had this marketing seance and they paid each $25. They questioned them a while, and then probably concluded, "we can really rev this thing up. We can really frighten the people and, in turn, frighten the U.S. Congress."

It has been very effective. I just read a while ago where the credit unions themselves are going to send me 12 million pieces of mail, 8 million stuffers and 4 million response cards all coming to me. That is flattery. I will have the best mailing list in America. We do not have all of them yet, but they are coming in. That seemed to be a little bit of overkill. The credit unions have been tame by bank standards, and so have been the savings and loan institutions.

I do not know what motion the Senator from Idaho had in mind, but I cannot do it because I was on the wrong side. So that takes care of that.

RECESS UNTIL 10 A.M. TOMORROW

Mr. BAKER. Mr. President, will the Senator yield to me without losing his right to the floor in order for me to establish a time for the Senate to convene tomorrow?

Mr. DOLE. I yield.

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, if the Senate recesses at this point, I guess the pending business will be this amendment; is that correct?

The PRESIDING OFFICER. The pending question will be the amendment of the Senator from Montana.

UP AMENDMENT NO. 105

(Subsequently numbered amendment No. 532.)

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE) proposes an unprinted amendment numbered 105: In lieu of the language proposed to be inserted by unprinted amendment 103 insert the following:

DELAY IMPLEMENTATION OF WITHHOLDING ON INTEREST AND DIVIDEND INCOME

SEC. . Section 308A of the Tax Equity and Fiscal Responsibility Act of 1982 is amended by striking out 'June 30' and inserting in lieu thereof 'December 31;' provided however, the foregoing delay shall take effect only if the average prime interest rate charged by the Nation's ten largest banks is 8 percent or less on June 30, 1983, and that delay shall remain in effect only as long as that average prime rate remains below 8 percent."

SEC. . MINIMUM FOR MONEY MARKET DEPOSIT ACCOUNTS.

Section 204(c)(1) of the Depository Institutions Deregulation Act of 1980 (12 U.S.C. 3503(c)(1)) is amended by adding at the end thereof the following: "The Committee shall not establish or maintain a minimum balance requirement higher than $500 for deposit accounts authorized by this subsection.".

MOTION TO RECONSIDER THE VOTE TO TABLE UP AMENDMENT NO. 103 ENTERED

Mr. McCLURE. Mr. President, I enter a motion to reconsider the vote by which the motion to table unprinted amendment No. 103 was rejected.

The PRESIDING OFFICER. The motion has been entered.

SEVERAL SENATORS addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, let me explain the amendment. The Senator from Kansas offered a similar amendment earlier—maybe the interest rate appeared too low, maybe everybody does not believe that we can get it down to 6 percent, so we raised it to 8 percent. If that happens then, of course, you delay withholding, as the Senator from Montana wishes to do, for a 6-month period.

Apparently Members here do not want small savers, working people to buy money market funds, so we raised it from $300 to $500. The minimum now is $2,500. I hope that, with this change, again we can focus on the real issue.

Now, if we are concerned about delay and if we are concerned about

depositors, let us make it clear. You cannot put your $500 savings in a money market insured account. It has to be at least $2,500. Why can you not put less in a money market account? Because that means that much of the money will come out of the passbook savings which pay only 5.5 percent. This would make it possible for people with only $500, which would be most Americans, to go in and get a money market fund rate of interest, to receive 9 percent rather than their passbook savings rate of 5.5 percent.

It is a serious amendment. If, in fact, you are concerned about the delay of withholding, as the Senator from Montana is, then I believe this would tie it to that and would make it feasible.

So, Mr. President, I hope that at the appropriate time we might act favorably on the amendment.

Mr. LONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. LONG. Mr. President, I would like to make clear for the record that there are many of us who were here when the agreement was made with Mr. KASTEN that his amendment would be considered in connection with a trade bill at a future date.

Mr. President, I was here at the time that unanimous-consent agreement was made. I made it clear at that time that I personally would object to including in that unanimous-consent agreement a stipulation that would preclude any Senator from offering either the Kasten amendment or anything that has to do with withholding on the social security bill.

I did not have in mind at that time offering such an amendment, Mr. President. I was aware of one Senator, not Mr. MELCHER, but another Senator who was thinking about offering such an amendment, basically the Kasten amendment, on the social security bill. And with that Senator being absent from the Chamber, I thought it was my duty to protect his rights. So far as I know, he has not chosen to offer such an amendment.

I think it should be clear, Mr. President, that if there was some agreement with Mr. KASTEN or with some of his supporters that they would not offer or not vote for a withholding amendment on some other measure other than the trade bill that Mr. KASTEN had an agreement about, that did not apply to many of us. I know it did not apply to the Senator from Louisiana, and I am not aware of anybody who agreed to be foreclosed from offering an amendment dealing with withholding on some other revenue measure.

It was my view all the time that Mr. KASTEN, in complete good faith and complete sincerity, made a noble fight for the position that he believed in. He carried on that fight with a great deal of adverse publicity from a daily newspaper here in Washington, D.C., and with some perhaps unfair presentation against him in other areas of the media to suggest that he was not within his rights or he was doing something improper by offering that amendment on the jobs bill.

Mr. President, I would have had some difficulty supporting Mr. KASTEN if a point of order was made that his amendment was legislation on an appropriations bill, because the Senator from Louisiana likes to uphold the Chair when he thinks the Chair is right. Generally speaking, he knows the Chair is ruling after getting the advice of the Parliamentarian and so, in most cases, the Chair is right. Certainly, in most cases, the Chair is completely sincere in his ruling, and the Senator from Louisiana feels an obligation to support the Chair when he believes the Chair is right. I may have deviated from that on occasion, but very seldom.

I had advised Mr. KASTEN that, in my judgment, the jobs bill was not a good bill on which to offer the amendment, because I would not be able to vote with him on a point of order of germaneness if that point of order was made on that bill. The Senator from Wisconsin, for reasons best known to him—and I think I understand what some of those reasons were—elected not to offer the amendment on some other bill, but instead to offer it on the jobs bill. He made a noble fight and I applaud him for the effort he made.

Mr. President, the fact that the Senator from Wisconsin offered his amendment on what I believe to be the wrong bill should not preclude those who strongly believe in repealing withholding on interest and dividends from offering their amendments on some other measure. It is clear to the Senator from Louisiana that if they are going to get any action, they are not going to get there on some minor money bill. They are going to have to have something that is headed for the President's desk and they are going to have to offer it on something that has a lot of steam underway.

I oftentimes make a comparison when you offer something as a rider to a bill, a comparison to a rider on a horse. For an amendment that has the opposition of the chairman of the Finance Committee, has the opposition of the President, has the opposition of the Speaker of the House, has the opposition of the chairman of the Ways and Means Committee, in order to get that type of revenue amendment to the President's desk and have any chance to be written into law, that rider has to be on a big, strong horse. It cannot be on a very weak horse because, otherwise, it is not going to go anywhere.

Mr. KASTEN was persuaded to agree to debate his amendment and offer it on a trade bill, a bill that is favored by the administration, but a bill that has not even passed the House of Representatives. The bill would be subject to a constitutional objection in both Houses in that revenue bills must originate in the House of Representatives. In the judgment of this Senator, if that is all the Senator has an agreement on, it does not have a strong enough force to carry his rider anywhere, even as far as the House of Representatives; and certainly not past the House of Representatives. The Senator from Louisiana has felt all along that if this matter was to be acted on favorably, it would have to be added to a very significant measure, something that was headed for the White House.

Now I can appreciate the position of the chairman of the committee. He feels strongly about the matter. I have no doubt that he is just as sincere as everybody else who has taken part in this matter. I realize that he is making a noble fight for his position as the good Lord gives him the light to see it.

But, Mr. President, I do not think the chairman of the committee, or any single Senator charged with a parallel responsibility, over a period of time can stand in the way of major measures that he has the responsibility of passing through this body and sending over to the other House for the House of Representatives' judgment, and on down to the President.

I have been accused of filibustering some measures when I was managing on occasion. From my point of view, it was not a filibuster. It was a very informative, well-considered debate—because over a period of time I got my way about the matter and if you do, it is not a filibuster. If by delaying the matter and prolonging it, whoever is the manager of the bill proceeds to have his way about the matter, that is not a filibuster. That is very effective debate in the best tradition of the Senate.

So, in a way, one might say it is the other guy, it is the fellow who was just sitting there and listening, who was doing the filibustering. Because if you win, it is apparent on the face of it that the speaker convinced the audience to see it his way.

But I do think, Mr. President, that the record should be clear that there are a lot of us here, and I think perhaps a majority—we will see whether it is a majority, but certainly a lot of us—who have taken the position that we will vote to repeal the withholding provision. Having done so, we believe it our duty to vote to do so at every opportunity.

To make that stick you cannot vote to do it on this bill but not to do it on that bill. You cannot afford to take

the attitude: "Well, you see, we tried this time, but we led off on the left foot and we should have led off on the right foot. So we cannot vote for it this time. We have to wait to start off on the other foot." If you do that, there will be somebody who thought you started out on the right foot to begin with.

You simply have to be consistent in taking the view that this matter ought to be changed and that the amendment should be offered on a significant bill, not just one bill, but just keep offering it on significant bills up until you finally get it on something that is going to the House of Representatives. If the House of Representatives, for some reason, escapes a vote over there, then offer it on something else headed that way.

I do not believe, Mr. President, that those of us who happen to agree that it was a mistake to enact withholding and that the matter should be repealed ought to be held up to opprobrium and scorn for doing what we think is right. I am not sure anybody wants us to do that. We are voting as we think we should on this occasion.

I would hope that in due course we would have the opportunity to vote on the amendment.

I do not challenge the right of the chairman of the committee to do what he is doing. He has every right to debate the matter at length, to offer amendments, and to resist, in every way he knows how to resist, an effort by those who would like to change something that he thinks is very good law and thinks should remain in the law.

But I do think that he and all of us in due course will, and I think should, agree that this is a matter which has sufficient support in both Houses. The majority of the U.S. Senate thinks this provision ought to be repealed. A majority of the House of Representatives thinks it ought to be repealed. In the name of democracy, why can we not vote on that measure? Why should we not be permitted to have a vote?

This Senator knows how to delay matters. He has done it many, many times, and I am sure that I will do it again between now and the time the good Lord calls me. I think it is in the best tradition of the Senate that one who feels strongly against the view of the majority should make himself heard, should fight for what he believes in. So I applaud the Senator from Kansas for the fight he is making. But I do think, on behalf of the rest of us, if we in the majority have told people we are going to vote to repeal this—and I have answered those 58,000 letters telling them that I will vote to repeal that provision—if we are sincere ourselves, then it seems to this Senator that we have no business being weak in our resolve, that we should steadfastly support the position to which we have committed ourselves until such time as we have a vote on it, until such time as we send it to the House of Representatives to see what the House will do on the matter.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, I do not quarrel with my distinguished friend from Louisiana, but even though there might be a majority on this position, a majority here and a majority in the House, as I indicated earlier the President could still veto any measure which passed, and it would require a two-thirds vote to override that veto.

I cannot speak for the President on the social security package, though I know he wants this very badly. I may speak long enough to find out from the President, to find out if he intends to veto the social security package if this amendment is on it. We might as well find out so everybody knows what the ground rules are. If that is what we want to do, then I think that is the choice we have to make.

I can recall—and I do not want to get into a quarrel with the Senator from Louisiana or the Senator from Arizona or anyone else—I remember on the windfall profit tax, they wanted to tax royalties, and the Senator had 70-some votes, but he would not stop talking. I supported the Senator from Louisiana. Do not give me that line about a majority. The point is when you think you have a majority. That took several days, as I recall. I supported the Senator from Louisiana and the Senator from Missouri stood there with 20-some votes when it was over. That was a clear majority on the windfall profit tax vote. I tucked that in my mind for the day when someone would say, "I have a majority against it, why not everybody give up?"

Mr. LONG. May I say to the Senator, if I had known I had 70 votes, I would not have been talking so long.

Mr. DOLE. Well, the Senator had a pretty good whip check. I think he was off by one.

I do not quarrel with the Senator from Louisiana. Some issues depend on who has the responsibility of leadership. The Senator from Kansas has that responsibility in this Congress. If I did not have the responsibility, if I were not in the majority, maybe I would not be supporting withholding. I have been guilty of a lot of game playing over the years, and I have been on both sides of the withholding issue—I voted with the Senator from Louisiana for withholding in 1976, I put out a strong statement in 1980 that it was a bad idea, I am now finding out it may not be a very good idea as I hear my colleagues discuss it and discuss me in the process—the point is it is the law since 1942 for wages and since 1982 for interest and dividends.

I might also say that it is in the law in Japan, where 20 percent is withheld on interest and dividends; in the law in Germany at 25 percent on dividends; 35 percent in the United Kingdom on interest; in the law in France at 10 percent on corporate bonds; in the law in Belgium where it is 20 percent on interest and dividends, and in the law in Italy where it is 30 percent on interest and dividends.

This is not an idea that has sprung up overnight in this country. In fact, I believe it has been in the law, off and on, for well over 100 years.

I will be happy to yield to the Senator from North Carolina for a question.

Mr. HELMS. I do not have a question, Mr. President, but I wonder if the Senator will yield with the understanding that he would not lose his right to the floor.

Mr. DOLE. I will be happy to yield but not for the purpose of any amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Carolina.

Mr. HELMS. I thank the Senator from Kansas, and I thank the Chair.

Mr. President, I do not agree on this issue with the distinguished Senator from Kansas, but unless I misread this Senate, he need have no concern about many Senators not admiring the fight he has made. I know from some small experience it takes a little bit of guts to stand up against a difficult proposition. As a matter of fact, I had a confrontation with "Rudolph the Rednosed Reindeer" last December, and now the Senator from Kansas is apparently going to have one with the "Easter Bunny."

But, Mr. President, I do admire the Senator even though I do not agree with him on this particular issue, though I may later on with the persuasive powers which he has.

I do want to refer to a comment made earlier that it was demagoguery, as I heard the comment, to vote in favor of repeal or delay in the implementation of the withholding on dividends and interest.

It is not demagoguery. I would say furthermore that when the unanimous-consent agreement was offered and agreed to, I specifically asked the leadership if that would exclude this matter being considered on the social security bill. The answer of the majority leader, of course, was it would not. I even asked if anybody would be offended if the repeal were to be considered, and the answer to that was in the negative.

I will say that in my judgment, Mr. President, the offer that the distinguished Senator from Wisconsin accepted and agreed to was scarcely any

offer at all because the reciprocity bill on its face is unconstitutional. It is never going anywhere. A vote on that would be absolutely meaningless.

I did not mean to digress so far, Mr. President. I simply wanted to pay my respects to the distinguished Senator from Kansas and to assure him that insofar as I know, certainly speaking for myself, I have only the highest admiration for him for fighting the fight that he feels should be fought. I thank the Senator for yielding.

Mr. DOLE. Mr. President, I thank my colleague from North Carolina. I hope the record shows that even last Christmas the Senator from Kansas was not one of those who was seeking to limit any Senator's rights because this Senator happened to be on the other side of an issue. In fact, as I recall the debate, I think I said, "Well, this has gone far enough." Many were critical because they wanted to go home for Christmas. The gas tax probably secondary in many cases. I hope I did not step over that line.

Mr. HELMS. The Senators did not. The Senator is always honorable.

Mr. DOLE. Again the bankers have done an effective job. They have lots of money. They do not pay much in taxes, so they have a lot of money to spend on things they mail out. This is a little speech they sent out marked "Speech Copy." Just in case you could not write one yourself, they provided one. On this issue, I do not need anybody to provide anything, but on most things, it is a question of whether we can read or not.

I might say I agree with the Senator from Arizona; if the staff ever left the floor, the Senate would probably adjourn in May of every year, but somebody always finds something for us to say or an amendment to offer.

This little speech is entitled "The Government Wants a Piece of Our Savings." The title itself would not indicate anything wrong with this law. It just says they want a piece of our savings.

Then the copy says:

There's something I'd like to talk with you about that's part of the tax legislation passed this year. This part of the new tax law did not receive a lot of attention, but I believe it's a consumer volcano that is about to erupt.

It was not about to erupt when this speech was drafted, but put a few million dollars along with the speech and you can get anything to erupt.

A part of the new law due to go into effect in July of next year requires to make a mandatory interest-free loan to the government.

That is a little overstatement. I imagine the working people of this country feel a little concern about that. They have been making interest-free loans to the Government for the past 40 years. And other taxpayers who pay estimated tax will likewise be skeptical. Again, the point I make is why should we withhold on the working people of this country, but not on those who receive unearned income?

The speech goes on:

This will happen—and you will have no choice in the matter—because the government will be requiring all institutions that make interest and dividend payments to their individual customers to withhold for federal taxes ten percent of the interest and dividends you have earned.

That is a little misleading, because many taxpayers are exempt—

This means the Government will have free use of your money. It means you and I and the other Americans who earn interest on dividends will lose a lot of money.

What about all the wage earners? They lose a lot of money all year, because we are withholding it on a weekly basis, every 2 weeks, every month:

Savers and investors will lose an estimated $1.5 billion in reinvestment and compounding on their earnings.

On July 1, 1983, the government will cut taxes by 10 percent. On the same day, the government will reach into your savings account to withhold 10 percent of your interest earnings.

The obvious ploy there is to indicate that you did not get a tax cut; we are going to take it all back because you are going to pay taxes on your interest. Most people pay taxes on their interest and I assume most people pay taxes in any event.

Then they go on to talk about the Government's purpose in this law. Then they say:

But let's look at the facts. According to the Treasury Department, Taxpayers are already paying taxes on 95 percent of their interest and dividend income that is subject to reporting.

That is not accurate. They know that is not accurate. That study was based on three conditions that have to be met. I shall come back to that.

When you consider that approximately 75 percent of individual tax returns submitted end up with refunds, it is pretty obvious that instead of real income to the Treasury, there will be a surge of unreal new money in 1983, most of which will have to be returned to the taxpayers the following year.

Then they went on to talk about disincentives to savings. I think that was probably fairly accurate. They did point out that there were exemptions. I must say the bankers thought we added too many exemptions. That is one objection they had. Maybe we did. Maybe it made it difficult for the banks. Maybe they had to put two computer buttons on instead of one.

While I am thinking about it, not all the big banks are for withholding. Citicorp and Citibank is a strong opponent of withholding and it is a fairly substantial bank. They make a lot of loans to foreign countries. They have urged other banks not to seek a resolution of this issue.

The procedure for getting an exemption brings up a major privacy concern.

Then they go on to make it appear that you are going to have to reveal a lot of facts about yourself and your income when you want an exemption certificate. That is a flatout mistake. All you have to do is fill out boxes to say you fit in one of five categories. You do not have to say how old you are, anything, just check the box. Just put your name, your State, your account number, and you sign. That is all you have to do.

How would you like your bank teller who may be your neighbor or a member of your church, to see how much tax you pay?

That is deception. Where is the W-6 form? That is flatout deception. It goes on to say: "Isn't this a personal matter?"

Here they are planting the seeds of distrust and doubt, saying, "Oh, you can't trust the Government. They are going to make you pay."

All you have to do is check one box. You do not have to check that your tax liability was $600 or less, that you are 65 or older, that your spouse, along with you, filed a joint return, if your tax liability was $1,000 or less. You do not have to say, "My spouse and I are both 65, we filed a joint return last year." You do not have to check any of those. You just check a box. The box says, "To claim an exemption on the account above, check here." There is no mention of specifics. Your neighbor is not going to know anything.

Then, on the next page, the speech says:

This means banks and other institutions will be required to file more reporting forms and the IRS will be required to improve its recordkeeping. These approaches are much more effective than withholding, which penalizes millions of taxpayers.

And besides costing savers and investors $1.5 billion in lost reinvestment and compounding, advance withholding will cost the Treasury millions of tax dollars it could be earning on taxes payable on those earnings.

That is not true, either. There is no expense at all because we have a float built into the law, which says to banks, whether they are big, small, or medium-sized banks, you are going to recover enough from the float to pay your expenses.

Then they say the Government will be literally picking the taxpayers' pockets. This will give the Government permission to what? To loot your savings account, they say.

That is the American Bankers Association speech. They sent it out to people all around the country. According to them, we are going to be picking their pockets and we have permission to loot their savings account.

If you listened to that speech and you were 65 or 45 or 25, you would be mad. You would be outraged. You would be very willing to fill out a few cards and send them to your Congressmen, particularly when the banks pay

the postage. All you have to do is sign your name. In some cases, you do not have to sign your name.

Mr. METZENBAUM. Will the Senator from Kansas yield for a question?

Mr. DOLE. I am happy to yield to the Senator from Ohio.

Mr. METZENBAUM. The Senator from Ohio is perplexed as to how the banks have been able to send in so many thousands of pieces of mail or cause them to be sent in. Obviously, they had been printed up. I have before me the Tax Code, which provides that provisions of paragraph 1 shall not be construed as allowing the deduction of any amount paid or incurred in connection with any attempt to influence the general public or segments thereof with respect to legislative matters, elections, or referenda.

My question is, how have the banks been able to figure out a way in which they can deduct from their expenses all of the costs which they have incurred in connection with this lobbying campaign when the code specifically spells out that that is not permissible?

What steps, if any, will be taken by the IRS to cause the banks to pay out of their own funds these dollars? As I see it at the moment, it appears that the taxpayers are actually subsidizing this lobbying campaign to influence the results of this vote that is on the floor of the Senate at the moment. I wonder if the distinguished Senator from Kansas, chairman of the Finance Committee, can explain how the banks are able to do this at the taxpayers' expense?

Mr. DOLE. Mr. President, I appreciate the question. We have been wondering about that ourselves. I must say in fairness to the banks, I do not believe many banks are going to try to deduct this as a business expense. In fact, some of the ads I have seen clearly state that this is not deductible.

I must say, again alluding to the Washington Post story of yesterday, it says here:

> Perhaps as many as 80 million such "statement stuffers" went out; no one has an exact count. The returns were dramatic. The Senate mail room reports that its first-class mail volume has ballooned from 5 million pieces in the first two months of 1982 to 9.5 million in January and February this year, with the withholding issue accounting for virtually all of the increase.

In other words, in most of those, the bankers paid the postage. They ran them through their meters. I am not certain how we are going to determine how much the taxpayers paid for all this misinformation from the American Bankers Association.

But I assume it is a substantial amount. We are investigating that, I might say to the Senator from Ohio.

Mr. METZENBAUM. It seems to this Senator that maybe we could help balance the budget if we could get the bankers not to deduct all the expenses they incurred in connection with this lobbying effort on their part.

Mr. DOLE. I certainly share the concern expressed by the Senator from Ohio, but I have seen, I must say, many cases where it is explicitly stated but, as the Senator knows, the section he referred to prohibits the deduction of grassroots lobbying costs. And we have been told this is a grassroots campaign. They should not be deducted. I am not certain what the Senator from Kansas can do about it, but I hope to——

Mr. METZENBAUM. Certainly the Senator from Kansas is in a position to prod the IRS to make some necessary inquiries to see that this lobbying campaign is not deducted and that the banks, savings and loans comply with the language of the law, which is obviously very specific, and I would hope the Senator would do so.

Mr. DOLE. I appreciate that, and I think I am prepared to take whatever appropriate action I can to make sure the law is complied with; that is all, no more, no less. I would guess that many banks are in total compliance and some may not be, but I appreciate the question, and it is a matter that I hope to discuss with the Senator after the debate.

I would just like to conclude and then I will yield to the majority leader.

I was going to wrap up on this little prepared speech that the bankers sent out all across the country. I might just say again that some bankers, after they read the speech, refused to use it. The point is it was distributed all across the country. In addition to saying we had authorized looting—that is what the bankers said, looting of savings and picking pockets—they wanted to issue a challenge to:

> Ask your Congressmen and Senators to commit themselves on this issue. Let them know that this issue is important enough to sway your vote.

And on and on. I do not really quarrel with that, but they talk about this grassroots movement to get this repealed. And they conclude:

> The Government wants a piece of our savings. Instead, let's give Congress a piece of our mind.

Well, again "a piece of the savings" is a misrepresentation. All the Congress wants, all the Government wants, all the people ought to demand—in fact, if I were a taxpayer, I would demand it—is that the Congress not give in on this issue. If I were paying my fair share of taxes, I would not want my neighbor, or my neighbor's neighbor, or someone in the next town, or somebody in the Senate, or some physician, or some banker, or some worker, or whatever not to pay their fair share.

We have spent a lot of time in this Chamber talking about unfair taxation, and raising taxes, and spending the taxpayers' dollars foolishly, but I cannot believe we can justify telling the American taxpayers, the people who pay their fair share of taxes, that we do not really believe in fairness and we do not believe that we should withhold taxes on unearned income, only on earned income.

I hope that we can continue to debate this issue. I know that it is going to be frustrating, and again I do not want to get at odds with any Member of this Senate; the Senator from Kansas plans to be here awhile. I understand that you cannot make these things personal, so the Senator from Kansas is willing to debate it fairly but debating it fairly means giving us the same opportunity the bankers have had the last 60 days without any opposition and giving us the opportunity to inform the American people. I have to believe that people in my State trust me for the most part, and I really believe that those who have written letters that were less than friendly, if they really focused on the issue and if they are paying their taxes—and most of them are—will say: "Well, we made a mistake." In fact, I will bring letters to read on the floor tomorrow, or the next day, or the next day where people who have the facts apologized for sending the postcard. There are a lot of those people out there. They are good people. They are like anybody else, however; if you tell them something long enough, they will believe it. If we take money out of their savings, they ought to come back and talk to us.

We ought to set the RECORD straight and we have to have both sides of the argument. I know it is difficult to take on a powerful lobbying group, and I am certain others have done a better job than this Senator in other issues at other times, and I know this time will pass. But until it passes, the Senator from Kansas is going to make every effort he can to make certain that the law is not repealed or delayed unless we can assure the depositors across this country that the banks are going to cooperate in lowering interest rates and permitting people who do not have $2,500 to buy money market funds and some other basic changes.

We may not succeed in that. I am almost convinced that the bankers may be too powerful for any change at all.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, first let me say that I congratulate the Senator from Kansas. I not only agree with him, but I admire him for the courageous stand he is taking. I think he is correct, and I think time will prove that he is correct.

MEDICARE: STUDY ON IMPACT OF PROSPECTIVE PAYMENT METHOD

● Mr. LONG. Mr. President, my good friend and colleague, the Senator from California (Mr. CRANSTON), has asked me to ask the distinguished chairman of the Finance Committee (Mr. DOLE) a question regarding section 303(a)(2)(C) of S. 1 as reported. That provision requires the Secretary of Health and Human Services to conduct and report to the Congress on studies related to the advisability of making changes in the diagnosis-related group prospective payment method in certain situations.

The Senator from California's question pertains to the scope of the study and report to the Congress—required by clause (iii) of section 303(a)(2)(C)—on "the application of severity of illness, intensity of care, or other modifications to the diagnosis-related groups, and the advisability and feasibility of providing for such modifications." The concern here is whether these DRG modifications would take account of the proportion of severely ill patients that hospitals serve, the proportion of high-intensity care that they provide, and the proportion of cases in which they provide complex care. More specifically, the question is whether the Secretary is intended to study and report on whether hospitals—typically large urban hospitals—that treat disproportionately large numbers of severely ill patients, and provide complex or highly intensive care in a disproportionately large number of cases receive equitable levels of payment under the new system and, if they do not, what changes in the payment methodology should be made to insure that they do.

Mr. DOLE. Mr. President, I assure my good friends, the distinguished Senators from Tennessee (Mr. LONG) and from California (Mr. CRANSTON), that this study provision definitely is intended to require an evaluation of the impact of the new prospective payment system on tertiary care institutions providing complex care and having a high case-mix intensity. The study is also intended to focus on what, if any, remedies would be appropriate to insure that they receive equitable treatment under the new prospective payment system.

Mr. LONG. Mr. President, on behalf of the Senator from California and myself, I thank the very able chairman for that very helpful clarification.●

● Mr. DOLE. Mr. President, the Senator from Kansas has been questioned by the Senator from Georgia (Mr. MATTINGLY) and others about the effect of the Finance Committee provision clarifying the effect of dictum in the Supreme Court's decision in Rowan on the issue of the taxation of fringe benefits. I would like to assure each of my fellow colleagues that this provision which limits the scope of the Rowan case is not intended to change the law on the issue of the taxation of fringe benefits either for income tax or social security tax purposes.

Some employers have argued by analogy that the Internal Revenue Service regulations under IRC section 61—defining gross income—or Internal Revenue Service regulations under IRC section 3401—defining wages for purposes of income tax withholding—exclude certain employer-provided benefits from inclusion in the social security wage base of employees. When the Supreme Court decided Rowan Companies, Inc., against United States, which held that the value of meals and lodging which are excludible from the gross income of an employee are also excludable from the social security wage base of the employee, it also stated that the definition of wages for social security tax purposes and the definition of wages for income tax withholding purposes should be interpreted in regulations in the same manner. This dictum has been interpreted by some employers as supporting their exclusion of employer-provided benefits from the social security wage base of employees.

The provision in the Finance Committee bill states that:

> Nothing in the regulations prescribed for purposes of chapter 24 (relating to income tax withholding) which provides an exclusion from "wages" as used in such chapter shall be construed to require a similar exclusion from "wages" in the regulations prescribed for purposes of this chapter.

This provision does not require that employer-provided benefits be included in the social security wage base of employees and no inferences can be drawn that this provision expands the authority of Treasury to include employer-provided benefits in the wage base of employees.

When the committee included this provision it was only reversing the dictum in Rowan by providing that the determination of whether or not amounts are includable in the social security wage base is to be made without regard to whether such amounts are treated as wages for income tax withholding purposes. There was no discussion of the fringe benefit issue and no intent to express an opinion on whether or not any employer-provided benefits should be included in an employee's gross income or social security wage base. The provision merely decouples the definition of wages for income tax withholding purposes and the definition of wages for social security tax purposes. No inferences should be drawn from this provision concerning the issue of including or excluding employer-provided benefits from the social security wage base of employees.

Congress has enacted a moratorium prohibiting the issuance of regulations on the inclusion of fringe benefits in gross income of employees. This moratorium expires on December 31, 1983. Hopefully, we will address this issue before the moratorium expires and settle the issue once and for all. The provision in the Finance Committee bill on the Rowan case does not imply any opinion on whether or not fringe benefits are includable in an employee's gross income or social security wage base. These issues are still open for Congress to address.●

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I do not think we will pass this bill tonight. Therefore, I ask unanimous consent that there now be a brief period for the transaction of routine morning business to extend not past 8:15 p.m. in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICAN AGRICULTURE DAY

Mr. BOREN. Mr. President, today is American Agriculture Day. Today is the day we must stand back and reflect on the role that American agriculture plays in our economy, in our lives. Today, we must recall what made this country of ours possible—a thriving agricultural sector. The strength of this Nation lies with the agricultural sector today, as it did when this great country was founded. Our farmers rightly deserve to be honored for their labors which have made this Nation great. Agriculture is the backbone of this country.

There are many in this country who do not seem to recognize the importance of agriculture. Because of the increased productivity, almost 97 percent of the population does not have to grow their own food. While this is certainly a positive step, it has had at least one negative aspect—more and more people do not realize the role agriculture plays in our economy. More and more Americans today think milk naturally comes in prepackaged, plastic jugs and bread in presliced loaves. If we all would just stop for a moment and think about what it takes to produce that gallon of milk or that loaf of bread, we would all realize the significance of agriculture in our lives. We would not just take it for granted, anymore.

At the beginning of this century, one farmworker could only feed seven persons. By 1970, this one farmworker supplied enough food and fiber for 47 people. In the past 10 years, the productivity of this one farmworker has almost doubled—he now supplies enough for 78 people. This increased agricultural productivity, the rise in output per unit of input, has been a major contributor to improved living

standards for Americans. As agricultural productivity has increased, consumers have been able to upgrade their diets at lower cost.

Many American consumers simply do not realize that they have such a good food bargain. U.S. consumers spend a smaller fraction of personal income, 16 percent, than any other people. In Great Britain, consumers must spend 27.5 percent; in the Soviet Union, consumers spend 45 percent of their personal income on food. The American consumer only has to work an average of 18.5 minutes to buy 1 pound of round steak today; whereas, in 1950, the same consumer would have had to work 32.8 minutes for the same steak. In order to buy 2 loaves of bread today, the consumer only has to work 2.4 minutes; in 1950, 4.2 minutes of work were required to buy the same amount. Today, the consumer must work only 11.6 minutes to buy 1 gallon of milk; 30 years ago, he had to work 21.2 minutes for 1 gallon of milk. One pound of round steak, 10 pounds of potatoes, 1 pound of bacon, 1 dozen eggs, 2 loaves of bread, 1 pound of butter, 1 gallon of milk, 5 pounds of sugar, and 5 pounds of rice can be purchased today with only 83 minutes of work. In 1950, the same bag of groceries would have cost 153.8 minutes of work; in 1930, it would have cost 231.8 minutes.

Since less money is spent for food, consumers are able to expand their consumption of nonfood items. Because fewer farm workers are needed to supply the food and fiber necessary for consumers, former workers in agriculture can now work for other industries and service industries. This serves to stimulate economic activity further in other nonfood industries.

Agriculture is also a major employer. Agriculture is the largest industry in this Nation. Agriculture employs more workers—23 million—than any other industry and is larger than the auto, steel, and housing industries combined. One out of every five jobs in private enterprise is related to agriculture. About 20 percent of the gross national product is generated by agriculture.

Every major industry uses some form of agricultural output in their production. The agriculture sector, in turn, uses output from more than 80 percent of the other basic industries in the United States. Farmers are the sixth largest users of petroleum, the fourth largest customer of the finance and insurance industry and the fourth largest user of real estate and rental services.

Agricultural exports, alone, have a considerable impact upon the economy. In 1982, the overall trade deficit was reduced by the $23.7 billion agricultural trade surplus. Over the past two decades, the value of agricultural exports has grown over tenfold, from $4 billion in 1960 to over $40 billion in 1980.

Agricultural exports also provide jobs. USDA estimates that for every $1 billion in agricultural exports, 35,000, jobs are created. In 1979, agricultural exports alone provided jobs for over 1 million Americans. Each dollar of agricultural exports stimulates an additional $1.05 of output in the U.S. economy. About 70 percent of the additional economic activity accrues to nonfarm sectors of the economy. In 1981, agricultural exports of $43.8 billion stimulated nearly $90 billion worth of business for U.S. industries. The industrial nonagricultural sectors of the economy depend on expansion of U.S. agricultural exports to generate increased employment, utilization of capacity, and profits. As exports expand, so does business for the trucker and port facilities construction workers.

Not only are agricultural exports important to consumers and nonfarm businesses, agricultural exports are very important to farmers. One-third of all farmland is used to grow crops for export. Farmers attribute approximately one-fourth of their income to exports. For certain commodities, the percentage of income derived from exports is even higher. Sixty cents out of every dollar of income derived from rice, wheat, flour, and cotton sales are attributable to exports. Fifty cents of every dollar of income from soybean sales are attributable to exports.

As is apparent, agriculture is the foundation of this economy. A thriving agricultural economy means a thriving American economy; a depressed agricultural economy translates into a depressed American economy. Our economy, today, is in the midst of a recession. Not surprisingly, our agricultural economy is in the midst of a crisis. The very foundation of this country is on the verge of an economic collapse. And, it is important to remember, when agriculture falls, we all fall. This fact was exemplified by the Great Depression of the 1930's. That Depression, which nearly brought this country to a standstill, began on the farm. The farm sector of this economy was hit first and hardest by that economic crisis. Farm foreclosures became the order of the day. Realized net farm income of farm operators in 1932, the worst year of the Depression, was less than one-third of what it had been in 1929. Farm prices during the Great Depression fell more than 50 percent.

Once the farm sector fell, our entire economy fell. Unemployment skyrocketed and the unemployed were left without hope for work. Soup lines in the cities became numerous.

Today, history is repeating itself. Reminders of the Great Depression are springing up all over this country. Again, the economic crisis has struck first and hardest in our Nation's farm sector. Not since 1932 have we experienced 3 straight years of declining net farm income. Yet, it is now apparent that 1983 will be the fourth straight year of declining net farm income. When adjusted for inflation, 1982 net farm income is lower than net farm income in 1932. For the first time in almost 50 years, farm foreclosures have increased dramatically. In 1980, there were a total of 260 foreclosures by the Farmers Home Administration. There were no more than 300 foreclosures in 1981. In fiscal year 1982, the number of foreclosures reached 844—almost three times the number in 1981. In addition to the foreclosures in 1982, the Farmers Home Administration reported that there were 5,908 liquidations and 1,245 bankruptcies discharged. During fiscal year 1982, U.S. farm product exports dropped for the first time in 13 years. Export volume declined by 2 percent from the previous year and the value of these exports fell 11 percent. It is now apparent that exports will also decline this year. In wheat exports alone, the 1982-83 estimate is only 1.5 billion bushels, down almost 15 percent from the 1981-82 record.

The crisis also appears to be spreading to other sectors of the economy. More and more businesses are going bankrupt every day. The rate of unemployment has skyrocketed. Soup lines are once again springing up in our cities.

Last month, we saw a decline in the unemployment rate. There were some who claimed that this decline signified the end of the recession. They said this indicated that America was on the road to economic recovery. I said then as I do now—the American economy will never fully recover until agriculture is back on its feet. Without a recovery in agriculture, the economic condition of America will never quite be on the road to recovery. Not surprisingly to me, the unemployment figures rose again in March. We will simply never see a sustained decrease in unemployment or sustained increase in productivity until agriculture recovers.

Mr. President, the current state of American agriculture is frightening, especially when one considers the vital role agriculture plays in this Nation's economy. Since today is the day we set aside to honor the American farmer, it is my hope that we will all realize how indebted we indeed are to the American farmer. But, more importantly than this, I hope we will join together now, before it is too late, to put agriculture back on its feet and subsequently put America back on her feet. Only through the American consumer and the American farmer working together can we make this great Nation of ours strong again.

NATIONAL AGRICULTURE DAY

Mr. DIXON. Mr. President, today, March 21, is National Agriculture Day. It is most appropriate that we set aside a special day to pay tribute to the American farmer. It is important that we recognize that segment of our economy that is the very backbone of this Nation.

Agriculture is our No. 1 industry, employing more than 20 million Americans in our Nation's food and fiber system. Those workers represent 23 percent of the American work force and include not only those who produce the food and fiber, but also those who deliver the goods and services.

As the world's largest commercial industry, the agricultural sector of the U.S. economy is one of our most productive. In the last two decades, agricultural productivity has increased more than three times faster per hour than nonagricultural productivity. That means an hour of farm labor today produces 14 times as much food and fiber as it did 60 years ago.

Fifty years ago, there were 6.3 million farms in the United States with the average size of 150 acres. Today, there are 2.4 million farms and the average size is 433 acres.

American agriculture, with less than 1 percent of the world's farmers and farmworkers, produces 66 percent of the world's soybeans, 50 percent of its corn, 30 percent of its poultry, 22 percent of its beef, 21 percent of its peaches, 17 percent of its wheat, 16 percent of its tomatoes, and 13 percent of the world's pork.

As the United States is a leader in world agricultural production, my own State of Illinois is a leader in American agricultural production.

Illinois farmers produced some $8 billion in gross sales last year with nearly $3.6 billion worth of agricultural goods being exported, making Illinois the No. 1 agricultural exporting State.

Illinois ranks first in American soybean production, second in corn production, second in hog and pig production, and seventh in marketing of grain-fed beef. Illinois ranks 5th in red meat production, 2d in cash receipts from crops, 10th in livestock products, and 4th in total agricultural cash receipts.

Today, we face a depressed agricultural economy: one of low prices, declining land values, decreasing exports, and the lowest net income since the days of the Great Depression.

Therefore, Mr. President, as we honor the American farmer today, let us also recommit oursleves to providing the needed support to strengthen our Agriculture economy which will continue to provide for a strong America.

RESEARCH BREAKTHROUGH AT LOYOLA

Mr. PERCY. Mr. President, I am most proud to bring to the attention of my Senate colleagues a major development at the Loyola University Medical Center in Chicago that has captured worldwide interest and enthusiasm in the medical community. Two researchers at Loyola recently discovered a micro-organism that they believe is the cause of toxemia of pregnancy, a condition that may cause the deaths of as many as 5 million mothers and fetuses worldwide each year.

Toxemia of pregnancy, which annually affects as many as 300,000 expectant mothers and claims as many as 24,000 lives in the United States alone, has eluded medical researchers for more than a century, according to Dr. Silvio Aladjem, chairman of the Department of Obstetrics and Gynecology at Loyola's Stritch School of Medicine. Dr. Aladjem and his co-researcher, Dr. Judith Lueck, have performed experiments during their 8 years of study that show the syndrome is associated with a microscopic organism previously unknown. The researchers have named the newly discovered organism Hydatoxi lualba.

Toxemia frequently produces intrauterine growth retardation and fetal death, as well as hypertension, swelling, and—in the most severe forms—convulsions in the mother. It is also a common cause of premature births. All current medical treatments attempt only to minimize the symptoms of the disease. However, the discovery of the organism and its association with toxemia of pregnancy paves the way for eventually finding a cure for this terrible disease.

I ask unanimous consent that two articles on this significant medical breakthrough, published in the Chicago Tribune and the New York Times, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, Jan. 27, 1983]

LOYOLA DOCTORS ISOLATE MICROBE TIED TO TOXEMIA

[By Ronald Kotulak]

A mircro-organism that may cause toxemia of pregnancy, a serious disorder that annually kills an estimated 5 million mothers and unborn babies worldwide, has been discovered by a team of researchers at the Loyola University Medical Center.

Their discovery, which has generated considerable excitement in the medical community, may for the first time open the door to therapies to treat and prevent one of the most common dangers in pregnancy.

In this country, toxemia occurs in an estimated 300,000 pregnancies annually and may be responsible for as many as 24,000 fetal deaths.

The earliest and most common symptom of toxemia, which is known medically as pre-eclampsia and eclampsia, is swollen ankles. In more serious cases, it causes stunted fetal growth, fetal death, high blood pressure, swelling, premature births, convulsions and sometimes death of the mother.

The disorder occurs in 6 to 10 percent of all pregnancies. One in 10 of these cases ends in perinatal death. The perinatal period includes unborn babies and newborns up to the seventh day after birth.

Toxemia is the second leading cause of death among women during pregnancy. Deaths from hemorrhage are the most frequent. In developing countries, toxemia is a major cause of fetal and maternal death.

The discovery of the micro-organism was made by Dr. Silvio Aladjem, chief of obstetrics and gynecology at Loyola's Stritch School of Medicine, and Dr. Judith Lueck, a research associate. Dr. John Brewer, chairman emeritus of obstetrics and gynecology at the Northwestern University Medical School, collaborated in the study. Their findings are reported in the current issue of the American Journal of Obstetrics and Gynecology.

After eight years of research, the scientists found a previously unknown microscopic organism in toxemic women that when injected into pregnant animals causes toxemia-like symptoms. They named the organism, a type of parasitic worm, *Hydatoxi lualba.*

"Everybody's excited," said Brewer. "We showed the organism to scientists around the country and everyone was startled by it."

Aladiem said a simple blood test devised at Loyola may be used as screening to determine which pregnant women are infected with the organism.

The next step will be to develop drugs to safely destroy the organism without harming the fetus or the mother, he said.

"Our ultimate ojective is to provide the basis for a worldwide campaign to eradicate the disease, similar to the global campaign to wipe out smallpox many years ago," he said.

The only treatment available now involves measures to treat the symptoms. Drugs are given to lower blood pressure and to prevent convulsions. In serious cases, a pregnancy may be terminated in order to save the mother's life.

Lueck first observed the organism in the placental tissue of women suffering from toxemia of pregnancy and later in their blood. Of more than 40 toxemic women tested so far, all were found to be harboring the organism.

Toxemia is a disorder of late pregnancy. In the first phase of severe pre-eclampsia a woman may develop headaches, blurred vision, intolerance for bright light, nausea, vomiting and salt and water retention. In eclampsia, the most serious form, a woman may experience convulsions and unconsciousness.

Those at highest risk for toxemia appear to be young women with their first pregnancies and women with high blood pressure or a family history of hypertension.

[From the New York Times, Jan. 27, 1983]

NEWLY FOUND MICROBE SUSPECTED TO BE A MAJOR KILLER IN PREGNANCY

CHICAGO, Jan. 26 (UPI)—Researchers today reported the discovery of a microorganism they believe is linked to toxemia of pregnancy, which may cause the deaths of up to five million expectant mothers and fetuses worldwide each year.

Toxemia of pregnancy is the second most important cause of maternal and fetal death, after hemorrhage, according to health officials.

"About 5 to 10 percent of all pregnant women will have the disease," Dr. Silvio Aladjem, chairman of Loyola University Medical Center's obstetrics and gynecology department, said in an interview. He said the incidence of the disease worldwide was hardly, if at all, affected by prevailing conditions of sanitation and general health.

In mothers, the disease can produce high blood pressure, swelling, blood in the urine, convulsions and death. For the fetus, it can cause growth retardation and death.

KILLS THOUSANDS OF INFANTS

In the United States, 150,000 to 300,000 cases of toxemia of pregnancy occur each year. From 12,000 to 24,000 infants die of the disease annually.

Dr. Aladjem and Dr. Judith Lueck performed experiments showing that the syndrome was associated with a microscopic organism that was previously unknown. They said the organism, which they have named Hydatoxi lualba, resembled the parasites that caused filariasis and hookworm.

Results of their eight-year studies were published in The American Journal of Obstetrics and Gynecology.

"Our ultimate objective," Dr. Aladjem said, "is to provide the basis for a worldwide campaign to eradicate the disease. Because of the magnitude of the toxemia problem, finding a cure for the disease would have a major worldwide repercussion."

"Toxemia frequently produces intrauterine growth retardation and fetal death as well as hypertension, swelling and—in the most severe forms—convulsions in the mother," Dr. Aladjem said.

"Because the ultimate treatment for toxemia is delivery of the fetus, and because the condition usually appears around the seventh month of pregnancy, toxemia is a common cause of premature births," Dr. Aladjem said.

Dr. Lueck observed the organism in the placental tissue of toxemic mothers and identified it in the circulating blood of toxemic patients.

The researchers injected pregnant and nonpregnant laboratory animals with concentrates of human placenta from toxemic and nontoxemic mothers.

"The pregnant animals injected with the organism developed toxemic syndrome and organ changes, while the nonpregnant animals did not," Dr. Lueck said. "The pregnant and nonpregnant animals injected with placental concentrates from nontoxemic mothers did not develop the symptoms of the disease."

RESOLUTION TO DESIGNATE MARCH 21, 1983 AS AFGHANISTAN DAY

Mr. PERCY. Mr. President, for more than 3 years, the Soviet Union has occupied its southern neighbor, Afghanistan. With this massive military intervention, the first since World War II outside the Warsaw Pact area, the Soviet Union forfeited any claim to have become a responsible member of the international community of nations—which depends on respect for international borders and noninterference in other states' internal affairs.

Roughly 100,000 Soviet troops have attempted to occupy Afghanistan. They have killed thousands of Afghans, and have sent 4 million Afghans into homeless and impoverished exile. Chillingly convincing evidence has mounted of Soviet use of chemical weapons to maim and kill Afghans.

Against appalling odds and brutality, the fiercely independent Afghan people have fought on for the freedom of their wild and beautiful country.

Soviet aggression has proved foolish, as well as infamously wrong. Elusive bands of Afghan freedom fighters have defeated Soviet attempts to subjugate their country and legitimize the puppet Babrak Kramal regime. Indeed, Afghan freedom fighters have kept Soviet troops from occupying most of the country, limiting them to an uneasy presence in principal towns and roads.

The brave Afghan people have on their own so impressively confronted the Soviet military machine. The very least we here in America can do is to let them know that we have not forgotten their brave fight, and to express our support for their efforts against such odds.

I am pleased to cosponsor the Senate joint resolution which requests the President to issue a proclamation calling upon the people of the United States to honor the heroic Afghan freedom fighters on March 21, 1983.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communcations were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-608. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation to authorize intrastate quarantines under extraordinary conditions; to the Committee on Agriculture, Nutrition, and Forestry.

EC-609. A communication from the Secretary of Agriculture transmitting, pursuant to law, the annual report on agricultural research and education activities; to the Committee on Agriculture, Nutrition, and Forestry.

EC-610. A communication from the Assistant Secretary of the Navy for Shipbuilding and Logistics transmitting, pursuant to law, a report on a decision to convert the shelf-stocking function at the Commissary Store, Naval Station, San Diego, Calif., to performance under contract; to the Committee on Armed Services.

EC-611. A communication from the Assistant Secretary of Defense for Public Affairs transmitting, pursuant to law, a report on a decision to convert the operation of the Defense Audiovisual Still Photographic Depository at Anacostia Naval Station to performance under contract; to the Committee on Armed Services.

EC-612. A communication from the President and Chairman of the Export-Import Bank transmitting a draft of proposed legislation to amend and extend the Export-Import Bank Act of 1945; to the Committee on Banking, Housing, and Urban Affairs.

EC-613. A communication from the Administrator of the National Aeronautics and Space Administration transmitting, pursuant to law, a report on the waiving of compliance with Cost Accounting Standards Board requirements relative to a contract with Kerr-McGee Chemical Corp.; to the Committee on Commerce, Science, and Transportation.

EC-614. A communication from the chairman of the National Advisory Committee on Oceans and Atmosphere transmitting, pursuant to law, a report entitled "U.S. Coast Guard: Status, Problems, and Potential"; to the Committee on Commerce, Science, and Transportation.

EC-615. A communication from the Secretary of Energy transmitting, pursuant to law, the tenth quarterly report on Biomass Energy and Alcohol Fuels; to the Committee on Energy and Natural Resources.

EC-616. A communication from the Secretary of the Interior transmitting, pursuant to law, a report on the Department's consideration of a land exchange with the Arctic Slope Regional Corp.; to the Committee on Energy and Natural Resources.

EC-617. A communication from the Secretary of the Interior transmitting, pursuant to law, a report on the innovation grant program of the urban park and recreation recovery program; to the Committee on Energy and Natural Resources.

EC-618. A communication from the President of the National Council of State Child Support Enforcement Administrators transmitting, for the information of the Senate, a report presenting the views of the Council on the child support enforcement program; to the Committee on Finance.

EC-619. A communication from the Assistant Secretary of the Army (Civil Works), transmitting a draft of proposed legislation to modify the Authority of the Richard B. Russell Dam and Lake project; and for other purposes; to the Committee on Environment and Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HUMPHREY, from the Committee on Labor and Human Resources:

S. 126. A bill to remedy alcohol and drug abuse (Rept. No. 98-29).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PERCY, from the Committee on Foreign Relations:

Ex. W, 96-1. Treaty of Friendship Between the Government of the United States and the Government of Tuvalu (Exec. Rept. No. 98-5).

Ex. A, 96-2. Treaty of Friendship Between the Government of the United States and the Government of Kiribati (Exec. Rept. No. 98-6).

Ex. P, 96-2. Treaty between the United States and the Cook Islands on Friendship and Delimitation of the Maritime Boundary between the United States and the Cook Islands (Exec. Rept. No. 98-7).

Treaty Doc. 97-5. Treaty between the United States and New Zealand on the Delimitation of the Maritime Boundary between the United States and Tokelau (Exec. Rept. No. 98-8).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HATFIELD (for himself, Mr. BYRD, Mr. WARNER, Mr. THURMOND, Mr. MATTINGLY, Mr. FORD, and Mr. TRIBLE):

S. 865. A bill to establish a nationally uniform deep-draft vessel tax for the purpose of financing operations and maintenance of deep-draft commercial channels and harbors; to fund a percentage of new channel improvements; and to provide an expedited procedure for the authorization and permitting of navigation improvement projects and related landside facilities in deep-draft ports, and for other purposes; to the Committee on Environment and Public Works and the Committee on Finance, jointly, by unanimous consent.

By Mr. LEAHY:

S. 866. A bill to improve the operation of the milk price support program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BENTSEN:

S. 867. A bill to authorize assistance to schools impacted by economic dislocations and legal alien immigration along the borders of the United States and Mexico; to the Committee on Labor and Human Resources.

By Mr. MOYNIHAN:

S. 868. A bill to amend the Internal Revenue Code to exclude from recapture investment tax credits used to fund tax credit employee stock ownership plans and to permit recovery by such plans of previously recaptured investment tax credits; to the Committee on Finance.

By Mr. HEINZ (for himself, Mr. GARN, Mr. JACKSON, and Mrs. KASSEBAUM):

S. 869. A bill to amend the Export-Import Bank Act of 1945; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. ARMSTRONG:

S. 870. A bill entitled "The Federal Contractor Employees Flexitime Bill"; to the Committee on Labor and Human Resources.

By Mr. MITCHELL:

S. 871. A bill to amend the Public Works and Economic Development Act of 1965, as amended; to the Committee on Environment and Public Works.

By Mr. HOLLINGS (for himself and Mr. JOHNSTON):

S. 872. A bill to establish an Ocean and Coastal Resources Management Fund from which coastal States shall receive grants, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LUGAR (for himelf, Mr. BIDEN, Mr. COHEN, Mr. GLENN, Mr. HATCH, Mr. JACKSON, Mr. LEVIN, Mr. MATHIAS, Mr. PERCY, and Mr. BRADLEY):

S. 873. A bill to help insure the Nation's independent factual knowledge of the Soviet Union and Eastern European countries, to help maintain the national capability for advanced research and training on which that knowledge depends, and to provide partial financial support for national programs to serve both purposes; to the Committee on Foreign Relations and the Committee on Labor and Human Resources, jointly, by unanimous consent.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PERCY (for himself and Mr. DOLE):

S. Res. 95. Resolution to express the sense of the Senate that the President should initiate negotiations on a new long-term agreement on agricultural trade with the Soviet Union; to the Committee on Finance.

By Mr. PERCY (for himself, Mr. MURKOWSKI, Mr. ZORINSKY, Mr. EAST, Mr. SARBANES, Mr. DOLE, Mr. PELL, Mr. BUMPERS, Mr. KENNEDY, Mr. DIXON, Mr. LUGAR, and Mr. EXON):

S. Con. Res. 19. Concurrent resolution expressing the sense of the Congress on the occasion of the 150th anniversary of the opening of diplomatic relations between the United States and Thailand; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LEAHY:

S. 866. A bill to improve the operation of the milk price support program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

MILK PROGRAM IMPROVEMENT ACT OF 1983

Mr. LEAHY. Mr. President, I rise today to discuss a matter of great importance to my home State of Vermont and the Nation. I am speaking of the dairy price support program.

This question has come before the Senate five times in the past 2 years, with disappointing results. Dairy production continues to increase. Surplus purchases and costs remain high.

Now, in the beginning months of this new Congress, it is time for us to address the dairy price support issue fairly, in a manner which forgoes the hasty compromise, which avoids the quick-fix schemes of the past.

We must examine dairy policy with the interests of the family dairy farmer in mind—not just the bottom line of the budget.

Mr. President, there are families and ways of life behind those dairy budget figures. They are part of a strong and proud tradition of my State and other States as well. Dairy policy must be shaped with their interests in mind. I shall continue to oppose policies which are designed to reduce the dairy product surplus by reducing the number of family dairy farms.

Yet, that is precisely the policy that this administration seems determined to implement.

In March of 1981, the semiannual adjustment of support prices was repealed. Throughout the spring and summer of that year, Congress debated the dairy program as part of the 1981 farm bill.

For 9 weeks that fall, members of the Senate and House Agriculture Committees met in conference on that legislation. Again, dairy price supports were lowered.

Last year, the Senate enacted a freeze on dairy price supports at $13.10 per hundredweight. Members of this body defeated two attempts to lower that figure.

But that was not enough. Conferees from both Houses met until the last day possible on the agriculture portion of the Budget Reconciliation Act with the dairy question the last item of business.

The $13.10 per hundredweight freeze met our reconciliation target—in fact exceeded it by $950 million.

This was still unacceptable to the administration, and the dairy price support program was changed again—this time in a way that nobody agreed with, that nobody liked.

Current law requires the imposition of two fifty-cent-per-hundredweight fees on all milk marketed. The fees have not been implemented due to an order against them issued by Federal district court judge Matthew Perry of South Carolina.

Agriculture Secretary John Block recently announced that the U.S. Department of Agriculture will attempt to collect the first 50-cent fee on April 16. The second will not be collected until August. In the interim, the Secretary wants the Congress to write new dairy legislation.

Again, Mr. President, he wants a price support cut.

Mr. President, today I am introducing legislation which will go a long way toward alleviating the market imbalance in the dairy industry without needlessly endangering the livelihoods of family dairy farmers.

The Milk Program Improvement Act of 1983 will provide an incentive to the farmer to cut production. At the same time, this legislation will generate more than $60 million to promote consumption of dairy products. Surplus purchases and costs will be reduced.

My proposal requires a simple change in the current program. Farmers who reduce marketings to their 1980 levels would earn a rebate of 95 cents of the total $1 per hundredweight fee scheduled under current law. Rebate payments would be made each April and October.

The remaining nickel would be diverted to a national dairy product promotion program. The dairy industry is currently being outspent by other beverage manufacturers on the order of 49 to 1.

The more than $60 million my legislation will generate could provide the kind of advertising necessary to recapture some of the market dairy products have lost over the past several years. The funding for this program would come from the farmers themselves.

Mr. President, simply cutting the support price again will not encourage the kinds of reductions in production and increases in consumption that the Milk Program Improvement Act can bring about.

Another price support cut offers no incentive to the farmer to cut back. Indeed, farmers will likely increase production to try to make up the income they would lose due to another price reduction.

My legislation offers a reasonable incentive to the farmer to cut production.

Another price support cut will not significantly increase consumption for two reasons. First, the demand for dairy products is relatively inelastic. In other words, it would take a huge drop in the price for milk to encourage people to drink more of it.

Second, reductions in Government price supports are not reflected at the retail level. In 1962, the price support was reduced by 9 percent. But whole milk prices declines by just eight-tenths of 1 percent, the price for butter by 1.5 percent, and the price for cheese by one-half of 1 percent.

Mr. President, these figures clearly demonstrate that a price support reduction will not increase consumption to the degree necessary to reduce Government surplus purchases.

However, the $60 million generated for promotion by my proposal could, according to the United Dairy Industry Association, increase consumption by 1.7 billion pounds of milk, accounting for more than 10 percent of the current surplus.

Mr. President, I noted with great interest the extraordinary effort this administration made to design and implement the payment in kind (PIK) program. The PIK program may indeed reduce the size and cost of this Nation's grain surpluses.

It is time that this administration make a similar effort with regard to the dairy program.

That is why, today, I am sending a letter of invitation to Secretary Block to meet with me and other interested Senators before we reach the 11th hour, before we are again faced with an impending legislative deadline with no clear dairy policy in mind. I ask unanimous consent that this letter be printed in the RECORD following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LEAHY. Mr. President, I also encourage the Secretary to complete and make available to the Congress the report required by the 1981 farm bill on the dairy problem. This report was due in December of last year. It would enable us to decide on dairy policy with as many of the facts before us as possible.

We must begin to work now on a solution to the problem of overproduction and underconsumption of dairy products in this country.

I am convinced that with good faith efforts on the part of the Congress, the administration, and the industry, we can reach consensus on a solution to this important problem.

If not, we are only doomed to repeat the mistakes of the past. We will wind up again with a dairy program that serves neither the interests of the family dairy farmer nor the consumer.

The legislation I am introducing today serves these interests, Mr. President. In fact, the Milk Program Improvement Act has been endorsed by the Green Mountain Federation, a group that represents some 1,800 dairy farmers in my State, and George Dunsmore, the commissioner of agriculture in Vermont.

In January of this year, the Vermont Legislature unanimously endorsed the concept embodied in this legislation.

Mr. President, the Milk Program Improvement Act can work to reduce the size and cost of the dairy surplus. I look forward to working with my colleagues on the Senate Agriculture Committee and other Members of this body on this.

EXHIBIT 1

U.S. SENATE,
COMMITTEE ON AGRICULTURE,
NUTRITION, AND FORESTRY,
Washington, D.C., March 21, 1983.

Hon. JOHN R. BLOCK,
Secretary of Agriculture, U.S. Department of Agriculture, Washington, D.C.

DEAR MR. SECRETARY: The dairy price support program has been the subject of much debate over the past two years. While we have made five changes in the program during this time, the size and cost of the dairy surplus continue to grow.

Our past actions have not adequately addressed the overproduction problem. In fact, the last plan that Congress enacted has been enjoined by a federal district court judge.

Your extraordinary effort to devise and implement the Payment in Kind (PIK) program demonstrates that innovative solutions to difficult agricultural problems are possible.

I am writing to invite you to join with me and other interested Members of Congress in a similar effort to solve the dairy surplus problem.

We must get an early start if we are to avoid the mistakes of the past two years. I look forward to meeting with you at your earliest possible convenience.

Sincerely,

PATRICK J. LEAHY,
U.S. Senator.

Mr. LEAHY. Mr. President, I ask unanimous consent that my bill, the Milk Program Improvement Act of 1983, be printed at this point in the appropriate form, at the appropriate time in the session and that it be appropriately referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 866

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Milk Program Improvement Act of 1983".

SEC. 2. (a) Section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)) is amended by amending paragraphs (2) and (3) thereof to read as follows:

"(2)(A) Effective for the period beginning October 1, 1982, and ending September 30, 1985, subject to the limitations provided in paragraph (3) of this subsection, the Secretary may provide for a deduction of 50 cents per hundredweight from the proceeds of sale of all milk marketed commercially by producers to be remitted to the Commodity Credit Corporation for use, as provided in paragraph (3) of this subsection, in reducing the cost of the milk price support program. Authority for requiring such deduction shall not apply for any fiscal year for which the Secretary estimates that net price support purchases of milk or the products of milk will be less than 5,000,000,000 pounds milk equivalent. If, at any time during a fiscal year, the Secretary should estimate that such net price support purchases during that fiscal year will be less than 5,000,000,000 pounds, the authority for requiring such deduction shall not apply for the balance of the year.

"(B) Effective for the period beginning April 1, 1983, and ending September 30, 1985, subject to the limitations provided in paragraph (3) of this subsection, the Secretary may provide for a further deduction of 50 cents per hundredweight, in addition to the deduction authorized under subparagraph (A), from the proceeds of sale of all milk marketed commercially by producers to be remitted to the Commodity Credit Corporation for use, as provided in paragraph (3) of this subsection, in reducing the cost of the milk price support program. Authority for requiring such further deduction shall not apply for any fiscal year for which the Secretary estimates that net price support purchases of milk or the products of milk will be less than 7,500,000,000 pounds milk equivalent. If, at any time during a fiscal year, the Secretary should estimate that such net price support purchases during that fiscal year will be less than 7,500,000,000 pounds, the authority for requiring such deduction shall not apply for the balance of the year.

"(3)(A) The deductions authorized by paragraph (2) of this subsection shall be implemented only if the Secretary establishes—

"(i) a program whereby a portion of the funds resulting from such deductions will be made available to support dairy research and promotion activities if authorized by producers in a referendum, as provided in subparagraph (B) of this paragraph; and

"(ii) a program whereby the remainder of the funds resulting from such deductions will be made available for refund to producers who reduce their commercial marketings of milk to the level of marketings made during the base period, as provided in subparagraph (C) of this paragraph.

"(B)(i) Effective for the period beginning July 1, 1983, and ending September 30, 1985, the Secretary shall enter into agreements with, or approve agreements entered into among, milk production or marketing cooperatives, dairy trade associations, or others engaged in, or whose members are engaged in, the production or marketing of milk and the products of milk, for the purpose of developing and conducting, on a national basis, (I) sales promotion and advertising programs for milk and the products of milk, and (II) programs for the development and dissemination of information on the sale, distribution, marketing, or use of milk and the products of milk, to the end that the commercial marketing and use of milk and the products of milk are encouraged and the cost of the milk price support program is reduced. The Secretary shall use moneys available from the Milk Promotion Fund established under this subparagraph to cover the costs incurred under any such agreement, and may not enter into any such agreement for which moneys from the Fund are not available.

"(ii) There is hereby established in the Treasury a fund to be known as the Milk Promotion Fund, into which, if approved by milk producers in the referendum described in this subparagraph, the Commodity Credit Corporation shall deposit 5 per centum of the deductions that are remitted to the Commodity Credit Corporation under paragraph (2) of this subsection, for use in supporting dairy research and promotion activities as provided in this subparagraph. The Milk Promotion Fund shall be terminated not later than September 30, 1986, and all unobligated money in the Fund on that date shall be transferred to, and become part of, the miscellaneous receipts of the Treasury.

"(iii) Not later than May 31, 1983, the Secretary shall conduct a referendum among producers who, during a representative period, have been engaged in the production of milk for commercial use, to determine if the producers approve the use of 5 per centum of any deductions that are remitted to the Commodity Credit Corporation under paragraph (2) of this subsection to support dairy research and promotion activities as provided in this subparagraph, and the deposit of the funds for such purpose in the Milk Promotion Fund. No such use shall be made of the funds unless the Secretary determines that such is approved by not less than one-half of the producers voting in the referendum. The Secretary shall consider the approval or disapproval by any bona fide cooperative association of producers, engaged in marketing milk or milk products, as the approval or disapproval of the producers who are members of, or under contract with, the cooperative association of producers. If a cooperative association elects to exercise this prerogative on behalf of its members or those under contract with it, the cooperative association shall provide each producer on whose behalf the cooperative association is expressing approval or disapproval a description of the question presented in the referendum together with a statement of the manner in which the cooperative association vote was cast on behalf of producers. Such information shall inform the producer of procedures to follow to cast an individual ballot should the producer choose to vote. Individual ballots shall be tabulated by the Secretary, and the vote of the cooperative association shall be adjusted to reflect individual votes.

"(C)(i) Except as otherwise provided in clause (ii) of this subparagraph, the Secretary shall refund to the producer the deductions made under paragraph (2) of this subsection during any fiscal year, less any amount that may be used to cover the costs of dairy research and promotion activities (if authorized by producers in a referendum), as provided under subparagraph (B) of this paragraph, if the producer shall have had marketings of milk during such fiscal year in an amount not in excess of the producer's marketings during the base period (hereafter in this subparagraph referred to as the "marketing base"). For the purpose of this subparagraph, the base period shall be the calendar year ending December 31, 1980, except that for any producer who began producing milk for commercial markets after January 1, 1980, the producer's marketing base for the purposes of the preceding sentence shall be established by the Secretary at a level that reflects full production for the farm operation involved to meet, but not exceed, the needs of available commercial markets. The Secretary also may make such adjustments in individual marketing bases under this subparagraph as the Secretary determines necessary to correct for abnormal factors affecting production and to reflect such other factors as the Secretary determines should be considered in determining fair and equitable marketing bases.

"(ii) The Secretary may not require as a condition for making a refund of the entire amount collected from a producer (less any amount used to cover the costs of dairy research and promotion activities, as provided under subparagraph (B) of this paragraph) that the producer adjust marketings in excess of a reduction equivalent to the ratio that the total amount of surplus milk production for the fiscal year, as estimated by the Secretary, bears to the total milk production for such period, as estimated by the Secretary. The Secretary may provide for partial refund to be made of amounts collected from a producer who adjusts commercial marketings of milk but whose adjustment is insufficient to qualify the producer for the entire refund, taking into consideration the extent of the reduction in commercial marketings by the producer.

"(iii) The Secretary shall provide for refunds to producers in April and October of each year. If, based on total marketings for the year, the Secretary should determine that an overpayment has been made to the producer for the year, the producer shall repay the amount of the overpayment.

"(iv) Prior to approving any application for a refund, the Secretary shall require evidence that any adjustment in marketings has not been offset by expansion of marketings from other production facilities in which the person has an interest or by transfer of partial interest in the production facility or by the taking of any other action that is a scheme or device to qualify for payment.

"(D) The funds remitted to the Commodity Credit Corporation as a result of the deductions authorized under paragraph (2) of this subsection and available for making refunds to producers under subparagraph (C) of this paragraph that are not used in making refunds to producers shall be transferred to, and become part of, the miscellaneous receipts of the Treasury so as to offset expenditures to producers under the milk price support program.".

By Mr. BENTSEN:

S. 867. A bill to authorize assistance to schools impacted by economic dislocations and legal alien immigration along the borders of the United States and Mexico; to the Committee on Labor and Human Resources.

ASSISTANCE TO ADVERSELY IMPACTED SCHOOLS

● Mr. BENTSEN. Mr. President, during the 96th Congress, the Senate twice passed legislation to authorize assistance for the construction of schools affected by immigration of legal aliens along the United States-Mexico border. This is an enduring problem which has resulted from current immigration policy. These border communities are responsible for the education of thousands of legal immigrants without the tax base to support it. Now, the problem is worsening due to the recent economic problems in Mexico and the peso devaluation. In south Texas, unemployment problems are as severe as any place in the country. In Starr County, unemployment is reported at 50 percent. In McAllen, it is 20 percent. In Brownsville, it is 18 percent. In Laredo, unemployment is 27 percent. The effects of the peso devaluation are seen in many indicators. One clothing store in Brownsville reported an 80 percent drop in sales in 2 months. Home sales last year in Brownsville were down 63 percent with average home prices dropping $20,000. Estimates are that Brownsville will collect on only 50 percent of all taxes owed because of business failures and sales tax revenues have fallen by $4.9 million. At the same time illegal border crossings are reported up 63 percent since the economic crisis in Mexico began. Clearly, these factors will result in dual pressures on the border school systems—revenues will be down, enrollment will be up.

Consequently, today I am introducing again legislation to authorize targeted assistance to these schools. This bill would provide that $45 million of funds appropriated under the Public Works and Economic Development Act would be available for grants to these schools. These funds would be equally divided during fiscal years 1984 and 1985 and would be administered by the Economic Development Administration.

Under this bill, we could begin to address the severe problems faced by our

border communities as a result of the overwhelming combined impact of our current immigration policy and the current economic crisis in Mexico.●

By Mr. MOYNIHAN:

S. 868. A bill to amend the Internal Revenue Code to exclude from recapture investment tax credits used to fund tax credit employee stock ownership plans and to permit recovery by such plans of previously recaptured investment tax credits; to the Committee on Finance.

EXCLUDING CERTAIN INVESTMENT TAX CREDITS FROM RECAPTURE

● Mr. MOYNIHAN. Mr. President, the bill I am introducing today amends the tax laws pertaining to tax credit employee stock ownership plans. Employee stock ownership plans come in all shapes and sizes. The acronyms are confusing. There are ESOP's, GSOC's, PAYSOP's, and TRASOP's. The idea behind them is the same: to broaden stock ownership in America in the hope that this will improve worker productivity and lead in the long run to a more even distribution of wealth.

My bill concerns TRASOP's. In 1975, Congress increased the investment tax credit from 7 to 10 percent. It also offered an extra 1 percent tax credit to any company that would contribute an amount equal to 1 percent of its investment to a stock ownership plan for its employees. The contribution could be in the form of stock, or cash that could be used to buy stock.

Few TRASOP's were established. In 1976, Congress decided that this was due to a number of reasons. One problem was investment tax credit recapture. The Government recaptures, or takes back, a corporation's investment tax credit if the corporation does not hold on to the property for which a credit was claimed for at least 3 to 5 years. In some cases, the recapture period can be as long as 7 years. It depends on the type of property. Since the extra 1 percent credit a corporation got for contributing to a TRASOP was an investment tax credit, a corporation could donate stock, but discover later that it had to forfeit the credit. In such cases, it could not reclaim the stock.

The 1976 Tax Reform Act recognized this problem. It gave the corporation three options. The company could reduce its future contributions to the TRASOP to make up for the lost credit. It could take back its stock. Or it could take a tax deduction for the amount of the lost credit.

In 1977, the Central Hudson Gas & Electric Corp. established a TRASOP. It had not done so previously because of the possibility that it might lose the tax credit. In New York, it is not at all uncommon for a utility to sell interests in generating plants to other utilities as its requirements change. Also, construction projects are sometimes abandoned. Investment tax credits are often recaptured.

In 1978, Congress changed the rules. This is an area of law that seems perpetually unsettled. The rules are amended repeatedly to make employee stock ownership plans more attractive to corporations; at the same time, incentives that were available previously but that are no longer deemed important are revoked. This pattern was not clear then. It is today. The 1978 Revenue Act extended the life of the credit for contributing to TRASOP's for another 3 years until the end of 1983. It had been scheduled to expire at the end of 1980. But the act revoked the right of a corporation that has had its investment tax credit recaptured to reclaim its stock.

Two years later, the Central Hudson Gas & Electric Corp. suffered a reversal in a nuclear powerplant project. The utility had had permission with other utilities to build the Sterling nuclear plant in New York. The State withdrew that permission in 1980. The project had to be abandoned. Consequently, the company's investment tax credit for work on the plant plus TRASOP contributions was recaptured. This amounted to $103,039 in the case of the TRASOP. Central Hudson was able to withdraw $61,316 in stock from the TRASOP, since that amount had been contributed before the law was changed in 1978. But another $41,723 had to be recovered by reducing future contributions to the plan.

This is not what the company anticipated would happen when it established a TRASOP in 1977. Matters were made worse in 1981 by the Economic Recovery Tax Act. The 1981 tax bill repealed the extra investment tax credit for TRASOP contributions and instead, authorized corporations to take a tax credit equal to one-half percent of the company payroll in 1983 and 1984, provided that amount is contributed to an employee stock plan. The tax credit increases to three-fourths percent of company payroll in 1985, 1986, and 1987. Central Hudson, like all utilities, is capital intensive. It has a small payroll. The switch to a payroll-based credit calls into question the ability of Central Hudson to recover its recaptured credits by reducing future contributions. By law, the right to recover TRASOP credits by reducing future contributions ceased at the end of 1982. Investment tax credits cannot be offset against payroll tax credits.

Central Hudson is partners with other utilities in a plan to build another nuclear plant called the Nine Mile Point 2 plan in New York. That plant may also have to be abandoned or the company may decide to sell off its interest because it no longer needs the power. If that happens, the company would have another huge sum in TRASOP credits recaptured. But it would have no means effectively to recover most of its stock. At the end of 1980, Central Hudson had given $1,361,342 in stock or cash to its TRASOP. The two nuclear plants together accounted for $793,116 of the company's TRASOP contributions, or 58 percent of the total.

The bill I am introducing today applies only to electric utilities. It says that there shall be no recapture of the extra TRASOP credit when recapture was triggered by Government or court action, or by the sale of extra generating capacity to another regulated public utility. To limit the revenue loss from the bill as much as possible, I have also restricted it so that it applies only to TRASOP credits that are based on qualified progress expenditures. The code defines "qualified progress expenditures" basically as progress payments for construction jobs that normally take 2 or more years to finish. The bill is retroactive to 1978 when the provision allowing a corporation that has had its TRASOP credit recaptured to recover its stock was repealed.

The measure makes sense for two reasons. First, when Central Hudson established a TRASOP in 1977, it did so thinking it could reclaim its stock from the TRASOP if the tax credit were ever recaptured. It was unfair to lure Central Hudson into a TRASOP and then change the rules. Second, there is a sound policy reason for requiring the investment tax credit to be recaptured when equipment is sold. Otherwise, a company would sell its equipment, replace it every year, and claim the credit again and again. But there is no similar argument for recapture of the TRASOP credit. The aim of the TRASOP credit was to induce a company to donate stock to its employees. That having been done, what purpose is served by withdrawing the credit? None.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 868

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Subsection (b) of section 47 of the Internal Revenue Code (relating to certain dispositions, etc., of section 38 property) is amended by adding at the end a new paragraph as follows:

"In addition, no amount of employee plan credit (as that term is defined in section 48(o)(3)) attributable to 'qualified progress expenditures' (as that term is defined in section 46(d)(3)) shall be required to be recaptured in a transaction to which subsection (a) applies because of a disposition of property owned by a regulated public utility (as that term is defined in section 7701(a)(33))

which is engaged in the furnishing or sale of electric energy, where such disposition is due to legislation, failure to obtain regulatory approval, other regulatory and other governmental action, court order, or a transfer to one or more other such regulated public utilities or to one or more governmental agencies or a combination thereof.".

SEC. 2. Subsection (a)(2)(E) of section 46 of such Code (relating to determination of the amount of credit allowed by section 38) is amended by adding immediately before the last sentence a new sentence as follows: "Notwithstanding the provisions of subclauses (i) through (iii) of this subparagraph, employee plan percentage shall include an amount equal to any 'employee plan credit' (as that term is defined in section 48(o)(3)) attributable to 'qualified progress expenditures' (as that term is defined in section 46(d)(3)) for property owned by a regulated public utility (as that term is defined in section 7701(a)(33)) which is engaged in the furnishing or sale of electric energy, which credit was recaptured under section 47(a) due to the disposition of such property by the public utility due to legislation, failure to obtain regulatory approval, other regulatory and other governmental action, court order, or a transfer to one or more other such regulated public utilities or to one or more governmental agencies or a combination thereof; provided however such amount shall be reduced to the extent that the corporation did elect the adjustment set forth in section 48(n)(4)(B).".

SEC. 3. Subsection (n)(1)(A) of section 48 (relating to transfers of employer securities to a tax credit employee stock ownership plan) is amended to read as follows:

"(A) BASIC EMPLOYEE PLAN PERCENTAGE AND RECAPTURED EMPLOYEE PLAN PERCENTAGE.—

"(i) BASIC EMPLOYEE PLAN PERCENTAGE.—The basic employee plan percentage shall not apply to any taxpayer for any taxable year unless the taxpayer on his return for such taxable year agrees, as a condition for the allowance of such percentage—

"(I) to make transfers of employer securities to a tax credit employee stock ownership plan maintained by the taxpayer having an aggregate value which does not exceed one percent of the amount of the qualified investment (as determined under subsections (c) and (d) of section 46) for the taxable year, and

"(II) to make such transfers at the times prescribed in subparagraph (C).

"(ii) RECAPTURED EMPLOYEE PLAN PERCENTAGE.—The recaptured employee plan percentage shall not apply to any taxpayer for any taxable year unless the taxpayer on his return for such taxable year agrees as a condition for the allowance of such percentage—

"(I) to make transfers of employer securities to a tax credit employee stock ownership plan maintained by the taxpayer having an aggregate value which equals any amount of employee plan percentage which represents 'employee plan credit' attributable to 'qualified progress expenditures' which was recaptured under section 47(a), all as referred to in section 46(a)(2)(E), and

"(II) to make such transfers at the times prescribed in subparagraph (C).".

SEC. 4. Subsection (o)(8) of section 48 of such Code (relating to the rehabilitation tax credit) is renumbered subsection (o)(9) and a new subsection (o)(8) is inserted as follows:

"(8) RECAPTURED EMPLOYEE PLAN PERCENTAGE.—The term 'recaptured employee plan percentage' means the additional employee plan percentage as set forth in the second to last sentence in section 46(a)(2)(E).".

SEC. 5. The amendments made by this Act shall take effect as if originally enacted as part of the Revenue Act of 1978 (Public Law 95-600).●

By Mr. HEINZ (for himself, Mr. GARN, and Mr. JACKSON):

S. 869. A bill to amend the Export-Import Bank Act of 1945; to the Committee on Banking, Housing, and Urban Affairs.

EXIMBANK BILL

● Mr. HEINZ. Mr. President, today I am introducing a bill to extend the Export-Import Bank Act of 1945, and at the same time to make certain changes in the Bank's charter to make it more responsive to the needs of American exporters in today's international market conditions.

These changes are essential. A noncompetitive financing offer most often means loss of the sale and often permanent loss of market. If the Government cannot end other nations' subsidies and will not match them, we force major losses abroad upon our companies here at home. We also force the outright transfer of business and technology abroad as industries move overseas or license their products in order to obtain competitive financing. Those, in the administration and elsewhere, who complain about the movement of important American know-how and technology overseas should realize that our own policies accelerate this problem.

Mr. President, my responsibilities as, first, ranking minority member and then chairman of the Banking Committee's Subcommittee on International Finance and Monetary Policy have amply demonstrated to me the benefits of a strong Eximbank and the dangers of an insufficiently supported Bank. The Export-Import Bank is a powerful instrument of job creation, annually supporting over $18 billion in U.S. exports, each billion dollars providing 30,800 jobs. Moveover, these are jobs that result from not a penny of Federal appropriations. Rather, these jobs reduce the Federal deficit by taking people off the unemployment roles while causing an increase in revenues. When the Bank is not able to provide this support, our industries are forced to relocate their operations overseas or forfeit their share of export markets to their foreign competitors, backed by their official government credit agencies. Included are some of our most vital high-tech industries. When their operations are shifted abroad, our control over that technology is greatly diminished.

A strengthened Export-Import Bank may not be a panacea for our trade problems, but it is a positive step that does not carry with it the unwelcome baggage of other trade measures under consideration. While defending U.S. exporters against unfair competition from abroad, it preserves and indeed creates new jobs—in some of our most vital high technology industries—while at the same time reducing our unprecedented trade deficit. This is done without any increase in Federal spending or any need for new taxes. In fact, a recent study by Wharton Econometrics shows that Eximbank loans generate revenues for State and local governments on a scale of more than 9 to 1. By combatting unfair trade practices, Eximbank is a force against protectionism, defending free and open markets based upon price and quality. Finally, its impact upon the credit markets is negligible: from 1978 to 1981 Eximbank borrowings from the credit markets amounted to only one-quarter of 1 percent of all credit raised.

The bill I am introducing today would make absolutely clear the Bank's mandate to provide full competitive financing in all of its programs for American exporters faced with officially subsidized credit competition in foreign markets. The bill would also reestablish the Eximbank Advisory Committee, increasing its membership to 12 and including the participation of representatives of service industries and State governments.

There is also a provision similar to the section in my bill last year, S. 2600, that would increase the independence and continuity of the Bank's directors by giving them fixed, 4-year terms, which would overlap in order to prevent a total and simultaneous turnover in the Bank's directorship every 4 years.

In addition to extending the act for 6 years, the bill authorizes direct loan budget authority for fiscal year 1984 of $7 billion and for fiscal year 1985 of $7.5 billion. These figures incorporate both the $4.6 billion that the Appropriations Committee would be authorizing for direct credits for fiscal year 1984, as well as additional direct loan authority that could be authorized through later appropriations should demand for Bank resources make it necessary, or should it be required to combat intensified predatory export competition abroad.

The bill would also modify section 1912 of the Bank's charter to provide more adequate defense against the predatory efforts of foreign producers to penetrate our domestic markets through the use of officially subsidized export credits. Recent experience has shown that there are gaping holes in our current defense in that regard.

Finally, Mr. President, in addition to a provision to modify the requirement for the Bank to notify the Congress of large loan or guarantee programs—raising the current minimum for notification from $100 million to $250 mil-

lion, to discount for inflation—the bill would direct initiation of programs to meet the mixed credit competition our exporters are facing. The practice of mixing foreign aid moneys with official export credits is a growing practice, and our exporters have been at a significant disadvantage due to the total lack of such programs available from our Government. While seeking to put an end to such practices, the Agency for International Development and the Eximbank would be directed to develop our own such programs in order to counter their use by others and prevent what would otherwise be American export losses.

Mr. President, those are the provisions of the bill. They enjoy wide support. Last year I introduced S. 2600, the Export-Import Bank Restructuring Act of 1982, to raise some of these issues and to elicit suggestions from those who had great concerns in this area. In September, the Banking Committee's Subcommittee on International Finance and Monetary Policy held 2 days of indepth hearings on the Bank. Those hearings and the suggestions that I received have gone into the drafting of this bill. This week we will hold two more days of hearing on this important issue. I want it to be absolutely clear that we will take this opportunity of renewing the Bank's charter to take the measures necessary to insure that the Bank is enabled and, indeed, directed to fulfill its mandate to give the American exporting community a fair chance to compete in foreign markets.

Mr. President, these comments, and indeed this legislation, reiterate what I have been saying for 6 years, and what my predecessor as chairman, Senator STEVENSON, said as well. We simply have to be more competitive. The world is changing, and the harsh reality is that our products no longer sell simply because they are American, and are no longer automatically considered high quality. We have to fight for markets now, and the Eximbank is a critical weapon in that battle. I have spent 2 years telling the administration that, and I hope that finally these efforts are bearing fruit. The President endorsed a strong Bank and my war chest concept in his state of the Union address. There is also other, less visible, evidence of a change in the administration's attitude about the Bank. I welcome it, as do the Nation's exporters. But I will also finally believe it when the hard evidence in increased lending and increased competitiveness is there.

I would like to elaborate on some of the more significant portions of the bill.

MANDATE

Mr. President, it is absolutely essential that the Congress clarify its mandate to the Eximbank to provide U.S. exporters with competitive financing. This is not because such a mandate does not exist but rather because that mandate is disputed by the Bank's own directors. In statement after statement the Bank's President, William Draper, has given his view that the mandate to provide competitive financing is coequal with the need for the Bank to avoid losses by setting loan rates above its cost of money.

In practice, this policy has resulted in the Bank often foresaking its responsibility to provide competitive financing in a mistaken desire to turn a profit in its operations in each and every year. In fiscal year 1982 this Bank policy left the Bank with $1 billion in unused direct loan authority, while the record shows that more than $1 billion of export sales were lost directly due to the lack of adequate Eximbank support.

Mr. President, I would like to cite a very revealing colloquy on this issue for the benefit of my colleagues. It occurred in the Senate Appropriations Subcommittee on Foreign Operations, between Subcommittee Chairman KASTEN and Eximbank Chairman Draper:

Mr. KASTEN. Isn't it true that (the) mandate for the bank to be competitive is in the charter, but the mandate that the Bank be self-sufficient is not in the charter? How do you interpret that mandate?

Mr. DRAPER. I don't know. I read the two and when I was confirmed by the Senate I said that I would manage to try to balance those two, that I would recognize equal weight in both cases. I did not weigh one more than the other.

Mr. President, the Export-Import Bank was created to preserve U.S. export sales that otherwise would be lost without Eximbank support. In recent years this danger of lost sales has come from efforts by America's trade competitors to capture export sales through the use of officially subsidized export credits. Our only defense against this practice has been the Export-Import Bank.

The Bank fails to fulfill its very reason for existence when it provides loans at uncompetitive rates because of fears of temporary losses in its own financial condition. It seeks to become self-sustaining, but self-sustaining for what? It does us no good to even have an Eximbank if, in seeking to be self-sustaining, that Bank fails to fulfill the mission for which it was created.

It is incredible that the Bank's own directors would wonder what the primary mission of the Bank is, but that is apparently true. The Congress must make its view absolutely clear that the Bank was created to provide competitive financing for U.S. exporters and that this is its primary mandate.

TERMS OF DIRECTORS

Mr. President, the Export-Import Bank lacks sufficient independence to be able to carry out the mandates that it has received from the Congress. Although we set the program goals for the Bank, based upon the needs of America's exporters, all too often that congressional intent is thwarted by the directive of some faceless bureaucrat at the Office of Management and Budget, who little understands the Bank's purpose or its importance to our international commerce. Serving at the pleasure of the President, the Eximbank Board members are completely subject to such directives. The result has been the curious anomaly that we have seen too often; namely, the Directors of the Eximbank, contrary to assurances that they gave while their nominations were being considered by the Senate, arguing in favor of the gradual demise of Eximbank programs, and acting contrary to the intent of the congressional mandates given to the Bank. Giving the Directors of the Bank fixed terms of office will enhance the independence necessary for the Bank to be responsive to the directives of the Congress.

Mr. President, if the Congress is going to have a role to play in determining this Nation's export financing activities, we need an independent Eximbank.

My bill would increase the independence of the members of the Board of Directors of the Eximbank by establishing their terms of office at 4 years rather than, as currently is the case, serving at the pleasure of the President. This does not make them completely independent; there still will be a good deal of give and take, as is appropriate. What it does mean is that the members of the Eximbank Board will not have to be constantly looking over their shoulders to see whether their actions meet with the full approval of OMB or some other appointed bureaucrat. It means that the Bank will have the room that it needs to be responsive to the Congress and thus more able to carry out its congressional mandate.

This proposal has other advantages. The terms of the members of the Board will be staggered, the term of office of the President and Vice President of the Bank coinciding with the 4-year term of the Nation's Chief Executive. The remaining three Board members would serve for terms of 4 years, beginning in midterm of any administration. Thus, coordination with the administration is preserved, allowing the President to name the chief officers of the Bank as he would begin his administration; at the same time, the institutional memory of the Bank is preserved through the overlapping terms of the remaining three members of the Board. Currently the Board tends to turn over completely with the inauguration of each new administration.

MIXED CREDITS

Mr. President, although some progress has been made in negotia-

tions without trade competitors in the area of official export credits, one area has been particularly resistant to limitations. It is also the most egregious form of export credit subsidy. I refer to a practice very popular among French exporters but resorted to by many other countries as well. This is the practice of mixing foreign aid money with other official export credit assistance.

This has been a particularly difficult problem to resolve, first because our trade competitors long refused to acknowledge it as a commercial program, hiding it under the ruse of foreign aid. A review of the recipients of this "foreign aid" clearly manifested its commercial character. The recipients, far from being the neediest Third World countries, tended to be almost exclusively the newly industrial countries such as Taiwan, South Korea, Brazil, and Mexico, and the assistance went for the purchase of sophisticated products, such as commercial aircraft, nuclear powerplants, and the like.

Second, we have largely failed in our efforts to end this practice, at least in part because we have had no program with which to threaten to offset the programs of our competitors. When their competitors have sought to employ this program, our exporters have had either to bow out of competition or make their bids through their offshore subsidiaries that could use the mixed credit facilities of the host country, thus insuring that the job impact of the deal will be entirely overseas. The foreign aid portions of the credit offers made the interest rates too low for our Eximbank to match.

Mr. President, we have been unable to defend our exporters against such trade practices because, unlike many of our competitors, our foreign aid and our export credit agencies are separated, and I believe that that is for a good reason. Nevertheless, Mr. President, the need for a means to combat these practices is apparent.

One of the provisions of my bill, therefore, would be to direct the Eximbank and the Agency for International Development to work together to develop means to offset these predatory trade practices. Until we do so, we will be the losers. We will lose export sales, and we will be unsuccessful in our efforts to negotiate an end to these practices. We do not propose any additional resources, but the very establishment of a capacity to match the mixed credit financing of our trade competitors will send a clear signal that we are not going to remain passive in this area.

SECTION 1912

Mr. President, Eximbank's primary purpose is to provide competitive financing to encourage U.S. exports. But in 1978 that mandate was amended to include the objective of protecting domestic producers against unfair competition from foreign firms utilizing officially subsidized export credit to gain advantage in the U.S. market.

Under section 1912, the Secretary of the Treasury is called upon to determine whether foreign official export credits are offered which exceed limits agreed to by the United States and other major exporting countries. If the Secretary determines that "noncompetitive" financing is "likely to be a determining factor in the sale," he must issue an authorization for Eximbank to match the financing, which Exim "may" do.

Unfortunately, in the only major test of section 1912 since its enactment, it was found to be at best, ineffective, and, at worst, counterproductive. The case involved the sale of subway cars to the New York City transit authority. The domestic competitor, the Budd Co., lost the competition to a Canadian company, Bombardier, which utilized officially subsidized export credit substantially below the minimum interest rate to which the Canadian Government had agreed within the OECD "Arrangement" on export credit.

Against the more than $100 million price advantage afforded by the officially subsidized export credit, the American firm found itself at an impossible disadvantage, and the contract was awarded to the Canadian firm. The International Trade Commission and the Commerce Department later made a countervailing duty judgment against Bombardier on the basis of the subsidy. Yet, incredibly, the Treasury Department did not find grounds under section 1912 to provide matching financing to the American firm to offset the foreign advantage.

Mr. President, I believe that there were sufficient grounds to justify the use of section 1912 in the New York City transit authority case. The report from the Treasury Department was severely flawed. It consistently gave the benefit of the doubt to the Canadian bidder with regard to technological superiority, quality and reliability of workers, and quality and reliability of management, even though the American firm had built 11,000 railway cars of the stainless steel variety New York City wanted and the Canadian firm had yet to build a single one.

I am concerned that it will now be much more difficult for American negotiators to denounce the evils of predatory export credits when we ourselves are unwilling to defend one of our own industries against such a sale in our own home market, one that was clearly in violation of the export credit arrangement.

Mr. President, I would point out that the U.S. domestic market is the richest and most inviting market in the world. If it is to be left unprotected by our fair trade laws, how long would it take for our other major trade competitors to realize the advantage that they could gain through subsidy, particularly at a time of worldwide recession? How long will it take our trade competitors to jump at the chance to export their unemployment to our shores through the vehicle of subsidized export credits and other devices?

Mr. President, in order to insure that another case of the New York City subway car variety does not recur, I have proposed the following changes in section 1912: First, the Secretary of the Treasury would have to make his decision within 60 days, rather than the current indefinite time period; second, the standard for his decision would be that the foreign official subsidized export credit was a "significant" factor, rather than the current "determining" factor; and third, the Eximbank would no longer have the option of rejecting the Secretary of the Treasury's recommendation.

Mr. President, the principal purpose of the Eximbank must be to remain supportive of U.S. exporters. But, the sensible changes which I have proposed for section 1912, should go a long way toward protecting our domestic manufacturers against the evils of foreign competitors utilizing officially subsidized export credit. It is my hope, that a credible section 1912 alone will act as a sufficient deterrent to make its actual use unnecessary.

AUTHORIZATION

The bill authorizes $7 billion in direct loan authority for the Bank for fiscal year 1984 and $7.5 billion for fiscal year 1985. These figures include both amounts that I would expect to be approved by the Appropriations Committees for immediate use by the Bank as well as additional authority that could subsequently be approved should the need arise.

For example, the figure for fiscal year 1984 includes $4.6 billion for direct loan programs. This should be made available immediately for the new fiscal year. The remaining $2.4 billion of authority I would expect to be made available to the Bank through appropriate legislation, as the President requested in his state of the Union speech, should demand for the Bank's export support increase so quickly as to exhaust the $4.6 billion of authority prior to the end of the fiscal year.

This could come from two causes. U.S. export demand could grow much more quickly than anticipated through a robust upturn in international trade. This is an event that we would all welcome. We should also be prepared to meet it, rather than have to take ourselves out of the running halfway through because of inadequate Eximbank resources.

Perhaps more importantly, however, Mr. President, we should have such increased Eximbank resources waiting in the wings should our trade competitors continue to balk at reaching an agreement to end the practice of offering officially subsidized export credits once and for all. This is essentially a modification of my "war chest" proposals of 1981 and 1982, which would have created a special fund for matching subsidized competition.

Talks in the Organization for Economic Cooperation and Development to end subsidized financing have over the years brought few results, and what progress that has been achieved has come when our trading competitors recognized that the United States was willing to back up its positions with an increase in its own financing programs. Should international trade remain sluggish, our trade competitors will be under increased presssure to resort to predatory trade practices such as highly subsidized export credits. With these additional resources ready if needed our trade competitors will be more reluctant to resort to practices that we will be fully able to counter. Should they, however, resort to these practices, perhaps only to test our determination, we must not leave our exporters defenseless with an Eximbank that has used up all of its direct loan authority.

The proposal, Mr. President, does not distort the marketplace. Rather, it takes an important step toward the elimination of distortions. If the marketplace were functioning correctly, goods and services would be purchased on the basis of quality, price, and reliability of delivery. Unfortunately for American exports, the market is not working as it should, because the predatory financing practices of other countries have made financing the determining factor in many export sales, especially of big ticket items, where differing rates and terms can result in differences of millions of dollars.

Financing should be a neutral factor in the marketplace. If left to itself, financing would be neutral, for terms and interest rates would tend to equalize. But over the last decade, America's trade competitors have persistently and systematically eroded our trade position. They have done so not with superior products or lower prices, but rather with production subsidies and export credit terms substantially below market rates and significantly lower than rates available from the U.S. Export-Import Bank programs.

I emphasize, Mr. President, that what I am referring to is authority to lend, not direct appropriations. Eximbank would have to go to credit markets to borrow only a portion of the money that is makes available, turning around payments that it receives into new loans. This is important to understand, for although there is a cost involved in any Government program, the cost of Eximbank programs are far lower than the nominal amount of lending authority approved by the Congress. Moreover, the benefits from increased export sales, jobs preserved, and tax revenues gained in place of unemployment compensation paid out, make Eximbank programs economically beneficial to the whole country.

Mr. President, I invite my colleagues to study my proposals to strengthen the Eximbank Charter. I believe that these proposals are balanced, fair, and absolutely essential to enhancing the competitiveness of our Nation's exporters. I am sure my colleagues will agree once they have studied the bill. I invite their suggestions for improvement of the bill as well as their support, particularly with respect to additional support for small business exporters.

Mr. President, I ask unanimous consent that the bill and the section-by-section analysis be printed immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 869

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Export-Import Bank Amendments of 1983".

TITLE I—AMENDMENTS TO THE EXPORT-IMPORT BANK ACT OF 1945

COMPETITIVE MANDATE

SEC. 101. (a) The second sentence of section 2(b)(1)(A) of the Export-Import Bank Act of 1945 is amended—

(1) by inserting "in all its programs" after "objective"; and

(2) by inserting "fully" after "which are".

(b) Section 2(b)(1)(B) of such Act is amended by striking out all through "exports of other countries;" in the first sentence and inserting in lieu thereof the following: "It is further the policy of the United States that loans made by the Bank in all its programs shall bear interest at rates determined by the Board of Directors of the Bank, consistent with the Bank's mandate to support United States exports at rates and on terms and conditions which are fully competitive with exports of other countries. The Bank shall consider the average cost of money as one factor in its determination of interest rates, where such consideration does not impair the Bank's primary function of expanding United States exports through fully competitive financing. It is also the policy of the Bank".

ADVISORY COMMITTEE

SEC. 102. Section 3(d) of the Export-Import Bank Act of 1945 is amended to read as follows:

"(d) There is established an Advisory Committee to consist of twelve members who shall be appointed by the Board of Directors on the recommendation of the President of the Bank, and who shall be broadly representative of production, commerce, finance, agriculture, labor, services, and State government. The Advisory Committee shall meet at least once each quarter. The Advisory Committee shall advise the Bank on its programs, and shall submit, with the report referred to in section 2(b)(1)(A) of this Act, its own comments to the Congress on the extent to which the Bank is meeting its mandate to provide competitive financing to expand United States exports, and any suggestions for improvements in this regard. Members of the Advisory Committee, on a rotating basis, shall be permitted to attend meetings of the Board of Directors.".

TERMS OF DIRECTORS

SEC. 103. (a) The third sentence of section 3(c) of the Export-Import Bank Act of 1945 is amended by striking out "Terms of the directors shall be at the pleasure of the President of the United States, and the" and inserting in lieu thereof "The".

(b) Section 3(c) of such Act is amended by adding at the end thereof the following: "The terms of the directors first appointed after the date of enactment of this sentence, including the President and the First Vice President of the Bank, shall be four years, except that—

"(1) of the directors first appointed pursuant to this sentence, three directors (other than the President and First Vice President of the Bank) shall be appointed for terms of two years, as designated by the President of the United States at the time of their appointment;

"(2) the terms of office of directors holding office on the date of enactment of this sentence shall expire on January 20, 1985; and

"(3) any person appointed to fill a vacancy shall serve only for the remainder of the four-year or two-year term to which he or she was appointed or until January 20, 1985, as the case may be.".

AUTHORIZATION

SEC. 104. (a) Section 7(b)(2) of the Export-Import Bank Act of 1945 is amended to read as follows:

"(2) Within the limits of funds and borrowing authority available to the Bank pursuant to this Act, the gross obligations for principal amount of direct loans authorized by the Bank shall not exceed $7,000,000,000 during the fiscal year ending September 30, 1984, and $7,500,000,000 during the fiscal year ending September 30, 1985.".

(b) Section 8 of such Act is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1989".

MATCHING CREDITS

SEC. 105. Section 1912 of the Export-Import Bank Act Amendments of 1978 is amended—

"(1) by adding at the end of subsection (a)(1) the following: "The inquiry, and where appropriate, the determination and authorization to the Export-Import Bank referred to in this section shall be completed and made not later than sixty days after the receipt of such information.";

"(2) by striking out "determining" in paragraph (b)(1) and inserting in lieu thereof "significant".

"(3) by striking out "may" and inserting in lieu thereof "shall" in subsection (c).

REPORT TO CONGRESS

SEC. 106. The first sentence of section 2(b)(3) of the Export-Import Bank Act of 1945 is amended by striking out "$100,000,000" and inserting in lieu thereof "$250,000,000".

TITLE II—MIXED CREDIT EXPORT SUBSIDIES

SHORT TITLE

SEC. 201. This title may be referred to as the "Trade and Development Enhancement Act of 1983".

STATEMENT OF PURPOSE

SEC. 202. The purposes of this title are—

(1) to expand employment and economic growth in the United States by expanding United States exports to the markets of the developing world;

(2) to stimulate the economic development of countries in the developing world by improving their access to credit for the importation of United States products and services for developmental purposes;

(3) to neutralize the predatory financing engaged in by many nations whose exports compete with United States exports, and thereby restore export competition to a market basis; and

(4) to encourage foreign governments to enter into effective and comprehensive agreements with the United States to end the use of government mixed credits for exports, and to limit and govern the use of export credit subsidies generally.

NEGOTIATING MANDATE

SEC. 203. The President shall pursue vigorously negotiations to limit and set rules for the use of mixed financing for exports. The negotiating objectives of the United States should include reaching agreements—

(1) to define the various forms of mixed financing, particularly mixed credits under the OECD Arrangement;

(2) to phase out the use of government mixed credits by a date certain;

(3) to set rules governing the use of public-private cofinancing, or other forms of mixed financing, which may have the same result as government mixed credits of drawing on concessional development assistance to produce subsidized export financing;

(4) to raise the threshold for notification of the use of mixed financing to a 50 percent level of concessionality;

(5) to improve notification procedures so that advance notification must be given on all uses of mixed financing, including forms not restricted; and

(6) to prohibit the use of mixed financing for production facilities for goods which are in structural oversupply in the world.

ESTABLISHMENT OF A MIXED FINANCING PROGRAM IN THE UNITED STATES EXPORT-IMPORT BANK

SEC. 204. (a) The Chairman of the Export-Import Bank of the United States shall establish within the Export-Import Bank, a program of mixed financing for United States exports. The program shall be carried out in cooperation with the Agency for International Development and with private financial institutions or entities, as appropriate. The program may include—

(1) the combined use of the credits, loans, or guarantees offered by the Export-Import Bank with concessional financing or grants offered by the Agency for International Development, by methods including, but not limited to, the blending of the financing of, or parallel financing by, the Export-Import Bank and the Agency for International Development; and

(2) the combined use of credits, loans, or guarantees offered by the Export-Import Bank, with financing offered by private financial institutions or entities, by methods including, but not limited to the blending of the financing of, or parallel financing, by the Export-Import Bank and private institutions or entities.

(b) The purpose of the mixed financing program under this section shall be to offer or arrange for financing for the export of United States goods and services that is substantially as concessional as financing for which there is reasonable proof that a foreign government is offering to, or arranging for, a bona fide foreign competitor for a United States export sale.

(c) United States exports eligible for concessional mixed financing shall be exports offered at what can reasonably be judged to be the lowest evaluated bid, without respect to the terms of export financing.

(d) The Chairman of the Export-Import Bank is authorized to establish a fund, as necessary, for carrying out the mixed financing program described in this section.

ESTABLISHMENT OF A MIXED FINANCING PROGRAM IN THE AGENCY FOR INTERNATIONAL DEVELOPMENT

SEC. 205. (a) The Administrator of the Agency for International Development shall establish within the Agency a program of mixed financing for United States exports. The program shall be carried out in cooperation with the Export-Import Bank and with private financial institutions or entities, as appropriate. The program may include—

(1) the combined use of the credits, loans, or guarantees offered by the Export-Import Bank with concessional financing or grants offered by the Agency for International Development, by methods including, but not limited to, the blending of the financing of, or parallel financing by, the Export-Import Bank and the Agency for International Development; and

(2) the combination of concessional financing or grants offering by the Agency for International Development with financing offered by private financial institutions or entities, by methods including, but not limited to the blending of the financing of, or parallel financing by the Agency for International Development and private institutions or entities.

(b) These funds may be combined with Export-Import Bank financing or private commercial financing in order to offer, or arrange for, financing for the exportation of United States goods and services that is substantially as concessional as financing for which there is reasonable proof that a foreign government is offering to, or arranging for, a bona fide foreign competitor for a United States export sale.

(c) United States exports eligible for concessional mixed financing shall be exports offered at what can reasonably be judged to be the lowest evaluated bid, without respect to the terms of export financing.

(d) Funds of the agency for International Development which are used to carry out a mixed financing program authorized by subsections (a), (b), and (c) shall be offered for financing only United States exports that can reasonably be expected to contribute to the advancement of the development objectives of the importing country or countries.

(e) The Administrator of the Agency for International Development is authorized to draw on Economic Support Funds, as necessary, and to establish a fund, as necessary, for carrying out a mixed financing program as described in this section.

APPOINTMENT OF A MIXED FINANCING COORDINATOR

SEC. 206. The President shall appoint an individual to coordinate and ensure the implementation of the mixed financing programs authorized by sections 204 and 205. The individual appointed by the President for this purpose shall develop procedures and mechanisms as necessary to assure that any offer of mixed financing for eligible United States exports is timely and permits the United States exporter to respond to the timing demands of the competitive situation.

AUTHORIZATION OF APPROPRIATIONS

SEC. 207. There are authorized to be appropriated such sums as may be necessary to carry out this title.

DEFINITIONS

SEC. 208. As used in this title—

(1) the term "mixed financing" means the various combinations of official development assistance, official export credit, and private commercial capital to finance exports;

(2) the term "government mixed credits" means the combined use of credits, insurance, and guarantees offered by the Export-Import Bank with concessional financing or grants offered by the Agency for International Development to finance exports;

(3) the term "public-private cofinancing" means the combined use of either official development assistance or official export credit with private commercial credit, to finance exports;

(4) the term "blending of financings" means the use of various combinations of official development assistance, official export credit, and private commercial credit, integrated into a single package with a single set of financial terms, to finance exports; and

(5) the term "parallel financing" means the related use of various combinations of separate lines of official development assistance, official export credits and private commercial credit, not combined into a single package with a single set of financial terms, to finance exports.

PRINCIPAL PROVISIONS OF HEINZ EXPORT-IMPORT BANK AMENDMENTS ACT BILL

The intention of the bill is that it be a discussion draft. Its principal provisions would include the following:

1. *Competitiveness First Priority.* Make clear that the first priority of the Bank is the full competitiveness of all of its programs with the official credit programs of our trade competitors. Cost of money would be made only one of several other subordinate goals.

2. *Extension of Act; Budget Authorization.* Extend the Act for 6 years. Provide $7 billion of direct loan budget authority for fiscal year 1984 and $7.5 billion for fiscal year 1985. These amounts include a contingency fund of $2.7 billion which would be authorized but not appropriated unless foreign official subsidies reach unacceptable levels, and/or there is serious lack of progress in the OECD credit talks.

3. *Budget Treatment.* Request the GAO to study how the Bank should be financed, generally, and specifically whether it should be removed from the Federal outlays budget, in order to correct the distortion resulting from including the Bank's lending programs with Federal programs requiring actual expenditures. Urge that a unified Federal credit budget be established. (To be requested by the Committee; not included in bill per se.)

4. *Section 1912, Domestic Financing.* Improve Section 1912 protection against offi-

cial foreign predatory financing in our domestic market (at terms below OECD Arrangement levels) in the following ways:

A. Speed up the Treasury Secretary's time for response to requests for Section 1912 assistance to 60 days;

B. Lower "determining" factor standard to a "significant" factor standard for authorizing Eximbank assistance;

C. Require the Bank to provide matching financing if the Secretary of the Treasury issues an authorization.

5. *Advisory Committee.* Reestablish Eximbank Advisory Committee, which expired in 1979; increase the number of advisors from 9 to 12, and add "service industries" and "state governments" as sectors to be represented on the Advisory Committee.

6. *Director's Term of Office.* Provide for four-year fixed terms for Bank directors and provide that the terms of Eximbank's President and Vice President be coterminous with that of the U.S. President; the terms of the remaining three directors would begin two years after the President's term begins.

7. *Congressional Notification.* Raise the amount of a loan or guarantee which the Bank must report to congress from the current $100 million to $250 million.

8. *Mixed Credits: Negotiations.* Direct the Administration to pursue negotiations to eliminate official mixed credit financing, including negotiations for the formulation of rules to prevent establishment of official practices having the same effect as mixed credits. Also include in such negotiations improved notification procedures so that all forms of mixed financing are reported, and that no derogations be allowed below the 50% level of foreign aid concessionality. Such negotiations should seek as well to prohibit mixed financing for facilities for the production of goods in structural oversupply in the world (e.g. steel).

9. *Mixed Credits: U.S. Programs.* Direct the Bank and AID to establish a mixed financing program. Such program would be used only to match such similar programs employed by foreign competitors against specific U.S. export sales bids. The President would appoint a Mixed Financing Coordinator to coordinate and ensure the implementation of this mixed financing program. No additional funds would be authorized.●

By Mr. ARMSTRONG:

S. 870. A bill entitled "The Federal Contractor Employees Flexitime Bill"; to the Committee on Labor and Human Resources.

FEDERAL CONTRACTOR EMPLOYEES FLEXITIME BILL

● Mr. ARMSTRONG. Mr. President, I am introducing a bill which would create permanent statutory authority for alternative work schedules for Federal contractors in the private sector. Last year, the Office of Personnel Management created and evaluated work schedules that vary from the "conventional" workweek and found them beneficial to agencies, employees, and the public. They concluded that alternative work schedules can improve the productivity of an organization and increase its service to the public without additional costs. Subsequently, the Senate passed a bill providing flexible work schedules for Federal employees.

I fully supported the use of flexible work schedules for Federal employees to achieve maximum productivity, yet I feel we must simultaneously offer that option to the Federal contractor in the private sector. The concept of increased productivity, energy savings, and improved employee morale through use of compressed workweek is embraced both in my bill—which governs Federal contractors—and the already enacted legislation which reauthorized the Government's flexitime program. With this legislative proposal more or less identical in concept enacted last year, Congress has a golden opportunity to update a relic of the past.

The bill I offer today simply permits Federal contractors the option of instituting flexible work schedules without facing penalty. In the past, administration and many Senators have expressed their support for the legislation. It is needed primarily to bring the laws governing Federal contractors into conformity with current overtime provisions and flexibility provided to private sector employees. Specifically, the proposal amends parts of two statutes which regulate pay standards for Government contractors: The Walsh-Healey Act and the Contract Work Hours and Safety Standards Act. Those laws presently mandate that "no persons employed by Federal contractors shall be permitted to work in excess of 8 hours in any 1 day without payment of time and one-half for overtime."

Since the 1930's, when the Walsh-Healey and Contract Work Hours and Safety Standards Acts were enacted, employer and employee needs and desires have changed. Today, more than one-fifth of the labor force is functioning under flexible, compressed, or voluntarily reduced work schedules. This trend will continue throughout the 1980's as lifestyles and family structures are changing. Employers who respond creatively to these new conditions will have the competitive edge.

Unfortunately, the Federal regulations have not kept pace with the changing society. Moreover, the unnecessary and outdated restriction has brought extra costs to the Government. In a report to the Congress by the Comptroller General (Contractors Use of Altered Work Schedules for Their Employees—How is it Working? April, 1976), the Department of Labor cited one instance of an organization utilizing a 4-day work schedule, that negotiated a contract with the Government and included about $240,000 in overtime and associated costs in the contract price because of the overtime payment required by the Walsh-Healey Act. The legislation also reduces the number of bids on Government contracts. The Department of Defense and the General Services Administration, who both do a large amount of contracting for the Government, supported legislative changes in the Walsh-Healey Act and Contract Work Hours and Safety Standards Act for this reason.

Mr. President, this bill has one objective and one aim. To allow Federal contractors the option of alternative work schedules. The benefits of flexitime, however, go far beyond less Government interference in the private sector. There are distinct advantages for companies who have chosen to implement the alternative schedule that should be noted. Numerous studies have been conducted on the optional "compressed workweek." These studies, including those done by the Comptroller General, the Bureau of Labor Statistics (The Revised Workweek: Results of a Pilot Study of 16 Firms), and the National Center for Energy Management and Power (Feasibility Study of a System of Staggered Industry Hours), point out the following advantages to this work schedule: Greater productivity—higher weekly output, improved use of plant equipment, and improved employee morale; improved working conditions—reduced employee working costs, increased job satisfaction, and ease in recruitment; and energy conservation—reduction in fuel costs associated with commuting, and reduction in energy usage for heating and cooling plants or offices.

One possible advantage of particular interest to me deals with the problem of air pollution. We now have evidence as a result of a study released by the Denver regional Council of Governments in cooperation with the Denver Federal Executive Board, examining the travel habits of some 7,000 Federal employees on the compressed workweek schedule in the Denver area. The study concludes that the compressed workweek is one of the most effective transportation management actions that Denver's Federal agencies can take in addressing the concern of air pollution and traffic congestion. It has been estimated that neither providing free transit service at peak periods for everyone in the area, nor an extensive and complicated program of carpool matching would even equal the impact on air pollution that resulted from only 7,000 employees on a compressed workweek. Imagine what could result if all employees of Federal contractors in the area, which easily number twice that of the Federal employees in the study, were allowed to shift to a 4-day workweek.

A change in the Walsh-Healey Act would not in any way affect the Fair Labor Standards Act, which governs all workers and provides that overtime premiums be paid whenever employees work more than 40 hours a week. The proposal would not impact the collective bargaining process, nor would it conflict with any of the Federal labor

laws. Nothing in this amendment shall be construed to cover employees specified in the Walsh-Healey Act and the Contract Work Hours and Safety Standards Act. Finally, the bill does not mandate a compressed workweek, only restores to American businesses and workers serving the Federal Government the basic freedom of choice.

Mr. President, in the past, we have heard many of the unions and workers testify to the effect that Government employees are eager to see the Federal Employee Flexible Work Schedules Act become permanent. The same is true for the employees in the private sector working on a Federal contract. Many private sector collective-bargaining agreements across the Nation encompass the 4-day, 10-hour workweek. Many labor contracts in my own State of Colorado include provisions for a compressed workweek—and are merely waiting for Congress to update the archaic law.

In my opinion, it is only fair for Federal contractors to have the same advantages that private sector and Government employees do. If that is ever to be accomplished, we must seize the opportunity for the permanent statutory authority for alternative work schedules for Federal contractors. The Senate passed this proposal once before and it was dropped in conference. Therefore, it is necessary that we again pass this important legislation and follow it carefully through conference.●

By Mr. MITCHELL:

S. 871. A bill to amend the Public Works and Economic Development Act of 1965, as amended; to the Committee on Environment and Public Works.

REGIONAL ECONOMIC DEVELOPMENT ACT OF 1983

● Mr. MITCHELL. Mr. President, I am today introducing legislation to continue the economic development activities now performed by the Economic Development Administration. My bill is virtually identical to the legislation enacted by the House of Representatives last year, and reintroduced this year by a bipartisan coalition of the House Committee on Public Works and Transportation, led by Congressmen OBERSTAR and CLINGER.

For the past 2 years, the administration has proposed the elimination of the Economic Development Administration. Since 1981, I have opposed this proposal. I said at the beginning of this longstanding debate that no matter how successful the President's economic policy was going to be, some sectors of our Nation, some regions, some rural areas, and some cities would not enjoy a full share in that success because of longstanding regional and local problems that inhibit economic growth.

For the past 2 years, Congress has rejected the administration's ill-conceived plan to kill EDA, recognizing that local pockets of unemployment and economic stagnation exist which need the specialized, targeted aid of EDA.

The administration is now predicting a modest recovery, which will leave the jobless rate close to 10 percent if not higher by the end of the year and through next year. Even the most optimistic private forecasters are predicting a recovery well below average vigor, as measured against other postwar business cycles.

We all hope that both forecasts are wrong and that we will, instead, have a vibrant recovery to turn the jobless rate around, to bring down interest rates, and to encourage investment and plant expansion. But we cannot make policy for the Nation based on hope. We must do so on the best sober judgment that we can reach, based on known facts and rational inferences from those known facts.

The facts are that it would take a full year of production increases at January's sharp upward rate to restore our economy's output—and the jobs it provides—to the level of 1981. And 1981 output is roughly equivalent to 1977 output. The contraction of our economy caused by this recession has created a situation in which more than immediate emergency responses are needed. What are needed are additional efforts to strengthen the long-term job outlook, to provide aid to particularly hard-hit regions, and to maintain and protect the infrastructure of poorer communities so they have a chance to share in the recovery.

The bill I am introducing today is intended as a starting point for discussion purposes within the Senate Environment and Public Works Committee on which I serve. Several other modifications to the existing EDA programs have been suggested, but there appears to be a consensus on one critical point: Regional economic development programs are a worthwhile Federal commitment in areas where incomes remain low, where employment remains stubbornly high, and where help is needed to stimulate local economic growth.

I intend to examine all of the economic development proposals put forward in both Houses of Congress, as a member of the Committee on Environment and Public Works.

EDA has been validly criticized for its diffuse nature. Right now, over 85 percent of the country is eligible for EDA assistance. That is a legitimate criticism. I think the program should be more narrowly targeted. It should be limited to areas that are truly suffering chronic high employment and low per capita income.

The bill I am introducing today would target economic development assistance to such areas, reducing eligibility to approximately 41 percent of the Nation's population.

Mr. President, EDA has been a successful program. Without the passage of economic development legislation this year we will be discarding the best of a program because it has some shortcomings. That makes neither fiscal sense nor long-term economic sense. It is not fiscally responsible to terminate a program that creates jobs, saves welfare costs, generates State and local tax returns, and raises the level of national economic output.

We should not destroy a useful program, one which has shown an ability to reach and really help many depressed communities at minimal cost, simply because it needs improvement. Let us, rather, commit ourselves to making that improvement.●

By Mr. LUGAR (for himself, Mr. BIDEN, Mr. PERCY, Mr. BRADLEY, Mr. COHEN, Mr. GLENN, Mr. HATCH, Mr. JACKSON, Mr. LEVIN, and Mr. MATHIAS):

S. 873. A bill to help insure the Nation's independent factual knowledge of the Soviet Union and Eastern European countries, to help maintain the national capability for advanced research and training on which that knowledge depends, and to provide partial financial support for national programs to serve both purposes; by unanimous consent, referred jointly to the Committee on Labor and Human Resources and the Committee on Foreign Relations.

SOVIET-EASTERN EUROPEAN RESEARCH AND TRAINING ACT OF 1983

● Mr. LUGAR. Mr. President, last September, Deputy Secretary of State Walter J. Stoessel, Jr., testified that—

> It is perhaps obvious to all that the collection of peoples and societies that calls itself the Union of Soviet Socialist Republics is different from the United States. It is the degree and nature of that difference which is hard to absorb . . . It takes hard research and analytical work over a long period, and first-hand experience in the Soviet Union, to wrench us out of our own cultural assumptions into theirs, to appreciate the differences between their society and ours.

I recalled this statement while viewing the television coverage of Leonid Brezhnev's funeral. Power was being transferred to a new leader of our major adversary and we did not even know for sure whether that new leader speaks English.

We know a great deal about the U.S.S.R. For example, we now know more than ever before about such topics as demographic processes in the Soviet Union and the administration of Soviet science. Yet, the gaps in our knowledge remain enormous. A talented generation of government and academic specialists will soon retire. Indeed, according to one estimate, nearly half of the recognized academic

experts currently working on Soviet affairs will be dead or retired by the end of this decade. In fact, by 1980, more American college students were studying Latin than Russian. If current trends continue unabated, we will lose our national capacity to analyze the actions of our primary international competitor.

The recent transfer of power from Brezhnev to Andropov magnifies the need to increase—not decrease—our expertise on the Soviet Union and East Europe. Andropov has already indicated that he will move in ways beyond those of his predecessor. We must know more about where he is taking the Soviet Union than we do now if we are to formulate effective policy responses to the U.S.S.R. It is for this reason that I have advocated the Soviet-Bloc Research and Training Act of 1983.

The Soviet-Bloc Research and Training Act of 1983 would establish a $50 million endowment to be invested and reinvested by the U.S. Treasury. The interest from that investment would be used to support a national program of advanced research for broad dissemination to the public and to Government policymakers and the training of research specialists under university auspices as well as support for their studies in East European countries and the Soviet Union.

The interest from the fund would be used to support the ongoing activities of the National Council for Soviet and East European Research, the International Research and Exchanges Board, and the Woodrow Wilson International Center for Scholars as well as to create new programs to help universities and other institutions around the country support their own research in Soviet and East European studies.

How would this new endowment help ease the developing manpower shortage in government and East European studies programs?

First, it formulates a mechanism by which a flexible, comprehensive integrated research and manpower training program can develop. The bill does not create a new bureaucracy. Instead, it maximizes the results to be achieved from a relatively modest, one-time appropriation by utilizing previously existing institutional structure.

Second, this legislation recognizes that traditional sources of support for Soviet studies—namely the universities and foundations—are hard pressed to meet numerous other demands which are more closely connected to their main institutional missions. The Federal Government remains the most direct beneficiary of trained personnel in Soviet and East European studies and the Government remains the ultimate end user of research in that area. Therefore, the Government must accept more responsibility for maintenance of this field than would be necessary in most other fields of research.

Finally, this bill is quite modest in scope and will not generate a flood of new specialists who cannot find appropriate job placement. Rather, it begins with the recognition that it requires 10 to 15 years to train a highly qualified expert in Soviet and East European affairs. That educational process includes language training, several years of graduate work, and finally, practical experience through travel, research, and writing. This bill is designed to support a limited number of highly talented students as they move through the long training process.

As new leadership takes hold of the Soviet Union, we need the best minds and talents the Nation can offer to participate in the effort to understand our primary global adversary. The Soviets denote substantial efforts to understand us. While our Soviet affairs community has withered, the Soviet community of Americanists and internationalists has expanded at a record rate. This is one area in which we can no longer afford to be second best. The Soviet-Bloc Research and Training Act of 1983 will help assure a steady flow of new talent in the coming years to respond to whatever course of action the Soviet leadership may take.●

● Mr. BIDEN. Mr. President, I am pleased to join my distinguished colleague from Indiana (Mr. LUGAR) in reintroducing the Soviet-Eastern European Research and Training Act.

The months since our original proposal and hearing before the Senate Foreign Relations Committee have brought further evidence of the importance of having the best possible information about the Soviet Union and Eastern Europe. Numerous articles have pointed out our ignorance and uncertainty regarding the new Soviet leadership as well as the continuing erosion of America's intellectual resources on the Soviet bloc.

There is widespread recognition of the urgent need to reconstitute and expand our capabilities to analyze and understand developments in that region. We need to know not only current events but also underlying structures and trends.

Our legislation would set us on course for steady and dependable improvements in our intellectual infrastructure, so that in future years we will be better able to devise policies toward the Soviet Union and Eastern Europe that serve our national interests. For the greatest efficiency, we would build on the successful programs of established institutions.

Mr. President, I recognize that any expenditure of public funds, especially in current economic conditions, requires the most solid and compelling justification. According to many people with direct personal experience in the nurturing and the use of research on the Soviet Union and Eastern Europe, this modest endowment will help to strengthen our security for years to come.●

ADDITIONAL COSPONSORS

S. 57

At the request of Mr. SPECTER, the name of the Senator from Nebraska (Mr. ZORINSKY) was added as a cosponsor of S. 57, a bill to amend title 18 of the United States Code relating to the sexual exploitation of children.

S. 137

At the request of Mr. ROTH, the names of the Senator from Delaware (Mr. BIDEN), the Senator from Mississippi (Mr. STENNIS), and the Senator from Alabama (Mr. DENTON) were added as cosponsors of S. 137, a bill to amend the Internal Revenue Code of 1954 to continue to allow mortgage bonds to be issued.

S. 212

At the request of Mr. PRESSLER, the name of the Senator from Georgia (Mr. MATTINGLY) was added as a cosponsor of S. 212, a bill to authorize funds for the U.S. Travel and Tourism Administration.

S. 216

At the request of Mr. THURMOND, the name of the Senator from Colorado (Mr. HART) was added as a cosponsor of S. 216, a bill to amend title 18, United States Code, to combat, deter, and punish individuals who adulterate or otherwise tamper with food, drug, cosmetic, and other products with intent to cause personal injury, death, or other harm.

S. 445

At the request of Mr. DOLE, the names of the Senator from Utah (Mr. GARN), and the Senator from Alabama (Mr. HEFLIN) were added as cosponsors of S. 445, a bill to amend title 11, United States Code, and for other purposes.

S. 462

At the request of Mr. GRASSLEY, the names of the Senator from Oklahoma (Mr. NICKLES), the Senator from North Carolina (Mr. HELMS), and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of S. 462, a bill to amend section 1951 of title 18 of the United States Code, and for other purposes.

S. 491

At the request of Mr. THURMOND, the names of the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Hawaii (Mr. MATSUNAGA) were added as cosponsors of S. 491, a bill to amend the Agricultural Act of 1949 to modify the dairy price support program for the 1983 through 1985 fiscal years.

S. 591

At the request of Mr. INOUYE, the names of the Senator from Utah (Mr. HATCH) and the Senator from Iowa (Mr. JEPSEN) were added as cosponsors of S. 591, a bill to amend the Internal Revenue Code of 1954 to provide a mechanism for taxpayers to designate $1 of any overpayment of income tax, and to contribute other amounts, for use by the U.S. Olympic Committee.

S. 647

At the request of Mr. BYRD, the name of the Senator from Michigan (Mr. RIEGLE) was added as a cosponsor of S. 647, a bill to amend the Trade Act of 1974 to insure fair trade opportunities, and for other purposes.

S. 668

At the request of Mr. KENNEDY, the name of the Senator from Minnesota (Mr. DURENBERGER) was added as a cosponsor of S. 668, a bill to reform Federal criminal sentencing procedures.

S. 721

At the request of Mr. GRASSLEY, the name of the Senator from Wyoming (Mr. SIMPSON) was added as a cosponsor of S. 721, a bill to provide penalties for persons who obtain or attempt to obtain narcotics or other controlled substances from any pharmacist by terror, force, or violence, and for other purposes.

S. 786

At the request of Mr. PRESSLER, the name of the Senator from Pennsylvania (Mr. HEINZ) was added as a cosponsor of S. 786, a bill to amend title 38, United States Code, to establish a service-connection presumption for certain diseases caused by exposure to herbicides or other environmental hazards or conditions in veterans who served in Southeast Asia during the Vietnam era.

SENATE JOINT RESOLUTION 31

At the request of Mr. THURMOND, the names of the Senator from California (Mr. CRANSTON), the Senator from Kansas (Mr. DOLE), and the Senator from Arkansas (Mr. PRYOR) were added as cosponsors of Senate Joint Resolution 31, a joint resolution to authorize and request the President to designate April 23, 1983, as "Army Reserve Day."

SENATE JOINT RESOLUTION 32

At the request of Mr. SYMMS, the names of the Senator from Minnesota (Mr. DURENBERGER), the Senator from South Carolina (Mr. THURMOND), and the Senator from Alabama (Mr. HEFLIN) were added as cosponsors of Senate Joint Resolution 32, a joint resolution to provide for the designation of May 1983, as "National Arthritis Month."

SENATE JOINT RESOLUTION 51

At the request of Mr. MOYNIHAN, the names of the Senator from Nebraska (Mr. EXON), the Senator from Massachusetts (Mr. TSONGAS), the Senator from South Carolina (Mr. HOLLINGS), the Senator from California (Mr. CRANSTON), the Senator from Maine (Mr. COHEN), the Senator from New Mexico (Mr. DOMENICI), the Senator from Illinois (Mr. DIXON), the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Pennsylvania (Mr. HEINZ), and the Senator from Maine (Mr. MITCHELL) were added as cosponsors of Senate Joint Resolution 51, a joint resolution designating May 21, 1983, as "Andrei Sakharov Day."

SENATE JOINT RESOLUTION 52

At the request of Mr. QUAYLE, the names of the Senator from California (Mr. CRANSTON), the Senator from Iowa (Mr. GRASSLEY), the Senator from South Carolina (Mr. THURMOND), the Senator from Alabama (Mr. HEFLIN), the Senator from Ohio (Mr. GLENN), the Senator from Rhode Island (Mr. CHAFEE), and the Senator from Georgia (Mr. NUNN) were added as cosponsors of Senate Joint Resolution 52, a joint resolution to authorize and request the President to designate the week of April 10, 1983, through April 16, 1983, as "National Mental Health Week."

At the request of Mr. BOREN, his name was added as a cosponsor of Senate Joint Resolution 52, supra.

SENATE CONCURRENT RESOLUTION 11

At the request of Mr. MITCHELL the names of the Senator from Indiana (Mr. QUAYLE), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Tennessee (Mr. SASSER), the Senator from Florida (Mr. CHILES), the Senator from New Mexico (Mr. DOMENICI), the Senator from Indiana (Mr. LUGAR), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from Nevada (Mr. HECHT), the Senator from Washington (Mr. JACKSON), the Senator from Maryland (Mr. SARBANES), the Senator from North Dakota (Mr. ANDREWS), the Senator from Nebraska (Mr. EXON), the Senator from Massachusetts (Mr. TSONGAS), the Senator from California (Mr. CRANSTON), the Senator from Arkansas (Mr. BUMPERS), the Senator from South Dakota (Mr. PRESSLER), the Senator from Illinois (Mr. PERCY), the Senator from Illinois (Mr. DIXON), the Senator from Oregon (Mr. HATFIELD), the Senator from Alabama (Mr. HEFLIN), the Senator from Michigan (Mr. LEVIN), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Ohio (Mr. METZENBAUM) were added as cosponsors of Senate Concurrent Resolution 11, a concurrent resolution expressing the sense of the Congress concerning the obligations of the Government of the Soviet Union under international law with respect to human rights.

SENATE CONCURRENT RESOLUTION 14

At the request of Mr. LUGAR, the names of the Senator from Hawaii (Mr. MATSUNAGA), and the Senator from Minnesota (Mr. DURENBERGER) were added as cosponsors of Senate Concurrent Resolution 14, a concurrent resolution in commemoration of the bicentennial of the birth of Simon Bolivar, hero of the independence of the Americas.

AMENDMENT NO. 520

At the request of Mr. BRADLEY, the names of the Senator from South Carolina (Mr. HOLLINGS), the Senator from Tennessee (Mr. SASSER), the Senator from Colorado (Mr. HART), the Senator from Ohio (Mr. GLENN), the Senator from Delaware (Mr. BIDEN), and the Senator from Michigan (Mr. RIEGLE) were added as cosponsors of amendment No. 520 proposed to H.R. 1900, a bill to assure the solvency of the social security trust funds, to reform the medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes.

SENATE CONCURRENT RESOLUTION 19—COMMEMORATING THE ANNIVERSARY OF DIPLOMATIC RELATIONS BETWEEN THE UNITED STATES AND THAILAND

Mr. PERCY (for himself, Mr. MURKOWSKI, Mr. ZORINSKY, Mr. EAST, Mr. SARBANES, Mr. DOLE, Mr. PELL, Mr. BUMPERS, Mr. KENNEDY, Mr. DIXON, Mr. LUGAR, and Mr. EXON) submitted the following concurrent resolution, which was referred to the Committee on Foreign Relations:

S. CON. RES. 19

Whereas March 20, 1983, marks the 150th anniversary of the signing of the Treaty of Amity and Commerce between the United States and the Kingdom of Thailand, formerly named Siam;

Whereas this treaty marked the opening of formal diplomatic relations between the two countries and was the first treaty concluded between the United States and an Asian nation;

Whereas the United States and Thailand, during the past 150 years, have developed a close, friendly, and cooperative relationship to the benefit of their nations and peoples; and

Whereas the people of the United States and the people of Thailand share a strong and abiding attachment to the ideals of individual freedom and national independence: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby recognizes the 150th anniversary of the establishment of relations between the United States and Thailand.

SEC. 2. The Congress extends warm congratulations to His Majesty the King of Thailand and to the Thai people on this historic occasion, together with the best wishes for long continuation of the warm and cordial relations which bind our two people.

SEC. 3. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President of the United States with the request that the President trans-

mit such copy to the Government of the Kingdom of Thailand.

● Mr. PERCY. Mr. President, I am introducing today a resolution expressing the sense of Congress on the occasion of the 150th anniversary of the opening of diplomatic relations between the United States and Thailand. I am pleased to be joined in this resolution by Senators MURKOWSKI, ZORINSKY, EAST, SARBANES, DOLE, PELL, BUMPERS, KENNEDY, DIXON, LUGAR, and EXON.

As many of my colleagues will recall, I headed a Presidential delegation to the ceremonies commemorating the bicentennial of Thailand last April. Shortly thereafter, the Congress passed a concurrent resolution commemorating the event. The resolution was presented to the Thai Government by our Ambassador in Bangkok, who commented that it had had a very beneficial effect on our bilateral relations.

We now come to another milestone in our long and mutually beneficial relationship with Thailand. On March 20, 1833, 150 years ago last Sunday, in Bangkok, Edmund Roberts representing President Jackson, concluded a treaty of amity and commerce with a representative of King Rama III of Siam. The signing of this treaty marked the opening of American relations with Thailand. The Roberts Treaty was also the first treaty signed by the United States with an Asian nation.

This 150th anniversary will be observed in Washington and Bangkok in a number of commemorative events. On March 19, the Crown Prince of Thailand, who is now undergoing U.S. Air Force flight training in Arizona, visited Washington to be present at a commemorative dinner hosted by the distinguished Thai Ambassador. The dinner, to which principle officials of the U.S. Government and prominent private citizens were invited, featured an exhibit of artifacts illustrating United States-Thailand relations over the years.

The Library of Congress, using its own resources and additional items supplied by the National Archives and the U.S. Information Agency, plans to open an extensive exhibit on United States-Thailand relations later in the year.

The Secretaries of State and Commerce in letters to their Thai counterparts have conveyed the good wishes of the American people for the continued flourishing of friendly relations. A message from the President to the King is expected to highlight the long and productive years of close cooperation between our countries.

It is only fitting that we in the Congress join with the executive branch in taking note of the sesquicentennial of our relations with Thailand by calling attention to the excellent relations between our two countries. I urge my colleagues to join with me in extending our warm congratulations to His Majesty the King of Thailand and to the Thai people on this historic occasion and in sending to the Thai our best wishes for the long continuation of the warm and cordial relations which bind our two people.●

SENATE RESOLUTION 95—RELATING TO A LONG-TERM GRAIN AGREEMENT WITH THE SOVIET UNION

Mr. PERCY (for himself and Mr. DOLE) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 95

Whereas United States grain production has reached record levels;

Whereas this Nation's farmers are dependent on export sales for one-fourth of their income;

Whereas the United States embargo on agricultural exports to the Soviet Union in 1980 has substantially reduced foreign sales of United States farm products, depressed farm prices and income, and resulted in increased grain purchases by the Soviet Union from other countries.

Whereas the lifting of the embargo and Presidential and congressional assurances regarding agricultural exports have not restored the United States to the status it held before the embargo as a principal source for Soviet agricultural purchases;

Whereas the long-term agreements the Soviet Union has entered into with other grain exporting countries threaten to permanently relegate the United States to the position of a residual supplier to this important market;

Whereas the export of value-added products generates significant opportunities for new employment and economic growth in the food processing industry;

Whereas agricultural exports benefit the United States transportation sector, including railroads, trucking, inland waterway users, ocean shipping and support industries; and

Whereas the Congress and the President are committed to revitalizing our agricultural economy, restoring the reputation of the United States as a reliable supplier, and regaining our fair share of work markets for farm products: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should—

(1) as soon as practicable after the date of the adoption of this resolution, report to the Congress his intention to initiate negotiations on a new long-term agreement on agricultural trade with the Government of the Soviet Union, to be effective on October 1, 1983;

(2) seek to include in the terms of the new long-term agreement (A) higher minimum and maximum supply guarantees than the agreement in effect on the date of the adoption of this resolution, and (B) provision for the export of value-added products;

(3) no later than April 30, 1983, report to the Congress on the potential impact of a new and expanded long-term agreement on economic growth and employment in United States agriculture and in related food processing and transportation industries; and

(4) take all other appropriate measures to assure the free movement of increased quantities of United States agricultural products to the Soviet Union.

SEC. 2. The Secretary of the Senate shall transmit a copy of the resolution to the President, the Secretary of State, the Secretary of Agriculture, the Secretary of the Treasury, the Secretary of Commerce and the United States Trade Representative.

● Mr. PERCY. Mr. President, today I am introducing—together with my distinguished colleague from Kansas, Senator DOLE—a resolution urging that the President immediately begin negotiations with the Soviet Union on a new, long-term grain and processed foods agreement.

Our current long-term agreement is now in its seventh year. The agreement was negotiated in the Ford administration in 1975 and went into effect for the first time in 1976. It has had a very salutary effect on the American economy and was, as we recall the early days of United States-Soviet trade, a protection for our own farmers.

I would just like to highlight for my colleagues for a moment the extent to which the LTA has been beneficial for our farmers. In the crop year 1978–79, the Soviet Union bought as much as 15.5 million metric tons of corn and wheat from us, although they were obligated under the LTA to buy only a minimum of 6 million metric tons.

Mr. President, I ask unanimous consent that a chart showing the history of Soviet purchases under the LTA be included in the RECORD at this point.

There been no objection, the table was ordered to be printed in the RECORD, as follows:

Soviet grain purchases under the long-term agreement

[Million metric tons]

Crop year:	*Quantity*
1976–77	6.1
1977–78	14.6
1978–79	15.5
1979–80	7.9
1980–81	9.5
1981–82	13.9
1982–83 [1]	6.0

[1] Through Mar. 18, 1983.

Mr. PERCY. Mr. President, what this chart shows is that there has been volatility in our grain sales to the Soviet Union. There was a dip in our sales between 1979 and 1981. During much of this time period, these purchases were restricted because of our grain embargo that curtailed Soviet purchases in this country. Of course there are changes in the Soviet crop harvests, too, and we can anticipate that should the Soviet Union have a good crop year, their purchases here would drop.

But this year we believe the Soviet harvest will not reach its targets, as it has not done in the past 4 years. Yet the Agriculture Department does not foresee sales to the Soviet Union reaching the levels they did even last year, let alone in 1977 and 1978. I

might add parenthetically, that last year's sales seem to have increased to their past levels. That is not the case in fact. The Soviets bought so much grain in the world last year, that had we been a principal supplier, we would have sold much more. Before the grain embargo, we supplied the U.S.S.R. with as much as 70 percent of its corn and wheat. Last year we supplied it with just over 30 percent and this year it will decline even further. USDA believes we will supply no more than 20 percent of Soviet grain needs.

This important long-term agreement will expire on September 30, 1983. We are actually now under the second 1-year extension of the agreement and it is that extension which will expire in September.

The resolution Senator DOLE and I introduce today urges the President to begin negotiations on a new LTA soon. We have a lot at stake in these talks and this important matter should receive the highest priority.

At one time it could be argued that the United States was the virtual sole-source supplier of corn and wheat to the U.S.S.R. As I have mentioned, we supplied as much as 70 percent of their needs in the past. In the last administration, it was believed that we could show our displeasure for Soviet foreign policy by turning off the spigot of grain much like OPEC once embargoed shipments of oil to the United States and Europe.

Unfortunately, we did not have the total control over grain that OPEC had over oil at one time. Even OPEC has seen disarray recently as suppliers compete with each other for markets. While this is new to OPEC, it is the status quo in grain markets. Yet some people still believe that the United States remains the sole source supplier of surplus grains in the world.

After the 1980 grain embargo, new production was stimulated in such countries as Argentina, Brazil, and Canada. In Argentina, private investors are building massive new grain storage facilities specifically for the export market. In Canada, new rail and port facilities are under construction for a similar purpose. The European Community—particularly France—now supply wheat to the U.S.S.R., whereas before they had an insignificant share of that market.

Five countries have now signed long-term grain agreements with the U.S.S.R. that lock them into hard currency sales of bulk commodities to the Soviet Government.

Our farmers are now—in the new circumstances of abundant world supply and long-term agreements—placed at a competitive disadvantage. Let us look at a wheatgrower in North Dakota peering across the border at his Canadian neighbor. The Canadian farmer is now assured of a healthy export market in the Soviet Union; railroad workers can look forward to a full workload and Canadian shipping companies know they will share in the ocean freight business that will result.

At the same time, we know that Ottawa is as outraged and displeased as we are by the Soviet occupation of Afghanistan and Soviet interference in the affairs of Poland. But they have not chosen to advance policies that would hurt their own economy to protest these actions.

President Reagan has made it clear many times in the past that he does not support policies that hurt our farmers. He was very critical of the grain embargo that cut our sales to the U.S.S.R. in the late 1970's and it was President Reagan who repealed that embargo not long after he took office.

Moreover, the President has sought to reestablish our position as a reliable grain supplier by signing the important contract sanctity legislation last winter. He has gone a long way in an attempt to recover our position as an important grain supplier.

Proceeding with LTA negotiations is fully consistent with the President's previous actions. Senator DOLE and I have fully supported the President's other actions and we encourage him to take this additional step that will help make our farmers competitive in the present international grain market.

A new long-term agreement would not only help farmers, but also members of organized labor. Our resolution specifically asks for the inclusion of value-added processed products, such as soybean meal, corn gluten feed, wheat flour and other commodities. These value-added products will be made right here in America and would create thousands of new job opportunities. The inclusion of value-added products, of course, should not be at the expense of bulk commodities.

Railroad workers, grain elevator operators, barge companies and the owners of U.S. ocean-going freighters would also benefit from this agreement.

In closing, Mr. President, let me say that there are several important actions we can take to help the farm community today. The payment-in-kind (PIK) program should improve farm income in the short term. But Secretary Block has appropriately described it as only a temporary program. Our farmers want to compete in the international marketplace, with a minimum of government interference. But we have to at least provide them with the same assurances that are prevalent elsewhere in the global marketplace. Exporting quantities of American grain and processed products will contribute toward a strong and dynamic farm economy.

In the weeks ahead, we will be asking our colleagues to join us as cosponsors of this resolution. We hope they will lend their support.●

● Mr. DOLE. Mr. President, I would like to commend the distinguished senior Senator from Illinois on his remarks, and to join with him in offering this resolution for the consideration of the Senate.

Mr. President, United States-Soviet trade in agricultural products has been the focus of controversy since the first large grain sales in the early 1970's. At different times, and even at the same time, both U.S. farmers and consumers have reacted strongly to the major impact of Soviet purchases on domestic prices. The fact is that the Russian market has been perhaps the largest single demand factor for U.S. grains in the past decade.

As a result, the Ford administration decided in 1975 to negotiate the current long-term agreement on agricultural trade to provide some stability in Soviet purchases and U.S. prices. After becoming effective in October 1976, the accord served well to regularize Soviet entry into the U.S. market, and to provide adequate notification of pending sales to all involved in the grain production and marketing system.

After the first 2 years under the agreement, the United State began to make increasing amounts of its growing grain supplies available for Soviet purchase under the established consultation process. It was commonly expected that, when the accord expired in 1981, its successor would include higher minimum and maximum quantities of corn and wheat, and might also provide for the purchase of other commodities and processed products.

All of these expectations were shattered by the grain embargo imposed in January 1980. In one stroke, the value of the agreement in fostering growth in United States-Soviet commercial relations was replaced by one of protecting a severely curtailed but guaranteed level of trade. During the 15-month duration of the embargo, the Soviets worked to develop new long-term sources for their agricultural needs—including several of our principal allies who also export grain.

This restructuring of trading patterns continues today. The effect of the embargo in tainting the reputation of the United States as a reliable supplier of farm products has induced a number of our customers to diversify their sources of imports. It is entirely possible that, in the absence of the grain agreement, Soviet needs could fall to a level where they would not be required to make any purchases on the U.S. market.

President Reagan deserves the appreciation of all U.S. farmers for his decision in April 1981 to lift the embargo. He deserves credit as well for his efforts to assure both U.S. farmers

and our customers and competitors abroad that the United States will not again resort to trade restrictions on nonstrategic products. These actions have laid the foundation for the development of a new U.S. trade policy designed to further our own economic best interests. Only by setting clear and consistent guidelines can the United States hope to remain competitive and to keep world markets open for American products.

In the case of the Soviet market, however, the damage will require more time to repair. And repair is necessary if we are to deal with the effects of the embargo as well as with its reality. The two 1-year extensions of the 1975 agreement negotiated to date by the administration have maintained the structure, but have not revived its value in expanding agricultural trade. With grain production and supplies at record levels worldwide, the continued absence of a long-term agreement with realistic levels of guaranteed sales only undermines efforts to restore profitable prices to U.S. producers. Even the approval of the recent legislation on contract sanctity—while a valuable contribution to trade policy—will not assure the sale of farm commodities.

For these reasons, Mr. President, it is time for the administration to renegotiate the existing United States-Soviet long-term agreement on agricultural trade. The final consultations required under the current 1-year extension will take place this week in Moscow, but there will be no discussion on possible mutual interest in negotiations. It is clear that the Soviet authorities, for their part, are prepared to negotiate. In the past year, I have met three times with Soviet Ambassador Dobrynin to discuss a broad range of subjects including agricultural trade. On two of these occasions, the distinguished Senator from Iowa, Senator JEPSEN, joined in the effort to establish a dialog with the Soviets on this key issue. I believe that we succeeded, and that as a result, there has been growing recognition on the part of others who are less than enthusiastic about selling grain to the Russians that this dialog is important to the American farmer and simply will not go away.

I also traveled to Moscow last November to take part in a meeting of the U.S.-U.S.S.R. Trade and Economic Council. My delegation met with a number of high-ranking Soviet officials for frank and clear discussions of trade and other issues. As a result, I am satisfied that the Russians are prepared to return to being reliable customers of the United States if we are ready to demonstrate the resolve to return to being a reliable supplier. In the context of United States-Soviet trade relations during the last 10 years, no clearer demonstration could be made that the decision to renegotiate the current long-term agreement to insure the United States a share of the Soviet market commensurate with our current supply availabilities.

Mr. President, a further consideration in favor of a new agreement on agricultural trade with the Soviet Union is the possible inclusion of processed products, either as separate commodities or as substitutes for bulk commodities. Exports of processed products increase our foreign exchange earnings at the same time that they create new jobs in the food processing industry. If the Soviets are interested, I would hope that the United States will consider making the option available in any new negotiations.

Mr. President, the resolution which the Senator from Illinois and myself are introducing today takes into account each of these factors in urging the President to continue his good efforts to restore conditions for economic recovery in the agricultural sector. For these reasons, I would urge the Senate to move quickly to give this resolution its strong endorsement, and encourage my colleagues to join the Senator from Illinois and myself as cosponsors.●

AMENDMENTS SUBMITTED FOR PRINTING

SOCIAL SECURITY ACT AMENDMENTS

AMENDMENT NO. 531

(Ordered to be printed.)

Mr. MELCHER proposed an amendment to the reported amendment (No. 512 in the nature of a substitute) proposed by Mr. DOLE to the bill (H.R. 1900) to assure the solvency of the social security trust funds, to reform the medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes.

AMENDMENT NO. 532

(Ordered to be printed.)

Mr. DOLE proposed an amendment to the amendment proposed by Mr. MELCHER to the amendment in the nature of a substitute (No. 512) proposed by Mr. DOLE to the bill H.R. 1900, supra.

AMENDMENT NO. 533

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to the amendment (No. 531 proposed by Mr. MELCHER to the amendment (No. 512 in the nature of a substitute proposed by Mr. DOLE to the bill H.R. 1900, supra.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public that the hearing scheduled for Tuesday, March 22, to consider pending natural gas legislation will begin at 10 a.m. instead of 9 a.m., as previously scheduled. The hearing will be held in room SD-366.

SUBCOMMITTEE ON PUBLIC LANDS AND RESERVED WATER

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public that the subcommittee hearing on S. 49, to redesignate public land in Alaska to allow hunting, will be held on Friday, April 15, instead on Monday, April 11, as previously scheduled; and the subcommittee hearing on S. 457, to require the protection, management, and control of wild, free-roaming horses and burros on public lands, will be held on Monday, April 11, instead of Friday, April 15, as previously scheduled. Both hearings will begin at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building.

Due to time limitations, the number of witnesses may be limited. Witnesses may be arranged in panels and oral testimony will be limited to 5 minutes. Witnesses are requested to provide the subcommittee with 25 copies of their written statements 24 hours before the hearing, as required by the rules of the committee.

For further information regarding these hearings, please contact Mr. Tony Bevinetto of the subcommittee staff at 224-5161.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON SECURITIES

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Securities of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, March 22, at 1 p.m., to hold hearings on Thomas Reed.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PATENTS, COPYRIGHTS AND TRADEMARKS

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Patents, Copyrights and Trademarks, of the Committee on the Judiciary, be authorized to meet during the session of the Senate on April 7, at 2:30 p.m., to hold an oversight hearing on the Patents and Trademarks Office.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Monday, March 21, to resume hearings on S. 127 and S. 418, the Unfair Foreign Competition Act of 1983.

The PRESIDING OFFICER. Without objection, it is ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, March 24, 1983, to receive testimony concerning oversight on the Department of Justice authorization for fiscal year 1984.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on Wednesday, March 23, 1983, at 2:30 p.m., to hold a legislative hearing on S. 636, the proposed Judicial Review Act, and an oversight and authorization hearing on medical construction of the Veterans' Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NATIONAL AGRICULTURE DAY, 1983

● Mr. TOWER. Mr. President, today has been proclaimed National Agriculture day for 1983. It provides us with an opportunity to join the rest of the Nation in celebrating the achievements and strengths of American agriculture. Considering the very difficult times our farmers and ranchers are experiencing, today it is more important than ever to reaffirm publicly our commitment to a healthy agriculture industry and our understanding of its importance to the economy of this Nation and the world.

Farmers can be proud of their accomplishments. Modern agriculture requires an understanding of a multitude of scientific skills, business principles, and sophisticated techniques.

Even as productivity rates in many of our Nation's industries are slipping, the efficiency of the U.S. farmer remains the envy of the world. Only 14 percent of the U.S. consumer's disposable income is spent for food today—down from 20 percent in 1960 and vastly under the percentage that families in almost every other country in the world have to pay for their food. Our farmers have teamed up with food processors and distributors to give American consumers a wider selection of fresh and packaged food than can be found anywhere else in the world.

As a Texan, I am proud of the vital role my State plays in the Nation's agriculture. Texas is the Nation's largest producer of beef, cotton, sorghum, sheep, goats, watermelons, and pecans. We rank among the top 10 States in the production of 16 of the Nation's top 25 commodities, supplying 37 percent of the Nation's cotton, 17 percent of its cattle on feed, 30 percent of its grain sorghum, and 24 percent of its onions.

Texas ranks second in diversity of agricultural products. We have significant production levels in 18 different crops, 16 major vegetables, all types of livestock, and 4 major fruits. This diversity mirrors the many soil types, climatic conditions, and available water levels that can be found in the different parts of our large State

Throughout our Nation, farmers and ranchers play a crucial role in our economy. It is estimated that 2.4 million farmers and ranchers across the country have assets of more than $1.1 trillion committed to agricultural production. When you include men and women who are at work providing services and producing supplies and equipment and fiber, the number comes to 23 million employed Americans, more than one-fifth of our total work force.

As makers of national farm policy, it is our job in Congress to encourage the stability in the agricultural economy necessary to allow the 23 million people who are involved in U.S. agriculture to do the job that they do so well. Today, I urge my colleagues to reaffirm their committment to this task. We must not yield to political expediency; we must not ignore the plight of this important sector of our economy. Rather, we must work together to overcome the problems that have been building for many years and to establish policies for long-term stability in the farm economy.

In so doing, we will demonstrate to the rest of the world that our Government, our economic system, and our agricultural industry is unequaled. On National Agriculture Day, 1983, I commend those Americans who have a part in our agricultural sector and reaffirm to them that they have every reason to be proud of who they are and what they do.●

NATIONAL AGRICULTURAL DAY—LET US REMEMBER

● Mr. DOLE. Mr. President, March 21 is being celebrated in many communities across the United States as "Agriculture Day." I would like to take this opportunity to pay tribute to three outstanding Kansans who were influential leaders for agriculture.

Dr. Arthur D. "Dad" Weber died on January 4, Dr. Erle Bartley died on February 10 of this year and Paul DeWeese passed away on March 10.

"DAD" WEBER

Dr. Weber worked with the Nation's first land-grant university, Kansas State, for more than five decades and affectionately became known as "Dad" Weber to many students, teachers, and administrators. When he died at 84, he was vice president emeritus of Kansas State and was recognized internationally as an outstanding livestock researcher and judge. Dr. Weber held every administrative rank at K-State including dean of agriculture and vice president and as acting president.

At K-State, he established a national reputation as a teacher, researcher, and administrator. He also established an international reputation as a beef cattle judge. He was the first American to pick the grand champion steer at the International Livestock Exposition and was the first foreigner to judge Britain's top show, the Smithfield Show in London. He judged all of the top shows in North and South America.

He was selected by the Ford Foundation to a team of U.S. experts to advise the Government of India on how to meet their food crisis needs. For 3 years before his retirement he was chief of the K-State faculty in India and a special adviser at Andhra Pradesh Agricultural University. After retirement, he served as executive vice president of the Kansas Livestock & Meat Industry Council.

Dr. Weber was cited for distinguished service to agriculture by the country's two largest farm organizations and was named by the State Federation of Labor as one of Kansas' 10 most distinguished citizens during her first century of statehood. Today, K-State's animal sciences and industry complex is named Weber Hall in his honor. "Dad" Weber's career crossed continents and social barriers to help other people and his contributions will be remembered for years to come.

DR. ERLE BARTLEY

Dr. Bartley was a scientist and teacher of international stature who lectured and consulted in England, France, Sweden, and throughout the world. As a ruminant nutritionist, Dr. Bartley wrote over 100 scientific papers on ths subject and was considered the world's leading authority on bloat. He developed poloxalene, the most effective and widely sold bloat preventive in the world.

Dr. Bartley took several major first steps in this area of research. He had the valuable ability to take basic information derived from his research and apply it to the farm and feedlot situation. In 1981, he received the Morrison Award, the American Society of Animal Science's highest award.

PAUL DE WEESE

Paul De Weese was recognized throughout our State as "the Voice of Kansas." He was affiliated with KSAC, K-State's university-owned radio station, from 1948 until his recent death.

As the extension specialist and director of agricultural programs for the 40-station network, Paul's familiar voice was heard by many farmers on "Agriculture Today," a half hour program which aired 5 days a week. Mr. De Weese also broadcasted play-by-play action of the university's football and basketball games for many years.

In 1979 he took an 8-month world tour to observe farming in other countries with a special emphasis on wheat markets. His taped interviews and reports with farmers in the 16-country visit provided an open window for many Kansans to learn more about agriculture in other parts of the world.

Mr. De Weese had the unique ability to apply his agricultural knowledge with a cordial manner that generated openness and enthusiasm during interviews. One interviewee was reported as having said, "I never knew how much I knew until I was interviewed by Paul De Weese." Although he will no longer be heard over KSAC's 40-station network, his listening audience will long remember "the Voice of Kansas."

Mr. President, I am proud of the contributions that these three leading figures gave to agriculture. Our State and Nation are better off because of these men. Words are too often inadequate to describe the significance of men such as I have mentioned here today. But as we celebrate our Nation's agriculture let us remember that a great agriculture rests not only upon climate, soil, and water, but also upon great individuals. To paraphrase Thomas Jefferson, "these lives will never be replaced, only succeeded."●

ECONOMICS OF COMPLETING THE INTERSTATE HIGHWAY SYSTEM

● Mr. ARMSTRONG. Mr. President, as Congress continues this session, a number of issues have not yet been resolved, and will continue to be national priorities for some time. Among these, the completion of the Interstate Highway System continues to be an important national concern, and it is not clear to what extent the recently enacted gas tax increase will affect planning in this area. But it is very clear that a great deal of attention will focus in the next few months on the various segments of the system, their cost, and related issues.

Although I believe that a national network of interstate highways is an important resource and ought to be completed and maintained, there is a growing school of thought that the only remaining segments are less essential and infinitely more expensive. It is generally agreed that the remaining 3 percent of the uncompleted system may cost as much as 40 percent of the cost of the first 97 percent.

One professional traffic engineer, Mark Skrotski, has completed a study on this question that is particularly timely as Congress continues to consider the issue of our decaying national infrastructure. Although I cannot necessarily vouch for the statistics or for all his opinions—since I am not an expert in this field—Mr. Skrotski, a resident of Woody Creek, Colo., has done a great deal of research over the past few years in Washington and other major library centers around the country. I think it is important for Congress to consider all sides of an issue like this and this study represents a point of view that warrants careful study.

I ask that the study, entitled "The Economics of Completing the Interstate Highway System" be printed in the RECORD at this point.

The study follows:

ECONOMICS OF COMPLETING THE INTERSTATE HIGHWAY SYSTEM

Twenty-six years after the start of the interstate highway program the interstate system remains incomplete. At the same time the system is incomplete, it is facing accelerating decay. While only 3.7 percent of the mileage remains to be completed, over $40 billion will be required for that completion. This is about half of what has already been spent. Even though inflation distorts this proportion, $40 billion is still a huge sum of money. More disturbing, though, is the decline and decay of the already completed sections of interstate highway. If the present system is to be brought back into good repairs, huge new sums are going to have to be appropriated for maintenance and repair. Estimates of this repair bill range between $16 billion and $30 billion for the next eight years. It is not likely that both the necessary repair and system completion can be financed by the American taxpayer.

The proposal for a five-cent per gallon gasoline tax increase for five years, calculated to raise $27.5 billion, it should be noted, will not pay for the completion of the interstate system. The tax proposal would pay for the repair bill on the interstate system. But if the motivation is to bring the interstate highway system back into good repair Congress could do that without any tax increase by simply scaling back or eliminating the completion program.

This brief paper, prepared by a Registered Professional Engineer practicing traffic engineering in Colorado, gives economic measures for each of the remaining segments of the interstate highway system where construction has not yet begun. These economic measures are similar to and based on the familiar economic Benefit Cost Ratios and Net Present Values normally used in economic studies. (Benefit-cost ratios are the benefits of a project divided by the costs of that project. The Net Present Value is the benefit of a project minus the cost of the project.) This paper is being presented to help in the tough choices that face the American public and their leaders regarding the completion of the Interstate highway system.

ECONOMIC CRITERIA FOR DECISIONMAKING

The most usual criteria for economic decision making in the public sector is the economic benefit-cost ratio. This ratio simply compares the economic benefits of some project or program to the economic costs incurred in carrying out that project or program. If the ratio is greater than one, a project's benefits outweigh its costs, and it is said to be economically justified. If the ratio is less than one, on the other hand, the project's costs are greater than the economic benefits realized, and the project is not economically justified.

While a single number, the benefit-cost ratio, either greater or smaller than one, is an easy way to communicate the economic justifiability of a project to an economist or other specialist, it often says nothing to the general public. This paper presents a more easily grasped means of communicating economic measures to the public and other non-specialists, and will hopefully make tough decisions easier, and their consequences more clearly understood.

The benefit-cost ratio is computed by combining all the economic benefits occurring during all the twenty years an economic analysis normally covers and comparing them to the costs of building or implementing a project or program. We can get a more graphic measure for the highway case if we divide all those benefits and costs by the number of trips that cars or trucks will make on the new highway project during the twenty years. This division gives us the costs and benefits per trip for the highway project. The costs and benefits per trip are very easily understood, have a very graphic meaning, and give the public and their decision makers new criteria upon which to base decisions.

To finally communicate the idea of costs and benefits per trip in a single number we can define the easily understood idea of a highway subsidy. If the costs of building the project are greater than the benefits the highway users will derive, we can call the excess of the cost over the benefit (which the taxpayers fund) the highway subisdy, or just plain subsidy. In cases where the benefits received are greater than the costs incurred, a "negative subsidy" is created. This "negative subsidy" indicates an economically justifiable project. In the case of the 168 projects on the Interstate system where construction has not yet begun, 73 of them generate "negative subsidies", while 95 of them require tax subsidies from the American Taxpayer. The subsidies range from $7.73 per trip to a negative $12.18 per trip. Here is the list of the 168 interstate projects listed in order in increasing economic justifiability:

RESULTS OF SUBSIDY ANALYSIS FOR 168 INTERSTATE PROJECTS AWAITING START OF CONSTRUCTION

The results of the subsidy analysis for the remaining segments of interstate highway are shown in the list at the end of this report. The projects are identified by state, interstate route number, city or geographic area, and the Department of Transportation (DOT) national or local significance (given in a 1976 Federal Highway Administration report) and DOT urban or rural classification.

The first column of numbers, the "excess of capital cost over benefits", is the taxpayer subsidy for each project. The next two columns give the individual costs and bene-

fits per trip. Note the subsidy is simply the difference in these two columns. Columns 4 and 5 give the costs and benefits for each highway segment per vehicle mile. A vehicle mile is one vehicle traveling one mile. These columns remove the total length of the project from consideration, and can be compared from project to project. Columns 5 through 9 give cumulative project data for length, total cost, total user benefits and total vehicle miles traveled. Columns 10 and 11 give the overall benefit-cost ratio and net present value for the segment. These numbers are the usual output of a public works project economic analysis. The last four columns give the local or national designation from the Congressional Budget Office (CBO) study, the Interstate Highway System: Issues and Options, June 1982, the 20 year traffic growth estimate for the segment given by the Federal Highway Administration (FHWA), the percent of trucks in the main highway stream, also from FHWA, and the road type designation, from the CBO report.

In this list the first 95 projects require a subsidy. They are not economically justifiable. The last 73 projects generate "negative subsidies" and are economically justifiable.

NONECONOMIC CRITERIA FOR DECISIONMAKING

To make a decision on the future of the completion of the interstate system, we need to look at more than just this list of economic criteria. The interstate system was created for several reasons. The high speed highways save lives, they are more relaxing to drive on than ordinary highways, they make long distance commuting or vacation trips possible, they increase land values along their corridors, some of them are pretty, they aid in the national defense, and so on. Many, in addition to the above, cut travel costs by relieving congestion and permitting higher speeds to be maintained.

The only thing measured with the benefit-cost ratio (or the subsidy) is the relieving of congestion and the increased travel speed. The other reasons for building interstate highways are not measurable in economic terms. The answer to the question of whether the United States should complete non-economically justifiable interstate segments cannot be given just in terms of economic analyses. Instead we have to turn to other ways of thinking.

For instance, how many of the original objectives of the interstate highway system have been realized? How much better may the original objectives be realized if an additional $40 billion is spent on the interstate system? Would $40 billion be best spent on completing the remaining 1575 miles (3.7 percent of the total 42,944 mile system) or repairing and maintaining the 96.3 percent that is complete. Or would something completely different give a greater return to the American taxpayer?

These questions are difficult and will require close attention of our country's leaders. While interstate highways are built to provide many benefits, in the decade of the 1980's any projects that are chosen to go forward in spite of non economic justifiability must be closely scrutinized and double checked. The choice to go forward with a project that is not economically justifiable must be fully documented and debated, must be consciously made by both the country's leaders and its citizens (it must not "slip through the cracks" or be swept along in a public works or job creation juggernaught), and must be supported by overwhelming reasons of non-economic nature.

RECOMMENDATIONS

The facts are these:

1. The interstate highway system, as well as the rest of the nation's roads and bridges, is decaying at a rapidly accelerating rate.

2. Increasing quantities of new dollars, many of them Federal, will have to be devoted to highway repair and maintenance in the future. This is a new Federal expense, as in the past, according to Federal law, the states and the states alone repaired and maintained our nation's highways. This new expense is estimated to be between $16 and $30 billion dollars through 1990 just to bring the interstate system back into the condition it was in 1975.

3. The interstate highway system, the 42,944 mile system of modern highways designed to connect the nation's major cities, is still not complete even though Congress has "accelerated construction" on the system for 26 years.

4. While only 1,575 miles of additional highway (3.7% of the total) is needed to "complete the system," these few additional miles will cost $40 billion though 1990.

5. Most people agree that the original functions of the interestate system, to provide a network of modern high-speed highways to connect the nation's cities, is largely complete.

6. The federal gasoline tax generates about one billion dollars for every penny of tax per gallon of fuel.

7. A five cent per gallon increase in gasoline tax for five years, at current gasoline consumption rates, would raise about $27.5 billion dollars.

8. The $27.5 billion nearly would cover the maximum amount estimated to repair and maintain the interstate system for the decade.

9. The $27.5 billion would not complete the interstate system even if all of it were devoted to interstate completion.

10. If Congress wishes to bring the already existing interstate highways back into the condition they were in 1975, it can do so without any tax increase if it simply declares the interstate system complete and provides no more funding for the 1,575 remaining miles.

To simply cancel the remainder of the interstate system may be too quick and too simple a decision. After all, 73 interstate completion projects are economically justifiable in their own right. A responsible tactic may be to:

1. Postpone any further interstate completion until the existing interstate highways are brought back to the condition they were in in 1975.

2. After the repair and replacement work is complete, and after provision is made to endure the interstate system will not again lapse into disrepair, consider constructing some of the more economically justifiable projects.

3. While the economically justifiable projects are under construction, study the non-economic values associated with the non-justifiable projects and determine which, if any, of those projects should be built in spite of their economic non-justifiability.

4. To give the states some guidance with their construction programs adopt some time schedule, say January 15, 1985, by which to inform them of the projects to be built and those to be finally dropped from the federal construction program.

NOTES ON THE PREPARATION OF THIS REPORT

The economic measures given for the interstate segments in this paper were compiled by methods given in a manual for conducting Highway Economy Studies, by David A. Curry and Dan G. Haney of the Stanford Research Institute, Menlo Park, California. This is a widely recognized and used highway economic analysis technique. The process was automated by placing it in a Compupro 816 a mini-computer. The computer program was carefully calibrated to give identical results to the lengthy manual computations given in the Stanford technique.

Care must be exercised when using Benefit Cost ratios, especially when priorities must be made among several projects, all of which are economically justified according to their benefit cost ratios. This paper does not get into ranking, scheduling, or prioritizing projects, so there is no need to go into arcane economic theory to explain what these caveats might be. The reader should simply be made aware that the techniques used in this paper are specialized and cannot be thoughtlessly applied to other economic decision making problems.

All the data for the computations came from the Federal Highway Administration, as prepared by the individual states in their 104(b)(5) studies, to be compiled in the biannual Interstate Cost Estimate. This is the most uniform source for highway statistics for the 47 states that still have interstate segments to complete.

However there is a caution that must be recognized when using the figures from the Interstate Cost Estimate (or the 104(b)(5) report as it is often referred to). The results of Stanford Benefit Cost technique is largely determined by levels of traffic congestion. That is, if congestion exists on the highway now or in the future, then the benefit cost measure of building a new road is very high. If congestion is not present at any time now or in the future then there is a very low benefit cost for building a new road. Unfortunately the Interstate Cost Estimate (ICE) provides present and future traffic levels assuming the interstate link exists. That means the ICE predicts traffic levels that do not exist today and will exist in the future if and only if the interstate link is completed. This is a built-in bias toward building. If the interstate link is not built, in many cases, the traffic cannot and will not build to the levels predicted in the Interstate Cost Estimate. Either other roads will be improved to handle the increase traffic, other modes of transportation will be created to handle the increased travel demand, some combination of these will occur, or some other event completely unforeseen will happen to preclude the traffic levels predicted in the ICE. In many cases the present roads simply cannot physically handle the traffic levels predicted in the ICE.

Accident costs for fatal, injury and property damage only accidents have not been included in this examination. Generally speaking, the absolute number of accidents that could be prevented by building the segments under question is likely to be overshadowed by the costs of the segment.

It may be eloquently argued that human life or suffering cannot be valued in dollars, and hence any saving of life or prevention of suffering must take precedence over other economic consideration. This is a valid argument, and was mentioned in the section on non-economic criteria for decision making.

But if decisions are going to be based on criteria of human life and suffering, decision makers must look not only at saving lives and preventing suffering on our high-

ways, but also at saving lives and preventing suffering throughout society. If money is spent to save lives and prevent suffering on our highways, which highway or segment of highway should get the money, and when? If money is spent on lifesaving devices in one highway location, it is not available to be spent in another location. Going a step further, if it is spent on highways, it cannot be spent on airway safety, or ship safety, or on heating subsidies for the indigent, or for food to feed the starving, or any of the others of hundreds of projects and programs that save human lives and prevent human suffering. Trying to sort out those choices would be an enormous undertaking, far beyond the scope of this paper. This paper is dealing with only 1,575 miles of highway and $40 billion of potential highway construction.

The amount of total monetary savings over twenty years if all the segments were constructed, using accident rate statistics from Colorado, amounts to just over $3.4 billion. This is only 8.5% of the $40 billion investment required to complete the interstate highway system.

Maintenance costs are also not included in this cost effectiveness examination. Maintenance costs are typically in the order of thousands of dollars per mile per year. Construction costs are in the order of millions of dollars per mile, or more frequently tens of millions of dollars per mile. It should be noted that out of the 168 interstate completion projects, 13 cost over $100 million per mile. Including maintenance costs will not be a significant contribution to the cost-effectiveness measure.

CONCLUSION

This paper has discussed and disclosed the cost effectiveness measures of the 168 individual projects required to "complete the interstate highway system". It uses the measure of a highway subsidy, or the excess of taxpayer costs to user benefits. Those subsidies range from a worst case of $7.73 taxpayer subsidy required per trip to a best case of users benefiting $12.18 per trip more than the taxpayers have provided.

This paper has been presented in the belief that the American public is able to make wise decisions if it has all the information available pertaining to that decision. We believe the public has not had this information available to it concerning the interstate highway system. We believe past decisions on completing the interstate highway system have been based upon arguments of "Congress' commitment" to finishing the interstate system, dedication to 1950's ideas of transportation needs, pressure from special interests having a financial interest in highway building, and the idea of an ever expanding Highway Users Trust Fund with which to build the interstate system.

We think the realities of shrinking highway dollars, shrinking growth rates in highway travel, greatly increasing repair and maintenance needs, and a newly perceived idea that we as a nation cannot afford all that we once thought we could, require this hard look at the concept of finishing the interstate system. We hope this new look at the concepts and benefits of interstate highway completion will aid in the discussion of and determination of this program.

ANALYSIS FOR TAXPAYER SUBSIDY (EXCESS OF CAPITAL COSTS OVER USER BENEFITS) FOR INTERSTATE PROJECTS

Interstate Project	Excess of capital cost over benefits ($/trip)	Cap cost per veh-trip ($/trip)	Benefits provided per veh-trip ($/trip)	Cap cost per veh-mile ($/veh-mil)	Benefits per veh-mile ($/veh-mil)	Length of segment (miles)	Project cost millions of dollars	User benefits millions of dollars	Million vehicle miles traveled	B/C ratio for segment	Net present value million dollars	CBO designation	FHWA 20-year growth estimate (percent)	Percent trucks in future traffic	B-eltway, C-onnector, D-owntown, F-eeder, I-ntercity, S-pur
Massachusetts I-90 Boston DOT national urban	7.734	7.813	0.119	3.125	0.047	2.5	406.3	6.2	130.0	0.01	−400.1	L	130	12.0	S,D
Rhode Island I-895 near Providence DOT local rural	4.721	5.315	.592	.143	.015	37.1	543.0	60.5	3,790.0	.11	−482.5	L	110	4.0	B,C
Hawaii H-3 outside Honolulu DOT local rural	3.306	4,241	.933	.451	.099	9.4	686.7	151.2	1,522.0	.22	−535.5	L	93	3.0	C
Colorado I-70 Glenwood Canyon DOT national rural	3.283	3.957	.670	.314	.053	12.6	291.5	49.4	928.0	.17	−242.1	N	166	13.0	I
Utah I-70 San Rafael Swell DOT national rural	2.568	2.992	.431	.063	.009	47.4	42.3	6.1	670.0	.14	−36.2	N	30	17.0	I
Montana I-15 near Butte/Boulder DOT national rural	2.534	2.543	.000	.185	.000	13.7	36.2	.0	195.0	.00	−36.2	N	62	12.0	I
Texas I-27 Lubbock DOT national rural	2.014	2.569	.548	.068	.014	37.5	401.3	85.6	5,857.0	.21	−315.7	N	148	5.5	I
Utah I-70 Richfield DOT national rural	1.869	3.184	1.307	.073	.030	43.4	91.8	37.7	1,251.0	.41	−54.1	N	66	15.5	I
Maryland I-83 Baltimore DOT local urban	1.467	1.515	.041	.445	.012	3.4	575.6	15.6	1,291.0	.03	−560.0	L	34	10.0	C,D
Maryland I-95 Baltimore Harbor Tunnel DOT national urban	1.432	1.557	.131	.916	.077	1.7	871.2	73.3	951.0	.08	−797.9	L	27	17.0	C,D,I
New York I-478 Westway DOT local urban	1.379	2.002	.627	.465	.145	4.3	1,410.0	441.8	3,028.0	.31	−968.2	L	25	7.0	D,C
Idaho I-15 DOT national rural (2 lane sections)	1.315	1.965	.623	.043	.013	45.0	29.0	9.2	664.0	.32	−19.8	N	70	16.0	I
South Carolina I-526 Charleston DOT local, urban and rural	1.261	1.266	.000	.145	.000	8.7	253.3	0.0	1,740.0	.00	−253.3	L	220	12.0	S
Montana I-90 near Lodge Grass DOT national rural	1.199	1.786	.576	.077	.025	22.9	31.9	10.3	409.0	.32	−21.6	N	33	19.5	I
New Hampshire I-93 Franconia Notch DOT local rural	.986	1.595	.608	.097	.037	16.4	85.5	32.6	879.0	.38	−52.9	L	113	6.0	I
Michigan I-69 near Lansing DOT national, urban and rural	.967	1.006	.008	.024	.000	40.3	234.4	2.0	9,384.0	.00	−232.4	N	63	13.0	I
Wyoming I-90 north of Sheridan DOT national rural	.893	1.059	.163	.113	.017	9.3	18.8	2.9	165.0	.15	−15.9	N	23	16.0	I
Indiana I-164 Evansville DOT local urban	.879	1.025	.144	.048	.006	21.3	103.3	14.6	2,145.0	.14	−88.7	L	63	27.0	S,B
Montana I-15 gap sections (2) near Idaho DOT national rural	.804	1.382	.564	.062	.025	22.0	19.6	8.0	312.0	.41	−11.6	N	60	24.0	I
Vermont I-93 near St Johnsbury DOT local rural	.769	1.173	.401	.107	.036	10.9	40.6	13.9	377.0	.34	−26.7	L	71	11.0	C
South Dakota I-29 Sisseton DOT national rural	.710	1.111	.403	.075	.027	14.8	19.0	6.9	253.0	.36	−12.1	N	350	16.0	I
New Jersey I-695 near New York DOD local urban	.614	.733	.117	.215	.034	3.4	31.7	5.1	147.0	.16	−26.6	L	83	18.0	F,I
Florida I-595 Ft. Lauderdale DOT local urban	.539	.870	.332	.207	.079	4.2	457.4	174.9	2,206.0	.38	−282.5	L	171	10.0	S,D
Montana I-94 near Miles City DOT national rural	.467	.619	.152	.123	.030	5.0	11.4	2.8	92.0	.24	−8.6	N	32	26.0	I
Minnesota I-394 Minneapolis-St. Paul DOT local urban	.450	.458	.000	.049	.000	9.2	188.9	.0	3,790.0	.00	−188.9	L	64	4.0	C,D
Virginia I-95 near Petersburg DOT national rural	.443	.470	.000	.016	.000	27.7	228.2	.0	13,435.0	.00	−228.2	N	270	14.0	F,C,I
Hawaii H-3 DOT local urban	.426	.485	.060	.538	.066	9	109.4	13.6	203.0	.12	−95.8	L	93	3.0	F
Maine I-95 two segments presently 2-lane DOT national rural	.423	.482	.062	.074	.009	6.5	12.4	1.6	167.0	.12	−10.8	L	22	14.0	I
Maryland I-78 Baltimore DOT local urban	4.07	.784	.382	.191	.093	4.1	351.1	171.3	1,834.0	.48	−179.8	L	43	7.0	C,D
Virginia I-85 near Petersburg DOT national rural	.403	.477	.073	.048	.007	9.9	50.4	7.8	1,044.0	.15	−42.6	N	370	11.0	I,C
Virginia I-264 Norfolk local urban	.401	.509	.106	.221	.046	2.3	259.1	53.9	1,169.0	.21	−205.2	L	110	4.0	D
Florida I-75 Everglades DOT national rural	.397	1.353	.945	.017	.012	78.0	291.4	203.7	16,797.0	.70	−87.7	N	164	10.0	3
Montana I-90 4 gap sections DOT national rural	.385	1.304	.913	.037	.026	34.7	34.7	24.3	923.0	.70	−10.4	N	43	22.0	I
California I-105 Los Angeles DOT national urban	.365	.631	.267	.394	.167	1.6	397.3	168.3	1,006.0	.42	−229.0	L	188	7.0	S,C,D
Mississippi I-110 Biloxi DOT local urban	.336	.336	.000	.240	.000	1.4	44.5	1.0	185.0	.00	−44.5	L	110	10.0	S,D
New York I-88 Binghamton DOT national urban	.314	.340	.024	.130	.009	2.6	48.2	3.4	368.0	.07	−44.8	N	61	15.0	I,F
New Jersey I-295 Trenton DOT national urban	.293	.316	.020	.052	.003	6.0	133.4	8.7	2,529.0	.06	−124.7	L	70	21.0	B
Louisiana I-49 main route DOT national urban/rural	.290	7.432	7.101	.041	.040	177.4	1,215.3	1,161.1	29,007.0	.96	−54.2	N	93	14.0	I,C
Pennsylvania I-476 Philadelphia DOT local urban	.272	.641	.368	.052	.030	12.2	230.9	132.5	4,389.0	.57	−98.4	L	24	12.0	B,C
Minnesota I-35 Deluth-Superior DOT national urban	.257	.349	.092	.145	.038	2.4	107.8	28.6	741.0	.26	−79.2	L	67	6.0	S
Pennsylvania I-579 Pittsburgh DOT local urban	.249	.252	.003	.505	.007	.5	109.6	1.7	217.0	.01	−107.9	L	6	8.0	D
Ohio I-470 near Wheeling DOT local rural	.245	.288	.039	.051	.007	5.6	40.7	5.6	790.0	.14	−35.1	L	35	19.0	B
Oklahoma I-235 Oklahoma City DOT local urban	.242	.308	.064	.096	.020	3.2	149.5	31.5	1,551.0	.21	−118.0	L	140	4.0	D,F,C
Colorado I-76 Barr Lake Hudson DOT national rural	.241	.550	.311	.045	.025	12.2	48.0	27.1	1,063.0	.56	−20.9	N	103	19.0	I
Montana I-90 near St. Regis DOT national rural	.238	.312	.074	.094	.022	3.3	8.8	2.1	93.0	.23	−6.7	N	72	22.8	I
Alabama I-65 Birmingham DOT national urban	.230	.325	.089	.039	.011	8.1	81.7	22.4	2,036.0	.27	−59.2	N	41	13.0	I,F
Washington I-705 Tacoma DOT local urban	.228	.323	.095	.215	.063	1.5	95.4	28.2	443.0	.29	−67.2	L	89	7.0	S,D
Pennsylvania I-676 Philadelphia DOT national urban	.217	.270	.052	.168	.033	1.6	167.8	32.9	994.0	.19	−134.9	L	18	10.0	D,C
Utah I-84 near Idaho border DOT national rural	.213	.503	.289	.041	.023	12.1	16.7	9.6	401.0	.57	−7.1	N	41	20.0	I
Idaho I-86 DOT national rural (2 lane sections)	.197	1.116	.914	.051	.042	21.5	50.9	41.7	980.0	.82	−9.2	N	78	26.8	I
Michigan I-696 Detroit DOT national urban	.195	.357	.161	.048	.021	7.4	262.2	118.4	5,434.0	.45	−143.8	L	68	10.0	B,C,D
Minnesota I-494 Minneapolis-St. Paul DOT national urban	.191	.196	.000	.033	.000	5.8	97.2	.0	2,863.0	.00	−97.2	L	75	6.5	B,C,D
Colorado I-70 Debeque Canyon DOT national rural	.188	1.195	1.004	.059	.050	20.0	82.0	68.9	1,372.0	.84	−13.1	N	166	14.5	I
Connecticut I-691 New Haven Meriden DOT local urban	.179	.321	.140	.089	.039	3.6	62.6	27.4	702.0	.44	−35.2	L	22	10.0	C
Florida I-95 outside Palm Beach DOT national rural	.176	.619	.442	.018	.013	33.9	254.6	182.2	13,943.0	.71	−72.4	N	124	12.0	I
Arizona I-40 west of Flagstaff DOT national rural	.176	.229	.053	.085	.019	2.7	15.4	3.6	181.0	.23	−11.8	N	31	20.0	I
Idaho I-90 Coeur D'Alene DOT national urban	.171	.278	.106	.047	.018	5.9	26.0	9.9	550.0	.38	−16.1	N	95	14.0	I
Texas I-40 McLean DOT national rural	.161	.224	.063	.083	.023	2.7	19.7	5.6	237.0	.28	−14.1	N	92	14.0	I
Connecticut I-84 eastern Connecticut DOT national rural	.157	2.642	2,489	.075	.071	35.0	434.9	409.7	5,761.0	.94	−25.2	N	51	8.0	I
New Hampshire I-393 Concord DOT local urban	.144	.181	.036	.106	.021	1.7	16.9	3.4	158.0	.20	−13.5	L	89	5.0	S
California I-980 San Francisco DOT local urban	.143	.145	.000	.483	.000	.3	41.1	.0	85.0	.01	−41.1	L	14	4.0	C,D

ANALYSIS FOR TAXPAYER SUBSIDY (EXCESS OF CAPITAL COSTS OVER USER BENEFITS) FOR INTERSTATE PROJECTS—Continued

Interstate Project	Excess of capital cost over benefits ($/trip)	Cap cost per veh-trip ($/trip)	Benefits provided per veh-trip ($/trip)	Cap cost per veh-mile ($/veh-mil)	Benefits per veh-mile ($/veh-mil)	Length of segment (miles)	Project cost millions of dollars	User benefits millions of dollars	Million vehicle miles traveled	B/C ratio for segment	Net present value million dollars	CBO designation	FHWA 20-year growth estimate (percent)	Percent trucks in future traffic	B-eltway, C-onnector, D-owntown, F-eeder, I-ntercity, S-pur
California I–580 San Francisco DOT national urban	.133	.134	.000	.103	.000	1.3	79.8	.0	774.0	.00	−79.8	L	21	2.0	C,D
Utah I–70 Green River DOT national rural	.129	.211	.000	.091	.035	2.3	6.8	2.6	74.0	.38	−4.2	N	54	15.0	I
Nevada I–515 Las Vegas DOT local urban	.127	.177	.048	.350	.009	5.0	100.6	27.3	2,834.0	.27	−73.3	L	110	6.0	S,D
Utah I–15 Near Idaho DOT national rural	.126	.845	.721	.061	.052	13.8	35.4	30.2	578.0	.85	−5.2	N	67	14.0	I
Ohio I–670 Columbus DOT local urban	.120	.271	.150	.061	.034	4.4	152.6	84.7	2,469.0	.55	−67.9	L	30	10.0	C,D
California I–180 San Francisco DOT local urban	.116	.346	.229	.058	.038	5.9	185.5	122.7	3,160.0	.66	−62.8	L	229	10.0	C,D
Maryland I–370 Washington DOT local urban	.097	.201	.104	.074	.038	2.7	37.1	19.2	496.0	.51	−17.9	L	110	4.0	S
Minnesota I–94 Minneapolis-St. Paul DOT national urban	.095	.169	.073	.018	.007	9.3	58.8	25.4	3,234.0	.43	−33.4	N	43	9.0	I,F
Utah I–15 south of Nephi DOT national rural	.082	1.662	1.584	.057	.054	29.0	75.2	71.7	1,312.0	.95	−3.5	N	87	17.0	I
Montana I–15 near Dillon DOT national rural	.081	1.018	.935	.147	.135	6.9	15.8	14.5	107.0	.92	−1.3	N	43	24.0	I
Missouri I–229 St. Joseph DOT local urban and rural	.075	.343	.268	.052	.040	6.6	26.5	20.7	509.0	.78	−5.8	L	49	16.0	F,B
Arkansas I–630 Little Rock DOT local/urban	.064	.065	.000	.081	.000	.8	31.6	0.0	386.0	.00	−31.6	L	87	10.0	D
Arizona I–10 outside Phoenix DOT national/rural	.064	.073	.005	.013	.001	5.4	49.9	3.9	3,671.0	.08	−46.0	N	103	7.0	I
Virginia I–595 Washington DOT national urban	.060	.071	.011	.089	.013	.8	25.0	3.9	280.0	.15	−21.1	L	100	4.0	S,D
Louisiana I–110 Baton Rouge DOT local urban	.059	.059	.000	.119	.000	.5	7.5	0.0	63.0	.00	−7.5	L	150	12.0	S,C
Massachusetts I–95 Boston DOT local urban	.052	.060	.008	.032	.004	1.9	20.2	2.9	630.0	.14	−17.3	N	55	6.0	I,D
Alabama I–65 just outside Birmingham DOT national/rural	.049	.209	.158	.032	.024	6.4	42.2	32.0	1,291.0	.76	−10.2	N	69	15.5	I
Florida I–75 Miami DOT national urban	.047	.135	.088	.135	.088	1.0	44.9	29.3	331.0	.65	−15.6	N	131	8.0	I,F
Connecticut I–484 Hartford DOT local urban	.043	.191	.147	.239	.184	.8	40.0	30.8	167.0	.77	−9.2	L	19	8.0	C,D
Pennsylvania I–79 Erie DOT national rural and urban	.040	.075	.036	.151	.072	.5	8.8	4.2	58.0	.47	−4.6	L	33	9.0	S,D
Maryland I–70 Frederick DOT national urban and rural	.039	.164	.123	.043	.032	3.8	38.0	28.7	880.0	.76	−9.3	N	50	9.5	I
Maryland I–178 Baltimore DOT local urban	.039	.163	.124	.233	.178	.7	67.3	51.3	288.0	.76	−16.0	L	34	7.0	S,D
Massachusetts I–391 Springfield DOT local urban	.031	.031	.000	.155	.000	.2	5.6	0.0	36.0	.00	−5.6	L	47	10.0	S
Florida I–75 St. Petersburg DOT local urban	.028	.088	.059	.049	.033	1.8	32.8	22.2	668.0	.68	−10.6	L	72	10.0	C,D
Kansas I–670 Kansas City DOT local urban	.027	.233	.221	.291	.277	.8	93.0	88.5	319.0	.88	−4.5	L	45	7.0	D
District of Columbia I–66 DOT local urban	.027	.027	.000	.090	.000	.3	13.8	0.0	153.0	.00	−13.8	L	94	6.0	S,D
Ohio I–480 Cleveland DOT national urban	.019	.193	.176	.036	.033	5.3	85.6	77.8	2,339.0	.90	−7.8	L	25	14.0	B,C
Washington I–90 Seattle DOT local urban	.017	1.795	1.787	.280	.279	6.4	879.9	875.9	3,136.0	.99	−4.0	L	50	4.0	C,D
Kentucky I–265 Louisville DOT local urban	.014	.126	.111	.052	.046	2.4	37.6	33.1	714.0	.88	−4.5	L	68	10.0	S
Florida I–275 south of St. Petersburg DOT local rural	.013	.101	.088	.025	.022	4.0	22.0	19.2	863.0	.87	−2.8	L	133	10.0	C
Pennsylvania I–279 Pittsburgh DOT local urban	.012	1.299	1.298	.106	.106	12.2	403.0	402.7	3,784.0	.99	−.3	L	39	10.0	F,I
Connecticut I–284 Hartford DOT local urban	.012	.144	.132	.046	.042	3.1	33.1	30.3	710.8	.91	−2.8	L	47	10.0	C,D
New Jersey I–195 Trenton DOT national urban	.009	.086	.077	.051	.045	1.7	26.8	23.9	525.0	.89	−2.9	L	50	11.5	F,S
California I–80 Auburn DOT national urban	−.001	.160	.162	.076	.077	2.1	60.3	60.8	787.0	1.01	.5	N	184	7.0	I
Connecticut I–291 Hartford DOT local urban	−.005	.264	.269	.041	.042	6.3	66.8	68.1	1,593.0	1.02	1.3	L	44	10.0	C,D
North Carolina I–277 Charlotte DOT local urban	−.006	.052	.072	.036	.042	1.7	26.0	29.9	705.0	1.10	3.9	L	110	19.0	D
Massachusetts I–895 Providence DOT local urban	−.009	.058	.068	.039	.045	1.5	13.6	16.0	348.0	1.17	2.4	L	92	10.0	B
Oregon I–82 DOT national rural	−.014	1,432	1,446	.135	.136	10.6	90.8	91.7	672.0	1.01	.9	N	150	20.0	I
District of Columbia I–295 DOT local urban	−.028	.159	.188	.122	.145	1.3	122.1	144.3	994.0	1.18	22.2	L	34	5.0	C,D
Georgia I–575 north of Atlanta DOT local rural	−.031	.800	.830	.072	.075	11.0	63.9	66.3	878.0	1.04	2.4	L	186	15.0	S
Maryland I–795 Baltimore DOT local urban	−.031	.129	.162	.031	.039	4.1	69.4	87.1	2,203.0	1.25	17.7	L	170	11.0	S
Indiana I–165 Indianapolis DOT local urban	−.036	.105	.143	.038	.053	2.7	91.7	125.0	2,355.0	1.36	33.3	L	24	22.0	S,C,D
Tennessee I–440 Nashville DOT local urban	−.042	.326	.370	.044	.050	7.4	130.5	148.1	2,962.0	1.13	17.6	L	89	8.0	C,D
Washington I–5 DOT national urban	−.043	.019	.065	.009	.032	2.0	5.1	17.4	535.0	3.40	12.3	N	40	16.0	I
New Jersey I–95 Trenton DOT national urban	−.043	.019	.064	.019	.064	1.0	9.5	31.4	490.0	3.30	21.9	N	72	16.0	F,I
Maine I–95 of Portland segment DOT national urban	−.080	.023	.107	.007	.032	3.3	4.2	19.1	587.0	4.50	14.9	N	25	9.0	I
Maine I–395 Bangor DOT local urban	.016	.210	.193	.063	.058	3.3	38.2	35.0	598.0	.92	−3.2	L	110	6.0	S,C
California I–380 San Francisco DOT national urban	−.083	.034	.120	.028	.100	1.2	40.7	141.5	1,409.0	3.48	100.8	L	21	6.0	S,D
Virginia I–464 Norfolk DOT local urban	−.091	.048	.142	.030	.088	1.6	14.6	43.2	486.0	2.90	28.6	L	120	11.0	D,C
Alabama I–565 just outside Hunstville DOT national rural	−.112	.478	.592	.029	.036	16.2	105.6	130.8	3,576.0	1.24	25.2	L	106	5.5	S
California I–15 north of San Diego DOT	−.113	.190	.309	.046	.075	4.1	45.7	74.3	985.0	1.60	28.6	N	293	10.0	I
Florida I–75 near Naples DOT national rural	−.118	.283	.405	.025	.036	11.0	48.0	68.7	1,862.0	1.43	20.7	N	127	10.0	I
Virginia I–81 Wytheville DOT national rural	−.122	.207	.334	.025	.040	8.2	40.2	64.8	1,588.0	1.60	24.6	N	46	28.0	I
Missouri I–435 Kansas City DOT local urban and rural	−.129	.448	.577	.031	.040	14.4	91.9	118.3	2,948.0	1.29	26.4	L	60	12.5	B,C
New Jersey I–95 near New York DOT national urban	−.138	.052	.199	.017	.068	2.9	25.3	96.8	1,406.0	3.80	71.5	N	73	18.0	F,I
New Jersey I–78 near Phillipsburg DOT national rural	−.150	.216	.384	.033	.059	6.5	51.5	91.5	1,548.0	1.70	40.0	N	33	28.5	I
Maryland I–195 Baltimore DOT local urban	−.151	.239	.391	.109	.177	2.2	79.6	129.9	730.0	1.63	50.3	L	220	7.0	S,C
Alabama I–565 Huntsville DOT local urban	−.156	.414	.572	081	.112	5.1	144.2	199.2	1,773.0	1.38	55.0	L	120	6.0	S,D
South Carolina I–77 Columbia DOT national urban	−.163	.291	.455	.182	.284	1.6	24.8	38.7	136.0	1.56	13.9	N	180	27.0	I
New York I–481 Syracuse DOT local urban	−.165	.275	.440	.051	.081	5.4	43.3	69.1	848.0	1.60	25.8	L	110	12.0	B,C
New Jersey I–295 Philadelphia DOT national urban	−.172	.068	.239	.034	.119	2.0	30.1	105.4	881.0	3.54	75.3	L	−4	30.0	B
Pennsylvania I–95 Philadelphia DOT national urban	−.190	.039	.233	.066	.389	.6	23.2	136.2	350.0	5.80	113.0	L	150	9.0	F,I
Missouri I–170 St. Louis DOT local urban	−.207	.040	.252	.023	.148	1.7	26.0	164.1	1,103.0	6.31	138.1	L	25	8.0	S,C,D
Colorado I–76 Denver DOT local urban	−.225	.322	.569	.062	.109	5.2	106.1	187.1	1,709.0	1.70	81.0	L	185	15.0	C,D
Idaho I–90 near Montana border DOT local national rural	−.240	.304	.544	.190	.340	1.6	27.2	48.7	143.0	1.79	21.5	N	125	8.5	I
Ohio I–490 Cleveland DOT local urban	−.242	.090	.335	.069	.258	1.3	56.1	208.4	807.0	3.70	152.3	L	35	12.0	D,C
Texas I–20 Fort Worth DOT national urban	−.243	.117	.362	.029	.090	4.0	21.8	67.3	742.0	3.10	45.5	N	160	10.5	I,B
Illinois I–255 East St. Louis DOT local urban	−.266	.333	.607	.035	.065	9.3	146.6	267.1	4,086.0	1.82	120.5	L	105	19.0	B,C
Minnesota I–35E Minneapolis-St. Paul DOT local urban	−.273	.176	.459	.019	.051	9.0	92.7	241.5	4,730.0	2.60	148.8	L	40	7.5	F
Utah I–15 south of Beaver DOT national rural	−.275	.106	.393	.014	.053	7.3	5.3	19.6	364.0	3.70	14.3	N	61	17.0	I
California I–15 San Diego DOT national urban	−.290	.097	.393	.040	.164	2.4	44.4	179.1	1,092.0	4.03	134.7	L	464	4.0	F
Louisiana I–510 New Orleans DOT national urban	−.316	.388	.708	.143	.262	2.7	.116.9	213.1	812.0	1.82	96.2	L	80	12.0	S,C
Louisiana 310 New Orleans DOT local rural	−.350	2.698	3.059	.284	.322	9.5	185.8	210.6	654.0	1.13	24.8	L	95	12.0	S,C
California I–15 San Bernardino-Riverside DOT national urban	−.369	.509	.889	.045	.080	11.1	152.2	265.5	3,313.0	1.74	113.3	N	353	10.0	I
New York I–990 Buffalo DOT local urban	−.401	0.164	0.569	0.048	0.167	3.4	27.0	93.6	559.0	3.46	66.6	L	160	8.0	S
Washington I–182 Richland DOT local urban and rural	−.411	.695	1.114	.049	.079	14.0	128.6	206.1	2,589.0	1.60	77.5	L	67	9.0	S
North Carolina I–40 2 segments near Raleigh DOT national rural	−.431	1.098	1.546	.023	.032	46.9	199.7	281.1	8,524.0	1.40	81.4	N	120	21.0	I
Florida I–75 outside Tampa DOT national rural	−.449	.439	.894	.047	.097	9.2	48.4	98.5	1,013.0	2.04	50.1	N	208	14.0	I
New Mexico north of Alburquerque DOT national rural	−.466	.463	.957	.017	.036	25.9	61.9	127.9	3,459.0	2.06	66.0	N	100	10.0	I
Pennsylvania I–78 2-segments Allentown DOT national urban/rural	−.525	.673	1.213	.033	.060	19.9	276.1	497.2	8,156.0	1.80	221.1	N	59	14.0	B,I
Maryland I–297 near Annapolis DOT national rural	−.546	.365	.925	.038	.098	9.4	105.2	266.0	2,703.0	2.53	160.8	L	110	17.0	S
Georgia I–675 Atlanta DOT local urban	−.582	.297	.899	.028	.087	10.3	101.6	307.7	3,522.0	3.02	206.1	L	386	10.0	F,C
Rhode Island I–84 eastern part of state DOT national rural	−.596	.394	1.019	.032	.084	12.1	102.8	265.7	3,152.0	2.54	162.9	N	174	8.0	I
Lousiana I–220 Shreveport DOT local urban	−.598	.321	.923	.064	.184	5.0	94.3	271.0	1,468.0	2.87	176.7	L	230	8.0	B,C
Ohio I–675 Dayton DOT local urban	−.664	.558	1.239	.033	.075	16.5	163.1	362.0	4,817.0	2.22	198.9	L	36	20.0	B,C
South Carolina I–326 south of Columbia DOT local rural	−.673	.246	.927	.074	.280	3.3	63.4	238.5	849.0	3.76	175.1	L	340	15.0	S
Arizona I–10 inside Phoenix DOT local/urban	−.698	.375	1.352	.059	.214	6.3	272.7	982.1	4,575.0	2.88	512.7	L	121	5.0	C,D
New Jersey I–95 north of Trenton DOT national rural	−.716	.335	1.067	.021	.068	15.5	160.8	511.7	7,433.0	3.20	350.9	N	73	18.0	F, I
New Jersey I–78 near New York DOT local urban	−.791	.255	1.050	.044	.181	5.8	121.4	498.4	2,751.0	4.10	376.7	L	61	12.0	F, I
Alabama I–210 Mobile DOT local/urban	−.870	.447	1.324	.072	.213	6.2	170.2	503.5	2,357.0	2.95	333.3	L	126	10.0	C,D
Kansas I–435 DOT local urban	−.896	.393	1.293	.044	.145	8.9	114.2	375.6	2,584.0	3.29	261.4	L	174	6.5	B,C
Florida I–75 Tampa DOT national urban	−.915	.436	1.377	.028	.090	15.2	123.8	390.5	4,310.0	3.15	266.7	N	155	14.0	I
Arizona I–10 Phoenix area DOT national/urban	−1.025	.304	2.297	.040	.306	7.5	207.1	1,562.0	5,099.0	4.42	709.5	N	103	7.0	I,F
Washington I–82 2 segments near Sunnyside DOT national rural	−1.058	1.529	2.580	.030	.051	50.4	117.8	198.7	3,881.0	1.70	80.9	N	97	18.5	I
Alabama I–759 Gadsen DOT local/urban	−1.050	.173	1.252	.038	.278	4.5	34.8	251.0	902.0	7.20	216.2	L	434	6.0	S, D, C
Maryland I–97 near Annapiois DOT national rural	−1.305	.191	1.517	.023	.185	8.2	49.3	390.5	2,110.0	7.92	341.2	L	52	12.0	C
New Jersey I–287 near New York DOT national urban	−1.324	1.515	2.854	.072	.136	20.9	474.5	893.8	6,544.0	1.88	419.3	L	37	11.0	B,C
Texas I–20 Dallas DOT national urban	−1.420	.578	2.048	.029	.104	19.6	206.4	731.2	6,995.0	3.50	524.8	L	150	14.0	F
Georgia I–420 Atlanta DOT local urban	−1.433	.247	.392	.045	.072	5.4	104.7	166.2	2,287.0	6.90	61.5	L	152	9.0	C,D
Massachusetts I–495 Taunton DOT local urban	−1.443	.052	1.505	.015	.430	3.5	17.5	499.3	1,161.0	28.50	481.8	L	170	8.0	B

ANALYSIS FOR TAXPAYER SUBSIDY (EXCESS OF CAPITAL COSTS OVER USER BENEFITS) FOR INTERSTATE PROJECTS—Continued

Interstate Project	Excess of capital cost over benefits ($/trip)	Cap cost per veh-trip ($/trip)	Benefits provided per veh-trip ($/trip)	Cap cost per veh-mile ($/veh-mil)	Benefits per veh-mile ($/veh-mil)	Length of segment (miles)	Project cost millions of dollars	User benefits millions of dollars	Million vehicle miles traveled	B/C ratio for segment	Net present value million dollars	CBO designation	FHWA 20-year growth estimate (percent)	Percent trucks in future traffic	B-eltway, C-onnector, D-owntown, F-eeder, I-ntercity, S-pur
Louisiana I–49 Shreveport DOT national urban	−1.716	.391	2.109	.046	.248	8.5	237.0	1,276.9	5,146.0	5.39	1,039.9	N	120	12.0	I,F
Florida I–75 outside Miami DOT national rural	−1.766	.509	.689	.029	.039	17.4	274.6	371.6	9,373.0	4.50	97.0	N	148	9.0	I
West Virginia I–64 Beckley DOT national rural	−1.823	3.062	5.052	.091	.151	33.4	419.0	691.3	4,570.0	1.60	272.3	N	150	17.0	I
Iowa I–380 Cedar Rapids and Waterloo DOT national rural	−2.264	2.110	4.428	.036	.076	57.7	365.1	766.1	9,982.0	2.09	401.0	L	47	20.0	S
California I–105 DOT local urban	−3.136	1.745	4.872	.111	.310	15.7	1,216.6	3,396.6	10,944.0	2.80	2,180.0	L	224	9.0	C,D
Virginia I–664 Norfolk-New Bridge DOT local urban	−3.937	1.250	5.199	.201	.838	6.2	445.9	1,853.3	2,210.0	4.16	1,407.4	L	170	8.0	S,D
West Virginia I–77 (toll road) DOT national rural	−12.177	3.583	15.807	.088	.388	40.7	510.0	2,250.0	5,793.0	4.40	1,740.0	N	60	28.0	I
Total						1,890.5	24,856.8	32,496.9	390,272.0		6,798.3				

PROVISIONS OF H.R. 1718 DEALING WITH AMTRAK

● Mr. PACKWOOD. Mr. President, H.R. 1718, as passed by the Senate and reported by the Senate Committee on Appropriations, includes funding for Amtrak in order to provide for labor-intensive capital projects.

I wish to commend my colleagues for including funding for such projects. Such funding will serve two purposes. First, it will insure the immediate employment of a number of people who can assist in such labor-intensive activities as the laying of track and clearing of rail right-of-ways. Second, it will provide for a long-term investment in our rail passenger system, which is likely to result in substantial improvements in Amtrak's performance and the service it provides to the public.

I also wish to commend my colleagues for not earmarking any of this funding for particular projects. I fully support this approach, which means that Amtrak will be able to exercise its best business judgment in determining how to allocate the funding. I have become increasingly disturbed as Congress has undertaken on a number of occasions to earmark funds and direct the operation of specific trains. I cannot help but believe that such actions work to the detriment of Amtrak's basic system and its efforts to improve its financial performance.

I strongly urge the conferees to H.R. 1718 to adopt the Senate provisions on Amtrak, which include no earmarking. I believe these best reflect the purposes of the jobs bill and the goals set by Congress for Amtrak.●

MORE IS NOT SAFER

● Mr. KENNEDY. Mr. President, once again Tom Wicker has written convincingly in support of the nuclear freeze initiative, which the House of Representatives has begun to debate last week and is expected to act upon next month. As Mr. Wicker points out, "House passage will reflect a growing belief in this country that a continuing nuclear arms race threatens rather than enhances national security."

I request that Mr. Wicker's article be printed in the RECORD at the conclusion of my remarks. I hope that all Members of Congress will read this latest, compelling statement before they vote on the most important issue of our time, and indeed of all time: a complete halt to the nuclear arms race.

The article follows:

MORE IS NOT SAFER

Why does President Reagan link supporters of a nuclear freeze to "those who would place the United States in a position of military and moral inferiority"? Why does he suggest that the freeze movement is bent on "simple-minded appeasement or wishful thinking about our adversaries" that will result in "the betrayal of our past and the squandering of our freedom"?

The likely answer is suggested by expected passage of the nuclear freeze resolution in the House—the latest indication of a developing public opinion that Mr. Reagan may defy and defame but can't ignore. House passage will reflect a growing belief in this country that a continuing nuclear arms race threatens rather than enhances national security.

Freeze supporters are not, therefore, advocating any kind of inferiority for the United States. They are not calling for unilateral disarmament. They specify that any freeze on testing, production or deployment of weapons must be mutual and verifiable. There's nothing "simple-minded" about that, and if there's any "wishful thinking" going on it's Mr. Reagan's belief that he can somehow regain nuclear superiority for the U.S. by stacking warhead on top of warhead.

The issue here is not patriotism or appeasement. It is whether national security and world peace will be better served by (1) a negotiated halt to the arms race and continuing efforts to reduce arsenals on both sides, as called for in the freeze resolution; or by (2) a further huge and costly nuclear buildup, together with the Start negotiations, as Mr. Reagan wants. The President's shrill attacks on the motives of freeze supporters suggest that he's beginning to feel the heat of this debate.

The freeze movement is not alone in the belief that more weapons don't necessarily increase security. A new North Atlantic Treaty Organization report, for example, has urged the United States to cut down or even eliminate its stockpile of more than 5,000 battlefield nuclear weapons in Europe. The weapons are outmoded and militarily vulnerable, the report says; they are also "effectively unusable" on the battlefield, since most have extremely short ranges and relatively high yields.

If NATO does downgrade its reliance on battlefield nukes, that will lend credence to those who have been calling for a NATO policy of "no first use" of nuclear weapons. Opposition to such a policy has been based primarily on the view that NATO conventional forces could not halt a conventional Soviet attack on Western Europe and would have to make a nuclear response in the relatively early stages of such an attack.

Where such a response would lead has been bluntly stated by General Bernard Rogers, the commander of U.S. forces in Europe. "We are not going to contain a nuclear war in Western Europe," he told a House committee on March 9. Such a war, he said, "is going to escalate to a strategic exchange" between the U.S. and the Soviet Union—the best reason for less reliance on nuclear weapons in Europe.

The emphasis on more and bigger may sound tough and impressive, but it won't necessarily stand analysis. A distinguished former diplomat has pointed out in a letter to me, for example, that the United States now has 10 Trident submarines in operation, in sea trials or under construction; each will have 24 missiles carrying 8 to 10 nuclear warheads of 100 kilotons' explosive power. Simple arithmetic discloses that this fleet's 1,920 warheads (eight on each of the 240 missiles) would have a destructive potential of 192,000 kilotons.

This would be the equivalent of 14,769 bombs of the 13-kiloton size dropped on Hiroshima in World War II. But Jerome Wiesner, who was President Kennedy's science adviser, has written that only 100 Nuclear bombs would "effectively destroy" either the United States or the Soviet Union. Assuming these 100 were of the 100-kiloton size carried by Trident submarines, my correspondent calculated that the Soviet Union could be "effectively destroyed" by only 5.2 percent of the Trident fleet's warheads.

"Either this is madness," he wrote, "or I am mad, or my arithmetic is wholly faulty. . . . How, I would ask, can the Government go in for such nightmarish absurdities without arousing questions, protests, and demands for explanation, on the part of the press and the media? What is going into these submarines is, after all, only one part of what we have in one leg of triad. . . . Should the Government not be asked to tell us just how many times over they are are planning to destroy the Soviet Union, and why, or, if this striking force suffices for one such destruction, what they propose to do with the remaining 94.8 percent?"

That is the kind of question more and more Americans are beginning to ask. Mr.

Reagan can impugn their patriotism or call them appeasers but the only way he can silence them is with what he has not so far provided—a convincing answer.●

A SALUTE TO THE CITIZENS OF KELLOGG

● Mr. SYMMS. Mr. President, it is with particular pride that I call your attention to the bravery of the residents of Kellogg, Idaho, in the face of a 60-percent unemployment rate.

My intention is not to distract my colleagues from the bitter hardships of unemployment, or to disparage heroic efforts in other regions. But, for once, let us accentuate the positive. The people of Kellogg exemplify a tenacious optimism that has always been a hallmark of the West.

In Kellogg, 2,000 workers lost their jobs when plummeting metal prices and the intransigence of union bosses in Pittsburgh led to the closing of the Bunker Hill mine, where lead, zinc, and silver were once worked out of the earth. This is especially poignant, since Bunker Hill and its processing plant have been sources of employment for generations.

That so many opted to stay in Kellogg is, of course, a reflection of the severity of national unemployment. But there is more to it than that. Mr. President, most of the workers prefer to tough it out at home. They do so because they ardently wish to see their hometown make a comeback. This resiliency is a testament to the quality of life in Kellogg and in any town that has retained its sense of community.

We cannot gloss over the concerns of the unemployed with sympathetic bromides. Action is needed. I am sure that the workers of Kellogg would agree that we must offer retraining programs for those whose talents remain untapped by idle industries. And I am also sure that the local investors, who are making a heartening attempt to rescue Bunker Hill, can attest to the need for a responsible fiscal policy in fostering the rebuilding of plants and jobs. But most of all, I want to salute the people of Kellogg, Idaho, whose tenacity is a model for us all.

Mr. President, I ask that a recent article in the Washington Post by Jay Mathews, "Laid-Off Workers Will Not Quit on Idaho Town" be placed in the RECORD.

The article follows:

LAID-OFF WORKERS WILL NOT QUIT ON IDAHO TOWN

(By Jay Mathews)

KELLOGG, IDAHO—When the Bunker Hill mine shut down in this narrow, rugged valley where Darrell Fisher was born, he made a quick decision: "I'm going to get out of here. I'm going to do something exciting in the big city."

A week in Boise, a week in Vancouver, and Fisher is back, determined never to leave these northern Idaho mountains again. No matter that unemployment in Kellogg is about 60 percent of that Fisher has no job prospects in sight.

"Where else in the world," he said, "can I play golf on Monday and go skiing Wednesday, all in the same place?"

Kellogg, population 3,600, once produced a quarter of the nation's refined lead, zinc and silver. When the Bunker Hill company closed its mines and refining plant, people predicted Kellogg would become a ghost town.

But one year later, the local Safeway store still has a full parking lot, and the Kellogg Evening News still sells 6,000 copies a day.

Almost all of the 2,000 workers laid off by Bunker Hill are still here, and of the few who tried to leave, many have returned.

When the silver and gold mines of Nevada's Virginia City ran dry a century ago, almost all of the workers left. The ghost town that remained was a bleak sight, but it signaled economic health. Everyone had somewhere else to go in the expanding, 19th-century West.

Today, in places like Butte, Mont., or here a new kind of ghost town has appeared, not empty at all but full of people who survive without a major employer—living off unemployment checks and odd jobs. For supposedly mobile 20th-century Americans, they exhibit a surprising commitment to their particular way of life.

"The general problem of attachment to a community inhibits moves, especially permanent moves," said a new report by researchers at the University of Idaho. "People appear to have a selected a life style first and a job second."

For the moment, towns like these are blights on the landscape, pockets of overwhelming unemployment in the midst of evergreen forests. Yet other cities once similarly afflicted—such as Bisbee, Ariz.; Tonopah, Nev.; and at least a dozen towns near former military bases—have managed the kind of comeback Kellogg dreams of.

They have profited from the same forces that once laid them waste: unused buildings, plummeting property values and a desperate need to diversify their economy.

Mining goes back a century in Kellogg, a soot-stained collection of buildings and abandoned mining equipment along Interstate 90. Prospectors discovered gold in the early 1880s, and silver, lead and zinc mining followed.

Unlike modern oil boom-towns in other parts of the country, Bunker Hill workers have fathers and grandfathers who also worked here, making it all the more difficult for this generation to leave.

Now almost 24, Fisher had four years at the Bunker Hill company and a $400-a-week job in its sample-testing laboratory when Gulf Resources and Chemical Corp. decided to shut the plant in 1981 because of falling metal prices.

Fisher now lives on $159-a-week unemployment benefits, plus $43 a week for driving a school bus. His wife, Lisa, has a job at a local bank. They get by.

They sold their trailer home and rented a house from the school system at $225 a month, far less than what Fisher says he would pay in Spokane, Wash., the nearest big city.

A recent visitor found Fisher in his sparsely furnished living room watching a television game show as his 5-year-old son, Casey, bounced a basketball vigorously on the carpet.

A half-block away, laid-off Bunker Hill miner Charles Supulver, 48, sat watching television in the living room of his five-bedroom frame house. The monthly mortgage is $104.

If Congress does not extend unemployment benefits again, Supulver's payments will run out in April and he may look for work outside the area—foresaking his favorite fishing spot on the Coeur d'Alene River.

But his wife, Gladys, a therapist at a convalescent home, would continue to live here with the youngest of their three daughters. "I don't think you can go anywhere in the United States and rent a home for as low as this," he said.

Another former Bunker Hill employe, Francis Heck, and his wife, Lillian, took all their savings last summer and paid off the small mortgage on their tidy two-story house. That left them with no housing costs.

Francis Heck remains unemployed, chopping wood and doing chores to keep busy, while Lillian works six hours a day at a school.

Few if any Bunker Hill workers have left the area permanently, according to Gary Beck, manager of the Idaho Department of Employment office here.

In July, 135 former Bunker Hill employes were receiving their unemployment checks outside the valley. By November that number shrank to 70. Beck said many had returned discouraged at job prospects beyond the valley.

One problem is that few workers feel qualified for jobs other than mining. Applicants for unemployment insurance commonly say they have no other skills.

For those who do have another talent, perhaps as a gunsmith, Beck's office offers training in seeking new jobs and even gives them free use of a telephone. But most still stay here.

To some, like Silverhorn Motor Inn owner Dale Farlee, the challenge of turning the town around is "90 percent of the reason why I'm still here."

Farlee and other businessmen are attempting to attract state and federal financing for low-interest loan programs to encourage new businesses.

Most ordinary workers here still have the cushion of unemployment compensation pumping about $1 million a month into the local economy.

But two University of Idaho studies, one by Ian Hodge of the Agricultural Economics Department and the other by Michael DiNoto and Lawrence H. Merk of the Center for Business Development and Research, show many other ties binding Kellogg's unemployed to the valley.

DiNoto said most workers do not want to sell their houses and appliances and would have trouble finding buyers, anyway. Many balk at jobs that pay less than the high union rates they received at Bunker Hill.

Several appeared content for the moment to let their spouses work while they save and earn what they can by hunting or selling firewood gathered from a nearby federal forest. Some even told university researchers they were contemplating illegal poaching, DiNoto said.

"The resultant high cost of relocation, both economic and psychic, clearly indicates a very large and quite costly adjustment has just begun," DiNoto's report concluded.

Hodge interviewed 102 unemployed workers, 64 of whom had traveled outside the county in search of work.

Almost all returned at the end. Francis and Lillian Heck spent most of last summer

with relatives near Sacramento, Calif., but he failed to find even a minimum-wage job.

Some 20th Century ghost towns have shown resiliency, according to Jerome Edwards, a University of Nevada history professor. Tonopah, Nev., survived in part by taking advantage of its place as a convenient tourist stop halfway between Reno and Las Vegas. Laredo, Tex., and Roswell, N.M., have found new industries to fill the gap left by closed military installations.

Bisbee, Ariz., was once just as heavily dependent on mining as Kellogg but survived even without much government help, according to Steve Virck, urban affairs manager for the Tucson Chamber of Commerce who studied that transformation for a master's thesis.

When the town's open copper pit, underground copper mine, and concentrator closed in 1974 and 1975, many residents predicted disaster.

But many laid-off miners resisted leaving, and those who did were often replaced by "people not so dependent on local jobs, like retired people," Virck said.

Tucked into mountains along the Mexican border. Bisbee offers cool relief from the hot Arizona summer. Many retired elderly were also attracted by the plummeting real estate market caused by the mine closing.

"People were getting two- or three-bedroom houses for $5,000, $6,000, or $7,000," Virck said.

Bisbee, like Kellogg, had a century of history to sustain it. Miners whose fathers had lived there were willing to take jobs hundreds of miles away and come home just on weekends.

"I interviewed people who had been doing that for six years," Virck said. "They wanted their families to remain in Bisbee."

A long weekend commute does not appeal to the Fishers or many other couples here.

"I did have a friend who got a job in Vancouver (300 miles to the northwest), but it just didn't work out," Fisher said. "It's too hard on the marriage. He is happy to be back."

A group of northern Idaho businessmen bought out Gulf's interests in the Bunker Hill company in November.

If the price of zinc and lead improves as the price of silver has begun to, the plant may reopen someday.

Even if it doesn't and Fisher's unemployment benefits expire, he said he would stay.

"I'll find something. Minimum wage, I don't care," he said. "Even if it's washing dishes, I'll do it just to stay.●

THE SUN SHOULD NOT SET ON THE MORTGAGE SUBSIDY BOND TAX ACT

● Mr. SASSER. Mr. President, I am an original cosponsor of S. 137 which removes the sunset provision of the Mortgage Subsidy Bond Tax Act of 1980. This provision of the tax law must be removed this year or mortgage revenue bond programs in virtually every part of the country will grind to a halt.

Mr. President, it is my firmly stated belief that a strong and enduring economic recovery must be led by our Nation's housing industry. And in order to continue to assist with that recovery, our country needs a strong and sensible mortgage revenue bond program run by our State and local governments.

The State of Tennessee has run an excellent mortgage revenue bond program over the years. More than 21,000 families of modest means have benefited by the existence of this program. They have been able to purchase their first homes at moderate interest rates and in the process, help generate over $590 million in economic activity in the State of Tennessee. And in the depth of the recent housing recession in 1982, over 1,200 loans were made under this program, an extreme help to our beleaguered housing industry.

In short, Mr. President, the Congress should enact S. 137 at the earliest possible date so that State and local mortgage revenue bond programs can continue, and moderate- and low-income families can achieve the American dream of owning their own home. Mr. President, I ask that immediately following my remarks, an editorial from the Tennessean and a feature story in the Jackson Sun be included in the RECORD.

The material follows:

[From the Nashville, Tennessean, Mar. 13, 1983]

KEEP HOME MORTGAGE SUBSIDY

In 1980, Congress wisely passed the Mortgage Subsidy Bond Tax Act, which lets states raise money for low-interest mortgages by selling tax-exempt revenue bonds.

The program has enabled thousands of low- and middle-income Americans to purchase homes and has given the housing construction industry a much-needed boost. In Tennessee, the program made 1,238 loans during fiscal 1982 to single families earning less than $30,000.

The law is due to expire at the end of this year, and the Reagan administration will probably recommend no extension. If congress agrees to "sunset" the legislation, it will be making a sad mistake.

The administration complains that the mortgage program is costing it money. But that is nonsense, the Treasury is not losing dollars; the tax-free status of the bonds simply means the government is not making money.

And, as the director of the Tennessee Housing Development Agency, Mr. E. V. King, recently pointed out, the nation's economic recovery will be hurt "unless the marketplace is able to meet the pent-up demands for housing." The THDA loans also go to families seeking a replacement for substandard dwellings, so the program has both economic and social rewards.

A bill to extend the life of the mortgage subsidy has at least 100 co-sponsors in Congress, including 10 of Tennessee's 11-member delegation. The mortgage subsidy act deserves support. It is hard to imagine a piece of legislation that does more to fulfill the American dream, while costing so little.

[From the Jackson Sun, Feb. 20, 1983]

SCHEDULED END OF MORTGAGE REVENUE BONDS HAS HOUSING INDUSTRY SEEKING REPRIEVE

(By Lisa Frye)

Last summer, while conventional mortgage interest rates hung at a dizzying 16 to 17 percent, the Tennessee Housing Development Agency made $130 million in home loans available to low- and moderate-income buyers at 12.75 percent. In 1980, with market rates equally high, THDA produced $50 million worth of mortgage money at just 12 percent.

While mortgage rates set records, buyers, sellers and builders awaited news of new THDA money eagerly. "This is the only game in town right now," the Tennessee Association of Realtors kept hearing from its members, says David King, director of governmental affairs for the association.

The money "has meant quite a bit to several of our members around the state," says Ray Tutten, director of the home Builders Association of Tennessee. "It has kept them from drowning."

Yet unless agencies like THDA and their allies win a reprieve from Congress, their source of low-interest mortgage money for single-family houses will dry up at the end of this year.

THDA, 46 other state agencies and numerous local ones generate their mortgage money by selling tax-exempt mortgage revenue bonds. Since income from the bonds is exempt from federal tax, investors can be attracted with lower interest rates than they would expect on taxable investments. The housing agencies pass the savings along to home buyers.

They issued about $8.3 billion in single-family mortgage revenue bonds in 1982, according to the Council of State Housing Agencies in Washington, D.C. The money went to about 150,000 home buyers and accounted for about 10 percent of the new houses sold last year, the council says. One in three first-time buyers had their purchases financed by a state or local housing agency.

The Mortgage Subsidy Bond Act of 1980 cuts the agencies out of the tax-exempt bond market for single-family housing after this year. The reason? Primarily the cost to the federal Treasury. The tax exemption cost the government $905 million in 1982, the Treasury estimates. This year the amount is expected to rise to $1.1 billion.

The housing agencies claim the Treasury's estimates are unfair. The government figures are "a total distortion of what these programs do," because they don't take into account the economic spinoffs—construction jobs, building materials sales and increased taxes, asserts Camden native E. V. King, executive director of THDA in Nashville.

In its 10-year life, THDA has sold nearly $591 million of single-family mortgage revenue bonds. THDA claims the resulting homes sales and construction have generated a year of work for 13,790 people; $591 million in sales of land, labor, services, and materials; and $86 million in federal, state and local taxes.

More importantly, King says 21,000 families of modest means who probably couldn't have bought homes otherwise have been able to do so because of THDA, King says.

THDA sets its income eligibility limit at $30,000. Eighty percent of the state housing finance agencies have limits of $30,000 or less. The median income of people served by the state agencies was about $22,000 in 1981, they report, compared with $39,196 for those served by the savings and loan industry.

Some agencies, however, permit people with higher incomes to benefit from their mortgage revenue bonds, a source of criticism by opponents.

Opponents also argue that there are more efficient ways to see that the low-income have housing. Not so, King of THDA retorts. The agency spends 4 percent of its income on administration, less than any federal housing program, he says.

Another argument against the bonds: They clutter the already crowded municipal bond market, where local governments are trying to raise money for schools, utilities, roads and an array of other public improvements. The housing agencies respond that their single-family mortgage revenue bonds accounted for only about 10 to 12 percent of all municipal bonds marketed in the United States. Moreover, the Mortgage Subsidy Bond Act of 1980 put a cap on the amount of mortgage revenue bonds each state can issue.

Blunting the arguments in favor of the bonds, however, is the decline in mortgage interest rates over the past several months. Conventional rates are near the 12.75 THDA offered last summer. Federal housing Administration and Veterans Administration loan rates are an even lower 12 percent.

With rates lower, demand for THDA financing drops sharply, says Debbie Mitchell, assistant vice president for Banker's Mortgage Co. here. Borrowers tend to prefer the less complex paper work of FHA and VA loans. Yet she is quick to come to THDA's defense. "I think there's always a need to have that program available as an option. It helped us survive when times were so bad."

David King of the Tennessee Association of Realtors points out that now, with general interest rates much lower, THDA could probably generate mortgage loans in the 8 to 9 percent range, making more low-income people eligible. He calls the low-interest mortgage loans more productive than rent subsidies or other assistance. The house sales and construction are "healthy for the overall economy."

This reasoning has not fallen on deaf ears in Washington. Bills have been introduced in both the House and the Senate to extend the life of single-family mortgage revenue bonds. The entire Tennessee congressional delegation has signed in support of the bills, with the exception of Republican Sen. Howard Baker, who has remained noncommital.

The benefits to home buyers and to the economy outweigh the costs to the Treasury, says John Callahan, legislative director for Sen. Jim Sasser, D-Tenn. The activity in the housing market that results from THDA-generated loans is "particularly important in a state like Tennessee, where you have a lot of (housing-related) industry.●

MELISSA HOUGHTON WINS VFW ESSAY CONTEST

● Mr. HEINZ. Mr. President, today I rise with great pride to commend Melissa Houghton, the winner of the Voice of Democracy National Essay Contest, sponsored by the Veterans of Foreign Wars. Melissa is from Sunbury in my home State of Pennsylvania. Her award winning essay, one of nearly a half million submitted to the VFW, exemplifies the best in American youth and American patriotism. As best expressed by Melissa herself in her essay, "So when we ask ourselves if the youth of today is America's strength, we must realize that the answer is—yes."

I would also like to salute the Veterans of Foreign Wars and its commander in chief, James R. Currieo, for their leadership in this important effort to recognize the thoughts of the young people of America. In effect, those who represented America's strength in past wars are fostering America's strength for the future—our young people's faith in American democracy.

Mr. President, in commemoration of this high honor, I ask that Melissa Houghton's essay be printed in the RECORD.

The essay follows:

1982-83 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM—FIRST PLACE WINNER, MELISSA A. HOUGHTON

Today was Mr. Smith's day off. After working all week, he thought that he could just sit down and relax with his favorite paper all day. No sooner did Mr. Smith get settled until his son, Johnny, came in to the room and begged his father to play. Even though Mr. Smith really didn't want to play, he just couldn't say no. So he got an idea—on the front page of the paper, there was a picture of the United States. Mr. Smith ripped the picture up into tiny pieces, gave them to Johnny, and told him that if he could put the picture back together, his father would play with him. Expecting to get at least another hour of relaxation, Mr. Smith no sooner got settled again until Johnny walked back into the room. He had the picture with him, and much to his father's astonishment, it was together correctly. When his father asked him how he did it, Johnny simply replied, "on the back of the map was a picture of a little boy, and I thought that if I put the little boy together right, America would be right."

American youth . . . strong willed, well educated—tomorrow's leaders. True as this may be, I'm sure you've all heard it too many times before. But did you ever ask yourself if all those statements are really true? Probably not! But being one of America's youth, I did. And obviously so did Johnny. Perhaps he is right. Perhaps if the youth of America are strong enough and intelligent enough and patient enough, then America itself will hold these qualities also.

But we still didn't answer the question—do the youth hold these qualities? In very many cases—no! In nine out of ten kids, the potential is there, but there is just no allowance for development.

All too many times, when Johnny or Mary want to play or perhaps even just talk with their parents, they are turned away and told to wait until later or go ask big brother or sister. We have all had this done to us, and probably even done it ourselves. But what about the child who had a terrific idea that might have helped someone, or wanted to try a new innovative game. The idea will go unheard and the game unplayed. So many times slow or backward children, labeled such by society, are really quite intelligent and skillful but simply haven't been given the chance to express themselves. The youth of today must be given a chance to speak their minds, and once they do, they must be listened to, not just shrugged off as some childish mind, trying to make his way through an adult world.

On the other hand this misconception of an "Adult World" is much less than true! Each day, more and more of our everyday living is being geared towards the youth. Our television programs are being made to catch the young people's interest, the songs on the radio are what the young people want to hear, and youth are constantly being included in community activities where they were less than welcome before. There obviously must be a reason for this. And that reason has to be that the youth are the ones who are getting things done. They are beginning to have influence in today's society and therefore have to have a better understanding of what is going on.

Just think what it would be like without any young people at all. Where would we be today if everyone from ages one to 21 was suddenly not here? Where would we be without the "flappers" of the 20's who taught us how to have fun even in bad times. And how much would have been lost if we wouldn't have experienced the exploration of the 50's or the liberation of the 60's. We owe a great deal to the young mechanical geniuses of the 70's and 80's. All their ideas and many of their dreams which are still upheld today would have been lost.

So when we ask ourselves if the youth of today is America's strength, we must realize that the answer is—yes! Even if a person may not live up to society's expectations on the outside, deep down in, there just may be a very talented person waiting to be given a chance.

You see, Johnny really was right, the youth are America's strength, the foundation of a better future. Let's give them a chance to prove it, to become strong and to develop their skills. Given the opportunity, the strength of today's youth, will become the strength of America!●

NATIONAL AGRICULTURE DAY

● Mr. HUDDLESTON. Mr. President, today is National Agriculture Day, a day that has specifically been set aside to recognize the contributions of our farmers and express appreciation for our agricultural system.

Certainly, no segment of our society is more deserving of recognition and praise.

Each farmer and rancher produces enough to feed and clothe about 77 people. In addition, because of the remarkable productivity of U.S. agriculture, Americans spend only about 15 percent of their disposable income for food—less of their income than people anywhere else in the world.

Also, it is important that all Americans realize the central role that agriculture plays in our economy.

Agriculture is the Nation's No. 1 business. Its assets are nearly $1 trillion. Cash receipts from the sale of agricultural commodities in 1982 totaled over $140 billion. Farmers purchased an estimated $117 billion of goods and services for production use.

Furthermore, about 23 million working men and women, or about one-fifth of our work force, are dependent on agriculture for their jobs. Some of these people are in production agriculture, but millions more are at work producing farm supplies and equipment; operating credit facilities for

farmers; and processing, transporting, and marketing food and fiber.

Agricultural exports were about $39 billion in fiscal year 1982, and agriculture contributed nearly $24 billion to the positive side of the U.S. trade balance ledger. These export sales finance the imports of commodities like oil and strategic minerals.

The economic health of U.S. agriculture is not as robust as it should be. But, Congress and the administration are taking steps to remedy that situation. I will continue to work with my colleagues in Congress and the administration in a bipartisan effort to strengthen the farm economy.

Today, I join all other Americans in saluting U.S. agriculture for its accomplishments and in thanking our Nation's farmers and ranchers for producing the abundance of food and fiber resources that we enjoy.●

AFGHANISTAN DAY

● Mr. KENNEDY. Mr. President, March 21 marks the new year in Afghanistan, and has been declared Afghanistan Day in the United States. The Afghan people have now endured 3 years of ruthless dictatorship and Soviet occupation. They have been denied their national independence and their individual freedoms—the most fundamental of which is the right to choose their own government.

In 1979, more than 100,000 Soviet troops invaded Afghanistan without provocation. These Soviet troops overthrew one Marxist regime which had lost the support of the people and established a new puppet regime under Babrak Karmal. This new regime had almost not support then; and it has even less today.

The Soviets are now reported to have increased their troop level with a supplemental force of 30,000 acting as a rear guard on the Soviet-Afghan border. At the same time, the military forces of the Karmal regime have steadily dwindled as Afghans, sometimes in units and sometimes as individuals, have joined the freedom fighters. As a result, the Soviet military forces have had to assume the primary role in the fighting. Despite heavy losses in the ranks of the freedom fighters, the resistance appears undiscouraged—and even gaining in strength and cooperation among its constituent groups and movements.

Militarily, the Soviets have been forced to do more and more of their fighting, as they could rely less and less on their Afghan puppets. On the political front, many prominent and educated Afghanis have fled the country or refused to cooperate with the Karmal regime; as a result the Soviets have also had to take over major functions of government previously handled by Afghanis.

Every day that passes, with every new refugee that crosses the Afghan border, and every life lost in the struggle for freedom from Soviet domination, makes us more aware of the high price paid by the Afghan people for their continued resistance. Whole villages have been destroyed. Thousands of people have been killed. I am concerned over reports that many have died from chemical and biological weapons used in clear violation of international law. Hundreds more have been maimed and crippled by explosive devices dropped by the Soviets over the countryside and picked up by innocent children. Afghanis who earn their livelihood from the land have had their crops destroyed and their livestock slaughtered.

As a result of Soviet attacks and overwhelming hardships, there are now almost 2.7 million Afghan refugees in Pakistan—approximately one Afghan in five—constituting one of the largest concentrations of refugees anywhere in the world. In Pakistan, in camps and scattered throughout towns and villages, these proud and independent people have been cruelly forced into poverty and a life of deprivation and despair.

The Afghan people may have lost their homes and crops and livestock and their freedoms. But the more they suffer, the brighter burns their determination to resist Soviet occupation, to fight the foreign invaders that seek to subjugate them, and to make whatever sacrifice is necessary for their country and their liberty.

Here in America, on this Afghanistan Day 1983, we remember the plight of the Afghan people and we honor their courage and determination. The Soviet Union should understand clearly that freedom-loving people will never succumb to force and repression. The world has repeatedly condemned the Soviet occupation of Afghanistan and called for the withdrawal of all Soviet forces. Today, I urge the Soviets to heed these calls and restore Afghanistan to the Afghan people. There can be no other acceptable resolution of this continuing tragedy.●

A TRIBUTE TO CHARLES A. McLENDON

● Mr. HELMS. Mr. President, I was surprised to learn the other day that Charles A. McLendon is retiring from Burlington Industries, Inc. Young people like Charlie McLendon do not retire.

On the other hand, 35 years with Burlington Industries is an arithmetical fact, I suppose. During that time, Charlie has served as a popular and effective representative of that company. I have been blessed to have had Charlie as my friend for more years, I suppose, than either of us like to admit. But tempus does fugit—even for Charlie McLendon.

Charlie began working for Burlington Mills, as it was then called, in 1948. His first job was as a manufacturing trainee in the hosiery division. In the ensuing years he applied himself diligently. His efforts were rewarded with regular promotions as he steadily climbed the corporate ladder. In 1972 he was named senior vice president of Burlington Industries, Inc., and named to the company's board of directors. In 1973 he assumed his present position, that of executive vice president.

While achieving his remarkable professional record, Charlie still managed to find time to participate in numerous outside activities and to raise a family. He has served as a member of the Greensboro board of directors of the First Union National Bank, a director of First Union Corp., the Key Co., the North Carolina Textile Foundation, the North Carolina Citizens Association for Business and Industry, the South Carolina Textile Manufacturers Association, the Business Foundation of North Carolina and the Research Triangle Foundation of North Carolina.

He is a member of the board of visitors of the University of North Carolina-Chapel Hill, the advisory council of the School of Textiles at North Carolina State University, and is vice chairman of the Fund for the Advancement of Science and Mathematics Education in North Carolina. He is also a trustee of Guilford College and the Independent College Funds of America.

Charlie's lovely wife is Mary Stuart Snider McLendon, formerly of Salisbury, N.C., and they have four fine children.

As I say, Mr. President, I have been lucky to have had Charlie as a friend through the years. He has meant more to me than I can say. I wish him many happy years of joy and relaxation. If anyone deserves it, Charlie does.●

CHARLES A. McLENDON

● Mr. HOLLINGS. Mr. President, I rise today to call the attention of my colleagues to the imminent retirement of Charles A. McLendon as executive vice president of Burlington Industries, Inc. Mr. McLendon is, I know, known by many Members of this body as one of the most dynamic and forward-looking industrial leaders in the Southeast, indeed in the entire country.

Charles McLendon has been in the forefront of the successful efforts to modernize and rebuild our domestic textile industry and make it competitive internationally. Let me just note in passing today that this industry is modernized, retooled and fully competitive. It can sell its wares in down-

town Tokyo or downtown London in a fair trade environment. Unfortunately, government has not done its part in insisting upon that type of international trade climate.

In addition to his work with the textile industry, Charles McLendon has been active across a wide gamut of worthwhile endeavors. He is presently a member of the board of visitors of the University of North Carolina at Chapel Hill, the advisory council of the School of Textiles at North Carolina State University, and he serves also as vice chairman of the fund for the advancement of science and mathematics education in North Carolina. He is a trustee of Guilford College and the Independent College Funds of America. The fine reputation of these institutions has been enhanced in no small way by the splendid contributions of Charles McLendon.

As businessman, friend of education, and civic-minded citizen, Mr. McLendon provides a splendid example of citizenship at its finest. As friend and counselor to many Members of this body, Charles McLendon is known for his frankness, commitment, and sound good judgment. So I bring his retirement to the attention of this body today and I know that my colleagues will join in wishing him all good things in the years ahead. This wish is accompanied by our hope—and our expectation—that he will continue to share his experience and his judgment with us all.●

AGRICULTURE DAY 1983

● Mr. BAUCUS. Mr. President, Agriculture Day is a day Congress sets aside to recognize the farm community and the significant contribution it makes to the U.S. economy.

Our agricultural sector accounts for over 20 percent of our gross national product. One farmer today produces enough food for 78 people. And last year U.S. agriculture contributed over $18 billion to our balance of trade.

While these are impressive figures, agriculture could contribute even more to the U.S. economy if farmers received a fair price for their commodities. When net farm income falls to levels comparable with the 1930's—$19 billion last year—purchasing power also dwindles.

In my home State of Montana last year, the average net income was $32. That income will not enable farmers to buy new machinery, new cars and trucks, or the many goods and services they acquire from local merchants in rural America.

Mr. President, I believe it is in every American's best interest to improve farm prices. The benefits to the overall economy are so great they cannot be overlooked. The President and Congress should continue to look for ways to stimulate the economy. I believe that with complete confidence we can hand the ball to our farmers and let them run with it.

We are observing Agriculture Day today. We should all be grateful for the progress our farmers have made in the past and will continue to make in the future. However, there are not many farmers that consider today a day for celebration. We need to make the commitment today to improve the plight of our farmers and allow them to take the lead in restoring the U.S. economy. Farmers deserve a better deal than they are getting.●

FREE AFGHANISTAN

● Mr. D'AMATO. Mr. President, I rise once again to express my concern and outrage over events in Afghanistan as well as my support of the Afghan freedom fighters who have bravely fought to repel the Soviet occupation force which has attempted to crush the independence and nationalistic spirit of the Afghan people.

The Soviet Union invaded Afghanistan more than 3 years ago. Despite the commitment of both men and equipment, the Soviets have gained control of only a small percent of the country. The major resistance to the Soviets has come from the mujahidin, the Afghan freedom fighters.

During the 97th Congress, I cosponsored Senate Concurrent Resolution 126, expressing the concern of the Congress over the current situation in Afghanistan and the need for United States moral as well as material support for the resistance activities of the freedom fighters. It is important that we raise our voices in solidarity with the struggling people of Afghanistan.

I share the outrage expressed by Ambassador Jeane J. Kirkpatrick over Soviet hegemony in Afghanistan, and request that a copy of her remarks before the U.N. General Assembly be included in the RECORD.

Mr. President, I would encourage my colleagues to join me in condemning the Soviet invasion of Afghanistan and calling for the withdrawal of the estimated 105,000 Soviet troops who currently occupy that nation.

The remarks follow:

CALL FOR SOVIET WITHDRAWAL FROM AFGHANISTAN

[November 24, 1982]

(Following is a statement by Ambassador Jeane J. Kirkpatrick, U.N. Permanent Representative to the United Nations, before the U.N. General Assembly, November 24, 1982. Also included is the text of the U.N. General Assembly resolution adopted on November 29, 1982.)

Once again the issue of Afghanistan is before the General Assembly. Once again, in what is by now a familiar exercise, one representative after another will come before this body to decry the Soviet invasion of Afghanistan and the continuing and increasingly brutal attempt to subjugate the Afghan people. And once again we will consider, and hopefully adopt by another overwhelming majority, a resolution calling for the withdrawal of the Soviet occupation force, respect for Afghanistan's right of self-determination, restoration of Afghan independence and nonalignment, and the return of the Afghan refugees to their homes in safety and honor.

The familiarity of this exercise must not be allowed to detract in any way from its extraordinary significance. Of all the issues before this assembly, none has more far-reaching implications than the issue of Afghanistan. The aggression committed by the Soviet Union in Afghanistan and its proxies elsewhere has had and continues to have a great impact upon the climate and course of East-West relations. Such aggression ominously affects the entire fabric of international relations and the future of the state system based upon respect for the principles of territorial integrity, national independence, and political sovereignty. These actions bear directly upon the capacity of states, especially those most vulnerable, to retain their unique identities and to fulfill their aspirations in peace and security.

The Afghan people are fighting for their own survival, but their struggle has a much broader meaning. If a small, relatively defenseless, nonaligned country like Afghanistan is allowed to be invaded, brutalized, and subjugated, what other similarly vulnerable country can feel secure? If the fiercely independent and incredibly courageous people of Afghanistan are uprooted, economically ravaged, culturally annihilated, and eventually subdued, the survival of other peoples—even those equally resilient—will be endangered.

The effort to subjugate the Afghan people and to impose upon them a form of alien and totalitarian rule has been marked by a degree of violence against the population that is exceeded in the recent past only by the terrible tragedy in Kampuchea. The crimes against the Afghan people have taken place far from the eye of world publicity, behind a tight curtain of totalitarian disinformation and thought control. Still, the story of the brutality has come out—as it often does in such situations—from refugee accounts and from reports of journalists and doctors who have ventured into the country.

One measure of the extent of the violence inflicted upon the Afghan people is the number of refugees uprooted from their homes and forced to flee to neighboring countries. When the illegitimate regime of Babrak Karmal was installed as a result of the Soviet invasion, the number of refugees in Pakistan had already reached 400,000. These refugees had fled the reign of terror unleashed against Afghanistan by the earlier Communist regimes of Taraki and Amin. Babrak promised an end to the methods of terror used by his predecessors. But in less than 3 years of his rule, the number of Afghan refugees in Pakistan and Iran has increased nearly tenfold to over 3 million, almost one-quarter of the estimated 1978 population of Afghanistan. This is the largest single refugee mass in the world for any one national group.

Even these figures fail to convey the full extent of the dislocation and suffering of Afghanistan, since there have been many hundreds of thousands of internal refugees who have fled from the rural areas where the fighting has been most intense. The depopulation of the countryside, it appears, has been the deliberate goal of Soviet scorched-earth policies in rural areas controlled by the resistance. As a result of the

fighting in these provinces, many farmers have been unable to gather their crops and there is a danger this winter of famine.

THE SOVIET OFFENSIVE

The last General Assembly called upon the Soviet Union to withdraw its forces from Afghanistan. Far from respecting the decision of the assembly, the Soviets over the past year have augmented their forces in Afghanistan to approximately 105,000, and they have conducted their most ruthless, wide-ranging, and systematic offensive of the entire war. The heightened aggressiveness of the Soviet forces became evident in January when the Soviets bombarded, shelled, and occupied the resistance stronghold of Qandahar, Afghanistan's second largest city located some 250 miles southeast of Kabul. The brutal action in Qandahar, which resulted in high civilian casualties, was repeated 2 months later in Herat and Mazar-e Sharif and later in the spring against the northeastern town of Tashkurghan. In the early summer the town of Aq Gozar in the far northwest was rendered unfit for human habitation by systematic air and tank strikes.

As brutal as these attacks have been, the main thrust of the Soviet offensive took place closer to Kabul in the spring and summer of this year. The principal targets were villages in the Panjsher and Logar valleys and the Shomali region and districts near Kabul, particularly the mountain town of Paghman located only 12 miles northwest of the capital. These attacks have been marked by indiscriminate bombardments of villages resulting in thousands of civilian casualties, many of them women and children. Survivors also relate that Soviet troops, frustrated in their search for resistance fighters, have committed numerous acts of terrorism against civilians.

In Qandahar, for example, accounts of rape and plunder by Soviet troops following last January's bombing shocked and alienated even the most enthusiastic apologists of the Babrak regime. According to eyewitness reports from the Shomali region, in one village all males over the age of 10 were shot in the presence of their female relatives. The Swedish journalist Borje Almquist, who visited the Lowgar Province in July and August, has described similar incidents in that area, as indeed such incidents have been reported from all over Afghanistan. According to Almquist, women, children, and old men were dragged into the street and executed, while civilians with their hands tied behind their backs were used instead of sand sacks for protection in street fighting. He also reported the burning of harvests, the poisoning of food and drinking water, and the plundering of homes and shops.

The Soviets also continue to use antipersonnel "butterfly bombs" and boobytrapped objects—such as toys, cigarette packs, and pens—in gross violation of an international convention outlawing such weapons, which they themselves signed in 1981. Earlier this year a team of French doctors, which had returned from as far inland as the central highlands of Hazarajat, charged that the Soviets scatter such mines over field, villages, and mountain paths, causing heavy casualties among inhabitants, especially among children who are the least wary. "We have treated many children whose hands and feet are blown up by such mines," said Dr. Claude Malhuret, a member of the French medical team. He also revealed that the Soviets, fearing that the French doctors might speak about what they had seen, destroyed their hospital in an attempt to drive them out of the country.

Boobytrap mines are not the only outlawed weapons used by the Soviets against the people of Afghanistan. They continue to use chemical weapons in violation of both the Geneva Protocol of 1925 and the 1972 Biological Weapons Convention which they, along with 110 other countries, have ratified. Earlier this year the United States listed 47 known chemical attacks in Afghanistan. They began as early as 6 months before the invasion and have resulted in over 3,000 deaths. These attacks have continued. Just last September a Soviet soldier captured by the resistance, Anatoly Sakharov, said that he knew of three types of chemical agents used by the Soviets in Afghanistan. His testimony about the effects of one of them, a particularly deadly agent which he called "smerch," corresponds closely to reports given to the U.N. experts team by doctors working with refugees in Pakistan. The doctors noted that on several occasions after attacks on villages, "bodies had quickly decomposed, and limbs had separated from each other when touched." Sakharov also described a chemical attack on resistance fighters in which the Soviet soldiers had been ordered to use gasmasks. [On November 29, 1982, Secretary Shultz released Special Report No. 104, "Chemical Warfare in Southeast Asia and Afghanistan: An Update," which contains new information regarding the Soviet Union's continued use of illegal chemical and biological weapons in Afghanistan, as well as in Laos and Kampuchea.]

AFGHAN RESISTANCE

Nothing more clearly demonstrates the courage and resilience of the Afghan freedom fighters, or the Afghan people's universal hatred of the Soviet occupation, than the fact that the resistance forces remain intact and active throughout the country despite the massive violence that the Soviets have use against them. In the Panjsher and in Paghman, for example, the Soviets were able to establish footholds as the *mujahidin* melted into the hills. But as soon as the main invading force withdrew, the resistance overran the newly established government outposts and regained control of these positions. Similarly, savage bombardments in the Shomali region temporarily drove the *mujahidin* back from the main roads but in no way broke their organization. Even in the devastated city of Qandahar the freedom fighters have been able to mount operations against the occupying forces, the most notable being a spectacular jailbreak and freeing of prisoners last August. Destroyed Soviet tanks and transport vehicles litter the roadsides throughout Afghanistan, testimony to the Soviets' continuing inability to establish security in the countryside or control over the population.

The most glaring and revealing failure of the Soviets has been their inability to build the various branches of their puppet regime's armed forces into effective units that could take over the brunt of the fighting. To date it appears that no progress has been made in this key area. Recent measures to overcome the critical manpower shortage in the Afghan Army—including the toughest draft decree yet issued, indiscriminate arrests and beatings of those resisting conscription, and incentive payscales for recruits almost equal to sub-Cabinet salaries—have been fruitless. As a consequence, press gangs have returned to the streets of Kabul and provincial cities, and young men have been forcibly conscripted in house-to-house searches. The futility of these various measures was demonstrated during the summer fighting when large-scale defections, surrenders, and desertions by Afghan soldiers led to a net loss of military personnel.

The failure of the Soviets to break the resistance by military means and the self-evident fact that the Soviet aggressors and their Afghan proxies are rejected by the Afghan people have not caused the Soviets to relent in their desire ultimately to subjugate the country. Instead, they show every sign of pursuing a long-term strategy, looking on the one hand to the gradual wearing down of the resistance through attrition and on the other hand to the military, economic, and social integration of Afghanistan into the Soviet sphere.

The Soviets have already taken significant steps in this direction. They have consolidated their military, transport, and communications infrastructure, including the expansion of existing air fields and the completion of the bridge across the Amu Darya River. They have tightened their grip on the strategic Wakhan corridor, which rests on Pakistan's northernmost border and links Afghanistan with China, and they have tied Afghanistan's economy tightly to those of the Soviet bloc through a proliferation of economic and trade agreements.

Perhaps most significant is the Soviet effort to reshape Afghan culture and to replace the decimated intellectual and middle classes with a new elite trained in the Soviet mold. Thousands of Afghans, including even children between the ages of 6 and 9, are being trained in the Soviet Union and other bloc countries, while the Afghan educational system itself is being restructured along Soviet lines. The Sovietization of Kabul University is made evident by the presence of Soviet advisers at all levels of administration and instruction and in the preference given to party activists in admissions. The curriculum of Afghanistan's primary education system has been redrawn to promote indoctrination in Marxist-Leninist ideology and to prepare young Afghans for further study in the Soviet Union.

It is in light of these policies—and the continuing escalating, savage Soviet military involvement—that we must view Moscow's repeated claim that the Great Saur Revolution of April 1978 is "irreversible." But what, one may legitimately ask, gives the Soviet Union the right to insist that the violent overthrow of a nonaligned government constitutes an "irreversible" revolution? According to what tenet of international law, on the basis of which article of the U.N. Charter, do they base their position? One would think that it is the Afghan people, and only the Afghan people, who have the right to determine whether the events of 1978 are or are not "irreversible."

In fact, the Afghan people made their decision long ago. They rejected a revolution the chief accomplishment of which before the Soviet invasion was the arrest, torture, and execution of tens of thousands of Muslim clerics, teachers, civil servants, doctors, and engineers. They rejected a revolution the cruelty and sadistic violence of which are best symbolized by the mass burial pits outside Pol-e Charkhi prison and the massacre at Kerala. They rejected a revolution which systematically assaulted Islam and Afghan nationhood and turned their proud country over to its predatory northern neighbor.

They expressed this rejection in the form of a spontaneous, countrywide resistance movement. By invading Afghanistan in

order to crush this resistance and maintain in power a hated, Marxist regime, Moscow took a momentous step which signaled the expanding scope of its political and territorial ambitions. In effect, for the first time it was claiming the right to apply the Brezhnev Doctrine to a previously nonaligned, Third World country.

INTERNATIONAL REJECTION OF SOVIET OCCUPATION

The world has not permitted this act of expansion and aggression to go unchallenged. It has rejected the claim advanced by Soviet propaganda that it is providing "fraternal assistance" to Afghanistan with its "limited military contingent." These words ominously echo assurances which were given to Afghanistan itself 60 years ago when it protested the entry of Soviet troops into two of its neighbors, the independent Muslim states of Khiva and Bokhara. Let me quote from a letter which the Soviet Ambassador in Kabul sent to the Afghan Ministry of Foreign Affairs on February 20, 1922:

Concerning the question of the independent status of Khiva and Bokhara, this has been provided for in the treaty agreed to and signed by the two governments of Russia and Afghanistan. The Government which I represent has always recognized and respected the independence of the two Governments of Khiva and Bokhara. The presence of a limited contingent of troops belonging to my Government is due to temporary requirements expressed and made known to us by the Bokharan Government. This arrangement has been agreed to with the provision that whenever the Bokharan Government so requests, not a single Russian soldier will remain on Bokharan soil. The extension of our friendly assistance in no way constitutes an interference against the independence of the sovereign State of Bokhara.

Today, 60 years later, the Soviet Union provides the same justification and the same assurances with respect to its invasion of Afghanistan. It is useful, therefore, to reflect upon the ultimate fate of Khiva and Bokhara. Two years after the Soviet Ambassador gave his assurances to the Government of Afghanistan, the Soviet Union annexed Khiva nd Bokhara. Their languages. Turkish and Persian were abolished and replaced by pseudolanguages fabricated by Soviet linguists. These languages, Uzbek and Tadzhik, were mere dialects of Turkish and Persian but were transcribed into Latin and later Cyrillic script. Mosques were closed or changed into museums and Koranic education was abolished. The surviving members of the local factions the Soviets had supported with their invasion were executed on charges of "bourgeois nationalist deviationism" and replaced by young bureaucrats trained in new Soviet schools.

Is history repeating itself today in the case of Afghanistan? If we are to judge from Soviet actions to date, it is hard not to conclude that they intend that history shall repeat itself, if not through the formal annexation of Afghanistan, then through its de facto absorption into the Soviet empire. And if this is allowed to happen, can anyone be reasonably assured that this will be the end of the process, that there are not future Khivas and Bokharas and Afghanistans that await a similar fate?

It is not, therefore, simply moral considerations and human solidarity that link us to the fate of the Afghan people. At stake in their struggle is respect for the principles of the U.N. Charter; the principles of the non-use of forces and respect for the territorial integrity, national independence, and political sovereignty of states. Without this respect, world politics would succumb to anarchy and domination by the most ruthless, expansionist predator.

We cannot—we must not—permit this to happen. The Soviet leaders undoubtedly believed when they launched their invasion of Afghanistan that they could deal with the international reaction by waiting patiently for the world's outrage to subside. The General Assembly can take great credit for frustrating this strategy. Passage of time has not served the aggressor. Indeed, the adoption of resolutions on Afghanistan by increasingly large majorities over the last 3 years shows that the world's outrage is growing.

We now have an opportunity to reaffirm once again our commitment to the liberation of Afghanistan. In so doing we can help remind those in the Kremlin who ordered the Soviet invasion that their strategy has failed. We cannot afford, either as individual states with our own security concerns, or as a world organization dedicated to maintaining world peace, for the Soviet leaders to have any doubts on this score.

The resolution before us today offers an honorable course for ending the Afghanistan crisis. Its objective is a peaceful, negotiated settlement leading to the withdrawal of Soviet forces; the restoration of Afghan self-determination, independence, and nonalignment; and the return of the refugees to their homeland. By adopting this resolution, the U.N. General Assembly will be impressing on the Soviets the necessity to negotiate an end to their misadventure. Hopefully, this will speed the day when real negotiations on a settlement can begin.

In this context the United States wishes to express its appreciation to Secretary General Perez de Cuellar for his effort to probe the opportunities for a settlement which would implement the General Assembly resolutions. We support these efforts and urge the Soviets to cooperate with them. We also recognize, as the Secretary General said in his report to the General Assembly this year, that "time is of the essence." If the Soviets truly desire to negotiate, they must come forward quickly or the rest of the world will be forced to conclude that they have no serious interest in reaching a settlement.

The alternative to a negotiated settlement is a continuation of the conflict with far-reaching and long-lasting consequences for world peace. The Afghan people, unbowed and unbroken despite repeated and relentless hammer blows, have shown that they will not submit to aggression—not now and not ever. They have proved themselves to be a strong, proud, heroic people. With our support and solidarity, they shall also once again become a sovereign and independent people, permitted, as President Harry Truman once said, to work out their own destiny in their own way. This in all that they seek. It is all that we, the member states of the United Nations, seek for them.

GENERAL ASSEMBLY RESOLUTION A/37/37, NOVEMBER 29, 1982 [1]

The General Assembly.

Having considered the item entitled "The situation in Afghanistan and its implications for international peace and security",

Recalling its resolutions ES-6/2 of 14 January 1980, 35/37 of 20 November 1980 and 36/34 of 18 November 1981, adopted at the sixth emergency special session, the thirty-fifth session and the thirty-sixth session, respectively,

Reaffirming the purposes and principles of the Charter of the United Nations and the obligation of all States to refrain in their international relations from the threat or use of force against the sovereignty, territorial integrity and political independence of any State.

Reaffirming further the inalienable right of all peoples to determine their own form of government and to choose their own economic, political and social system free from outside intervention, subversion, coercion or constraint of any kind whatsoever,

Gravely concerned at the continung foreign armed intervention in Afghanistan, in contravention of the above principles, and its serious implications for international peace and security,

Noting the increasing concern of the international community over the continued and serious sufferings of the Afghan people and over the magnitude of social and economic problems posed to Pakistan and Iran by the presence on their soil of millions of Afghan refugees, and the continuing increase in their numbers,

Deeply conscious of the urgent need for a political solution of the grave situation in respect of Afghanistan,

Taking note of the report of the Secretary-General,[2]

Recognizing the importance of the initiatives of the Organization of the Islamic Conference and the efforts of the Movement of Non-Aligned Countries for a political solution of the situation in respect of Afghanistan,

1. *Reiterates* that the preservation of the sovereignty, territorial integrity, politicial independence and non-aligned character of Afghanistan is essential for a peaceful solution of the problem;

2. *Reaffirms* the right of the Afghan people to determine their own form of government and to choose their economic, political and social system free from outside intervention, subversion, coercion or constraint, of any kind whatsoever;

3. *Calls* for the immediate withdrawal of the foreign troops from Afghanistan;

4. *Calls upon* all parties concerned to work for the urgent achievement of a political solution, in accordance with the provisions of the present resolution, and the creation of the necessary conditions which would enable the Afghan refugees to return voluntarily to their homes in safety and honour;

5. *Renews its appeal* to all States and national and international organizations to continue to extend humanitarian relief assistance, with a view to alleviating the hardship of the Afghan refugees, in coordination with the United Nations High Commissioner for Refugees;

6. *Expresses its appreciation and support* for the efforts and constructive steps taken by the Secretary-General in the search for a solution to the problem;

7. *Requests* the Secretary-General to continue these efforts with a view to promoting a political solution, in accordance with the provisions of the present resolution, and the exploration of securing appropriate guarantees for non-use of force, or threat of use of force, against the political independence, sovereignty, territorial integrity and security of all neighbouring States, on the basis of mutual guarantees and strict non-interference in each other's internal affairs and with full regard for the principles of the Charter of the United Nations;

8. *Requests* the Secretary-General to keep Member States and the Security Council concurrently informed of the progress towards the implementation of the present resolution and to submit to Member States a report on the situation at the earliest appropriate opportunity;

9. *Decides* to include in the provisional agenda of its thirty-eighth session the item entitled "The situation in Afghanistan and its implications for international peace and security".

FOOTNOTES

[1] Adopted by a vote of 114 to 21 (13 abstentions and 9 absent or not voting).

[2] A/37/482-S/15429.●

ORDERS FOR TUESDAY

ORDER FOR RECESS UNTIL 9:15 A.M. TOMORROW

Mr. BAKER. Mr. President, it has been called to my attention that tomorrow there are 2½ hours of special orders. Tomorrow is Tuesday. There are caucuses of Senators on both sides of the aisle from 12 noon until 2 P.M., which will eat up a good part of our day, but I do not think we can leave our 10 a.m. convening hour in place. Therefore, I ask unanimous consent that the Senate, when it completes its business today, stand in recess until 9:15 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FROM 12 NOON UNTIL 2 P.M. TOMORROW

Mr. BAKER. Mr. President, I further ask unanimous consent that at 12 noon tomorrow the Senate stand in recess for those caucuses until 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS TOMORROW

Mr. BAKER. Mr. President, there are a few items that have been called to my attention that appear cleared for action by unanimous consent, but before I get into those, may I inquire of the Chair, Have the special orders been entered so far?

The PRESIDING OFFICER. They have not.

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders under the standing order tomorrow, the following Senators be recognized on special orders of not to exceed 15 minutes in the following order: COHEN, KENNEDY, METZENBAUM, BINGAMAN, LEAHY, GORTON, PACKWOOD, LAXALT, MATHIAS, and LEVIN.

The PRESIDING OFFICER. Without objection, it is so ordered.

SEQUENTIAL REFERRAL OF S. 822

Mr. BAKER. Mr. President, I have a request for the sequential referral of S. 822. If the minority leader is prepared to consider these items, I am prepared to go through my file at this time.

Mr. BYRD. Yes, we are prepared.

Mr. BAKER. Mr. President, first, then, I ask unanimous consent that Calendar Order No. 47, S. 822, be sequentially referred to the Committee on Foreign Relations until the close of business on March 25, 1983, for the purpose of considering section 404 of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT REFERRAL OF HARBOR DEVELOPMENT LEGISLATION

Mr. BAKER. Mr. President, I ask unanimous consent that the bill introduced today by Senators HATFIELD and WARNER dealing with harbor development be jointly referred to the Committee on Environment and Public Works and the Committee on Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT REFERRAL OF A BILL DEALING WITH SOVIET BLOC RESEARCH

Mr. BAKER. Mr. President, I ask unanimous consent that a bill introduced by Senators LUGAR and BIDEN, dealing with Soviet bloc research, be jointly referred to the Committees on Labor and Human Resources and Foreign Relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF CERTAIN EXPIRING ENLISTMENT AND REENLISTMENT BONUSES FOR THE ARMED FORCES

Mr. BAKER. I ask unanimous consent, Mr. President, that the Senate now turn to the consideration of H.R. 1936, a bill dealing with the enlistment and reenlistment bonuses for the Armed Forces.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 1936) to amend title 37, United States Code, to extend certain expiring enlistment and reenlistment bonuses for the armed forces.

The Senate proceeded to consider the bill.

Mr. JEPSEN. Mr. President, the legislation that the Senate is considering today, H.R. 1936, would extend for 18 months the authority of the military services to pay enlistment and reenlistment bonuses. Current authority to pay these important incentives lapses in less than 2 weeks on March 31, 1983.

A brief review of the most recent legislative history of the enlistment and reenlistment bonuses would explain the urgency of this legislation. Last year the House of Representatives passed a military pay bill (H.R. 7166) which included a 5-year extension of these bonus authorities beyond their original expiration date of September 30, 1982. The Senate Armed Services Committee recommended a 1-year extension as part of the military pay bill (S. 2936) it reported on September 21, 1982. Unfortunately, the full Senate did not consider S. 2936 before the end of the 97th Congress.

Instead, authority to pay the enlistment and reenlistment bonuses was saved from expiration by two successive continuing appropriation resolutions (Public Laws 97-276 and 97-377). Although most of the provisions of the second of these continuing resolutions are effective until the end of the current fiscal year, the provision on the bonus authorities specifically provides that they will lapse on March 31, 1983. The bill under consideration today, H.R. 1936, would allow the military services to continue paying the bonuses after March 31, 1983 until September 30, 1984.

I would like to emphasize that H.R. 1936 would do nothing more than simply authorize the continued use of the bonuses. The funds actually used to pay them have already been appropriated for the entire length of fiscal year 1983 in the defense appropriations bill that was included in the second continuing resolution.

Mr. President, enlistment and reenlistment bonuses are essential to the military services' efforts to recruit and retain high-quality personnel. They are effective tools that target additional compensation to critical skills which are insufficently manned. There is no doubt that they have contributed to the recent success of the services in recruiting and retention.

Although I support the use of enlistment and reenlistment bonuses, I also believe they must be managed very carefully and prudently. As chairman of the Senate Armed Services Manpower and Personnel Subcommittee, I am committed to insuring that our limited bonus dollars are spent only when and where necessary.

Mr. President, I would like to thank Senators TOWER and JACKSON, the chairman and ranking minority member of the Manpower and Personnel Subcommittee, for their assistance in securing the expeditious passage of H.R. 1936. I urge the Senate to adopt this legislation today so that this important program of enlistment and reenlistment incentives will not be disrupted.

Mr. EXON. Mr. President, I strongly endorse H.R. 1936, the bill before the Senate which extends the current authority of the Department of Defense to pay enlistment and reenlistment through September 30, 1984.

The provisions in this bill were included in H.R. 6317 and S. 2936, the

Uniformed Services Pay Act of 1982. The House passed their version of the bill.

Unfortunately, the press of business in the final days of the 97th Congress prevented the full Senate from considering their bill. As a result, a 6-month extension of the Defense Department's authority to pay enlistment and reenlistment bonuses was included in the fiscal year 1983 continuing resolution. This authority expires next week on March 31, 1983.

Mr. President, it is essential that we not allow their authority to lapse. Enlistment and reelistment bonuses are one of the principal tools used by the Defense Department to attract and retain motivated, skilled people in the military services. This authority will not require any additional funds beyond those already appropriated for fiscal year 1983, and it will not require any increases in the funding levels for fiscal year 1984 proposed in the Presidents fiscal year 1984 defense budget.

Mr. President, I urge my colleagues to support this legislation.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 1936) was ordered to a third reading, was read the third time, and passed.

RECESS UNTIL 9:15 A.M. TOMORROW

Mr. BAKER. Mr. President, I have nothing further. I see no other Senator now seeking recognition.

Therefore, I move, in accordance with the order previously entered, that the Senate stand in recess until 9:15 a.m. tomorrow.

The motion was agreed to; and at 8:10 p.m. the Senate recessed until tomorrow, Tuesday, March 22, 1983, at 9:15 a.m.

NOMINATIONS

Executive nominations received by the Senate March 21, 1983:

MERIT SYSTEMS PROTECTION BOARD

Maria Lucia Johnson, of Alaska, to be a Member of the Merit Systems Protection Board for the term of 7 years expiring March 1, 1990, vice Ersa H. Poston, term expired.

NATIONAL COUNCIL ON THE HUMANITIES

Charles Ray Ritcheson, of California, to be a Member of the National Council on the Humanities for the remainder of the term expiring January 26, 1986, vice A. Bartlett Giamatti, resigned.

IN THE NAVY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be admiral

Adm. John G. Williams, Jr., [redacted]/1120, U.S. Navy.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. Edward P. Travers, [redacted]/1120, U.S. Navy.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. Kent J. Carroll, [redacted]/1110, U.S. Navy.

The following-named officer, under the provisons of title 10, United States Code, section 5142, to be assigned as the chief of chaplains, U.S. Navy:

Rear Adm. Neil M. Stevenson, Chaplain Corps, [redacted]/4100, U.S. Navy.

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of section 593(a) title 10 of the United States Code, as amended:

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Fred E. Ellis, [redacted]
Maj. Gerald E. Harvey, [redacted]
Maj. James R. Hendrickson, [redacted]
Maj. Roger J. Herrnstein, [redacted]
Maj. Frank J. McLeod, Jr., [redacted]
Maj. Thomas R. Portesi, [redacted]
Maj. John F. Schmitt, [redacted]

LEGAL

Maj. Robert N. Campolongo, [redacted]

MEDICAL CORPS

Maj. Donald J. Mielke, [redacted]

DENTAL CORPS

Maj. Martin A. Lukacs, [redacted]

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of section 593(a) title 10 of the United States Code, as amended:

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Lynn R. Anderson, [redacted]
Maj. David R. Anspauch, [redacted]
Maj. William E. Berkley, [redacted]
Maj. Paul R. Caron, [redacted]
Maj. John J. Crawford Jr., [redacted]
Maj. William H. W. Crawford III, [redacted]
Maj. Jeffrey S. Dennis, [redacted]
Maj. Mark A. Dull, [redacted]
Maj. Noel H. Duncan, [redacted]
Maj. James V. Fiorelli, [redacted]
Maj. Thomas E. Griffin, [redacted]
Maj. Walter L. Hodgen, [redacted]
Maj. David R. Hudlet, [redacted]
Maj. Keith E. Johnson, [redacted]
Maj. William C. Jones Jr., [redacted]
Maj. George M. Kelly, [redacted]
Maj. Christopher J. Luna, [redacted]
Maj. Martin J. Lynch, [redacted]
Maj. James R. Matthews, [redacted]
Maj. Robert P. Meyer Jr., [redacted]
Maj. Jerry D. Norris, [redacted]
Maj. Lewis C. Palmer II, [redacted]
Maj. Donald L. Powell, [redacted]
Maj. Joseph V. Schultes, [redacted]
Maj. Thomas R. Weeks, [redacted]
Maj. Allen W. Wieckowicz, [redacted]
Maj. James M. Williams, [redacted]

MEDICAL SERVICE CORPS

Maj. Robert H. Oliver, [redacted]

MEDICAL CORPS

Maj. Thaddeus R. Leoniak, [redacted]

DENTAL CORPS

Maj. Ronald S. Tourigny, [redacted]

HOUSE OF REPRESENTATIVES—*Monday, March 21, 1983*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, give us a right sense of the priorities of life that we occupy our moments by doing those things that allow us to be the people You would have us be. Enable us not to focus only on things present, that we fail to see things eternal. May we use time each day to celebrate life and its gifts with family and friends and so share in our love one for the other. Help us to fulfill Your everlasting promises of friendship and good will, not only in Heaven above, but each day of our lives. In Your holy name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 20. Joint resolution to authorize and request the President to designate March 27, 1983, as "National Recovery Room Nurses Day";

S.J. Res. 32. Joint resolution to provide for the designation of May 1983 as "National Arthritis Month";

S.J. Res. 35. Joint resolution designating the week beginning March 20, 1983, as "National Mental Health Counselors Week";

S.J. Res. 49. Joint resolution to authorize and request the President to proclaim the week of April 10-16, 1983, as "A Week of Remembrance for the 40th Anniversary of the Warsaw Ghetto Uprising";

S.J. Res. 52. Joint resolution to authorize and request the President to designate the week of April 10, 1983, through April 16, 1983, as "National Mental Health Week";

S.J. Res. 53. Joint resolution to authorize and request the President to designate the month of May 1983 as "National Physical Fitness and Sports Month";

S.J. Res. 57. Joint resolution to designate the week of April 3, 1983 through April 9, 1983, as "National Drug Abuse Education Week";

S.J. Res. 64. Joint resolution to commemorate the 200th anniversary of the signing of the Treaty of Amity and Commerce between Sweden and the United States; and

S.J. Res. 65. Joint resolution designating March 21, 1983, as "Afghanistan Day."

REQUEST FOR PERMISSION FOR COMMITTEE ON RULES TO FILE REPORTS ON PROCEDURAL PROVISIONS AND RULE RELATING TO CONCURRENT RESOLUTION ON THE BUDGET

Mr. BEILENSON. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file two privileged reports.

For the Members' information, the privileged reports referred to in this request include the Rules Committee report on the procedural provisions of the concurrent resolution on the budget and the rule providing for the consideration of the budget resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

THE POLITICS OF CONFRONTATION

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, Democrats joined Republicans last January in commenting favorably upon President Reagan's state of the Union address. We heard the term "bipartisan" used, and we reached out to shake the hand that was seemingly stretched forth in cooperation to the U.S. Congress, asking us, as we thought, to join together and solve the problems that face this Nation.

Well, it is now clear that we who wanted cooperation have drawn back a nub. Numerous attempts to negotiate a budget agreement in good faith have been rebuffed by the President. And our good will has been all but amputated by the President's slashing rhetoric over the weekend. I think it is fair to say that both the Nation as a whole and we in the Congress were shocked, not only by the intemperate response of the President to the budget proposals that were submitted but, even more so, by the terms that were used to reject them.

Our plans, the President said, were "truly dangerous" and we were bringing "joy to the Kremlin" and aiming a "dagger" at the heart of our Nation's defense. The President has apparently ignored the advice of the leadership in his own party by returning to his instinctive faith in the Way the West was Won.

Obviously he is following the advice of his political adviser, Ed Rollins, who said last week, "The politics of confrontation is more effective than the politics of compromise."

TARGET THE UNEMPLOYED IN BUDGET RESOLUTION

(Mr. EDGAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDGAR. Mr. Speaker, today the Appropriations Committee and its leadership will meet with the Senate to work out the final details of approximately a $5 billion job package. As those conferees meet I urge both our conferees and those of the other body to look very carefully at targeting that legislation to areas of high unemployment.

In the other body there are two amendments which in fact try to target those limited funds to areas of distress. The problem is that one of those amendments is a bit permissive and the other one targets only to States. It is our hope that with the large vote that we received on the House side that the job legislation will be targeted not just to States and local communities but to those pockets of poverty that experience the highest levels of unemployment.

Mr. Speaker, as we pass a jobs bill and send it on to the President for his signature it is critical that the jobs bill be targeted to meet the needs of those who are in fact unemployed. I yield back the balance of my time.

BUDGET RESOLUTION CAN BE CUT EVEN MORE

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, later this week we will be considering the first budget resolution. The Budget Committee did a commendable job of reducing the deficit by slowing the increase in defense spending and adding

on the revenue side which can come from changes in presently planned for tax reductions. And given the ideological mix within the Democratic Party it may not have been possible to produce a budget with a lower deficit. But I would think that we could go ever further by foregoing the increases put in the budget resolution for domestic programs, other than inflation adjustments over 1983 levels.

We should at least look at the possibility of going instead with the fiscal 1983 baseline costs on most domestic spending plus an inflation factor. Coupled with the revenue increases and defense changes in the House committee resolution, that would have the potential of saving an additional $10 billion at least, and that reduction in the deficit could only serve to give the financial community reassurance that we are serious about getting these deficits headed downward.

Again I commend the Budget Committee for what it has put together. I will probably vote for the budget because it does reduce the deficit significantly from the President's plan. I do think, however, that some of the spending increases in the resolution are unrealistic. I think we could reduce the spending levels in the resolution even further, if not in the budget resolution itself, then in future spending bills.

REPORT ON HOUSE CONCURRENT RESOLUTION 91, FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1984

Mr. JONES of Oklahoma, from the Committee on the Budget, submitted a privileged report (Rept. No. 98-41, pt. I) on the concurrent resolution (H. Con. Res. 91) revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal years 1984, 1985, and 1986.

The SPEAKER. The privileged report is ordered printed and referred to the Committee on Rules for a period ending not later than March 22, 1983, for consideration of such portions of the concurrent resolution as fall within that committee's jurisdiction pursuant to clause 1(q), rule X.

REPUBLICAN DEFICITS

(Mr. WILLIAMS of Montana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILLIAMS of Montana. Mr. Speaker, during the Budget Committees' markup of the first budget resolution for fiscal year 1984, the Republicans offered a series of amendments to the committee's recommendations, both in terms of spending and revenues. A total of 10 amendments were offered directly to the committee's recommendation. It is interesting to note that the combined deficit effect of net outlay reductions and revenue reductions, had these amendments been adopted, would have resulted in a $22.87 billion increase in the deficit in 1984, a $43.05 billion increase in the deficit in 1985, and a $56.64 billion increase in the deficit in fiscal year 1986. The "Republican deficits," assuming these amendments to the committee's budget had been adopted, would be $197.32 billion in fiscal year 1984, $189.75 in fiscal year 1985, and $192.69 billion in fiscal year 1986.

The Republican Party has become the party of deficits. Deadly, deep, dangerous depressive deficits.

STATES SHOULD BE INFORMED ABOUT NUCLEAR ARMS TRANSPORTATION

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, 1984 is almost here. Double-think may have gotten here already. This was a very confusing weekend. In Massachusetts the Nation was horrified and wanted arrested the young men who did nothing as they watched a person gang-raped. In my State of Colorado people were arrested for trying to do something to prevent an act they thought would harm people.

A train was moving through the State loaded with nuclear arms. No one in the State appeared to know about it including the Governor. Many people from the religious community tried to stop the train and keep it from entering the most populated area. They were arrested for their actions.

So you have both sides, people not getting involved and people getting involved and both getting arrested.

I am writing the Secretary of Energy asking him why no one in my State was notified about the shipment of nuclear arms through my district. Surely this is not standard operating procedure.

It is a great concern to residents in my State that the Department of Energy is taking nuclear arms through the largest population area and center in the whole Rocky Mountain region with no State officials knowing it and therefore no precautions were made.

A TRIBUTE TO REDFORD TOWNSHIP, MICH.

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, I arise today to call attention and pay tribute to the citizens of Redford Township, Mich. as they begin a yearlong celebration of 150 years of representative democracy.

Redford Township draws its name, its traditions and its spirit from the wilderness days in which it was founded. Michigan's native Americans enroute to the trading center of Detroit crossed the red clay bed of the historic Rouge River at a shallow crossing known as the Red Ford.

This same Rouge River spawned the flour and lumber mills of early Redford Township and gave rise to a residential and commercial community, now with over 58,000 people.

Today, the flour and lumber mills are gone, replaced by determined manufacturers and small businesses struggling to survive Michigan's present wilderness days.

On this important 150th anniversary of the founding of Redford Township, I call on my colleagues to join with me in paying tribute to the proud and determined citizens of Redford Township, Mich.

AGRICULTURAL EXPORTS

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, today I am introducing a resolution urging the administration to aggressively seek to establish a new long-term grain sales agreement with the Soviet Union.

It has become very clear that the export health of this country is in a crucial situation. The dollar value of agricultural exports fell almost $5 billion in recent years. That is the first such decline in over a decade. Our agricultural trade surplus, which is essential in improving the overall balance of trade in this country, slid almost $3 billion in 1982. It could drop several billion more this fiscal year. The loss of each $1 billion in farm export sales costs the Nation 35,000 jobs and another $1 billion in related economic activity. It is clearly time to negotiate a new long-term sales agreement with the U.S.S.R.

With Soviet grain imports now totaling nearly 20 percent of world grain trade, the economic importance of the Soviet Union is impossible to ignore. Prior to 1980 we supplied 80 percent of the Soviet market. This share has dropped drastically. Other nations are aggressively expanding their shares of the Soviet market with new, long-term sale agreements. Argentina and Canada, together, provided the Soviets with half their grain last year. Many of these countries have also offered favorable credit terms for Soviet purchases. Meanwhile, the U.S. share has dropped from a high of 75 percent of

the Soviet market, to the current 34 percent.

We are currently in the second 1-year extension of a 5-year agreement signed in 1975. A new agreement is essential to establish a stable market posture at a time when our farmers are making great sacrifices to lower production. I invite my colleagues to join me in cosponsoring this resolution.

□ 1215

THE KING CAUCUS BUDGET

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, if a camel is a horse designed by a committee, then the Democratic budget resolution is a fiscal camel produced by the House Democratic Caucus. And that bulging hump in the middle is the whopping tax increase that King Caucus would lay on American workers.—$120 billion in the next 3 years alone. On average that is a tax increase of over $1,000 for every American taxpayer.

Even the chairman of the House Ways and Means Committee knows it would be easier to pass a camel through the eye of a needle that it would be to pass this fiscal camel through his committee and the Congress.

Mr. Speaker, it just amazes me that there are still those whose idea of fiscal discipline is to take the stick to the American worker to beat more taxes out of him to fund more Government spending. This is especially puzzling in the midst of a recovery when we should be stimulating sustained economic growth through savings and investment. Whether you are a Keynesian or a supply sider, it should be self-evident that the quickest way to abort a recovery is to clobber American workers and businesses with new taxes, just when they are getting back on their feet.

To the King Caucus authors of this budget resolution I would paraphrase the Biblical admonition found in Matthew: Woe to you, blind guides, straining out a gnat while asking the American people to swallow a camel.

AMERICANS WANT THE KIND OF ECONOMIC RECOVERY NOW UNDERWAY

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, sometimes on this floor we hear "Alice in Wonderland" statements. Those are statements that float ethereally somewhere beyond the realm of reality. We heard some statements in support of the Democratic budget this morning that are such statements.

The Democrats have brought forth what they themselves say is a political document and now they cannot understand when the President responds negatively. They write a bill in their caucus and then cannot understand why the Republicans do not think that it is very much of a compromise.

Their budget would raise taxes enormously, and we say that is bad and so do most Americans say that is bad.

Their budget expands deficits enormously, and we say that is bad and so do most Americans.

Their budget guts defense, and we say that is bad and so do most Americans.

Their budget reverses social welfare reforms, and we say that is bad and so do most Americans.

Americans do not share the Democrats vision of the future, a future of more spending, more taxes, and more welfare. That is the old Jimmy Carter vision. It was wrong 2 years ago and it is wrong now.

Americans want the kind of economic recovery that is now underway. They share President Reagan's message of hope and opportunity.

THE O'NEILL IRRIGATION UNIT IN NEBRASKA

(Mr. BONIOR of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONIOR of Michigan. Mr. Speaker, last December the House voted 245 to 144 to eliminate all funding for the O'Neill Irrigation Unit in Nebraska. That proposal was embodied in an amendment which I offered, and today I am introducing legislation to deauthorize that project.

Since the feasibility study was presented to Congress in 1968, estimated costs have risen 500 percent and are now at a per-farm level of $1.2 million. Land is being privately irrigated in this area for one-eighth of what the Federal Government expects to pay per acre.

Furthermore, the project, as currently constituted, will destroy a rare confluence of six ecosystems along the Niobrara River primarily in order to produce corn. This crop is currently in such surplus that 400,000 acres of it were destroyed last year in Nebraska to comply with USDA programs.

There are, however, economically and environmentally feasible alternatives, and I have assured the Senator from Nebraska, Mr. EXON, that I will cooperate in any effort to build a concensus for such an alternative.

FREE AFGHANISTAN DAY

(Mr. LEVITAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVITAS. Mr. Speaker, I rise today to call attention to the valiant efforts of the Afghan freedom fighters in their struggle against the forces of Soviet tyranny and aggression.

For over 3 years, the people of Afghanistan have suffered from the aggressive activities of the Soviet Union. Yet, against incredible odds, the Afghan freedom fighters have displayed great strength and perseverance in resisting Soviet military occupation. They have bravely defended themselves against these aggressive and oppressive forces which have brought war and suffering to their country.

Clearly, the peace-loving people of the Western World have a responsibility to remember the people of Afghanistan and their noble cause. That is why I am proud to rise in support of Free Afghanistan Day, a day where we can salute our Afghan brothers and sisters can call attention to their struggle for freedom.

Mr. Speaker, March 21 is the day the people of Afghanistan observe the start of a new year. In Afghanistan, the day symbolize the nation's rebirth. I am pleased that we, in the West, who cherish the rights and privileges of freedom, have not forgotten and have joined the Afghan people in this celebration. Let this day serve as an outcry against Soviet tyranny and oppression and a call for the rights and freedom of nations across the globe.

THE DEMOCRATIC BUDGET ALTERNATIVE

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, it is somewhat difficult to talk about the budget alternative brought forth by the Democratic Party since as of this point there is no committee report that is actually printed so that we can read their analysis and their support for what they have done.

But it appears to be clear that they have attempted to say to the American people that you are fundamentally undertaxed and you need to be taxed more than you are already.

It seems that they have forgotten that what we have to do is bring down spending rather than raise taxes. The strong suggestion, if you read through the outlines of their budget, is that we have to not only get rid of the third year of the tax cut but we have got to get rid of tax indexing.

Now, Mr. Speaker, I would like to refer to getting rid of tax indexing as the "stealth" tax. It is the way by which we take the American people's taxes without ever telling them that

we are taking them. This is where we, in fact, get a windfall profit on behalf of government taking money from our people without ever having to legislate those taxes directly.

That is not what representation is all about. If we do that, Mr. Speaker, perhaps we should take those words off the marble that are above the gentleman's head, "In God We Trust," and instead say to the taxpayers of America: "Abandon Hope All Ye Who Enter Here."

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed, a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 44. Joint resolution to authorize the President to issue a proclamation designating the week beginning on March 11, 1984, as "National Surveyors Week."

The message also announced that Mr. DECONCINI be a conferee, on the part of the Senate, on the bill (H.R. 1718) entitled "An act making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes," vice Mr. BURDICK, excused.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 1718, THE EMERGENCY APPROPRIATIONS, 1983

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 1718) making appropriations to provide emergency expenditures to meet neglected urgent needs resulting in productive jobs, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk for the House of Representatives:

WASHINGTON, D.C.,
March 18, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from The White House at 3:45 p.m. on Friday, March 18, 1983 and said to contain a message from the President wherein he transmits the second annual report on the State of Small Business.

With kind regards, I am,
Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

SECOND ANNUAL REPORT ON THE STATE OF SMALL BUSINESS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Small Business.

(For message, see proceedings of the Senate of Friday, March 18, 1983, at page S3396.)

OREGON WILDERNESS ACT OF 1983

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 141 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 141

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1149) to designate certain national forest systemsand other lands in the State of Oregon for inclusion in the National Wilderness Preservation System, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and each section of said substitute shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. SLATTERY). The gentleman from California (Mr. BEILENSON) is recognized for 1 hour.

Mr. BEILENSON. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Mississippi (Mr. LOTT) and pending that I yield myself such time as I may use.

Mr. Speaker, this is a straightforward open rule providing for the consideration of H.R. 1149, the bill to designate certain national forest system and other lands in the State of Oregon for inclusion in the National Wilderness Preservation System. There are no waivers of points of order in this rule.

Mr. Speaker, this resolution provides 1 hour of general debate to be divided in the customary manner between the chairman and ranking minority member of the Committee on Interior and Insular Affairs. To expedite the amendment process the committee amendment in the nature of a substitute shall be considered as an original bill for the purpose of amendment with each section to be considered as read. Upon conclusion of consideration of the bill, one motion to recommit with or without instructions would be in order.

Mr. Speaker, the ninth circuit court has ruled that the U.S. Department of Agriculture's roadless area review and evaluation (RARE-II) environmental statements in California were inadequate for making the land use determination on tracts under study. As a part of the RARE II study 3 million acres in the State of Oregon were set aside to be included in the study of their appropriateness for designation as wilderness. In the absence of legislation the 3 million Oregon RARE II acres under study could be found subject to a similar ruling and as a consequence the land would remain unused pending further study. H.R. 1149 would exempt Oregon's RARE II land from any judicial review and designate over 1 million acres as wilderness.

Mr. Speaker, as my colleagues may be aware, there is some controversy concerning the amount of land designated as wilderness by this bill. Under this completely open rule there will be ample opportunity to debate the differing approaches to the wilderness designation, and any germane amendment would be in order.

Mr. Speaker, I urge adoption of House Resolution 141 so that we may proceed to the consideration of H.R. 1149.

□ 1230

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this rule makes in order consideration of H.R. 1149, the Oregon wilderness bill. The gentleman from California has done a fine job explaining the open rule with 1 hour of general debate. At least the rule will give all

Members the opportunity to work their will on this legislation.

I am not so much opposed to the rule as I am to consideration of the bill itself. It is quite apparent that this bill has not received adequate consideration by the Interior Committee and should not be considered at this time.

Mr. Speaker, the Interior Committee has again pushed a wilderness bill through without adequate hearings or careful review. The two gentlemen in whose district 80 percent of the new wilderness area is located are adamantly opposed to the bill, as are a majority of their constituents. The wishes and desires of those who have a vested interest in the area have again been ignored.

This bill has even more wilderness added to it than a similar bill that was defeated in the lameduck session. It would more than double the existing wilderness system in Oregon. Oregon has always been a State that was proud of the beauty and grandeur of its public lands. Therefore, Oregon has always taken great pains to insure their preservation and to exercise wise multiple use land management. So where is the urgent need for this bill?

This bill would also take large parcels of valuable commercial timber land out of production. Until the housing slump, the timber industry was the State's No. 1 employer. I can not help but feel that taking so much timberland out of production will have an adverse impact on employment in the State. The administration has predicted the loss of some 1,300 to 1,500 jobs in Oregon. This does not include the number of those laid off during the slump that will have no job to return to once the housing industry recovers.

The administration is also opposed to the bill due to the fact that it would result in a reduction of some $35 to $40 million in gross timber receipts to the Federal Government. This type of loss would also be felt by local schools and counties. With deficits raging continually upward, now is not the time to cut a source of revenue that has never involved a sacrifice by the American taxpayer.

Mr. Speaker, I am not opposed to wilderness areas, as I have wilderness areas in my district. But I do feel that the Interior Committee has not taken enough time to consider the adverse impacts of this legislation or to give all those affected a chance to be heard. As I have stated before, I do not want to wake up one morning and find that my backyard has been declared a wilderness area.

Mr. Speaker, I yield 5 minutes to the gentleman from Oregon (Mr. DENNY SMITH).

Mr. DENNY SMITH. Mr. Speaker, I oppose the rule on the Oregon wilderness bill, H.R. 1149, mostly because it is being thrown through this body near the speed of light.

I cannot figure out why in early 1981 we did not have a bill that was what my colleague, the gentleman from Oregon (Mr. WEAVER) had said we were going to have, that would, in fact, have had good hearings and good opportunity for people in the State of Oregon to talk about the problems that this bill was going to do to employment in Oregon.

I think we are talking about jobs in this bill. I think that anybody who thinks we are not talking about jobs is kidding themselves.

I feel that this bill has been hastily drawn. The first bill which we did defeat in the lameduck session was on the House floor in about 15 days, from the first of December or thereabouts.

There have been a number of groups and a number of people who have come out in opposition to this bill since the first day of December; but I think that it is unfortunate that we have not had proper hearings on the specific boundaries of these areas that the gentleman from Oregon (Mr. WEAVER) held in the State of Oregon in early 1981.

I talked about that before. Eighty percent of the land that is going to be locked up in this bill is in my district, District No. 5, and in that of my colleague, the gentleman from Oregon (Mr. ROBERT SMITH), District No. 2.

The opposition to the bill is strong. I think that given time it will be much greater than what we have been able to generate in the short period of time since this legislation has been proposed.

Governor Atiyeh is in opposition to it, Senator HATFIELD, the Association of Oregon Counties, the industry itself, and many labor and industry people are opposed to this bill. In the labor area, we have the United Brotherhood of Carpenters and Joiners; the Building Trades Department of the AFL-CIO; the Western States Regional Council of the International Woodworkers of America, and the Western Council of Lumber, Production and Industrial Workers.

There was a poll conducted recently in the State of Oregon which showed that 61 percent of Oregonians believe that we already have adequate wilderness. I think that given some short perod of time, we would have many more Oregonians aware of what this is going to do to our State.

This is an anti jobs bill. I think that when you consider the unions are saying that it is going to cost somewhere between 5,600 and 8,000 jobs in the industry, I think we are looking at something that is ludicrous in light of the so-called jobs bill that was voted on in this House about 3 weeks ago.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. DENNY SMITH. Yes, sir, I am glad to yield to my colleague, the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

If I recall, one of the key points made in the debate last year when we had this bill up was the fact that the hearings had not been held that would give the people of Oregon an opportunity to make their feelings known about this legislation.

Do I take from the gentleman's statement that those hearings still have not been held, that we are bringing this bill up without those hearings being held?

Mr. DENNY SMITH. My colleague is correct. After this bill was pushed through on the 14th of February, I believe it was pushed through the one hearing in the Public Lands Subcommittee that the gentleman from Ohio (Mr. SEIBERLING) held here in Washington, D.C., with the input of Oregonians limited to this access, it then was pushed through the Interior Committee on a partisan party-line vote.

I held two meetings in the State of Oregon in the early part of this month and took testimony from approximately 60 people. The opposition was about 5 to 1 in opposition to this bill; but the subcommittee chose not to hold any more hearings in Oregon, saying that we had held sufficient hearings at this time.

Mr. WALKER. Mr. Speaker, will the gentleman yield further?

Mr. DENNY SMITH. I am happy to yield.

Mr. WALKER. Am I not correct that when we had the debate before, the point was made that the people of Oregon had been assured of additional hearings on this matter and that one of the prime reasons why there was a defeat of that bill is the fact that when we looked at the record, we found that those hearings, even though they have been assured, had not been held; so that the gentleman is telling us is that despite those assurances, even though we are in a new Congress, those hearings still have not been held, that the people of Oregon still have not gotten what they were assured and that we are shoving this bill through in too hasty a fashion.

Mr. DENNY SMITH. They still have not been held, and what is more, we are not exactly sure what is in this bill. I think that is one of the points I made in testimony to the Rules Committee last week. The Rules Committee, by the way, passed this bill out on a partisan vote with not one Republican present last Thursday.

I think that shows the kind of support this bill is getting and who is really in favor of having jobs in this economy.

There was an article in the Oregonian, the State's No. 1 newspaper in circulation, yesterday, that said that the Forest Service was not sure exactly where the boundaries were. In fact,

the December wilderness bill would have put a brand new ski area in the Second District that has already been approved and would have been put in the wilderness.

I would just quote from that article.

The SPEAKER pro tempore. The time of the gentleman from Oregon has expired.

Mr. LOTT. Mr. Speaker, I yield 1 additional minute to the gentleman from Oregon.

Mr. DENNY SMITH. The article says:

> If the folks out here in Northeast Oregon don't even know what the boundaries are, it seems rather odd. It's kind of like a soap opera.

Mr. BEILENSON. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. SEIBERLING), for purposes of debate only.

Mr. SEIBERLING. Mr. Speaker, I thank the gentleman very much. I will not take the 5 minutes.

Mr. Speaker, I just think that it is in order at this time to respond to the charges that this bill is being rushed through and that there have not been adequate hearings.

The process of the Subcommittee on Public Lands that started to work on this bill commenced in 1979 with a field inspection and informal meetings with various interest groups in the southern part of Oregon.

Then later on in August of 1979, we had 3 more days of overflights, on the ground inspections and informal meetings with all the different interest groups that had an interest in this legislation.

Then early in 1981 the gentleman from Oregon (Mr. WEAVER) held three field hearings jointly with the Subcommittee on Public Lands and the subcommittee the gentleman then chaired which had joint jurisdiction in Oregon.

Then, Mr. Speaker, on March 27, 1981, 2 years ago, I put out a release which went to all the news media and particularly all those in Oregon, announcing that my subcommittee would hold public hearings in Oregon on April 20, in Corvalis, Oreg.; on April 23 in LaGrande, Oreg., and on April 24 in Portland, Oreg.

Then, Mr. Speaker, in addition to those hearings, we had a hearing on last year's bill on December 2, 1982, and we held a hearing here in Washington on February 14 of this year. This represents a total of 14 days of hearings, field meetings, field inspections, et cetera. A total of 195 witnesses testified at the formal hearings and in addition many other witnesses met with us and we talked informally. Every segment of opinion and interest was covered here, and to say that this was not adquately heard is just a misstatement of the facts.

Mr. AUCOIN. Mr. Speaker, will the gentleman yield?

Mr. SEIBERLING. I am happy to yield.

Mr. AUCOIN. Mr. Speaker, I appreciate the gentleman yielding.

I want to commend the gentleman who chairs the subcommittee for the superb work he has done, not only in taking testimony and gathering data on this bill, but in approving hearings in Oregon, which unfortunately my colleague from Oregon who just preceded me in the well criticized at the time they were scheduled.

The gentleman from Oregon (Mr. DENNY SMITH) has quoted from a report in the Oregonian that allegedly criticizes the bill. I would just like to refer to the Oregonian editorial which criticized Mr. SMITH, my colleague, for criticizing the gentleman's committee for holding field hearings in Oregon. Here is what the May 2, 1981, editorial said, and let me add that the Oregonian is the largest daily newspaper in the State of Oregon. It said:

> Smith criticized Weaver last week for holding field hearings in Oregon on a wilderness bill, suggesting Weaver should reimburse the Federal Treasury for a series of subcommittee hearings that Weaver has held in Oregon dating back to 1979.

It goes on to say:

> Smith's political detergent would not make suds in scalding water. Republicans, including Smith who is not a subcommittee member, were invited to take part in the hearings, but they declined. If anyone is to be chastized, it should be Smith, who would benefit by taking a recess lesson from Weaver.

Mr. SEIBERLING. Well, I thank the gentleman.

Mr. DENNY SMITH. Mr. Speaker, will the gentleman yield?

Mr. SEIBERLING. Surely.

Mr. DENNY SMITH. Mr. Speaker, I want to be sure that I do not cast any aspersions on the subcommittee itself.

My unhappiness is with the fact that we have not held any hearings on those specific areas that we are putting into wilderness. That is one of the reasons that I would like to really know what we are locking up.

I would just go back to the February 19, 20, and 21 hearings that my colleague, the gentleman from Oregon (Mr. WEAVER) held in 1981, in which he said:

> I will not allow testimony on any specific wilderness areas or forests. That will come as I introduce an Oregon wilderness bill that will include specific wildernesses.

This is the only intent. I understand there were meetings held out there, but not on these specific areas.

I think that is the dangerous situation we are finding.

Even in the Oregonian article of Sunday, yesterday, they were saying that, "We don't know where the areas are."

And in the subcommittee, since they found some timber sales, they changed some of those boundaries. I do not think we really know what we are doing here.

Mr. SEIBERLING. Well, let me just say this to the gentleman. First of all, those were the hearings of the gentleman from Oregon (Mr. WEAVER) and his hearings were held with a slightly different focus than the 5 days of hearings held by my subcommittee.

Let me just read to the gentleman from the press release and notice that went out.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. BEILENSON. Mr. Speaker, I yield 3 additional minutes to the gentleman from Ohio.

Mr. SEIBERLING. Let me just read to the gentleman from the press release of March 27, 1981:

> The purpose of the hearings by the Public Lands and National Parks Subcommittee will be to provide the public with an opportunity to testify as to which national forest roadless areas in Oregon should be designated as wilderness under section 5 of the Weaver bill. Seiberling said, "Previous Oregon hearings on H.R. 1511 held by Congressman Weaver in February concentrated on the proper balance between wilderness and non-wilderness on Oregon's national forest lands, whereas the April hearings are designed to elicit site specific testimony on wilderness proposals and boundaries."

□ 1245

Mr. DENNY SMITH. If the gentleman will yield, that is fine, but we find that even in the subcommittee the lands were changed in February of this year. So what was supposedly wilderness quality was suddenly reversed, and we do not even know for sure where we are.

It seems to me that it still comes back to how many jobs are going to be lost in the State of Oregon and what are we really doing, the long-term impact on the State of Oregon.

Mr. SEIBERLING. The gentleman has already made his point about jobs and we will get into that in general debate.

Let me just say this: We have the maps here that were available to the committee at the time that we marked up the bill. I do not know that we ever pass a bill out of committee that is identical to bills introduced. They are usually amended in committee. The idea that we should have separate hearings every time we make a change in the bill would mean there would be no legislation coming out of committee.

We had 195 witnesses testify at the field hearings and at the hearings in Washington. When we first went to Oregon, including the gentleman's own district, I called the gentleman personally on a number of occasions and personally pleaded with him to come to the hearings. He declined to do so. I merely suggest that had the

gentleman been at the hearings, he might have found a great deal of site specific testimony.

In any event, to say that this is being rushed through, after 2 years of hearings, with all those witnesses, all the field inspections, all the debate that has taken place, just seems to me a grotesque caricature of the facts.

Mr. DENNY SMITH. If the gentleman would yield, I would acknowledge that I was invited by you personally to those hearings, and at the time my colleague, Mr. WEAVER, was talking in the press very much about running for Governor. I said I was not going to take part in that. There was a specific reason why I did that.

Mr. SEIBERLING. Well, I am not running for Governor and I held hearings in Oregon. The gentleman was invited and chose not to attend.

Mr. DENNY SMITH. We are not talking about the Ohio wilderness bill, though.

Mr. SEIBERLING. I happen to be the chairman of the Subcommittee on Public Lands, with responsibility for conducting the hearings, so whether I am from Ohio or anyplace else is irrelevant.

Mr. LOTT. Mr. Speaker, I yield 5 minutes to the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. I happen to agree with the gentleman from Oregon. I truly believe this bill has not been given the close scrutiny that it needs. We voted this bill down, in December and I am urging my colleagues who voted no in December to vote no today on the rule and to vote no on the bill, and to vote yes for the Smith amendment.

We have heard a great deal here about hearings and public input. I can say without any reservation, it is a charade unless you wear a white hat and the Sierra Club badge or the trustees of some land group. If you happen to be someone who wants a job, has a business, you are not listened to unless you wear the badge of the Sierra Club or the environmental groups.

We are supposed to be a representative form of government here. If Mr. WEAVER from Oregon wants a wilderness area in his district, I say we will let him have his chance to have his wilderness. But the Members, Mr. BOB SMITH, who has 788,855, 70 percent of the total lands in this bill, his people do not want it. He does not want it. The people who are elected in the boroughs there do not want it. The people who are working there do not want it. They want jobs.

The other SMITH, Mr. DENNY SMITH who just spoke, has 114,000 acres of land, and he does not want it.

I think it is wrong for this body, and I have said this time and time again, to insist that we know better, regardless of the hearings, than those who are duly elected from those respective districts.

Let us go a little further. The Governor of Oregon is against this bill. Ten of the twelve State representatives in these areas are against this bill. All State senators are against this bill. The two Congressmen who represent 80 percent of it are against this bill. This administration and, by the way, the past administration, would be against this bill. The forest products industry is against this bill and the United Brotherhood of Carpenters and Joiners is against this bill.

We heard a great deal from Mr. AUCOIN, who has no acres in this bill at all. He should listen to his colleagues. Mr. AUCOIN has not 1 acre in this bill, not 1 acre in this bill. He is putting his nose in somebody else's business.

I am saying this is a representative form of government. It should be listened to and the people duly elected to represent that area should be listened to, and not some outsiders. It is time we started talking about what wilderness areas will have on the jobs of America. We have the Democratic side of this aisle who keep telling us, "We want jobs bills. We have to create a jobs bill." We have today 80 million acres of wilderness. How much is enough, Mr. Speaker? I ask you: How much is enough? And a potential of 203 million acres recommended for wilderness. That is more than 1 acre of wilderness for every man, woman, and child in America today.

But there is not one border that does not have a higher value than wilderness today that has been selected by this Congress and the committee I come from. It is wrong. We should listen to the people who represent these areas. This bill is being rushed through. It has not had the proper hearings. If the hearings were held today, I doubt if my good chairman would listen to anybody but the badgewearers of the Sierra Club.

Mr. BEILENSON. Mr. Speaker, I yield 4 minutes to the gentleman from Oregon (Mr. WYDEN) for purposes of debate only.

Mr. WYDEN. I thank the gentleman from California for yielding this time to me, and I rise in support of the rule.

The gentleman from Salem, Oreg., Mr. DENNY SMITH, says he is not sure of what we are doing here. I think it is pretty clear what we are doing here.

First, we are taking steps to protect approximately 8,900 commercial fishing jobs, trollers, gill netters, charter boats, Indian tribal fishermen. Almost 9,000 jobs depend on those salmon runs from the Upper Columbia River Basin and coastal watersheds. H.R. 1149 is going to protect those jobs.

Some of the other things we are doing in H.R. 1149 are also pretty clear to most of us. We are taking steps to make sure that we do not pollute the headwaters that are the source of clean drinking water. We are taking steps to make sure that we do not wipe out the deer and the elk and the other wildlife habitats that attract the hunters and nature lovers from around the country to our beautiful State of Oregon.

Now I would like to respond to Mr. DENNY SMITH's view that those of us in favor of this bill do not care about jobs in the Northwest. I will not take a back seat to anybody with respect to providing for jobs in the wood products industry. I am one of the principal sponsors of the Bonneville lock legislation, which is going to mean jobs for the wood products industry. I am one of the principal supporters of the legislation that frees up new sources of capital for housing, and our wood products industry supports this legislation also.

The fact of the matter is, the wood products industry is not in trouble because of timber supply. They are in trouble because of the marketplace, because of the recession. We cannot even sell all the wood that is being cut. So I think it is just preposterous to say that this legislation is going to throw people out of work in Oregon.

The gentleman from Salem has said that those who support this bill are virtually dropkicking jobs out of our State. That is not true. This legislation is good and it is good for all of Oregon, not just a few segments. I, for one, think it is a great mistake for Mr. DENNY SMITH to pit one part of Oregon against another, as he has done in opposing this legislation.

We have heard talk that Mr. AUCOIN and I should not be interested in wilderness legislation because we do not have many acres in our districts. Well, we are concerned about the well-being of our State as a whole. What happens in eastern Oregon affects what happens in western Oregon. This legislation is good for Oregon, it is good for all the citizens of our State, and I urge my colleagues to support the rule and the legislation.

Mr. LOTT. Mr. Speaker, I yield 5 minutes to the other gentleman from Oregon (Mr. ROBERT F. SMITH).

Mr. ROBERT F. SMITH. Mr. Speaker and Members of the House, this bill, H.R. 1149, the Oregon Wilderness Act of 1983, I believe is far from ready for presentation to this House, and I urge you today to reject a rule at this time.

In the first place, this legislation has moved with a speed warranted by neither its content nor its background. The bill was introduced only a matter of weeks ago. Surely this Congress and its 97 predecessors have taken a more leisurely approach to far more expansive bills in the past. I see no reason to rush the Congress to judgment on this one.

We are today facing absolutely no deadlines. We are not threatened by the loss of the land in question from Federal possession. There is no home State clamor to take action, which this bill proposes, and there is no reason for haste.

Second, this bill seeks to place an additional 1 million acres of Oregon land in federally designated wilderness category. More than two-thirds of that land is located in my congressional district—actually, almost 70 percent of that land. I have not had an opportunity to open the legislation to hearings at a local level in Oregon. As spokesman for most of the Oregon land impacted by this bill, I would feel exceptionally remiss in allowing this legislation to reach the floor without local hearings.

A survey conducted just 2 weeks ago indicated that two-thirds of the Oregonians who voiced an opinion said they did not feel that the State should have more wilderness area—two-thirds of all Oregonians in every congressional district. At this time, my own congressional questionnaire is returning and answers the same question in the same way, but adds in my congressional district that 70 percent and more of the people do not want additional wilderness in the Second Congressional District. To proceed without asking them, in my opinion, would be legislative snobbery.

Finally, this Congress still has no firm idea of this bill's full economic impact. Neither the advocates nor the opponents can say with any certainty just how many jobs will be lost or how much taxation will be forfeited by the enactment of this bill. By the best calculations available to me in this very short time, the lost employment has been placed at 6,000 to 8,000 jobs, and I suggest that you have been hearing different points from different areas.

But to pretend that a bill with this much impact on community employment can be drafted, presented, and adequately debated while its actual results are still in question is preposterous, and I agree. So I urge you to reject the rule for H.R. 1149.

May I suggest to the gentleman from Ohio that I do appreciate his interest in the State of Oregon and the hearings that were held in the State of Oregon, but I point out to everyone that those hearings were held in 1981. I appreciate that extensive travel that he took, yet today, 1983 is a time when we must look at another bill, another acreage requirement, different boundaries, and different impacts, and I ask again that this House not grant a rule.

Mr. YOUNG of Alaska. Mr. Speaker, will the gentleman yield?

Mr. ROBERT F. SMITH. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. I thank the gentleman for yielding.

Mr. Speaker, I would like to compliment the gentleman in the well, the other Mr. SMITH, for bringing these points to the body, and again stressing the fact that hearings have not been held in his district, his people are against it, and if the gentleman will yield further, I sent a "Dear Colleague" letter around concerning Oregon wilderness and fishing because it was mentioned in the well.

The facts of the matter are that if, in fact, the bill passes in its present form, if the gentleman in the well is not listened to, there will be absolutely a devastating effect on the fishermen because there is no enhancement programs in wilderness areas that can take place. We have found this out in Alaska. We found it out in the Alaskan lands bill. We cannot enhance those streams and make the improvements that are necessary.

Second, Oregon has a limited entry. So you talk about an increase in jobs; that is not true.

Again, I would like to compliment the gentleman for his leadership as a new Member of Congress. He is doing a yeoman's job. Continue that, and hopefully, our side at least will listen to the people and the representatives of those people.

Mr. ROBERT F. SMITH. I thank the gentleman from Alaska.

I want to point out further that the facts are that wilderness by itself does not enhance a fishery. The gentleman pointed out that if you want a fishery, then you have to have enhancement, and that is the key to the fishery in Oregon and the fishery in Alaska and the fishery in the Pacific Northwest. The mere blocking out and tying up of land at any headwaters or anywhere is not the answer to a strong, viable fishery, and I suggest that is where we ought to put the emphasis, if we want a better fishery, on the enhancement side.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. SEIBERLING).

□ 1300

Mr. SEIBERLING. Mr. Speaker, I would like to say something about the gentleman's statement. I think he has made a very excellent moderate statement.

We did hold hearings in the gentleman's district. The only thing is it was not his district at that time, but the lands were the same. We held a couple of hearings in what is now his district.

Let me say that I am sure that had the gentleman been representing the area at that time, he would have been there and listened to the testimony. But it is here; it is all available in the RECORD if he wants to go through it.

Let me simply say that I think this is a very moderate bill. I think that the process that we have followed has been very deliberate. As a matter of fact, we have had more hearings on this bill in Washington and in Oregon than we have had on just about any other wilderness bill since the Alaska Lands Act. We did hold a hearing last year in Washington, D.C.; we held another one this year. I do feel, with the familiarity the staff and the members of the committee had generally with this legislation, that we had an unusually thorough and careful analysis, and I think it is regrettable that the gentleman was not there when we had our hearings because he was not representing that area. I am sure that if he had been there, we would have worked with him.

I know that an effort was made by the three Democrats from Oregon to work with the minority, and this bill is a product of those efforts. So I am personally satisfied with the gentleman's position. I want to thank him for his statement, and I think we ought to get on with this legislation.

Mr. ROBERT F. SMITH. Mr. Speaker, if the gentleman will yield, I thank the gentleman from Ohio (Mr. SEIBERLING) for pointing out that the hearings were really 2 years ago in my State, except, of course, the congressional hearings, but I think the point remains that there was one hearing in this district in La Grande which the gentleman conducted—and I appreciate that—in 1981. But I am only suggesting that the boundaries have changed radically.

The SPEAKER pro tempore. The time of the gentleman from Ohio (Mr. SEIBERLING) has expired.

Mr. BEILENSON. Mr. Speaker, I yield 1 additional minute to the gentleman from Ohio, (Mr. SEIBERLING).

Mr. ROBERT F. SMITH. Mr. Speaker, if the gentleman from Ohio will continue to yield, I just want to make the point to the gentleman that the boundaries have been so changed. In fact, the acreage has been increased by some 100,000 acres. Some 127,000 acres were added, and there was a 27,000-acre reduction. So the impact of this bill is almost brand new. That was my only point, and I thought that further hearings would clarify everybody's position in Oregon.

Mr. SEIBERLING. Mr. Speaker, let me just say that we are considering this today under an open rule. There will be an opportunity to offer amendments with respect to those very boundaries. Whatever the House reports to the Senate, the Senate will have the opportunity to have further hearings, field hearings.

I might say that we built also on hearings that Senator HATFIELD held a couple of years ago out in Oregon. So there is going to be a continued give and take, and we will work with the gentleman. I know we will succeed in getting a bill that will satisfy him and

all the other interests as a reasonable compromise.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Montana (Mr. MARLENEE).

Mr. MARLENEE. Mr. Speaker, with all due respect to my honorable colleague, the gentleman from Oregon (Mr. WYDEN), who serves on neither the Subcommittee on Forests of the Committee on Agriculture, nor the Subcommittee on Public Lands of the Committee on Interior and Insular Affairs, and who has no significant acreage within the wilderness proposal and apparently misunderstands the public land management policies. To him, I would say, our public lands can be and are protected under professional land management. They may not need to be designated as wilderness to be protected. The watersheds can be protected, the fisheries can be protected, and as a matter of fact, there are mandates within the law that require that this be done.

With regard to the inferences by my colleague, the gentleman from Oregon (Mr. AUCOIN), that Members were not attending these hearings perhaps when they had been invited. He should ask the ranking member if he was consulted as to when those hearings were going to be held, the time, the place, or if it was in fact convenient for the Member to attend. Or were these meetings set at the convenience of some individual who might be running for Governor? Further, was the ranking member consulted as to the witnesses? Who were going to appear at these hearings?

Mr. Speaker, I would add as a final comment that if the Members had attended all of the hearings promoted by the wilderness advocates who served on the committee, they would feel like a yo-yo, after being bounced back and forth between Washington, D.C., and the State of Oregon.

Mr. BEILENSON. Mr. Speaker, we have no further requests for time on our side.

Mr. LOTT. Mr. Speaker, we have no further requests for time, and I yield back the balance of my time.

Mr. BEILENSON. Mr. Speaker, in that case, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DENNY SMITH. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 234, nays 84, not voting 115, as follows:

[Roll No. 34]

YEAS—234

Ackerman	Glickman	Patman
Addabbo	Gonzalez	Pease
Akaka	Gore	Penny
Alexander	Gradison	Pepper
Anderson	Green	Perkins
Andrews (NC)	Guarini	Petri
Andrews (TX)	Hall (OH)	Pickle
Annunzio	Hall, Ralph	Porter
Anthony	Hall, Sam	Price
Applegate	Hamilton	Rahall
AuCoin	Hance	Rangel
Barnard	Hatcher	Ratchford
Bates	Hawkins	Ray
Bedell	Hertel	Regula
Beilenson	Horton	Reid
Bennett	Howard	Rinaldo
Bevill	Hoyer	Ritter
Boggs	Hubbard	Roe
Boland	Huckaby	Roemer
Boner	Hughes	Rose
Bonior	Hutto	Rowland
Bonker	Ireland	Roybal
Borski	Jacobs	Sabo
Boxer	Jenkins	Savage
Britt	Jones (NC)	Scheuer
Brooks	Jones (OK)	Schneider
Brown (CA)	Jones (TN)	Schroeder
Brown (CO)	Kennelly	Schulze
Bryant	Kildee	Schumer
Burton (CA)	Kolter	Seiberling
Byron	Kostmayer	Shannon
Carney	Kramer	Sharp
Carper	LaFalce	Shelby
Carr	Lantos	Sikorski
Chappell	Leach	Simon
Clay	Leath	Sisisky
Coleman (TX)	Lehman (CA)	Skelton
Collins	Lehman (FL)	Slattery
Conte	Leland	Smith (FL)
Conyers	Lent	Smith (IA)
Cooper	Levin	Smith (NE)
Coughlin	Levine	Snowe
Crane, Philip	Levitas	Solarz
Crockett	Lewis (CA)	Spratt
D'Amours	Long (LA)	St Germain
Daniel	Long (MD)	Staggers
de la Garza	Lowry (WA)	Stark
Derrick	Lujan	Stenholm
Dicks	Lundine	Stokes
Dingell	Markey	Studds
Dixon	Martinez	Swift
Dorgan	Matsui	Synar
Dowdy	Mavroules	Tallon
Dwyer	Mazzoli	Tauke
Dymally	McCloskey	Tauzin
Dyson	McHugh	Thomas (GA)
Eckart	McNulty	Torricelli
Edgar	Mica	Udall
Edwards (CA)	Mikulski	Valentine
English	Miller (OH)	Vandergriff
Erdreich	Mineta	Vento
Erlenborn	Minish	Volkmer
Evans (IL)	Mitchell	Watkins
Fascell	Moakley	Weaver
Fazio	Mollohan	Weber
Feighan	Montgomery	Wheat
Ferraro	Moody	Whitley
Flippo	Mrazek	Whitten
Foley	Murphy	Williams (MT)
Ford (MI)	Murtha	Wilson
Ford (TN)	Natcher	Wise
Fowler	Nichols	Wolpe
Frank	Nowak	Wright
Frost	Oakar	Wyden
Fuqua	Oberstar	Yates
Gejdenson	Obey	Young (FL)
Gephardt	Ottinger	Young (MO)
Gibbons	Panetta	Zschau

NAYS—84

Archer	Cheney	Dreier
Badham	Clinger	Duncan
Bartlett	Coats	Edwards (AL)
Bateman	Conable	Fiedler
Bliley	Dannemeyer	Fields
Broomfield	Davis	Forsythe
Burton (IN)	DeWine	Franklin
Chandler	Dickinson	Gingrich
Gregg	McCandless	Skeen
Gunderson	McDonald	Smith, Denny
Hansen (ID)	McEwen	Smith, Robert
Hartnett	McGrath	Snyder
Hiler	McKernan	Solomon
Holt	Michel	Stratton
Hopkins	Morrison (WA)	Stump
Hunter	Myers	Sundquist
Kasich	Nielson	Taylor
Kindness	Oxley	Thomas (CA)
Lagomarsino	Packard	Vander Jagt
Lewis (FL)	Parris	Vucanovich
Loeffler	Quillen	Walker
Lott	Roberts	Whitehurst
Lungren	Rogers	Whittaker
Mack	Roth	Winn
Madigan	Rudd	Wolf
Marlenee	Sawyer	Wortley
Marriott	Shumway	Wylie
Martin (IL)	Shuster	Young (AK)

NOT VOTING—115

Albosta	Gaydos	Moorhead
Aspin	Gekas	Morrison (CT)
Barnes	Gilman	Neal
Bereuter	Goodling	Nelson
Berman	Gramm	O'Brien
Bethune	Gray	Olin
Biaggi	Hall (IN)	Ortiz
Bilirakis	Hammerschmidt	Owens
Boehlert	Hansen (UT)	Pashayan
Bosco	Harkin	Patterson
Boucher	Harrison	Paul
Bouquard	Hefner	Pritchard
Breaux	Heftel	Pursell
Broyhill	Hightower	Richardson
Campbell	Hillis	Ridge
Chappie	Hyde	Robinson
Clarke	Jeffords	Rodino
Coelho	Johnson	Rostenkowski
Coleman (MO)	Kaptur	Roukema
Corcoran	Kastenmeier	Russo
Courter	Kazen	Sensenbrenner
Coyne	Kemp	Shaw
Craig	Kogovsek	Siljander
Crane, Daniel	Latta	Smith (NJ)
Daschle	Lipinski	Spence
Daub	Livingston	Stangeland
Dellums	Lowery (CA)	Torres
Donnelly	Luken	Towns
Downey	MacKay	Traxler
Durbin	Martin (NC)	Walgren
Early	Martin (NY)	Washington
Edwards (OK)	McCain	Waxman
Emerson	McCollum	Weiss
Evans (IA)	McCurdy	Williams (OH)
Fish	McDade	Wirth
Florio	McKinney	Yatron
Foglietta	Miller (CA)	Zablocki
Frenzel	Molinari	
Garcia	Moore	

□ 1320

Mr. BARTLETT changed his vote from "yea" to "nay."

Mr. LENT changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. HALL of Indiana. Mr. Speaker, I was delayed in returning to Washington today by severe weather conditions in my district. As a result, I missed rollcall No. 34, the vote on the adoption of the rule on the Oregon wilderness bill. I supported the rule and would have voted "aye."

The SPEAKER pro tempore (Mr. LEVITAS). Pursuant to House Resolution 141 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1149.

The Chair appoints the gentleman from Minnesota (Mr. OBERSTAR) to preside over the Committee of the Whole.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1149) to designate certain national forest system and other lands in the State of Oregon for inclusion in the National Wilderness Preservation System, and for other purposes, with Mr. OBERSTAR in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Ohio (Mr. SEIBERLING) will be recognized for 30 minutes and the gentleman from Alaska (Mr. YOUNG) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of H.R. 1149. This is one of the major environmental bills of the 95th Congress. The Subcommittee on Public Lands and National Parks has committed massive amounts of time in field inspections and hearings on this issue.

I show my colleagues the printed book of hearings from the 97th Congress alone. We also had field inspections and informal hearings were held in the 96th Congress. We also held hearings last year in Washington, and again this year, which are not even in this volume.

The Subcommittee on Public Lands and National Parks, with the single exception of the Alaska lands bill, has given more hearings and more subcommittee consideration to this bill than any other wilderness proposals that have come before us.

Mr. Chairman, it is important that we move forward with this legislation for several reasons at this time. Many of the wilderness and wilderness study proposals of H.R. 1149 are imminently threatened by development which could jeopardize their wilderness characteristics and the paramount watershed, fishery and wildlife values which wilderness protects.

This is especially true for many of the bill's proposals in eastern Oregon.

During the subcommittee hearings in La Grande, Oreg., 2 years ago experts from the Oregon Department of Fish and Wildlife testified that further development in most roadless areas in eastern Oregon, only some of which are included in this bill, could severely impact already depleted anadromous fish runs and big game population.

Their testimony has been buttressed by that of numerous scientists and interest groups such as the Oregon Fisherman's Association.

During our hearings on the bill a month ago representatives of the Columbia River Intertribal Fish Commission testified that protection of most of the remaining salmon and steelhead producing watersheds used by the Natives is critical if the Northwest Power Planning Council's goal of balancing wild and hatchery fish in the Columbia River Basin is to be achieved, and the Forest Service simply cannot do the job wilderness can because, among other things, their funding is being slashed.

For example, although fisheries are often given lipservice in Forest Service planning documents, the timber sales and planning budget of region 6 is over 100 times as large as the budget for fisheries and wildlife improvement despite testimony that the fish production value of many roadless areas exceeds the net timber values. Further, the U.S. Forest Service's direct fish habitat improvement funding for region 6 has fallen from $700,000 in 1981 to a flat zero for fiscal years 1983 and 1984. At least one of the forests covered by this bill does not even have a fish biologist on its staff.

Stated simply and contrary to what we often hear, the wilderness and wilderness study proposals of H.R. 1149 are needed to protect jobs, jobs in the fishing industry, jobs and subsistence needs on Indian reservations, jobs of licensed guide and outfitter industries, and jobs in hunting, fishing, and other recreational sectors.

□ 1330

I believe that both in the longrun and the shortrun these jobs will contribute more to Oregon's economy in terms of dollars and sustained employment than would logging on the unstable soils and marginal high elevation lands proposed for wilderness and wilderness study in H.R. 1149.

Many of the wilderness proposals of this bill are within a short drive of Portland, Eugene, Salem, and Oregon's other larger population centers.

It is important that some virgin forest and opportunities of primitive outdoor recreation be preserved so that residents of Oregon's urban centers will be able to enjoy an untrammeled environment. A beautiful environment it is indeed as I can personally testify from my visits to the area.

I might add there are some photographs out in the Speaker's lobby that I had enlarged from some of the many slides I took in my trips to the area and they will give you an excellent picture not only of the beautiful type of scenery and wilderness that we are dealing with but some of the results of unfortunate logging activities in other parts of Oregon.

A second and very important reason for passing this bill is to protect lands which are important to Oregon's Native Americans for subsistence hunting and fishing. Although the lands involved in H.R. 1149 were ceded by various tribes to the United States, the tribes retained fishing and hunting rights.

At our hearings on this bill we received testimony from representatives of many tribes strongly supporting this bill and urging that even more lands be designated wilderness than are in the bill was reported by committee. Our committee's and Congress traditional role in Indian Affairs and our very strong responsibility for their general welfare and the dictates, indeed, of simple justice all would give great weight to the tribes' requests even if they were not compatible, as they are, with the other objectives I have already mentioned.

A third important reason for pressing ahead with this legislation is that it will protect some of the most outstanding examples of our wilderness heritage for enjoyment by the people of the United States and Oregon while at the same time striking a reasonable wilderness-nonwilderness balance.

In fact with the exception of the relatively arid States of Utah, Nevada, and Arizona, Oregon has a smaller percentage of its national forest land in wilderness than any other Western State.

Even with the additions of H.R. 1149 only 15 percent of the national forest land in Oregon would be designated wilderness, a smaller percentage than already exists in Alaska, Colorado, Idaho, Montana, New Mexico, Washington, and Wyoming.

This bill is truly a compromise bill. Out of some 3.4 million acres of new wilderness designations sought by the Oregon Wilderness Coalition this bill designates only about one-third, 1.2 million acres as wilderness or wilderness study.

Mr. Chairman, in terms of programed timber harvest the impacts are also minimal. Out of a national forest programed harvest in Oregon of some 3.7 billion board feet per year, that is billion, we estimate this bill would affect 153 million board feet or 4.1 percent. And if one looks at the past annual harvest from all lands in Oregon, both Federal, State, and private lands the reduction amounts to only 1.8 percent, and that is assuming, my colleagues, that we accept the Forest Service estimates. You will find in the committee report a study by the Congressional Research Service's expert on timber matters, an analysis which indicates that actually the effect will be far smaller than that, because many of these lands are marginal and should not be offered for cutting at all.

Further, I would note that over half of the timber that is in the programed harvest that would be affected by this bill is located in Congressman WEAVER's district and he is an author and a strong supporter of this bill.

In summary, Mr. Chairman, I believe H.R. 1149 strikes a reasonable balance between the desire for development and the desire to preserve a small fraction, and I emphasize a small fraction of our national forestland in their natural state.

I reserve the balance of my time.

The CHAIRMAN. The gentleman from Ohio (Mr. SEIBERLING) has consumed 9 minutes.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 11 minutes to the gentleman from Oregon (Mr. ROBERT F. SMITH).

Mr. ROBERT F. SMITH. Mr. Chairman, never in my wildest dreams of becoming a Congressman would I have imagined that I would be forced to the floor of the House of Representatives after 3 months to help save 6,000 Oregon jobs.

It would never have occurred to me that you would welcome me to town with a jobs bill which I voted for to create 2,000 positions in Oregon and immediately send 6,000 people to compete for those 2,000 jobs.

Well, frankly, that is not the kind of a welcome that I expected. I rise today in direct opposition to H.R. 1149. This bill would carve 1.2 million acres of new wilderness out of the Oregon countryside, 70 percent of which is in my own Second Congressional District.

Well, I am not here alone to oppose this bill. I come to you with the support of Oregon's Gov. Victor Atiyeh and the mayor of Oregon's largest city of Portland. My opposition is shared by all six State senators in this congressional district, as well as 10 out of 12 House Members in Oregon from the Second Congressional District. And these people by the way are Democrats and Republicans and this is not a partisan issue in Oregon.

Also by a March 4 statewide survey, it showed 2 out of 3 Oregonians statewide were opposed to more wilderness designation.

In a constituency survey within my own district, recently conducted, opposition to wilderness in my own district ran more than 70 percent and it was opposition from recreationists, from miners, from snowmobilers, from labor unions, and from the timber industry.

Let me explain first that this bill calls for an additional wilderness, to put it in perspective, one and a half times larger than the entire State of Rhode Island. It is roughly the same square mileage of the State of Delaware, or 28 times the size of the District of Columbia.

If approved the combined size of all wilderness areas in Oregon would be equal to half of the size of the State of New Jersey.

Today the Federal Government in Oregon owns 52 percent of the land. Of that, 1.2 million acres are already designated for wilderness. Now many of you may not be able to distinguish differences between wilderness and other Federal lands, but there are many, many important distinctions. Let me just quote from the Wilderness Act itself.

> There should be no commercial enterprise and no permanent road, there should be no temporary road, no use of motor vehicles, motorized equipment or motor boats, no landing of aircraft, no other form of mechanical transportation and no structure of installation within any such area.

□ 1340

But wilderness designation presents unique problems even for its own protection. Fires, for instance, occur also in unspoiled nature. In national forests and parks, fire roads are already cut to allow firefighters quick access to the problem areas. Within the wilderness areas, roads are not allowed, not even for fire roads. If fire starts, as it did in nearby Idaho just a few years ago, precious thousands of acres will burn before we can reach it or if we can reach it at all. As a matter of fact, Idaho lost 75,000 acres just a few years ago to fire in a wilderness area because there was just no way they could fight the fire.

My colleagues, it make absolutely no difference whether the unspoiled wilderness is devastated at the hand of man or by an act of God, it remains lost.

Well no one in this Chamber today, I submit, has an absolute answer of how many jobs this bill will cost Oregon. Its sponsors tell you that it creates jobs, but that is because they have included in this package the release of 2 million acres that were never in jeopardy of loss in the very first place.

They have chosen to hold 2 million acres of potentially productive forest land as hostage while they dicker for 1.2 million acres of new wilderness.

I call that Russian roulette. The problem is in Russian roulette there is an empty chamber. In this Russian roulette both chambers have a bullet to the head of Oregonians. One to release 2 million acres of land and the other with a bullet to set aside 1.2 million acres in wilderness and both of those are bullets to the very life of Oregonians and to the economic well-being of Oregon.

I can tell my colleagues that estimates run between 6,000 and 8,000 jobs lost by this bill. These are primarily lumbering jobs, but strategic metals to be mined from these lands are also involved, including chromium. In this area alone, I remind my colleagues that Oregon is rich in chromium, yet 88 percent of this strategic, military-value metal now comes from foreign sources, much of it from the Soviet Union.

By taking these 1.2 million acres out of the planning cycle, you place much more burden on the remaining harvests. Since nature works at her own pace, supplies will simply shorten as demand increases. And do not be fooled by the shortsighted argument that the housing industry is slow today. You and I know that that is short term. When the housing demand returns, and it will, the demand for new harvests and new lumber will drive prices to the top of the redwoods, unless something is done. And as surely as high interest rates have caused a depression in the timber industry, so will reduced supply by increasing the price of the remaining timber.

This bill totally ignores the recommendations of nearly 11 years of study by our own Forestry Service. In research called RARE I and RARE II, the Forest Service recommended that only about 368,000 acres be designated wilderness rather than 1.2 million acres.

This bill calls for more than three times that amount, almost 1.2 million acres. Some think of holding that much land as an investment is like putting it in the bank; that we can draw it out and use it later. Nothing is further from the truth than putting it aside for wilderness areas. What you do you put the land in a vault and you seal it forever. We deposit this 1 million acres in that manner, it will never be withdrawn again.

The alternative we are seeking is multiple use. In practical terms, that means leaving the land open for backpackers, for grazing, for timber harvesting, for mining, recreation, hunting, and exploration. The land remains in Federal ownership. With judgmental management, multiple use can benefit everyone.

And one more factor in your consideration of this bill: the simple fact that people are using wilderness less. In the decade between 1970 and 1980, we experienced a significant decline in the number of visitors to Oregon wilderness. And those who did come, probably because there are no roads or vehicles allowed, seemed not to stray more than 500 yards off established paths. As a result, 98 percent of the visitors explored 2 percent of the existing wilderness.

Adding more wilderness now would seem little bit like buying a Mercedes and a Cadillac for a man who does not drive.

Now let me review the considerations I would like for my colleagues to keep in mind when you vote on this bill.

We are being offered a so-called compromise bill that would free 2 mil-

lion acres of land that even is not under dispute and would be freed anyway.

We are presented with 1.2 million acres of wilderness where the Forest Service and the two most recent Presidents, Democrat and Republican, suggested only a little over 300,000 acres be established as wilderness in Oregon.

You are giving me a jobs bill that recently passed this Congress that offers 2,000 jobs to Oregonians and you are providing me with 6,000 unemployed, the cost of wilderness to fill those jobs.

You are limiting future construction lumber supplies because the market is bad today, but it is improving and it will improve.

You would take $380 million out of Federal, State, and local treasuries every year from now on by enacting this bill, particularly impacting local counties, school systems and local roads.

We would be forfeiting mining opportunities for minerals, one of which is militarily precious chromium, in the proposed wilderness area. Presumably that means buying it from Russia. Is that stable? Is that what we want for the future? And are we comfortable with that as a long term arrangement?

Futher, this bill is unwanted by the State where the wilderness area would be placed and by the State's government and its leaders of both parties.

It would add twice the land area of existing wilderness in Oregon and, by the way, it would take out 14 percent of the timber producing region, not 2 percent, 14 percent of the timber producing region.

It is virtually unprotectable from elements of fire and infestation and there is no need to act now.

So I ask my colleagues, I plead with my colleagues, I implore my colleagues, do not penalize Oregon in this manner.

Mr. SEIBERLING. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon (Mr. WEAVER), who is a member of the subcommittee and a coauthor of this bill.

Mr. WEAVER. I thank my chairman for yielding and I want to say I thank him for the fine and hard work he has done, including all the time he has spent in Oregon reviewing these lands.

Mr. Chairman, as chairman of the Forest Subcommittee, I held three hearings throughout Oregon on the economic impact of wilderness. I thought it was important first to set the foundation for a wilderness bill by determining what impact on our jobs and general economy wilderness has.

It was very clear from these hearings that were held, as I say, throughout the entire State and with many dozens of witnesses, that there was virtually no economic impact.

Let me say now that there are 15 million acres of national forest timber alone—15 million acres. We are putting in this bill a little over 1 million acres of the least productive lands. They have tremendous nontimber assets. They protect our fisheries, they protect our watersheds, they are some of the most beautiful lands that we have in Oregon, but they are, in terms of timber, the least productive.

A Congressional Research Service study shows that these lands often will cost the taxpayer money to harvest the timber. It costs more to go in and get the timber than the timber is worth in these high mountain areas.

So therefore we actually in many instances—especially regarding these deficit sales—are saving the taxpayer money, as well as saving jobs for our fishing industry, jobs for our tourist industry, and preserving our clean water, as well as providing for scientific research, which to my mind is one of the leading reasons to have wilderness.

But to get a graphic idea of what we are talking about here in timber, because that is what the argument appears to be about, this graph shows the timber that remains in the wilderness areas. This long, very high stripe represents the amount of timber in Oregon presently sold by our Federal Government, which remains on the stump because the economics right now do not allow it to be harvested. Prices are too high for the timber and too low for the lumber.

□ 1350

This vast amount of 16 million board feet is presently sold, not harvested, and remains overhanging the market. We have a surplus of timber in Oregon at this time. The timber industry cannot afford to harvest it.

The second long line represents the annual harvest of timber in Oregon from all forests—about 8.5 billion board feet. That is how much timber is harvested each year.

The third line is the timber harvested from just the Federal forests—about 4.5 billion board feet.

Now, all the roadless areas themselves, the entire roadless areas of Oregon, represent only 451 million board feet, just this small little block of timber, compared to the national forests timber and the timber that is harvested annually in Oregon and the timber that is sold and on the stump. This little amount is all the timber that is in all the roadless areas now as measured in annual allowable harvest.

This amount right here—251 million board feet—is the timber that would be available for harvest under our bill in the released 2 million acres.

Finally, this little dot is the amount of timber in the Oregon Wilderness Act that we have before us—less than 200 million board feet.

We have heard much of affected congressional areas, and I understand the concern; but it is true that if we are talking about timber—and that is mainly what we are talking about—over half the timber in this wilderness bill is in my congressional district. My congressional district is the largest timber-producing district in the United States of America. Almost my entire industry is the timber industry. I am well known as a wilderness advocate and I continue to be reelected each time from that district by ever-higher margins. People in my district, though their jobs depend on timber, know they also want to hunt and fish and preserve a small part of our very best wildlife and scenic lands, and the least productive timberlands. The loggers know this, and so does the general public in the cities.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. SEIBERLING. Mr. Chairman, I yield 1 additional minute to the gentleman.

Mr. WEAVER. As to support of the bill, the speaker of the Oregon House of Representatives, the president of the Oregon State Senate, and 30 of their colleagues are on letters supporting this bill and supporting wilderness.

The largest newspaper in Oregon, the Oregonian, supports the bill. "Wilderness areas needed in bill," says the Oregonian.

The largest newspaper in the district of the gentleman from eastern Oregon, Mr. SMITH, supports the bill. Here is that editorial. That is the largest newspaper, the East Oregonian, in Pendleton, Oreg., it supports the bill.

The leading newspaper of the capital of Oregon, the Salem Statesman Journal, supports the bill.

The largest newspaper in the southern part of Oregon, the Medford Mail Tribune, supports the bill.

So you see, it has broad support throughout Oregon. It protects as wilderness mainly unproductive timberlands that often cost the taxpayers more money than the timber is worth, and represents only a very small fraction of the timber available for harvest.

The CHAIRMAN. The time of the gentleman from Oregon has again expired.

Mr. SEIBERLING. Mr. Chairman, I yield 1 additional minute to the gentleman.

Mr. WEAVER. One of the main questions I asked in my economic impact hearings throughout Oregon was "What represents balance between wilderness and commercial harvested land?"

Generally, they felt that a 50-50 split was too much and most of them came down, this is the general public, with a 75-25 split. Actually, what we have is 97 percent of the national forests timber in Oregon open for commercial harvest, and 3 percent, if this

bill were passed, in wilderness; so the split is 97/3. I think that is a more than adequate balance.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon (Mr. DENNY SMITH).

Mr. DENNY SMITH. Mr. Chairman, I rise today in opposition to H.R. 1149, the Oregon Wilderness Act of 1983. This legislation will adversely impact employment in Oregon. H.R. 1149 calls for removing valuable commercial timberlands from production by placing an additional 1.2 million acres in wildernesss. This will double Oregon's existing wilderness acreage.

Timber is a crop and should be managed as such. Over the years, managers of our timberlands have recognized the importance of this crop and have put extra emphasis on regeneration and reforestation. Oregonians have done an excellent job of exercising multiple-use management. A State which has so much pride in the beauty and preservation of its land will continue to exercise sound judgment and wise management practices which provide adequate protection of our resources for future generation. The timber industry used to be the No. 1 employer in Oregon until the bottom fell out of the housing market; but we are beginning to see signs of improvement in the economy and locking up valuable resources for enjoyment by only a few, is not in the best interest of the majority of Oregonians.

There have been hearings held in Oregon concerning wilderness areas, but there have been no specific hearings on H.R. 1149 and the economic impact this bill will have on the State. Last month, Congressman BOB SMITH, Gov. Vic Atiyeh and I wrote to the Subcommittee on Public Lands and National Parks, requesting field hearings in the counties affected by this wilderness bill. The subcommittee denied this request. I then took it upon myself to hold public meetings in my district giving individuals and groups an opportunity to voice their opinions. The testimony I received was 5 to 1 against the bill. Oregonians were incensed that Congress would support a wilderness bill of this proportion, not taking into consideration the number of jobs which would be lost, the limitation on recreational uses, and the revenue impact on counties and schools who derive much of their operating budget from timber receipts. In fact, passage of this bill as currently drafted would cause a forfeit of $30 million every year to State, local, and Federal treasuries. Gross economic activity in Oregon would be reduced by $606 million annually.

If rank-and-file Oregonians could talk to you here today, you would overwhelmingly hear opposition to H.R. 1149. In fact, a recent poll was conducted by an independent survey firm in Oregon. The telephone survey was conducted earlier this month by contacting a random sample of 400 Oregonians. A random digit dialing process was used to obtain phone numbers. The potential sampling error is plus or minus 5 percent at the 95 percent confidence level. There are four key pieces of information in the data:

First, 61 percent of Oregonians believe we already have adequate wilderness;

Second, support for wilderness has declined since 1977;

Third, only 7 percent of those favoring additional wilderness support the acreage level of the Weaver-AuCoin-Wyden-bill; and

Fourth, the public has no idea how many jobs would be lost by adding more than 1 million acres of wilderness in Oregon.

I believe if additional hearings were held in Oregon as I requested, Congress could derive from the testimony that H.R. 1149 creates more problems than it solves. We must act responsibly on this issue and strike a balance between jobs and the environment. We cannot put a leghold trap on the future of the small communities in Oregon who rely on these lands for their economic lifeblood. Eliminating forest jobs in Oregon is like shutting down an auto plant in Detroit or a steel mill in Allentown.

The opposition to this bill is strong. Governor Atiyeh has reiterated his opposition to the bill. There is a growing coalition of nearly 50 organizations in Oregon who are actively opposing the bill. The Association of Oregon Counties, recreational groups, forest products industry, millworkers, loggers, and carpenters all oppose H.R. 1149. There are a number of State-elected officials who have written or verbally expressed their opposition to the amount of wilderness being recommended. I have some letters here from the opponents which I will submit for the RECORD.

This is from Charles E. Nichols, the United Brotherhood of Carpenters and Joiners of America:

We would hope that you will take a very close look at this piece of legislation because we are getting sick and tired of being legislated out of jobs by people who want to wrap up the world into a cellophane package and save it for people who care less about the people who want to work for a living.

We can be a Nation of environmentalists only if our citizens have jobs and incomes to support wise conservation.

This letter is from the Western States Regional Council No. 3 of the International Woodworkers of America, Mr. John Ball:

Gentlemen, when you boil it all down, here's what you have: More wilderness locked up for the elite—the wine and cheese set—to the eternal detriment of the workers in the forest products industry, the economy of the State, the counties, cities and the schools. Giving us this kind of help is very much like handing a cripple a "rubber crutch."

This quote is from the Western Council of the Lumber, Production and Industrial Workers, signed by Mr. James Bledsoe:

To tout this bill as an attempt to save our industry, gentleman, when it will in fact double Oregon's current wilderness acreage, is nothing short of conspired subterfuge on your parts. Why not portray the bill's intended purpose—additional resources setasides, and its inevitable consequences—additional unemployment as they really are? Why the publicity smokescreen?

These quotes are from Larry Campbell, Oregon House minority leader:

H.R. 1149 would inflict unnecessary and potentially crippling damage of much of this State's most valuable timberland . . . and this during a time when the economy of this State can little afford to be further hindered by legislation.

The following quote from Dave Cooper, chairman of the Linn County Board of Commissioners:

The Oregon Wilderness Bill . . . would cost counties and schools an estimated $12.5 million annually . . . the only answers are to turn to the local property taxpayers for more help at a time when they are already groaning under the heavy property tax load—or to seriously reduce services.

The next from a CPA, Mervin Hanscam:

Many clients are having severe cash flow problems. They are just "hanging in there." Taking the timber and recreational resources out of multiple use for the private use of a hundred or so wilderness users, will make this current economy a permanent depression.

The next from Gene Hartl, Linn Gear Co.

No objection to preserving some wilderness areas but how much is enough and how much valuable productive forest land can we afford to lock up? Wilderness is fine, but let's use a little commonsense about how much and where. Weaver's bill is too much and a lot of it in the wrong place.

The final quote is from Mr. Joseph T. Wrabek, city council member from the city of Cascade Locks, Oreg.:

This legislation proposes to double the 1.2 million acres of wilderness in Oregon. We shall have nearly 1 acre of wilderness for every man, woman and child in the State—more wilderness per capita than any State but Alaska. Now, I'd be the last to say that there should not be some areas set aside to remain unimproved. We seem to have neglected, however, to place any limits on how much should be set aside in this fashion. I have a local constituency and local economy that seem to be indicating in no uncertain terms that we may already have gone further than we should have.

Eighty percent of the acreage recommended for wilderness in H.R. 1149 is in my district and Congressman BOB SMITH's district. We both oppose the bill. The U.S. Forest Service is not in support of this measure, and neither are groups representing mineral and mining operations. Senator HATFIELD has expressed his concerns, too.

H.R. 1149 was hastily drawn. During the hearing held in Washington, D.C., it was discovered that there were 54 existing timber sale contracts in 13 of the proposed wildernesses and the 3 wilderness study areas. These 54 timber sale contracts include approximately 200 million board feet. The proposed designations in H.R. 1149 will result in a reduction of planned timber sales for fiscal years 1983 and 1984 of approximately 165 million board feet and 229 million board feet, respectively.

H.R. 1149 is three times the amount of acreage as recommended by the Carter administration under RARE II. The annual reduction in potential yield is 264 million board feet over and above the reduction of 54.5 million board feet in areas recommended for wilderness in RARE II. This reduction represents approximately 7 percent of the annual potential yield of the national forests in Oregon.

The most important reason I urge you to oppose H.R. 1149 is because of the loss of jobs this bill represents. It is estimated that between 6,000 and 8,000 jobs will be lost. The longstanding controversy surrounding the roadless areas needs to be resolved but I oppose resolutions that sell thousands of jobs down the river; particularly when the U.S. House of Representatives, on March 3, 1983, less than 3 weeks ago, passed an emergency jobs bill in light of the unemployment situation we face in this country. How can we now consider legislation which will cost Oregonians thousands of jobs?

I urge you to vote "no" on H.R. 1149.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 1 additional minute to the gentleman.

□ 1400

Mr. DENNY SMITH. I have a local constituency and local economy that seem to indicate in no uncertain terms that we may have already gone farther than we should have.

And then his final quote:

Perhaps the Sierra Club and other groups backing this legislation are interested in funding lifetime pensions for those people whose jobs they are proposing to eliminate. If so, perhaps they could indicate to Congress how much money they would be willing to allocate for this purpose and Congress should then designate an appropriate amount of wilderness based on the above formula. This would at least be fair.

I urge my colleagues to vote no on this wilderness. It is going to cost somewhere between 6,000 and 8,000 jobs of Oregonians. In light of the fact that just 3 weeks ago, we passed a huge jobs bills, this is ludicrous to be considering this legislation without further hearings in Oregon on the impact on Oregonians and their futures.

Mr. SEIBERLING. Mr. Chairman, I yield 7 minutes to the gentleman from Oregon (Mr. AUCOIN) who also is a coauthor of this legislation.

Mr. AUCOIN. I appreciate the gentleman yielding this time to me.

Mr. Chairman, my colleague from the Fifth Congressional District has just referred to the question of jobs and has suggested that three of the sponsors of the bill who are colleagues of his from the Oregon delegation are somehow trying to cost jobs by our support of this legislation. I find it regrettable, that my colleague would make such an assertion.

First, as to his reference to the emergency jobs bill passed by the House last week, I note in the CONGRESSIONAL RECORD that the gentleman was absent and did not vote for jobs when we were trying to provide them for the American people.

Further, when one looks at the problem of timber jobs and forest products jobs, one has to come inevitably to the Interior appropriations bill. This is the bill in which the Congress makes investments for the productive management of our timberlands—management which produces the jobs that the gentleman professes to be concerned about. I serve on the Interior Appropriations Subcommittee, and I have worked hard to insure that there is enough money for reforestation in the Forest Service budget, that there is enough money in the soils and water accounts to insure the long term productivity of our forestlands so that jobs can be produced in the future.

I have worked to insure that there is enough money for research and for State and private forestry so that jobs in the forests will be there. I have worked to insure that there are funds in the payment-in-lieu-of-taxes program so that the local receipts to local governments that the gentleman professes to be concerned about will be there to those local communities. There is no bigger timber jobs in this Congress.

And I have been surprised over the last 2 years that my colleague, Mr. DENNY SMITH, has repeatedly and consistently voted against the Interior appropriations bill.

I do not take a back seat to anyone on the question of jobs, be it the national jobs bill 1 week ago, or jobs in the forests. But my colleague, Mr. DENNY SMITH, clearly does.

Now let me just talk about what the problem is for us out in Oregon and why responsible Oregon Members are trying to do something about an imminent crisis. We have a ninth circuit court decision on the basis of a California case which, if a similar suit were to be brought in Oregon, would freeze all activity on the remaining 3 million roadless acres of Forest Service land in Oregon.

What does the ninth circuit court decision do? It finds that the Forest Service, in its roadless area review study, RARE-II, violated the terms of the national environmental impact statement statute. Therefore, the ninth circuit court decision, if it were applied to Oregon, would close down all 3 million acres of roadless areas in the State.

There is only one way to break that paralysis. That is to pass legislation to pass this bill, which sets aside some percentage of the total roadless areas as wilderness and releases the rest for commercial and multiple use.

If any Member of this body wants to solve the ninth circuit court decision problem, he has got to support legislation that strikes precisely that kind of balance. Anyone who pretends that one side or the other, the industry on the one side or the environmentalists on the other, can have their way 100 percent on this issue, they are misleading people. The environmentalists cannot pass wilderness legislation without providing release and sufficiency language which allows multiple use to take place, on what is not preserved. The industry cannot get release and sufficiency language to solve the ninth circuit court decision without having legislation go through this Congress which provides and protects a certain designated amount of acres for wilderness.

The gentleman from the Fifth Congressional District, Mr. DENNY SMITH, knows that. He knows that. The facts of life in this Congress are these: that both the industry and the environmentalists have vetoes over each other. The environmentalists can stop the industry from getting what it wants and the industry can stop the environmentalists from getting their 100-percent victory.

So what is the answer? Sensible legislators have got to say: "We are not going to throw lollipops up to the grandstands, we are not going to put out press releases telling everybody what they most want to hear." We have to take legislative action that causes each side to give and finally produces and answer to the land use crisis in our forests.

This bill provides such an answer. It strikes that balance.

Let me tell my colleagues how many acres of Forest Service lands there are in Oregon: 15 million acres. About 1 million of those acres are currently in wilderness. This bill brings to 2 million the total wilderness system in Oregon. Out of 15 million acres, the wilderness total is 2 million.

If anyone says that those ratios are balanced against jobs, the person is deceiving innocent people who are worried about their jobs, but this bill does not threaten their jobs.

If you look at the board feet of timber that this bill deals with, you will find that in board feet of timber, more is released than is preserved.

The gentleman from the second district, Mr. ROBERT SMITH, said no one knows how many jobs are involved here. That is incorrect. If you use the Forest Service's own ratios, about seven to eight jobs per million board feet of timber—and that is their ratio—you will find that more jobs are created by the acreage this bill releases than any jobs that might be adversely affected by the acerage this bill preserves.

So this is a jobs bill. But I am not ashamed to say that it is also an environmental bill. We do need to protect our watersheds, our wildlife and salmon habitat, and the genetic diversity of our timber stands. I urge support of the bill.

□ 1410

Mr. YOUNG of Alaska. Mr. Chairman, I yield 3 minutes to the gentleman from Montana (Mr. MARLENEE).

Mr. MARLENEE. Mr. Chairman, I stand in opposition to H.R. 1149, and I do so with regret.

The Committee on Interior and Insular Affairs, of which I am a participating member, has been cranking out wilderness bills that are totally unreasonable. The Oregon bill we have before us is the most outrageous one to date.

Mr. Chairman, may I ask the gentleman from Oregon (Mr. DENNY SMITH) if he would answer a question?

Mr. DENNY SMITH. I would be happy to do so, Mr. Chairman, if the gentleman will yield.

Mr. MARLENEE. Mr. Chairman, did I hear the gentleman correctly that his State will lose $380 million in revenues and taxes? I yield to the gentleman for an answer.

Mr. DENNY SMITH. Mr. Chairman, the counties have estimated that is the amount of revenue impact.

Mr. MARLENEE. And will school children lose $12.5 million annually in education support?

Mr. DENNY SMITH. That will be borne by the taxpayers who own property in the counties.

Mr. MARLENEE. And do I understand that you will lose between 5,000 and 8,000 jobs in the State of Oregon?

Mr. DENNY SMITH. The unions have estimated we would lose between 5,600 and 8,000 jobs; yes, sir.

Mr. MARLENEE. And is this bill almost 900,000 acres over the recommendations by the Forest Service for wilderness?

Mr. DENNY SMITH. It is somewhere between 800,000 and 900,000 over what the RARE II recommendations of the Carter administration were; yes.

Mr. MARLENEE. Mr. Chairman, I thank the gentleman for his responses, and I think my colleagues will understand why I have termed this one of the most outrageous bills ever to be presented before this Congress. As a ranking member of the Forest Subcommittee, I strongly oppose this legislation. If the Members will evaluate the following information, I think they will come to the same conclusion.

First, the Forest Service's RARE II study recommended 368,000 acres for wilderness in their final EIS. I might add that this was done under the Carter administration. Now the bill reported from committee is in excess of 1,220,000 acres for wilderness. This causes me great concern because we are literally tossing out the window all the recommendations of the Forest Service's professional land managers. Why bother with the RARE II process which cost millions of dollars nationwide if we are not going to take their findings into account? Why are we tying up the time of hundreds of Forest Service employees and millions of taxpayers' dollars if we do not use their information? Mind you, I do not think Congress has to take everything as presented by professional land managers. But when the bill is over three times greater than is recommended, I do not think Congress is doing justice to all the facts, public input, and the spirit of the Wilderness Act when they vote for acreage totals that exceed recommendations by almost 1 million acres.

Second, I think some consideration has to be given to the Congressmen who represent the people in these areas. They have a contract with those Americans to represent their interests here in Washington and I think their input and consideration has to be given preference. I know Mr. DENNY SMITH and Mr. BOB SMITH both oppose this bill in its present form and I can understand why. With a threatened 5,000 to 8,000 jobs, who would not? Over 80 percent of the proposed lands for wilderness designations are in their districts. These two gentlemen have to worry about the economic livelihoods of those areas and I think we should give their comments heavy consideration when it comes time to vote. I know many of you will think this is just an Oregon problem and it does not really make that much difference, plus it is a vote that will make the environmental community happy. But I want to caution my fellow Members that it could be you next. You might be here trying to defend yourself and your district's livelihood against the onslaught of the Wilderness Society's and Sierra Club's Interior Committee. All I urge is that you take a look at the facts and vote this bill down and let all parties involved go back to the drawing board and come forward with a bill that makes sense and has a chance of becoming law. I do not think that is too much to ask.

Mr. SEIBERLING. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon (Mr. WYDEN) who is also a coauthor of this legislation.

Mr. WYDEN. Mr. Chairman, I thank the gentleman for yielding me this time. I rise in support of this legislation.

I would like to talk about just one area of the economy in the Northwest that is affected by this bill, and that is the fishing industry. Our colleague, the gentleman from Alaska (Mr. YOUNG), in a "Dear Colleague" letter of March 19 said this:

> The recently negotiated Salmon Interception Treaty between the U.S. and Canada, if signed, will freeze the number of salmon to be caught by Oregon fishermen, but will allow the Canadians west of Vancouver Island unrestricted catches.

The gentleman in his "Dear Colleague" letter goes on to say this:

> The bottom line is that if any fishing jobs are to be gained through this bill, which is doubtful, they will go to Canadians.

The fact of the matter is that that is very, very wrong. On March 3 of this year, the Oregonian published a story entitled "Canada Salmon Treaty Offers Big Benefits for Oregon," and it starts out by saying this:

> Oregon has nothing to lose and everything to gain from a negotiated treaty with Canada that would reduce the offshore catch of Chinook salmon originating in the Columbia River and the Oregon coastal tributaries. And fish managers in the Pacific Northwest are soliciting support for the treaty, which has been passed to the Department of State and the U.S. Senate for ratification.

The story goes on to say this:

> The treaty is a common denominator for fragmented fish-user groups in Oregon, getting the unanimous support of commercial and sport fishermen and Indians.

Updated figures from Chris Carlson of the Oregon Department of Fish and Wildlife make that very same point. In 1981 revenues from commercial fishing totaled $58.2 million, with secondary benefits adding up to $145 million. Sport fishing, with equipment expenditures added in, totaled $280 million. Those are the jobs that will be promoted by both H.R. 1149 and the treaty.

Mr. Chairman, I think the gentleman from Alaska (Mr. YOUNG) should realize that despite what he incorrectly stated in his "Dear Colleague" letter, our bill means jobs for the fishing industry.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 5 minutes to the gentleman from Utah (Mr. MARRIOTT).

Mr. MARRIOTT. Mr. Chairman, I rise today in opposition to this bill. I do not want to get in the way of this Oregon love-in or love-out, as the case may be. I rise in opposition to the bill on the grounds of principle.

There are approximately 742 million acres of Federal land in the United

States; that is 32 percent of all the land. That is six times the size of France, for example, and 92 percent of this land is located in 11 Western States.

Most of that land is locked up to mineral development, and I might say that 25 percent of all that land is under the jurisdiction of the Forest Service. One of the problems I have with the Forest Service is in the way they go about their mineral management or mineral evaluation process. I think there is a principle here that we ought to abide by, and that is that no land should be withdrawn without our knowing what exactly is under the land or what type of minerals we may well be locking up.

I have in my hand the report from the GAO which says that the mineral data in the RARE II report contains several inaccuracies that may be misleading. Areas were rated as having little or no mineral potential when they should have been rated as having unknown mineral potential, and that has been the history of the Forest Service. They do not have proper inventorying of any of that land they are recommending for RARE II or for any other types of withdrawals.

I have here a list from the American Mining Congress that gives some interesting statistics. In the North Fork John Day area, USGS reports gold, silver, copper, platinum, and other mineral potentials.

In the Strawberry Mountain Wilderness additions, USGS reports chromium and mercury potential.

In the Hidden area, with 47,000 acres, USGS reports zinc and lead potential, and private sources indicate gold, silver, copper, molybdenum, and geothermal potential.

In other areas there is silver potential.

In the Middle Santiam area, there is copper, silver, and molybdenum.

In the Eagle Cap Wilderness, there is copper, zinc, gold, and silver potential.

In Red Butte, the USGS reports silver, copper, manganese, iron, chromium, and tungsten potential.

In Rock Creek, they report natural gas potential, and in the Three Sisters addition they report additional geothermal potential.

The point I am making here, Mr. Chairman, is that they are out locking up lands, not only against the will of the delegation but against commonsense. The principle ought to be that unless we know exactly what we are withdrawing, we ought not to withdraw anything at all. I think we ought to insist that the Forest Service do proper inventorying before we allow any of this land to be put in wilderness.

□ 1420

Mr. SEIBERLING. Mr. Chairman, I yield 4 minutes to the gentleman from Arizona (Mr. UDALL), the distinguished chairman of the Committee on Interior and Insular Affairs.

Mr. UDALL. Mr. Chairman, it is a pleasure today to bring before the House legislation that would go a long way toward resolving the outstanding RARE II wilderness issue in the State of Oregon. I am hopeful that this will be the first of several RARE II bills the Interior Committee offers for the consideration of the House in this Congress.

It is important that we conclude as much as possible the debate over which national forest lands are to be placed in the national wilderness preservation system and which lands are to remain in other management categories. Not only do the timbermen, miners, and other commercial users of the forests need to have substantial certainty about these decisions, but also the Congress needs to put this issue behind it to avoid further legal battles that could cost needless time and money and to turn its attention to other important land management issues.

The Oregon wilderness bill before us today is very similar to a bill brought before the House late last year. That bill fell just short of the two-thirds approval it needed to pass under suspension. I think this bill is a good example of the kind of compromise and careful attention to detail that marks good land management legislation and I heartily recommend it for your support.

In the debate we hear today, much will be said about jobs and the importance of the timber industry to the Oregon economy. These are serious issues and deserve to be discussed seriously. I know that Representatives WEAVER, AUCOIN, and WYDEN, as well as my committee, examined the areas designated and those areas not designated as wilderness by this bill with the greatest care as to their potential impact on timber employment in Oregon.

I am confident that any potential negative effect on the timber industry of this bill will be minimal, and that the positive effects on recreation, fish and wildlife and watershed management—all of which are industries that provide employment and income in Oregon as well—are overwhelming.

I would make these points. It has been estimated that the total reduction of statewide timber harvests resulting from this bill would be a mere 2 percent. The Congressional Research Service has found that the timberlands included in this wilderness package are far from the best and only a small part of the total public supply. In CRS's revealing and detailed analysis of the timber supply issues raised by this bill, which is contained in the committee report and which I recommend to my colleagues, one of CRS's more telling conclusions is this:

> If the funds that are anticipated to be expanded to harvest and manage this 1.1 million acres of predominantly low site were allocated to manage higher site lands, it is possible that not only would revenues be enhanced, but also total timber supply would be increased and thus the imputed losses cited by Assistant Secretary Crowell would not actually occur.

In fact, CRS said that more than 80 percent of the lands covered by the bill are "likely to be uneconomic for timber production." Now it is true that it is hard to predict just what the localized effects of land withdrawals may be, but I hope my colleagues will keep this dispassionate appraisal in mind as they consider the dire consequences that they will hear predicted today by opponents of the bill.

You will be hearing from our colleagues today about the benefits of wilderness designations in Oregon, about the economic and scientific benefits that careful protection of Oregon's lands and waters will bring. We are just as concerned about jobs in Oregon and throughout the country as are the opponents of this legislation. But we have perhaps a broader view. We know that legislation such as the bill before us today can create long-term, sustainable economic benefits by protecting the lands and waters and resources on which so many Oregonians in diversified industries depend for their livelihoods. We also know that the timber industry in the Northwest does face large and regrettable problems that must be resolved as it struggles to get back on its feet. But as most every reasonable observer will tell you the timber industry's most serious problems have little or nothing to do with the availability of Federal timber. Even if this bill did have a substantial impact on future timber supply in Oregon—and I am confident that it does not—substantial reductions in the acreage it includes would do very little to assist the timber industry.

There is another point I would like to make. For years now, many interest groups have complained—and justifiably so, I believe—about the lack of certainty over the long-term management status of our Federal lands, and our national forest lands in particular. And I agree with them. Commercial users of the national forests are today faced not only with the uncertainty about what Congress will do to particular areas that may or may not become components of the wilderness system, but with the Federal court decision that could shut down every single area studied under RARE II. This legal sword hanging over the heads of the national forests in the West makes it imperative that the

Congress act promptly to enact responsible wilderness legislation. I believe that the bill reported out of my committee meets that test.

Mr. Chairman, I have never seen a wilderness bill come through my committee that was not denounced by one side as an unconscionable lockup of resources designed to put people out of work and lamented by the other side for all the pristine lands that would be left open to development. I think that the legislation before us today is not terribly different in that respect.

But I am convinced that a good case has been made by the conservationists, the fishermen, the Indian tribes, the recreationists and the scientists for each of the areas covered by this bill. And I do not think the opposition has generated equally strong arguments against these same areas. We may be faced today with a lengthy series of amendments to delete many of these areas. I would urge my colleagues to oppose all of them, because each area proposed for wilderness today is deserving of your support.

Mr. YOUNG of Alaska. Mr. Chairman, if the gentleman will yield, for the RECORD, last year the bill failed under suspension. It failed under suspension.

Mr. UDALL. The gentleman is technically correct. I misspoke and will correct my statement. We had about a 100-vote margin, but it was not a 2-to-1 margin required under suspension.

Mr. YOUNG of Alaska. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. PHILIP M. CRANE).

Mr. PHILIP M. CRANE. Mr. Chairman, I do not come before this body as any great expert on wilderness or natural resources. But something that has troubled me through the years is how easy it is for so many in this body who live back East—and, as an Illinoisan, from the perspective of the Pacific Northwest, that is back East—how easy it is for so many of us to make judgments affecting in a very profound economic way the future of a State like Oregon in this instance and not see that if the same rules were being applied to our States that we would be recoiling in horror, fighting to preserve our economy and fighting to preserve jobs. And we just devoted a great deal of attention recently to the question of jobs in this body, and there is a Congressional Budget Office estimate of a potential loss of 1,500 jobs because of this bill to the Oregon economy, but perhaps even more significant is the loss of revenues through cuts that have been going on in the past, Federal timber receipt losses in an estimated $20 million a year to $40 million a year bracket, not to mention the increased costs that will result to Treasury if this legislation passes.

So I would urge my colleagues to be a little more indulgent. Those who are most specifically involved in this case recognize that we do not have those problems, they are problems that are peculiar to the Western States, but that these people appreciate as much the concerns of the people who may be affected in an economic way, as we would, and we would be as passionately fighting in Illinois, I guarantee you, as they are in behalf of their own States.

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the chairman of the full committee, the gentleman from Arizona, has a way of seeing only one side of an issue which he would like to see and not really tell the facts as they are.

Yes, we go back to the history of the Wilderness Act of 1964, and, yes, there were recommendations to be made. And I agree with the act and I do agree with the recommendations, but I do not agree with this bill.

Even under Dr. Cutler, the last Assistant Secretary of Agriculture, the Forestry Division, recommended a little more than 300,000 acres. Yes, that was a recommendation. The present administration recommends a little over 300,000 acres. There is little argument with that. But this bill has 1,128,575 acres, disregarding all of the recommendations of two administrations, to benefit just the select special-interest groups, the environmental groups, without any regard for the gentlemen from Oregon, the SMITHS, who have over 900,000 acres that is in their districts.

And I would like to remind my colleagues again of my theme that this is to be a representative form of government, a representative form of government. The issue here today is not necessarily acres or timber or minerals. The issue here today is: Do we or do we not have a representative form of government? Or do we do things in the national interest only? In the national interest, how many times have I heard that over the last 4, 5, 6, 8, 10 years? We locked up 157 million acres of federally owned land in Alaska in the national interest. I hear those same words from another country far overseas, in the communal interest.

I thought that this body was a body of elected officials and that we have the honorbound duty to listen to those people who speak for those who elect them. And we are not doing this in this bill.

I am asking my colleagues to consider: Have we lost that authority which was given to us under the Constitution? Do we disregard the individual elected? We do under this bill.

You will have an opportunity with specific amendments to delete the two SMITHS' areas from this bill, and I will gladly put Mr. WEAVER's land in because he wishes a wilderness. Mr. AUCOIN does not have any. That is unfortunate. I would like to find some and make a wilderness out of that. Mr. WYDEN, too, he only has 6,100 acres, let them have their wilderness, because that is what this body is all about. But I ask those Members watching this in their offices: If you believe in the rights of the individual to speak for those who elected him, then you will vote "no" on this bill. You will vote "no," as you did last December; you will vote "no," and give us a sufficient amount of votes that we can sustain a veto, because I can tell you that I am asking the President to veto this bill, because we have not appropriately followed the rules, we have not had the appropriate hearings, we have not listened to both sides of the issue. We have only listened to one side, and that is, again, as I mentioned in my previous statement, the environmental groups only. Not even the professional planners were listened to at any one time in this bill.

Now, we have heard my good chairman say: "We are just going to save a little land." But we have 80 million acres today, my friends, in wilderness right now. And at the rate we are going, we are going to end up with 203 million acres of land in wilderness.

□ 1430

How can a nation be strong when you do not have access to the minerals which we must have, and the fiber, and the hydropower, and all of those other things that this Nation became great from?

We need those things as God has given this great land.

We can manage those things correctly but wilderness disallows management. It is the locking up in a fail-proof safe, a locking up of the resources which we must have, excluding man, but only the elite, the wealthy, and the youth that have the money and time to trespass into those lands. No families with trailers and children.

It precludes the rest of this Nation from the utilization of those resources which we must have to regain our great economic strength.

Vote "No" on this bill and you will do justice to the Member and you will do justice to this body.

● Mr. HANSEN of Idaho. Mr. Chairman, I rise in opposition to H.R. 1149, a bill that would expand the National Wilderness Preservation System in the State of Oregon. Presently, Oregon has about 1.2 million acres of Federal land in the wilderness system, and the existing wilderness areas represent about 8 percent of the National Forest System in the State and 2 percent of Oregon's total land area. On top of this, Oregon has hundreds of thou-

sands of acres of parks, both State and national.

The bill before us today would add 1.2 million acres into wilderness, more than doubling the wilderness system in Oregon.

To put the matter in perspective, the Forest Service RARE II final environmental impact statement recommended 330,330 acres for addition to the wilderness system, and the Carter administration recommended 385,330 acres, which did not include approximately 30,000 acres of lands recommended for wilderness in legislation modifying the boundaries of Crater Lake National Park during a previous Congress. The Reagan administration has since recommended 320,800 acres be added to Oregon wilderness. Thus, H.R. 1149 triples or quadruples the number of acres recommended for wilderness by the Forest Service and two different administrations.

The bill also creates a severe impact on people in loss of jobs, income, and tax receipts. Several hundred million board feet of national forest timber harvest would be lost annually, which could cost the forest industry, along with service and trade workers, as many as 6,000 jobs. To compound the problem, the estimated economic impact on the State of Oregon could be over $380 million annually, and perhaps much higher, This figure consists of lost forest industry payrolls, service and trade industry payrolls, loss of county receipts from stumpage and property tax receipts, State and Federal payroll taxes, loss of Federal receipts from stumpage and K. V. Federal receipts, as well as lost income generated by manufacturing. How do the proponents of the legislation before us today justify this human and economic loss? The proponents of the bill tell us not to worry. On page 6 of the House Interior Committee report, we find this sentence:

> In summary, therefore, the Committee believes that the wilderness and wilderness study proposals of H.R. 1149 are needed to protect non-timber related jobs, such as jobs in fishing, licensed guide and outfitter, and recreational industries, and jobs and subsistence needs on Indian reservations. Many Committee Members believe that in the long run these jobs will contribute more to Oregon's economy in terms of dollars and sustained employment than would logging on soils that are often unstable and on marginal, high elevation, lands that comprise the bulk of the areas proposed for wilderness and wilderness study in H.R. 1149.

Where is the justification in the committee report for this fanciful statement? There is none. There are no figures provided as to what jobs have been created in Oregon's present wilderness system, as well as revenues generated. If such figures were forthcoming, I believe they would prove beyond a shadow of a doubt that compared with the forest products industry, the losses and the costs of H.R. 1149 are greater than any benefits which could be derived. Presumably, the people of Oregon would willingly give up year-round, good paying jobs in the forest products and related industries in return for a minimum wage job as a tour guide in the wilderness areas during the tourist months (if they could get one). I, frankly, do not believe that the people of Oregon would go for this option if it were presented to them.

Another objectionable feature of the bill is terminating timber under contract. In some instances, the proponents of the bill deleted timber contract areas by gerrymandering the boundary lines around them. It cannot be accurately determined what additional costs may be entailed by trying to harvest timber in areas surrounded by wilderness. In other instances, the bill allows for outright timber sales contract termination with very uncertain cost projections to the government. On page 24 of the Committee report, the Congressional Budget Office states:

> This bill also provides for the termination of 14 existing timber sales contracts valued at approximately $28 million. Purchasers are offered the option of acquiring sales of equal value and volume in exchange for terminated contracts. No estimate of the budget impact of this provision can be made because there is no basis for predicting whether timber purchasers will elect to acquire replacement sales.

Section 2(b) of the bill provides that:

> Upon enactment of this Act, the Secretary of Agriculture shall, for all existing timber sale contracts or portions of timber sale contracts within the boundaries of the Middle Santiam, Grassy Knob, Salmon-Huckleberry, Joseph Canyon, Bridge Creek and Hardesty Mountain Wilderness Areas as designated by this Act, at the buyer's option, either (1) terminate the timber sale contract without cost to the buyer, or (2) terminate the timber sale contract and compensate the buyers of contracts that have been validly issued by offering to sell them similar contracts of approximately equal volumes and values of timber. Such compensatory sales shall be carried out on a negotiated basis.

It should be noted by my colleagues that many of these areas in which contracts will be terminated are high-growth timber areas in which future timber harvests will be forever gone. Thus, the $28 million cost estimated by CBO for contract termination is an underestimate. It should be further noted that even if a company decided to opt for another contract in a non-wilderness area, no mention is made in the committee report as to what it would cost the U.S. Forest Service to prepare another site. My colleagues should be aware that timber is the most important cash crop to the State of Oregon. On March 1, the U.S. Department of Agriculture issued a press release noting that 43 States and Puerto Rico will share about $160 million as their portions of 1983 national forest system receipts. The release stated:

> Chief R. Max Peterson of USDA's Forest Service said 25 percent of the total 1983 receipts will be returned to states containing the Forest Service-administered lands that generate those revenues. The revenues are collected for timber sales, grazing permits, recreation fees, mineral leases and land use charges on the 191 million acres of national forests, national grasslands and land utilization projects. The states' shares will be used for public schools and roads.

Who is the biggest recipient of these tax receipts? It is the State of Oregon, which will receive about $52 million. The second largest recipient of these tax receipts is the State of California, which will receive about $25 million. Thus, it can be seen that H.R. 1149 would have a substantial adverse impact on existing and future resource management activities in Oregon.

It should also be pointed out that the committee report seems strangely silent on important mineral resources which will be locked up in the proposed wilderness areas. There seems to be no mention of the number of mining cabins and heavy concentrations of mining claims in proposed wilderness areas. Why this important omission at a time when national debate for a number of years has been focused on our need to increase the development and stockpiling of strategic metals and minerals?

In reading the committee's report, one gets the impression that the uniqueness of the flora, fauna, and fishing potential outweighs all other considerations, both human and economic. No mention is made of the fact that the liberal pushers of H.R. 1149 conveniently place 78 percent of the proposed wilderness in the congressional districts represented by Congressmen DENNY SMITH and BOB SMITH, both of whom strongly oppose H.R. 1149. No mention is made of the fact that their constituents strongly oppose the bill, along with the Governor of Oregon, the members of the State legislature representing eastern Oregon, the counties, industry and labor groups. Not to be overlooked is the strong opposition by the administration. Following my remarks, I would like to place in the RECORD the letter written by Secretary John R. Block to Interior Chairman MORRIS UDALL on why this legislation should not be enacted, and also Agriculture Committee correspondence clearly showing the inadequacy of the legislative process which has allowed this bill to advance much further than it ever should have done in its present form.

Mr. Chairman, there are so many defects in the bill before us today that perhaps we should place a label on it stating: "Warning to citizens of Oregon, this course in wilderness survival may cost you your job."

I urge my colleagues to defeat this ill-advised bill. At this point I include the following letters:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., March 15, 1983.

Hon. MORRIS K. UDALL,
Chairman, Committee on Interior and Insular Affairs, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: We would like to offer our views on H.R. 1149, a bill "To designate certain national forest system and other lands in the State of Oregon for inclusion in the National Wilderness Preservation System, and for other purposes."

The Department of Agriculture strongly opposes H.R. 1149, and we recommend that it not be enacted.

H.R. 1149 would designate 18 new wildernesses and would make additions to 8 existing wildernesses for a total of 1,006,375 acres of additional wilderness in the State of Oregon. The bill would also designate three wilderness study areas totaling 112,500 acres. The Secretary is directed to review these study areas for their wilderness suitability and forward his report to the President, who would then submit recommendation to Congress no later than 3 years from date of enactment. The bill also includes a provision that would terminate all existing timber sales in the proposed Middle Santiam Wilderness and substitute contracts of equal volume and value. An additional provision renames the existing but enlarged Diamond Peak Wilderness as the Diamond-Thielsen Wilderness. The bill includes short term release and sufficiency provisions.

During the second Roadless Area Review and Evaluation (RARE II), approximately 3 million acres of roadless and undeveloped lands on the National Forests in Oregon were studied. In the RARE II final environmental statement, 368,000 acres were recommended for wilderness, 400,000 acres were identified for further planning, and approximately 2.2 million acres were allocated to multiple uses other than wilderness. Approximately 30,000 acres of the lands recommended for wilderness were included in legislation modifying the boundaries of Carter Lake National Park during the 96th Congress.

The wilderness recommendations of H.R. 1149 are approximately three times the acreage recommended for wilderness in the RARE II final environmental statement. If enacted, H.R. 1149 would double Oregon wilderness. It would result in a total of 31 National Forest System wildernesses in Oregon with a total of 2.2 million acres, comprising 14 percent of the National Forest System lands.

If enacted, H.R. 1149 would have substantial adverse impact on existing and future resource management activities. For example, there are 54 existing timber sale contracts in 13 of the proposed wildernesses and the three wilderness study areas. These 54 timber sale contracts include approximately 200 million board feet. Two proposed wildernesses have existing road contracts for approximately 5 miles of road in each area.

The wilderness and wilderness study designations included in H.R. 1149 would result in a reduction in planned timber sales for fiscal years 1983 and 1984 of approximately 165 million board feet and 229 million board feet respectively. Approximately 35 planned timber sales would be affected in each fiscal year. This represents about 6 percent of the annual timber sales program on the National Forests in Oregon. The estimated reduction in annual programed harvest for the wilderness recommendations in H.R. 1149 would be 188 million board feet over and above the reduction of 43.5 million board feet within areas recommended for wilderness in RARE II. This represents approximately 5 percent of the annual programed harvest in the National Forests in Oregon.

The annual reduction in potential yield is 264 million board feet over and above the reduction of 54.5 million in areas recommended for wilderness in RARE II. This reduction represents approximately 7 percent of the annual potential yield of the National Forests in Oregon.

The economic impacts beyond the RARE II recommendation are substantial. We estimate that annual returns to the U.S. Treasury from the sale of timber would be about $35 to $40 million less. These estimates are based on anticipated recovery in the timber industry that would result in average stumpage values greater than the current market ($93/MBF) but not at levels previously experienced ($373/MBF, FY 80). An average projected stumpage value of $200/MBF was used. This dollar loss and subsequent reduction in employment would result from the sales planned in nonwilderness areas that are proposed for wilderness or for further study by H.R. 1149. Plans for these sales, obviously, would need to be cancelled. The resultant loss in jobs is estimated at about 1,300 to 1,500. Jobs lost indirectly in service industries would be about double this number.

The ability of National Forests in Oregon to meet other important resource targets would be jeopardized by the enactment of H.R. 1149. A number of the proposed wilderness designations would significantly reduce opportunities for a great variety of dispersed recreation activities in a number of areas such as Diamond Lake area which is one of the most heavily used snowmobiling areas in the State. There are a number of mining cabins and mining claims which are accessed by off-road vehicles in the North Fork John Day area. Grassy Knob and many other areas have heavy concentrations of mining claims. Mill Creek is a favorite gem stone area accessed by off-road vehicles.

The wilderness designations in H.R. 1149 are excessive in area and the resources which would thereby be foregone are extremely valuable. Those resources would contribute significantly in future years to income for the U.S. Treasury and through shared receipts to the local counties. Those same resources also would provide a significant contribution to future local employment. Therefore, we strongly oppose enactment of H.R. 1149.

We believe the remaining 330,000 acres recommended for wilderness outlined in the RARE II final environmental statement represent a reasonable and generally well-balanced proposal. We concur with deleting the 6,700-acre Limpy Rock proposal and the 2,370-acre Umpqua Spit proposal. Neither of these areas are included in H.R. 1149. We recommend deleting the 530-acre Red Butte proposal in Oregon. Of the remaining 320,000 acres, we have serious doubts concerning the desirability of Sky Lakes and Black Canyon for wilderness designation. Had we had an opportunity to reevaluate these areas, it is likely that we would recommend these areas for nonwilderness uses because of their high resource values. However, at this time, we suport the RARE II recommendations of 320,000 acres.

We note that the bill has provisions for release of nonwilderness areas and sufficiency to the RARE II environmental statement. These concepts are of such importance that no additions to the Wilderness System should be made without providing at the same time equally assured permanent status to unroaded lands designated for multiple uses other than wilderness in RARE II. We strongly recommend that language employing these concepts be included in any Oregon wilderness legislation.

The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

JOHN R. BLOCK,
Secretary.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D.C., February 28, 1983.

Hon. CHARLES WHITLEY,
Chairman, Subcommittee on Forests, Family Farms, and Energy, House Committee on Agriculture, Washington, D.C.

DEAR MR. CHAIRMAN: On Thursday, February 24, the House Interior Committee reported H.R. 1149, the Oregon Wilderness Act of 1983.

It is my understanding that the bill calls for 1.2 million acres to be added to the wilderness system. In comparison, the RARE II Final Environmental Statement called for adding only 330,330 acres to the wilderness system, and the present Administration requested that only 320,000 acres be added to the wilderness category.

Further, it is my understanding that the bill allows for timber contracts to be terminated, which the Forest Service believes will cost the U.S. Treasury $35-40 million in gross receipts. In addition, the loss annually of commercial timber numbers in the hundreds of millions of board feet, with job losses estimated at 3,900 to 4,500.

It would be very difficult at this time to estimate the tax receipts which will be foregone in the future to the Federal, State and County treasuries, the dollar figure for jobs which will be eliminated, plus the additional outlays from the Federal treasury to maintain the additional acreage to the wilderness system called for in the bill. However, if the past is any guide, it can safely be assumed that the cost to the treasury and the economy will be substantial.

As the ranking Republican of the Forests Subcommittee, the issues involved in H.R. 1149 concern me greatly since they are national in scope, and go well beyond the jurisdiction of the House Interior Committee. In fact, since so many of these matters go directly to our Committee's role under the rules of the House to deal with forestry, it appears that this bill should be brought before our Committee for hearings or examination.

Since the Interior Committee has now reported the bill, it might also be in order for the Rules Committee to be made aware of our concerns.

Your comments on this situation will be greatly appreciated.

Sincerely yours,

GEORGE HANSEN,
Member of Congress.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D.C., March 3, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: We are writing concerning H.R. 1149, a bill designating wilderness areas in the State of Oregon, which has been referred jointly to this Committee and to the Committee on Interior and Insular Affairs.

In order to expedite consideration of this bill, we would not object if it is taken up on the Floor of the House without action by the Committee on Agriculture. This is done without endorsing the subject matter of the bill and without in any respect waiving jurisdiction with regard to the substantive issue addressed in the bill or in similar bills. In the event that differing versions of Oregon wilderness legislation are adopted by the House and the Senate, we trust that, upon request, you would respond favorably to including representatives of this Committee, on matters at issue within its jurisdiction, in any conference that may be held.

Your consideration in these matters is greatly appreciated.

With best wishes,

Sincerely,

E (KIKA) DE LA GARZA,
Chairman.

CHARLES WHITLEY,
Chairman, Subcommittee on Forests, Family Farms, and Energy.●

The CHAIRMAN. All time has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the reported bill shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

The Clerk will designate section 1.

The Clerk proceeded to designate section 1.

Mr. SEIBERLING. Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point, notwithstanding the provision in the rule that it be considered by section.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The text of H.R. 1149 is as follows:

H.R. 1149

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Oregon Wilderness Act of 1983".

SEC. 2. (a) In furtherance of the purposes of the Wilderness Act, the following lands, as generally depicted on maps, appropriately referenced, dated December 1982 (except as otherwise dated), are hereby designated as wilderness and therefore, as components of the National Wilderness Preservation System—

(1) certain lands in the Mount Hood National Forest, which comprise approximately forty thousand nine hundred acres, are generally depicted on a map entitled "Columbia Gorge Wilderness—Proposed", and shall be known as the Columbia Gorge Wilderness:

(2) certain lands in the Mount Hood National Forest, which comprise approximately fifty-five thousand acres, are generally depicted on a map entitled "Salmon-Huckleberry Wilderness—Proposed", dated February 1983, and shall be known as the Salmon-Huckleberry Wilderness;

(3) certain lands in the Mount Hood National Forest, which comprise approximately twenty-five thousand five hundred acres, are generally depicted on a map entitled "Badger Creek Wilderness—Proposed", dated February 1983, and shall be known as the Badger Creek Wilderness;

(4) certain lands in the Mount Hood National Forest and the Willamette National Forest, which comprise approximately forty-seven thousand acres, are generally depicted on a map entitled "Hidden Wilderness—Proposed", dated February 1983, and shall be known as the Hidden Wilderness;

(5) certain lands in the Willamette National Forest, which comprise approximately nineteen thousands acres, are generally depicted on a map entitled "Middle Santiam Wilderness—Proposed", dated February 1983, and shall be known as the Middle Santiam Wilderness;

(6) certain lands in the Siuslaw National Forest, which comprise approximately six thousand five hundred acres, are generally depicted on a map entitled "Rock Creek Wilderness—Proposed", and shall be known as the Rock Creek Wilderness;

(7) certain lands in the Siuslaw National Forest, which comprise approximately eight thousand eight hundred acres, are generally depicted on a map entitled "Cummins Creek Wilderness—Proposed", and shall be known as the Cummins Creek Wilderness;

(8) certain lands in the Umpqua National Forest, which comprise approximately nineteen thousand eight hundred and twenty acres, are generally depicted on a map entitled "Boulder Creek Wilderness—Proposed", and shall be known as the Boulder Creek Wilderness;

(9) certain lands in the Umpqua and Rogue River National Forests, which comprise approximately fifty-four thousand acres, are generally depicted on a map entitled "Rogue-Umpqua Divide Wilderness—Proposed", dated February 1983, and shall be known as the Rogue-Umpqua Divide Wilderness;

(10) certain lands in and adjacent to the Siskiyou National Forest, which comprise approximately twenty-one thousand five hundred acres, are generally depicted on a map entitled "Grassy Knob Wilderness—Proposed", dated February 1983, and shall be known as the Grassy Knob Wilderness;

(11) certain lands in and adjacent to the Siskiyou and Rogue River National Forests, which comprise approximately twenty-five thousand five hundred acres, are generally depicted on a map entitled "Red Buttes Wilderness—Proposed", dated February 1983, and shall be known as the Red Buttes Wilderness;

(12) certain lands in the Umpqua, Willamette, Deschutes, and Winema National Forests, which comprise approximately one hundred and fifty-four thousand acres, are generally depicted on a map entitled "Diamond-Thielsen Wilderness—Proposed", dated February 1983, and which are hereby incorporated in and shall be deemed to be a part of the Diamond Peak Wilderness as designated by Public Law 88-577: *Provided,* That the existing Diamond Peak Wilderness together with additions thereto of this Act shall henceforth be known as the Diamond-Thielsen Wilderness;

(13) certain lands in the Rogue River and Winema National Forests, which comprise approximately one hundred and thirteen thousand acres, are generally depicted on a map entitled "Sky Lakes Wilderness—Proposed", and shall be known as the Sky Lakes Wilderness;

(14) certain lands in the Fremont National Forest, which comprise approximately seven thousand eight hundred and twenty-five acres, are generally depicted on a map entitled "Coleman Rim Wilderness—Proposed", and shall be known as the Coleman Rim Wilderness;

(15) certain lands in the Ochoco National Forest, which comprise approximately seven thousand one hundred acres, are generally depicted on a map entitled "Bridge Creek Wilderness—Proposed", and shall be known as the Bridge Creek Wilderness;

(16) certain lands in the Ochoco National Forest, which comprise approximately seventeen thousand four hundred acres, are generally depicted on a map entitled "Mill Creek Wilderness—Proposed", dated February 1983, and shall be known as the Mill Creek Wilderness;

(17) certain lands in the Ochoco National Forest, which comprise approximately thirteen thousand four hundred acres, are generally depicted on a map entitled "Ochoco Canyon Wilderness—Proposed", and shall be known as the Ochoco Canyon Wilderness;

(18) certain lands in the Wallowa-Whitman, Malheur, and Umatilla National Forests, which comprise approximately two hundred and eighteen thousand acres, are generally depicted on a map entitled "North Fork John Day Wilderness—Proposed", dated February 1983, and shall be known as the North Fork John Day Wilderness;

(19) certain lands in and adjacent to the Wallowa-Whitman National Forest, which comprise approximately thirty-one thousand acres, are generally depicted on a map entitled "Joseph Canyon Wilderness—Proposed", and shall be known as the Joseph Canyon Wilderness;

(20) certain lands in the Willamette and Mount Hood National Forests, which comprise approximately thirteen thousand acres, are generally depicted on a map entitled "Mount Jefferson Wilderness Additions—Proposed", dated February 1983, and which are hereby incorporated in, and shall be deemed to be a part of, the Mount Jefferson Wilderness as designated by Public Law 88-577;

(21) certain lands in the Willamette and Deschutes National Forests, which comprise approximately six thousand acres, are generally depicted on a map entitled "Mount Washington Wilderness Additions—Proposed", and which are hereby incorporated in, and shall be deemed to be a part of, the Mount Washington Wilderness as designated by Public Law 88-577;

(22) certain lands in the Willamette and Deschutes National Forests which comprise approximately thirty-six thousand acres, are generally depicted on a map entitled "Three Sisters Wilderness Additions—Proposed", dated February 1983, and which are hereby incorporated in, and shall be deemed to be a part of, the Three Sisters Wilderness as designated by Public Laws 88-577 and 95-237;

(23) certain lands in the Winema National Forest which comprise approximately three thousand acres, are generally depicted on a

map entitled "Mountain Lakes Wilderness Additions—Proposed", and which are hereby incorporated in, and shall be deemed to be a part of, the Mountain Lakes Wilderness as designated by Public Law 88-577;

(24) certain lands in the Fremont National Forest which comprise approximately three thousand seven hundred and thirty acres, are generally depicted on a map entitled "Gearhart Mountain Wilderness Additions—Proposed", and which are hereby incorporated in, and shall be deemed to be a part of, the Gearhart Mountain Wilderness as designated by Public Law 88-577;

(25) certain lands in the Malheur National Forest which comprise approximately thirty-five thousand one hundred acres, are generally depicted on a map entitled "Strawberry Mountain Wilderness Additions—Proposed", and which are hereby incorporated in, and shall be deemed to be a part of, the Strawberry Mountain Wilderness as designated by Public Law 88-577;

(26) certain lands in the Wallowa-Whitman National Forest which comprise approximately sixty-seven thousand three hundred acres, are generally depicted on a map entitled "Eagle Cap Wilderness Additions—Proposed", dated February 1983, and which are hereby incorporated in, and shall be deemed to be a part of, the Eagle Cap Wilderness as designated by Public Laws 88-577 and 92-521;

(27) certain lands in the Umatilla National Forest, which comprise approximately eighteen thousand acres, are generally depicted on a map entitled "North Fork Umatilla Wilderness—Proposed", dated February 1983, and which shall be known as the North Fork Umatilla Wilderness;

(28) certain lands in the Malheur and Wallowa-Whitman National Forests, which comprise approximately forty-nine thousand acres, are generally depicted on a map entitled "Glacier-Monument Wilderness—Proposed", dated February 1983, and which shall be known as the Glacier-Monument Wilderness;

(29) certain lands located in the Salem District of the Bureau of Land Management, Oregon, which comprise approximately five thousand five hundred acres, as generally depicted on a map entitled "Table Rock Wilderness—Proposed", dated February 1983, and which shall be known as the Table Rock Wilderness;

(30) certain lands in and adjacent to the Willamette and Umpqua National Forests, which comprise approximately seven thousand acres, are generally depicted on a map entitled "Hardesty Mountain Wilderness—Proposed", dated February 1983, and which shall be known as the Hardesty Mountain Wilderness;

(b) Upon enactment of this Act, the Secretary of Agriculture shall, for all existing timber sale contracts or portions of timber sale contracts within the boundaries of the Middle Santiam, Grassy Knob, Salmon-Huckleberry, Joseph Canyon, Bridge Creek and Hardesty Mountain Wilderness Areas as designated by this Act, at the buyer's option, either (1) terminate the timber sale contract without cost to the buyer, or (2) terminate the timber sale contract and compensate the buyers of contracts that have been validly issued by offering to sell them similar contracts of approximately equal volumes and values of timber. Such compensatory sales shall be carried out on a negotiated basis.

SEC. 3. (a) In furtherance of the purposes of the Wilderness Act, the following lands shall be reviewed by the Secretary of Agriculture as to their suitability for preservation as wilderness. The Secretary shall submit his report and findings to the President, and the President shall submit his recommendation to the Congress of the United States no later than three years from the date of enactment of this Act:

(1) certain lands in the Willamette National Forest which comprise approximately twenty-three thousand acres, are generally depicted on a map entitled "Old Cascades Wilderness Study Area", dated February 1983, and which shall be known as the Old Cascades Wilderness Study Area;

(2) certain lands in the Willamette National Forest which comprise approximately sixty-three thousand acres, are generally depicted on a map entitled "Waldo Lake Wilderness Study Area", dated February 1983, and which shall be known as the Waldo Lake Wilderness Study Area; and

(3) certain lands in and adjacent to the Siuslaw National Forest, which comprise approximately twelve thousand acres, and generally depicted on a map entitled "Wassen Creek Wilderness Study Area", dated February 1983, and which shall be known as the Wassen Creek Wilderness Study Area.

(b) Subject to valid existing rights, the wilderness study areas designated by this section shall, until Congress determines otherwise, be administered by the Secretary of Agriculture so as to maintain their presently existing wilderness character and potential for inclusion in the National Wilderness Preservation System.

SEC. 4. Subject to valid existing rights, each wilderness area designated by this Act shall be administered by the Secretary concerned in accordance with the provisions of the Wilderness Act: *Provided*, That any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

SEC. 5. As soon as practicable after enactment of this Act, a map and a legal description of each wilderness area shall be filed with the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate, and each such map and description shall have the same force and effect as if included in this Act: *Provided*, That correction of clerical and typographical errors in each such legal description and map may be made. Each such map and legal description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture.

SEC. 6. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II); and

(2) the Congress has made its own review and examination of national forest system roadless areas in the State of Oregon and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest system lands in States other than Oregon, such statement shall not be subject to judicial review with respect to national forest system lands in the State of Oregon;

(2) with respect to the national forest system lands in the State of Oregon which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II), except those lands remaining in further planning upon enactment of this Act, and those lands designated for wilderness study in section 3 of this Act, that review and evaluation shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974 as amended by the National Forest Management Act of 1976 to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revision of the initial plans and in no case prior to the date established by law for completion of the initial planning cycle;

(3) areas in the State of Oregon reviewed in such final environmental statement and not designated as wilderness or for study by Congress or remaining in further planning upon enactment of this Act need not be managed for the purpose of protecting their suitability for wilderness designation pending revision of the initial plans; and

(4) unless expressly authorized by Congress the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of national forest system lands in the State of Oregon for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DENNY SMITH

Mr. DENNY SMITH. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. DENNY SMITH: Strike all after the enacting clause and insert:

"SEC. 2. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II); and

(2) the Congress has made its own review and examination of national forest system roadless areas in the State of Oregon and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest system lands in States other than Oregon, such statement shall not be subject to judicial review with respect to national forest system lands in the State of Oregon;

(2) The roadless areas within the State of Oregon listed in Executive Communication 1504, Ninety-Sixth Congress, that have been reviewed for wilderness designation under the review and evaluation of roadless areas conducted by the Secretary of Agriculture will be managed for uses other than wilderness in accordance with regulations promulgated by the Secretary of Agriculture under the laws applicable to National Forest System lands. No such area will be considered for designation as wilderness until January 1, 2000.

(3) areas in the State of Oregon reviewed in such final environmental statement and not designated as wilderness or for study by Congress need not be managed for the purpose of protecting their suitability for wilderness until the year 2000; and

(4) unless expressly authorized by Congress the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of national forest system lands in the State of Oregon for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

Mr. DENNY SMITH. Mr. Chairman, I think my amendment to H.R. 1149 goes right to the heart of the problem, goes to the heart of why we are trying to get this bill jammed through this Congress.

The decision by the Ninth Circuit Court of Appeals last August has put us under a bullet, as my colleague from Oregon says, where we have to make a decision. That is what the other side of the aisle is saying. That is what the real urgency is here, supposedly.

I think this amendment would allow us the opportunity to remove that bullet from our head and get on with the process as it should have been done in the past of using the recommendations of RARE II, the recommendations that were in fact done by the Carter administration after an extensive study of the forest areas, rather than trying to very rapidly bring a bill to the floor in the month of December, which we were lucky enough and fortunate enough to defeat, and then again putting a bill in, in the early part of February, and here again in the middle of March we are trying to make legislation without the proper hearings in the State of Oregon.

We are with this amendment to the bill, by just specifically having sufficiency and release language, we are getting to the heart of the matter. There is no excuse for not passing on this amendment and giving us the opportunity to go forward without the problems associated with locking up any further lands.

I would urge my colleagues to vote in favor of this amendment. I think it is going to the heart of the matter and I would urge its adoption.

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. DENNY SMITH. I am happy to yield to my colleague from Oregon.

Mr. WEAVER. Does the gentleman's amendment include any wilderness acreage at all?

Mr. DENNY SMITH. As the gentleman can see, and that is one of the reasons I wanted to have the entire amendment read, it does not include any wilderness areas in it.

Mr. WEAVER. So if we passed this amendment there will be an Oregon wilderness bill without any wilderness in it at all; is that correct?

Mr. DENNY SMITH. My colleague is correct. I would be happy to change the title of the bill, also.

Mr. WEAVER. Would the gentleman answer one more question?

Mr. DENNY SMITH. I am happy to yield further.

Mr. WEAVER. Does the gentleman support any additions to the wilderness system in Oregon?

Mr. DENNY SMITH. My colleague is fully aware that I have not been supportive of any further wilderness areas without some input from the citizens of Oregon. I personally am not in favor of any further wilderness acreage.

I think we have sufficient. A half an acre for each man, woman, and child in the State of Oregon is sufficient wilderness, in my estimation.

Mr. Chairman, I yield back the balance of my time.

Mr. SEIBERLING. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is the "have your cake and eat it, too" approach. The bill that is before us contains a formula for handling the problem that was created by the court decision in the California RARE II case which has now been affirmed by the ninth circuit. That formula, the release and sufficiency language, was worked out in a conference with the National Forest Products Association Council, representatives of the Sierra Club, the Wilderness Society, representatives of the Forest Service and, in fact, the Chief of the Forest Service, the ranking minority member on the House Public Lands Subcommittee, and myself and various other members of the committee on both sides of the aisle.

The language in this bill has been in every single wilderness bill that was passed by the Congress and is now in law since that time. That includes Colorado, New Mexico, Alaska, West Virginia, Missouri, and Indiana.

What the gentleman's amendment would do would be to upset that balanced approach and say we are not going to put any additional national forest land in wilderness in the State of Oregon but we are going to say that all of the roadless areas are immediately open to mining, logging, and any other development.

In so doing the gentleman says he does not believe in compromise, he does not believe their should be any additional wilderness. I will say this, he has been consistent from the very beginning. He has not wanted any further wilderness in the State of Oregon.

But I suggest that this approach has been so discredited already that it has never been offered before on the floor of the House so far as I can recall, and if it had been it would have been roundly defeated, as I hope it will be this time.

□ 1440

They could never even get it introduced in the Senate in a form that would produce any hearings over there.

So, I suggest that this is a vain thing, it is wrong in principle, it is the opposite of an effort to work out a balance or an accommodation to all these competing points of view, as the distinguished chairman of our committee, Mr. UDALL, suggested was the approach we ought to follow.

For that reason I urge the Members to reject the amendment.

Mr. ROBERT F. SMITH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, well, this is a desperate situation that Oregon is in and it should be a desperate situation that this Congress is in.

We are talking here now about the future of the timber industry not only in Oregon but the timber supply for this country as well. Now we are on a sustained yield program in Oregon and have been for a very long time. We are not talking about jeopardizing the opportunity to grow timber or jeopardizing recreationalists or the fishing industry; we are talking here about a reasonable method of operation that we may use in the future to provide jobs, to provide recreation, to provide fishing and for the whole multiple use purpose idea.

You know, I know that you are confused about this issue of jobs and I can understand that, because one side says this is an antijobs bill, the other side says that this is a projobs bill. But let me ask you this question: If this did not cost Oregon jobs, why are these people opposing it? The United Brotherhood of Carpenters & Joiners of America, the AFL-CIO Building Trades Department, the Western Council of Lumber, Production & Industrial Workers of America, International Woodworkers Council of America, AFL-CIO, and Western States Regional Council. I suggest to you if there were not jobs at stake why are these people opposing this bill?

Now, there is precedent for this amendment and the precedent frankly is here. The 96th and 97th Congresses have already established the kinds of programs that this amendment addresses itself to and, in fact, in the 96th and 97th Congresses they provide for release in the States of Alaska, Colorado, New Mexico, Missouri, Indiana, and West Virginia, just like this amendment would propose.

Now, I suggest to you again that we are fighting for our lives and fighting for Oregonians lives. Oregon is one of the 15 States in the Union impacted mostly by unemployment. We are in a desperate situation and we need jobs and we want to keep jobs that we have.

I suggest to you that this is not the last time you are going to see wilderness proposed in Oregon or any place else in this country. Because very soon

this Congress is going to be faced with another 2.6 million acres of land in Oregon by the Department of Interior with a question: "Do you want more wilderness in Oregon?" Not just 1.2 million acres as suggested in the bill but another 2.6 million acres in Oregon. And I suggest to you that we cannot stand that.

Now, I have just received a report of the people that I suggested earlier to you that I had consulted with in Oregon. There are 17,000 respondents; 72 percent of those people who have responded already, are opposed to more wilderness in Oregon. How can you disregard the wishes of my district and my constituents?

Mr. WEAVER. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to the amendment. Mr. Chairman, I simply want to point out first that throughout my time in the Congress I have done nothing but fight for jobs in the forest economy. We can get jobs in the forest economy if we manage our lands and utilize our resources properly. I have fought for jobs in salvage programs, to get the trees and to allow small loggers to get the trees that are now dying in those forests, that have fallen, going to waste; I have fought for jobs in reforestation, for timber stand improvement funds to put loggers to work today, thinning the forests and making them more productive. I have fought for jobs in the geothermal and wood waste areas that could produce energy for us. Today I sincerely and deeply believe that the wilderness bill we bring to you today is a jobs bill. But this amendment is an antijobs bill. Let me point out once again that there are 16 billion board feet of timber that is sold and unharvested today because of economic conditions, while only 200 million board feet is the amount of allowable cut in the wilderness areas.

So therefore what we need is to create jobs today in the fishing industry, in the tourist industry, in the areas of reforestation and timber stand improvement, geothermal energy, wood waste, salvage sales, to work on those things because this wilderness bill will not cost a single job, not a single job. Studies have shown, for instance, that we actually get more timber, according to Forest Service studies, if instead of going up into the high mountain areas where most of these wilderness areas are, use that money instead to manage our lands more intensively and we get more jobs that way. This amendment would of course destroy this whole situation, gut the bill and frankly be one of the worst antijobs bills Oregon could have.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I am in my seventh Congress and I will match my labor voting record with anyone in this Congress. I think what the gentleman has said is absolutely correct. I also point out that if this amendment, heaven forbid, were to pass, that would kill the bill, and it would also be considered to be one of the most antienvironmental votes as well as the most antijobs votes that we could possibly cast in this kind of a context. So, the gentleman is absolutely right. This bill is a projobs bill but with this amendment it would be both an antienvironment and an antijobs bill.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Oregon (Mr. DENNY SMITH).

The question was taken; and on a division (demanded by Mr. DENNY SMITH) there were—ayes 10, noes 10.

Mr. SEIBERLING. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 1500

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have responded. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Ohio (Mr. SEIBERLING) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 58, noes 292, not voting 83, as follows:

[Roll No. 35]

AYES—58

Archer	Hartnett	Rogers
Badham	Holt	Rudd
Bartlett	Hopkins	Shumway
Bateman	Hunter	Shuster
Bliley	Kemp	Skeen
Broomfield	Kindness	Smith, Denny
Burton (IN)	Leath	Smith, Robert
Carney	Loeffler	Snyder
Cheney	Lott	Solomon
Conable	Marlenee	Spence
Crane, Philip	Marriott	Stangeland
Daniel	McCain	Stenholm
Dannemeyer	McCandless	Stump
Daub	McDonald	Sundquist
Dickinson	Montgomery	Taylor
Edwards (AL)	Myers	Vucanovich
Fields	Nielson	Wortley
Franklin	Oxley	Young (AK)
Gramm	Paul	
Hansen (ID)	Quillen	

NOES—292

Ackerman	Glickman	Nowak
Addabbo	Gonzalez	Oakar
Akaka	Goodling	Oberstar
Alexander	Gore	Obey
Anderson	Gradison	Ortiz
Andrews (NC)	Green	Ottinger
Andrews (TX)	Gregg	Owens
Annunzio	Guarini	Packard
Anthony	Gunderson	Panetta
Applegate	Hall (IN)	Parris
AuCoin	Hall (OH)	Patman
Barnard	Hall, Ralph	Pease
Bates	Hall, Sam	Penny
Bedell	Hamilton	Pepper
Beilenson	Hance	Perkins
Bennett	Hatcher	Petri
Bethune	Hawkins	Pickle
Bevill	Hertel	Porter
Biaggi	Hiler	Price
Bilirakis	Howard	Rahall
Boggs	Hoyer	Rangel
Boland	Hubbard	Ratchford
Boner	Huckaby	Ray
Bonior	Hughes	Regula
Borski	Hutto	Reid
Boxer	Ireland	Ridge
Britt	Jacobs	Rinaldo
Brooks	Jenkins	Roberts
Brown (CA)	Jones (NC)	Rodino
Brown (CO)	Jones (OK)	Roe
Bryant	Jones (TN)	Roemer
Burton (CA)	Kasich	Rose
Byron	Kazen	Roth
Carper	Kennelly	Rowland
Carr	Kildee	Roybal
Chandler	Kogovsek	Sabo
Chappell	Kolter	Savage
Clarke	Kostmayer	Sawyer
Clay	Kramer	Scheuer
Clinger	LaFalce	Schneider
Coats	Lagomarsino	Schroeder
Coelho	Lantos	Schulze
Coleman (MO)	Leach	Schumer
Coleman (TX)	Lehman (CA)	Seiberling
Conte	Lehman (FL)	Sensenbrenner
Conyers	Lent	Shannon
Cooper	Levin	Sharp
Coughlin	Levine	Sikorski
Crockett	Levitas	Simon
D'Amours	Lewis (CA)	Sisisky
Davis	Lewis (FL)	Skelton
de la Garza	Livingston	Slattery
Derrick	Long (LA)	Smith (FL)
DeWine	Long (MD)	Smith (IA)
Dicks	Lowery (CA)	Smith (NE)
Dingell	Lowry (WA)	Smith (NJ)
Dixon	Lujan	Snowe
Dorgan	Luken	Solarz
Dowdy	Lundine	Spratt
Dreier	Lungren	St Germain
Duncan	Mack	Staggers
Dwyer	MacKay	Stark
Dymally	Madigan	Stokes
Dyson	Markey	Stratton
Early	Martin (IL)	Studds
Eckart	Martinez	Swift
Edgar	Matsui	Synar
Edwards (CA)	Mavroules	Tallon
Edwards (OK)	Mazzoli	Tauke
Erdreich	McCloskey	Tauzin
Erlenborn	McCollum	Thomas (CA)
Evans (IL)	McDade	Thomas (GA)
Fascell	McEwen	Torricelli
Fazio	McGrath	Towns
Feighan	McKernan	Udall
Ferraro	McKinney	Valentine
Fiedler	Mica	Vander Jagt
Fish	Michel	Vandergriff
Flippo	Mikulski	Vento
Florio	Miller (OH)	Volkmer
Foley	Mineta	Walgren
Ford (MI)	Minish	Walker
Ford (TN)	Mitchell	Watkins
Fowler	Moakley	Waxman
Frank	Mollohan	Weaver
Frenzel	Moody	Weber
Frost	Moorhead	Wheat
Fuqua	Morrison (CT)	Whitehurst
Gaydos	Morrison (WA)	Whitley
Gejdenson	Mrazek	Whittaker
Gephardt	Murphy	Whitten
Gibbons	Murtha	Williams (MT)
Gilman	Natcher	Wilson
Gingrich	Nichols	Winn

Wise	Wyden	Young (MO)
Wolf	Wylie	Zschau
Wolpe	Yates	
Wright	Young (FL)	

NOT VOTING—83

Albosta	Foglietta	Molinari
Aspin	Forsythe	Moore
Barnes	Garcia	Neal
Bereuter	Gekas	Nelson
Berman	Gray	O'Brien
Boehlert	Hammerschmidt	Olin
Bonker	Hansen (UT)	Pashayan
Bosco	Harkin	Patterson
Boucher	Harrison	Pritchard
Bouquard	Hefner	Pursell
Breaux	Heftel	Richardson
Broyhill	Hightower	Ritter
Campbell	Hillis	Robinson
Chappie	Horton	Rostenkowski
Collins	Hyde	Roukema
Corcoran	Jeffords	Russo
Courter	Johnson	Shaw
Coyne	Kaptur	Shelby
Craig	Kastenmeier	Siljander
Crane, Daniel	Latta	Torres
Daschle	Leland	Traxler
Dellums	Lipinski	Washington
Donnelly	Martin (NC)	Weiss
Downey	Martin (NY)	Williams (OH)
Durbin	McCurdy	Wirth
Emerson	McHugh	Yatron
English	McNulty	Zablocki
Evans (IA)	Miller (CA)	

□ 1520

Messrs. GUNDERSON, HUTTO, FRENZEL, WINN, THOMAS of California, LEWIS of California, SMITH of Florida, WALKER, EDWARDS of Oklahoma, CHAPPELL, and IRELAND changed their votes from "aye" to "no."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Mr. Chairman, I offer an amendment. This is the amendment called the Oregon Wilderness Unemployment Relief Act.

Mr. SEIBERLING. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Ohio (Mr. SEIBERLING) reserves a point of order on the amendment.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG of Alaska: Insert before section 2 the heading "TITLE I—DESIGNATION OF WILDERNESS AREAS".

SEC. 2. Add after section 6 the following:

"TITLE II—DEFINITIONS

"SEC. 20. As used in this title, the term—

"(1) 'Secretary' unless otherwise indicated, means the Secretary of the Department of Labor;

"(2) 'expansion area' means the Mount Hood, Willamette, Siuslaw, Umpqua, Rogue River, Siskiyou, Deschutes, Winema, Fremont, Ochoco, Wallowa-Whitman, Malheur, and Umatilla National Forests, and the Salem District of the Bureau of Land Management.

"(3) 'employee' means a person employed by an affected employer and, with such exceptions as the Secretary may determine, in an occupation not described by section 13(a)(1) of the Fair Labor Standards Act (29 U.S.C. 213(a)(1));

"(4) 'contract employees' are employees performing work pursuant to a contract or agreement for services within or directly related to the expansion area between an affected contract employer and an affected woods employer;

"(5) 'industry employer' means a corporation, partnership, joint venture, person, or other form of business entity (including a predecessor or successor by purchase, merger, or other form of acquisition), of which a working portion or division is an affected employer;

"(6) 'affected employer' means a corporation, partnership, joint venture, person, or other form of business entity (including a predecessor or a successor by purchase, merger, or other form of acquisition), or a working portion or division thereof, which is engaged in the harvest of timber or in related sawmill, plywood, and other wood processing operations, and which meets the qualifications set forth in the definition of affected woods employer, affected mill employer, or affected contract employer;

"(7) 'affected woods employer' means an affected employer engaged in the harvest of timber who obtained at least 30 per centum of its timber from the expansion area on January 1, 1982, and on the date of enactment of this section: *Provided*, That an affected woods employer shall be only that major portion or division of the industry employer directly responsible for such harvesting operations;

"(8) 'affected mill employer' means an affected employer engaged in sawmill, plywood, and other wood processing operations in the State of Oregon who has either (A) obtained 15 per centum or more of its raw wood materials directly from affected woods employers during calendar year 1982 or (b) is a wholly owned mill of an affected woods employer: *Provided*, That an affected mill employer shall be only that major portion or division of the industry employer directly responsible for such wood processing operations;

"(9) 'affected contract employer' means an affected employer providing services pursuant to contract with an affected woods employer, if at least 15 per centum of said employer's employee-hours worked during calendar year 1982 were within or directly related to the expansion area pursuant to such contract or contracts;

"(10) 'covered employee' means an employee who—

"(A) had seniority under a collective bargaining agreement with an affected employer as of May 31, 1982 has at least twelve months of creditable service as of the date of enactment of this section, and has performed work for one or more affected employers on or after January 1, 1983 or

"(B) has performed work for one or more affected employers for at least one thousand hours from January 1, 1982 through the period to the date of enactment of this section, and has a continuing employment relationship with an affected employer, as determined by the Secretary, as of the date of enactment of this section, or, if laid off on or after the date of enactment had such a relationship as of the date of such layoff;

"(11) 'affected employee' means a covered employee who is either totally or partially laid off by an affected employer within a time period beginning on or after the date of enactment and ending September 30, 1986, unless extended, as provided in section 22 or as determined by the Secretary to be adversely affected by the expansion of the Oregon portion of the National Wilderness Preservation System. An employee shall be deemed adversely affected as of the date of the employee's layoff, downgrading, or termination;

"(12) 'total layoff' means a calendar week during which affected employers have made no work available to a covered employee and made no payment to said covered employee and made no payment to said covered employee for time not worked, and 'partial layoff' means a calendar week for which all pay received by a covered employee from affected employers is at least 10 per centum less than the layoff or vacation replacement benefit that would have been payable for that week had said covered employee suffered a total layoff: *Provided*, That the terms 'total layoff' and 'partial layoff' shall also apply to a covered employee who had received any workers' compensation benefits or unemployment compensation disability benefits after said covered employee becomes able to work and available for work and is otherwise within the meaning of total layoff and partial layoff as defined in this paragraph;

"(13) 'Federal agency' has the same meaning as 'agency' in section 552(c) of title 5, United States Code;

"(14) 'suitable work' shall be defined—

"(A) as set forth in the Oregon Unemployment Insurance Code, or Federal law if applicable, unless otherwise more restrictively defined by the Secretary, taking into account the unique characteristics of logging and related work; and

"(B) with respect to an employee who has completed retraining paid for by the Secretary, as a job paying no less than the prevailing wage rate in the area for the occupation for which said employee was restrained; or

"(C) as a job comparable with that which said employee would be required to accept pursuant to the seniority provisions of the applicable collective-bargaining agreement (or, if not covered by such an agreement, in accordance with the usual practice of the affected employer);

"(15) 'seniority' with respect to an employee covered by a collective-bargaining agreement with an affected employer, shall be determined as provided in such agreement and shall be deemed to refer to company seniority, if the agreement provides for such seniority and, otherwise, to plant seniority;

"(16) 'continuous service' with respect to employees not having seniority under a collective-bargaining agreement with an affected employer or an industry employer shall mean a period of time measured in months equal to the sum of all hours during which the employee performed work for said employer plus all hours for which the employee received pay for time not worked divided by one hundred and seventy-three;

"(17) 'performed work' shall include any time during which an employee worked for an affected employer or with respect to which an employee received pay from such an employer for time not worked, and shall also include any time during which an employee would have been at work for such an employer if not for service in the armed forces, for a leave (approved by the employer) for work with an employee organization, or for a disability for which said employee received workers' compensation, disability compensation benefits provided under Oregon law, or social security disability pension benefits: *Provided*, That contract employees shall be deemed to have performed working during the period of such service or disability only if—

"(A) the employee worked within or directly related to the expansion area immediately prior to the occurrence of such service or disability and

"(B) the employee returned or sought to return to work for an affected contract employer immediately after the end of the service or disability if that was prior to the date of enactment.

The term 'work performed', when used in relation to a period of time, shall also be deemed to include any period during which an employee is deemed to have performed work;

"(18) 'terminal pay' means the payments to employees provided for in sections 26, 27, and 28 which, regardless of the designations used herein to distinguish among them are intended and shall be deemed to be severance pay and, as such, shall be treated for Federal income tax and State unemployment insurance purposes in the same manner as is provided by Oregon State law;

"(19) notwithstanding any other provision of this Act, the Secretary shall reduce the amount of terminal pay for an employee, as calculated pursuant to section 26, 27, or 28 by the amount of the Federal and State income taxes which would be required to be withheld by an employer from wages equal to such terminal pay if paid to an employee with the same number of income tax exemptions as the recipient. For purposes of determining the amounts of such reductions with respect to severance payments made pursuant to sections 27 and 28, said severance payments shall be prorated over the number of weeks the equivalent sums would have been paid if the employees were eligible for and claiming the weekly layoff benefits provided in section 26. The Secretary shall withhold social security contributions from terminal pay in the same amounts as would be withheld if such pay (before the reductions provided for in this subsection) were wages and the Secretary shall make contributions on behalf of employees receiving terminal pay to the trust funds created under section 201 of the Social Security Act equal to the contributions required to be made by an employer paying wages equal to such unreduced terminal pay; and

"(20) 'sixty-fifth birthday' means the last day of the month in which the sixty-fifth birthday occurs."

"SEC. 21. The Secretary is authorized to develop the necessary procedures to implement this title."

"AFFECTED EMPLOYEES

"SEC. 22. The total or partial layoff of a covered employee employed by an affected employer during the period beginning the date of enactment and ending September 30, 1986, other than for a cause that would disqualify an employee for unemployment compensation, except as provided in section 24, is conclusively presumed to be attributable to the expansion of the Oregon portion of the National Wilderness preservation system: *Provided,* That the Secretary may, for good cause, extend this period for any group of covered employees by no more than one year at a time after September 30, 1986. Any covered employee laid off during that period by an affected employer shall be considered an affected employee at any time said employee is on such layoff within the period ending September 30, 1989, or, if earlier, the end of said employee's period of protection as defined herein: *Provided, however,* That the number of affected employees with respect to an affected contract employer shall be limited in any week to that number of such employees otherwise affected as provided herein that is equal to the percentage of the affected employer's employee hours during calendar year 1982 that were worked within or directly related to the expansion area."

"SEC. 23. (a) The Secretary shall provide, to the maximum extent feasible, for retention and accrual of all rights and benefits which affected employees would have had in an employment with affected employers during the period in which they are affected employees. The Secretary is authorized and shall seek to enter into such agreements as he may deem to be appropriate with affected employees and employers, labor organizations representing covered employees, and trustees of applicable pension and welfare funds, or to take such other actions as he deems appropriate to provide for affected employees (including the benefits provided for in section 26(d)) the following rights and benefits:

"(1) retention and accrual of seniority rights, including recall rights (or, in the case of employees not covered by collective-bargaining agreements, application of the same preferences and privileges based upon length of continuous service as are applied under the affected employer's usual practices) under conditions no more burdensome to said employees than to those actively employed; and

"(2) continuing entitlement to health and welfare benefits and accrual of pension rights and credits based upon length of employment and/or amounts of earnings to the same extent as and at no greater cost to said employees than would have been applicable had they been actively employed.

"(b) The Secretary shall provide, additionally, for continuing entitlement to health and welfare benefits (other than group life and additional death, dismemberment, and loss of sight benefits) for employees who—

"(1) retired from employment with an affected employer for reasons other than disability on or after the date of enactment but not later than September 30, 1989;

"(2) are receiving pension benefits under a plan financed by industry employers;

"(3) were age sixty-two or older but less than age sixty-five at the time of retirement; and

"(4) are not eligible for benefits under title XVIII of the Social Security Act.

"(c) The agreements described in subsection (a) of this section shall provide for the Secretary, effective October 1, 1983 to make payments on behalf of eligible affected employees including employees eligible for the benefits provided in section 26(d) to the applicable pension and welfare trust funds and to insurance companies. Such payments may be made in the form of grants and/or contributions equivalent to the difference between the amounts payable by their affected employers and labor organizations pursuant to collective-bargaining agreements (or, in the absence of such agreements, pursuant to established practice) and the amounts that would have been paid by their affected employers and their labor organizations had said employees worked or received pay for the periods for which they receive layoff benefits: *Provided,* That no payment shall be made to a pension fund on behalf of an employee who is receiving a pension from such fund. For purposes of determining the amounts of contributions calculated on the basis of worked or compensable hours, layoff and vacation replacement benefits shall be converted into the hours they represent in accordance with regulations to be issued by the Secretary.

"(d) No person shall be subject to liability under the Employee Retirement Income Security Act of 1974, section 302 of the Labor-Management Relations Act, 1947, or any other law, solely by reason of the receipt of payments from the Secretary or the payment of benefits to affected employees in accordance with this section. Receipt of such payments and the payment of such benefits are deemed to be consistent with any relevant plan documents. No action taken pursuant to this section shall be deemed to place the Secretary in the position of an employer or a party in interest (including a fiduciary) for purposes of the Employee Retirement Income Security Act of 1974."

"SEC. 24. (a) An application for unemployment compensation filed by a covered employee on or after the first Monday following the date of enactment shall be deemed an application for the benefits provided by this Act.

"(b) An affected employee shall be eligible (unless said employee has received a social security retirement or disability benefit or a pension under a plan contributed to by an affected employer) for layoff and vacation replacement benefits, as defined herein, effective the first Monday following the date of enactment, for each week of total or partial layoff if, with respect to said week, said employee—

"(1) is registered with the United States Employment and Training Service in the State of Oregon;

"(2) is eligible for unemployment compensation benefits under the Oregon Unemployment Insurance Code: *Provided,* That the Secretary is authorized and directed to provide for the payment of benefits under this title to an affected employee who is held ineligible or is disqualified for benefits under said code solely because of one or more of the following reasons: insufficient base period earnings; exhaustion of benefit rights; earnings in excess of the amount which would entitle the employee to a partial benefit for the week; the waiting week requirement; unavailability for work because of jury duty, National Guard duty, retraining authorized, financed or approved by a public agency, or because of a similar reason as determined by the Secretary; refusal of work which is not 'suitable work' as defined in section 20(14); receipt of a worker's compensation or other benefit for partial disability which the employee would be entitled to receive while working; and any other cause of ineligibility with respect to which the Secretary determines that, under the circumstances, it would be unreasonable or otherwise contrary to the purpose of this Act to deny said employee a benefit provided for herein; and

"(3) the employee's period of protection has not been exhausted or otherwise ended by acceptance of a severance payment."

"SEC. 25. (a) The period of protection for an affected employee shall start with the beginning of the first week for which said employee is eligible to receive a layoff or vacation replacement benefit as provided by this title, and shall continue until the earliest of (i) the date said employee accepts a severance payment provided for below, (ii) a period equal to the length of the employee's creditable service is exhausted, or (iii) said employee's sixty-fifth birthday. In no event shall such period extend beyond September 30, 1989, except as provided by subsection (d) of section 26.

"(b) Creditable service shall be computed as follows:

"(1) a period equal to the length of an employee's seniority (or continuous service as defined herein) with said employee's last affected employer as of the date said employee's period of protection begins; plus

"(2) a period equal to the sum of all prior periods during which the employee had seniority (or continuous service) with the same affected employer and with other industry employers: *Provided*, That if such seniority was broken (or such continuous service was interrupted) for more than three consecutive years for any reason other than employment with other affected or industry employers, periods of service in the Armed Forces or disabilities for which said employee received any workers compensation benefits unemployment compensation disability benefits, or disability benefits under the Social Security Act, any periods of seniority (or continuous service) prior to the break in seniority (or interruption is continuous service) shall be disregarded.

"(c) If necessary, in order to establish an employee's creditable service, the Secretary shall request authorization to examine said employee's social security wage record and shall compute such service from it by a method to be prescribed by regulation."

"SEC. 26. (a) Except as further provided in this section, the amount of an eligible employee's weekly layoff benefit shall be equal to (1) the annual average of all hours of work performed by said employee for the last affected employer or whom the employee worked prior to the date of enactment of this section during those three of the five calendar years immediately preceding said date during which such hours were greatest counting hours paid for at time and a half and double time as one and one-half and two hours, respectively, multiplied by (2) the wage rate applicable, during the week for which the benefit is payable, to the highest paid job held by said employee, other than by temporary assignment, with said affected employer during the period from January 1, 1982 through the date of enactment of this section, and divided by (3) fifty-two.

"(b) The weekly benefit amount for an eligible employee with less than five calendar years of employment with one affected employer immediately prior to the enactment date shall be equal to the lesser of—

"(1) the average benefit that would be payable with respect to the same week to those covered employees (if they were eligible in the same week) who had five or more calendar years of employment with the same affected employer (in accord with subsection (a) of this section) whose benefit amounts are computed on the basis of the wage rate of a job the same, as or most similar to, the highest paid job said employee had held, other than by temporary assignment, with said affected employer during the period from January 1, 1982 through the date of enactment of this section, or

"(2) an amount calculated by substantiating in clause (1) of subsection (a) the annual average of all hours of work performed by said employee for said employer during those calendar years for which said employee had performed work and throughout which he had seniority (or continuous service).

"(c) Notwithstanding subsections (a) and (b), the Secretary shall classify as a 'seasonal employee' any affected employee whose highest paid job held, other than by temporary assignment, with said affected employer during the period from January 1, 1982 through the date of enactment of this section was in an occupation in which the average annual number of weeks during which work was actually performed by all covered employees employed in said occupation during the five calendar years preceding the enactment date was forty or less. With respect to such seasonal employees—

"(1) the calculation of benefit amount set forth in subsection (a) shall be modified by—

"(A) deducting from the hours for which said employee received pay those hours representing vacation pay and vacation pay increments; and

"(B) substituting for the fifty-two provided in clause (3) of subsection (a) a divisor equal to the average annual number of weeks for which said employee performed work for an affected employer in said occupation during those three of the five calendar years immediately preceding the date of enactment during which the number of such weeks was greatest: *Provided*, That this calculation shall be modified in accord with subsection (b) with respect to those employees who had less than five calendar years of employment with one affected employer immediately prior to the date of enactment of this section.

"(2) the number of weekly benefits payable in any calendar year shall not exceed the annual average number of weeks for which a seasonal employee received pay from an affected employer for work performed in the employee's occupation, as established by paragraph (1)(B), and shall be payable only during those weeks of each year determined by the Secretary to be usual season for that occupation;

"(3) vacation pay and vacation pay increments shall be paid in the same amounts and at the same times of each year as they would have been paid had said employee performed work during all of the time for which said employee receives layoff benefits. Such pay is referred to herein as 'vacation replacement benefits'.

"(d) Notwithstanding any other provision of this Act, the benefits for any affected employee who will reach the age of sixty on or before September 30, 1989, shall be extended after the end of the employee's period of protection (unless severance pay has been accepted) until the employee's sixty-fifth birthday, and shall be equal to said employee's weekly layoff benefit.

"(e) The benefit amount provided by this section for any week of total or partial layoff shall be reduced by—

"(1) 50 per centum of earnings and pay for time not worked from any other employer with respect to that week; and

"(2) the full amount of any unemployment compensation attributable to that week."

"SEC. 27. (a) An affected employee (other than a short-service employee described in subsection (a) of section 28) shall be paid severance pay in accordance with this section if said employee:

"(1) has been on a continuous layoff from employment with the employee's last affected employer for a period of at least twenty weeks subsequent to December 31, 1982;

"(2) has no definite recall date for work with the affected employer by whom the employee was laid off and no offer of suitable work by any affected employer; and

"(3) applies for severance pay during a week with respect to which said employee has not performed work for an affected employer: *Provided*, That this clause shall not result in denial of severance pay to an otherwise eligible employee who at the time of application is totally and permanently disabled as defined in the Social Security Act: *Provided*, That an employee shall be deemed an affected employee for purposes of this section if said employee meets the requirements of clauses (1), (2), and (3) of section 23(b).

"(b) The amount of severance pay payable to an employee shall be computed by multiplying the applicable number of weeks determined in accordance with subsection (c) by the amount of the weekly layoff benefit (without reduction for earnings or other benefits) which is payable, or would be payable if the employee were eligible, for the week in which the application was filed: *Provided*, That for a seasonal employee the amount so calculated, plus the amount of vacation replacement benefits applicable for that year shall be multiplied by the number of weeks in said employee's usual season, as determined in section 26(c), and the result divided by fifty-two.

"(c) The number of weeks of severance pay shall be equal to one week for each month of the employee's creditable service up to a maximum of seventy-two weeks: *Provided*, That the severance payment to any employee shall not exceed the total amount of the weekly layoff and vacation replacement benefits which would have been payable if said employee were to be eligible for such benefits continuously from the week of application until the end of the applicable period of protection (or, in the case of an employee described in the final proviso of subsection (a), until the earlier of said employee's sixty-fifth birthday or September 30, 1989), calculated on the basis of the weekly amounts of such benefits as of the date of application for severance pay.

"(d) Acceptance of severance pay terminates the affected employee's period of protection and makes said employee ineligible thereafter for all other forms of terminal pay and for the protections provided in all other forms of terminal pay and for the protections provided in section 204, except as otherwise specifically provided in this Act.

"(e) Before making a severance payment to an employee, the Secretary shall obtain said employee's written agreement that, upon resumption of employment in the industry within the State of Oregon prior to September 30, 1985, or such later date established by the Secretary with respect to said employee pursuant to section 22, said employee will return it in weekly installments equal to a specified percentage of the employee's earnings in the industry, which the Secretary shall set at a reasonable level. The agreement shall include authorization for the Secretary to arrange with an employer for withholding of the applicable amounts from the employee's pay."

"SHORT-SERVICE EMPLOYEES

"SEC. 28. (a) Notwithstanding any other provision of this Act, an affected employee as defined in this title shall be ineligible for any benefit under this title except as provided in this section if:

"(1) said employee will not reach age sixty before October 1, 1989; and

"(2) said employee as of the date of becoming an affected employee, does not have service credit for pension purposes of at least five full years under a pension plan contributed to by industry employers.

"(b) An affected employee described in subsection (a) shall be paid severance pay in accordance with this section if said employee meets the requirements of section 27(a).

"(c) Said employee shall be paid a severance payment equal to forty times the hourly wage rate applicable at the time of application for severance pay to the highest paid job held by said employee, other than by temporary assignment, during calendar year 1982, with the employee's last affected employer for each one hundred and seventy-three hours for which said employee performed work for affected employers.

"(d) Subsection (d) of section 27 shall be applicable to employees applying for and accepting severance payments pursuant to this Section except that such employees shall remain eligible for allowances provided for in sections 30 and 31, and for retraining as provided for in section 29(a) and while in good faith engaged in such training shall be paid the same stipends and allowances as are generally applicable to individuals engaged in such retraining programs who are not employees as defined in this Act."

"RETRAINING

"SEC. 29. (a) An affected employee is eligible to apply for and the Secretary shall authorize training (including training for technical and professional occupations) at Government expense during said employee's period of protection if—

"(1) the Secretary determines that there is no suitable employment available for the employee within a reasonable commuting area; and

"(2) there is substantial reason to believe that the employee's employment prospects would be enhanced after successful completion of the training for which application has been filed.

"(b) An affected employee engaged in training authorized by subsection (a) shall be paid layoff and vacation replacement benefits while in good faith engaged in such training and shall continue to be paid such benefits while so engaged."

"SEC. 30. Upon application filed by an affected employee during said employee's period of protection, said employee shall be eligible for a job search allowance under the same terms, conditions, and amounts as provided in section 237 of the Trade Act of 1974 (19 U.S.C. 2297).

"SEC. 31. (a) A relocation allowance shall be paid upon application by an affected employee during the applicable period of protection if—

"(1) the Secretary determines that said employee cannot reasonably be expected to obtain suitable work in the commuting area in which said employee resides; and

"(2) the employee has obtained—

"(A) suitable employment affording a reasonable expectation of long-term duration in the area in which said employee wishes to relocate; or

"(B) a bona fide offer of such employment; or

"(3) the employee relocated during the period beginning May 31, 1982 and ending on the date of enactment, because of acceptance of employment requiring a change in residence to a location outside the commuting area in which said employee resided immediately prior to becoming an affected employee.

"(b) The Secretary shall provide the same moving expense benefits for the same purposes as are set forth in the Regional Rail Reorganization Act of 1973 (Public Law 93-236)."

"ADMINISTRATION

"SEC. 32. (a) The Secretary shall be responsible for paying promptly all benefits and payments provided by this title.

"(b) Effective October 1, 1983, there are authorized to be appropriated annually such sums as may be required to meet the obligations provided for in this title.

"(c) The Secretary shall have the authority to obtain information necessary to carry out the responsibilities created under this Act in the same manner as provided by section 249 of the Trade Act of 1974 (19 U.S.C. 2321).

"(d) The Secretary shall offer all reasonable cooperation and assistance to individuals who believe they may qualify for the benefits, payments, preferential hiring rights, and other protections provided for employees under this Act. Among other things, the Secretary shall—

"(1) provide all covered employees with literature stating their rights and obligations in nontechnical terms; and

"(2) develop and implement procedures for the filing (including filing by mail in appropriate circumstances as determined by the Secretary) of applications, appeals, and complaints relating to the rights and entitlements established for employees by this title designed to facilitate prompt determinations and prompt payment to eligible applicants.

"(e) The Secretary shall direct that notices, reports, applications, appeals, and information concerning the implementation of this title required to be filed with the Secretary shall be filed at the offices of the United States Employment and Training Service, State of Oregon and that information required to facilitate employees' exercise of their rights under this title shall be kept available at such offices unless the Secretary shall designate additionally.

"(f) In all cases where two or more constructions of the language of this title would be reasonable, the Secretary shall adopt and apply that construction which is most favorable to employees. The Secretary shall avoid inequities adverse to employees that otherwise would arise from an unduly literal interpretation of the language of this title."

Mr. YOUNG of Alaska (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alaska?

There was no objection.

POINT OF ORDER

Mr. SEIBERLING. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman from Ohio (Mr. SEIBERLING) makes a point of order on the amendment, and the gentleman will state his point of order.

Mr. SEIBERLING. Mr. Chairman, I make a point of order that the amendment is not germane, and also that it violates the provisions of the Budget Act.

The CHAIRMAN. Does the gentleman from Alaska, Mr. YOUNG, wish to be heard on the point of order?

Mr. YOUNG of Alaska. I do, Mr. Chairman.

Mr. Chairman, it is ironic to me that the gentleman raises this point of order. This provision that I am offering on the floor today is the same as the provision offered to the Redwoods Park bill which passed unanimously—not unanimously, but by a large margin.

It does take care of the problem if there is unemployment created by this act. We have heard Members from Oregon who are supporting this bill say that there will be no jobs affected.

Mr. Chairman, I argue that the amendment is germane. It has been heard before and has passed on previous actions of this body. I want to state that if the Parliamentarian will go back to the history of the House, this House has acted on the same exact amendment on a similar type bill in previous years.

It is important that we establish the RECORD here. For those who say that there will be no loss of jobs, I say again that it is ironic that there would be an objection or a point of order raised. It is strange to me and indicates to me that maybe what they speak of is not the truth. Maybe what they are saying is that there will be a loss of jobs.

So my argument is that the amendment is germane to the bill, and it is relevant to the subject and the topic we are discussing today. We should give an opportunity to this body to decide, if the eastern establishment is going to have this wilderness, they are going to pay for it through their tax dollars to those who will be unemployed.

There is nothing hidden in this amendment. We worked on this same amendment before, it was passed before, and it was supported by the California delegation. It was supported by that side of the aisle, and today we are again supporting those people who will lose jobs, as they did with the Redwood Forest. This does the exact same thing.

Mr. Chairman, we have heard testimony after testimony and debate after debate that there will be no loss of jobs. The other side is saying that there will be no loss of jobs, and this amendment would actually prevent any loss of income by those people directly affected by the passage of this legislation.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Montana (Mr. MARLENEE) wish to speak on the point of order?

Mr. MARLENEE. I do, Mr. Chairman.

May I ask the gentleman, is this the exact language that was in the Redwoods bill?

Mr. YOUNG of Alaska. The only difference is that the language in this amendment says, instead of "Redwoods," "Oregon Wilderness."

Mr. MARLENEE. What was that?

Mr. YOUNG of Alaska. It is the Oregon Wilderness Act of 1983 sponsored by the gentleman from Oregon (Mr. WYDEN) and the gentleman from Oregon (Mr. AUCOIN) and supported by the gentleman from Ohio (Mr. SEIBERLING) and they also supported the Redwood provision back in, I believe, 1980.

Mr. MARLENEE. Further questioning the gentleman on the point of order, Mr. Chairman, if the gentleman from Alaska will yield, who were the principal sponsors of the amendment on that bill?

Mr. YOUNG of Alaska. On that bill?

The CHAIRMAN. The gentleman will suspend. Does the gentleman from Montana (Mr. MARLENEE) wish to speak on the point of order?

Mr. MARLENEE. Not yet, Mr. Chairman.

□ 1530

The CHAIRMAN (Mr. OBERSTAR). The Chair is ready to rule.

The Chair has reviewed the amendment offered by the gentleman from Alaska.

H.R. 1149 does not relate to the question of unemployment relief to employees impacted by the wilderness designations in the bill.

The amendment contains matter not addressed on the bill and within the jurisdiction of other committees of the House and, therefore, is not germane to H.R. 1149.

The Chair sustains the point of order.

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the last word.

For the listening audience, you have just seen the people's party, the people's party which supports work, jobs, legislation that creates jobs, supports legislation that takes away the resources we need to make this Nation great.

You have just seen, for the listening audience, again, action by that side of the aisle, by the majority, to take away the economic opportunity for many, many people in the State of Oregon.

If there was no fear of a loss of jobs for that side, in fact, if there was a creation of jobs that they said was going to occur, why would they raise the point of order? Why would they raise the point of order? I can tell you why. Because this bill, regardless of how you dress it and what you call it, is the worst type of legislation that has come before this body other than the Alaska lands bill, other than the California bill that is coming up.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Montana.

Mr. MARLENEE. I find it incredible that when it fits their purpose, they can put an amendment in on the California Redwoods bill that is exactly the same as this, put in by a Member on their side of the aisle, and it goes through without any question whatsoever. Yet when you try to do the same thing on this bill, on the Oregon bill, it is defeated on a point of order. Incredible.

Mr. YOUNG of Alaska. It is incredible how they can sit and say they are the party of the people. How can they say the President is not leading this Nation out of the worst recession we have had, which they created? I mean how can they sit there and say that there is not going to be any loss of jobs, and yet they will take away the golden opportunity to provide for those families who need the money for their kids' shoes, and schooling, and clothing?

It is amazing, to me, that they are passing a bill in which they say there will be no loss of jobs, yet they object to taking care of those people.

I hope the people back there in Oregon really recognize that bill for what it is being purported for, really recognize it as being a bill which will cause a loss of jobs, and recognize those people on that side of the aisle who talk about "I will defend my record on jobs," and yet take the food from babies' mouths, recognize that there is going to be just the elite to walk out in the woods and the wilderness, and yet there are going to be people in these homes that they cannot make payment on today. I hope they recognize in Oregon what is occurring here today by outside influences. I hope my delegation, my side of the aisle especially, will recognize that again the people from Oregon who are in these areas are against this bill and will vote "No," definitely, "No" now, because there is going to be a loss of jobs, because they admitted it. They oppose this one simple amendment which would have given them the opportunity to provide for those in case there was a loss of jobs, and they denied it on a point of order. And yet they did it under the Redwood Park expansion bill.

And, by the way, the redwood bill only cost us $1 billion—$1 billion. There was not going to be a substantial loss of jobs in that bill either. Yet according to the records in the Labor Department, 3,640 jobs have been lost on the redwood bill, a depressed area.

It is unfortunate that this body continues to listen to the special-interest groups without realizing the effect upon America, the people with the work clothes on, the people who saw the trees and build the houses. It is unfortunate. All they listen to is the trumpet of the waffle stompers. It is unfortunate that they do not understand that we are crippling this Nation because we are locking up those resources which we need.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I think what we have here is a confrontation between those who believe in growth and those who believe in no growth; is that not correct?

Mr. YOUNG of Alaska. The gentleman is absolutely right.

Mr. WALKER. And what we have is a record to show that those in this country who believe in growth are those who will produce jobs in the end; those who believe in no growth will have the result of less jobs, that this country is going to have fewer, and fewer, and fewer jobs as a result of the people on the other side of the aisle who continue to tell us that we can get along without growing in this country.

The gentleman I think makes an excellent point and one that should not be lost on the broad scope of the American people, and that is that the only way we have hope for an economy that moves upward and more people going back to work is growth, and constantly we hear and constantly we have coming to this floor bills from that side of the aisle that prevent growth in this country.

Mr. YOUNG of Alaska. Try the budget that has just been proposed by that side, taxes, taking away the money of the working class, putting people out of work. How can they say they are the party of the people? Where do they get the idea that they are the party of the people? They are the party of big government strangulation of growth, taking the money away from the few workers we have left in America under the guise of helping the poor. What they are doing is squelching the poor, because you take away the opportunity for the utilization of those resources.

The party of the people—humbug.

Mr. SEIBERLING. Mr. Chairman, I move to strike the last word.

The gentleman has been, for the last couple of hours, along with the gentleman from Oregon (Mr. DENNY SMITH), demanding hearings on the alleged grounds that there are things in this bill that have not been considered before, and I think that has been pretty well refuted. But this amendment which the gentleman from Alaska just described as a simple amendment is 23 pages long.

Mr. YOUNG of Alaska. Point of order, Mr. Chairman. Is an amendment being offered by the gentleman from Ohio?

The CHAIRMAN. The gentleman from Ohio (Mr. SEIBERLING) has moved to strike the last word.

Mr. YOUNG of Alaska. I thought he was offering an amendment. I thought he saw the light after talking about the party of the people.

Mr. SEIBERLING. Mr. Chairman, may I reclaim my time?

The CHAIRMAN. The gentleman from Ohio (Mr. SEIBERLING) is recognized.

Mr. SEIBERLING. The simple amendment the gentleman from Alaska just mentioned is 23 pages long. It has never been offered before in connection with this legislation. It clearly goes way beyond the proposed scope of the legislation. Furthermore, it would be totally unnecessary and, probably, as the actual facts exist in Oregon, would not result in anything, and yet it is an effort to try to make the point that has already been made repeatedly.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I will yield in a minute.

But I would simply like to call the Members' attention to pages 29 and 30 of the committee report, which contain a report by the Congressional Research Service, and it relates to the lands covered by this legislation. I would just like to read at the bottom of the page. It states this:

> The cost to manage these candidate lands would be as much as the cost to manage higher site lands not now growing their potential volume. Even if the issue now before you were not Wilderness designations, a logical question is whether these lands should be classified under Sec. 6(k) of the National Forest Management Act and removed from production due to uneconomic status.

Continuing on the same page:

> If the funds that are anticipated to be expended to harvest and manage this 1.1 million acres of predominantly low site were allocated to manage higher site lands—

and by "higher site" is meant more productive—

> it is possible that not only would revenues be enhanced, but also total timber harvest would be increased and thus the imputed losses cited by Assistant Secretary Crowell would not actually occur.

That comes from the Congressional Research Service expert on forest management.

So all I can say is, we can continue to hear all afternoon statements about job losses. The fact is, this bill will save jobs and will not create a net job loss.

Mr. ROBERT F. SMITH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wish to respond to the last statement made with reference to the recent Congressional Research study that the gentleman quoted, and I want the Members to know that that is not an accurate position by the gentleman who wrote for the Congressional Research Service.

The facts of the matter are that there were seven forests studied with the proposition in mind that if you could shut down all of the roads and move to intensified forest management, that you could indeed have an increased allowable cut. That is true for one forest out of seven, the Willamette National Forest.

Of the other six, that is not true, Mr. Chairman, and I want the Members to be sure that they understand that the gentleman offering the proposal was reading from a study done by the Congressional Research Service, which I question.

□ 1540

I question it because I have checked on it and these figures come directly from those studies and they dispute that statement under the Congressional Research study.

This amendment, Mr. Chairman, is essential. I think we have established by the mere fact we are studying this area and at least we are discussing it that this bill does have jobs involved in it.

By the way, I want to quote to you from a study done by the League of Oregon Counties in Oregon using a model from Oregon State University which indicates that the total loss of money in Oregon counties affected is $382 million every year, and the annual household income lost to people in Oregon who live within these areas is $127,892,000 every year.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. ROBERT F. SMITH. I yield to the gentleman from Oregon.

Mr. AuCOIN. I appreciate my friend yielding to me, and he is my friend. Did the county governments of Oregon indicate how much revenue would be lost to their treasuries if the Ninth Circuit Court decision stands and none of the roadless areas are commercially harvested?

Mr. ROBERT F. SMITH. In answer to that question, the League of Oregon Counties only addressed the issue of the 1.2 million acre addition. It did not discuss what would occur should 2 million acres not be released.

As a matter of fact, I would say to my friend from Oregon, that is a bad exchange because that is like trading four dead horses for a mule.

Mr. AuCOIN. Will the gentleman yield again?

Mr. ROBERT F. SMITH. Yes, I yield to the gentleman.

Mr. AuCOIN. I understand what my friend is saying. But, as the gentleman from the Second District knows, unless we pass legislation that prevents an application of the Ninth Circuit Court decision in the State of Oregon none of the three million acres are going to have any developmental activities on them, so you could probably multiply by 3 times the revenue the local governments say they would lose from this bill.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. ROBERT F. SMITH. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. I would like to clarify one thing for this body. There is no Ninth Circuit Court decision in Oregon. It applies only to California.

The Forest Service now, as a result of the court decision is reviewing all wilderness and nonwilderness proposals so-called, RARE III. So we keep hearing about this illusion.

If someone wants to take Oregon to court or the Forest Service in Oregon to court, fine. I would ask them to do so. But this is being reviewed. We keep hearing about the ninth circuit. I want to compliment the gentleman for saying this is like trading four dead horses for a mule. That is absolutely correct.

I do not buy the concept again, if the gentleman would yield, that we have to have this release of these lands. That is not true. That is not true at all. We are being steamrolled into a position of saying we must have this to release the lands, and that is absolutely not factual.

Mr. AuCOIN. Will the gentleman yield to me once more?

Mr. ROBERT F. SMITH. I yield to the gentleman.

Mr. AuCOIN. I appreciate the gentleman yielding.

I want to make sure my colleagues understand the peril that the State of Oregon is in over this Ninth Circuit Court decision. The only thing standing between the Ninth Circuit Court decision and Oregon's 3 million roadless areas is one person who may have a 20-cent stamp who could drop a letter in the post box. That could begin the paperwork that would start the proceedings that would bring the full brunt of the Ninth Circuit Court decision down on Oregon.

So when the gentleman says it does not apply, he is quite wrong. We are facing an urgent situation.

Mr. LUJAN. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, during the committee deliberations one of the things that struck me about this piece of legislation and its proposal to include 1,200,000 acres in wilderness is that it is 3 times, 4 times perhaps, what the Carter administration proposed and what the Reagan administration proposed.

The Forest Service proposed 333,420 acres to be included as wilderness areas.

If we are really serious about taking those areas of that wilderness quality, we ought to stick with the Forest Service recommendations. Under RARE II they made those recommendations. Many years and a lot of money was spent in studying these areas and trying to come up with a proper amount of area that should be in wilderness.

I am a proponent, as most of us are, as all of us are, I suppose, of some wilderness areas. We believe that some areas should be set aside for the future.

You actually jeopardize any of this becoming a wilderness area by just being overly aggressive with it. I am sure that we would not be having all of the difficulty, we would not have all of the objections that we have now, we would not be having threats of "We will talk to the President about vetoing the bill," and that could very well happen, and we would not be facing really the almost certain conclusion in the other body that it will not get through over there because it is overly optimistic.

So those who would try to set aside the 1,200,000 acres are really doing an injustice to the wilderness system by making it so big and so onerous that people are going to be voting against it.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. LUJAN. I am happy to yield.

Mr. YOUNG of Alaska. I would like to compliment the gentleman on his statement. I would also like to remind him of the comment being made by proponents of the bill that there is an urgency, a demand, a need, or there is going to be some catastrophe if we do not pass this legislation. The Forest Service has said that the RARE III process will take at most 2 years and also they can finish the study without job loss by shifting sales. So there is no emergency for this legislation; there is absolutely no emergency for this legislation if you truly believe in management of the timber.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. YOUNG of Alaska: Strike all after the enacting clause and insert:

That the Act may be cited as the "Oregon Wilderness Act of 1983".

SEC. 2. (a) In furtherance of the purposes of the Wilderness Act, the following lands, as generally depicted on maps, appropriately referenced, dated December 1982 (except as otherwise dated), are hereby designated as wilderness and therefore, as components of the National Wilderness Preservation System—

(1) certain lands in the Mount Hood National Forest; which comprise approximately six thousand one hundred acres, are generally depicted on a map entitled "Columbia Gorge Wilderness—Proposed dated February 23, 1983", and shall be known as the Columbia Gorge Wilderness;

(2) certain lands in the Willamette National Forest, which comprise approximately twenty thousand acres, are generally depicted on a map entitled "Middle Santiam Wilderness—Proposed"; and shall be known as the Middle Santiam Wilderness; *Provided*, That, the Secretary of Agriculture upon enactment of this Act shall terminate all existing contracts for the sale of timber within the Middle Santiam Wilderness as designated by this Act. The Secretary shall compensate the owners of such contracts by offering to sell them similar contracts of approximately equal volumes and values of timber. Such compensatory sales shall be carried out on a negotiated basis;

(3) certain lands in the Siuslaw National Forest, which comprise approximately six thousand five hundred acres, are generally depicted on a map entitled "Rock Creek Wilderness—Proposed", and shall be known as the Rock Creek Wilderness;

(4) certain lands in the Siuslaw National Forest, which comprise approximately eight thousand eight hundred acres, are generally depicted on a map entitled "Cummins Creek Wilderness—Proposed", and shall be known as the Cummins Creek Wilderness;

(5) certain lands in the Umpqua National Forest, which comprise approximately nineteen thousand eight hundred and twenty acres, are generally depicted on a map entitled "Boulder Creek Wilderness—Proposed", and shall be known as the Boulder Creek Wilderness;

(6) certain lands in the Umpqua and Rogue River National Forests, which comprise approximately fifty-five thousand acres, are generally depicted on a map entitled "Rogue-Umpqua Divide Wilderness—Proposed", and shall be known as the Rogue-Umpqua Divide Wilderness;

(7) certain lands in and adjacent to the Siskiyou National Forest, which comprise approximately twenty-two thousand acres, are generally depicted on a map entitled "Grassy Knob Wilderness—Proposed", and shall be known as the Grassy Knob Wilderness;

(8) certain lands in the Umpqua, Willamette, Deschutes and Winema National Forests, which comprise approximately forty-seven thousand five-hundred acres, are generally depicted on a map entitled "Diamond-Thielsen Wilderness—Proposed dated February 23, 1983", and which are hereby incorporated in and shall be deemed to be a part of the Diamond Peak Wilderness as designated by Public Law 88-577: *Provided*, That the existing Diamond Peak Wilderness together with the additions thereto of this Act shall hence forth be known as the Diamond, Thielsen Wilderness;

(9) certain lands in the Willamette and Mount Hood National Forest, which comprise approximately seven thousand acres, are generally depicted on a map entitled "Mount Jefferson Wilderness Additions—Proposed dated February 23, 1983", and which are hereby incorporated in, and shall be deemed to be a part of, the Mount Jefferson Wilderness as designated by Public Law 88-577;

SEC. 3. (a) In furtherance of the purposes of the Wilderness Act, the following lands shall be reviewed by the Secretary of Agriculture as to their suitability for preservation as wilderness. The Secretary shall submit his report and findings to the President, and the President shall submit his recommendation to the Congress of the United States no later than three years from the date of enactment of this Act:

(1) certain lands in the Willamette National Forest which comprise approximately forty thousand acres, are generally depicted on a map entitled "Old Cascades Wilderness Study Area", dated December 1982, and which shall be known as the Old Cascades Wilderness Study Area;

(2) certain lands in the Willamette National Forest which comprise approximately sixty-five thousand acres, are generally depicted on a map entitled "Waldo Lake Wilderness Study Area", dated December 1982, and which shall be known as the Waldo Lake Wilderness Study Area; and

(3) certain lands in and adjacent to the Willamette and Umpqua National Forests which comprise approximately seven thousand five hundred acres, are generally depicted on a map entitled "Hardesty Mountain Wilderness Study Area", dated December 1982, and which shall be known as the Hardesty Mountain Wilderness Study Area.

(b) Subject to valid existing rights, the wilderness study areas designated by this section shall, until Congress determines otherwise, be administered by the Secretary of Agriculture so as to maintain their presently existing wilderness character and potential for inclusion in the National Wilderness Preservation System.

SEC. 4. Subject to valid existing rights, each wilderness area designated by this Act shall be administered by the Secretary concerned in accordance with the provisions of the Wilderness Act: *Provided*, That any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

SEC. 5. As soon as practicable after enactment of this Act, a map and a legal description of each wilderness area shall be filed with the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate, and each such map and description shall have the same force and effect as if included in this Act: *Provided*, That correction of clerical and typographical errors in each such legal description and map may be made. Each such map and legal description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture.

SEC. 6. (a) That the Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II); and

(2) the Congress has made its own review and examination of national forest roadless areas in Oregon and the environmental impacts associated with alternative allocations of such areas.

(b) The Congress hereby determines and directs that, without passing on the question of the legal and factual sufficiency of the RARE II final environmental impact statement (dated January 1979) with respect to national forest system lands in the State of Oregon.

(c) National forest system lands in the State of Oregon—

(1) not identified by section 2 as additions to the National Wilderness Preservation System, or

(2) not heretofore designated by Act of Congress as components of the National Wilderness Preservation System, or

(3) not designated for study by the provisions of sec. 8(d) of Public Law 94-199, an act establishing the Hells Canyon National Recreation Area, shall be managed for multiple uses other than wilderness, until and unless otherwise directed by an Act of Congress. Such lands shall be managed in accordance with provisions of law generally applicable to units of the national forest system except that they shall be deemed, for purposes of all current and future land management plans which are approved before December 31, 2000, and which are required for such lands by the Forest and

Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to have been given adequate consideration as to the suitability of such lands for inclusion in the National Wilderness Preservation System.

(d) Unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of national forest system lands in the State of Oregon for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

Mr. YOUNG of Alaska (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alaska?

Mr. SEIBERLING. Mr. Chairman, reserving the right to object, we do not seem to have a copy of this amendment. I will have to reserve a point of order until I see what the amendment does.

Mr. YOUNG of Alaska. I apologize to the gentleman. I thought you had a copy of all of my amendments. It was printed in the Journal.

Mr. SEIBERLING. I do not know which one it is.

Mr. YOUNG of Alaska. It is amendment No. 2.

Mr. SEIBERLING. Mr. Chairman, I reserve a point of order until I have had an opportunity to read the amendment.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Alaska?

There was no objection.

The CHAIRMAN. The gentleman reserves a point of order against the amendment.

Mr. YOUNG of Alaska. Mr. Chairman, this really gets down to the crux of this whole argument we have today, not wilderness versus wilderness, but districts as represented by the people, the people that are sitting on this floor today, DENNY SMITH and BOB SMITH, duly elected by the constituents which they serve.

It also recognizes Mr. WYDEN and Mr. WEAVER because they are elected and they are supporting wilderness areas, and I will support that position.

But I again ask this body to consider, as in the past, what you have been doing to each individual district in the national interest. The substitute designates as wilderness the recommendation by the Forest Service and the recommendation by the administration in the Third and the Fourth Congressional Districts, but would not designate wilderness in the Second District, that of Mr. BOB SMITH, or the Fifth District, that of Mr. DENNY SMITH.

The substitute provides sufficiency language and releases roadless area lands not designated by this act until the year 2000.

In this proposal we would include Columbia Gorge, and I could go down the list of the different names.

This is the argument, my friends, this is your chance to vote for an amendment that does rectify the injustice which has been conveyed to the members of the Second and the Fifth Districts by actions of the subcommittee and the full committee. If there is any justice in your heart, if there is any recognition of this form of government which we serve in, you will support this amendment and you will also be creating approximately the same amount of acreage as the Carter administration proposed and the Reagan administration now proposes, just about.

□ 1550

But it will again give us an opportunity, possibly at a future date after appropriate hearings, possibly at a future date after further input of again addressing the Second and Fifth Districts. But this amendment takes out the Smiths' land that has been proposed in the bill that we have been discussing today. If you do not adopt this amendment, if my colleagues do not see justice, then I would suggest that you have to vote no on the total bill. If you vote "yes" on this amendment, then you will have an opportunity to create wilderness areas and lands that the Congressmen duly represent, make wilderness in those areas, I would support that. But if you do not support this amendment, again you are forgetting what this body is all about, a body of the people to be represented by people, duly elected by people, not in the national interest.

So, I urge you, urge you to accept this amendment, to recognize your role as individual Congressmen to the individual Congressmen who represent these districts. Give the wilderness to Mr. WEAVER, Mr. WYDEN, yes, let them have their wilderness, let them answer to their constituents, but do not—78 percent in ROBERT F. SMITH's district oppose this bill, 78 percent of his people. And how the party of the people on that side force such legislation upon Oregonians and a fine young man just elected to this body is wrong, just flat out injustice.

Hopefully there is enough Members watching this show that will decide on the side of fairness and not on the side of unfairness.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman.

Will the gentleman tell me how much wilderness acreage would this amendment leave in wilderness?

Mr. YOUNG of Alaska. About 305,000, just what the administration proposes.

Mr. SEIBERLING. What would be the potential yield of the areas that remain in the wilderness and those that are dropped out?

Mr. YOUNG of Alaska. The potential yield I cannot give you specific percentages, but I can tell you the percentages of those opposing it, in the areas which I am deleting. Again if we get back to the people, the people that do not want this—these are not industry people, these are commissioners, county people. You know these are school teachers, in fact, students that need the money. They are opposed to this bill. Mr. WEAVER's district, fine, you make 305,000 acreas and Mr. WYDEN's district, I support that. That is what this is all about. They speak for their people, we should support them.

But we should also recognize that two Members over here are opposed to it. Their people have said loud and clear "We are against it," including the Governor of the State of Oregon. If there is any justice you support this amendment, if you do not support it, then you vote against the bill.

The CHAIRMAN. Does the gentleman from Ohio insist on his point of order?

Mr. SEIBERLING. Mr. Chairman, I withdraw my reservation of a point of order now that we have had a chance to examine the amendment.

The CHAIRMAN. The gentleman withdraws his reservation of a point of order.

Mr. SEIBERLING. I move to strike the requisite number of words and rise in opposition to the amendment.

Again I am astounded that the side which has been demanding hearings on every single thing in this bill now comes up with another amendment on which there has been no hearings, and release language that I have never seen before in my life and has even incomplete sentences in it. It would also eliminate from the bill proposed wildernesses supported by this administration and by previous administrations, and areas that were included in proposed wilderness by the bill that the Senator from Oregon, Mr. HATFIELD, put through the Senate several years ago.

So the implications of this amendment are not specifically clear but they certainly are clear enough to justify opposition.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. I have said all along I would gladly postpone the

vote on this bill because it is being rushed through like a choo-choo train. If you want to have hearings, there is nothing new, it is what I have been saying for the last 5 years, the people should be heard, not just from the narrow interests but from the duly elected representatives of those areas; if we accept this amendment it gives the gentleman a vehicle to take this over to the Senate. He mentioned this before, take it over to the other side; and if they want to add more acreage, fine. But at least listen to the SMITH brothers. Listen to those people they represent. It is wrong, wrong, wrong not to.

If I call them the "SMITH brothers" I said that in jest. I hope everyone recognizes that.

But they are not being given the courtesy, their people are not. We sit on this floor for the narrow interests hurting those people they represent. That is not what this Government is supposed to be about.

Mr. SEIBERLING. Could I reclaim my time?

Mr. YOUNG of Alaska. Sure.

Mr. SEIBERLING. I have great respect for the SMITH brothers, we have listened to them at great length. One of them is a member of our committee. But I simply say that this amendment is ill-considered, it would knock 70 percent of the proposed wilderness right out of this bill; it has release language that is ineptly drawn, to put it mildly, and it does seem to me that, considering the fact that the last hearing we had on this bill of the 14 hearings and meetings that we have had was on the 14th of February, and it is now the 21st of March, one can hardly claim that we are rushing this thing through.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, the gentleman says this is ill-conceived. This is the first I have seen it also. But I can understand very well what the gentleman from Alaska is saying. The gentleman from Alaska is saying that in the past that consideration was given to a Member from a particular district, as to what would be done in that Member's district. We have lost that. All of a sudden in the last couple of sessions of this Congress, it makes absolutely no difference. You just run over anyone who happens to be on your side.

All that is happening here is that if Mr. WEAVER wants some wilderness area, and he designates it in his area, he ought to know what areas ought to be wilderness there and when his constituents support it, then God bless him, let him have it. But if DENNY SMITH's constituents do not want it at all, why shove it down their throats? That is how reasonable it appears to me to be.

After we pass this, we could then go to Mr. SMITH and Mr. SMITH and say, "Now what kind of wilderness area would your constituents support?" And then we could add to it.

But in the meantime at least those that are really supportive of this bill, let them have their wilderness, but do not shove it down the throats of those who do not want it.

Mr. SEIBERLING. I would ask the gentleman from New Mexico, did we run over him when we passed the New Mexico bill?

Mr. LUJAN. No. And that is the way the system must work. We all went out to New Mexico, we took a look at which areas. You know very well that the New Mexico congressional delegation came together on designating which areas should be wilderness, which should not, which should be further study areas and the committee agreed with us. That is the way the system should work. But we do not have that here.

Mr. SEIBERLING. We do not have that here because despite the efforts of this chairman and the majority of the State's delegation, the minority would not work with the majority. So we have to do our best, the best we can.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. That is not an accurate statement. The majority has little acreage involved in this. This group goes back to the people they represent. If their people support this, I can see it. But 75 percent of their people are against it.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. SEIBERLING) has expired.

(By unanimous consent, Mr. SEIBERLING was allowed to proceed for 1 additional minute.)

Mr. SEIBERLING. I have not seen the question asked and so I cannot evaluate the poll; I have not seen what sample was used so I cannot evaluate whether it was a correct sample.

But let me simply say this: The majority of the State's delegation is in support of this legislation; there is no question about that. And we are trying to do the best we can under the circumstances and I think that we have achieved a remarkably balanced bill considering that two-thirds of the roadless areas in the national forest in Oregon would be dropped out of wilderness and released by this legislation.

□ 1600

And that over half of the timber that would be included in wilderness in this bill is in the district of one of its authors, the gentleman from Oregon (Mr. WEAVER), who strongly supports this legislation.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from New Mexico.

Mr. LUJAN. I thank the gentleman for yielding.

The gentleman says he does not know for sure if 75 percent are against it. One of the reasons for that is because there have been no hearings over there. We should have hearings and go ask the people what they want.

Mr. ROBERT F. SMITH. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, in response to the question—and I did not have a chance to ask the gentleman from Ohio to yield—the question presented to the people in the Second Congressional District was this and I quote: "Do you favor more federally designated wilderness in Oregon?" A straight forward question, not a question that is warped on any side for an answer. The mere question was asked and 72 percent of respondents of the first 17,000 said "no," they do not want more federally designated wilderness in Oregon.

I rise, Mr. Chairman, to support this amendment and I want to remind the Members again that of the additional wilderness in this bill of 1.2 million acres, 70 percent of that is in the Second Congressional District, that is the one I was just elected to represent and thank you for this welcome, it has been a lovely day.

Nineteen percent is in Mr. WEAVER's district, in the Fourth Congressional District; 10 percent is in Mr. SMITH's district, in the Fifth Congressional District; 1 percent is in Mr. WYDEN's district, and zero percent is in Mr. AUCOIN's district.

And I point that out merely to say to my colleagues that again—and let me reemphasize this fact—that 80 percent of the wilderness we are about to vote on comes from the two people who are opposing this bill and proposing and supporting this amendment.

I think the point here is that my folks do not want it, DENNY SMITH's folks do not want it, the people who want it ought to have it. So let us support the amendment and allow those people who advocate more wilderness in their district to have more wilderness. I am perfectly happy to do that.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. ROBERT F. SMITH. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. I thank the gentleman for yielding.

Again I want to compliment both the SMITHS and their presentation. I believe this is a reasonable amendment. It is an opportunity for those in-

dividuals who want wilderness to have wilderness and for those who do not want it, not have it at this time. But it gives us a vehicle by which to work over on the Senate side. And if you wish to work together and work with the two SMITHS, then we can come out with a solution that should at least relieve the splitting of the State that is occurring right now.

I will say this of BOB being run over—and welcome to the crowd, my friend—I have truck tracks all over my back and they are still there. The scars will never heal from the Alaska lands bill itself. Yes, we received 140 million acres under the act, but 50 million of those acres we did not want: They were given to us in lieu of the acreages taken for the so-called national interest again, which broke the Constitution that this Congress ratified.

So it can happen and for those in the listening audience again, remember you are next. As long as we reject the idea that the Congressman speaks for that group of people he represents, we have lost this form of government.

I want to compliment the gentleman again and hope there are enough people to see the wisdom of voting for this amendment, solving the problem, and if they do not vote for the amendment, vote against the bill because it again does not respect the role of a Congressman as it was envisioned by our forefathers.

Again I compliment both the SMITHS for leading this charge.

Mr. WEAVER. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, the thing that is essential here is that the bill that passes the Congress be an all-Oregon bill. It must, that is how we have handled wilderness in every single State, that the entire State be included. This is the process that has worked so successfully.

We are now faced with a RARE III. It has been mentioned. And this will cost up to $30 million and require several more years of study.

The largest newspaper in the area that we are talking about here that this amendment covers, eastern Oregon, is the East Oregonian in Pendleton and that newspaper has editorialized on March 2 of this year that it is important that a bill pass now and its concluding line is: "For that reason we support the bill in Congress." That is the largest newspaper in the area mentioned.

There were three hearings held in the exact areas of these congressional districts. The one in LaGrande in eastern Oregon had dozens and dozens of witnesses. It was open to anyone who wanted to come and dozens came. The support for these wilderness areas to be struck out by this amendment was overwhelming.

But I say that both Congressmen ROBERT F. SMITH and DENNY SMITH were not at these hearings. These hearings were in their congressional districts, but they did not come. Had they come to these hearings they would have heard the enormous support by the people who live and work in these areas for these bills. They would have heard, for instance, the National Wildlife Federation citing the number of the areas that would be struck by this bill. This is the National Wildlife Federation supporting these key areas.

They would have heard the Columbia River Intertribal Fish Commission supporting these areas.

Because these areas that are in this amendment, that would be struck by this amendment, are the critical fish spawning areas. The North Fork of the John Day is one of the very last of the great fish spawning, salmon spawning streams in this Nation. It is essential that if we are to keep native fish in the Columbia, keep those fish from being completely destroyed, that we put such areas as the North Fork of the John Day in.

Senator HATFIELD, who represents the entire State, put the North Fork of the John Day, along with almost every other one of the wilderness areas in this amendment, in his bill that passed the Senate.

So when we come to an all-Oregon bill we have a U.S. Senator who did support these wilderness areas that would be struck by this amendment.

The administration itself has supported most of these in its RARE II.

So I say to my colleagues that it must be an all-Oregon bill. We cannot go through RARE III with a cost of $30 million. The two main newspapers in the two congressional districts, the Salem Statesman, the main newspaper in Congressman DENNY SMITH's district, strongly support the bill; the East Oregonian in Pendleton, Oreg., the largest newspaper in Congressman ROBERT F. SMITH's district, supports the bill; Senator HATFIELD had all these, almost everyone of these wilderness areas in his bill that passed the Senate. The administration has most of these wilderness areas in their recommendations. In the hearings that we held in these congressional districts, in LaGrande, Bend, and Salem, and in Corvallis, there were four hearings, there was overwhelming support from the people who lived and worked there for this bill, including the National Wildlife Federation and the Columbia River Intertribal Fish Commission.

This amendment would destroy the bill, there is no question about it. Over half the timber is in my district, true. The brunt of the timber is in my district, but these are the key fish spawning areas. They must stay in the bill to make it an all-Oregon bill.

I ask the amendment be defeated.

□ 1610

Mr. DENNY SMITH. Mr. Chairman, I move to strike the last word. I rise in support of the amendment.

Mr. Chairman, I was hoping my colleague, the gentleman from Oregon, would yield on the point that the gentleman says we have to have an inclusive State wilderness bill, that we have to have the entire State done at the same time; so therefore we are going to thwart this amendment because it is going to sort of violate the principles of the last few years' worth of wilderness legislation; but I think it is important to note that when we have this kind of a situation where we are going to wipe out large tracts in other people's districts, that would be fine, except for the fact that in the meetings that I held and I am sure in the hearings that the gentleman from Oregon (Mr. WEAVER) held in the last 2 or 3 years, the wilderness people continue to come back saying that they are going to continue to lock up more and more acreage.

This is not the last that we will see of wilderness. They are talking about another 2.6 million acres of wilderness. I think that is excessive. I think that there is no excuse for that kind of wilderness. If this is the last time we are going to hear of wilderness in the State of Oregon, that would be fine. We are not going to be through with this question. We are going to continue to have to understand that this bill is going to cost us jobs and it is going to be a continuation.

We never look at the areas that are already in wilderness when we go through these so-called balanced looks at the wilderness.

I think that RARE II recommended some 300 to 400 thousand acres and it is ludicrous to put any more acreage than that into wilderness at this time. We are going through a process of about three to four times that right now.

Mr. ROBERT F. SMITH. Mr. Chairman, will the gentleman yield?

Mr. DENNY SMITH. I would be happy to yield to my colleague, the gentleman from Oregon.

Mr. ROBERT F. SMITH. May I ask the gentleman, how many people write the editorial page for the Eastern Oregonian?

Mr. DENNY SMITH. I believe maybe two people, maybe two individuals.

Mr. ROBERT F. SMITH. How many wrote this editorial?

Mr. DENNY SMITH. I would guess just one individual wrote it and maybe it was reviewed by one, possibly.

Mr. ROBERT F. SMITH. May I ask the gentleman from Oregon, how

many people wrote the editorial for the Salem Statesman?

Mr. DENNY SMITH. About the same, I would say. Maybe one or two people.

Mr. ROBERT F. SMITH. I would like to point out to the gentleman that that is two and I have just reported 12,000 people in my district oppose this bill, so today already it is 12,000 to 2.

Mr. DENNY SMITH. Well, that is a great ratio and it is certainly more indicative of what Oregonians, at least in the Fifth Congressional District told me in my meetings and the questionnaire of the gentleman from the Second District certainly is very explicit about the fact that Oregonians do not want any more wilderness. I do not think we want to see the present wilderness necessarily done away with but nobody wants to lock any more land into wilderness areas.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. DENNY SMITH. I am happy to yield.

Mr. YOUNG of Alaska. Mr. Chairmanm, I think the point is well made. Two people wrote editorials. I am glad the other gentleman from Oregon puts such great weight in editorials, because I am sure now he will change his position on the freeze because of the Post editorial, the Pulitzer Prize paper, the leader of journalism. I am glad he puts so much emphasis on the editorial pages.

Mr. DENNY SMITH. Well, you know, having been in the newspaper business for a long time, I think quite often newspapers get a warped view of what their position in society is. When we go out there and talk to the people whose jobs are going to be lost, whose county governments are going to lose revenue, whose schools are going to lose revenue, and the average taxpayer is going to have to pick up the burden for taking more of this Federal land. In Oregon somewhere between 50 and 55 percent of the land is owned by the Federal Government.

We are just cutting off another finger or another foot when we do something like this and we are putting that land away where we cannot get any revenues on the property tax side, so I think it is ludicrous.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Alaska (Mr. YOUNG).

The question was taken, and on a division (demanded by Mr. YOUNG of Alaska) there were—ayes 13, noes 22.

RECORDED VOTE

Mr. YOUNG of Alaska. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were ayes 91, noes 249, not voting 93, as follows:

[Roll No. 36]

AYES—91

Archer	Gunderson	Paul
Badham	Hall, Sam	Quillen
Bartlett	Hansen (ID)	Roberts
Bateman	Hartnett	Rogers
Bilirakis	Hiler	Rudd
Bliley	Holt	Schulze
Broomfield	Hopkins	Shelby
Brown (CO)	Huckaby	Shumway
Broyhill	Hunter	Shuster
Burton (IN)	Hyde	Skeen
Chandler	Kindness	Smith (NE)
Clinger	Kramer	Smith, Denny
Coats	Leath	Smith, Robert
Conable	Lewis (CA)	Snyder
Coughlin	Loeffler	Solomon
Crane, Philip	Lott	Spence
Daniel	Lowery (CA)	Stangeland
Dannemeyer	Lujan	Stenholm
Daub	Lungren	Stump
Davis	Mack	Sundquist
DeWine	Marlenee	Tauke
Dickinson	Martin (IL)	Taylor
Dreier	McCandless	Thomas (CA)
Duncan	McDonald	Vander Jagt
Edwards (AL)	McEwen	Vucanovich
Edwards (OK)	Montgomery	Walker
Erlenborn	Myers	Winn
Fields	Nielson	Wortley
Franklin	Oxley	Young (AK)
Goodling	Parris	
Gregg	Patman	

NOES—249

Ackerman	Evans (IL)	Lent
Addabbo	Fascell	Levin
Akaka	Fazio	Levine
Alexander	Feighan	Levitas
Anderson	Ferraro	Lewis (FL)
Andrews (NC)	Fiedler	Long (LA)
Andrews (TX)	Fish	Long (MD)
Annunzio	Flippo	Lowry (WA)
Anthony	Florio	Luken
Applegate	Foley	Lundine
AuCoin	Ford (MI)	MacKay
Barnard	Ford (TN)	Madigan
Bates	Fowler	Markey
Bedell	Frank	Martinez
Beilenson	Frost	Matsui
Bennett	Fuqua	Mavroules
Bevill	Gaydos	Mazzoli
Biaggi	Gejdenson	McCloskey
Boggs	Gephardt	McCollum
Boland	Gibbons	McDade
Boner	Gilman	McGrath
Bonior	Glickman	McKernan
Borski	Gonzalez	McKinney
Boxer	Guarini	Mica
Britt	Hall (IN)	Mikulski
Brooks	Hall (OH)	Miller (OH)
Brown (CA)	Hall, Ralph	Mineta
Bryant	Hamilton	Minish
Burton (CA)	Hance	Mitchell
Byron	Harkin	Moakley
Carper	Hatcher	Mollohan
Carr	Hawkins	Moody
Chappell	Hertel	Moorhead
Clarke	Horton	Morrison (CT)
Clay	Howard	Morrison (WA)
Coelho	Hoyer	Mrazek
Coleman (MO)	Hubbard	Murphy
Coleman (TX)	Hughes	Murtha
Collins	Hutto	Natcher
Conte	Ireland	Nichols
Cooper	Jacobs	Nowak
Crockett	Jenkins	Oakar
D'Amours	Jones (NC)	Oberstar
de la Garza	Jones (OK)	Obey
Derrick	Jones (TN)	Ortiz
Dicks	Kasich	Ottinger
Dingell	Kazen	Owens
Dixon	Kennelly	Packard
Dorgan	Kildee	Panetta
Dowdy	Kogovsek	Pease
Dwyer	Kolter	Penny
Dymally	Kostmayer	Pepper
Dyson	LaFalce	Perkins
Early	Lagomarsino	Petri
Eckart	Lantos	Pickle
Edgar	Leach	Porter
Edwards (CA)	Lehman (CA)	Price
English	Lehman (FL)	Rahall
Erdreich	Leland	Rangel
Ratchford	Skelton	Volkmer
Ray	Smith (FL)	Walgren
Regula	Smith (IA)	Watkins
Reid	Smith (NJ)	Waxman
Ridge	Snowe	Weaver
Roe	Solarz	Weber
Roemer	Spratt	Weiss
Rose	St Germain	Wheat
Roth	Staggers	Whitley
Rowland	Stark	Whittaker
Roybal	Stokes	Whitten
Sabo	Stratton	Williams (MT)
Sawyer	Studds	Wilson
Scheuer	Swift	Wise
Schneider	Synar	Wolf
Schroeder	Tallon	Wolpe
Schumer	Tauzin	Wright
Seiberling	Thomas (GA)	Wyden
Sensenbrenner	Torricelli	Wylie
Shannon	Towns	Yates
Sharp	Udall	Young (FL)
Sikorski	Valentine	Young (MO)
Simon	Vandergriff	Zablocki
Sisisky	Vento	Zschau

NOT VOTING—93

Albosta	Frenzel	Michel
Aspin	Garcia	Miller (CA)
Barnes	Gekas	Molinari
Bereuter	Gingrich	Moore
Berman	Gore	Neal
Bethune	Gradison	Nelson
Boehlert	Gramm	O'Brien
Bonker	Gray	Olin
Bosco	Green	Pashayan
Boucher	Hammerschmidt	Patterson
Bouquard	Hansen (UT)	Pritchard
Breaux	Harrison	Pursell
Campbell	Hefner	Richardson
Carney	Heftel	Rinaldo
Chappie	Hightower	Ritter
Cheney	Hillis	Robinson
Conyers	Jeffords	Rodino
Corcoran	Johnson	Rostenkowski
Courter	Kaptur	Roukema
Coyne	Kastenmeier	Russo
Craig	Kemp	Savage
Crane, Daniel	Latta	Shaw
Daschle	Lipinski	Siljander
Dellums	Livingston	Slattery
Donnelly	Marriott	Torres
Downey	Martin (NC)	Traxler
Durbin	Martin (NY)	Washington
Emerson	McCain	Whitehurst
Evans (IA)	McCurdy	Williams (OH)
Foglietta	McHugh	Wirth
Forsythe	McNulty	Yatron

□ 1630

Mr. CARPER changed his vote from "aye" to "no."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: On page 14, after line 13, add the following new section:

SEC. 7. The Secretary of Agriculture may, upon application by the State of Oregon, waive any provision of this Act which can be shown to result in a significant increase in unemployment.

Mr. WALKER. Mr. Chairman, as I have listened to the debate, I have become concerned about the issue of jobs. More and more as the debate unfolded, we have heard discussion of the fact that what the ultimate effect of this bill may be is significantly more unemployment in the State of Oregon.

I think we all recognize in this Chamber that we should not be doing those things which result in more joblessness in the country. This amendment attempts to address that issue.

We do have concerns, as we address some of these issues, as to whether or not growth versus no growth means jobs versus no jobs. And what this amendment attempts to do is to say that the Secretary of Agriculture may act if he thinks that there is going to be a problem of increased unemployment. He could only act, though, upon application by the affected State. In other words, the State of Oregon, it would have to show that, in fact, increased joblessness would result from provisions of this bill, they could ask for a waiver of those provisions which they think are going to increase the joblessness. In other words, it would give the Secretary some discretion in the matter, as well. The Secretary could look at this application and if in his opinion it was going to bring about increased joblessness, the Secretary would have the ability to grant this waiver.

The whole issue behind this amendment is employment. If you have any fear at all that this bill might result in more unemployment, I would suggest that you have to vote for this amendment. It is a rather weak amendment in many ways because all it does is give the Secretary that kind of waiver power to assure us that we are not going to have more unemployment as a result. And I would hope that the Members who have had the same kinds of concerns that I have, that in fact we might have more joblessness as a result of this bill, will vote in favor of this amendment, to give assurance to the country that this body has not forgotten the unemployed, that we really do believe that the actions that we take around here should not result in more joblessness and we really do mean to hold that kind of criteria to each and every bill that is brought before us.

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Kentucky.

Mr. HOPKINS. The way that the bill is currently structured and the way that the bill currently reads, does that cause the gentleman to feel like that it might give some unemployment to different parts of the country?

Mr. WALKER. I thank the gentleman for his question because, as I say, my concern arose from the debate. I have heard any number of Members come to the floor, discussing the jobs issue, and yet in no place in the bill is the jobs issue mentioned. We heard the proponents of this bill say that there is no problem, that joblessness will not be the result. Well, then, this waiver provision is not needed. However, we have heard opponents of the bill say that it could result in a significant loss of jobs. If that is the case, this would permit a waiver provision that would assure that no such significant loss of jobs would take place. My concern comes out of the debate.

Mr. HOPKINS. If the gentleman will yield further, what my colleague is saying is that this amendment would only operate in the areas of a safety valve, if you will, in the event that it should be needed. The gentleman is not saying that the bill might cause unemployment; but in the event that it might cause an unemployment increase, then the gentleman's amendment would come into place.

Mr. WALKER. The gentleman from Kentucky used a very, very good term. I think to label this as a "safety valve" amendment is a very good term, because it does specifically speak to that issue of joblessness.

Mr. SEIBERLING. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not know whether this is going to be the 1983 standard Walker amendment. We had one last year about knocking out every provision of a bill that did not help produce a balanced budget, or something to that effect.

This amendment, while frivolous and probably meaningless, has to be objected to because it would result in a lawyer's field day. It would allow the Secretary, upon application of the State, to waive any provision of a congressional act which can be shown to result in a significant increase in employment, which means that you could take every paragraph of this bill and try to make out some kind of statistical analysis. It does not set any standards. It does not say, "What about the areas that result in an increase in employment?" It does not require any net analysis. It is a totally loose-goosey approach and yet one that lawyers and statisticians would just have a wonderful time with. I think it is obviously a frivolous amendment and should be rejected out of hand.

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I am amazed again that there would be an objection to this amendment from that side of the aisle that wants to employ people through jobs bills and being told on this floor there would be no loss of jobs under the action of this body if we pass the Oregon wilderness bill. Very frankly, this is a very minor amendment. If there is a loss of jobs, then it is kicked into effect and it takes care of those people who lost their jobs because of some people wanting wilderness areas. It just defends the working American in Oregon.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr YOUNG of Alaska. I yield to the gentleman from New Mexico.

Mr. LUJAN. I thank the gentleman for yielding.

Mr. Chairman, I do not see anything ambiguous about this or misleading or lawyer's holiday. All it says is that the Secretary may, upon the application of the State of Oregon, waive any provision which can be shown to result in a significant increase in unemployment.

I thank the gentleman for bringing this amendment up because it is time to be counted. It is one thing to stand in front of this body and bleed all over the place and wring our hands because of the 10-percent unemployment. Now here is a chance to do something about it. Stand up and be counted.

□ 1640

I think the gentleman has done a great service by putting this into this bill because if it does cause unemployment, as many people say it does, then this would alleviate that problem.

Mr. YOUNG of Alaska. And it would protect those direct Oregonians that are affected by this legislation.

I do not know what that side has to fear from this amendment that helps the working people. Mr. Chairman, I urge our Members to accept this amendment. In fact, if there is no loss of jobs, it does not go into effect and there should be no fear of it.

What are you afraid of? Are in fact you may be afraid there is going to be a loss of jobs, there is going to be somebody in eastern Oregon put out of work for the benefit of those who go to the University of Oregon in Eugene and that area and that want to go out and supposedly have their cake and eat it, too?

I am amazed that they are objecting to this amendment. It is a good amendment. It helps solve the problem of this bill. It relieves that pressure and it also exposes those who will not vote for it for really what they are, and those are people that are against employment of the working class of America.

I want to compliment the gentleman for submitting this amendment. It shows great fortitude and foresight.

It is unfortunate, Mr. Chairman, and I am suprised the other side is not listening because they apparently do not want to employ people.

Mr. WEAVER. Mr. Chairman, I move to strike the requisite number of words and rise in opposition to the amendment.

There is indeed grievous unemployment in Oregon today. In my district it averages around 17 percent. But there has been no new wilderness. So, therefore, obviously there has been no RARE II wilderness bill in Oregon; so, therefore, this grievous unemployment, higher than at any time since

the 1930's, is not caused by wilderness. In fact, this chart simply shows there are 16-billion board feet of timber sold and on the stump that we cannot sell, we cannot harvest.

The unemployment is caused because we have too much timber right now and cannot sell it. This chart shows the amount of wilderness and timber in wilderness is this little nub down here. This is the amount of timber now sold by the national forests and on the stump.

Mr. AuCOIN. Will the gentleman yield?

Mr. WEAVER. I am delighted to yield.

Mr. AuCOIN. I appreciate the gentleman yielding. I just want to suggest to my colleagues what we are really being asked to approve here is to take the smorgasbord approach to legislation.

We are being told that the Congress should work its will and then serve it up to the administration, let the Secretary of the Department of Agriculture pick and choose what he wants using some standard that we do not define in the legislation.

I do not think that is the way we are supposed to legislate. It is certainly not what I believe a deliberative body ought to do.

Beyond, that, I have some difficulty with the man who would be given the discretion here. Here is an Assistant Secretary of Agriculture who has said that people who believe we ought to protect watersheds and ought to preserve some degree of acreage are tilting toward socialistic and communistic ideas, apparently forgetting that he himself was a member of the Audubon Society, one of the groups he labeled that way.

This is not the right man to give such discretion to.

But, beyond that, we ought not to be giving any administrator carte blanche ability to pick and choose in legislation and selectively undo what this Congress legislates into law.

Mr. ROBERT F. SMITH. Mr. Chairman, I move to strike the requisite number of words and rise in support of the amendment.

Mr. Chairman, I think the point ought to be addressed regarding the point just made by the gentleman from Oregon (Mr. WEAVER) regarding the fact that there is timber in Oregon that we cannot sell. I live in a community that has 15 percent unemployment, and that is just half the unemployment in that community because 15 percent of the people have already left town and they are in some other State, still trying to pay for their homes and their cars in our little town. It is a one-mill town and it has been down and it is down, and it has barely been surviving since 1979.

We now are listening to one who proposes that in the face of a recession we must judge whether or not the timber industry is going to survive. Sure, we cannot sell 16 million board feet of timber in the middle of a recession.

That will not occur continuously throughout our lifetime, I hope. I believe we are in a resurgence. I believe it is time we looked to the future.

May I point out also that the volume of timber available to this country is as important to Oregon as it is to Floridians, as it is to people in New York, and as it is to Texans, because just as surely as high interest rates deprive people of building homes, so does a reduced volume of timber available, which means that the raw resource skyrockets in value. That means that the high cost of housing will deprive people in every State of the Union from building a home just as well as high interest rates.

So I would suggest to you do not evaluate the issue on the basis of a recession in Oregon. Look to the future and look to your constituents to say they would like to have the dream of democracy, to own their own home.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. WALKER).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 96, noes 240, not voting 97, as follows:

[Roll No. 37]

AYES—96

Badham	Hunter	Ridge
Bartlett	Kasich	Roberts
Bateman	Kindness	Rogers
Bilirakis	Kramer	Roth
Broomfield	Lagomarsino	Rudd
Brown (CO)	Latta	Schulze
Broyhill	Leath	Shumway
Burton (IN)	Lewis (CA)	Skeen
Clinger	Loeffler	Smith (NE)
Coats	Lott	Smith, Denny
Daniel	Lowery (CA)	Smith, Robert
Dannemeyer	Lujan	Snowe
Daub	Lungren	Snyder
Davis	Mack	Solomon
DeWine	Madigan	Spence
Dickinson	Marlenee	Stangeland
Dreier	Marriott	Stenholm
Duncan	Martin (IL)	Stratton
Erlenborn	McCain	Stump
Fiedler	McCandless	Sundquist
Fields	McCollum	Taylor
Franklin	McDonald	Thomas (CA)
Goodling	McEwen	Vander Jagt
Gregg	McKernan	Vucanovich
Gunderson	Moorhead	Walker
Hall, Sam	Myers	Wilson
Hammerschmidt	Nichols	Winn
Hansen (ID)	Nielson	Wortley
Hartnett	Oxley	Wylie
Hiler	Packard	Young (AK)
Holt	Paul	Young (FL)
Hopkins	Quillen	Zschau

NOES—240

Ackerman	Andrews (NC)	Applegate
Akaka	Andrews (TX)	AuCoin
Alexander	Annunzio	Barnard
Anderson	Anthony	Bates
Bedell	Hall (OH)	Owens
Beilenson	Hall, Ralph	Panetta
Bennett	Hamilton	Parris
Bevill	Hance	Patman
Biaggi	Harkin	Pease
Boggs	Hatcher	Penny
Boland	Hawkins	Pepper
Boner	Hertel	Perkins
Bonior	Horton	Petri
Borski	Howard	Pickle
Boxer	Hoyer	Price
Britt	Hubbard	Rahall
Brooks	Huckaby	Rangel
Brown (CA)	Hughes	Ratchford
Bryant	Hutto	Ray
Burton (CA)	Hyde	Reid
Byron	Ireland	Roe
Carper	Jacobs	Roemer
Carr	Jenkins	Rose
Chandler	Jones (NC)	Rowland
Chappell	Jones (OK)	Roybal
Clarke	Jones (TN)	Sabo
Clay	Kazen	Sawyer
Coelho	Kennelly	Scheuer
Coleman (MO)	Kildee	Schneider
Coleman (TX)	Kogovsek	Schroeder
Collins	Kolter	Schumer
Conable	Kostmayer	Seiberling
Conte	LaFalce	Sensenbrenner
Conyers	Lantos	Shannon
Cooper	Leach	Sharp
Coughlin	Lehman (CA)	Shelby
Crockett	Lehman (FL)	Sikorski
D'Amours	Leland	Simon
de la Garza	Lent	Sisisky
Dicks	Levin	Skelton
Dingell	Levine	Slattery
Dixon	Levitas	Smith (FL)
Dorgan	Lewis (FL)	Smith (IA)
Dowdy	Long (LA)	Smith (NJ)
Dwyer	Long (MD)	Solarz
Dymally	Lowry (WA)	Spratt
Dyson	Luken	St Germain
Early	Lundine	Staggers
Eckart	MacKay	Stark
Edgar	Markey	Stokes
Edwards (AL)	Martinez	Studds
Edwards (CA)	Matsui	Swift
English	Mavroules	Synar
Erdreich	Mazzoli	Tallon
Evans (IL)	McCloskey	Tauzin
Fascell	McDade	Thomas (GA)
Fazio	McHugh	Torricelli
Feighan	McKinney	Towns
Ferraro	McNulty	Udall
Fish	Mica	Valentine
Flippo	Mikulski	Vandergriff
Florio	Miller (OH)	Vento
Foley	Mineta	Volkmer
Ford (MI)	Minish	Walgren
Ford (TN)	Mitchell	Watkins
Fowler	Moakley	Waxman
Frank	Mollohan	Weaver
Frenzel	Montgomery	Weber
Frost	Moody	Weiss
Fuqua	Morrison (CT)	Wheat
Gaydos	Morrison (WA)	Whitley
Gejdenson	Mrazek	Whitten
Gephardt	Murtha	Wise
Gibbons	Natcher	Wolf
Gilman	Nowak	Wolpe
Glickman	Oakar	Wright
Gonzalez	Oberstar	Wyden
Gradison	Obey	Yates
Guarini	Ortiz	Young (MO)
Hall (IN)	Ottinger	Zablocki

NOT VOTING—97

Addabbo	Chappie	Foglietta
Albosta	Cheney	Forsythe
Archer	Corcoran	Garcia
Aspin	Courter	Gekas
Barnes	Coyne	Gingrich
Bereuter	Craig	Gore
Berman	Crane, Daniel	Gramm
Bethune	Crane, Philip	Gray
Bliley	Daschle	Green
Boehlert	Dellums	Hansen (UT)
Bonker	Derrick	Harrison
Bosco	Donnelly	Hefner
Boucher	Downey	Heftel
Bouquard	Durbin	Hightower
Breaux	Edwards (OK)	Hillis
Campbell	Emerson	Jeffords
Carney	Evans (IA)	Johnson

Kaptur	O'Brien	Savage
Kastenmeier	Olin	Shaw
Kemp	Pashayan	Shuster
Lipinski	Patterson	Siljander
Livingston	Porter	Tauke
Martin (NC)	Pritchard	Torres
Martin (NY)	Pursell	Traxler
McCurdy	Regula	Washington
McGrath	Richardson	Whitehurst
Michel	Rinaldo	Whittaker
Miller (CA)	Ritter	Williams (MT)
Molinari	Robinson	Williams (OH)
Moore	Rodino	Wirth
Murphy	Rostenkowski	Yatron
Neal	Roukema	
Nelson	Russo	

□ 1700

Mr. MOORHEAD changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there additional amendments?

If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. BROWN of California) having assumed the chair, Mr. OBERSTAR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1149), to designate certain national forest system and other lands in the State or Oregon for inclusion in the National Wilderness Preservation System, and for other purposes, pursuant to House Resolution 141, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. YOUNG of Alaska. In its present form, I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. YOUNG of Alaska moves to recommit the bill H.R. 1149 to the Committee on Interior and Insular Affairs.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. YOUNG of Alaska. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

PARLIAMENTARY INQUIRIES

Mr. GINGRICH (during the vote). Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. WEISS). The gentleman will state his parliamentary inquiry.

Mr. GINGRICH. Mr. Speaker, my inquiry is: Is there a purpose in holding the vote open for this long?

The SPEAKER pro tempore. If the gentleman will look up at the board, he will notice there are a certain number of Members who have not yet voted. The Chair will give them a chance to arrive to cast their votes.

Mr. GINGRICH. Mr. Speaker, is there some length of time beyond the time of arrival of Members at which time the Chair will cut off the time, to allow a report to be filed from the Rules Committee?

The SPEAKER pro tempore. The Chair did not understand the gentleman's question.

Mr. GINGRICH. Mr. Speaker, it is my understanding that, conceivably, the reason for holding the vote open might be to allow a report to be filed by the Rules Committee?

The SPEAKER pro tempore. That is conceivable.

Mr. GINGRICH. So the Chair would not rule that is not possible?

The SPEAKER pro tempore. That is right.

Mr. GINGRICH. Mr. Speaker, I have a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his inquiry.

Mr. GINGRICH. Mr. Speaker, I wonder if the Chair might inquire of the staff what the previous record is, so that we could enter this evening's vote in the Guinness Book of Records.

The SPEAKER pro tempore. The Members are still arriving to vote.

The vote was taken by electronic device, and there were—yeas 252, nays 93, not voting 88, as follows:

[Roll No. 38]

YEAS—252

Ackerman	AuCoin	Boner
Addabbo	Barnard	Bonior
Akaka	Bates	Borski
Alexander	Bedell	Boxer
Anderson	Beilenson	Britt
Andrews (NC)	Bennett	Brooks
Andrews (TX)	Bevill	Broomfield
Annunzio	Biaggi	Brown (CA)
Anthony	Boggs	Bryant
Applegate	Boland	Burton (CA)
Byron	Hutto	Price
Carper	Ireland	Rahall
Carr	Jacobs	Rangel
Chappell	Jenkins	Ratchford
Clarke	Jones (NC)	Ray
Clay	Jones (OK)	Reid
Coelho	Jones (TN)	Ridge
Coleman (MO)	Kazen	Rinaldo
Coleman (TX)	Kennelly	Roe
Collins	Kildee	Roemer
Conte	Kogovsek	Rose
Conyers	Kolter	Roth
Cooper	Kostmayer	Rowland
Coughlin	LaFalce	Roybal
Crockett	Lagomarsino	Sabo
D'Amours	Lantos	Savage
de la Garza	Leach	Sawyer
Derrick	Leath	Scheuer
Dicks	Lehman (CA)	Schneider
Dingell	Lehman (FL)	Schroeder
Dixon	Leland	Schumer
Dorgan	Lent	Seiberling
Dowdy	Levin	Sensenbrenner
Duncan	Levine	Shannon
Dwyer	Levitas	Sharp
Dymally	Livingston	Sikorski
Dyson	Long (LA)	Simon
Early	Long (MD)	Sisisky
Eckart	Lowry (WA)	Skelton
Edgar	Luken	Slattery
Edwards (CA)	Lundine	Smith (FL)
English	Mack	Smith (IA)
Erdreich	MacKay	Smith (NJ)
Evans (IL)	Madigan	Snowe
Fascell	Markey	Solarz
Fazio	Martinez	Spratt
Feighan	Matsui	St Germain
Ferraro	Mavroules	Staggers
Fiedler	Mazzoli	Stark
Fish	McCloskey	Stenholm
Flippo	McCollum	Stokes
Florio	McDade	Stratton
Foley	McHugh	Studds
Ford (MI)	McKernan	Swift
Ford (TN)	McKinney	Synar
Fowler	McNulty	Tallon
Frank	Mica	Tauzin
Frost	Mikulski	Thomas (GA)
Fuqua	Miller (OH)	Torricelli
Gaydos	Mineta	Towns
Gejdenson	Minish	Udall
Gephardt	Mitchell	Valentine
Gibbons	Moakley	Vandergriff
Gilman	Mollohan	Vento
Glickman	Moody	Volkmer
Gonzalez	Morrison (CT)	Walgren
Gradison	Mrazek	Watkins
Green	Murphy	Waxman
Guarini	Murtha	Weaver
Hall (IN)	Natcher	Weber
Hall (OH)	Nowak	Weiss
Hall, Ralph	Oakar	Whitley
Hall, Sam	Oberstar	Whitten
Hamilton	Obey	Williams (MT)
Hance	Ortiz	Wilson
Harkin	Ottinger	Wise
Hatcher	Owens	Wolpe
Hawkins	Panetta	Wright
Hertel	Pease	Wyden
Howard	Penny	Yates
Hoyer	Pepper	Young (FL)
Hubbard	Perkins	Young (MO)
Huckaby	Petri	Zablocki
Hughes	Pickle	Zschau

NAYS—93

Badham	Edwards (AL)	Kindness
Bartlett	Erlenborn	Kramer
Bateman	Fields	Latta
Bilirakis	Franklin	Lewis (CA)
Brown (CO)	Frenzel	Lewis (FL)
Broyhill	Gingrich	Loeffler
Burton (IN)	Gramm	Lott
Carney	Gregg	Lowery (CA)
Chandler	Gunderson	Lujan
Clinger	Hammerschmidt	Lungren
Coats	Hansen (ID)	Marlenee
Conable	Hartnett	Marriott
Daniel	Hiler	Martin (IL)
Dannemeyer	Holt	McCain
Daub	Hopkins	McCandless
Davis	Horton	McDonald
DeWine	Hunter	McEwen
Dickinson	Hyde	Montgomery
Dreier	Kasich	Moorhead

Morrison (WA)	Rudd	Stump
Myers	Schulze	Sundquist
Nichols	Shelby	Taylor
Nielson	Shumway	Thomas (CA)
Oxley	Skeen	Vander Jagt
Packard	Smith (NE)	Vucanovich
Parris	Smith, Denny	Walker
Patman	Smith, Robert	Winn
Paul	Snyder	Wolf
Quillen	Solomon	Wortley
Roberts	Spence	Wylie
Rogers	Stangeland	Young (AK)

NOT VOTING—88

Albosta	Evans (IA)	O'Brien
Archer	Foglietta	Olin
Aspin	Forsythe	Pashayan
Barnes	Garcia	Patterson
Bereuter	Gekas	Porter
Berman	Goodling	Pritchard
Bethune	Gore	Pursell
Bliley	Gray	Regula
Boehlert	Hansen (UT)	Richardson
Bonker	Harrison	Ritter
Bosco	Hefner	Robinson
Boucher	Heftel	Rodino
Bouquard	Hightower	Rostenkowski
Breaux	Hillis	Roukema
Campbell	Jeffords	Russo
Chappie	Johnson	Shaw
Cheney	Kaptur	Shuster
Corcoran	Kastenmeier	Siljander
Courter	Kemp	Tauke
Coyne	Lipinski	Torres
Craig	Martin (NC)	Traxler
Crane, Daniel	Martin (NY)	Washington
Crane, Philip	McCurdy	Wheat
Daschle	McGrath	Whitehurst
Dellums	Michel	Whittaker
Donnelly	Miller (CA)	Williams (OH)
Downey	Molinari	Wirth
Durbin	Moore	Yatron
Edwards (OK)	Neal	
Emerson	Nelson	

□ 1730

The Clerk announced the following pairs:

On this vote:

Mr. Barnes for, with Mr. Hansen of Utah against.

Mr. Dellums for, with Mr. Daniel B. Crane against.

Mr. Miller of California for, with Mr. Philip M. Crane against.

Mr. Nelson for, with Mr. Archer against.

Mr. Durbin for, with Mr. Chappie against.

Mr. Ritter for, with Mr. Bliley against.

Mr. Evans of Iowa for, with Mr. Corcoran against.

Mrs. Roukema for, with Mr. Craig against.

Mr. GEJDENSON and Mr. LIVINGSTON changed their votes from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

REPORT ON HOUSE CONCURRENT RESOLUTION 91, FIRST CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1984

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 98-42) on the resolution (H. Res. 144) providing for the consideration of the concurrent resolution (H. Con. Res. 91) revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal years 1984, 1985, and 1986, which was referred to the House Calendar and ordered to be printed.

REPORT ON HOUSE CONCURRENT RESOLUTION 91, FIRST CONCURRENT RESOLUTION ON THE BUDGET, 1984

Mr PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 98-41, part II) on the concurrent resolution (H. Con. Res. 91) revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal years 1984, 1985, and 1986, which was referred to the Union Calendar and ordered to be printed.

PERMISSION FOR SUBCOMMITTEE ON MERCHANT MARINE OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT ON TUESDAY, MARCH 22, 1983, DURING 5-MINUTE RULE

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that the Subcommittee on Merchant Marine of the Committee on Merchant Marine and Fisheries be permitted to sit on Tuesday, March 22, 1983, for the purpose of holding a hearing on H.R. 1878, the Shipping Act of 1983.

The ranking minority member of the subcommittee, the gentleman from Kentucky (Mr. SNYDER), has been apprised of the hearing time and is in accord with this request.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

AFGHANISTAN DAY

Ms. OAKAR. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 65) designating March 21, 1983, as "Afghanistan Day," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 65

Whereas the occupation of Afghanistan by the Soviet Union continues unabated, causing immense privation to, and suffering among, the people of Afghanistan;

Whereas the Soviet occupation of this formerly independent and sovereign land has now entered its fourth year;

Whereas the Soviet occupation forces now total over one hundred thousand troops;

Whereas Soviet troops have brutally slaughtered thousands of innocent Afghan civilians through the use of modern weapons of war, including chemical and biological weapons;

Whereas the number of refugees forced to flee Afghanistan has steadily increased and approaches four million;

Whereas the undaunted resistance of the Afghan freedom fighters against the Soviet occupational forces is an inspiration to the free world;

Whereas the Soviet invasion of Afghanistan undermines the spirit and intention of the Declaration of Principles of the Final Act of the Conference on Security and Cooperation in Europe, which the Soviet Union signed at Helsinki, Finland, in 1975; and

Whereas the people of Afghanistan observe March 21 as the start of their new year: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 21, 1983, is designated "Afghanistan Day". The President is requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities.

● Mr. BROOMFIELD. Mr. Speaker, I support this resolution designating March 21, 1983, as "Afghanistan Day." I believe that this resolution is long overdue. We must never forget the tragedy of Afghanistan and the sufferings of its people. We must work together to bring to the attention of the world the reality of Soviet occupation.

This resolution is most appropriate in that March 21 is New Year's day for the Afghan people and the first day of spring for all of us.

Under the guise of being invited, the Soviets invaded Afghanistan in late 1979. A brutal and bloody war ensued. Contrary to Soviet expectations, the Afghan did not welcome the invaders with open arms. Resistance has been fierce. With their antiquated rifles and limited supplies, the Afghan Freedom Fighters have fought back. Today, the illegal occupiers of Afghanistan control only the capital, their own garrisons and some supply routes.

The Freedom Fighters now control most of the countryside, have a functioning administration in some areas, and have demonstrated their ability to strike at will.

Their struggle has been long and difficult. The Afghani people have paid a

terrible price. Soviet aircraft and helicopters have strafed, bombed, and dropped napalm on many villages. Chemical and biological weapons have been extensively used. All of this violence has resulted in the indiscriminate killing of men, women, and children. In a recent case, Soviet troops poured gasoline into a village underground water system. Over 100 innocent villagers, who had sought refuge in the well, were killed.

To escape this battleground, over 3 million Afghanis have fled to Pakistan and Iran. They have left their homeland to escape from the privation and suffering which the Soviets have brought.

I hope that this Afghani New Year's Day will be an occasion for the people of Afghanistan to renew their commitment to freedom and their struggle for liberty.

Let all of us here in Congress and our allies in the free world remember the brutal war in Afghanistan. Let us continue to remind the world that this formerly peaceful and free land has been occupied for over 3 years by Soviet troops. Let us also remember that by their actions in Afghanistan, the Soviets have violated both the letter and the spirit of the Helsinki accords.

As we celebrate spring here in America, let us all renew our commitment to freedom and liberty and pledge never to forget the inspiring struggle of the Afghani people.

I strongly urge my colleagues to join me in unanimous support of this resolution.●

● Mr. KASICH. Mr. Speaker, some 3 years after the Soviet Union invaded neighboring Afghanistan, many in our country have forgotten the heroic battle being waged against Communist tyranny by the people of this freedom-loving country. The U.S.S.R.'s unprovoked act of aggression is a tragedy in every sense of the word: Tragic for a free and independent people which the Soviet Union tries to enslave, tragic for the brave men and women who have given their lives while trying to free their homeland from the shackles of the Soviet Army, and tragic for so many in this country who have forgotten the lessons that this and other acts of Soviet expansionism should teach us.

Today is "Free Afghanistan Day," a day set aside to commemorate the valiant efforts of Afghan freedom fighters. Their bravery is all the more remarkable in light of the brutal invaders they face. Writing in the January 24 edition of the Wall Street Journal, Rosanne Klass, director of the Afghanistan Information Center at Freedom House, pointed out:

> • • • The Soviets are conducting a massive terror campaign against the civilian population. The aim is to terrorize and crush the Afghan people into submission, eliminate the nation-wide base of support for the resistance and consolidate the Soviet grip on this highly strategic territory, the key to many of Moscow's future ambitions in South Asia and the Indian Ocean.

Crimes committed against the Afghan people by Soviet aggressors have been well-documented by the Permanent Tribunal of the Peoples. Following 3 days of hearings in Paris during which dozens of witnesses testified, the tribunal last December issued a 33-page verdict condemning the Soviet Union for its unspeakable violations of the rights of the Afghan people.

All who believe that nations should exist without fear of attack or domination by their neighbors should take a moment today to pray for those Afghans who have endured so many hardships at the hands of Soviet troops. At the same time, let us wish Godspeed to the freedom fighters who struggle to restore the light of liberty to their homeland.●

● Mr. DANIEL. Mr. Speaker, it is a privilege to join today in recognition of "Afghanistan Day." It has been 3 years since the armies of the Soviet Union crossed the borders of Afghanistan, intent on bringing to heel a people who had the audacity, in the Soviets' eyes, to believe the rhetoric of the Kremlin as regards the motives and the goals of Marxism.

Since the Cuban missile crisis 16 countries have fallen to communism. Only one, Afghanistan, required overt Soviet intervention because the citizens refused to be subverted.

The people of Afghanistan have a long history of resistance to domination by forces other than themselves. The people of Afghanistan believe in the right of self-determination. It is a right that those of us in this body, regardless of our differences in other matters, endorse for all people.

It is a tragedy of our time that in this land, whose people only wish to be left in peace, the might of one of the most powerful nations on Earth has been brought to bear to snuff out that most precious possession mankind can claim—freedom.●

● Mr. DAUB. Mr. Speaker, I am grateful once again for the opportunity to call attention to the plight of the people of Afghanistan and their struggle for self-determination. We must use this effort to reaffirm our commitment to those who are repressed.

We now have clear evidence of the systematic efforts by the Soviets to empty Afghanistan of her culture and her people, in an effort to destroy the base of the Afghan Freedom Fighters.

The valiant struggle led by the Freedom Fighters in the face of this threat must be recognized and championed.

Let us not lose hope and let our support not abate. The people Afghanistan of need the hope and support of those of us in the free world.●

● Ms. FIEDLER. Mr. Speaker, in December 1979, the Soviet Union first turned the full weight of its rage and malice upon the people of Afghanistan. Since that time, ruthless and indiscriminate warfare has been raged against a people that has no desires except to be left to live their lives in peace. But the Afghans are also a people who no conquerer since Alexander the Great has ever managed to subdue. They are fighting back. Many may talk of their willingness to make sacrifices for freedom, or to die rather than live subject to a tyrant. The Afghan people are doing this, day after day.

The human cost of the war in Afghanistan has been staggering. Three million Afghans—a fifth of the prewar population—have been driven from their country. They now constitute the world's largest refugee population. Others—well over a million—are internal refugees, forced to the cities by a deliberate Soviet policy of destroying the countryside and its agriculture. Over a half million Afghans have been killed and wounded. Nor has the toll been limited to the defenders of freedom. Over 15,000 Soviet soldiers and airman have become casualties, sacrificed to the inhumanity of the old men in the Kremlin.

The Afghans are the latest in a vast and sorry catalog of peoples to suffer at the hands of Soviet imperilism. They are now finding out what the refuseniks of Soviet Jewry, the people of the Baltic States, the Hungarian Freedom Fighters, and many, many others, just what the quality of mercy is, when administered from Moscow.

Once again, President Reagan has proclaimed March 21 to be Afghanistan Day. In happier times, it was their equivalent of July Fourth. Today, it is a symbol of the determination of the Afghan people to continue to fight for their freedom. In honoring Afghanistan Day, we honor the Afghans and all those who have helped, by their example, show us the true value of the freedom that we enjoy.●

● Mr. ORTIZ. Mr. Speaker, today has been proclaimed by President Reagan as Afghanistan Day. For the second year, the United States is joining European and Third World countries in commemorating the spirit and vitality of the Afghan people.

March 21 is the day the people of Afghanistan observe the start of the new year. The day symbolizes the nation's rebirth. Let us hope and pray that next year's celebration will mark a new period of freedom for the Afghan people—freedom from Soviet repression.

American public attention has waned as the media lessens its cover-

age of Afghanistan. But we must keep the plight of the Afghans before the public. This day presents us the opportunity to renew public support for the Afghans' fight for freedom, self-determination and national independence.

In December 1979 the Soviet Union invaded Afghanistan. This was a totally unprovoked attack in a Soviet attempt to further their interests in the Middle East. Three years later, in hearings before a "People's Tribunal" in Paris, the Soviet Union was found guilty of a wide range of war crimes in Afghanistan. The Afghan Freedom Fighters appearing before the Commission presented chilling testimony of the on-going Soviet atrocities. They told of the Soviet massacre in the village of Padkhwab-e-Shana, where 105 unarmed villagers were burned to death in a sacred underground stream. Ten children were listed among the dead.

In flagrant violation of the Geneva Protocal of 1925 and probably the Biological Weapons Convention of 1972, Soviet forces have employed biochemical weaponry. The use of nerve gas, poisoned food and wells is commonplace. The Soviet attack is aimed indiscriminately at armed Afghan rebels, the elderly, women, and children. Soviet troops have killed over 500,000 Afghans; an additional 2 million have been forced to flee their country, seeking refuge in neighboring Pakistan.

Moreover, it would appear that the Soviets are not eager to get out of Afghanistan. Despite 12,000 dead and wounded troops and a cost of over $1.5 billion, the Russians are too pleased with the on-the-job training their troops are receiving to leave now. More than 400,000 Russian troops have been shuffled in and out of Afghanistan, as the country has become the testing ground for Soviet military technology and strategy.

The Soviets are employing space age armaments against an enemy reliant on 19th century weapons. But the Soviets are failing to repress the Afghans pursuit of freedom. The Afghans are fighting back with the cunning honed over centuries of protecting their mountainous homeland.

The solidarity expressed by the United States and European countries in declaring this Afghanistan Day should be interpreted by the Soviet Union as a statement that we remain firm in our opposition to their unlawful occupation of Afghanistan. We will continue to focus national and worldwide attention on the threat the Soviet repression in Afghanistan brings to the rest of the world.●

● Mr. NIELSON. Mr. Speaker, in recognition of Free Afghanistan Day, I denounce the oppression of these freedom-loving people. The people of Afghanistan are to be commended for so bravely resisting attempts to compromise their freedom. As we lend our prayers and thoughts to these freedom fighters, we need to recognize that theirs is not an isolated plight. The battle they so valiantly wage may someday reach our own shores; I hope that we are endowed with their strength and courage.●

● Mr. RITTER. Mr. Speaker, Afghanistan Day represents an important opportunity for the United States to join with nations and peoples around the world in support of fundamental principles—national independence, self-determination and freedom—which we have always championed. I am pleased that the House of Representatives is considering today legislation which I introduced calling for an "Afghanistan Day." It is also fitting in my view that this measure be passed on March 21, the day which starts the Afghanistan New Year and is a symbol of their nation's rebirth.

The courage and the tenacity of the Afghan freedom fighters in battling the mechanized might of the Red army to a standstill has become a global legend. In denying the Soviet Army control of their country, the Afghans have taught the world an invaluable lesson in self-defense against aggression. American observance of Afghanistan Day will send the Afghan warriors a heartening message of respect and thanks for their brave example.

This resolution will be a strong signal to the Soviets, and to the rest of the world, that we remain firm in our opposition to the Soviet's unlawful occupation of Afghanistan; and, by extension, it will underscore our own national commitment to victims of external aggression throughout the world.

At the same time, U.S. observance of Afghanistan Day will project to those in the Third World a true image of Americans in keeping with our finest historical role: Champions of freedom and friends of the downtrodden.

Much as we would like to believe that the Afghan people can seep the Soviet Army off their soil, by military means, it is very clear that other forms of pressure will be needed to get the Russians to leave. Observance of Afghanistan Day in this country and around the world can sharply increase the price paid by the Soviets in world public opinion for their continued war in Afghanistan.

Instead of destroying the Afghan people's will to resist, Moscow's assault on Afghanistan has given the lie to a fundamental Soviet myth: Friendship and support for Third World nations. In supporting Afghanistan Day, we can help to remind our friends and all those in the Third World of this most fundamental discrepancy between Soviet preaching and Soviet practice.

I am sure all of you are aware of the struggle that is going on in Afghanistan. For centuries the Afghan people have been a fiercely proud and fiercely independent people and have never in their history been conquered.

The Soviet Union invaded Afghanistan over Christmas of 1979, and since that time have wreaked havoc with their superpower arsenal to defeat the Afghan freedom fighters. They have been unsuccessful.

This conflict is not on the front pages of our newpapers or in our evening television news anymore and therefore many people have forgotten or are not aware of the tremendous sacrifice of these Afghan freedom fighters and the Afghan people.

Four million Afghan refugees sit on the border of Pakistan and Afghanistan, the world's largest concentration of refugees. Afghanistan Day will help to lessen the dearth of knowledge and remind people that the Afghans are on the front line against this blatant extension of Soviet imperial power.

I believe that it is vital to freedom in Southwest Asia that the United States officially express once again its indignation over the cruel and inhumane occupation of Afghanistan by the Soviet Red Army. This expression of solidarity provides a highly visible tool for focusing world attention on the continuing plight of the proud Afghans who are still fighting Soviet oppression. Under constant armed attack by Communist Soviet forces, the Afghans are waging a gallant struggle to retain their independence and liberty. Against massive technological odds, against internationally outlawed chemical-biological weapons, and against enormous concentrations of troops, the Afghan freedom fighters are not only holding out, but they are battling toe-to-toe with the Soviet aggressors for every inch of occupied territory.

Our show of concern over the situation in Afghanistan helps the people of Afghanistan in this troubled time. Our support lets them know that their cause has not been forgotten. It also lets the Soviets know that a price will be exacted every time they violate international law and violate the basic human rights of mankind.

Again, Mr. Speaker, I urge a "yea" vote by my colleagues on this important legislation before the House of Representatives today.

Thank you.●

● Mr. BLILEY. Mr. Speaker, in this body we often commemorate various events or activities and speak fondly of things in the past. Today it is my sad duty to commemorate an event that is presently making a mockery of our most earnest attempts to bring about and maintain a free and secure world. The Soviet Union's massive and brutal invasion of the free nation of Afghanistan is now in its third year and shows no sign of lessening its death grip on that most poor and unfortunate country.

The true nature of the Soviet system, its immorality, and its imperialistic intentions are laid bare by confirmed reports of the use of chemical weapons against villages, burning people with gasoline because they hide from Russian barbarism, and a scorched Earth policy that is slowly decimating the population of an entire nation. No one but a fool or a willfully ignorant apologist for the Communists cannot be sickened by the actions of the Soviet Union in Afghanistan. Shortly after the initial invasion President Carter went on national television to say that the true nature of Soviet communism had been revealed to him for the first time and that he then realized that the Russians had lied to him and intentionally deceived him.

Twenty-eight months and thousands of dead and wounded Afghans since the massacre started the free world still sits on its collective duffs while every treaty and convention on warfare is flagrantly violated by the Soviet Union. My heart cries for the people of Afghanistan because these violations are not machines or numbers of paper—they are maimed and mangled mothers and children. I do not understand how we can justify not only ignoring these actions by the greatest threat to world peace that has ever existed, but at the same time act as if the Russians are just like us and can be trusted to live by other agreements without adequate means of guaranteeing compliance.

I pray for Afghanistan and I am afraid that I will have to continue to pray each night for a long time before the slaughter is over and there are none left to pray for.●

● Mr. TOWNS. Mr. Speaker, I think it is indeed ironic that we are celebrating today as Free Afghanistan Day. This celebration is to recognize the valiant efforts of the Afghan freedom fighters in their struggle against Soviet occupation. While we rightfully oppose Soviet oppression in Afghanistan, we have failed to honor our international obligations to protect the rights of Afghan refugees who have fled to our shores in search of refuge.

The Immigration and Naturalization Service has imprisoned 36 Afghan nationals at the service processing center (SPC) in Brooklyn, N.Y. All of these persons have applied, or are applying, for political asylum in the United States. The Afghan in question all arrived by plane into John F. Kennedy International Airport between January 15 and December 30, 1982. They were detained upon arrival and were charged with being inadmissible as either having no travel documents (passport and/or visa) or with having questionable documents.

Many of the asylum claims are quite substantial. Several of the applicants were tortured while in Afghanistan; others were associated with the "freedom fighters" who oppose the Soviet-backed regime in Afghanistan. The Afghans have been recognized as refugees, in most cases, by the United Nations" High Commissioner for Refugees, by the Department of State's own Bureau of Human Rights and Humanitarian Affairs, and by Immigration officials who have heard their asylum claims.

There is no indication that the 36 are likely to abscond, or to pose a security risk upon release pending the adjudication of their cases. Some have offers of sponsorship by relatives or other individuals and/or institutions in the United States. Further imprisonment is not only unwarranted but also a cruel fate for these refugees who have fled to the United States seeking our protection.

I urge my colleagues to join me in a letter to the Attorney General requesting the releases of these refugees. Our Nation's support for the valiant struggle of the Afghan people against Soviet oppression demands that we respond in a humanitarian fashion to those who reach our shores.●

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL MENTAL HEALTH COUNSELORS WEEK

Ms. OAKAR. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 35) designating the week beginning March 20, 1983, as "National Mental Health Counselors Week," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

□ 1740

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 35

Whereas mental health counselors work in a specialized field of counseling which emphasizes the developmental and adjustive nature of mental health services;

Whereas mental health counselors utilize individual and group counseling techniques oriented toward assisting individuals with methods of problem solving, personal and social development, decisionmaking, and the complex process of developing self-understanding and making life decisions;

Whereas mental health counselors work in conjunction with other helping professionals, such as psychiatrists, psychologists, and social workers to determine the most appropriate counseling for each client;

Whereas mental health counselors work in psychiatric hospitals, community mental health agencies, private clinics, college campuses, rehabilitation centers, and private practice, providing almost 50 per centum of direct delivery of mental health services;

Whereas mental health counselors are individuals upon whom, by virtue of their education and extensive training, have been conferred masters or doctor of philosophy degrees in mental health counseling or community mental health counseling, or similar degree titles having a focus on mental health; and

Whereas mental health counselors, after having earned such degrees, have performed at least two years of supervised clinical counseling, and are licensed or certified as such in the State of their residence, or are certified by the National Academy of Certified Clinical Mental Health Counselors: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning March 20, 1983, is designated "National Mental Health Counselors Week". The President is requested to issue a proclamation calling upon all government agencies and the people of the United States to observe that week with appropriate ceremonies and activities.

● Mr. WALGREN. Mr. Speaker, I am very pleased that the House of Representatives today is considering the Senate companion to my resolution (H.J. Res. 102) to designate the week of March 20, 1983, as "National Mental Health Counselors Week."

I appreciate the cooperation of Mr. GARCIA, Mr. FORD, and the House leadership in scheduling the resolution, and I would like to thank the 235 Members of the House who have cosponsored the bill.

Thousands of mental health counselors across the country help people deal with personal and adjustment problems. They are often part of a medical team and provide direct services to individuals in a variety of public and private settings. In fact, they probably provide up to 50 percent of all direct counseling services.

This resolution requests the President to issue a Presidential proclamation calling upon Government agencies and the people of the United States to observe the week with appropriate activities.

The complete list of the cosponsors of this resolution follows:

Gary Ackerman, Joseph Addabbo, Daniel Akaka, Donald J. Albosta, Glenn Anderson, Beryl Anthony, Les Aspin, Doug Barnard, Michael Barnes, Steve Bartlett, Herbert Bateman, Jim Bates, Berkley Bedell, Charles Bennett, Howard Berman.

Tom Bevill, Michael Bilirakis, Tom Bliley, Sherwood L. Boehlert, Bill Boner, David Bonior, Robert Borski, Frederick Boucher, Marilyn Lloyd Bouquard, Barbara Boxer, John Breaux, Robin C. Britt, Jack Brooks, George Brown, James Broyhill, Dan Burton, Phillip Burton.

Beverly Byron, Thomas Carper, Bob Carr, Rud Chandler, Bill Chappell, Gene Chappie, William Clinger, Tom Corcoran, Cardiss Collins, Silvio Conte, Lawrence Coughlin, William Coyne, Larry Craig, George Crockett. Thomas Daschle.

Norman E. D'Amours, Hal Daub, Kiki de la Garza, Ronald Dellums, William Dickenson, Julian Dixon, Brian Donnelly, Wayne Dowdy, Thomas Downey, David Dreier, John Duncan, Richard Durbin, Bernard J. Dwyer, Mervyn Dymally, Roy Dyson, Joseph Early.

Bob Edgar, Jack Edwards, Glenn English, Ben Erdreich, Dante Fascell, Walter Faunt-

roy, Vic Fazio, Hamilton Fish, Jr., Tom Foglietta, Tom Foley, Harold Ford, Ronnie Flippo, James Florio, Edwin Forsythe, Webb Franklin.

Bill Frenzel, Martin Frost, Don Fuqua, Sam Gejdenson, George Gekas, William Goodling, Al Gore, Willis Gradison, William Gray, Bill Green, Frank Guarini, Katie Hall, Ralph Hall, Sam Hall, James Hansen of Utah, Thomas Harkin, Frank Harrison, Charles Hatcher, Augustus Hawkins.

Bill Hefner, Cec Heftel, Dennis Hertel, Jack Hightower, Marjorie Holt, Larry Hopkins, Frank Horton, James Howard, Steny Hoyer, William Hughes, Earl Hutto, Andrew Jacobs, Jim Jeffords, Marcy Kaptur.

John Kasich, Barbara Kennelly, Dick Kildee, Joe Kolter, Peter Kostmayer, Robert Lagomarsino, Tom Lantos, Jim Leach, Bill Lehman, Richard Lehman, Mickey Leland, Norman Lent, Mel Levine, Jerry Lewis, Mike Lowry of Washington, Thomas Luken, John McCain.

Frank McCloskey, Bill McCollum, Dave McCurdy, Bob McEwen, Raymond McGrath, James F. McNulty, Jr., Buddy MacKay, Edward Madigan, Ed Markey, Dan Marriott, Matthew Martinez, Romano Mazzoli, Barbara Mikulski, Norman Mineta.

Joe Moakley, Alan Mollohan, Jim Moody, Bruce Morrison, Robert Mrazek, Austin J. Murphy, William Natcher, Stephen Neal, Bill Nelson, Bill Nichols, Henry Nowak, Mary Rose Oakar, James Oberstar, George O'Brien, Solomon Ortiz, Richard Ottinger, Major Owens.

Bill Patman, Jerry Patterson, Carl Perkins, Claude Pepper, Melvin Price, Joel Pritchard, James Quillen, Nick Joe Rahall II, William Ratchford, Richard Ray, Bill Richardson, Don Ritter, Pat Roberts, Robert Roe.

J. Kenneth Robinson, Peter Rodino, Roy Rowland, Eldon Rudd, Martin Olav Sabo, James Scheuer, Claudine Schneider, Philip Sharp, Richard Shelby, Gerry Sikorski, Paul Simon, Norman Sisisky, Joe Skeen, Ike Skelton, Jim Slattery.

Chris Smith, Lawrence Smith, Olympia Snowe, Gene Snyder, Stephen Solarz, Louis Stokes, Arlan Stangeland, Fofo Sunia, Al Swift, Mike Synar, Robin Tallon, Thomas Tauke, W. Billy Tauzin, Lindsay Thomas, Esteban Edward Torres.

Robert Torricelli, Edolphus Towns, Bob Traxler, Morris Udall, Tim Valentine, Tom Vandergriff, Guy Vander Jagt, Bruce Vento, Harold Washington, Henry Waxman, James Weaver, Ted Weiss, G. William Whitehurst, Bob Whittaker, Jamie Whitten.

Lyle Williams, Charles Wilson, Larry Winn, Timothy Wirth, Frank Wolf, Howard Wolpe, Antonio Borja Won Pat, George Wortley, Ron Wyden, Gus Yatron, Bill Young, Donald Young, Robert Young, Clement Zablocki.●

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL AMATEUR BASEBALL MONTH

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the House joint resolution (H.J. Res. 175) to authorize and request the President to proclaim May 1983 as "National Amateur Baseball Month," and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 175

Whereas the game of baseball having originated in the United States of America; and

Whereas the game of baseball having engendered exceptional interest among the people of this Nation, both as a participant and as a spectator sport, to the extent that it has long been acknowledged as "The National Pastime"; and

Whereas some nineteen million amateur players annually participate in the game of baseball in the United States; and

Whereas many more millions of Americans are spectators each year at amateur baseball games involving players of virtually every age; and

Whereas the game of baseball, while providing wholesome recreational competition, teaches the desirable goals of sportsmanship and teamwork so necessary in developing good citizenship; and

Whereas amateur baseball organizations in the United States have taken the lead in a worldwide effort to obtain recognition of the importance of baseball by the Olympic movement to the extent that the 1984 Olympic games in Los Angeles will include baseball; and

Whereas amateur baseball is made possible by the contributions of time, effort, and financial support of countless millions of individuals from a wide range of business, industrial, fraternal, civic, religious, and service organizations of the United States; and

Whereas it is appropriate to honor and to pay tribute to all those associated on the amateur level with the "game of baseball": Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of May 1983, be designated "National Amateur Baseball Month", and that the President is authorized and requested to issue a proclamation calling on all Government agencies and upon all the people of the United States to observe such month with appropriate programs, ceremonies, and activities, so as to testify to the great and significant value of amateur baseball to the American way of life.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include therein extraneous material, on the several joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

GENERAL LEAVE

Mr. McCANDLESS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include therein extraneous material, on the subject of the special order today by the gentlewoman from Nebraska (Mrs. SMITH).

ORDER OF BUSINESS

Mr. LOTT. Mr. Speaker, I ask unanimous consent that I may be taken first in order on my special order request for today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

POST OPPOSES NUCLEAR FREEZE RESOLUTION

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. SOLOMON. Mr. Speaker, for those of you who were not in Washington this weekend, and missed the editorial in The Washington Post in strong opposition to the freeze resolution, I am submitting a copy into the RECORD. The editorial was a scathing attack on the nuclear freeze resolution and the freeze movement itself. The editorial says that "in our view the proposal itself still amounts to bad public policy."

They go on to say why. The Post calls the language in the resolution delaying with destabilizing weapons inconsistent with the basic intent of the freeze movement. They say this is a major and central defect of a freeze because it would block important programs which are designed to increase stability. The resolution would kill new programs which would actually reduce the threat of a nuclear war. The Post states:

If the freeze people are serious about the perils of destabilizing weapons they must do more than add to their resolution a paragraph inconsistent with its basic proposition.

The second crippling defect in the freeze resolution, according to the Post, deals with the President's efforts to modernize our strategic forces. To the extent that they have addressed it, freeze advocates tend to say that each new system should be judged on its merits. But it is not easy to find new systems in which they see merit.

The Post also agrees with the arguments, we in the minority, made last week concerning the impact on Euromissile negotiations. A freeze resolution would kill the President's zero option proposal. In summation The Washington Post states, and I quote:

Here is one more reason to put aside the freeze. Arms controllers can do better.

The editorial follows:

[From the Washington Post, Mar. 20, 1983]

THE FREEZE DEBATE

As a vehicle of generalized protest, the nuclear freeze proposal has had one immediate effect: it has helped induce Ronald Reagan to start adjusting some of this arms control positions. He has toned down his statements on nuclear war and begun to explore compromise in the Euronmissile talks. The freeze proposal has also become an agent of nuclear education for Congress. But in our view the proposal itself still amounts to bad public policy. This has to be said despite the improvements made in the freeze resolution in the House debate, which resumes in two weeks.

It is good that the larger strategic goal now inscribed in the resolution is "essential equivalance in overall nuclear capabilities"—a vague formula but one acceptable to many if not most conservatives. The resolution no longer assumes, simplistically, that Mr. Reagan can abandon his START priority of reductions in strategic forces and bring into being "an immediate, mutual and verifiable freeze": it acknowledges that it remains to be decided "when and how" to achieve this goal.

A larger difficulty is revealed, however, by the "special attention" the resolution now accords to "destabilizing weapons," those that give either side a first-strike capability. This language goes to a major and central defect of a freeze—that it would block new programs designed to take Soviet and American nuclear forces off a hair trigger, to create more "stability." The term "arms race" can be very loaded: weapons that are less vulnerable and therefore less prone to being fired first in a crisis can settle the superpowers down. If the freeze people are serious about the perils of "destabilizing weapons," they must do more than add to their resolution a paragraph inconsistent with its basic proposition.

The Stratton amendment, barely defeated on the House floor, illuminated a second crippling defect of the freeze—its equivocation concerning what new weapons would be permissible during the time it took (one year? several?) to negotiate this freeze. The Reagan "modernization" proposals make this question urgent. To the extent that they have addressed it, freeze advocates tend to say that each new system should be judged on its merits. But it is not easy to find new systems in which they see merit. The letter of the movement honors mutual negotiated cuts. But its spirit is patently unilateralist: no more nukes. A freeze, or a close approach to one, would undercut not only Mr. Reagan's negotiating program but also the freeze's own.

The freeze resolution welcomes "concurrent and complementary arms control proposals." Sounds fine. Imagine, however, the likeliest first Reagan arms control deal, one removing some Soviet Euromissiles but deploying some American ones. Under a literal freeze, there could be no deal. Here is one more reason to put aside the freeze. Arms controllers can do better.

AMENDING 1965 AUTHORIZATION FOR AUBURN DAM FACILITY

(Mr. SHUMWAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHUMWAY. Mr. Speaker, I am introducing legislation that represents a major departure from the traditional method of financing public works projects. This bill amends the 1965 authorization of the Auburn Dam facility in California by granting authority to the Secretary of the Interior to enter into cost-sharing agreements with non-Federal entities for the construction of this project. Cost-sharing is not a new idea, but it is an idea worthy of our serious consideration during these times of severe fiscal constraints.

For those of my colleagues that are unfamiliar with this project, let me review some of its highlights. This facility was authorized in 1965 and includes the Auburn Dam and Reservoir, a hydroelectric powerplant with an initial installed capacity of approximately 240,000 kilowatts, the Sugar Pine Dam and Reservoir (already completed), and the Folsom South Canal. The primary benefits are power production, irrigation and municipal water, and flood control.

The need to amend the original bill arises from a shortfall in funding authorization. Originally authorized in 1965 to $425 million, indexing has increased this figure to $1.633 billion in July 1982 prices. The problem, however, is that construction costs for this project, presently estimated at $2.176 billion, have risen faster than the indexing has allowed for. The result is that the authorization figure is $550 million short of the estimated completion cost for this project.

This is a problem that the House has confronted before and has reponded by merely raising the appropriate authorization levels. I believe this is the wrong approach, if only for the reason that we, as Members of Congress, are committed to doing everything possible to reduce Federal spending and thus bring the budget deficit under control. A better approach, and one that is the crux of the legislation that I am introducing today, allows non-Federal entities to share with the Federal Government in the financing of the Auburn-Folsom South Unit. In return for this cost-sharing, participating entities are expressly allowed by this bill to share in the project benefits as the Secretary deems appropriate.

Cost-sharing for this facility is justified on three counts. It allows Congress the opportunity to continue its commitment to this project without having to deal with the difficult question of authorizing more funds. Cost-sharing also injects an element of equity into this process by providing that those who stand to benefit by this project will also be required to make proportionate contributions to its construction costs. Finally, cost-sharing represents an innovative solution to what is very quickly becoming an old problem: insufficient Federal moneys to meet Government obligations.

This bill has been well received by my constituents. At least nine entities have already contacted the Bureau of Reclamation to express their interest in sharing the cost of this project. Based on these letters of intent, I have every assurance that sufficient money, above and beyond the congressional authorization of $1.6 billion, will be made available to complete the construction of this dam and canal.

Expeditious action by the House on this bill is imperative. Nearly $320 million has already been spent over the last 17 years in the preparation of engineering and design studies, the construction of a coffer dam and diversion tunnel, and the excavation and foundation treatment for the dam and powerplant. Failing to act on this bill will only delay further construction and thus contribute to the project's escalating costs. Moreover, it is hardly fair to my constituents in Auburn, Calif., to leave them with a partially completed dam site, especially when these same people have money in hand and are anxiously awaiting congressional approval to participate in the financing of this project.

In short, Mr. Speaker, we need prompt and favorable action on this legislation. The cost-sharing authority provided for in this bill in unconventional, yet it represents an appropriate response to the economic exigencies we face today. I therefore commend this bill to my colleagues for their favorable attention.

ATTACKS ON WASHINGTON POST BY SOUTH AFRICAN REGIME

(Mr. FAUNTROY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FAUNTROY. Mr. Speaker, it is with a sense of outrage and urgency that I call to the attention of my colleagues, the continuing attack on the Washington Post, my constituent, and its correspondent Mr. Allistair Sparks by the repressive South African regime.

This attack, which has been reported in the Washington Post on March 17, 18, and 19, is but one more demonstration of the lawless nature of that regime.

Mr. Speaker, I have contacted the Assistant Secretary of State for African Affairs, Mr. Chester A. Crocker, and our Ambassador to South Africa, Herman Nickel, for the purpose of urging them to make it clear to the South African authorities that such action against American institutions will carry a heavy cost.

I urge my colleagues to communicate similar messages to the Department of State reflecting our determination that we will protect our institution and the principle of the freedom of the press.

I include, for the record, copies of articles concerning this attack by the South African regime on the Washington Post:

[From the Washington Post, Mar. 19, 1983]

SOUTH AFRICAN POLICE WARN JOURNALIST OF TWO ALLEGED OFFENSES

(By Patrick Laurence)

JOHANNESBURG, March 18.—Security police today again called on Allister Sparks, South African correspondent of The Washington Post and the London Observer, to formally warn him that they suspected him of having contravened two laws, the Internal Security Act and the Police Act.

The visit came after security police had searched his home and offices on Wednesday, confiscating several of his possessions, including his typewriter, a pair of scissors and several service messages to the Post and the Observer.

The alleged contravention of the Internal Security Act concerned articles on Winnie Mandela, wife of the imprisoned African National Congress (ANC) leader, Nelson Mandela, Sparks is alleged to have quoted Mrs. Mandela, who as a banned person may not be quoted in South Africa.

The alleged contravention of the Police Act is related to an accusation that Sparks published "untrue matter" about the police in an article published in the London Observer. According to the written warning delivered to him by a security police lieutenant, he wrote that "the South African security police had formed an assassination squad to kill leading ANC personalities."

The formal warning to Sparks came as South Africa's foreign minister, R. F. (Pik) Botha, sharply criticized an article by another correspondent, Holger Jensen, of Newsweek. The foreign minister described Jensen's article on the administration of Prime Minister P. W. Botha as "dripping with enmity and hatred."

At a political rally in Pretoria the foreign minister labeled the article "an example of what the West means by freedom of speech—the right to lie, deceive and distort."

South Africa's ambassador to Washington characterized it as "blatant misrepresentation" and a "jumble of inaccuracies."

Reacting to these charges today, Jensen said, "I have acknowledged six minor subediting and proofreading errors, but I don't think it changes the basic substance and thrust of the article. I stand by it."

Meanwhile, another issue of Newsweek, that of Feb. 14, was banned by the publication's directorate today. No reasons were given for the banning. Jensen, who recently aroused the ire of the Zimbabwe government because of his reports on killings in Matabeleland by the North Korea-trained 5th Brigade, said the Feb. 14 issue of Newsweek contained a cover story on political prisoners. There was a section on South African political prisoners and a profile and photograph of Nelson Mandela, Jensen added.

[From the Washington Post, Mar. 18, 1983]

SOUTH AFRICAN CHURCH DEFIES GOVERNMENT, WILL PERFORM INTERRACIAL MARRIAGES

JOHANNESBURG, March 18.—Defying the white supremacist government, the largest church in South Africa's Colored (mixed-race) community has announced it will perform interracial marriages and sanction civil disobedience in certain circumstances.

A special synodical commission of the Nederduitse Gereformeerde Sendingkerk issued a statement yesterday challenging key elements of government race policy.

It said the church would fully acknowledge marriages across the color line even though they violate the law. Such marriages would take place in church and include the Eucharist. The church also said it would help, and as far as possible protect, such couples in case of government action against them.

The Colored church's stand follows similar decisions recently by Presbyterian, Anglican, Methodist and Congregationalist churches.

Dawid Bosch, an NGK minister and dean of theology at the University of South Africa, said the action of the Colored church was significant because it was a member of the same family of Dutch reformed churches as the Nederduitse Gereformeerde Kerk, the church of the ruling white Afrikaners.

[From the Washington Post, Mar. 17, 1983]

SOUTH AFRICAN POLICE RAID JOURNALIST'S HOME

(By Patrick Laurence)

JOHANNESBURG, March 16.—Security police today searched for a total of six hours the home and office of journalist Allister Sparks, South African correspondent of The Washington Post and the London Observer, confiscating several items, including copies of telex messages, photostat copies of some of his articles and his typewriter.

Sparks, 50, a former editor of the Rand Daily Mail, was told by security police that they were looking for evidence that he had quoted Winnie Mandela, wife of the jailed leader of the outlawed African National Congress, Nelson Mandela, in news reports sent overseas.

Winnie Mandela is a banned person and may not be quoted in South African publications. It is a matter of legal dispute whether the prohibition applies to journalists filing for overseas papers. Sparks is alleged to have quoted Mandela in an article published in the London Observer in June last year and in another published in the International Herald Tribune a month later.

Sparks said today: "I insisted that they show me cuttings of the articles. Both were so illegible that I could not see whether they contained quotations from Mrs. Mandela." He called the raid "a clear act of intimidation."

[In Washington, the Washington Post protested the action against Sparks yesterday in a letter personally delivered to South African Ambassador Bernardus G. Fourie by publisher Donald E. Graham.

[The letter, signed by Donald E. Graham and Katharine Graham, board chairman of the Washington Post Co., called the search and seizure of property "outrageous," and said: "We consider this action to be an obvious attempt to intimidate Mr. Sparks, and deter him from carrying out his legitimate duties as a correspondent for The Washington Post.

["We seek immediate assurance from you that this harassment will cease, and the seized material be promptly returned."

[In London, a similar protest was sent to the South African ambassador there by Observer Editor Donald Trelford.]

Among the items confiscated by the police, who were armed with a search warrant, were copies of articles Sparks had written during his 22 years on the Rand Daily Mail as well as service messages to The Washington Post and the London Observer. One of the messages related to a report he had been working on about the latest incursion by the South-West Africa People's Organization into Namibia. Sparks said: "When I asked what it had to do with Mrs. Mandela, they said it was an internal security matter because SWAPO was a terrorist organization."

Another journalist in the same building as Sparks, Bernard Simon, was taken away by security police and charged with obstructing a police investigation. He is alleged to have removed an article written by Sparks. Simon, who writes for the AP-Dow Jones news service and the Financial Times, was released on bail equivalent to about $480. He could not be reached for comment tonight.

The Foreign Correspondents Association of Southern Africa, of which Sparks and Simon are members, today issued a statement saying it "strongly protests the outrageous harassment" by security police.

Today's security police action followed the conviction on March 4 of three journalists for violating South African press laws on national security in connection with reporting on South Africa's role in the abortive 1981 coup attempt in the Seychelles islands.

[The search today reportedly came on the eve of the presentation to Winnie Mandela of a quilt sent to her by U.S. congressmen and senators in place of a crocheted bedspread seized by security police in a raid in January because it contained the colors—yellow, green and black—of the African National Congress.

[Legislator Helen Suzman, a staunch opponent of the government's policy of racial separation known as apartheid, plans to deliver the quilt Thursday, The Associated Press quoted reliable sources as saying. Suzman had been visiting Mandela when the January raid took place.

[Sen. Paul Tsongas (D.-Mass.) said last month that more than 33 members of Congress had signed the quilt to be given to Mandela to "express our support of Mrs. Mandela in her determined fight for freedom and dignity. . . ."]

In a separate development, an autopsy was conducted by a private pathologist on Tembuyise Mndawe, the detainee who died in police detention last week. Mndawe was described as a "trained terrorist" by the commissioner of police, Gen. Mike Geldenhuys, who announced that Mndawe had been found hanging in his cell.

The autopsy took place despite the refusal by a local magistrate to grant a lawyer for the Mndawe family permission to have a post-mortem performed by a private pathologist. A state pathologist conducted a post-mortem last week. The police, however, are understood to have facilitated the holding of the second autopsy.

[From the Washington Post, Mar. 18, 1983]

SECURITY CHIEF OF SOUTH AFRICA IN TALKS HERE—U.S. CONDEMNS POLICY RAID AGAINST POST JOURNALIST

(By Don Oberdorfer)

Assistant Secretary of State Chester A. Crocker met yesterday here with Lt. Gen. Johann Coetzee, chief of the South African security police, while the State Department was issuing a strong statement on a security police raid on the office and residence of a Washington Post correspondent in Johannesburg.

Crocker's meeting with Coetzee was part of a high-level U.S.-South African discussion centering on Namibia, the South African-ruled territory that the United States and other nations are seeking to guide to independence.

The State Department and the South African Embassy confirmed that a meeting took place, but spokesmen at both places declined to confirm or deny Coetzee's participation.

However, informed U.S. sources said the security chief was a member of the South African delegation.

U.S. policy generally is to restrict visits to this country by high-ranking South African military or police officials because of U.S. opposition to that country's racial policies of apartheid.

When the chief of South African military intelligence and four other high-ranking officers visited here in March, 1981, the State Department said U.S. consular officers did not know the visitors' identities when the visas were issued.

Since then, however, senior South African uniformed officers have come here on delegations to discuss Namibia in November, 1981, and March, 1982.

A State Department spokesman said the membership of the South African delegation to such talks is a matter for South Africa to decide. In this way it appears that meetings on Namibia are treated as a special case.

The raid Wednesday by South African security police on the home and office of Allister Sparks, South African correspondent for The Washington Post and the London Observer, was the subject of a statement yesterday by State Department spokesman John Hughes.

"The department strongly condemns any effort to restrict, fetter or otherwise intimidate press—actions which can only result in a diminution of information available to the public," Hughes said.

He noted that, according to the State Department's recent human rights report, "there has been a progressive deterioration of press freedom in South Africa over the last decade."

He added that nonetheless the press remains "a vital channel of communication" in South Africa and between that country and the rest of the world.

Hughes said the United States has raised the question of the security police raid with the South African government. Officials were unable to say whether Crocker had discussed it directly with Coetzee, the security police chief.

It was unclear whether any message was intended by South Africa in making the raid on The Post correspondent at a time when the chief of the security police was on his way to Washington.

Some U.S. officials said they found the timing "interesting" but there was no conclusive connection between the two events.

The principal roadblock to independence for Namibia, according to State Department officials, is the lack of progress on arranging the withdrawal of Cuban troops from Angola parallel with withdrawal of South African troops from Namibia.

Deputy Assistant Secretary of State Frank G. Wisner, Crocker's assistant, met earlier this week with Angolan officials in Paris, one in a series of recent high-level contacts between Washington and Luanda, the State Department confirmed. But there was no report on the progress, or lack of it, in Wisner's talks.

A SOUTH AFRICAN POLICE RAID

Five police agents of the South African government raided the home—and seven raided the office—of Allister Sparks, The Washington Post's correspondent in South Africa, yesterday. These police spent around two hours in Mr. Sparks' house and a little over four in his office, pawing over private papers and furnishings, seizing such things as files, clippings, records of current messages and communications between The Post in Washington and Mr. Sparks in Johannesburg, and taking Mr. Sparks' typewriter as well when they finally left. The pretext for this disgusting behavior seems to have been a couple of articles which Mr. Sparks had written—get this—10 months ago.

Does that sound fishy to you? It should. But wait, there's more. The law that was invoked to justify this ransacking of Mr. Sparks' private quarters and The Post's Johannesburg office so long after his purported offense, says you may not quote a "banned" person in the press. "Banned" people are those who have been formally ostracized and put under some form of house arrest by that wonderful South African government which is at such pains these days to tell us all how enlightened it is. Generally, South Africa correspondents for publications here, in Britain and elsewhere, have taken this to mean that although you could not quote these people in the South African press itself, you could quote them in articles to be printed in other countries. Such "banned" persons as the black political dissident, Winnie Mandela, and the white Afrikaner racial reformer, Beyers Naude, have frequently been quoted in various of these publications, such as the British daily and weekly papers and the International Herald Tribune, that find their way into South Africa.

If such indirect breaches of the government's effort to maintain the kind of political silence it likes best have been prosecuted, it has been a rarity. That is why the fact that Mr. Sparks quoted Mrs. Mandela in articles that were published months ago in the Tribune and in the London Observer, for which he also writes, is so flimsy and unconvincing an excuse for the raid on Mr. Sparks' home and on The Post's Johannesburg office. We think they plain don't like what Mr. Sparks has been writing and that they are trying to intimidate him.

Anyone who tries to intimidate Allister Sparks, an uncomprisingly honest journalist, happens to be setting out on a fool's mission. We could have told the South African government that and spared it a lot of trouble. But to our mind, it is not so much what the people who authorized this police raid need to be told as what they are telling all the rest of the world about themselves that is interesting. Here we have a government that says over and over again to people in this country that we have got it all wrong, that it has embarked on a reformist path racially and that, in any event, such institutions as its courts and its press are relatively free—certainly free by the standards that obtain for such things almost everywhere else.

Some freedom, some democracy, some toleration of an independent press. As is so often the case with governments, one does better to watch what this one does than what it says.

EROSION OF RIGHTS OF THE MINORITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi (Mr. LOTT) is recognized for 15 minutes.

Mr. LOTT. Mr. Speaker, I came to this city almost 15 years ago now and I worked as a staff member for 4 years for a Member of this institution, and have been a Member now for over 10 years. I was raised in effect and taught to respect this institution and the rules of the House and the precedents.

Over the years I have watched respect for each other, not to mention this institution, decline. I have watched with increasing dismay in recent years even the leadership stretching a point on precedence and decorum in this institution.

There has always been an effort to protect the rights of the minority, to make sure that they have an opportunity to be heard, that they had at least an opportunity to file minority views.

Slowly, surely those rights are being abused and, in fact, taken away. There have been a series of events in the last week that I would like to enumerate to the membership and for them to think about what is happening on both sides of the aisle.

I would urge our Members not to allow this erosion to continue.

Last week in the debate on the so-called nuclear freeze resolution there were repeated efforts to shutoff votes and even the offering of amendments that had been pending at the desk for hours, very credible amendments. But when the majority decided that maybe they could not win on some of those amendments, then they wanted to shut it all off.

Now we have this budget resolution, the so-called Democratic budget resolution, coming to the floor of the House. The members of the minority did not even get a chance to see the bill until the morning of markup on Wednesday of last week.

The report on the budget resolution, that all-important budget resolution that we are going to be taking up, supposedly we thought on Wednesday, now we find on Tuesday, was not even available until noon this very day, on Monday.

The rule that just came out of the Rules Committee waives again the 10-day rule, a major document, the

budget resolution for the next fiscal year, does not even give the Members 2 days to look at it.

The truth of the matter is most Members will have just slightly over 1 day to look at the report before we take it up.

At the last minute in the Rules Committee on Monday, this very day, an amendment was added to the rule which said that not only was the minority limited in offering one substitute, no amendments, just one substitute, but it had to be printed in the RECORD on Tuesday, and there had to be a Congressional Budget Office analysis by 9:30 the next morning. If that was not completed, it could not be offered.

If the Congressional Budget Office, the CBO, for some reason cannot complete its analysis, in effect we might not be able to offer even the minority substitute.

I might point out that that rule cut out any opportunity for the Black Caucus to have its substitute offered; it cut out any opportunity for the more moderate, conservative, pragmatic, whatever you want to call them, Democrats to offer their substitute. It cut out the opportunity for the gentleman from California (Mr. DANNEMEYER) to offer his substitute.

On an open rule which would have allowed for any Member that had an amendment printed in the RECORD to have 40 minutes of debate, that was defeated on a straight party-line vote.

To move right along here, we come to the floor, we think a debate has ended, and for I do not know how many minutes the vote was held open. Oh, yes, the Chair has the authority, but it is bad precedent that we start holding votes open so we can get the rule down here in time to have it filed before the House adjourns for the day.

Now we learn that after telling all the Members on last Thursday that we would have the rule and general debate and votes on the budget on Wednesday, we are being told now through the Democratic Caucus that we will in fact on Tuesday have the rule and general debate.

It reminds me of the day of infamy that we had just a couple of years ago when the Rules Committee got carried away, tried to inflict a rule that was too restrictive on this institution, and as a matter of fact we defeated the rule and it led to the eventual victory of Gramm-Latta.

I hope my colleagues will take very close notice of what we are moving into: Another restrictive, oppressive rule, and a situation that ties Members' hands to have their voice heard or even offered in the case of substitutes.

I think maybe some of our colleagues on the Budget may be a little bit surprised when the votes begin on Wednesday as to what happens to their so-called budget resolution, because it is only a gnat that would choke the American people more than any camel that ever walked.

Mr. LUNGREN. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from California.

□ 1750

Mr. LUNGREN. As the gentleman knows, it is very difficult for us to instruct those other Members of this institution as to the importance of the rules. In fact, it is difficult to instruct some of the Members as to the importance of the rules. But would the gentleman not characterize the rules of this House as similar to the rules of due process that we have in the courts of this land, to make sure that one gets an opportunity to be heard, no matter how favorable or unfavorable that position might be? And is it also not within the spirit of the Constitution and our laws that we protect the rights of the minority so that the expression of thought might be heard particularly in institutions such as this.

Mr. LOTT. Absolutely it is true. But in this case they are even tying the hands of the minority within the majority. If you are not on board with this Democratic fiasco that called for more taxes, more spending, and cutting our defense to the point where it is a real threat to national security you do not even get a chance to be heard, if you are not going to accept what they are feeding to us here on this very large platter.

Mr. LUNGREN. Could the gentleman enlighten us as to why while we were debating what was described by some as the most important issue to face us this year, the freeze issue, why repeatedly we were accused on this side of dilatory tactics, attempting not to bring this to a final vote, that once we finished the debate for that night, that vote has been put off for 2½ or 3 weeks?

Mr. LOTT. Yes; and of course it was so urgent we were told first it was going to be brought up on Monday, but when they could not get their act together and realized there was so much contradiction in their own statements on the floor, not to mention the contradiction between the bill and report itself, then they changed their mind and they are going to put it off until after April 5, for some strange reason.

Mr. LUNGREN. Does the gentleman recall the comment of the distinguished Speaker of the House suggesting that we were trying to delay it so that the President of the United States might twist some arms? And that leads me to ask the question of the gentleman, do you think the Speaker has become the tool of the President in that he is attempting to help the President by holding this vote off so he can twist arms on that important issue?

Mr. LOTT. I am sure nothing like that took place on St. Patrick's Day.

Mr. LUNGREN. I appreciate the gentleman's comments.

Mr. LOTT. I yield back the balance of my time.

THE LIBERAL DEMOCRATIC BUDGET IS A RETURN TO HIGHER TAXES, WEAKER DEFENSE, AND A LIBERAL WELFARE STATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. GINGRICH) is recognized for 1 hour.

Mr. GINGRICH. Mr. Speaker, I want to talk on a less positive and less hopeful topic, the liberal Democratic budget which we see coming to the House this week.

The liberal Democratic budget is once again a document which returns to the past, the past of higher taxes, bigger deficits, a larger welfare state, and weaker defense.

I learned today much to my amazement that this liberal Democratic budget is actually weaker by 1986 in defense spending than President Jimmy Carter's earlier defense plans. It is one thing for citizens to decide they do not agree with President Reagan's request, it is another thing to suggest that the American people want less defense than President Jimmy Carter was leaving them.

No, tragically, the liberal Democrats, like the French Bourbons, seem to have learned nothing and forgotten nothing.

This new budget promises higher taxes, higher spending, higher deficits, more bureaucracy, and weaker defense budgets. It will kill jobs, kill savings, and cripple the economy.

As Secretary of the Treasury Donald Regan said today and I quote:

> The budget plan produced by the House Democratic leadership and its Budget Committee is an irresponsible blueprint for higher taxes and more spending which would, if adopted, abort the economic recovery.

Secretary Regan points out that, and I quote:

> The Democratic budget calls for a 24.3 percent tax increase for those earning less than $10,000, a 15 percent tax increase for those earning between $10,000 and $50,000 and only a 3.1 percent tax increase for those earning more than $200,000. Low- and middle-income taxpayers will bear the brunt of the tax increases. The repeal of the third year and indexing would cost the typical median income family of four, $1,061 in higher taxes over the next three years and $3,549 in higher taxes in 1988.

The point Secretary Regan is making is that the proposal by the liberal Democrats would reach right into

the pocketbook of everyday working families.

□ 1800

It would reach in and it would take out money they need so that they can have a better family budget, so they can buy more things at home. It would be a return to the constant tax increase policy of the seventies which left every American poorer and left all of us wondering how we would survive.

Indeed, the House liberal Democratic budget plan could be considered a radical attack on the 2 years of progress toward financial control. The Democratic budget plan is a blueprint for repealing 2 years of progress in every element of national policy. It restores the failed pump-priming approach with $58 billion in 1983, 1984 add-ons for social spending programs. It repeals essential reforms enacted in 1981 and 1982 and throws away savings of nearly $10 billion.

It rejects all of the new reforms proposed by the Reagan budget for this year.

And again, I am not a fan of all of President Reagan's budget, but to reject all of the new reforms while repealing the reform of the last 2 years is to simply call for more and more spending.

It starts 10 major new spending programs with a 6-year price tax of $52 billion in addition to the $200 billion-plus annual baseline deficits, the result from the existing programs.

Notice: This is 10 additional spending programs with an additional 6-year price tax of $52 billion in addition to the existing programs.

It restores funding levels for two dozen domestic spending programs almost back to the 1981 liberal welfare state levels, wiping out 2 years of spending restraint and adding $32 billion to the Reagan 1984 fiscal budget's deficit.

Finally, it resorts to a drastic underfunding of defense which in fact, as I have noted, would carry defense below President Carter's projections. In other words, taxes would be up $315 billion and defense would be cut by $206 billion over the next few years. For the near term, the Democratic budget plan causes everything to go the wrong way, all at the same time. Compared to the Reagan budget, domestic spending would be up by $45 billion, taxes would be up by $27 billion, national security would be weaker by $10 billion, and the deficit would be $8 billion higher.

Now those are big numbers, those are Washington numbers, those are big figures, billions here billions there. Let us look at it differently. What does it mean to the average American?

Over the next 5 years the liberal Democratic plan cancels 42 percent of the net tax reduction enacted over the last 2 years. It increases the lower and middle income tax burden by a staggering $203 billion. If you earn less than $20,000 a year, it increases your taxes. If you earn from $20,000 to $50,000, it increases your taxes. In fact, the total tax increase by the end of the 1988 cycle, 64 percent of the liberal Democratic tax increase, 64 percent, almost $2 out of every $3 would come from people who earn less than $50,000.

Now, the so-called Atari Democrats should be well aware of why this is inappropriate and why it should not be done. Because just recently Atari announced that over 1,000 jobs were moving overseas. Why were they moving overseas? Because by the time you pay American workers a decent take-home pay and you add on the cost of social security, and you add on the cost of Federal income tax, the cost simply goes up and up. And to this already too-high tax burden on industry we are now seeking a job-killing $203 billion, $202.7 billion is the exact number, $203 billion tax increase on everyday working Americans.

Well that tax increase will either come in the form of less take-home pay or will come by causing such dramatic increases in salary that we kill jobs.

Either way working Americans lose.

Furthermore, while we have just spent several months watching liberal Democrats say they worry about the deficit, the fact is that they do not raise taxes to cut the deficit and they do not cut spending to cut the deficit. They raise taxes and they cut defense spending in order to allocate more and more money to large bureaucracy, to the Government in Washington. The liberal Democratic plan is simple. You, the American people are not bright enough to spend your own money; we are not bright enough to have our own take-home pay. Rather, the Government should take that away in the form of higher taxes and then a bureaucrat in Washington will decide how we should live and what we should have.

Consider the first year, $27 billion in more taxes, $10 billion less in defense, but more than balanced off by $45 billion more in domestic spending, leading to an additional $8 billion in deficits. That is, 8 billion more dollars borrowed in the money market, 8 billion more dollars going toward higher and higher interest rates, 8 billion more dollars going to kill the real estate industry, the housing industry, and the automobile industry by keeping interest rates high.

Over the next few years the figures are even worse. Over the next few years we have a tremendous increase in the size of government, a tremendous increase in the amount of taxes the American people will pay.

When you examine in detail the liberal Democratic budget and you realize it will cost the typical family an average of $3,550 in higher taxes through 1988, real dollars now, not big numbers like billion or trillion or million, $3,550 in higher taxes, one understands why the liberal Democratic leadership has built a steamroller. And it is a steamroller.

The liberal Democrats caucused last Tuesday on the Budget Committee. They went to markup on Wednesday and they started with no documents. Indeed, the Republicans forced an adjournment of 4 hours just to get documents to look at. Then on Thursday they finished writing the budget. That is what markup is. They filed the report today. It will not even be printed in time for the debate to begin tomorrow.

The Rules Committee met today to consider a report which had only been filed, with no document printed, and passed out a rule and said to the Republican minority, "You have 1½ hours, 90 minutes, to file your report."

Why such a rush? Why such speed? We are not facing a deadline, indeed, the budget need not be passed until May 15. We are not in a crisis. There is no urgency, except—except, that the liberal Democratic leadership knows that the longer this budget sits, the longer people have to look at it, the more folks back home have to consider that $3,550 tax increase over the next 5 years, the longer conservatives and moderates who are concerned about our national survival have to consider a budget which is less than President's Carter's defense budget. They cut in defense below the Carter levels. The longer folks have to look at a return to a big centralized walfare state, the less chance this budget would have to pass.

The reason the liberal Democratic leadership is rushing to judgment this week, the reason tomorrow you will see them fight to push things through on short notice, to push things through without adequate time, the reason they are concerned that the American people not have the Easter recess to look at the entire budget is because they know that if their Members went home and said to the people back home, "Do you want us to raise your taxes $3,550 for your family over the next 5 years?" the average American family would say, "No, vote against that kind of welfare state budget."

And so, it is understandable why the leadership has to rush this budget through. It is up to the American people. If they sit idly by, if they wait passively, if they do nothing, then indeed this budget may pass.

But I think as people look at the drastic cut in defense, as people look at the drastic increase in taxes, as people look at the enormous increase in Government spending, I think it very likely that in fact this budget

may well fail come Wednesday and that people may rebel against the very speed and the very aggressiveness and the very machine being used to push it through the House.

WASHINGTON REPORT

The SPEAKER pro tempore (Mr. WEISS). Under a previous order of the House, the gentleman from Ohio (Mr. PEASE) is recognized for 20 minutes.

Mr. PEASE. Mr. Speaker, economists say that the recession is over and economic recovery is underway.

However, the word has not yet trickled down to the truly needy.

Neighborhood House, a social service agency in Lorain, Ohio, had 39 requests for emergency shelter in all of 1981. In 1982, the number of requests had jumped to 218. Fifty-seven families sought emergency shelter in the first 2 months of 1983.

The Lorain YWCA, which ordinarily does not get involved with emergency food situations, has been trying to help hungry families. In 1981, the YW had 23 requests for emergency food. In 1982, the number rose to 311. For the 1 month of February 1983, there were 251 requests.

The Lorain Catholic Youth Organization runs a "Food for Folks" program which gives baskets of food (usually a 5- to 7-day supply) to families who have no groceries in the home. Food baskets were provided to 80 families in January 1981, to 132 families in January 1982, and to 820 families in January 1983.

I learned these statistics on a recent Friday night when 15 workers from various social service agencies asked for 1½ hours of my time to outline how bad things really are for poor people. Someone in authority needs to know, they said. They really hoped it could be President Reagan.

Said one, "We have worked with low-income families for years at the Lorain YWCA, and we have not witnessed ever before the desperate circumstances of many people today."

Behind the statistics are hundreds of stories of individuals and families.

Two related families with eight children between them had gone south looking for jobs. Unsuccessful, they had returned to Lorain. When they requested emergency food, neither family had any income whatsoever.

Another family had gone to Texas looking for work. Unsuccessful, the father, mother, and five children returned to Lorain last fall to face a $300 past-due gas bill and no gas service.

A person on general relief collects a total of $84 per month. The person's rent is $100 per month.

A welfare family with five children was trying also to look after the children of a woman experiencing severe depression. After a violent episode, the woman was turned away by two local hospitals allegedly because she lacked medical coverage.

The social service agency representatives also made these observations:

The magnitude of the problems is far beyond the ability of private, volunteer agencies to handle.

Their own staff members are fatigued and demoralized from efforts to cope with the crush of people seeking help.

Most people who seek help have multiple problems—food shortages, gas cutoffs, eviction notices, sick children, disorientation, and other psychiatric disorders, spouse and child abuse—in addition to the common threat of joblessness.

Finally, and most disturbing of all: "Many middle-class people within the community seem to be decidedly unsympathetic to the poor."

To which I must add my own observation. What will become of the United States as a nation if we lose our compassion for the poor?

□ 1810

NATIONAL AGRICULTURE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Nebraska (Mrs. SMITH) is recognized for 30 minutes.

● Mrs. SMITH of Nebraska. Mr. Speaker, it is my honor to join with my colleagues today in observing National Agriculture Day. We have actually graduated to an "Agriculture Week" which started last Friday, but we mark this particular day, Monday, March 21, as the time when the Nation salutes the No. 1 industry, agriculture.

It is especially gratifying to me to take part in this observance. I have belonged to the agricultural community for many years. I have seen the size of this community dwindle, year after year. Figures soon to be released will show the total farm population down to 5.6 million, representing 2.4 percent of the population, or 1 out of every 40 Americans.

While our numbers have decreased, our productivity has been on the rise. No other industry matches this rate of productivity per man hour. Each U.S. farmer produces food and fiber for himself and some 70 others at a cost around 17 percent of the after-tax income of the average American worker. No other country around the globe even comes close to this achievement.

Our producers of food and fiber continue to maintain this amazing output despite the fact that commodity prices are often below the cost of production. They have experienced some bleak years lately, but they are determined to survive during this period of adjustment and still make sure that there is an adequate supply of commodities for our domestic needs and the demand overseas.

The hope that we can bring production in line with consumption and boost market prices accordingly keeps our farm producers, processors, and suppliers working at the jobs they do best. Because we all benefit, they deserve our interest and support. The brief acknowledgment that comes to them through National Agriculture Day is little enough that we can do for the men and women on the farm front where the few do so much for the many.●

● Mr. LONG of Louisiana. Mr. Speaker, this is National Agriculture Day, and I rise to salute that productive marvel of the world, the American farmer. This Nation has enjoyed the blessings of an abundant agriculture for so long that we tend to take the efforts of our farmers for granted. Yet no one in this country works harder, more efficiently or more successfully than the 23 million Americans of the farm economy.

Because of their prodigious achievement and ceaseless innovation, Americans enjoy the lowest food prices and the most ample food supply in the world. Our food surplus is a great boon to the less fortunate abroad, and American agricultural exports have increased sixfold over the past decade.

Agricultural products now account for a fifth of our gross national product. And more than an industry, agriculture is a way of life. I am proud to represent a largely rural area of Louisiana, where the farming life exerts a healthy influence on our community. Hard work, honesty, self reliance, the skill and courage to withstand the vagaries of weather—these are some of the traits that Louisiana farmers share with their counterparts throughout America.

Yet agriculture is in deep trouble in this country. The recession of the last 2 years brought devastating interest rates which drove up the cost of production. Crop prices dropped further behind, and farm failures reached levels unseen in this country since the Great Depression.

Net farm income, which fell from $25 billion in 1981 to $19 billion last year, is expected to remain at that level in 1983. Moreover, the worldwide recession, coupled with a strong dollar which makes American products less competitive in international markets, has reduced demand for U.S. farm exports.

Exports in 1983 are expected to fall to $36 billion, compared to $39 billion in 1982 and $43 billion in 1981. Mr. Speaker, I believe it is imperative that the administration redouble efforts to win long-term contracts for U.S. farm exports. Otherwise, the combination of surplus production and low prices

will continue to threaten millions of American farmers with financial ruin.

I have written President Reagan on several occasions asking for a more aggressive U.S. policy toward agricultural exports. We must regain, and, if possible, surpass, the robust export trade in farm products that we enjoyed in the last decade.

Capturing foreign markets for American products is particularly important to Louisiana farmers. Some 75 percent of Louisiana's chief crop, soybeans, goes to international export. Two-thirds of the State's rice and cotton is also destined for foreign markets.

In the short term, it is essential that Congress maintain an adequate credit lifeline for our hard-pressed farmers. Last year, the Louisiana Farmers Home Administration office made 1,900 operating loans to State farmers, totaling more than $60 million. This year, operating loans are expected to reach $90 million.

Mr. Speaker, I believe we must help our farmers survive an economic crisis they did not create. American agriculture—unlike so many of our traditional industries—far surpasses foreign rivals. American farmers have built a way of life we can all take pride in.●

● Ms. KAPTUR. Mr. Speaker, today is "Agriculture Day, 1983," and it is a perfect time for us to honor America's farmers. We, as a nation, have been blessed with all the necessary ingredients for an efficient and effective agriculture system, not the least of which is our farmers.

Farming is one of our Nation's major industries, helping to sustain our economic growth over the decades. My home State of Ohio ranks 35th in size, 6th in population and in the top 10 in agricultural production. Despite the abundance of natural resources, our agricultural economy is weak, with many farmers facing severe economic problems. Moreover, predictions for the rest of this year are not very favorable for the agricultural sector.

I urge my colleagues to join with me in taking the necessary steps to bolster our farmers and our Nation's great resource base. A top priority must be a policy directed at expanded grain exports. The great export volume of agricultural products helps us offset our trade deficit. Embargoes must not interrupt our Nation's agricultural trade activity.

I congratulate Agriculture Secretary Block on the Egyptian wheat flour sale and urge him to distribute the economic benefits of the exports equitably throughout the Nation. The Great Lakes proposal, for which I asked his support, would provide the establishment of a preset percentage of exports from each U.S. coastal region capable of providing steamship service to Egypt. Further, this proposal would require that an equitable allocation of these cargoes be 30 percent from the Great Lakes, 30 percent from the gulf coast, 30 percent from the east coast, and the remaining 10 percent discretionary.

We must restore target pricing in the agricultural sector. Farming should be treated no differently than other businesses. Farm income should exceed the costs of production. This is a particular problem when it comes to the family farm which we must aggressively promote, for it is the backbone of our agriculture industry.

The Congress must also take action to control the record high real interest rates which impact heavily on farmers. Many farmers have had to rely on debt financing to cover their production costs. However, current interest rates have made obtaining credit prohibitively expensive. For the third year in a row, real farm income has left many producers in a vulnerable position.

There are other actions we can take, including the promotion of agriculture conservation reserves and expanded ethanol production, to insure that the difficult period facing American farmers comes to an end. Let us use this day not only to thank our farmers for all they have done in the past, but also to let them know that the Congress will be on their side in the future.●

● Mr. DAUB. Mr. Speaker, I am pleased to note our observance of "Agriculture Day," which was created, with my wholehearted support, by last year's passage of Senate Joint Resolution 235.

As the theme of this day points out, agriculture truly is America's heartbeat. With the most effective and efficient worldwide, American farmers provide us with an abundance of reasonably priced food—no simple task, as witnessed by the hunger faced in many other countries.

In light of this efficient system, farmers continue to face severe financial struggles. Our Nation's economic problems have only served to excerbate this situation. In recognizing these problems, this administration has begun to undertake domestic and international action to restore health to our agricultural sector. Export expansion as well as the payment-in-kind program, offer some hope of recovery in the farm sector, and I am seeing renewed hope of a return to the greatness our system of agricultural production once knew. As these programs create more export sales opportunities, coupled with acreage reduction and payment-in-kind, we can begin to reduce our surpluses, and boost sagging commodity prices; a goal that may be slow in coming, but which will surely come, if we continue the course.●

GET OUT AND STAY OUT—MR. PRESIDENT, DON'T VIOLATE THE LAW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

Mr. GONZALEZ. Mr. Speaker, the United States should get its Marines out of Lebanon, and should stay out of war in El Salvador and Central America.

Over the weekend, U.S. Marine Corps officers again stated that American personnel had been harassed and endangered by Israeli forces. The Government of Israel said that there was no basis for these charges. Now, that is a low key response, certainly, but its meaning is unmistakable: The Marines, according to Israel, are telling lies. The lesson for the United States is likewise unmistakable, in my opinion. If Israel's best ally, its most faithful and enduring friend, cannot discipline its forces and will not admit error—if Israel wants to say that well-reported truths are lies—then we have no business in Lebanon. The U.S. Marines should not be hostages to the workout of a withdrawal from Lebanon.

With regard to El Salvador, we ought to stay out of any military involvement. Though we are far more than wasting and have been, as I have reported for a couple years, militarily, not only in El Salvador and heavily unreported to a large extent, the administration argues that the El Salvador army needs more and better training. They forget that at one time, 20 years ago, we had more Air Force advisers in that country than El Salvador had Air Force personnel or planes. They forget that we have trained and armed El Salvador for close to 40 years. If things are worse now than they ever were, does this not suggest that military involvement is not the answer?

The administration has claimed that over in Guatemala, Rios Montt is not such a bad fellow after all; but now Rios Montt himself, seeking to qualify for U.S. arms, admits, "We have abused power, and we want to reconcile ourselves with the people." That was after the Reagan administration withdrew our Ambassador, in protest against the murder of an anthropologist, a Guatemalan working on an American-sponsored project. The truth is, conditions in Guatemala are so grim that even Rios Montt is embarrassed, and the Reagan administration, which embraced him so warmly a few months ago, now has no more stomach for his miniature holocaust. Does not this turnabout in Guatemala warn us against the simple-minded policy we are pursuing in neighboring El Salvador?

In El Salvador, the truth is hard to find, of course. It is elusive, because the Government there seeks to do only what its predecessors have done for decades: Keep up appearances enough to keep Americans quiet, to qualify for aid. If there is no justice, if there is no law within the meaning of the word, so be it. Consequently, the power brokers in El Salvador have become well practiced in the fine art of smoke and mirror routines for Americans. It is no wonder that today it is not easy to find reliable ground in that country. If our policy was to seek reform of one kind or another, the Government in San Salvador would dutifully crank out the necessary decrees; but the reality was that those who pressed for real reform found themselves murdered, killed. Three years ago, almost to the day, Archbishop Romero was murdered in his own cathedral, in the midst of saying mass, in the 20th century, evoking the pre-Christian and Christian beginnings of all the hundreds of thousands of martyrs.

Does anyone doubt, and this does not address itself to the four American nuns, about three or four other Americans who have been murdered, not accounted for? Does anyone doubt that the martyrdom, for example, of Archbishop Romero would have been prevented, if he had not called so clearly for real reform? In fact, he was speaking in the precise terms that the Pope, the present Pope, addressed to our country after his tour of Central America.

Others who have called for real reform have been murdered as well, as I say and repeat, including these nuns, for which no atonement has been made, no accounting has been made. Not one security policeman has ever been punished for murder or torture in El Salvador—this in a country where we are told our aid in necessary to preserve the rule of law.

□ 1820

There may be laws on the books in El Salvador, but the reality is that there is no school of law and the reality is that there are no courts that are either honest or unintimated, as I have brought out in prior statements. There may be investigations, so-called, into murder in El Salvador, but the reality is that murderers acting on behalf of the Government are never found, never punished, and as information reaching me, the reason is quite simple: The murderers and their leaders are the ones that are cheek by jowl with the representatives of your Government and officially put into power with and by the help of our Government.

If the trials that had been planned for some of those accused of the murders of the nuns were to have been held, then certain American officials, CIA and other agency officials, would have been implicated by the tongues of those facing the firing squads as a result of their participation in those deaths. That is what I am told is the truth. Now, of course, who is going to get into that can of worms?

Surely this is not the kind of place where we will gain anything from sending American advisers or troops, however well trained, and however able they may be, for the reality as related by an old hand in that country is that the trainees are not interested in their government nor in their people, for that matter, as they are in their own personal ambitions to scramble to the top of the next political heap.

Meanwhile, back in Lebanon, we already have committed military personnel into a never-never land of irreconcilable conflict. If truth in Central America is illusive, it is a will 'o the wisp in Lebanon. Whom should we believe, our own press accounts, our own Marine officers, or the denials of the Begin government?

Colleagues of mine who have researched the subject have come to the conclusion that the continuation of our troops in Lebanon is in violation of the War Power Limitation Act. The truth is, the President has stepped across the line and is in violation of that act. Our troops have been in Lebanon well over the period permitted without the President ever seeking to justify that action and without Congress having approved it.

There is no question that Lebanon is a combat area, but as in El Salvador, we follow the myth that it is not. Warfare could erupt there at any moment. Almost everybody that observes the situation seems to think so. There could even be, and God forbid, conflict between the Marines and army or components of the army of Israel, and that indeed would be the greatest tragedy of all. Or there could be conflict between our forces and the Falangist forces, those accused of having conducted the massacres in Beirut which brought about the so-called peacekeeping occupancy. Or there could be tragic conflict with any of the dozens of private armies and gangsters who have made Beirut their playground.

The Government of Israel continues to occupy Lebanon. It has long since accomplished its prime mission of dispersing the PLO there. The army of Syria continues to be in Lebanon, yet our open-ended commitment to stand between the warring factions, made without any preconditions that foreign forces withdraw from Lebanon first, as some advocated, gives that continued occupation a kind of legitimacy. If the Syrians and Israelis had departed Lebanon, there would be no need for the Marines there. What good does our occupation do other than to add another chapter to the long and tangled web in Lebanon.

Nobody who understands the history of Lebanon can pretend that a Marine contingent there is unendangered. It was the dispatch of troops into just such places that the War Powers Act addressed itself to, yet the act is being ignored. As in so many other areas, the administration observes only those laws that are convenient. If the President cannot make a case for having the Marines in Lebanon, they should not be there. The War Powers Act requires him to make the case. Since he has made no effort in that direction, I can only conclude that the Marines ought to be withdrawn.

Our policy, therefore, ought to be to get the Marines out of Lebanon and to stay out of El Salvador and Central America military, and the President impeached for heedless and reckless disregard for the law.

CONGRATULATIONS, CARLISLE COUNTY COMETS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. HUBBARD), is recognized for 5 minutes.

Mr. HUBBARD. Mr. Speaker, we have just voted favorably upon H.R. 1149, the Oregon wilderness bill, a very important bill to many people in Oregon. We have spent over 5 hours debating and voting on this legislation.

Permit me less than 5 minutes to speak on a matter of more interest in my district in Kentucky than the Oregon wilderness bill.

Last Saturday night in Lexington, Ky., with 19,500 Kentuckians watching in the huge Rupp Arena, a high school boys' basketball team from Carlisle County, Ky., played one of the big Lexington high schools for the 1983 State championship.

It was David against Goliath. Carlisle County, population 5,400, has a high school, grades 9 to 12, with a total enrollment of 276.

Bradwell is the county seat with a population of 1,200. Carlisle County lies on the Mississippi River.

Lexington Henry Clay High School, grades 10 to 12, has a student enrollment of 1,582.

After winning 40 of 43 games and tying the Kentucky high school record for most games won in one season, Carlisle County's Comets, the crowd favorite at every game they played in the State tournament last week, lost the final game to the big Lexington school, 35 to 33, in three overtimes.

There are only 105 boys in the top three grades at Carlisle County High School. Seven of them—Keith York, Phillip Hall, David Henley, David Rambo, John Tyler, Greg Wilson and Mike Tyler—played in the championship game.

The story of this small school, these players; determination and their going all the way to the State finals was front page news in every Kentucky newspaper yesterday.

So, despite the fact that we are taking another minute here, permit me to congratulate the aforenamed players, school principal Burley Mathis, the excellent and successful head coach Craynor Slone, assistant coaches Frankie Brazzell and Todd Johnson, Manager Tommy Clayton, and yes, why not, the cheerleaders—Lana Burgess, Denise Ellegood, Lori Larkins, Melissa Lindsey, Ange Morrison, Jennifer Felts, and Particia Scott.

I speak for thousands of Kentuckians in extending congratulations to Coach Craynor Slone and Carlisle County High School Comets.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. BRYANT) is recognized for 5 minutes.

● Mr. BRYANT. Mr. Speaker, due to an unfortunate scheduling conflict which required me to be in my congressional district on March 16, I missed several votes on the nuclear freeze resolution, I am a cosponsor of House Resolution 13 and had I been here would have voted as follows:

Rollcall No. 27, "Yes."
Rollcall No. 28, "Yes."
Rollcall No. 29, "No."
Rollcall No. 30, "Yes."
Rollcall No. 31, "Yes."
Rollcall No. 32, "No."
Rollcall No. 33, "Yes."

I believe that the sentiment in my district, our country and worldwide is in favor of a nuclear freeze. I associate myself with the remarks of all my colleagues who spoke out so eloquently in favor of this resolution. I look forward to quick passage of House Resolution 13 when we have the opportunity to vote.●

INTRODUCTION OF COMPREHENSIVE OILSPILL LIABILITY LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. STUDDS) is recognized for 5 minutes.

● Mr. STUDDS. Mr. Speaker, today I am introducing, along with Representatives JONES of North Carolina, BIAGGI, YOUNG of Alaska, and numerous others, legislation to establish a comprehensive oil pollution liability and compensation system for the United States.

This bill resembles H.R. 85, legislation introduced in four previous Congresses, and I believe its enactment is long overdue.

A comprehensive oil pollution liability law is needed because present law is inadequate to guarantee prompt and equitable compensation for those suffering economic loss as a result of an oilspill. Current law also fails to provide sufficient incentives for the prevention and rapid cleanup of oilspills. Our proposed legislation would abolish three existing Federal oil pollution liability funds, thereby reducing administrative costs associated with pollution fund management. In addition, the comprehensive scope of the bill would permit the oil, shipping, and insurance industries to predict with confidence their potential liability for damages resulting from oil pollution.

Approximately 10,000 oilspill incidents occur in U.S. waters each year, perhaps 100 of which exceed 5,000 gallons in volume. While most do not cause significant damage to natural resources, or require major cleanup costs, the potential for a catastrophic spill is always present. The *Amoco Cadiz* tanker spill off the coast of France in 1978 has generated more than $1.3 billion in cleanup and damage claims. The Ixtoc oil rig disaster in the Gulf of Mexico in 1979 cost $140 million in cleanup expenses alone.

Since 1973, the Coast Guard has spent more than $120 million cleaning up oilspills. Only about $40 million of this amount has been recovered from those responsible for the pollution. This translates into an unsolicited $80 million subsidy by the Federal taxpayer to various segments fo the oil production and transportation industries. In 1976, for example, the Federal Government spent $9.6 million cleaning up a Nepco barge spill off the east coast. Under the Federal Water Pollution Control Act, however, the liability of the barge was limited to $875,000. Thus, the Government paid 91 percent of all cleanup expenses. The legislation we are introducing would make certain that all reasonable expenses would be borne either by the spiller or by an industry-financed fund.

There is widespread agreement that a comprehensive oil pollution liability and compensation system is desirable, but controversy persists with respect to certain specific provisions of the bill. There is no common view, for example, about the wisdom of preempting the right of State governments to establish or maintain oil pollution liability funds similar in purpose to that envisioned by the Federal bill. Shipping and barge companies have argued that State funds will not be necessary once a Federal law is in place, and that a failure to preempt will result in inconsistent standards of liability, and in duplicative requirements for contributions to State and Federal funds. Some State governments have countered that a Federal fund may not prove as efficient in fact as in theory, and that State governments are better able to respond, and administer claims with respect to spills in their waters.

In 1981, I offered an amendment to H.R. 85 to permit any State government with an existing oil pollution fund to continue requiring contributions to that fund for a period of 3 years following enactment of the bill. This provision was intended to create a time period within which State governments could either gather confidence in the ability of the new Federal fund to address their needs, or to convince Congress that preemption was, in fact, not a proper course to take. This provision is contained in the new bill which I am introducing today.

The most significant difference between the new legislation and previous incarnations of H.R. 85 is also designed to alleviate concerns about undue Federal interference in areas of State concern. Oil production and storage facilities which are located on land or in State waters are not included within the scope of the legislation, but instead would continue to be subject to State laws, supplemented by the Federal Water Pollution Control Act. State regulatory authority over oil pollution from these sources would not be preempted or in any other way affected by the comprehensive bill.

A second difference between this bill and previous versions is that it includes provisions which would implement two international oil pollution conventions now being considered for amendment by the Legal Committee of the International Maritime Organization (IMO). The United States is the only major maritime country which is not a participant in either convention. I am hopeful that, by including this provision in the bill, we will be able to encourage the approval of amendments which would broaden the scope and increase the liability limits on shipowners under the conventions. Recently, I joined with seven other Members of the House in writing to the Commandant of the Coast Guard, James Gracey, to urge that the U.S. delegation to the IMO press for adoption of amendments of this nature. If the conventions are amended in a manner which would better serve the economic and environmental interests of the United States, I believe it would be desirable for us to ratify and implement the conventions, forthwith. I am convinced, however, that Senate ratification neither should, nor will, occur until amendments of this nature have been adopted. In the absence of ratification, of course, the implementing provisions contained in our legislation will have no effect.

Oil spills do not respect State or national boundaries. They are difficult to predict, difficult to contain, and difficult to clean up. Oil pollution may cause significant economic damage in one area, while a spill of comparable

size in a different area might cause no real damage, at all. What is certain about oil spills is that they will continue to occur, that significant economic and ecological problems will result, and that the potential for a truly catastrophic spill continue to exist.

The legislation we have introduced this year, as in years past, would establish equitable limits on liability for the owners and operators of tankers, barges, Outer Continental Shelf oil production facilities, including mobile offshore drilling rigs and deepwater ports. A single Federal fund would be available to deal with very large spills, and would replace funds presently operating pursuant to the OCS Lands Act amendments, the Deepwater Ports Act, and the Trans-Alaska Pipeline Act. Victims of oil pollution would be required initially to negotiate with the person responsible for the spill, but would be permitted to seek compensation from the Federal fund if a prompt settlement is not possible. The fund will be financed by a 1.3-cents-a-barrel tax on oil received at refineries or oil product storage facilities in the United States. Liability would be strict in nature, and compensation would be available for removal costs and for economic loss due to damage to personal property or natural resources, loss of profits or impairment of earning capacity, and loss of tax revenue for a period of up to 1 year. Suitable limitations are established with respect to the rights and obligations of claimants to guard against frivolous, duplicative, or long-delayed claims.

Mr. Speaker, I have been working for the passage of a comprehensive oil pollution liability since 1975. Representative MARIO BIAGGI, formerly chairman of the Subcommittee on Coast Guard and Navigation, has also exercised a leadership role in this area.

I represent a district which several years ago was threatened with massive economic harm as a result of the grounding of the *Argo Merchant*, an ancient ship, negligently operated and in terrible condition, which spilled millions of barrels of oil into waters off Nantucket, Mass. We know what oil spills can do. We have known for years what is necessary legally to prepare for them. And yet Congress has never taken final action on an oil spill bill. I continue to believe that the basic protections provided by this legislation are far more important than the specific issues which have in the past created discord and blocked enactment. I urge my colleagues to support this legislation, and to join with me in cosponsoring and in working for its rapid approval this year.●

NATIONAL POETRY DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ANTHONY) is recognized for 5 minutes.

● Mr. ANTHONY. Mr. Speaker, I am today introducing a joint resolution to provide for the designation of October 15, 1983, as "National Poetry Day."

Poetry and poets deserve recognition. Poetry is called language at its best, and can, perhaps more than any of the arts, reach directly to our hearts. Poets have and will continue to touch and enrich our lives.

In tribute to the contribution of poetry and poets to the cultural development of this Nation, I urge my colleagues to join with me in urging the President to proclaim October 15 as "National Poetry Day."●

STOKES' IN-DEPTH ANALYSES OF THE IMPACT OF THE FISCAL YEAR 1984 REAGAN BUDGET PROPOSALS ON THE STATE OF OHIO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STOKES) is recognized for 5 minutes.

● Mr. STOKES. Mr. Speaker, I am taking this special order to address an issue of paramount importance to my colleagues, particularly those from Ohio, and to people throughout the Buckeye State—the impact of the President's fiscal year 1984 Federal budget proposals on Ohio. From the purview of my membership on the House Appropriations Committee, my staff has completed the arduous task of analyzing the Reagan administration's fiscal year 1984 budget requests in the areas of education, social services, housing, and the environment. Mr. Speaker, in accordance with this study, these budget proposals, if passed by Congress, will have a severe impact on the services provided for the residents of Ohio.

Mr. Speaker, simply phrased, the Reagan budget is bad news for the country and dreadful news in Ohio. It is even worse when we stop to consider the progressively larger and destructive budget reductions the President has proposed since taking office in 1981. Moreover, when we take a hard look at the devastating effects of the high unemployment level in Ohio, now at 13.6 percent, it is evident that the proposed Federal budget reductions will only push Ohio deeper into the throes of economic chaos.

It then is appropriate and indeed mandatory that we study this analyses of the Reagan budget of Ohio as a working reference for not only the State, but also the Midwest and the Nation. I can think of no better time than the present to review this disturbing yet enlightening analyses before we begin the floor debate in the House on the fiscal year 1984 budget resolution.

EDUCATION

The Federal Government administers an array of educational programs designed to insure that disadvantaged children and students have an opportunity to obtain a high quality education and to assist local school districts in financing important educational services and programs. More than 21 million students are provided educational services through the largest elementary and secondary education programs (compensatory education for the disadvantaged, handicapped education, and vocational education). More than 3 million college students receive aid from one or a combination of Federal student financial aid programs.

President Reagan has made no secret of his desire to cut back Federal spending on education. In addition to budget proposals to cut Federal education aid by about 30 percent in the first 2 years of his administration, the President has also proposed to repeal and consolidate over 44 categorical programs into two education block grants. If President Reagan had had his way, Federal support for education would have been slashed from $14.8 billion in fiscal year 1981 to $12.6 billion in fiscal year 1982 and $9.9 billion in fiscal year 1983. This would have meant a 33-percent absolute reduction and a 46-percent real reduction (considering inflation) in Federal educational assistance in just 2 short years.

Congress has rejected most of the draconian budget cuts sought by the Reagan administration, refusing to put compensatory education for disadvantaged children (chapter 1), education for the handicapped, and vocational education programs into block grants. Also, Congress has continued Federal support for libraries, women's educational equity, followthrough, cooperative education, international education, graduate fellowships, and other programs which were slated for termination.

Nevertheless, Federal support for education has declined substantially during the Reagan administration, though not as steeply as envisioned by the administration. For example, Congress would have had to appropriate over $17 billion in fiscal year 1983 to maintain the real quality and quantity of Federal education services as was financed in the fiscal year 1981 pre-Reagan education budget. Instead, the fiscal year 1983 education budget was $15.2 billion. The Reagan request was only $9.9 billion.

For fiscal year 1984, the administration would continue to erode Federal support for education. The fiscal year 1984 budget request for the Department of Education totals $13.2 billion, or 12 percent less than the amount made available in fiscal year 1983. Additionally, the President has again

proposed rescissions in education funding already appropriated.

Cleveland and other urban school districts have felt a disproportionately negative impact of the Federal education budget cuts because Federal dollars make up more of their budgets than in other, less poor school systems. In the first year of the Reagan administration, Cleveland received more than $21 million in elementary and secondary education aid. The bulk of this aid was comprised of $12 million in compensatory aid for disadvantaged children funding, $1.8 million for handicapped education, nearly $4 million in emergency school aid assistance (desegregation aid) funding, and $1.4 million in vocational education funding.

By fiscal year 1983, the flow of Federal education assistance had dwindled to slightly more than $15 million—only 3 out of every 4 Federal education dollars previously received by the Cleveland public schools. Cleveland's share of Federal education aid would drop still further to about $14.7 million in fiscal year 1983 and $14 million in fiscal year 1984 if President Reagan's proposals are adopted. In fiscal year 1984, the largest cuts would come in compensatory aid for disadvantaged children—Cleveland's share would drop to about $10 million—and in vocational and adult education—Cleveland's share would drop to about $661,000.

These reductions in Federal education aid could not have come at a worse time for the Cleveland public schools. In the last 3 years, the school system has had to deal with a number of crises—teacher strikes, budget deficits, and court-ordered desegregation. Last year, the school system had to borrow $19 million from the State in order to stay afloat and is now in receivership. The new school superintendent has pledged not to borrow again from the State this year, which means that the school system will have to implement severe economies in order to balance its budget.

All these problems have been compounded by reductions in Federal education assistance. Thus far, chapter 1 services to disadvantaged students have felt the brunt of these budget cuts. Cleveland's annual share of chapter 1 appropriations has dropped by about $2 million since fiscal year 1981. Two-thirds of the Cleveland public school enrollment is comprised of disadvantaged children, yet the school system has been forced to cut out the 140 chapter 1 teacher aides over a 2-year period, forcing smaller class sizes and fewer children served. Under the emergency school aid assistance (ESAA) programs, Cleveland public schools received $7 million in fiscal year 1980 and $4 million in fiscal year 1981 to finance the implementation of desegregation activities, primarily the establishment of magnet schools. These dollars are no longer available under the chapter 2 block grant, into which ESAA and several other programs were merged in fiscal year 1982. Cleveland's entire allocation under the chapter 2 block grant is little more than $1 million to conduct desegregation activities and several other activities, previously funded in categorical programs.

HEALTH CARE

MEDICARE

Medicare covers hospital, physician, and other medical costs for persons aged 65 and over and for most disabled persons entitled to social security cash benefits. In fiscal year 1984, medicare is expected to finance health services for 27 million aged and 3 million disabled Americans. The administration fiscal year 1984 budget proposes a number of structural changes in this program which are designed to save $1.7 billion in fiscal year 1984, in addition to the $5.1 billion in fiscal year 1984 medicare spending reductions passed by Congress in 1981 and 1982. Specifically, the fiscal year 1984 budget proposes significant increases in cost-sharing by medicare beneficiaries for shorter term hospital stays with limited cost-sharing for hospital stays longer than 60 days. As a result, medicare beneficiaries would have to pay more in copayments, deductibles, and premiums than now is the case. For the average 11-day hospital stay, the President's proposals would increase out-of-pocket expenses for each medicare patient by about 80 percent to $630.

Moreover, the administration proposes in fiscal year 1984 to freeze medicare reimbursements to physicians at 1983 rates and to tighten hospital reimbursements. These proposals could also result in additional out-of-pocket costs for medicare patients if physicians attempt to recoup from elderly patients charges which exceed medicare reimbursements.

In Ohio, 1.3 million persons are enrolled in the medicare program and could face substantially higher medical expenses if the administration's medicare proposals are adopted. For many low-income elderly, faced with delays in inflation adjustments in social security, cutbacks in housing, and food stamp programs, and rising utility costs, paying more for health care will mean foregoing some other basic necessity.

MEDICAID

The medicaid program helps States to pay for medical care for nearly 23 million poor persons. Included among these persons, are 10 million children who but for medicaid would be unable to receive needed checkups, medical treatment, medicine, and dental care. Nevertheless, medicaid covers only about half of the poor people in this country.

In fiscal year 1981, the Federal share of medicaid costs was slashed by nearly $1 billion a year for fiscal years 1982, 1983, and 1984. Additional cuts were added in 1982. In response to this deep and immediate cut in medicaid funding, and also in response to internal State budget pressures, a majority of States have implemented a variety of cutbacks in services and medicaid eligibility. These cutbacks include terminating coverage for certain services, requiring poor individuals to pay more from their own pockets for medical services, and limiting the number of physician, clinic and hospital visits covered.

For fiscal year 1984, the administration proposes additional Federal spending cuts totaling $300 million for medicaid. The Reagan proposal mandating that copayments be required of all medicaid recipients would mean that medicaid patients will pay more but receive less.

While literally thousands of families, including 660,000 children, automatically lost their eligibility for medicaid due to steep Federal reductions in the AFDC program, many States are experiencing rising medicaid caseloads due to the current economic conditions. Millions of Americans who have lost their jobs are now eligible for medicaid. It is ironic that President Reagan decries the high cost of medicaid when his own economic policies are driving medicaid expenditures even higher.

In Ohio, the medicaid program is facing pressures from all sides. Although 8,400 people were eliminated from the medicaid program as a result of Federal AFDC cuts, high unemployment (at 14 percent) has created a new demand for medicaid from the unemployed. Meanwhile, the combination of Federal budget cuts and a State deficit has forced the State to look for ways to save money. Ohio has already lowered the number of hospital days covered by medicaid from 60 days per year to 30 days per year and is now exploring ways to impose copayments for medicaid services and to otherwise limit the extent to which medicaid benefits will be reimbursed.

SUPPLEMENTAL FEEDING PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

The WIC program is a highly successful program which provides prescription food supplements, such as infant formula, milk, eggs, and fruit juice, to low-income women, infants and children determined to be at risk of illness due to poor nutrition. Nationally, WIC serves about 2.3 million women, infants, and children. In Ohio, roughly 99,000 persons are served. Of these persons, about 7,000 reside in Cleveland.

The Congress has rejected repeated administration attempts in fiscal year 1981 and fiscal year 1982 to slash WIC funding or to merge WIC with other maternal and child health programs. In fiscal year 1983, the Congress appropriated $1.9 billion for WIC nationally. Ohio received $44 million. Of this amount, roughly $3 million was spent for women, infants, and children in Cleveland.

The fiscal year 1984 administration budget proposes to level-fund the WIC program at $1.9 billion. While this is a positive change from the deep budget cuts proposed in previous years, the administration fiscal year 1984 budget is still insufficient to meet the great and growing need for WIC food supplements among at-risk women, infants, and children. Moreover, if food prices increase 5 percent in fiscal year 1984 above fiscal year 1983 levels as forecast by the Congressional Budget Office, 115,000 women, infants, and children can expect to be dropped from the WIC program next year.

Under the administration's fiscal year 1984 WIC proposal, Ohio and Cleveland can expect to receive roughly $44 million and $3 million respectively in WIC funding—the same as current levels. However, a 5-percent rise in food prices would force about 5,000 persons out of the program in Ohio. Of these, 356 persons could reside in Cleveland.

As of January 1983, there is a tremendous demand for WIC services in Ohio; 14,000 women, infants, and children were on the WIC waiting list. Of these, 2,500 women, infants, and children were in Cleveland. Many other nutritionally at-risk women may have totally given up on ever receiving WIC assistance because of the long waiting list. For these needy individuals, the administration's fiscal year 1984 budget proposal offers little hope for a healthier and improved quality of life.

MATERNAL AND CHILD HEALTH BLOCK GRANT

The maternal and child health (MCH) block grant reaches mothers and children with prenatal care, family planning services and immunizations and checkups for crippled children, high-risk newborns and mothers. In 1981, these activities suffered a 15-percent budget cut when President Reagan proposed the consolidation of several successful maternal and child health categorical programs into the MCH block grant. National funding was cut from $455 million to $373 million in fiscal year 1982 and has remained at that level in fiscal year 1983. Budget cuts have forced States to cut back on critical primary care services since most States were unable to offset the cuts with State funds. For fiscal year 1984, President Reagan plans to continue the MCH block grant at the $373 million level, which will not even allow for an inflation adjustment. Since 1981, maternal and child health activities have suffered a real loss in funding of nearly 30 percent.

Under the President's fiscal year 1984 budget plan, Ohio would receive $15.6 million under the MCH block grant, an increase of $2.3 million over the current allocation which assumes a change in the current funding formula. This increase could allow the State to restore funding for two maternity and infant care projects, two children and youth projects, and for family planning services which were reduced in 1982, affecting a total of 5,000 to 6,000 people. Even so, the State faces a critical problem in maternal and child health with fewer staff to serve more people at maternal and child health clinics. A number of counties and cities with high unemployment rates are showing indications of a rise in infant mortality rates. In Cleveland, infant mortality rates are already a shocking 20 deaths per 1,000 live births compared with the State average of 12 deaths per 1,000 live births. Moreover, it is estimated that 35,000 low-income women will give birth this year and that the State will be able to provide prenatal care to only one-third of these needy individuals.

ALCOHOL, DRUG ABUSE AND MENTAL HEALTH BLOCK GRANT

In fiscal year 1982, Congress enacted legislation consolidating alcohol, drug abuse and mental health service programs into one block grant to the States in response to Reagan budget proposals. Funding for these activities was slashed from $623 million in fiscal year 1981 to $432 million in fiscal year 1982 and $439 million in fiscal year 1983. President Reagan proposes to maintain the alcohol, drug abuse, and mental health block grant at the same level in fiscal year 1984.

For Ohio, these budget cuts are forcing reductions in alcohol, drug abuse, and mental health services which are just beginning to be felt at the State level. Over the past 3 years, Federal funds for these activities in Ohio have dropped by a third from $33 million to $22 million. The fiscal year 1984 Reagan budget for the block grant would maintain Ohio's share at about $22 million, with no allowance for inflation.

Unemployment in Ohio is creating new demand for alcohol, drug abuse, and mental health services. While the State has contributed some funding to sustain support to 35 community mental health centers, it may be seeing just the beginning of expanding demand for mental health services. State officials believe that there is a 2-year lag between the loss of a job and the development of mental health problems. Thus, the State's high unemployment levels may continue to place additional pressures on alcohol, drug abuse, and mental health services unless relief is provided at the Federal level. With no increases proposed for these services in the administration's fiscal year 1984–88 budget plan, however, the Reagan budget would continue to seriously underfund Ohio's alcohol, drug abuse, and mental health needs in fiscal year 1984 and beyond.

PREVENTION BLOCK GRANT

Since the start of the Reagan administration, annual Federal appropriations for preventive health, hypertension, lead-based paint poisoning prevention and emergency medical services have declined by more than a third. In fiscal year 1982, categorical programs for these initiatives were combined into a single prevention block grant and funding slashed from about $134 million to $82 million in fiscal year 1982. The Federal appropriaton for the block grant was increased slightly to $85 million in fiscal year 1983 and President Reagan has requested the same amount for fiscal year 1984.

Budget cuts of the magnitude of those implemented in the prevention block grant have forced Ohio's share of the funding from $5.8 million to about $4 million at present. Emergency medical services and drug abuse prevention programs are amond those services hit especially hard by Federal budget reductions.

Cleveland has a high incidence of hypertension among its black population and lead-based paint poisoning among school-age and younger children. Additional Federal support in these areas could be quickly utilized, but is unlikely given Reagan propsals to level-fund the prevention block grant in fiscal year 1984 and beyond.

COMMUNITY HEALTH CENTERS

Community health centers provide prenatal care, child immunizations, nutrition counseling, and other primary care services to thousands of persons living in medically underserved communities. In fiscal year 1981, $325 million was available to support of 850 community health centers.

At President Reagan's request to consolidate Federal support for community health centers with several other health service programs into a block grant to the States, Congress converted the community health centers program in fiscal year 1982 into the primary care block grant to the States and cut funding for the community health centers to $281 million as part of the conversion. Federal support was increased slightly to $295 million in fiscal year 1983. For fiscal year 1984, President Reagan has proposed that $295 million now available for community health centers and $165 million now spent on family planning and migrant health services be merged into an expanded primary care block grant with a combined funding level of $460 million.

The impact of the reductions in funding for community health centers implemented in 1982 was swift and dramatic. Over 100 centers serving more than 400,000 persons were terminated from Federal support. Six community health centers in Ohio lost Federal funding. They provided health care to over 39,000 persons. One of these centers, Group Health of Northeast Ohio, served 27,000 persons in the Cleveland area.

The prospects for recovering these services in 1983 and 1984 look bleak. The fiscal year 1983 appropriation and the fiscal year 1984 budget request for the primary care block grant will only be sufficient to maintain current service levels at existing community health centers and to restore some services at existing centers located in critically underserved areas.

FAMILY PLANNING

Federal support for title X family planning services has dropped sharply in the last 2 years. While Congress has blocked President Reagan's proposals to combine family planning activities into other health service block grants, Congress did agree to cut Federal support for title X family planning grants by 25 percent, from $166 million in fiscal year 1981 to $124 million in fiscal year 1982 and fiscal year 1983. For fiscal year 1984, President Reagan has again proposed that Federal support for family planning be provided through the primary care block grant.

Federally supported family planning clinics serve low- to moderate-income persons, who often have limited access to good health care facilities. Despite the need for this type of health service, 600,000 fewer patients were served in family planning clinics in 1982 due to the sharp Federal budget cut for title X family planning, 4.2 million persons are now served as compared with 4.8 million in fiscal year 1981.

In Cleveland and the surrounding four counties, the impacts of Federal reductions in family planning spending are just beginning to be felt. In fiscal year 1983, 28,800 persons will receive family planning services in federally supported clinics in the Cleveland metropolitan area, 4,200 fewer persons than 2 years ago. The Cleveland metropolitan area now receives $1,155,000 in title XX family planning dollars, $177,000 less than it received 2 years ago.

Additionally, changes in the conversion of the Federal title XX program into the social services block grant also resulted in fewer family planning dollars flowing into Cleveland. About $40,000 of social services block grant moneys in Cuyahoga County and the surrounding counties are now spent on family planning activities, compared with about $250,000 4 years ago.

HUMAN DEVELOPMENT SERVICES

SOCIAL SERVICES BLOCK GRANT

The social services block grant enables States to finance the provision of homemaker, day care, social services training, child welfare services and a variety of other social services. For fiscal year 1984, the administration proposes to fund the social services block grant at $2.5 billion. This amount is $50 million more than the fiscal year 1983 appropriations. Nevertheless, even with the small increase, the Reagan fiscal year 1984 budget is still nearly $500 million below the $2.991 billion which was provided for the block grant (then title XX) in fiscal year 1981. Thus, from fiscal year 1981 to fiscal year 1984, social services activities funded under this program will have suffered a 16-percent absolute reduction in funding, and a reduction more like 25 percent in real terms.

Under the President's budget for fiscal year 1984, Ohio would receive $116.9 million in block grant funding—an increase of $745,000 over the current level. Compared to the amount the State received in fiscal year 1981, Ohio has suffered a significant loss in its ability to provide social services to needy people. In fact, at a time of unprecedented demand for such assistance, Ohio will receive in fiscal year 1984 block grant funds $29 million less than it received 3 years ago—a reduction of about one-third in real terms.

Since fiscal year 1981, Federal social services block grant funds flowing to Cuyahoga County have been cut by nearly $3 million. For fiscal year 1984, Cuyahoga County would receive about $21.6 million, down from the $24.4 million it received the year before President Reagan came into office. In order to meet the escalating demands for day care from poor working women, increasing child abuse, homeless families, and so forth, the county has been forced to step up its local contribution just to help offset the Federal cuts.

COMMUNITY SERVICES BLOCK GRANT

The community services block grant consists primarily of programs operated by local community action agencies to address the needs of the poor. These activities were once administered directly by the Community Services Administration and funded at $489 million in fiscal year 1981. But, at President Reagan's insistence to shut down the agency, Congress consolidated its program into a block grant and cut its funding to $360 million in fiscal year 1982. For fiscal year 1984, the administration proposes to merge these programs into the social services block grant—in effect, terminating the community services block grant. The Reagan budget includes only $3 million for closeout activities.

Ohio received $12.8 million in community services block grant funding in fiscal year 1983 and, thus, would lose these moneys if the block grant were to be terminated in fiscal year 1984. Since Ohio is facing its own State deficit problems, it is highly unlikely that State funds would be used to offset this budget cut. Moreover, in the case of Ohio, the administration's rationale for terminating this block grant is wholly unrealistic. The administration has indicated that States are free to fund community services block grant activities under the social services block grant which is slated for a small funding increase. Ohio's share of this small increase, however, would not even begin to offset the huge cut of nearly $13 million which Ohio would suffer due to the termination of the community services block grant. Many vital activities conducted by the community action agencies—food and nutrition advocacy, crisis assistance, home weatherization—would be forever lost.

HEAD START

Federal funding for Head Start is one of the few areas which has not been reduced under the budget ax of the Reagan administration. Because of its widely recognized success in providing comprehensive educational health and social services for 3- to 5-year-old children from low-income families, the Head Start Federal appropriation has increased from $820 million in fiscal year 1981 to $912 million in fiscal year 1983. This increase in funding, however, has not allowed the program to grow or even keep pace with inflation. Moreover, Reagan initiated budget cuts in other Federal programs which interfaced with Head Start have forced local projects to diminish the quality of their programs. For example, the termination of Federal public service jobs under CETA caused Head Start programs to lose 6,000 workers serving more than 50,000 children. Cutbacks in the social services, child food care, and medicaid programs also have impaired the ability of Head Start projects to maintain their quality and comprehensiveness—a key reason for their success.

For fiscal year 1984, the administration proposes to increase Head Start funding by $62 million to $974 million. This increase will allow Head Start to expand its current national enrollment of 395,800 children, but not by as much as suggested by the administration. The administration budget does not include funding for Head Start children who were served on a one-time basis in fiscal year 1983, nor does it provide a full cost-of-living increase for Head Start projects.

Ohio's share of the Head Start budget would increase from $35.5 million in fiscal year 1983 to about $37.7 million under the President's plan (excluding child care food reimbursements). Cleveland's share of the Head Start budget would increase to roughly $6 million, slightly more than the

planned fiscal year 1983 budget allocation of $5.7 million serving 3,200 children. Since the Head Start projects in Cleveland have perhaps suffered more than others from Federal cutbacks in CETA, medicaid, et cetera, the proposed funding increase may only allow the projects to compensate for service reductions implemented during the last 2 years.

SOCIAL SERVICES AND NUTRITION PROGRAMS FOR THE ELDERLY

In fiscal year 1983, State aging agencies, social services, and nutrition services for the elderly received $644 million in Federal funding to support a variety of activities which allow senior citizens to maintain a decent quality of life. Services provided include meals, homemaker and home health aids, legal, and transportation services. For the black elderly, who are the most impoverished of all senior citizens, these services are critical to their survival. For fiscal year 1984, the Reagan budget proposes $610 million for these same activities—a cut of $32 million or 5 percent.

For Cuyahoga County and the surrounding four counties, the President's budget request means that local programs for the aging would have $287,000 fewer dollars to work with while struggling to maintain the current level of services for the local elderly population. Federal funding flowing to local aging programs would drop from $5.4 million to $5.1 million.

Currently, about 9 percent of the 250,000 persons above age 60 years in Cuyahoga County are served in federally funded aging programs. About 5,200 meals are served to seniors on a daily basis. The county has been struggling in the last several years to maintain this level of service in the face of inflation and uncertainty about Federal budget cuts. In fiscal year 1981 and fiscal year 1982, the Cuyahoga County Board of Commissioners has contributed funding for senior nutrition programs to offset insufficient Federal funding. In fiscal year 1983, the county board of commissioners was forced to supplement Federal funding for social services for the elderly to maintain services. In fiscal year 1984, the county board again will be faced with having to contribute funding to offset Federal budget cuts or else turn away seniors who previously have received services if the Reagan fiscal year 1984 budget for elderly social and nutrition services is approved.

RUNAWAY YOUTH

The runaway youth program supports the efforts of community organizations, local, and State governments to develop and strengthen services for runaway and homeless youth. Only a tiny portion of the needs of these youth are being addressed through Federal efforts. An estimated 442,000 youth and families were served in fiscal year 1982, but 1.2 to 1.5 million children are believed to run away from home each year. Many communities still lack any services at all for these youth.

In the face of the shortage of facilities and services for runaway youth, the Reagan fiscal year 1984 budget proposes a budget cut of nearly 50 percent for this program. This request is consistent with earlier administration efforts to terminate the runaway youth program or to consolidate it with other social service programs. The proposed Federal budget reduction cutting the program from $21.5 million in fiscal year 1983 to $10.5 million in fiscal year 1984 would mean erratic funding for Ohio. Ohio's fiscal year 1982 funding of $492,000 would increase to $819,000 in fiscal year 1983 but decrease back to $492,000 in fiscal year 1984 under the President's plan. Future funding prospects for the seven runaway youth projects in Ohio in fiscal year 1983 appear excellent but less certain in fiscal year 1984. The Free Medical Clinic (Safe Space Station) is the only project in Cleveland currently receiving runaway youth funding ($77,000).

WORK INCENTIVE PROGRAM (WIN)

Despite a successful track record of assisting welfare recipients in locating work and employment opportunities, the administration proposes to discontinue any Federal support for the WIN program in fiscal year 1984. About 200,000 AFDC recipients nationally were placed in full- or part-time unsubsidized employment during fiscal year 1982. In fiscal year 1983, the WIN program was budgeted at $271 million. If Congress agrees to terminate WIN in fiscal year 1984, Ohio will lose $14.3 million.

CHILD NUTRITION PROGRAMS

Federal child nutrition programs (school lunch, school breakfast, special milk, child care food, and summer food programs) insure that millions of children receive free and reduced-price meals in school. Over 23 million children participate in the largest program, school lunch. The vast majority of the children in all programs are from low-income families.

At the urging of the administration, child nutrition programs were cut sharply in 1981. Federal appropriations for the programs dropped from $3.2 billion in fiscal year 1981 to $2.8 billion in fiscal year 1982. The cuts fell particularly hard on the working poor, many of whom became ineligible to participate in the school lunch program. As a result, nearly 3 million children and 1,000 to 2,000 schools which participated in the school lunch program during the Carter administration no longer do so. Reductions were also implemented in 1982 in the child care food program which provides support for meals served in day care centers and the summer food service program. In fiscal year 1983, President Reagan proposed new cuts in the various child nutrition programs and these were largely rejected by Congress, which appropriated slightly more than $3 billion for the programs.

The fiscal year 1984 Reagan budget again includes proposals designed to curtail Federal spending on child nutrition. These proposals include a 6-month delay in the scheduled cost-of-living adjustment in school lunch reimbursements, further reductions in the Federal subsidy for reduced price lunches and requiring families participating in the school lunch program to apply at local food stamp offices. Also, the fiscal year 1984 administrative budget proposes to consolidate the school breakfast, child care food, and summer food program into a nutrition assistance block grant with funding of $535 million, or 30 percent below the amount required to maintain the three categorical programs.

The child nutrition reductions implemented in 1982 caused Ohio to lose more than $6 million in Federal subsidies for school lunches and other nutrition assistance for children. Federal child nutrition aid to Ohio dropped from $125 million in fiscal year 1981 to $118 million in fiscal year 1982 and fiscal year 1983. The Cleveland public schools lost $700,000, or about 8 percent of its child nutrition Federal reimbursements in 1982. Child nutrition aid to Cleveland public schools declined from $12.3 million in fiscal year 1981 to $11.7 million in fiscal year 1982 but increased back to $12 million in fiscal year 1983.

The impact of President Reagan's proposals for the school lunch program in fiscal year 1984 could have a disproportionately negative impact on the Cleveland public schools because of the large proportion of children who participate in the program. Fully two-thirds of the school population receives either a free or reduced-price lunch. In fiscal year 1983, the Cleveland public schools will serve over 8 million free and reduced-price lunches at a cost of $8.9 million. Most of the lunches served are free lunches reflecting the disadvantaged status of the school system's population.

Several of the administration proposals will result in further reductions in Federal funding for child nutrition programs in Cleveland. One element of the President's budget proposals—to delay for 6 months the inflation adjustment for school lunch reimbursements—could cost the school system over $200,000 in lost reimbursements in fiscal year 1984. A second element of the administration budget—to reduce Federal reimbursements rates for reduced price lunches—would affect about 5 percent of the children who participate in the school lunch program in the Cleveland public schools. Federal subsidies for reduced-

price lunches were reduced in 1982 with the resulting costs passed on to parents. Another reduction in Federal reimbursements would mean still higher school lunch prices for children in working poor families and could cause a further decline in the number of these children who receive a nutritious lunch at school.

Although the Cleveland public schools do not participate in the child care food and the summer food programs, the administration proposal to merge them with the school breakfast program and to cut the funding for the combined programs by 30 percent could mean an initial loss of $900,000 for the school system if funds allocated under the block grant to the three activities in the same proportion as current allocations. This loss would grow in future years because the block grant funding would not be adjusted for inflation in food prices. Moreover, since the block grant would be administered at the State level, the school system would lose administrative control of its school breakfast program, which now provides over 4 million meals per year. The school system would be placed in a situation of competing for funding with day care centers and organizations running summer programs.

LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

The Reagan fiscal year 1984 budget request for the low-income home energy assistance program is $1.298 billion as compared with the fiscal year 1983 appropriation of $1.973 billion. Expressed another way, the administration request is a $675 million or 34 percent budget reduction from the current budget level for energy assistance for poor persons.

For Ohio in general and Cleveland in particular, a budget reduction of the magnitude contemplated in the President's budget would be devastating given the high level of unemployment and rising utility prices in Ohio. Both of these factors have served to increase demand for energy assistance in Ohio because more households are now eligible and greater amounts of assistance are needed per household. Ohio will serve about 375,000 households in fiscal year 1983, or only 47 percent of those families potentially eligible. These households received an average benefit of $156 per household, which is a drop from the $171 and $245 average payment per household in fiscal year 1982 and fiscal year 1981 respectively. Of the 375,000 households which received energy assistance, 54,000 live in Cuyahoga County. These 54,000 households which were fortunate enough to receive energy aid represented about half of those households eligible to receive energy assistance in the county.

If the administration's fiscal year 1984 budget request is approved by Congress, Ohio may face a loss of $34.6 million in low-income energy assistance under the current allocation formula. In fiscal year 1983, Ohio received $101.233 million. This amount would drop to $66.594 million under the fiscal year 1984 Reagan budget if the current allocation formula is retained. The administration has indicated its intent to propose a new statutory allocation formula which would target energy assistance funds to the most needy States. This could result in a smaller budget cut for Ohio's energy program. However, no details on a new formula are available at this time. Moreover, any formula changes which shift program resources from the Southern and Western States to the Northeast are likely to be very controversial.

Under the present formula, a funding cut of $34.6 million or 34 percent would force Ohio to make a choice between the lesser of two evils. If the State were to decide to maintain the average energy benefit paid, the numbers of families served would have to cut back sharply—roughly 128,000 families could be dropped from the program; 18,000 of these families could be from Cuyahoga County. This program reduction would mean fewer persons receiving energy assistance at a time of increasing demand from unemployed workers in Ohio.

Alternatively, Ohio could decide to assist as many households as possible but at drastically reduced benefit levels. In the face of rising utility costs per household (74 percent of Ohio energy assistance recipients heat their homes with natural gas which increased 30 percent in price this year), greatly reduced energy assistance payments may be of little value in preventing utility cut-offs or in providing otherwise meaningful assistance to needy families in Ohio. Half of these families have incomes at or below the poverty line.

EMPLOYMENT AND TRAINING FOR THE DISADVANTAGED

Since the beginning of the Reagan administration, unemployment throughout the Nation has soared. In January 1981, more than 8 million Americans were out of work. By January 1983, unemployment status had claimed more than 11 million individuals, after reaching the 12 million mark in December 1982. Yet, despite deteriorating employment prospects for the "structurally unemployed," mounting unemployment among the working poor and middle class, and a nearly hopeless situation for minority youth, the Reagan administration has cut Federal job training assistance to needy individuals more and more.

In fiscal year 1981, the Federal Government spent more than $6.4 billion on employment and training programs under the Comprehensive Employment and Training Act (CETA) and the Job Corps. In fiscal year 1982 and fiscal year 1983 only $3.7 billion was appropriated in each year.

The fiscal year 1984 budget request includes still fewer dollars—$3.6 billion for the new Job Training and Partnership Act which authorizes a new employment and training block grant to States, summer jobs for youth, and the Job Corps. Thus, in 3 years, Federal expenditures to provide unemployed persons with job skills and training will have been slashed by 44 percent if President Reagan's budget proposals are adopted. These proposals include $1.886 billion for the employment and training block grant to States, a 13-percent reduction below the comparable fiscal year 1983 level of support under CETA. Additionally, the President has requested a rescission of $85 million in fiscal year 1983 appropriations for summer youth employment under the assumption that these funds will not be needed if his legislative proposal to implement a subminimum youth wage is approved by Congress. As a result, the budget assumes a reduced level of $640 million in fiscal year 1983 and $638 million in fiscal year 1984 for summer jobs for youth—a 12-percent cut below the $724 million which Congress appropriated in fiscal year 1983. Level funding is proposed by the administration for the highly successful Job Corps program at $586 million. The only funding increase in the employment and training budget is a $240 million request for the new dislocated workers program—a severalfold boost over the fiscal year 1983 initial allocation of $25 million.

Ohio and Cleveland have reached a crisis situation because Federal job training assistance has been cut sharply at the same time that unemployment in Ohio and Cleveland has been steadily increasing. The unemployment rate in Ohio is now in excess of 14 percent—the highest in the Nation after Michigan. At a time of increasing need, Ohio and Cleveland's share of Federal job funding has steadily dropped. In fiscal year 1981, Ohio received nearly $287 million under CETA and the Job Corps programs, but by fiscal year 1983 this aid had dropped to only $169 million. And, if the President's proposed rescission for summer youth job funding is adopted, Ohio will lose another $4 million in fiscal year 1983 funding.

Cleveland has suffered a similar loss in critical Federal job training dollars. Cleveland's share of CETA and Job Corps funding has dwindled from $34 million in fiscal year 1981 to $20 million in fiscal year 1982 and $19 million in fiscal year 1983. As a result of these reductions, employment and training services in Cleveland do not begin to meet the total need of about 40,000 to 50,000 disadvantaged adults and youth who are eligible for this help and des-

perately need job skills. At least half of the minority youth in Cleveland lack jobs. Yet, Cleveland now provides Federal job training assistance to only 11,000 persons, as compared with about 14,000 persons 2 years ago. The termination in 1982 of the public service jobs component of CETA caused a large part of the problem, closing down 2,000 jobs in municipal government and 500 jobs in nonprofit and community-based organizations. The loss of these jobs resulted in the loss of important services for the community in day care centers, schools and health clinics, in Head Start projects and nutrition programs, and in numerous road and bridge repair projects.

Were it not for the dislocated workers program, which assists persons unemployed as a result of mass layoffs and plant closings, Ohio and Cleveland would suffer a continued decline in Federal employment and training assistance in fiscal year 1984. Excluding funding for dislocated workers, preliminary figures indicate Ohio's share of Federal employment and training appropriations to drop to about $153 million, with about $19 million of that going to Cleveland. But, because of the huge worker displacement from the auto and steel industries in Ohio, the State will receive a boost of more than $12 million under the proposed budget for the dislocated workers program. This would raise the State's total share of the fiscal year 1984 Federal employment and training budget to about $166 million—allowing the State to receive about the same funding as its 1983 allocations. Cleveland would almost certainly receive a substantial portion of the dislocated workers program budget, but estimates are not available at this time.

HOUSING

The Federal Government currently supports a cumulative total of 3.17 million units of housing. This broad undertaking reflects the national housing policy Congress adopted in 1949 which called for the realization, as soon as possible, of a decent and suitable living environment for every American family.

In the fiscal year 1984 budget the Department of Housing and Urban Development has proposed drastic reductions and realinements in a number of programs. Though not as draconian as last year's proposals, which were rejected by Congress, they would fundamentally alter the delivery of housing to this Nation's low- and moderate-income families.

The fiscal year 1984 HUD housing budget is summarized as follows:

SUBSIDIZED HOUSING

Included in the fiscal year 1984 reduction is a 94 percent cut in the level of new budget authority for subsidized housing. Last December, Congress provided $8.6 billion for low-income housing for fiscal year 1983; this current budget proposes only $515 million. The level of budget authority for HUD's low-income housing programs is only 1.9 percent of the level provided when President Reagan took office. Indeed, it is only 2.1 percent of the $23.9 billion level proposed by President Ford in 1976. Moreover, these are current dollar comparisons and do not reflect inflation.

These dramatic cuts mean that for the second consecutive year the Federal Government will not contract to build or substantially rehabilitate any newly subsidized housing units. This will have a wide-ranging effect in Cleveland where there are over 2,400 individuals waiting to move into Cleveland Metropolitan Housing Authority. These individuals, due to lack of income and lack of affordable housing, are forced into whatever available housing exists—regardless of its condition.

HOUSING VOUCHER PROGRAM

While a cornerstone of the Reagan fiscal year 1984 housing budget is a housing voucher program, this proposal will accomplish little in expanding the supply of adequate and affordable housing. Under the proposed $1.36 billion housing voucher program, 80,000 families would receive vouchers worth about $2,000 per year. In fiscal year 1984, all new subsidized housing units, except for 10,000 units for the elderly and handicapped, would be funded under the voucher program.

Recipients would be expected to pay up to 30 percent of their income for rent while the Federal subsidy would be calculated as the difference between the tenant contribution and a "reasonable rent level" based on prevailing rents in the local market.

FOOD STAMPS AS INCOME

Additionally, the administration is again proposing to count food stamps as income in determining rents and eligibility for low-income housing. About half the households in public housing or section 8 subsidized housing receive food stamps. These families are the poorest of the low-income housing tenants. Under the Reagan proposal, the rent of low-income housing tenants would increase by 27 percent of the value of their food stamps. This means that the greatest absolute rent increase would fall on the poorest tenants, since they have the highest food stamp allotments.

The impact of this change would be especially acute in Ohio. In 1982, the monthly budget of an average welfare mother with two children was made up of the following sources:

AFDC grant	$263
Food stamps	146
Total	409

From her AFDC grant she was expected to pay $55.38 per month for rent. Under the Reagan proposal, her rent would increase 68.5 percent to $93.34 and would leave her only $169.66 in actual monthly income.

The combined impact of the proposed voucher system with a subsidy level of $2,000, counting food stamps as income, as well as HUD proposals to alter the method of calculating "fair market" rents, would mean greatly reduced levels of housing assistance to poor families and individuals than is available under existing programs.

PUBLIC HOUSING SUBSIDIES AND MODERNIZATION

The Reagan administration has proposed a change in how public housing subsidies are to be calculated. These subsidies are intended to cover the difference between income from tenant rents and the cost of operating public housing projects. The Reagan proposal bases the subsidy on a concept of the "fair market rent" prevailing in the community rather than the actual cost of operating the project. This will result in a fundamental separation between operating cost and the Federal subsidy. In fiscal year 1984, the total request for operating subsidies is to be reduced 25 percent.

Furthermore, after a phase-in period, operating subsidies and modernization funding would be combined in 1988. Consistent with that, the fiscal year 1984 request calls for a 45.9-percent reduction in modernization funding to $1.4 billion from the fiscal year 1983 level of $2.59 billion.

The modernization program allows for the substantial repair and modernization of older public housing projects, many of which were built in the 1940's and 1950's. These capital improvements are designed to upgrade energy efficiency and living conditions and may involve alterations, additions or other major repairs.

This negative effect of this proposal will be especially acute in Ohio. Due to age and climate, public housing authorities in Ohio rely heavily on Federal operating subsidies. Additionally, the availability of Federal funds for modernization activities are the only real hope of reducing energy consumption in public housing authorities.

The four largest housing authorities in the State, Akron, Cincinnati, Cleveland, and Toledo, would receive an average reduction in fiscal year 1984 of 6.5 percent, considering the combined level of the operating subsidy and modernization funds.

The Cleveland Metropolitan Housing Authority (CMHA) would be especially hard hit by the proposed Reagan cut. Its 1984 subsidy would drop 52 percent from an overall projected fiscal year 1983 level of $41 million to $19.6 million. This figure would represent a combination of the separate subsidies that CMHA receives from operating expenses and modernization activities. Before examining the specifics of the cut to CMHA it is

necessary to understand the scope of the service it provides the Cleveland community:

There are 25,000 individuals currently living in 12,512 units of low-rent housing in CMHA. Although the Reagan administration contends there is an adequate and perhaps even an oversupply of public housing in the United States, there is a waiting list of over 2,400 people, including 750 elderly families, to occupy 1 of the only 100 units that turn over monthly in the CMHA.

The effect of a 52-percent cut in the Federal subsidy to CMHA would be dramatic. Over 72 percent of the operating expenses of CMHA are funded through HUD. In fiscal year 1983, CMHA estimates it will receive $25.7 million from the Federal Government to help meet an operating expense level of $35.6 million. Since utilities consume 40 percent of the overall operating budget of CMHA, a cut in the Federal subsidy would be taken out of the remaining 60 percent of the operating budget. Thus, the fair market rent proposal put forth by HUD will cut CMHA's operating subsidy by 43.6 percent, or $11.2 million. After subtracting for utility expenses, only $9.76 million would be available for the entire nonenergy CMHA budget. Consequently, CMHA would have to drop its entire security force—currently over $1 million is being spent on security. In addition, the Authority estimates that it would have to trim its staff by 35 percent.

COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG)

The community development block grant program would be funded at $3.5 billion in fiscal year 1984 under the Reagan budget—this amount is roughly equivalent to the $3.456 billion appropriated in fiscal year 1983.

The administration has two strategies for changing the focus of the CDBG program. First, through changing existing regulations targeting CDBG dollars on low- and moderate-income families, HUD would allow CDBG funds to be expended on "the elimination of slums or blight or to meet particularly urgent community needs." Consequently, funds would no longer be directly aiding the poor and could actually be spent on almost any local programs.

Second, the President's anticipated New Federalism proposal would merge the CDBG program with the general revenue sharing program (GRS). This change would further remove low- and moderate-income families from the direct benefits of community development funds. This proposal has yet to be finalized but if it follows past Reagan history, it would surely result in a reduction in the combined total of CDBG funds and GRS.

Under the present structure, the city of Cleveland is scheduled to receive an increase of $1.4 million in CDBG funds in fiscal year 1984, up to a level of $32.8 million. However, this still will represent a real decline of 13 percent since fiscal year 1981 when Cleveland received $37.6 million.

One-third of the fiscal year 1983 Cleveland CD grants are to be devoted to housing rehabilitation. Over $10 million is scheduled for a variety of programs, mostly those featuring low interest loans. Another $4.1 million is also planned for a program to offer interest rates varying from 0 to 7 percent.

The public services category is earmarked to receive $4.7 million for increased community response activities.

The final major category to be funded in 1983 through the city of Cleveland's CDBG funds are physical improvements to sidewalks and curbs, as well as street resurfacing and increased lighting. Over $4.3 million has been approved for this important part of neighborhood revitalization.

LEGAL SERVICES CORPORATION

For the third year in a row, President Reagan has asked the Congress to abolish the Legal Services Corporation, which provides funding for 323 local, independent organizations to insure access to the courts and the legal system for low-income persons. In response to President Reagan's proposals, Congress slashed the Legal Services Corporation by 25 percent, from $321 million in fiscal year 1981 to $241 million in fiscal year 1982. This lower level of Federal funding was maintained in fiscal year 1982. As a result the sharp decrease in funding, local legal aid projects across the country have been forced to lay off hundreds of attorneys who were providing needed assistance to poor clients in many critical areas, such as appealing Federal termination of social security disability benefits, resolving landlord-tenant disputes and resolving consumer protection issues. By 1982, many programs were accepting only emergency cases as the best method for handling increased demand at reduced capacity. Last year, in Cleveland alone, 10,000 persons contacted the Council on Economic Opportunities/Legal Aid Society—the only project in Cleveland receiving Legal Services Corporation funding.

The President's proposal to terminate the Legal Services Corporation in fiscal year 1984 would have a great negative impact on the ability of low-income persons in Ohio and Cleveland to secure legal aid. Ohio would lose $7 million now spent to support 18 programs, 57 offices, and 211 attorneys engaged in helping poor clients. The Council on Economic Opportunities/Legal Aid Society would lose $1.3 million which supports 21 attorneys. This budget cut would halve the ability of the Council on Economic Opportunities/Legal Aid Society to help poor and disadvantaged persons who typically lack resources to hire costly private lawyers. Additionally, since the Cleveland legal aid programs helps other Legal Services Corporation projects throughout Ohio with especially difficult cases, the termination of its Federal funding would have a serious ripple effect throughout Ohio.

ENVIRONMENTAL PROTECTION

In the fiscal year 1984 Reagan budget, every element of the Environmental Protection Agency's request is reduced from the previous year with the exception of Superfund. Overall, the fiscal year 1984 request of $3.658 billion is $21 million less than the fiscal year 1983 appropriation of $3.68 billion, a reduction of 1 percent. This statistic masks important shifts within the Agency's program.

The breakout of the operating budget gives an indication of the intentions of the EPA. The level of total permanent work-years is to be again reduced, this time by 5 percent, to 8,669 positions. This represents a cut of 25.7 percent since January of 1982 when the agency had 11,674 permanent positions.

The abatement, control, and compliance program is to be reduced 20.3 percent from the fiscal year 1983 level of $369 million. In fiscal year 1981 and fiscal year 1982 Ohio received a total of $24.8 million in EPA funds for abatement, control, and compliance. Projecting from the total request of $293.9 million in fiscal year 1984, Ohio would receive only $8 million, a reduction of 33 percent from fiscal year 1982.

The fiscal year 1984 EPA request contains $111.7 million to be used for research and development throughout the various media. This is $7.3 million (6 percent) less than the amount appropriated for R&D in fiscal year 1983. The direct impact on Ohio and the area of reductions in the EPA's R&D budget will be felt twice. Not only does cutting these efforts mortgage the environmental future, but the Reagan administration has also shifted the focus away from developing control technologies, that is, technology to limit or control the effect of pollutants. Our environmental future is dependent on our ability to identify and investigate emerging hazards. This is of particular importance in Ohio and Cleveland, areas of large structural and agricultural industry, where the threat from toxic wastes and carcinogens is high. For example, many critics contend that if the EPA had been devoting adequate resources to research of acid rain since it first became apparent, a solution might be within reach. Research of the nature that EPA does is not easily picked up by States and rarely by industry.

The shifting of emphasis away from control technologies also presents spe-

cial problems for Cleveland and Ohio. The EPA is currently supporting only one control technology in the area of acid rain. Even though this area has some promise, critics argue that there are many other control technologies that merit exploration. The EPA contends that industry will do the research into control technologies. Yet, not $1 of the $10 to $15 million that the utility industry has committed to spend on acid rain research is to be spent on control technologies. Environmentalists have identified the Cleveland Electric Illuminating Co. as a major sulfur oxide polluter, a prime source of acid rain. This results because CEI burns Ohio's high-sulfur coal. If CEI is to continue burning Ohio coal, a major research breakthrough has to be made or an effective control technology must be developed. It is generally agreed that the only promise for the near future will be some form of a control technology.

The last portion of the operating budget, building, and facilities, is scheduled to be reduced 13.3 percent in fiscal year 1984, to a level of $3 million.

In conclusion, these figures total to an operating program reduction of $91.1 million for fiscal year 1984, a cut of 8.8 percent not counting inflation from the fiscal year 1983 level. Construction grants are to be decreased by $30 million in fiscal year 1984 to a level of $2.4 billion. Superfund, the only area to gain in fiscal year 1984, will be increased 48 percent to a level of $310 million.

MEDIA

To understand the specific impact of the EPA cuts, the fiscal year 1984 request must be examined by the different media categories under which EPA delineates its budget. The request for each of the specific media is being reduced substantially, as are the State grants that are an integral element of the major media groupings. The State grant program in total is being reduced 26 percent to $172.8 million. The major media reductions and the concomitant State grant cuts are as follows:

[Dollars in millions]

	State grants	Total
Air	−$14.8 (−17%)	−$21.1 (−10%)
Water quality	−33.2 (−58%)	−64.6 (−30%)
Drinking water	−9.1 (−25%)	−11.6 (−15%)
Hazardous waste	−1.6 (−4%)	−6.5 (−6%)

AIR

The overall objective of this program is to protect the public from the effects of air pollution. For fiscal year 1984, the administration plans to fund the program at $191 million. This is a reduction from fiscal year 1983 of $21.3 million (−10 percent). In fiscal year 1981, this program was at a $252 million level. Thus, from fiscal year 1981 to fiscal year 1984, the air pollution abatement activities under this program will have suffered a 25 percent absolute reduction (not counting inflation). During that time, the staff will have been cut by over 30 percent.

The fiscal year 1984 request for State grants for air pollution control (section 105) totals $69.9 million. This is a reduction of 21 percent from the fiscal year 1983 level. Ohio's section 105 allocation for fiscal year 1983 was $4.2 million. Based on the ratio from the past 2 fiscal years. Ohio could anticipated a 27-percent reduction to a fiscal year 1984 level of $3.3 million.

A cut of this magnitude would be devastating for the city of Cleveland's air pollution control effort. Last year, the effects of an EPA reduction of only $3 million resulted in the Cleveland Air Pollution Control Agency being forced to reduce its staff by 18 percent. This means that in 1983 the Cleveland agency will have: Less enforcement; monitoring sites being reduced from 38 to 32; greater delays in permitting; and a reduction from 61 to 50 full-time employees.

A $14.8 million cut at the Federal level would result in an even greater decrease of the Cleveland effort, as fully 38 percent of the agency's budget is made up of Federal funds.

These actions should not be surprising since EPA Administrator Anne Burford publicly announce her intentions in December 1982 to eliminate all local air pollution control programs within the next 3 to 5 years.

WATER QUALITY PROGRAMS

The purpose of the EPA's water quality program is to restore and maintain the chemical, physical and biological integrity of the Nation's waters. The administration has proposed reducing total funding for this program by 30 percent from $216 million to $151 million. This cut would come at a time when the EPA is issuing final effluent guidelines to control industrial discharge of toxic substances into American waters. (Because of a court order, the EPA must issue all regulations in final form by July 1, 1984.)

In fiscal year 1983, grants were made to the States for water pollution control (section 106) which totaled $54.2 million, of which Ohio received $2.1 million. The proposed section 106 level for fiscal year 1984 is $24 million, Ohio's share being $896,000, a 57-percent decrease from fiscal year 1983.

DRINKING WATER PROGRAMS

This program represents the Federal Government's effort to insure uniform standards and quality for local drinking water. The fiscal year 1984 budget calls for 15.4 percent reductions in the program to a level of $6.6 million. A reduction of this magnitude will be especially difficult for localities since the authorizing statute has mandated stringent levels of drinking water quality that localities must match or exceed.

The State grants portion of the budget is being reduced 25 percent from a fiscal year 1983 level of $36.4 million. The fiscal year 1984 level of $27.3 million will support a grant allocation of $676,000 to the State of Ohio. This 23-percent reduction follows a 21-percent reduction in fiscal year 1983. In the past 2 years, Ohio's drinking water grants have dropped a total of 38.9 percent.

HAZARDOUS WASTE PROGRAM

The Resources Conservation and Recovery Act of 1976 (RCRA) established a Federal goal of preventing future environmental risks posed by hazardous wastes. The EPA is charged with developing a comprehensive approach to the management, treatment, storage, and disposal of hazardous wastes. The fiscal year 1984 EPA budget requests a 6-percent reduction in this program from $117 million to $110 million. The State grant portion of the hazardous waste program is dropping 4 percent to a fiscal year 1984 level of $42.5 million.

In fiscal year 1983, Ohio received $2.4 million in grants for the management of hazardous wastes. The fiscal year 1984 budget will result in 10.6 percent reductions to a level of $2.1 million.●

CONFERENCE REPORT ON H.R. 1718

Mr. WHITTEN submitted the following conference report and statement on the bill (H.R. 1718) making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes.

CONFERENCE REPORT (H. REPT. No. 98-44)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1718) "making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 5, 6, 7, 11, 17, 31, 63, 69, 72, 80, 84, 85, 86, 87, 93, and 96.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 13, 23, 24, 29, 30, 32, 33, 38, 43, 55, 57, 65, 67, 68, 70, 73, 78, and 95, and its disagreement to the unnumbered amendment of the Senate to the title of the bill, and agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$132,650,000, to remain available until expended*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$750,000,000*; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert: *September 30, 1985*; and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to appropriate *$100,000,000*; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to appropriate *$50,000,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows: *under the same conditions provided for under this appropriation in Public Law 97-394, to remain available for obligation until December 31, 1983*; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$150,000,000*; and the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$450,000,000*; and the Senate agree to the same.

Amendment numbered 36:

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to appropriate *$5,000,000*; and the Senate agree to the same.

Amendment numbered 37:

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$100,000,000;* and the Senate agree to the same.

Amendment numbered 39:

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to appropriate *$7,500,000;* and the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert:

AGRICULTURAL RESEARCH SERVICE

CONSTRUCTION

To provide for construction, repair, and maintenance of agricultural research facilities, there is appropriated an additional amount of $3,000,000, for "Buildings and Facilities", for Agricultural Research Service.

And the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert:

FOOD AND DRUG ADMINISTRATION

For design of facilities used by the Food and Drug Administration, where not otherwise provided, $875,000.

And the Senate agree to the same.

Amendment numbered 42:

That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert:

Enhancement of Water Resource Benefits and for Emergency Disaster Work

For an additional amount to accelerate programmed ongoing construction of the Nation's river and harbor, flood control, shore protection, navigation, recreation, small continuing authority, and related projects, as authorized by law; and to meet emergency requirements and remedy damages and flooding resulting from disastrous storms and rains, $85,000,000, to remain available until expended, is hereby appropriated for "Construction, general", Corps of Engineers—Civil, Department of the Army.

For an additional amount to preserve, operate, maintain, and care for existing river and harbor, flood control, and related works; and to meet emergency requirements and remedy damages and flooding resulting from disastrous storms and rains, $164,000,000, to remain available until expended, is hereby appropriated for "Operation and maintenance, general", Corps of Engineers—Civil, Department of the Army.

To plan, construct, and maintain flood control measures for the river system which drains more than two fifths of the Nation, to perform necessary rescue work, and repair and restoration of flood control projects including local roads and bridges; together with cooperative projects with the Soil Conservation Service authorized by law, to meet emergency requirements and remedy damages resulting from disastrous rains and floods, and to prevent future damages, an additional amount of $140,000,000, to remain available until expended, is hereby appropriated for "Flood control, Mississippi River and tributaries", Corps of Engineers—Civil, Department of the Army.

And the Senate agree to the same.

Amendment numbered 45:

That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$80,000,000*; and the Senate agree to the same.

Amendment numbered 46:

That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$20,000,000*; and the Senate agree to the same.

Amendment numbered 47:

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$73,654,000*; and the Senate agree to the same.

Amendment numbered 48:

That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$15,691,000*; and the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$17,107,000*; and the Senate agree to the same.

Amendment numbered 50:

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$32,798,000*; and the Senate agree to the same.

Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$35,948,000*; and the Senate agree to the same.

Amendment numbered 52:

That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$37,242,000*; and the Senate agree to the same.

Amendment numbered 53:

That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$73,190,000*; and the Senate agree to the same.

Amendment numbered 56:

That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment insert: *$50,000,000*; and the Senate agree to the same.

Amendment numbered 58:

That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$217,400,000*; and the Senate agree to the same.

Amendment numbered 59:

That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$85,000,000*; and the Senate agree to the same.

Amendment numbered 61:

That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$29,250,000;* and the Senate agree to the same.

Amendment numbered 62:

That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$8,250,000;* and the Senate agree to the same.

Amendment numbered 66:

That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$225,000,000;* and the Senate agree to the same.

Amendment numbered 94:

That the House recede from its disagreement to the amendment of the Senate numbered 94, and agreed to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert *III*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 9, 10, 12, 16, 19, 21, 22, 26, 27, 28, 44, 54, 60, 64, 71, 74, 75, 76, 77, 79, 81, 82, 83, 88, 89, 90, 91, 92, 97, and 98.

JAMIE L. WHITTEN,
EDWARD P. BOLAND,
WILLIAM H. NATCHER,
NEAL SMITH,
JOSEPH P. ADDABBO,
CLARENCE D. LONG,
SIDNEY R. YATES,
EDWARD R. ROYBAL,
TOM BEVILL,
WILLIAM LEHMAN,
JULIAN DIXON,
VIC FAZIO,
SILVIO O. CONTE
(except to No. 82),
JOSEPH M. McDADE
(except to No. 82),
JACK EDWARDS,
JOHN T. MYERS,
LAWRENCE COUGHLIN
(except to No. 82),
Managers on the Part of the House.

MARK O. HATFIELD,
TED STEVENS,
LOWELL P. WEICKER,
PAUL LAXALT,
THAD COCHRAN,
MARK ANDREWS,
JAMES ABDNOR,
ALFONSE D'AMATO,
JOHN C. STENNIS,
WILLIAM PROXMIRE,
DANIEL K. INOUYE,
ERNEST F. HOLLINGS,
THOMAS F. EAGLETON,
LAWTON CHILES,
J. BENNETT JOHNSTON,
WALTER D. HUDDLESTON,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1718), making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment No. 1: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

It is the sense of the Congress that the continued economic recession has resulted in nearly fourteen million unemployed Americans, including those no longer searching for work, rivaling the actual numbers of unemployed during the Great Depression. Other millions work only part-time due to the lack of full-time gainful employment. The annual cost of unemployment compensation has reached the staggering total of $32,000,000,000. The hardships occasioned by the recession have been much more severe in terms of duration of unemployment and reduced percentage of unemployed receiving jobless benefits than in previous recessions.

Actual filings of business related bankruptcies for the year ending June 30, 1982, reached a total of seventy-seven thousand as compared with a prior year figure of sixty-six thousand. Business failures are up 49 per centum compared to one year ago. Delinquencies are many times greater. The American farmers are more than $215,000,000,000 in debt. Hundreds of thousands of farmers are faced with bankruptcy.

It is essential that interest rates, which have been reduced following a General Accounting Office investigation of the Federal Reserve System at the request of the Committee on Appropriations on April 26, 1982, continue at present or lower rates with due regard for controlling inflation so as not to have an opposite effect of driving interest rates upward for business, industrial and agricultural recovery.

Under these circumstances, the Congress finds that a program to provide for neglected needs of the Nation which results in productive jobs, and to provide humanitarian assistance to the indigent and homeless, to be very strongly in the national interest.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 2: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

REDUCING AND STABILIZING INTEREST RATES

It is the sense of the Congress that the Board of Governors of the Federal Reserve and the Federal Open Market Committee with due regard for controlling inflation so as not to have an opposite effect of driving interest rates upward should continue such actions as are necessary to achieve and maintain a level of interest rates low enough to generate significant economic growth and thereby reduce the current intolerable level of unemployment as they have since the Committee on Appropriations on April 26, 1982 obtained an investigation of the Federal Reserve System by the General Accounting Office.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees deleted without prejudice a provision to appropriate $500,000 to the Department of the Treasury for administrative expenses to enable the Department to develop plans for (1) a Reconstruction Finance Corporation type governmental entity to help meet business problems, (2) a Home Owners Loan Corporation type governmental entity for housing problems, and (3) a farm credit type agency to help avoid forced sale under mortgage.

The conferees believe that the appropriate legislative committees of the House and the Senate should report as soon as practicable, the necessary legislation that would reduce foreclosures and defaults, and address the benefits of providing operating capital to give debtors and creditors a chance to work out their financial problems under supervision.

The conferees also direct the Secretary of the Treasury and the Secretary of Commerce, with the cooperation of the American business community to analyze and report on the current trade crisis with the objective of keeping American exports competitive in world markets and strengthening our commitment to sell what we have and don't need to those who have a great need.

Amendment No. 3: Appropriates $33,000,000 as proposed by the House to demonstrate methods to accelerate the widening of existing highways and inserts provision proposed by the House concerning purchases set forth in Public Law 97-424.

Amendment No. 4: Limits obligations for Federal-aid highways and Highway safety construction programs for fiscal year 1983 to $12,375,000,000 as proposed by the Senate instead of $12,600,000,000 as proposed by the House.

The conferees do not intend to modify any provisions of the Surface Transportation Assistance Act of 1982 other than the obligation ceiling contained in section 104 of that Act. The conferees expect this program to be administered in accordance with section 104 and the other applicable provisions of the Surface Transportation Assistance Act of 1982.

Amendment No. 5: Deletes language proposed by the Senate related to the use of Interstate 4R funds allocated to the State of Florida.

It is the intent and expectation of the conferees that funds apportioned to the State of Florida for Interstate resurfacing, restoration, rehabilitation and reconstruction be eligible for financing the construction of ramps in the vicinity of S.E. Third Street in Dade County, Florida, connecting Interstate 95 with Miami Avenue and U.S. 1.

Amendment No. 6: Deletes language proposed by the Senate which would have permitted states to provide a higher match for certain priority primary routes.

Amendment No. 7: Deletes language proposed by the Senate limiting certain obligations for Interstate transfer grants-highways to $257,000,000.

The conferees have agreed to delete the bill language establishing an obligation limitation at the same incremental level as is currently authorized, and have further agreed to the following priority designations:

Pennsylvania	$1,600,000
Washington, D.C.	8,750,000
Hartford-New Britain	4,950,000
Oregon	8,900,000
Tucson	16,300,000
Northeast Illinois	90,700,000
Denver	29,100,000
New York	23,700,000
Minneapolis	5,000,000
Twin Cities, Minn	1,800,000
New Jersey	1,000,000
Cleveland	1,000,000
Omaha	4,300,000
Memphis	2,800,000
Duluth-Superior	4,000,000
Baltimore	4,200,000
Indianapolis	300,000
Iowa	6,100,000
Rhode Island	7,500,000
Unallocated	35,000,000
Total	257,000,000

The conferees agree that such other projects as may have been agreed upon by the appropriate authorizing committees shall receive equal attention.

The conferees recognize that delays in some region's projects could necessitate adjustments to the above allocations. The conferees expect these adjustments, if required, to be accomplished through the normal reprogramming process.

Amendment No. 8: Appropriates $132,650,000 instead of $94,300,000 as proposed by the Senate and $171,000,000 as proposed by the House.

The conferees direct that $85,650,000 of the funds provided under this heading be administered in accordance with the regulations and procedures applicable to other fiscal year 1983 urban discretionary grant projects and be allocated to the following projects:

Buffalo, N.Y.: LaSalle Street Station	$19,000,000
Dade County, Fla.:	
Northeast bus facility	15,000,000
Metrorail parking	18,800,000
Hartford, Conn.: New bus maintenance facility	6,000,000
SEPTA, Pennsylvania	8,200,000
San Francisco, California	2,300,000
Boston, Massachusetts	4,350,000
Long Island Railroad, N.Y.: Major improvements and the extension of the electrification on the Port Jefferson line from Northport to Smithtown	8,000,000
Unallocated	4,000,000
Total	85,650,000

The conferees agree that such other projects as may have been agreed upon by the appropriate authorizing committees shall receive equal attention.

The conferees direct that $47,000,000 of the funds provided under this heading be administered using the regulations and procedures applicable to those grants which carry out the provisions of 23 U.S.C. 103(e)(4) related to transit projects, and be allocated as follows:

Northeast Illinois	$10,000,000
Sacramento, California	6,000,000
Oregon	2,900,000
Baltimore, Maryland	4,100,000
New Jersey	20,000,000
Unallocated	4,000,000
Total	47,000,000

The conferees agree that such other projects as may have been agreed upon by the appropriate authorizing committees shall receive equal attention.

The conferees also direct that any obligations incurred by the above listed areas be deducted from the balance of that area's unfunded authority under section 103(e)(4).

The conferees direct the discretionary mass transit projects relating to bankrupt railroads which were directed to be funded in the Conference Report on DOT Appropriations for Fiscal Year 1983 (P.L. 97-369), which was enacted prior to January 6, 1983, shall be deemed to be included in the last sentence of Section 305 of the Surface Transportation Assistance Act of 1982 (P.L. 97-424).

Urban discretionary grants may also be made available for modernization, rehabilitation and improvement on publicly owned rail lines that will result in improving passenger ride quality, reliability, and safety over railroad right of way where adequate standards of maintenance have not been achieved due to economic conditions and shared responsibility with a railroad operating under section 77 of the Bankruptcy Act on January 1, 1983.

Priority shall be given to such projects which create jobs for furloughed or unemployed railroad workers or individuals registered on State unemployment rolls within 30 days of application approval under this program.

Amendment No. 9: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

To provide for labor-intensive capital improvements, the Secretary of Transportation shall make capital grants to the National Railroad Passenger Corporation of $80,000,000, to remain available until expended.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The conferees expect that priority consideration be given to the provision of $10,000,000 to improve the railroad line between Attleboro, Massachusetts and Hyannis, Massachusetts.

Of the amounts provided, not to exceed $1,000,000 shall be available to replace or renovate the Amtrak Station in Jackson, Michigan, in cooperation with local efforts to redevelop and revitalize the surrounding area. The conferees also direct that not to exceed $1,000,000 shall be made available to improve the Amtrak station at East Lansing, Michigan.

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate increasing the limitation on obligations for airport grants from $600,000,000 to $750,000,000. The conferees direct that priority attention be given to the projects named in the Senate report and, in addition, to projects at the following airports: Big Sandy Regional Airport, Kentucky; Opalocka Airport, Florida; Wilkes-Barre/Scranton Airport, Pennsylvania; Tucson Airport, Arizona; Sky Harbor International Airport, Arizona; Deer Valley Airport, Arizona; Newport Airport, Oregon; Peoria Airport, Illinois; Louisville-Winston County Airport, Mississippi; Fairhope, Alabama; Central Wisconsin Airport, Wausau, Wisconsin; Cambria County/Johnstown Airport, Pennsylvania.

The conferees agree that such other projects as may have been agreed upon by the appropriate authorizing committees shall receive equal attention.

Amendment No. 11: Deletes appropriation of $25,000,000 for improving the safety of rail passengers proposed by the Senate.

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate reprogramming not to exceed $100,000 for the President's Commission on Drunk Driving.

Amendment No. 13: Deletes language proposed by the House and stricken by the Senate appropriating $500,000 for salaries and expenses, Department of Housing and Urban Development, to expedite implementation of an emergency mortgage assistance program upon enactment of authorizing legislation. The number of housing foreclosures, defaults, and delinquencies is growing due to continuing adverse economic conditions. To help homeowners address this problem, the Congress is considering emergency mortgage assistance legislation. The conferees urge the Department to make available sufficient resources to expedite and facilitate the expected enactment of a homeowner's emergency mortgage assistance program.

Amendment No. 14: Appropriates $750,000,000 for community development grants, instead of $1,000,000,000 as proposed by the House and $250,000,000 as proposed by the Senate.

Amendment No. 15: Provides that the $250,000,000 for community development grants to metropolitan cities and urban counties remain available until September 30, 1985, instead of until expended as proposed by the House and until September 30, 1984, as proposed by the Senate.

Amendment No. 16: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: *Provided further, That of the new budget authority provided under this heading up to $500,000,000 shall be available until September 30, 1985, for activities authorized by section 105(a)(8) of the Housing and Community Development Act of 1974, as amended: Provided further, That the 10 per centum limitation on the amount of funds for public service activities contained in such section 105(a)(8) shall not apply to the funds provided under the immediately preceding proviso: Provided further, That notwithstanding the limitation of $60,000,000 contained in section 107(a) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5307(a)), one per centum of the new budget authority provided for local community development programs in this Act shall be set-aside for the special discretionary fund for grants to Indian tribes as authorized under section 107(b) of the Hous-*

ing and Community Development Act of 1974, as amended (42 U.S.C. 5307(b)).

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have earmarked $7,500,000 of the funds provided for local community development programs in this Act for grants to Indian tribes. In addition, the Department of Housing and Urban Development is urged to make available, from existing funds, the entire $60,000,000 authorized for the Secretary's discretionary fund. The additional amount is to be used for community development grants to Indian tribes.

In order to provide maximum flexibility for the use of additional community development funds to create jobs or forestall workforce reductions within localities, additional community development funds appropriated by this legislation may be used to fund regular responsibilities of local government for services without regard to maintenance of effort requirements. The Secretary of Housing and Urban Development is encouraged to waive any regulatory requirement that would impede use of the funds appropriated herein in the manner described above. However, such funds must be used to prevent workforce reductions that were specified prior to enactment of this legislation and that were required to balance revenues and expenditures of said localities.

Amendment No. 17: Deletes language proposed by the Senate increasing loan guarantees authorized by section 108 of the Housing and Community Development Act of 1974, as amended, by $1,000,000,000 and appropriating $40,000,000 for payment to the Secretary of the Treasury for interest forgiven in 1983.

TO AID LOCAL ECONOMIC DEVELOPMENT TO OFFSET PRESENT BUSINESS AND PLANT CLOSURES

Economic Development Administration

Economic development assistance programs

Amendment No. 18: Appropriates $100,000,000 instead of $200,000,000 as proposed by the House for "Economic Development Assistance Programs", Economic Development Administration. This Senate bill contained no funds for this activity.

INCREASING SMALL BUSINESS ACTIVITIES

Small Business Administration

Business loan and investment fund

Amendment No. 19: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides language that would require SBA to participate in Section 503 Certified Development Company projects which are financed, in part, by tax exempt bonds.

Amendment No. 20: Appropriates $50,000,000 instead of $200,000,000 as proposed by the House for Section 7(a) direct business loans. The Senate bill contained no funds for this activity.

DEVELOPING PARKS AND RECREATION AREAS

SMALL BUSINESS ADMINISTRATION

Salaries and Expenses

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter striken by said amendment, amended to read as follows:

Developing Parks and Recreation Areas

An additional amount of $50,000,000 to remain available until expended, is appropriated for "Salaries and expenses", Small Business Administration to be available only for grants for resources development programs pursuant to Section 21 (a)(1) of the Small Business Act; notwithstanding any other provision of law including any contained herein, such sum shall be allocated to each State, the District of Columbia, and the Commonwealth of Puerto Rico on the basis of the average of the number of unemployed individuals who reside in each such area as compared to the total number of unemployed individuals in all of the States, the District of Columbia and Puerto Rico during the fourth quarter of calendar year 1982; upon receipt of a certification, which the Administrator deems appropriate, from the Governor of any State or Puerto Rico or the Mayor of the District of Columbia, the grant to that area may be made immediately, and an expedited review and approval of any rules, regulations or procedures is hereby authorized and shall be completed by April 15, 1983.

The managers on this part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Fifty million dollars included in this bill is authorized for grants under Section 21(a)(1) of the Small Business Act for developing parks and recreation areas. This authorization is now being funded for the specific purpose of involving small business in providing jobs during a time of high unemployment to accomplish benefits of lasting value. There are many landscapers and others who are now idle and who could contract for this work. In addition, nurseries have a surplus of shurbs and trees which they have been unable to sell during the current recession. The planting of trees and shrubs on public lands be accomplished in large measure by hiring unskilled individuals who are readily available in every city and county in the country. It should be possible to make grants for the $50,000,000 made available in this bill and have an intensive employment program underway very quickly.

The authorizing legislation permits the making of grants for rehabilitation and improvements to public parks, and to the extent any funds are still available, that kind of work could be performed in the summer months. However, new plantings or transplantings of bareroot trees, shrubs and flowers must be accomplished in the next couple of months. Therefore, it is absolutely essential that these grants be made and this program executed immediately.

The authorizing legislation provides for grants to State governments. To facilitate the execution of this program immediately, the Administrator of the Small Business Administration is expected to make a grant without delay to any state if the Governor or appropriate designated official certifies that such area will administer a grant in accordance with the provisions of this section of the bill. Therefore, for the purpose of distributing the $50,000,000 in this bill, a grant shall be made to any state immediately upon the certification by the Governor that the state will comply with the following requirements:

(1) All of the projects will be carried out before October 1, 1983.

(2) All contracts for services will be awarded only to contractors who would qualify as small businesses under Section 3 of the Small Business Act.

(3) Supplies purchased will be procured only from businesses which would qualify under Section 3 of the Small Business Act as a small business.

(4) The work to be performed would not be performed prior to October 1, 1983, but for the grant.

(5) Individuals employed either directly by the State or an agency thereof or through a contractor on an hourly basis with the proceeds of the grant shall only be individuals who do not have full time employment, and are not simultaneously drawing unemployment compensation for the same period of employment.

(6) Every reasonable attempt will be made to assure that the funds result in employment of the maximum number of otherwise unemployed individuals and will result in benefits of lasting value to the public.

(7) All plantings or development or rehabilitation work will be performed in public parks or other publicly controlled or owned lands.

(8) Reasonable efforts will be made either from grant funds or other funds to assure that any plantings are appropriately watered or cared for until they are established.

(9) The state will comply with reasonable procedures and rules required by the Small Business Administration.

With such a certification by a Governor, the Administrator is fully authorized to make the grant to such state in the amount provided herein immediately. In states where such an application and certification is not forthcoming, the Administrator can make grants to individual agencies of the state or an educational institution or other qualified agencies or non-profit institutions for individual shares of that state's grant as authorized in Section 21 (a) (1) of the Small Business Act in accordance with expedited rules.

It is anticipated that to the extent that any funds allocated to any state are not applied for by July 1, 1983, they will be re-allocated and distributed to other states for work which will be completed by October 1, 1983.

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment insert the following:

There is appropriated for expenses necessary for the "Urban Parks and Recreation Fund" for rehabilitation grants and repairs, under the provisions of the Urban Park and Recreation Recovery Act of 1978 (title 10 of Public Law 95-625), $40,000,000: Provided, That such funds shall be available only for grants for which: (1) obligations are entered into before October 1, 1983, (2) work will be in progress before January 1, 1984, and (3) all Federal funds will be outlayed before September 30, 1984.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The managers have included specific dates for obligation of funds; for having work in progress; and for outlay of Federal funds. These dates are intended to ensure that funds will be used to generate employment quickly. If existing procedures create unintended problems the managers agree that the outlay date will be reviewed and extended if necessary. This also applies to similar provisions in the Land and Water Conservation Fund and the Historic Preservation Fund.

Amendment No. 23: Deletes language proposed by the House to single out the availability of funds for roads and trails. Funds are available for improvement and mainte-

nance of all existing service facilities. The managers agree that these funds may be made available for emergency repairs at any unit of the National Park System, including emergency repairs as needed to the transcanyon water line at Grand Canyon NP.

Amendment No. 24: Appropriates $25,000,000 for operation of the National Park System as proposed by the Senate instead of $50,000,000 as proposed by the House.

Amendment No. 25: Provides that the appropriation remain available for obligation until December 31, 1983 instead of September 30, 1984 as proposed by the House.

Amendment No. 26: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides $25,000,000 for the Historic Preservation Fund as proposed by the Senate.

The managers agree that the funds will be used for development grants to rehabilitate, repair, preserve, and develop historic properties that may not be eligible for tax incentives.

The managers have included specific dates for obligation of funds; for having work in progress; and for outlay of Federal funds. These dates are intended to ensure that funds will be used to generate employment quickly.

Amendment No. 27: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $40,000,000 for the Land and Water Conservation Fund instead of $50,000,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The managers agree that the funds will be used by the states and local governments to accelerate the approval and completion of park development and redevelopment projects only.

The managers have included specific dates for obligation of funds; for having work in progress; and for outlay of Federal funds. These dates are intended to ensure that funds will be used to generate employment quickly.

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

To restore, repair, and provide roads, trails, and other existing facilities which are part of the real wealth of this country, there is appropriated an additional amount of $25,000,000 to remain available for obligation until September 30, 1984, for the "National Forest System".

In order to provide jobs, to improve the growth rate of existing forested land inventories, and to decrease the number of deforested acres of Forest Service lands, there is appropriated an additional $35,000,000 for "National Forest System", Forest Service.

The managers of the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The amount included over that recommended by the House is $15,000,000 for site preparation for reforestation and $20,000,000 for timber stand improvement.

Amendment No. 29: Appropriates $25,000,000 for construction, Forest Service, as proposed by the Senate instead of $20,000,000 as proposed by the House.

INDIAN HEALTH SERVICE

The managers agree that all of the funds made available for improving Indian health facilities are for sanitation facilities, except that with respect to Alaska, the Area Director may transfer up to half of the funds made available for sanitation to high priority maintenance and repair projects.

The managers further agree that the proposed transfer of $6,700,000 from construction to pay costs is disapproved. The Indian Health Service is directed to move expeditiously to complete the design of the Blackfeet Hospital and to initiate construction.

Amendment No. 30: Appropriates $20,000,000 for Resource Management, United States Fish and Wildlife Service instead of $25,000,000 as proposed by the House.

The managers agree that up to $200,000 shall be made available to the State of South Dakota prior to the state assuming control of the McNenny Fish Hatchery for repairs necessary to bring the main hatchery building, the grounds, the office and residence buildings and the lake trout rearing building up to a safe standard.

Amendment No. 31: Appropriates $20,000,000 for operation of Indian programs as proposed by the House.

The managers agree that these funds may be used for labor-intensive agriculture and range conservation measures ($12,500,000); forest development activities ($5,000,000); and tribal fisheries improvement activities such as stream clearance and habitat improvement ($2,500,000).

Amendment No. 32: Appropriates $64,450,000 for construction, Bureau of Indian Affairs, as proposed by the Senate.

Amendment No. 33: Appropriates $30,000,000 for operation of Indian programs as proposed by the Senate.

ASSISTING IN RURAL DEVELOPMENT AND RESOURCE CONSERVATION

FARMERS HOME ADMINISTRATION

Amendment No. 34: Appropriates $150,000,000 for rural water and waste disposal grants instead of $200,000,000 as proposed by the House $125,000,000 as proposed by the Senate.

Amendment No. 35: Provides $450,000,000 for rural water and waste disposal loans to be made from the Rural Development Insurance Fund instead of $600,000,000 as proposed by the House and $400,000,000 as proposed by the Senate.

For rural water and waste disposal grants and loans the Committee will expect the Department to revise the procedures published in the Federal Register in January 1983 regarding eligibility for water and waste disposal grants. The bill language specifies that the regulations to govern the program shall be the pre-1981 regulations, which allowed for a much more equitable distribution of grant funds within States. Information provided to the Committee indicates that vast areas of rural America under the new regulations published by Farmers Home would have been ineligible to participate in the grant program.

RESOURCE CONSERVATION AND DEVELOPMENT

Amendment No. 36: Appropriates $5,000,000 for the resource conservation and development program instead of $15,000,000 as proposed by the House. The Senate amendment deleted funds for this program. The conference agreement earmarks $250,000 of the $5,000,000 to be used as provided on page 63 of the House Report (H. Rept. 97-800) on the fiscal year 1983 Appropriations Bill for the Department of Agriculture. The $250,000 shall be used to carry out the specified grant in Southeastern Oklahoma.

INCREASING THE EFFECTIVENESS OF SOIL CONSERVATION ACTIVITIES

Soil Conservation Service

Amendment No. 37: Appropriates $100,000,000 for watershed and flood prevention operations, Soil Conservation Service instead of $150,000,000 as proposed by the House and $75,000,000 as proposed by the Senate. The conference agreement provides $95,300,000 for watershed and flood prevention work and $4,700,000 for the additional staff needed to carry out this work.

Amendment No. 38: Deletes House language authorizing $25,000,000 in loans from the Agricultural Credit Insurance Fund.

Amendment No. 39: Restores House language and appropriates $7,500,000 for emergency measures to repair flood damage. The House bill had provided $10,000,000 for this appropriation and the Senate bill deleted the funds.

Agricultural Research Service

Amendment No. 40: Appropriates $3,000,000 for repair and maintenance of agricultural research facilities instead of $10,000,000 as proposed by the Senate.

Food and Drug Administration

Amendment No. 41: Appropriates $875,000 for facilities of the Food and Drug Administration instead of $39,000,000 as proposed by the Senate. The conference agreement provides the following sums for architectural and engineering design work for the National Center for Toxicological Research; $800,000 for the General Toxicology Laboratory, and $75,000 for the Diet Preparation Facility and the Inhalation Toxicology Facility.

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

Corps of Engineers—Civil

Amendment No. 42: Appropriates $389,000,000 for programs of the Corps of Engineers instead of $404,000,000 as proposed by the House and $329,000,000 as proposed by the Senate.

The text of the Conference agreement is as follows:

ENHANCEMENT OF WATER RESOURCE BENEFITS AND FOR EMERGENCY DISASTER WORK

For an additional amount to accelerate programmed on-going construction of the Nation's river and harbor, flood control, shore protection, navigation, recreation, small continuing authority, and related projects, as authorized by law; and to meet emergency requirements and remedy damages and flooding resulting from disastrous storms and rains, $85,000,000, to remain available until expended, is hereby appropriated for "Construction, general", Corps of Engineers—Civil, Department of the Army.

For an additional amount to preserve, operate, maintain, and care for existing river and harbor, flood control, and related works; and to meet emergency requirements and remedy damages and flooding resulting from disastrous storms and rains, $164,000,000, to remain available until expended, is hereby appropriated for "Operation and maintenance, general", Corps of Engineers—Civil, Department of the Army.

To plan, construct, and maintain flood control measures for the river system which drains more than two-fifths of the Nation, to perform necessary rescue work, and repair and restoration of flood control projects including local roads and bridges; together with cooperative projects with the Soil Conservation Service authorized by law, to meet emergency requirements and remedy damages resulting from disastrous rains and floods, and to prevent future damages, and additional amount of $140,000,000, to remain available until expended, is hereby appropriated for "Flood control, Mississippi River and tributaries", Corps of Engineers—Civil, Department of the Army.

The conferees are agreed that there is no intention to expand the nature of the work anticipated by the House bill.

Flood Control, Mississippi River and Tributaries

The Mississippi River drains water from 40% of the land surface of the Continental United States. Each time a shopping center, a housing development or a highway is constructed, valuable watershed control is lost. This results in increased flows of water through the lower Mississippi River Valley into the States of Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri and Tennessee. All of this water empties into the State of Louisiana. In the last ten years there have been three "hundred-year" floods which contribute to the flooding problem.

In recent months, almost 8 million acres were under water. Estimated damages exceed $729 million—levees broke, homes and bridges were destroyed. The reservoirs are full.

The levees are walked each night, watching the dams—for if they are breached, large parts of a number of states would be further flooded.

Experience has shown that if we don't do everything possible to hold back the water in the watershed areas, disastrous floods will always result that we are unable to control.

Much damage has occurred, to local dams, roads and bridges. Unless corrected promptly these damages will greatly increase.

Funds for this area are identified in the following table:

Construction	*Millions*
Main stem (channel improvement):	
Materials for articulated concrete mattress (ACM) consisting of steel fabric, casting and steel block forms	12.0
Revetments	38.0
Dikes and dredging	4.0
Levees:	
Mississippi River	4.0
Atchafalaya River	7.9
Tensas Basin: Tensas Cocodrie:	
Pumping plant	15.0
Sicily Island	1.6
Yazoo Basin including cooperative work with Soil Conservation Service	23.0
Saint Francis Basin	2.0
Lower Red River	.5
Total (Construction)	108.0
Maintenance	
Main stem:	
Channel maintenance, levee: Repair of dikes	13.2
Yazoo Basin including cooperative work with Soil Conservative Service, levee repair, channel clean out, and reservoir maintenance at 4 lakes	15.0
Tensas Basin: Weir repair	2.1
Saint Francis Basin: Channel clean out, levee repair, and huxtable pumping plant	1.7
Total (maintenance)	32.0
Grand total	140.0

General

For the past several weeks severe storms have struck the State of California causing more than $500 million in damages. A number of deaths and numerous injuries have been attributed to the storms, coastal damage caused by high tides and winds have severely damaged Corps navigation, beach erosion control and flood control projects; more than 300,000 acres have been inundated and numerous mud slides have occurred. Impacts have been similarly sustained and severe in the Sacramento San Joaquin Valley, and throughout the interior of the State. New storms hit California on March 16 and 20 and another is anticipated on March 23 or 24.

Accordingly, the Corps is directed to give due consideration to the severe damages in allocating funds provided herein for maintenance, repair and beach restoration work in California as well as other affected areas of the country.

The conferees concur in the position regarding cost sharing and "innovative financing" of water projects as stated in H. Rept. 97-850.

The conferees agree that construction of small projects under the continuing authorities of the Chief of Engineers shall be solely in accordance with the traditional requirements of non-Federal participation.

DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

Construction program

Amendment No. 43: Appropriates $65,000,000 for the construction program as proposed by the Senate instead of $50,000,000 as proposed by the House.

Within funds made available for fiscal year 1983, the conferees direct the Secretary of the Interior and the Commissioner of Reclamation to proceed with construction of the Tucson Aqueduct beyond the first four miles of Reach 2, Phase A.

FEDERAL, STATE, AND LOCAL PRISON MODERNIZATION

DEPARTMENT OF JUSTICE

Federal Prison System

Buildings and facilities

Amendment No. 44: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides language that permits funds provided for Federal prison modernization to be used for construction of new facilities and construction of projects at existing Federal penal and correctional institutions.

The conferees are agreed that before any of the $60,000,000 provided in the bill for Federal prison modernization is used for any new Federal prison construction projects, the Department of Justice shall submit a reprogramming request for any such project to the House and Senate Appropriations Committees for approval in accordance with the Committee's reprogramming procedures.

Amendment No. 45: Appropriates a total of $80,000,000 for "Buildings and facilities", Federal Prison System, instead of $90,000,000 as proposed by the House and $70,000,000 as proposed by the Senate. Of the $80,000,000, a total of $60,000,000 would be used for Federal prison modernization and $20,000,000 would be transferred to "Support of United States Prisoners" for modernization of State and local jail facilities which house Federal prisoners, in accordance with Amendment No. 46.

Support of United States prisoners

Amendment No. 46: Transfers $20,000,000 to "Support of United States Prisoners", Legal Activities for the Cooperative Agreement Program instead of $30,000,000 as proposed by the House and $10,000,000 as proposed by the Senate.

The conferees are agreed that the availability of bedspace for Federal prisoners shall be assured in State and local jail facilities which receive these funds under the Cooperative Agreement Program, in accordance with provisions of P.L. 97-377, Continuing Appropriations for 1983.

Construction and Modernization of Housing Units for Military Families

Amendment No. 47: Appropriates $73,654,000 for Army family housing maintenance instead of $100,600,000 as proposed by the House and $40,465,200 as proposed by the Senate.

The conferees have agreed to fund the following installations at the following amounts:

Alabama: Redstone Arsenal	$1,100,000
Alaska: Fort Richardson	5,994,000
Arizona: Fort Huachuca	1,398,000
California:	
Fort Irwin	1,514,000
Fort Ord	1,400,000
Georgia:	
Fort Benning	8,178,000
Fort Gordon	1,318,000
Fort McPherson	1,100,000
Fort Stewart	1,674,000
Hawaii:	
Aliamanu Military Reservation	3,200,000
Schofield Barracks	2,050,000
Kentucky:	
Fort Campbell	1,319,000
Fort Knox	712,000
Louisiana: Fort Polk	296,000
Maryland: Aberdeen Proving Ground	4,368,000
Massachusetts: Fort Devens	6,590,000
Michigan: Selfridge ANG	3,646,000
Missouri: Fort Leonard Wood	2,838,000
New Jersey: Fort Dix	4,526,000
New Mexico: White Sands Missile Range	710,000
New York: Seneca Army Depot	1,892,000
North Carolina: Fort Bragg	5,023,000
Oklahoma: Fort Sill	2,014,000
Texas:	
Fort Bliss	1,099,000
Fort Hood	1,055,000
Fort Sam Houston	1,800,000
Washington: Fort Lewis	6,347,000
Wisconsin: Fort McCoy	493,000
Total, Army	73,654,000

Amendment No. 48: Earmarks $15,691,000 for Navy family housing improvements instead of $16,230,000 as proposed by the House and $10,507,000 as proposed by the Senate.

Amendment No. 49: Earmarks $17,107,000 for Navy family housing maintenance and repair instead of $34,301,000 as proposed by

the House and $10,107,000 as proposed by the Senate.

Amendment No. 50: Appropriates $32,798,000 for Navy family housing instead of $50,531,000 as proposed by the House and $20,614,000 as proposed by the Senate.

The conferees have agreed to fund the following installations at the following amounts:

Improvements:	
Arizona: MCAS Yuma	$2,459,000
California:	
MCLB Barstow	1,901,000
MCB Camp Pendleton	96,000
MCAS El Toro	484,000
MCAGCC Twentynine Palms	343,000
District of Columbia: Marine Barracks, Washington	11,000
Georgia: MCLB Albany	373,000
Hawaii: MCAS Kaneohe Bay	1,234,000
Missouri: MCFC Kansas City	328,000
North Carolina:	
MCB Camp Lejeune	2,360,000
MCAS Cherry Point	1,856,000
Pennsylvania: NSY Philadelphia	177,000
South Carolina:	
MCAS Beaufort	3,646,000
MCRD Parris Island	423,000
Subtotal, Improvements	15,691,000
Maintenance and repair:	
California: PWC San Francisco	7,000,000
Connecticut: NSB New London	8,107,000
Tennessee: NAS Memphis	2,000,000
Subtotal, Maintenance and repair	17,107,000
Total, Navy	32,798,000

Amendment No. 51: Earmarks $35,948,000 for Air Force family housing improvements instead of $47,501,000 as proposed by the House and $18,089,000 as proposed by the Senate.

Amendment No. 52: Earmarks $37,242,000 for Air Force family housing maintenance and repair instead of $44,368,000 as proposed by the House and $21,398,000 as proposed by the Senate.

Amendment No. 53: Appropriates $73,190,000 for Air Force family housing instead of $91,869,000 as proposed by the House and $39,487,000 as proposed by the Senate.

The conferees have agreed to fund the following installations at the following amounts:

Improvements:	
Alaska:	
Eielson AFB	$680,000
Elmendorf AFB	1,414,000
Arizona: Davis-Monthan AFB	3,445,000
Arkansas: Little Rock AFB	2,494,000
California:	
Beale AFB	520,000
Mather AFB	1,245,000
Georgia: Moody AFB	600,000
Idaho: Mountain Home AFB	1,511,000
Illinois: Scott AFB	3,600,000
Louisiana: Barksdale AFB	1,578,000
Michigan: K. I. Sawyer AFB	4,265,000
Mississippi: Keesler AFB	3,026,000
Missouri: Whiteman AFB	704,000
New Jersey: McGuire AFB	4,000,000
New Mexico: Kirtland AFB	1,554,000
North Carolina:	
Pope AFB	1,500,000
Seymour-Johnson AFB	260,000
Oklahoma:	
Altus AFB	2,018,000
Tinker AFB	689,000
Texas: Goodfellow AFB	845,000
Subtotal, Improvements	35,948,000
Maintenance and repair:	
Alaska:	
Eielson AFB	400,000
Elmendorf AFB	2,320,000
Arizona: Davis-Monthan AFB	2,500,000
Arkansas: LIttle Rock AFB	830,000
California:	
Beale AFB	310,000
Mather AFB	800,000
McClellan AFB	4,200,000
Georgia: Moody AFB	2,526,000
Idaho: Mountain Home AFB	950,000
Illinois: Scott AFB	2,700,000
Louisiana: Barksdale AFB	1,200,000
Michigan: K. I. Sawyer AFB	4,400,000
Mississippi: Keesler AFB	3,533,000
Missouri: Whiteman AFB	950,000
Nevada: Nellis AFB	580,000
New Jersey: McGuire AFB	$1,700,000
New Mexico: Kirtland AFB	2,090,000
New York: Plattsburgh AFB	400,000
North Carolina: Pope AFB	1,180,000
Oklahoma:	
Altus AFB	1,552,000
Tinker AFB	1,302,000
Subtotal, Maintenance and repair	37,242,000
Total, Air Force	73,190,000

Amendment No. 54: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *Sections 102(c), 202(c), and 302(c) of the Military Construction Authorization Act, 1983 (Public Law 97-321), are each amended by striking out "June 1, 1983" and inserting in lieu thereof "April 1, 1983".*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to accelerate to April 1, 1983 the date on which certain military construction projects funded in fiscal year 1983 can proceed. The Services are required to notify the appropriate committees of Congress of their intention to proceed on these projects. The submission of reprogramming requests is not required. The conferees have also agreed that a report stating the current amount of funds avaliable within the military construction accounts derived from savings should be forwarded to the Committees on Appropriations on a monthly basis beginning April 1, 1983.

Amendment No. 55: Appropriates $100,000,000 for low-income energy conservation as proposed by the Senate instead of $150,000,000 as proposed by the House. The managers agree that up to $150,000 of the amount appropriated may be used by the Department of Energy to administer the program.

Amendment No. 56: Appropriates $50,000,000 for schools and hospitals weatherization assistance instead of $75,000,000 as proposed by the Senate. The managers agree that up to $400,000 of the amount appropriated may be used by the Department of Energy to administer the program.

GENERAL SERVICES ADMINISTRATION

Amendment No. 57: Deletes proposal by the House to appropriate $75,000,000 to increase the capital of the General Supply Fund for the purchase of motor vehicles. The conferees note that for fiscal year 1983 funds are currently available for purchase of 13,000 vehicles. In addition, funds will be available for purchase of 14,000 additional vehicles in fiscal year 1984.

Increasing Employment and Training Opportunities

(Employment and Training Assistance)

Amendment No. 58: Appropriates $217,400,000, instead of $207,400,000 as proposed by the House, and $257,400,000 as proposed by the Senate.

Amendment No. 59: Earmarks $85,000,000 for the displaced workers program under the Job Training Partnership Act, instead of $75,000,000 as proposed by the House, and $125,000,000 as proposed by the Senate.

Amendment No. 60: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment waiving the State matching requirements for the displaced workers program under the Job Training Partnership Act.

Increasing Employment Opportunities for Older Americans

(Community Service Employment for Older Americans)

Amendment No. 61: Appropriates $29,250,000 for national grants or contracts, instead of $19,500,000 as proposed by the House and $39,000,000 as proposed by the Senate.

Amendment No. 62: Appropriates $8,250,000 for grants to States, instead of $5,500,000 as proposed by the House and $11,000,000 as proposed by the Senate.

Grants to States for Unemployment Insurance and Employment Services

Amendment No. 63: Deletes additional amount of $50,000,000 proposed by the Senate for the State employment services.

INCREASING ESSENTIAL COMMUNITY AND HOME HEALTH SERVICES

Increasing Maternal and Child Health Services

Centers for Disease Control

Amendment No. 64: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following:

To expand the availability of essential health care services for the disadvantaged and unemployed, including those in rural towns and villages, an additional $70,000,000 for "Health Services", Department of Health and Human Services, for carrying out titles III and XIX of the Public Health Service Act with respect to community and migrant health centers: Provided, That $5,000,000 shall be for the provision of home health services at such centers and $5,000,000 shall be for carrying out section 339 of the Public Health Service Act relating to home health care services and training: Provided further, That each center may apply up to 20 per centum of these funds provided to the center for the Purchase (at rates not exceeding those prevailing under the applicable State plan approved under title XIX of the Social Security Act) of inpatient hospital services for delivery and post partum care to pregnant women and infants who have no other source of payment for the care.

INCREASING MATERNAL AND CHILD HEALTH SERVICES

(Health Services)

To increase the availability of essential health services for disadvantaged children and mothers, an additional $105,000,000 for "Health Services", Department of Health and Human Services, for maternal and child health grants under title V of the Social Security Act: Provided, That such funds shall be allocated as provided for under section 502(b) of the Act: Provided further, That no grant shall be made to a State unless such State offers assurances satisfactory to the Secretary that it will use such amounts in addition to rather than in lieu of existing Federal or State funds currently available for these purposes.

CENTERS FOR DISEASE CONTROL

Preventive Health Services

For an additional amount for "Preventive Health Services", $15,560,000, which shall remain available until expended and shall be for construction and renovation of facilities.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Community and Home Health Services—Appropriates $70 million as proposed by the Senate instead of $78 million as proposed by the House. The conferees have agreed to language proposed by the Senate which provides that $5 million of these funds shall be for home health services at centers and $5 million shall be for home health training and services under section 339 of the Public Health Service Act. The House bill provided $10 million for home health services at centers and no funds for section 339 grants. It is the intention of the conferees that funds be awarded to health centers as expeditiously as possible. Priority shall be given to applications for supplemental grants under this heading to centers based on the extent of unemployment in such areas, and on whether their service area includes a significant number of unserved or underserved people. The demonstrated administrative, financial and general management capability of applicants shall be evaluated as part of the application process for supplemental grants.

Maternal and Child Health Services (including crippled childrens services)—Appropriates $105 million as proposed by the Senate instead of $110 million as proposed by the House. The conferees have agreed that these funds shall be allocated among the States based on the formula contained in section 502(b) of the Social Security Act. This replaces language in the House and Senate bills which would have established different formulas for allocating funds. It is the intention of the conferees that these grants be made to the States under expedited procedures. The conferees understand that rapid implementation of this provision will necessitate the Department and the States using an accelerated review and approval process. Therefore, to the extent possible, the conferees expect supplemental grant awards to be made based on the 1983 applications currently approved by the Department of Health and Human Services for the Title V program.

Centers for Disease Control—Appropriations $15,560,000 for construction of a new high containment laboratory in Atlanta, Georgia, as proposed by the Senate. The House bill contained no similar provision.

Increasing Assistance for Public Hospitals

Amendment No. 65: Deletes appropriation of $52,000,000 proposed by the House for grants to public and community hospitals for emergency room services provided to indigent patients. The Senate bill contained no similar provision.

Increasing Day Care and Social Services

(Social Services Block Grants)

Amendment No. 66: Appropriates $225,000,000 for Social Services Block Grants, instead of $150,000,000 as proposed by the House and $300,000,000 as proposed by the Senate.

Amendment No. 67: Deletes language proposed by the House which would have earmarked $50,000,000 for child day care services.

The conferees have agreed, without prejudice, to delete the earmarking for day care. Under current Title XX legislation, day care is one of many services which can be provided by Social Service Block Grants. The need for day care is particularly urgent in times of high unemployment; therefore, the conferees urge that day care services be assigned a high priority by the States and local communities in planning the use of the additional funds provided in this bill.

Increasing Headstart Service

(Human Development Services)

Amendment No. 68: Deletes the appropriation of $30,000,000 proposed by the House for the Headstart program.

Increasing Community and Humanitarian Services

(Community Services Block Grant)

Amendment No. 69: Appropriates $25,000,000 as proposed by the House, instead of $41,375,000 as proposed by the Senate.

Providing Urgently Needed School Facilities

(School assistance in federally affected areas)

Amendment No. 70: Appropriates $60,000,000 for school construction under the Act of September 23, 1950 as proposed by the Senate, instead of $35,000,000 as proposed by the House.

The conferees note that funds provided under this heading may be available for use in the detection and abatement of asbestos in schools.

Amendment No. 71: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which earmarks $25,000,000 for sections 5 and 14(c) of the Act instead of $15,000,000 as proposed by the House and $20,000,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 72: Earmarks $10,000,000 for construction under Section 10 of the Act as proposed by the House, instead of $15,000,000 as proposed by the Senate.

Amendment No. 73: Earmarks $25,000,000 for construction under sections 14 (a) and (b) of the Act as proposed by the Senate instead of $10,000,000 as proposed by the House.

Education for the Handicapped

Amendment No. 74: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $40,000,000 for the removal of architectural barriers in schools. The House bill includes no funding for this purpose.

Rehabilitation Services and Handicapped Research

Amendment No. 75: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $5,000,000 for projects with industry. The House bill includes no funding for this purpose.

Student Financial Assistance

Amendment No. 76: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment, amended to read as follows:

Student financial assistance

For an additional amount for "Student Financial Assistance", $50,000,000 to remain available until September 30, 1984 for carrying out part C of title IV of the Higher Education Act of 1965, relating to the College Work Study Program: Provided, That notwithstanding subsections (a), (b), (c), and (e) of section 442 of the Higher Education Act of 1965, and section 11 of Public Law 97-301, the Secretary shall allot the sums appropriated pursuant to section 441(b) of the Higher Education Act of 1965 for fiscal year 1983 among the States so that each State's allotment bears the same ratio to the total amount appropriated as that State's allotment in fiscal year 1981 bears to the total amount appropriated pursuant to section 441(b) for the fiscal year 1981.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Libraries

Amendment No. 77: Reported in technical disagreement. The managers of the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $50,000,000 for library construction. The House bill includes no funding for this purpose.

Relieving Human Suffering of Indigent People

Amendment No. 78: Deletes House language appropriating $250,000, which was to become available only upon enactment into law of new legislation providing for emergency feeding programs. These funds were to be used for administrative expenses to accelerate the implementation of the new legislation. The conference agreement also deletes House language which provided that funds or commodities provided by the Federal Government in the emergency feeding programs, except for those provided under the WIC program, must be matched by a 25 percentum non-federal contribution. Both of these provisions are unnecessary because of the conference agreement on the new emergency feeding program, which appears in title II of this Act.

DISTRIBUTION OF AGRICULTURAL COMMODITIES

Amendment No. 79: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

Notwithstanding 15 U.S.C. 713c-2, the Secretary of Agriculture shall purchase domestically produced fresh and processed fishery products from funds appropriated under 7 U.S.C. 612c, and distribute to eligible recipient agencies.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement omits the $30,000,000 ceiling on purchases made pursuant to 7 U.S.C. 612c, but the conferees maintain a commitment to substantially increase the purchase of fishery products under the section 32 program.

The effect of this amendment is to eliminate the $1.5 million cap which is contained in 15 U.S.C. 713c-2, so that fishery products will be on equal footing with other food products for purchase under the section 32 surplus commodity program. The conferees also note that a condition of surplus is present in several key fishery products and that the Department of Agriculture shall initiate purchases where appropriate without delay. The language of the amendment is intended to require additional purchases of fishery products in a manner which will eliminate the historical bias at the Department of Agriculture which has prevented the purchase of these products in the past.

Amendment No. 80: Restores language proposed by the House and stricken by the Senate appropriating $50,000,000 to the Federal Emergency Management Agency to carry out an emergency food and shelter program through a national board of private voluntary organizations.

Amendment No. 81: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $50,000,000 to the Federal Emergency Management Agency to carry out an emergency food and shelter program through grants to the States.

Amendment No. 82: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

Special Attention to Areas of High Unemployment

Sec. 101(a)(1). Notwithstanding any other provision of law, 75 per centum of the funds appropriated or otherwise made available in this title for each account listed in subsection (a)(5) shall be made available for projects and activities in civil jurisdictions with high unemployment, labor surplus areas, or in political units or in pockets of poverty that are currently or should meet the criteria to be eligible under the Urban Development Action Grant program administered by the Department of Housing and Urban Development.

(2) For purposes of this subsection, a "civil jurisdiction" is—

(A) a city of 50,000 more population on the basis of the most recently available Bureau of the Census estimates; or

(B) a town or township in the state of New Jersey, New York, Michigan or Pennsylvania of 50,000 or more population and which possesses powers and functions similar to those of cities; or

(C) a county, except those counties which contain any of the types of civil jurisdictions defined in paragraphs (A) or (B) of this subsection; or

(D) a "balance of county" consisting of a county less any component cities and townships identified in paragraphs (A) or (B) of this subsection; or

(E) a county equivalent which is a town in the States of Massachusetts, Rhode Island, and Connecticut; or

(F) a portion of a city or jurisdiction that meets the pockets of poverty criteria as defined by the Department of Housing and Urban Development.

(3) For purposes of this subsection, a "civil jurisdiction with a high level of unemployment" is a civil jurisdiction that has been so classified by the Assistant Secretary for Employment and Training, United States Department of Labor. The Assistant Secretary shall classify a civil jurisdiction as having high unemployment whenever, as determined by the Bureau of Labor Statistics using the latest comparable data available from Departmental, State or local sources, the civil jurisdiction has had an average unemployment rate over the previous twelve months of not less than ninety percent of the national average unemployment rate during the same period. The Assistant Secretary shall publish a list of civil jurisdictions with high unemployment as soon as practicable, but not later than 30 days, after the date of enactment of this Act.

(4) In classifying civil jurisdictions with high unemployment, the Assistant Secretary, in order to include those individuals actually unemployed, should consider modification of the criteria which counts as fully employed persons who worked at all as paid employees in their own business, profession or farm, or who worked fifteen hours or more in an enterprise operated by a member of the family.

(5) The provisions of this subsection shall apply only to funds appropriated or otherwise made available in this title to:

GSA-Repairing Federal Buildings;
Repairing VA hospitals;
SBA-Business Loan and Investment Fund;
Repairing Urban Parks;
Low-income energy conservation;
School and hospital weatherization;
Job Corps;
School facilities; and
Alcohol, Drug Abuse and Mental Health.

(6) For projects encompassing several counties, only one of the several counties must meet the criteria for an area of high unemployment in subsection (a)(3) in order to qualify for funds under this subsection.

(b)(1) Notwithstanding any other provision of law, and subject to the provisions of subsection (b)(5), the head of each Federal agency to which funds are appropriated or otherwise made available under this title, with respect to any program distributed according to a formula grant by State, shall allot the funds as follows:

(A) One-third of such sums for each such program shall be allotted among the States on the basis of the relative number of unemployed individuals who reside in each State as compared to the total number of unemployed individuals in all of the States.

(B) One-sixth of such sums for each program shall be allotted among "long-term unemployment States", to be allotted among "long-term unemployment States" on the basis of the relative number of unemployed individuals who reside in each "long-term unemployment State" as compared to the total number of unemployed individuals in all "long-term unemployment States".

(C) One-half of such sums for each such program shall be allocated among the States on the basis of the provisions of law authorizing each such program.

(2) States receiving allotment of funds under this subsection shall to the extent practicable utilize such funds in areas of the State where unemployment is highest and has been high for the longest period of time and for authorized purposes which have the greatest immediate employment impact.

(3) For purposes of this subsection:

(A) The term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

(B) The number of unemployed individuals who reside in each State, as well as the total number of unemployed individuals in all of the States, shall be determined by the Bureau of Labor Statistics of the Department of Labor for the month of January 1983.

(C) The term "long-term unemployment State" means any State in which the average unadjusted unemployment rate was equal to or above the unemployment rate of 9.4 percent for the period of June 1982, through November 1982.

(4) Notwithstanding any other provision of law, and subject to the provisions of subsection (b)(5), the head of each Federal agency to which funds are appropriated or otherwise made available under this title, with respect to any program distributed according to a formula grant to political subdivisions of the States, shall allot the funds or other authority provided by this title first, among the States in the manner specified in subsection (b)(1) and second, among the political subdivisions of that State, to the extent practicable under subsection (b)(2), in accordance with the allocation factors contained in the provision of law authorizing each such program.

(5) The provisions of subsections (b)(1) or (b)(2), as the case may be, of this subsection shall apply to funds appropriated, or otherwise made available, under this title—

Community Development Grants;
Social Services Block Grants;
Community Services Block Grants;
Library Services and Construction Act; and
Rebuilding Aviation Infrastructure.

(c) The head of each Federal agency to which funds are appropriated or otherwise made available under this title, or States, or political subdivisions of States, which receive allotment of funds under this title shall to the extent practicable utilize such funds in a manner which maximizes immediate creation of new employment opportunities to individuals who were unemployed at least fifteen of the twenty-six weeks immediately preceding the date of enactment of this Act. It is the intent of the Congress that funds appropriated or otherwise made available under this title be obligated and disbursed as rapidly as possible so as to quickly assist the unemployed and the needy as well as minimize future year budgetary outlays.

(d) Funds or authority to be made available for projects and activities in civil jurisdictions or States with high unemployment in accordance with this section, but which cannot be rapidly or efficiently utilized shall be identified in a report transmitted to Congress by the Office of Management and Budget not later than thirty days following enactment of this Act. Not later than ten days following transmittal of such report, such funds shall be allotted on the basis of the provisions of law authorizing each such program.

(e) Notwithstanding any other provision of law, the head of each Federal agency to which appropriations are made under this title, with respect to project grants or project contracts in this section, shall expedite final approval of projects in areas of high unemployment in order to allocate sums to areas of high unemployment as required by this section. Nothing required by this section shall impede the rapid expenditure of funds under this section.

(f) Notwithstanding any other provision of law, any agency rulemaking proceeding conducted in order to implement the provisions of this title shall be conducted expeditiously, and in no case shall an agency hearing on the record be required.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree that, to the extent practicable, funds made available by this Act for Federal, State and local prison modernization should be distributed first to areas of high unemployment.

Railroad Unemployment Benefits

Amendment No. 83: Reported in technical disagreement. The managers on the part of the House bill will move to recede and concur in the Senate amendment which amends the Railroad Unemployment Insurance Act with respect to supplemental unemployment benefits for rail workers with less than 10 years of service and appropriates from general revenue $125,000,000 for transfer to the railroad unemployment insurance account and $750,000 for transfer to the railroad unemployment insurance administration account in the Unemployment Trust Fund.

Amendment No. 84: Deletes language proposed by the Senate requiring the Department of the Treasury to issue installment payments for general revenue sharing at the beginning of the quarter, instead of at the end of the quarter, for quarters beginning on or after April 1, 1983.

Amendment No. 85: Deletes language proposed by the Senate to empower the state approving agency to certify that a course of study is full-time at Evergreen State College for the purposes of determining veterans educational benefits. The conferees urge the Veterans Administration to review educational benefits criteria pertaining to students undertaking independent courses of study. Such a review should determine under what circumstances, if any, such independent courses of study might qualify for payment of full-time benefits for students pursuing educational goals at institutions of higher learning while protecting the system from abuses.

PRESIDENTIAL COMMISSION TO STUDY POTENTIAL BENEFITS OF NATIONAL SERVICE

Amendment No. 86: Deletes language proposed by the Senate which expresses the sense of the Senate with respect to establishment of a Presidential Commission to study the potential benefits of national service.

Opposing Cuts in Education Programs

Amendment No. 87: Deletes language proposed by the Senate declaring that it is the sense of the Senate that Congress opposes any further reductions in education programs, and that Congress should provide sufficient resources for education programs.

Administration for Native Americans

Amendment No. 88: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment, amended to read as follows:

ADMINISTRATION FOR NATIVE AMERICANS

SEC. 103. During fiscal year 1983, general administration of programs authorized under the Native American Programs Act shall remain in the Department of Health and Human Services and shall not be transferred to the Bureau of Indian Affairs and the Secretary of Health and Human Services shall continue to administer the financial assistance grants funded under that Act through the Administration for Native Americans: Provided, That this provision shall not prohibit interagency funding agreements between the Administration for Native Americans and other agencies of the Federal Government for the development and implementation of specific grants or projects.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

NATIONAL WEATHER SERVICE

Amendment No. 89: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment which changes "sense of the Senate" to "sense of the Congress", and changes the section number.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Shea's Buffalo Theater and Kleinhans Music Hall, Buffalo, New York

Amendment No. 90: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment which changes the section number. The managers on the part of the Senate will move to concur in the amendment of the House to this amendment of the Senate. The conference agreement authorizes the Secretary of Commerce to permit, upon request from the City of Buffalo, New York, the sale or lease of Shea's Buffalo Theater and Kleinhans Music Hall. This language precludes the current legal requirement that if such sale or lease does occur, the City of Buffalo would be required to return to the Department of Commerce the economic development assistance funds provided by the Economic Development Administration for these projects.

The conferees are agreed that the language of the conference agreement is a one time only exemption from current law, provided solely for the City of Buffalo, New York. While this project is no doubt worthwhile, the conferees consider this issue a matter that should properly be addressed by the authorizing committees and do not intend to provide for such exemptions in future appropriations bills.

DEPARTMENT OF THE TREASURY

U.S. CUSTOMS SERVICE

Amendment No. 91: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert "106".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment appropriates $3,750,000 for operation and maintenance, air interdiction program. The funds are for acquisition, operation and maintenance of aircraft to be used in the Customs drug interdiction program.

TITLE II—TEMPORARY EMERGENCY FOOD ASSISTANCE ACT OF 1983

Amendment No 92: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

TITLE II—TEMPORARY EMERGENCY FOOD ASSISTANCE ACT OF 1983

Sec. 201. This title may be cited as the "Temporary Emergency Food Assistance Act of 1983", and is hereinafter in this title referred to as "the Act".

AVAILABILITY OF CCC COMMODITIES

Sec. 202. (a) Notwithstanding any other provision of law, commodities acquired by the Commodity Credit Corporation that are in excess of quantities needed for the fiscal year to carry out a payment-in-kind acreage diversion program, maintain U.S. share of world markets, and meet international market development and food aid commitments, shall be made available by the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") without charge or credit in such fiscal year for use by eligible recipient agencies. Upon request, commodities provided by the CCC shall be provided in a form suitable for individual household or institutional use.

(b) Notwithstanding any other provision of law, if wheat stocks acquired by the Commodity Credit Corporation are not available for the purposes of ths Act, up to 300,000 metric tons of wheat designated under section 302(b)(1) of the Food Security Wheat Reserve Act of 1980 shall be used for the purposes of this Act. Any amount of wheat used from the Food Security Wheat Reserve under this Act shall be replenished by an equivalent quantity of wheat under the provisions of section 302(b) of the Food Security Wheat Reserve Act of 1980 as soon as practicable, but before December 31, 1983.

Processing Agreements

Sec. 203. Whenever a commodity is made available without charge or credit under any nutrition program administered by the Secretary, the Secretary shall encourage consumption thereof through agreements with private companies under which the commodity is reprocessed into end-food products for use by eligible recipient agencies, with the expense of the reprocessing to be borne by the recipient agencies.

Authorization and Appropriations

Sec. 204. (a) There is appropriated for the period ending September 30, 1983, $50,000,000 for the Secretary to make available to the States for storage and distribution costs, of which not less than $10,000,000 shall be made available for paying the actual costs incurred by charitable institutions, food banks, hunger centers, soup kitchens, and similar nonprofit organizations providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons, provided that in no case shall such payments exceed five per centum of the value of commodities distributed by any such agency. The value of the commodities made available under this Act and the funds of the Corporation used to pay the costs of initial processing, packaging (including forms suitable for home use), and delivering commodities to the States shall not be charged against this appropriation.

Relationships to Food Stamps

Sec. 205. Section 4(b) of the Food Stamp Act of 1977 shall not apply with respect to the distribution of commodities under this Act.

Commodities Not Income

Sec. 206. Notwithstanding any other provision of law, commodities distributed under this Act shall not be considered income or resources for any purposes under any Federal, State, or local law.

Penalties

Sec. 207. Section 4(c) of the Agriculture and Consumer Protection Act of 1973 is amended by—

(1) striking out "or section 709" and inserting in lieu thereof "section 709"; and

(2) inserting after "(7 U.S.C. 1446a1)" the phrase "or the Emergency Food Assistance Act of 1983".

Prohibition Against Certain State Charges

Sec. 208. Whenever a commodity is made available without charge or credit under any nutrition program administered by the Secretary for distribution within the States to eligible recipient agencies, the State may not charge recipient agencies any amount that is in excess of the State's direct costs of storing and transporting the commodities to recipient agencies minus any amount the Secretary provides the State for the costs of storing and transporting such commodities.

Commodity Supplemental Food Program Administrative Expenses

Sec. 209. Notwithstanding any other provision of law, administrative expenses for the Commodity Supplemental Food Program, on commodities donated by CCC during fiscal year 1983, shall be paid from CCC funds and shall be fifteen percentum of the book value of the commodities donated.

Regulations

Sec. 210. The Secretary shall issue regulations within 30 days to implement this Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 93: Deletes language proposed by the Senate expressing the Sense of the Senate that the President should move expeditiously to restore the credibility and effectiveness of the Environmental Protection Agency.

Amendment No. 94: Makes technical change redesignating title III of the bill.

Amendment No. 95: Deletes "Unemployment" from title as proposed by the Senate.

Grants to States for Unemployment Insurance and Employment Services

Amendment No. 96: Deletes language proposed by the Senate which would have allowed the States to use up to half of the funds under this heading to hire additional permanent staff for processing of unemployment insurance claims.

The conferees agree to defer consideration of converting temporary Unemployment Insurance service staff to permanent positions until more information is available indicating the relative costs of permanent personnel versus temporaries when training, productivity, and error rates are considered.

SMALL BUSINESS ADMINISTRATION

Business Loan and Investment Fund

Amendment No. 97: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment which provides for $200,000,000 in additional capital for the Business Loan and Investment Fund instead of $434,000,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

TITLE IV—DEPARTMENT OF AGRICULTURE

Amendment No. 98: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

Reimbursement for Net Realized Losses

For an additional amount for "Reimbursement for net realized losses", $5,707,457,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides a supplemental appropriation of $5,707,457,000 for restoration of capital impairment of the Commodity Credit Corporation as proposed by the Senate. The conference agreement deletes language proposed by the Senate earmarking $500,000,000 to capitalize the Agricultural Export Credit Revolving Fund. The conferees point out that the Charter of the Corporation provides unlimited amounts within the $25 billion available for such purposes. The conferees will expect the Corporation to use whatever funds are necessary to regain and retain our export markets for U.S. agricultural products.

The conferees concur with the unnumbered Senate amendment which amends the title of the bill.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1983 recommended by the Committee of conference, the 1983 budget estimates, and the House and Senate bills for 1983 follow:

TITLES I AND II	
Budget estimates of new (obligational) authority, fiscal year 1983	
House bill, fiscal year 1983	$4,898,150,000
Senate bill, fiscal year 1983	4,024,651,200
Conference agreement, fiscal year 1983	4,648,577,000
Conference agreement compared with:	
Budget estimates of new (obligational) authority, fiscal year 1983	4,648,577,000
House bill, fiscal year 1983	−249,573,000
Senate bill, fiscal year 1983	+623,925,800
TITLE III	
Budget estimates of new (obligational) authority, fiscal year 1983	[1] 10,740,457,000
House bill, fiscal year 1983	5,033,000,000
Senate bill, fiscal year 1983	11,174,457,000
Conference agreement, fiscal year 1983	10,940,457,000
Conference agreement compared with:	
Budget estimates of new (obligational) authority, fiscal year 1983	+200,000,000
House bill, fiscal year 1983	+5,907,457,000
Senate bill, fiscal year 1983	−234,000,000

[1] Includes $5,707,457,000 of budget estimates not considered by the House.

JAMIE L. WHITTEN,
EDWARD P. BOLAND,
WILLIAM H. NATCHER,
NEAL SMITH,
JOSEPH P. ADDABBO,
CLARENCE D. LONG,
SIDNEY R. YATES,
EDWARD R. ROYBAL,
TOM BEVILL,
WILLIAM LEHMAN,
JULIAN DIXON,
VIC FAZIO,
SILVIO O. CONTE
(except to No. 82),
JOSEPH M. McDADE
(except to No. 82),
JACK EDWARDS,
JOHN T. MYERS,
LAWRENCE COUGHLIN
(except to No. 82),
Managers on the Part of the House.

MARK O. HATFIELD,
TED STEVENS,
LOWELL P. WEICKER,
PAUL LAXALT,
THAD COCHRAN,
MARK ANDREWS,
JAMES ABDNOR,
ALFONSE D'AMATO,
JOHN C. STENNIS,
WILLIAM PROXMIRE,
DANIEL K. INOUYE,
ERNEST F. HOLLINGS,
THOMAS F. EAGLETON,
LAWTON CHILES,
J. BENNETT JOHNSTON,
WALTER D. HUDDLESTON,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. WILLIAMS of Ohio (at the request of Mr. MICHEL), for today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCCANDLESS) to revise and extend their remarks and include extraneous material:)

Mr. BILIRAKIS, for 60 minutes, on March 22.

Mrs. SMITH of Nebraska, for 30 minutes, today.

Mr. DANNEMEYER, for 60 minutes, on March 22.

Mr. LOTT, for 15 minutes, today.

(The following Members (at the request of Mr. ROWLAND) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 30 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. HUBBARD, for 5 minutes, today.

Mr. BRYANT, for 5 minutes, today.

Mr. STUDDS, for 5 minutes, today.

Mr. ANTHONY, for 5 minutes, today.

Mr. MICA, for 15 minutes, today.

(The following Member (at the request of Mr. GONZALEZ) to revise and

extend his remarks and include extraneous material:)

Mr. STOKES, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MCCANDLESS) and to include extraneous matter:)

Mr. BROOMFIELD in two instances.

Mr. NIELSON of Utah in two instances.

Mr. GILMAN in three instances.

Mr. CHENEY.

Mr. MARLENEE in two instances.

Mr. DAUB in two instances.

Mr. WHITEHURST.

Mr. YOUNG of Florida.

Mr. LAGOMARSINO.

Mr. SCHULZE.

Mr. GOODLING.

Mr. MILLER of Ohio in four instances.

Mr. BLILEY.

Mr. VANDER JAGT.

Ms. FIEDLER.

Mr. PORTER.

Mr. SENSENBRENNER.

Mr. RITTER.

(The following Members (at the request of Mr. ROWLAND) and to include extraneous matter:)

Mr. HARRISON.

Mr. ECKART in two instances.

Mr. SKELTON.

Mr. FLORIO.

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mrs. SCHROEDER.

Mr. NOWAK.

Mr. LEHMAN of California.

Mr. MCDONALD in five instances.

Mr. HAMILTON.

Ms. FERRARO.

Mr. LEVINE of California.

Mr. LEHMAN of Florida.

Mr. STUDDS.

Mr. COLEMAN of Texas.

Mr. ANTHONY.

Ms. KAPTUR.

Mr. DE LA GARZA.

Mr. TOWNS.

Mr. OTTINGER.

Mr. MICA.

Mr. ORTIZ.

Mr. DANIEL.

Mr. CONYERS.

SENATE JOINT RESOLUTIONS REFERRED

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 20. Joint resolution to authorize and request the President to designate March 27, 1983, as "National Recovery Room Nurses Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 32. Joint resolution to provide for the designation of May 1983 as "National Arthritis Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 44. Joint resolution to authorize the President to issue a proclamation designating the week beginning on March 11, 1984, as "National Surveyors Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 57. Joint resolution to designate the week of April 3, 1983 through April 9, 1983, as "National Drug Abuse Education Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 49. Joint resolution to authorize and request the President to proclaim the week of April 10–16, 1983, as "A Week of Remembrance for the 40th Anniversary of the Warsaw Ghetto Uprising"; to the Committee on Post Office and Civil Service.

S.J. Res. 52. Joint resolution to authorize and request the President to designate the week of April 10, 1983, through April 16, 1983, as "National Mental Health Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 53. Joint resolution to authorize and request the President to designate the month of May 1983 as "National Physical Fitness and Sports Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 64. Joint resolution to commemorate the 200th anniversary of the signing of the Treaty of Amity and Commerce between Sweden and the United States; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 28 minutes p.m.), the House adjourned until tomorrow, Tuesday, March 22, 1983, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

667. A communication from the President of the United States transmitting proposed supplemental appropriations for fiscal year 1983 for increased U.S. assistance to Central America (H. Doc. No. 98–34); to the Committee on Appropriations and ordered to be printed.

668. A letter from the Secretary of Education, transmitting proposed regulations establishing the family contribution schedules for 1984–85 under the Pell grant program pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

669. A letter from the General Counsel, Department of Energy, transmitting notice of meetings related to the international energy program to be held on April 5 and 6 in San Francisco, Calif.; to the Committee on Energy and Commerce.

670. A letter from the Secretary of State, transmitting a draft of proposed legislation to authorize supplemental international security and development assistance for urgent purposes for the fiscal year 1983, and for other purposes; to the Committee on Foreign Affairs.

671. A letter from the Secretary of State, transmitting notice that it is in the national interest to grant assistance to private sector organizations operating within the country of Costa Rica, pursuant to 620(q) of the Foreign Assistance Act of 1961; to the Committee on Foreign Affairs.

672. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Air Force's proposed lease of defense articles to the United Kingdom (Transmittal No. 8–83), pursuant to section 62(a) of the Arms Export Control Act; to the Committee on Foreign Affairs.

673. A letter from the Director, Defense Security Assistance Agency, transmitting the quarterly report on foreign military sales as of December 31, 1982, pursuant to section 36(a) of the Arms Export Control Act; to the Committee on Foreign Affairs.

674. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Ambassador-designate Wesley William Eagan, Jr., and by Ambassador-designate John Melvin Yates, and by members of their families, pursuant to section 304(b)(2) of Public Law 96–456; to the Committee on Foreign Affairs.

675. A letter from the Chairman, Federal Communications Commission, transmitting a report on the Commission's activities under the Freedon of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

676. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to add a representative of Indian tribal governments to the membership of the Advisory Commission on Intergovernmental Relations; to the Committee on Government Operations.

677. A letter from the Secretary of the Interior, transmitting a report on the impact of the Urban Park and Recreation Act of 1978, pursuant to section 1015 of Public Law 95–625; to the Committee on Interior and Insular Affairs.

678. A letter from the Acting Comptroller General of the United States, transmitting a report of certification of the Secretary of Defense's estimate of the Panama Canal Commission's annual revenues to be deposited in the Panama Canal Commission fund for fiscal year 1984, pursuant to section 1302(c)(2) of Public Law 96–70; to the Committee on Merchant Marine and Fisheries.

679. A letter from the Director, Office of Personnel Management, transmitting notice of a proposed airway science curriculum demonstration project, pursuant to 5 U.S.C. 4703(b)(4); to the Committee on Post Office and Civil Service.

680. A letter from the Secretary of Transportation, transmitting a report on the revised estimates of costs of completing the Interstate System for use in making apportionments of Interstate System funds for the fiscal years ending September 30, 1985 and 1986, pursuant to 23 U.S.C. 104(b)(5); to the Committee on Public Works and Transportation.

681. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a report from the Chief of Engineers, Department of the Army, on Quad Cities urban study, Illinois and Iowa, together with other pertinent reports, pursuant to a resolution

adopted by the Committee on Public Works, October 10, 1974; to the Committee on Public Works and Transportation.

682. A letter from the Acting Director of Central Intelligence, transmitting a draft of proposed legislation to authorize appropriations for fiscal year 1984 for intelligence and intelligence-related activities of the U.S. Government, for the intelligence community staff, for the Central Intelligence Agency retirement and disability system, and for other purposes; jointly, to the Committees on Armed Services, Intelligence, and the Judiciary.

683. A letter from the Secretary of Energy, transmitting the sixth annual report on the comprehensive program and plan for every education, extension, and information activities, pursuant to section 508 of Public Law 95-39 and section 404 of Public Law 96-294; jointly, to the Committees on Energy and Commerce and Science and Technology.

684. A letter from the Secretary of Energy, transmitting draft of proposed legislation entitled, "Nuclear Licensing and Regulatory Reform Act of 1983"; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PEPPER: Committee on Rules. House Concurrent Resolution 91. Concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal years 1984, 1985, and 1986 (Rept. No. 98-41, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 144. Resolution providing for the consideration of House Concurrent Resolution 91, concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal years 1984, 1985, and 1986 (Rept. No. 98-42). Referred to the House Calendar.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 982. A bill to provide for the settlement of land claims of the Mashantucket Pequot Indian Tribe of Connecticut, and for other purposes, with an amendment (Rept. No. 98-43). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee of conference. Conference report on H.R. 1718 (Rept. No. 98-44). Ordered to be printed.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. JONES of Oklahoma: Committee on the Budget. House Concurrent Resolution 91. Concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal years 1984, 1985, and 1986; referred to the Committee on Rules for a period ending not later than March 22, 1983, for consideration of such portions of the concurrent resolution as fall within that committee's jurisdiction pursuant to clause 1(q), rule X (Rept. No. 98-41, Pt. I). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON (for himself, Mr. ADDABBO, Mr. ALBOSTA, Mr. ARCHER, Mr. AUCOIN, Mr. BARNARD, Mr. BENNETT, Mr. BEREUTER, Mr. BEVILL, Mr. BLILEY, Mr. BOLAND, Mr. BROYHILL, Mr. CARNEY, Mr. CHAPPELL, Mr. COELHO, Mr. COLEMAN of Missouri, Mr. CONTE, Mr. CORCORAN, Mr. COUGHLIN, Mr. CRAIG, Mr. DAUB, Mr. DE LA GARZA, Mr. DREIER of California, Mr. DUNCAN, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. DE LUGO, Mr. ECKART, Mr. EDGAR, Mr. EMERSON, Mr. FASCELL, Mr. FOGLIETTA, Mr. FRENZEL, Mr. GIBBONS, Mr. GLICKMAN, Mr. GORE, Mr. GUARINI, Mr. GUNDERSON, Mr. HAMILTON, Mr. HANCE, Mr. HARKIN, Mr. HERTEL of Michigan, Mr. HIGHTOWER, Mrs. HOLT, Mr. HORTON, Mr. HOWARD, Mr. HOYER, Mr. HYDE, Mr. JEFFORDS, Mr. JONES of Oklahoma, Mr. JONES of North Carolina, Mr. KEMP, Mr. KINDNESS, Mr. KOGOVSEK, Mr. LAGOMARSINO, Mr. LEACH of Iowa, Mr. LEATH of Texas, Mr. LOTT, Mr. LOWRY of Washington, Mr. LUJAN, Mr. MCCOLLUM, Mr. MCGRATH, Mr. MADIGAN, Mr. MARRIOTT, Mr. MARTIN of New York, Mr. MATSUI, Ms. MIKULSKI, Mr. MILLER of Ohio, Mr. MINISH, Mr. MURPHY, Mr. MYERS, Mr. MAZZOLI, Mr. NELSON of Florida, Mr. NOWAK, Mr. OXLEY, Mr. PASHAYAN, Mr. PETRI, Mr. PORTER, Mr. RAHALL, Mr. REGULA, Mr. ROBINSON, Mr. ROE, Mrs. ROUKEMA, Mr. RUDD, Mrs. SCHNEIDER, Mr. SENSENBRENNER, Mr. SIMON, Mr. SKEEN, Mr. SMITH of Iowa, Mr. SOLOMON, Mr. STENHOLM, Mr. STUMP, Mr. SUNIA, Mr. STANGELAND, Mr. STARK, Mr. TAUKE, Mr. TAUZIN, Mr. TAYLOR, Mr. WALGREN, Mr. WAXMAN, Mr. WEBER, Mr. WHITEHURST, Mr. WILSON, Mr. WINN, Mr. WIRTH, Mr. WOLF, Mr. WON PAT, Mr. WORTLEY, Mr. WYDEN, Mr. YATRON, Mr. YOUNG of Missouri, Mr. RITTER, Mr. DANIEL B. CRANE, and Mr. BETHUNE):

H.R. 2193. A bill to amend chapter 44 of title 18 of the United States Code to extend and strengthen the mandatory penalty feature of the prohibition against the use of firearms in Federal felonies, and for other purposes; to the Committee on the Judiciary.

By Mr. APPLEGATE (by request):

H.R. 2194. A bill to amend title 38, United States Code, to authorize the expansion of the Board of Veterans' Appeals and the designation of certain individuals to act as members of the Board, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BONIOR of Michigan:

H.R. 2195. A bill to deauthorize the O'Neill Unit of the Missouri River Basin project in Nebraska, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BROOKS (for himself, Mr. ENGLISH, Mr. HORTON, and Mr. KINDNESS):

H.R. 2196. A bill to extend the authorization of appropriations of the National Historical Publications and Records Commission for 5 years; to the Committee on Government Operations.

By Mr. CLAY:

H.R. 2197. A bill to amend the National Labor Relations Act to permit certain labor organizations to be certified by the National Labor Relations Board as representatives of individuals employed as guards; to the Committee on Education and Labor.

H.R. 2198. A bill to amend the National Labor Relations Act to permit certain labor organizations to be certified by the National Labor Relations Board as representatives of individuals employed as guards; to the Committee on Education and Labor.

By Mr. DAVIS:

H.R. 2199. A bill to eliminate the buffer zone established in connection with the Pictured Rocks National Lakeshore, and for other purposes: to the Committee on Interior and Insular Affairs.

H.R. 2200. A bill to amend Public Law 89-668, relating to the Pictured Rocks National Lakeshore, to require the development of a local land use plan and zoning regulations for the inland buffer zone; to the Committee on Interior and Insular Affairs.

By Mr. EMERSON:

H.R. 2201. A bill to modify the flood control project for the lower Mississippi River to authorize construction of the St. Johns Bayou and New Madrid Floodway, Mo., project; to the Committee on Public Works and Transportation.

By Mr. FAZIO:

H.R. 2202. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to perform mitigation work for the Sacramento River Bank protection project, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. FLORIO:

H.R. 2203. A bill to improve the competitiveness of the United States in domestic and foreign markets, and for other purposes; jointly, to the Committees on Foreign Affairs, Ways and Means, and Energy and Commerce.

By Mr. FORD of Tennessee:

H.R. 2204. A bill to amend title 38, United States Code, to extend the period of eligibility for GI bill educational benefits for certain veterans of the Vietnam era; to the Committee on Veterans' Affairs.

By Mr. HERTEL of Michigan:

H.R. 2205. A bill to amend title 23, United States Code, to provide incentive grants in order to encourage States to adopt and enforce laws requiring the use of child safety seats by children in highway motor vehicles, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. IRELAND:

H.R. 2206. A bill to continue until the close of June 30, 1986, the existing suspension of duties on certain unwrought alloys of cobalt; to the Committee on Ways and Means.

By Mr. KILDEE (for himself, Mr. LAFALCE, Mr. CONABLE, Mr. HORTON, Mr. KEMP, and Mr. NOWAK):

H.R. 2207. A bill to reenact the Emergency School Aid Act; to the Committee on Education and Labor.

By Mr. LUKEN:

H.R. 2208. A bill to amend the Saccharin Study and Labeling Act to extend for 5 years the period during which the Secretary of Health and Human Services may not prohibit or restrict the sale or distribution of saccharin or products containing saccharin; to the Committee on Energy and Commerce.

By Mr. McEWEN:

H.R. 2209. A bill to authorize the construction of such facilities as deemed necessary by the Secretary of the Army (acting through the Chief of Engineers) in the vicinity of Logan and Nelsonville, Ohio, for the purpose of providing adequate flood protection to this area; to the Committee on Public Works and Transportation.

H.R. 2210. A bill to establish a uranium enrichment fund; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Science and Technology.

By Mr. MARLENEE:

H.R. 2211. A bill to exempt rural electric cooperatives from certain right-of-way rental payments under the Federal Land Policy and Management Act of 1976, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 2212. A bill to amend the Federal Civil Defense Act of 1950 to require that any construction carried out using Federal funds include design features to provide disaster shelter; jointly, to the Committees on Armed Services and Public Works and Transportation.

By Mr. MICA:

H.R. 2213. A bill to amend title 38, United States Code, to extend by 2 years the period during which Vietnam-era veterans may request psychological readjustment counseling from the Veterans' Administration and to direct the Administrator of Veterans' Affairs to carry out a comprehensive study of the prevalence of post-traumatic stress disorder and related readjustment problems among Vietnam-era veterans; to the Committee on Veterans' Affairs.

By Mr. MILLER of Ohio:

H.R. 2214. A bill to amend the Internal Revenue Code of 1954 to provide that amounts paid for health insurance will be allowed as a deduction without regard to the 3 percent limitation on the medical deduction, to allow a deduction for one-half of the social security tax on self-employment income and for certain life insurance premiums, and for other purposes; to the Committee on Ways and Means.

By Mr. MOLLOHAN:

H.R. 2215. A bill to suspend the duty on certain nitrogenous chemical compounds until the close of June 30, 1986; to the Committee on Ways and Means.

By Mr. MONTGOMERY (by request):

H.R. 2216. A bill to provide military commissary and exchange privileges to certain disabled veterans; to the Committee on Armed Services.

H.R. 2217. A bill to provide military commissary and exchange privileges to the surviving spouses of veterans dying from a service-connected disability; to the Committee on Armed Services.

H.R. 2218. A bill to amend title 10, United States Code, to extend eligibility for military medical care to recipients of the Congressional Medal of Honor and their dependents; to the Committee on Armed Services.

By Mr. SHUMWAY (for himself and Mr. CHAPPIE):

H.R. 2219. A bill to amend the act entitled "An act to authorize the Secretary of the Interior to construct, operate, and maintain the Auburn-Folsom South Unit, American River Division, Central Valley project, California, under Federal reclamation laws," enacted September 2, 1965; to the Committee on Interior and Insular Affairs.

By Mr. SHELBY (by request):

H.R. 2220. A bill to amend title 38, United States Code, to authorize the Administrator to make contributions for construction projects on land adjacent to national cemeteries in order to facilitate safe ingress or egress; to the Committee on Veterans' Affairs.

By Mr. SHELBY:

H.R. 2221. A bill to suspend for a 3-year period the duty on 2-methyl,4-chlorophenol; to the Committee on Ways and Means.

By Mr. STUDDS (for himself, Mr. JONES of North Carolina, Mr. BIAGGI, Mr. YOUNG of Alaska, Mr. BREAUX, Mr. HUGHES, Mr. ROE, Mr. OBERSTAR, Mr. LENT, Mr. SUNIA, Mr. LEHMAN of Florida, Mr. BONIOR of Michigan, Mr. EDGAR, Mr. RATCHFORD, Mr. FRANK, and Mr. VENTO):

H.R. 2222. A bill to provide a comprehensive system of liability and compensation for oil spill damage and removal costs, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries, Public Works and Transportation, and Ways and Means.

By Mr. TAUKE:

H.R. 2223. A bill to amend the Internal Revenue Code of 1954 to provide farmers a refundable income tax credit for acreage with respect to which the farmer uses conservation tillage practices; to the Committee on Ways and Means.

By Mr. YOUNG of Florida:

H.R. 2224. A bill to amend title XVI of the Social Security Act to provide that certain aliens may not qualify for supplemental security income benefits unless they not only are permanent residents of the United States but have also continuously resided in the United States for a period of 5 years, and to provide that an alien may not be admitted to the United States unless a citizen of the United States agrees to provide support to such alien for a period of 5 years after admission, and for other purposes; jointly, to the Committees on Ways and Means and the Judiciary.

By Mr. ANTHONY:

H.J. Res. 209. Joint resolution to provide for the designation of October 15, 1983, as "National Poetry Day"; to the Committee on Post Office and Civil Service.

By Mr. EDGAR (for himself, Mr. DASCHLE, Mr. LEACH of Iowa, Mr. COELHO, Mr. SMITH of New Jersey, Mr. JEFFORDS, Mr. UDALL, Mr. WHITEHURST, Mr. SOLOMON, Mr. SUNIA, Mr. DWYER of New Jersey, Mr. ADDABBO, Mr. APPLEGATE, Mr. FRANK, Mr. STARK, Mr. MINETA, Mr. FAUNTROY, Mr. BOLAND, Mr. EVANS of Illinois, Mr. BOUCHER, Mr. BONIOR of Michigan, Mr. COURTER, Mr. DOWDY of Mississippi, Mr. PETRI, Mr. DICKINSON, Mr. MARKEY, Mr. OBERSTAR, Mr. SKELTON, Mr. KRAMER, Mr. ACKERMAN, Mr. GORE, Ms. KAPTUR, Mr. RICHARDSON, Mr. FROST, Mr. BRYANT, Mr. WON PAT, Mr. PRITCHARD, Mrs. BOXER, Mr. ROWLAND, Mr. STAGGERS, Mr. GEKAS, Mr. MOLLOHAN, Mr. FEIGHAN, Mr. PENNY, Mr. OWENS, Mr. FAZIO, Mr. RATCHFORD, Mr. SHELBY, Mr. GEJDENSON, Mr. SNYDER, Mr. EDWARDS of California, Ms. OAKAR, and Mr. LEVINE of California):

H.J. Res. 210. Joint resolution authorizing and requesting the President to designate July 16, 1983, as "National Atomic Veterans' Day"; to the Committee on Post Office and Civil Service.

By Mr. OBERSTAR:

H.J. Res. 211. A joint resolution to designate April 4, 1983, as "Swedish-American Friendship Day" in commemoration of the 200th anniversary of the signing of the Treaty of Amity and Commerce between Sweden and the United States; to the Committee on Post Office and Civil Service.

By Mr. PANETTA:

H.J. Res. 212. A joint resolution designating the week beginning on April 3, 1983, as "National Philippine Veteran Week"; to the Committee on Post Office and Civil Service.

By Mr. TOWNS (for himself, Mr. ADDABBO, Mr. DYMALLY, Mr. RANGEL, Mr. SMITH of Florida, Mr. SUNIA, Mr. FUQUA, Mr. FAUNTROY, Mr. LELAND, Mr. CLAY, Mr. DE LUGO, Mr. ORTIZ, Mr. FORSYTHE, Mr. WILSON, Mr. BROWN of California, Mr. KOLTER, Mr. MOAKLEY, Mr. ANTHONY, Mr. CORCORAN, Mr. FEIGHAN, Mr. HOYER, Mr. DIXON, Mr. CORRADA, Mr. MCNULTY, Mr. HORTON, Mr. LEWIS of California, Mr. VANDERGRIFF, Mr. VENTO, Mr. DELLUMS, Mr. SIMON, Mr. HUGHES, Mr. FROST, Mr. MINISH, Mr. SCHEUER, Mr. BERMAN, Mr. ROE, Mr. BATES, Mr. HAMILTON, Mrs. HALL of Indiana, Mr. SCHUMER, Mr. SAVAGE, Mr. LEVIN of Michigan, Mr. OWENS, Mr. EDGAR, Mr. BONIOR of Michigan, Mrs. COLLINS, Mr. GRAY, Mr. LEVINE of California, Mr. WYDEN, Mr. HAWKINS, Mr. WEISS, Mr. CONYERS, Mr. FORD of Tennessee, and Mr. CROCKETT):

H.J. Res. 213. Joint resolution designating February 7, 1984, as "Eubie Blake Day"; to the Committee on Post Office and Civil Service.

By Mr. JONES of Oklahoma:

H. Con. Res. 91. Concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal years 1984, 1985, and 1986.

By Mr. YOUNG of Florida:

H. Con. Res. 92. Concurrent resolution expressing the sense of the Congress that no amnesty should be granted to aliens present illegally in the United States; to the Committee on the Judiciary.

By Mr. MARLENEE (for himself, Mr. FOLEY, Mr. ROBERTS, Mr. SKEEN, Mr. MORRISON of Washington, Mr. EMERSON, Mr. CRAIG, Mr. STANGELAND, Mr. BEDELL, Mr. DASCHLE, Mr. SUNIA, Mr. FORSYTHE, Mr. MCNULTY, Mr. HORTON, Mr. BEREUTER, Mrs. MARTIN of Illinois, Mr. MINETA, Mr. SIMON, Mr. HARTNETT, and Mr. TAUKE):

H. Res. 145. Resolution expressing the sense of the House of Representatives that the President should immediately resume negotiations with the Government of the Union of Soviet Socialist Republics for the purpose of reaching a new long-term grain sales agreement; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 103: Mr. EVANS of Illinois and Mr. O'BRIEN.

H.R. 132: Mr. TORRICELLI, Mr. BOEHLERT, and Mrs. SNOWE.

H.R. 171: Mr. HANSEN of Utah.

H.R. 375: Mr. RINALDO.

H.R. 500: Mr. CHAPPELL, Mr. LEWIS of Florida, and Mr. MCCANDLESS.

H.R. 851: Mr. STUMP.

H.R. 893: Mr. DANIEL B. CRANE.

H.R. 991: Mr. ST GERMAIN and Mr. MAVROULES.

H.R. 1031: Mr. EVANS of Illinois, Mr. LEATH of Texas, and Mr. STUMP.

H.R. 1036: Mr. RODINO, Mr. TOWNS, Mr. STARK, Mr. ROYBAL, Mr. WON PAT, Mr. STOKES, Mr. BATES, Mr. DIXON, Mr. ADDABBO, Mr. LEVINE of California, Mr. DYMALLY, Mr. BROWN of California, Mr. LEHMAN of Florida, Mr. DELLUMS, Mr. LELAND, Mr. BEILENSON, Mr. MITCHELL, Mr. FAUNTROY, Mr. WHEAT, Mr. GRAY, Mr. ECKART, Mr. FRANK, Mrs. HALL of Indiana, Mr. FORD of Tennessee, Ms. KAPTUR, Mr. CROCKETT, Mrs. COLLINS, Mr. MINISH, Mr. RAHALL, Mr. ANDERSON, Mr. EDWARDS of California, Mr. BOSCO, Mr. DWYER of New Jersey, Mr. DE LUGO, Mr. CONYERS, Mr. RANGEL, Mrs. SCHROEDER, Mr. LOWRY of Washington, Mr. TORRES, Mr. SIKORSKI, Mr. BONIOR of Michigan, Mrs. BOXER, Mr. SAVAGE, Mr. MATSUI, Mr. GONZALEZ, Mr. MARKEY, Mr. SEIBERLING, Mr. ST GERMAIN, Ms. OAKAR, Mr. SOLARZ, Mr. FAZIO, Mr. EDGAR, Mr. COYNE, Ms. MIKULSKI, Mr. WISE, and Mr. SUNIA.

H.R. 1078: Mr. CLAY and Mr. SABO.

H.R. 1092: Mr. HEFTEL of Hawaii and Mr. MCDADE.

H.R. 1100: Mr. FISH and Mr. MITCHELL.

H.R. 1147: Mr. FOGLIETTA, Mr. MITCHELL, and Mrs. SCHNEIDER.

H.R. 1176: Mr. MURPHY, Mr. BRITT, Mr. ROE, Mr. FUQUA, Mr. NOWAK, Mr. DICKS, Mr. MCNULTY, Mr. UDALL, Ms. FERRARO, and Mr. SNYDER.

H.R. 1199: Mr. OTTINGER, Mr. FAZIO, Mr. KOLTER, Mr. VENTO, Mr. MOLINARI, Mr. MCEWEN, and Mr. PORTER.

H.R. 1218: Mr. ROE.

H.R. 1219: Mr. CHAPPELL, Mr. YOUNG of Missouri, Mr. GRAMM, and Mr. LEWIS of Florida.

H.R. 1264: Mr. SUNIA, Mr. LELAND, Mr. STAGGERS, Mr. MINETA, Mr. BARNARD, Mr. HEFTEL of Hawaii, Mr. ANDERSON, and Mr. NELSON of Florida.

H.R. 1270: Mr. CLAY, Mr. WAXMAN, and Mr. HOWARD.

H.R. 1285: Mr. MCKINNEY, Mr. SOLARZ, and Mrs. SCHROEDER.

H.R. 1286: Mr. WEAVER, Mr. AUCOIN, Mr. WOLPE, Mr. GRAY, and Mr. EDWARDS of California.

H.R. 1347: Mr. UDALL.

H.R. 1390: Mr. WRIGHT.

H.R. 1481: Mr. STUMP.

H.R. 1528: Mr. ROBERTS.

H.R. 1542: Mr. STAGGERS, and Mr. EDWARDS of Oklahoma.

H.R. 1645: Mr. O'BRIEN.

H.R. 1691: Mr. EDWARDS of Oklahoma.

H.R. 1693: Mr. OWENS, Mr. MINISH, Mr. ADDABBO, Mr. BERMAN, Mr. TOWNS, Mr. SCHUMER, and Mr. WOLPE.

H.R. 1701: Mr. WEBER, Mr. SCHUMER, Mr. JACOBS, Mr. WEAVER, and Mr. KEMP.

H.R. 1729: Mr. SAM B. HALL, JR., Mr. MURPHY, and Mr. WILSON.

H.R. 1787: Mr. JONES of Tennessee, Mr. SUNIA, Mr. KINDNESS, Mr. KASICH, Mr. LIVINGSTON, Mr. PATMAN, Mr. WHITLEY, Mr. ANTHONY, Mr. FAZIO, and Mr. LAGOMARSINO.

H.R. 1795: Mr. HUTTO, Mr. SLATTERY, and Mrs. MARTIN of Illinois.

H.R. 1797: Mr. FORD of Tennessee, Mr. GREEN, and Mr. BEILENSON.

H.R. 1902: Mr. DE LA GARZA, Mr. KINDNESS, Mr. LAFALCE, Mr. JEFFORDS, Mr. BRITT, Mr. SUNIA, Mr. SHELBY, Mr. LUKEN, and Mr. RUDD.

H.R. 1915: Mr. ROBERTS.

H.R. 2033: Mr. ST GERMAIN, Mr. MITCHELL, Ms. KAPTUR, and Mr. FRANK.

H.R. 2053: Mr. FAZIO, and Mr. FOGLIETTA.

H.R. 2171: Mrs. BOXER.

H.J. Res. 80: Ms. KAPTUR, Mr. LATTA, Mr. LEVIN of Michigan, Mr. PEPPER, Mr. CARNEY, Mr. CONTE, Mr. D'AMOURS, Mr. DONNELLY, Mr. HEFTEL of Hawaii, Mr. PRICE, Mrs. HALL of Indiana, Mr. MCCAIN, Mr. MCCLOSKEY, Mr. LUNGREN, Mr. BATEMAN, Mr. GRADISON, Mr. VENTO, Mr. ANDREWS of Texas, Ms. FIEDLER, Mr. BARTLETT, Mr. GEKAS, Mr. MRAZEK, Mr. SKELTON, Mrs. SCHNEIDER, Mr. BATES, Mr. WHEAT, Mr. SOLOMON, Mr. ROEMER, Mr. MARKEY, Mr. STANGELAND, Mr. DELLUMS, Mr. MCKINNEY, Mr. SIKORSKI, Mr. SUNDQUIST, Mr. TORRICELLI, Mr. RICHARDSON, Mr. NELSON of Florida, Mr. ROEMER, Mr. HUTTO, Mr. GRAY, Mr. DOWNEY of New York, Mr. DYMALLY, Mr. LOWRY of Washington, Mr. CARR, and Mr. MILLER of California.

H.J. Res. 102: Mr. FISH and Mr. WILSON.

H.J. Res. 103: Mr. BERMAN, Mr. SIKORSKI, and Mr. SPRATT.

H.J. Res. 120: Ms. FERRARO.

H.J. Res. 136: Mr. BEILENSON and Mr. LONG of Maryland.

H.J. Res. 140: Mr. AKAKA, Mr. ANTHONY, Mr. AUCOIN, Mr. BENNETT, Mr. BETHUNE, Mr. BREAUX, Mr. BRITT, Mr. BROOMFIELD, Mr. BURTON of California, Mr. CARNEY, Mr. CLARKE, Mr. COELHO, Mr. COLEMAN of Texas, Mr. CONTE, Mr. COUGHLIN, Mr. DANIEL, Mr. DELLUMS, Mr. DE LUGO, Mr. DICKINSON, Mr. DOWNEY of New York, Mr. ECKART, Mr. EMERSON, Ms. FERRARO, Mr. FLIPPO, Mr. FOWLER, Mr. GEPHARDT, Mr. RALPH M. HALL, Mr. SAM B. HALL, JR., Mr. HAMILTON, Mr. HEFNER, Mr. HIGHTOWER, Mr. HOPKINS, Mr. HUBBARD, Mr. HUNTER, Mr. JENKINS, Mr. JONES of North Carolina, Mr. KAZEN, Mr. KILDEE, Mr. KOSTMAYER, Mr. LEHMAN of California, Mr. LENT, Mr. LOWRY of Washington, Mr. LUNGREN, Mr. MCDADE, Mr. MARTIN of New York, Mr. MICA, Mr. MICHEL, Mr. NICHOLS, Mr. NIELSON of Utah, Mr. ORTIZ, Mr. PATTERSON, Mr. PRITCHARD, Mr. ROSE, Mr. ROYBAL, Mr. RUDD, Mr. RUSSO, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. SISISKY, Mr. SOLOMON, Mr. SPENCE, Mr. UDALL, Mr. VENTO, Mrs. VUCANOVICH, Mr. WATKINS Mr. WHITEHURST, Mr. WOLF, Mr. WON PAT, Mr. YOUNG of Alaska, Mr. O'BRIEN, Mr. FORSYTHE, Mr. KEMP, Mr. OBERSTAR, Mr. SUNIA, Mr. DYSON, Mr. FROST, Mr. LOWERY of California, Mr. ROE, Mr. HORTON, Mr. BURTON of Indiana, Mr. CORRADA, Mrs. HOLT, Mr. SKELTON, Mr. MONTGOMERY, Mr. ASPIN, Mr. SPRATT, Mr. HILLIS, Mr. MCCLOSKEY, Mr. LEATH of Texas, Mr. RAY, Mr. STRATTON, Mr. DAVIS, Mr. KRAMER, Mr. COURTER, Mr. WASHINGTON, Mr. TAUKE, Mr. HUGHES, Mr. LUNDINE, Mr. ALBOSTA, Mr. BADHAM, Mr. BARNARD, Mr. BLILEY, Mr. BROOKS, Mr. CHAPPELL, Mr. CLINGER, Mr. DANIEL B. CRANE, Mr. PHILIP M. CRANE, Mr. DICKS, Mr. EARLY, Mr. ENGLISH, Mr. ERDREICH, Mr. FASCELL, Ms. FIEDLER, Mr. FRANK, Mr. GEJDENSON, Mr. GIBBONS, Mr. GONZALEZ, Mr. GOODLING, Mr. GORE, Mr. GRAMM, Mr. GRAY, Mr. HALL of Ohio, Mr. HAMMERSCHMIDT, Mr. HANCE, Mr. HARTNETT, Mr. KOGOVSEK, Mr. LEACH of Iowa, Mr. LEVITAS, Mr. LOEFFLER, Mr. LOTT, Mr. MCCAIN, Mr. MCCURDY, Mr. MCKERNAN, Mr. MCNULTY, Mr. MACKAY, Mr. MILLER of California, Mr. MURTHA, Mr. MYERS, Mr. NELSON of Florida, Mr. PICKLE, Mr. ROSTENKOWSKI, Mr. SABO, Mr. SHANNON, Mr. SHELBY, Mr. STARK, Mr. SWIFT, Mr. SYNAR, Mr. WALKER, Mr. WOLPE, Mr. WYLIE, Mr. ZSCHAU, Mr. MCCANDLESS, and Mr. ST GERMAIN.

H.J. Res. 186: Mr. AKAKA, Mr. BARNES, Mr. BEVILL, Mrs. BOXER, Mr. BRITT, Mr. CAMPBELL, Mr. CARPER, Mr. CORCORAN, Mr. DOWDY of Mississippi, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. FAUNTROY, Mr. FAZIO, Mr. FLORIO, Mr. FORD of Tennessee, Mr. FRANK, Mr. GREEN, Mr. GUARINI, Mr. HAMMERSCHMIDT, Mr. HANSEN of Idaho, Mr. HORTON, Mr. JEFFORDS, Mr. KASICH, Mr. KINDNESS, Mr. LAGOMARSINO, Mr. LOTT, Mr. LUJAN, Ms. OAKAR, Mr. OWENS, Mr. PANETTA, Mr. PEPPER, Mr. PRITCHARD, Mr. RAHALL, Mr. RATCHFORD, Mr. ROE, Mr. ROSE, Mr. SABO, Mr. ST GERMAIN, Mr. SCHUMER, Mr. SHARP, Mr. SMITH of Florida, Mrs. SNOWE, Mr. SUNIA, Mr. WEAVER, Mr. WEBER, Mr. WHITEHURST, Mr. WILSON, Mr. WINN, Mr. WORTLEY, Mr. WASHINGTON, Mr. FISH, Mr. MAVROULES, Mr. CORRADA, Mr. JACOBS, Mr. FOLEY, Mr. BARNARD, Mr. LEHMAN of Florida, Mr. ADDABBO, Mr. BARTLETT, and Mr. DOWNEY of New York.

H. Con. Res. 20: Mr. MITCHELL, Mr. SEIBERLING, Mr. LELAND, Mr. OBERSTAR, and Mr. TORRICELLI.

H. Con. Res. 47: Mr. BRYANT.

H. Con. Res. 63: Mr. BORSKI, Mr. GRAY, Mr. LOEFFLER, and Mr. SISISKY.

H. Res. 119: Mr. HARKIN and Mrs. KENNELLY.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

51. By the SPEAKER: Petition of John W. Douglas, member of the House of Delegates, Annapolis, Md., relative to amending the Congressional Budget Act; to the Committee on Rules.

52. Also, petition of the Clarksville Area Chamber of Commerce, Tenn., relative to withholding of interest and dividends; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H. CON. RES. 91

By Mr. DANNEMEYER:

(Amendment in the nature of a substitute.)

—Strike everything after the resolving clause and insert in lieu thereof the following:

Page 6, after line 10, insert:

"(20) Miscellaneous offsets (999):

(A) New budget authority, —$15,000,000,000;

(B) Outlays, —$15,000,000,000."

Page 19, after line 13, insert:

"(20) Miscellaneous offsets (999):

Fiscal year 1985:

(A) New budget authority, —$29,000,000,000;

(B) Outlays, —$29,000,000,000;

Fiscal year 1986:

(A) Budget authority, —$41,000,000,000;

(b) Outlays, —$41,000,000,000."

TITLE II—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEARS 1984, 1985, AND 1986

SEC. 201. The Congress hereby determines and declares, pursuant to section 301(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on October 1, 1983—

(1) the recommended level of Federal revenues is $692,000,000,000 and the net amount by which the aggregate level of Federal revenues should be decreased is $39,000,000,000;

(2) the appropriate level of total new budget authority is $819,400,000,000;

(3) the appropriate level of total budget outlays is $755,000,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $63,000,000,000 and

(5) the appropriate level of the public debt is $1,340,000,000,000 and the amount by which the statutory limit on such debt should accordingly be increased is $49,800,000,000.

SEC. 202. Based on allocations of the appropriate level of total new budget authority and of total budget outlays as set forth in paragraphs (2) and (3) of section 201 of this resolution, the Congress hereby determines and declares pursuant to section 301(a) of the Congressional Budget Act of 1974 that, for the fiscal year beginning on October 1, 1983, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are as follows:

(1) National Defense (050):
(A) New budget authority, $269,000,000,000;
(B) Outlays, $235,200,000,000;
(2) International Affairs (150):
(A) New budget authority, $9,200,000,000;
(B) Outlays, $8,900,000,000;
(3) General Science, Space, and Technology (250):
(A) New budget authority, $7,400,000,000;
(B) Outlays, $7,300,000,000;
(4) Energy (270):
(A) New budget authority, $2,700,000,000;
(B) Outlays, $2,500,000,000;
(5) Natural Resources and Environment (300):
(A) New budget authority, $9,000,000,000;
(B) Outlays, $9,300,000,000;
(6) Agriculture (350):
(A) New budget authority, $11,900,000,000;
(B) Outlays, $10,800,000,000;
(7) Commerce and Housing Credit (370):
(A) New budget authority, $5,000,000,000;
(B) Outlays, −$100,000,000;
(8) Transportation (400):
(A) New budget authority, $25,800,000,000;
(B) Outlays, $24,300,000,000;
(9) Community and Regional Development (450):
(A) New budget authority, $6,200,000,000;
(B) Outlays, $6,700,000,000;
(10) Education, Training, Employment and Social Services (500):
(A) New budget authority, $25,200,000,000;
(B) Outlays, $23,700,000,000;
(11) Health (550):
(A) New budget authority, $90,700,000,000;
(B) Outlays, $89,600,000,000;
(12) Income Security (600):
(A) New budget authority, $276,600,000,000;
(B) Outlays, $271,800,000,000;
(13) Veterans Benefits and Services (700):
(A) New budget authority, $25,600,000,000;
(B) Outlays, $25,300,000,000;
(14) Administration of Justice (750):
(A) New budget authority, $4,900,000,000;
(B) Outlays, $4,900,000,000;
(15) General Government (800):
(A) New budget authority, $5,400,000,000;
(B) Outlays, $5,200,000,000;
(16) General Purpose Fiscal Assistance (850):
(A) New budget authority, $3,200,000,000;
(B) Outlays, $3,200,000,000;
(17) Interest (900):
(A) New budget authority, $67,100,000,000;
(B) Outlays, $67,100,000,000;
(18) Allowances (920):
(A) New budget authority, −$2,700,000,000;
(B) Outlays, −$2,700,000,000;
(19) Undistributed Offsetting Receipts (950):
(A) New budget authority, −$17,400,000,000;
(B) Outlays, −$17,400,000,000;

SEC. 203. (a) There is established a congressional Federal credit budget for fiscal year 1984 of which the appropriate levels of total Federal credit activity for fiscal year are—

(1) new direct loan obligations, $18,580,000,000;
(2) new primary loan guarantee commitments, $96,360,000,000 and
(3) new secondary loan guarantee commitments, $000,000,000,000.

(b) Based on allocations of the appropriate levels of total Federal credit activity as set forth in paragraph (1) of this subsection, the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for each functional category are as follows:

(1) National Defense (050):
(A) New direct loan obligations, $000,000,000,000;
(B) New primary loan guarantee commitments, $000,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(2) International Affairs (150):
(A) New direct loan obligations, $3,000,000,000;
(B) New primary loan guarantee commitments, $5,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(3) General Science, Space and Technology (250):
(A) New direct loan obligations, $000,000,000,000;
(B) New primary loan guarantee commitments, $000,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(4) Energy (270):
(A) New direct loan obligations, $120,000,000;
(B) New primary loan guarantee commitments, $7,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(5) Natural Resources and Environment (300):
(A) New direct loan obligations, $000,000,000,000;
(B) New primary loan guarantee commitments, $10,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(6) Agriculture (350):
(A) New direct loan obligations, $7,000,000,000;
(B) New primary loan guarantee commitments, $2,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(7) Commerce and Housing Credit (370):
(A) New direct loan obligations, $6,500,000,000;
(B) New primary loan guarantee commitments, $41,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(8) Transportation (400):
(A) New direct loan obligations, $000,000,000,000;
(B) New primary loan guarantee commitments, $200,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(9) Community and Regional Development (450):
(A) New direct loan obligations, $000,000,000,000;
(B) New primary loan guarantee commitments, $000,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(10) Education, Training, Employment and Social Services (500):
(A) New direct loan obligations, $650,000,000;
(B) New primary loan guarantee commitments, $6,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(11) Health (550):
(A) New direct loan obligations, $10,000,000;
(B) New primary loan guarantee commitments, $150,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(12) Income Security (600):
(A) New direct loan obligations, $500,000,000;
(B) New primary loan guarantee commitments, $20,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(13) Veterans Benefits and Services (700):
(A) New direct loan obligations, $800,000,000;
(B) New primary loan guarantee commitments, $20,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(14) Administration of Justice (750):
(A) New direct loan obligations, $000,000,000,000;
(B) New primary loan guarantee commitments, $000,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(15) General Government (800):
(A) New direct loan obligations, $000,000,000,000;
(B) New primary loan guarantee commitments, $000,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(16) General Purpose Fiscal Assistance (850):
(A) New direct loan obligations, $000,000,000,000;
(B) New primary loan guarantee commitments, $000,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(17) Interest (900):
(A) New direct loan obligations, $000,000,000,000;
(B) New primary loan guarantee commitments, $000,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(18) Allowances (920):

(A) New direct loan obligations, $000,000,000,000;
(B) New primary loan guarantee commitments, $000,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;
(19) Undistributed Offsetting Receipts (950):
(A) New direct loan obligations, $000,000,000,000;
(B) New primary loan guarantee commitments, $000,000,000,000;
(C) New secondary loan guarantee commitments, $000,000,000,000;

(c) It is the sense of the Congress that the President and the Congress, through the appropriations process, should limit in fiscal year 1984 the off-budget lending activity of the Federal Government to a level not to exceed $14,041,795,000 the on-budget lending activity to a level not to exceed $15,490,000,000 new primary loan guarantee commitments to a level not to exceed $16,295,000,000 and new secondary loan guarantee commitments to a level not to exceed $000,000,000,000.

SEC. 204. The Congress sets forth the following budgetary levels for fiscal years 1985 and 1986—

(1) the recommended level of Federal revenues is as follows:
Fiscal year 1985: $775,000,000,000;
Fiscal year 1986: $845,000,000,000;

and the amount by which the aggregate levels of Federal revenues should be increased or decreased is as follows:
Fiscal year 1985: $60,000,000,000;
Fiscal year 1986: $77,000,000,000;

(2) the appropriate level of total new budget authority is as follows:
Fiscal year 1985: $871,700,000,000;
Fiscal year 1986: $930,700,000,000;

(3) the appropriate level of total budget outlays is as follows:
Fiscal year 1985: $786,000,000,000;
Fiscal year 1986: $831,000,000,000;

(4) the amount of the surplus or deficit in the budget which is appropriate in light of economic conditions and all other relevant factors is as follows:
Fiscal year 1985: −$11,000,000,000;
Fiscal year 1986: +$14,000,000,000;

(5) the appropriate level of the public debt is as follows:
Fiscal year 1985: $1,458,000,000,000;
Fiscal year 1986: $1,528,000,000,000;

and the amount by which the temporary statutory limit on such debt should be accordingly increased is as follows:
Fiscal year 1985: $167,800,000,000;
Fiscal year 1986: $237,800,000,000.

SEC. 205. Based on allocations of the appropriate level of total new budget authority and of total budget outlays for fiscal years 1985 and 1986 as set forth above, the appropriate level of new budget authority and the estimated budget outlays for each major functional category are respectively as follows:

(1) National Defense (050):
Fiscal year 1985:
(A) New budget authority $299,100,000,000;
(B) Outlays, $262,300,000,000;
Fiscal year 1986:
(A) New budget authority, $333,600,000,000;
(B) Outlays, $291,700,000,000;
(2) International Affairs (150):
Fiscal year 1985:
(A) New budget authority, $7,500,000,000;
(B) Outlays, $7,100,000,000;
Fiscal year 1986:
(A) New budget authority, $6,900,000,000;
(B) Outlays, $6,700,000,000;
(3) General Science, Space, and Technology (250):
Fiscal year 1985:
(A) New budget authority, $7,400,000,000;
(B) Outlays, $7,400,000,000;
Fiscal year 1986:
(A) New budget authority, $7,400,000,000;
(B) Outlays, $7,400,000,000;
(4) Energy (270):
Fiscal year 1985:
(A) New budget authority, $1,900,000,000;
(B) Outlays, $1,100,000,000;
Fiscal year 1986:
(A) New budget authority, $1,500,000,000;
(B) Outlays, $1,200,000,000;
(5) Natural Resources and Environment (300):
Fiscal year 1985:
(A) New budget authority, $8,200,000,000;
(B) Outlays, $8,600,000,000;
Fiscal year 1986:
(A) New budget authority, $8,200,000,000;
(B) Outlays, $8,200,000,000;
(6) Agriculture (350):
Fiscal year 1985:
(A) New budget authority, $11,400,000,000;
(B) Outlays, $10,100,000,000;
Fiscal year 1986:
(A) New budget authority, $11,500,000,000;
(B) Outlays, $10,700,000,000;
(7) Commerce and Housing Credit (370):
Fiscal year 1985:
(A) New budget authority, $5,000,000,000;
(B) Outlays, −$1,300,000,000;
Fiscal year 1986:
(A) New budget authority, $5,100,000,000;
(B) Outlays, −$1,800,000,000;
(8) Transportation (400):
Fiscal year 1985:
(A) New budget authority, $27,400,000,000;
(B) Outlays, $25,500,000,000;
Fiscal year 1986:
(A) New budget authority, $28,300,000,000;
(B) Outlays, $26,500,000,000;
(9) Community and Regional Development (450):
Fiscal year 1985:
(A) New budget authority, $6,100,000,000;
(B) Outlays, $6,000,000,000;
Fiscal year 1986:
(A) New budget authority, $6,100,000,000;
(B) Outlays, $5,900,000,000;
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1985:
(A) New budget authority, $24,500,000,000;
(B) Outlays, $24,300,000,000;
Fiscal year 1986:
(A) New budget authority, $24,700,000,000;
(B) Outlays, $24,500,000,000;
(11) Health (550):
Fiscal year 1985:
(A) New budget authority, $100,400,000,000;
(B) Outlays, $98,600,000,000;
Fiscal year 1986:
(A) New budget authority, $110,400,000,000;
(B) Outlays, $108,200,000,000;
(12) Income Security (600):
Fiscal year 1985:
(A) New budget authority, $286,300,000,000;
(B) Outlays, $279,400,000,000;
Fiscal year 1986:
(A) New budget authority, $297,800,000,000;
(B) Outlays, $290,600,000,000;
(13) Veterans Benefits and Services (700):
Fiscal year 1985:
(A) New budget authority, $25,800,000,000;
(B) Outlays, $25,600,000,000;
Fiscal year 1986:
(A) New budget authority, $26,100,000,000;
(B) Outlays, $25,800,000,000;
(14) Administration of Justice (750):
Fiscal year 1985:
(A) New budget authority, $4,900,000,000;
(B) Outlays, $4.900,000,000;
Fiscal year 1986:
(A) New budget authority, $5,000,000,000;
(B) Outlays, $4,900,000,000;
(15) General Government (800):
Fiscal year 1985:
(A) New budget authority, $5,700,000,000;
(B) Outlays, $5,500,000,000;
Fiscal year 1986:
(A) New budget authority, $5,900,000,000;
(B) Outlays, $5,700,000,000;
(16) General Purpose Fiscal Assistance (850):
Fiscal year 1985:
(A) New budget authority, $1,800,000,000;
(B) Outlays, $1,800,000,000;
Fiscal year 1986:
(A) New budget authority, $1,900,000,000;
(B) Outlays, $1,900,000,000;
(17) Interest (900):
Fiscal year 1985:
(A) New budget authority, $73,900,000,000;
(B) Outlays, $73,900,000,000;
Fiscal year 1986:
(A) New budget authority, $77,500,000,000;
(B) Outlays, $77,500,000,000;
(18) Allowances (920):
Fiscal year 1985:
(A) New budget authority, −$100,000,000;
(B) Outlays, −$100,000,000;
Fiscal year 1986:
(A) New budget authority, $2,800,000,000;
(B) Outlays, $2,800,000,000;
(19) Undistributed Offsetting Receipts (950):
Fiscal year 1985:
(A) New budget authority, −$24,600,000,000;
(B) Outlays, −$24,600,000,000;
Fiscal year 1986:
(A) New budget authority, −$26,400,000,000;
(B) Outlays, −$26,400,000,000.

H.J. RES. 13

By Mr. Porter:

—Page 4, line 18, immediately before the period insert ", not as an end in and of itself but as a logical first step toward achieving nuclear arms reductions".

Page 5, line 19, strike out "overriding".

EXTENSIONS OF REMARKS

NORTH AMERICAN POLICY IN NICARAGUA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues a statement made by Ms. Adriana Guillen before the Subcommittee on Western Hemisphere Affairs, where I serve as ranking minority member, on U.S. policy in Nicaragua.

The statement follows:

PREPARED STATEMENT OF ADRIANA GUILLEN BEFORE THE SUBCOMMITTEE ON WESTERN HEMISPHERE AFFAIRS

Mr. Chairman, members of the Committee, I very much appreciate this opportunity to discuss with you North American policy in Nicaragua. The focus of my attention will be on the actual crisis the Nicaraguans are dealing with as well as your current policy towards my country.

I am neither a military nor political expert, thus my testimony is based on my personal experience and participation within the Nicaraguan process of liberation from the time of the previous dictatorship. I hope that this life-experience will be of value to those seated before me.

From approximately 1972, I participated within the Sandinista Front of National Liberation (FSLN), as a member of the Proletariat orientation. I believed that social injustice would be solved with the Marxist-Leninist system although I rejected any dependence on Cuba or Russia. Thus, I was very happy when the FSLN began to propose a national action plan against Somoza, instead of the popular-prolonged-war thesis, which had never succeeded in Nicaragua. At the time of the insurrection, my home was a refuge for the FSLN, and we cared for the wounded.

After the triumph of the revolution, I became a government official in the Ministry of Culture. I formed part of a Nicaraguan mission, headed by the Culture Minister, Ernesto Cardenal, which visited Cuba in October, 1979. This trip was part of the Bilateral Agreement signed between Cuba and Nicaragua shortly after the FSLN victory in July, 1979. Before leaving, the Nicaraguan vice-minister of culture, told us, "ask for whatever you want, there is a treaty signed with Cuba that authorizes us to ask for any assistance."

When we arrived in Cuba, a special briefing was given by Cuba's Minister of Culture, Armando Hart Dávalos, a member of the Political Bureau of the Cuban Communist Party. I was assigned to learn cultural politics of what is called "tiempo libre", or "Free Time", after school. This ideological orientation as the prolonging of ideological domination of the youth by means of government planned activities outside of school hours.

Mr. Hart Dávalos, during the official session in the Ministry of Culture, told us that the Cuban plan for Latin America was to open an ideological front through Nicaragua. Our mission was to form an ideological front that would spread the Sandinista ideology towards Latin America, since Cuba could not do it because of its open identification with Marxist-Leninism. But using the figure of Sandino, our National Hero, who defeated the U.S. Marines, we could influence the Latin American national liberation movements. Hart was very clear in telling us, that when we defined Sandinismo, we should be careful not to identify it with Marxism-Leninism, so that we would not loose the attractive potential that Sandino has in Latin America.

This outline was followed implicitly by the Sandinista regime in their literacy campaign administered by Cuban officials. A program recognized and approved by the United Nations.

Two years, later, in August, 1981, Commander Humberto Ortega, Minister of Defense and one of the nine members of the FSLN directorate, defined this mixture in a talk to the FSLN Army:

"We inspire ourselves in Sandinismo which is the most beautiful tradition of our people, developed by Carlos Fonseca. We guide ourselves by the scientific doctrine of the Revolution, by Marxism-Leninism. Without Sandinismo we can not be Marxist-Leninist, and Sandinismo without Marxism-Leninism cannot be revolutionary. Because of this, they are indissolvably united and thus our moral force is Sandinism, and our political force is Sandinismo, and our doctrine is Marxism-Leninism."

On March 1, 1983, Sergio Ramirez Mercado, and Commander Daniel Ortega, both members of the Nicaraguan government board, announced that "in order to imprint education with an anti-imperialist content and in order to transmit the new Ideological values of the Sandinista Revolution," the Nicaraguan government assumed control of education. On the same date, Victor Tirado Lopez, one of the nine commanding directors, stated that "Marxism-Leninism, is a fundamental part of the Sandinista Ideology".

Briefly, I will mention that the imposition of the Marxist-Leninist Ideology—and I emphasize that it is not only the study Marxism-Leninism that the FSLN has ordered in Nicaragua—is contrary to the rights of Nicaraguans that have expressed clearly that they do not want to educate their children in this ideology. (If Congress desires, I can provide further documentation that will back this statement.)

The most significant aspect of my visit to Cuba was the opportunity to observe the misery of the rural workers. Accompanied by Mr. Hart and other Cuban officials, we traveled from Havana to El Escambray, about 500 kilometers. I saw the farmers working with primitive ox-drawn plows, living in poor shacks, with torn clothing and bad teeth. I asked Armando Hart the reason for this situation, and his response was that Cuba could not finance a better life for the rural workers because they are the majority in Cuba and the imperialists did not permit the sale of their major crops at good prices.

It was difficult for me to accept that after twenty years of Cuban Revolution, where they claimed that the workers and farmers are in power, that these oppressed people continue to carry the burden of production without receiving the benefits and without participating in the distribution of the riches. For at the same time, our Nicaraguan technical mission, and our Cuban hosts, traveled in a special jet. During our stay, we enjoyed the finest of wines, cheeses, and chocolates, continental cuisine the likes that could only be found in the best French restaurants.

My observation of these realities and the confirmation that the FSLN was determined to copy the Cuban model, led to my resignation from the Ministry of Culture in February 1980. At the same time, I became a dissident of the FSLN within which I had been an active collaborator before and during the Insurrection. My collaboration with them had been with the hopes of a just, nationalistic revolution, not to impose a foreign and totalitarian dictatorship.

My observations of the U.S. Congress' actions, lead me to believe that they are confusing the interests of the Sandinista Front with those of the Nicaraguan people. And I believe that these two forces are in virtual confrontation.

The following forces of confrontation I'm refering to are: One, the FSLN plan to enthrone themselves in power in order to extend the Soviet domination to Central America; and two, a nationalist plan of a social revolution that would respect human rights. (Obviously, the FSLN plan triumphed)

The priorities of the FSLN are clear: To respond to the interests of Soviet imperialism (Cuban); to perpetuate themselves in power; and to reproduce the forms of domination of the Soviet totalitarian state.

The imposition of this plan was foreign to Nicaraguan hopes and aspirations. This increased the national crisis and its effects are now evident. Nicaragua is now virtually suffering a civil war. This war is being fought within the territory of Nicaragua. Its object is to free the country from the Soviets and Cubans, as well as the Sandinista dictatorship. The same Nicaraguans that fought against Somoza in order to have freedom and social justice are the same ones fighting today.

Their struggle, which was displayed with high hopes for a change under a new system, believed to be free democratic and just, has now been extended. Discontent and violence are the means which Nicaraguans must maintain in hopes of obtaining a freedom which cost so many lives. A systematic denial of democracy continues, so must the life long struggle for my countrymen.

It is therefore worthwhile to mention some of the historical background of the crisis in Nicaragua. The Somoza dynasty attacked all the social levels of Nicaragua, with such a brutal repression that it became public enemy No. 1. The repressive National Guard, responded to the urban guerrilla ac-

tions of the FSLN with horrible acts against the civilian population, and thus a climate was created for a popular insurrection.

At this time, the FSLN was a small group of no more than 3,000 members, and they acknowledged in their literature their lack of organizational capacity to promote a popular insurrection that they could lead. To correct this problem, the FSLN began to propose a national struggle against the Somoza dictatorship, thus obtaining massive support. It was then that international solidarity manifested itself as the most effective mechanism, forcing the United States to move against its ally Somoza. The stance taken by the OAS mediation was the final blow, in getting rid of the Somoza dynasty. This brought temporary joy to the Nicaraguan people.

JULY 1979

All Nicaraguans had a will for freedom, democracy, and social justice and the workers and rural farmers had real hopes for social change. But the FSLN had its own projects, a macabre project against the Nicaraguan people. Instead of freedom and justice, the Sandinistas installed a new State Security Office, controlled by Cubans, a prison system composed of clandestine jails, as well as public jails. There began arbitrary arrests: persons disasppeared, others were killed, and then it was claimed that they had tried to excape from detention. These and other violations of the irrenounceable rights of all human beings are still being documented by Nicaraguan citizens in spite of the terror within which they live, so that there a written record and account of the new tragedy of Nicaragua.

The FSLN has applied in its 3 years of rule, previous repressive methods used by Somoza such as; blackmail, bribes, corruption, repression and so on, in a more refined and sophisticated manner required by the Marxist-Leninist methods.

Enclosed you will find documentations by the Human Rights Commission giving data on mistreatment of the Mikito Indians, Health Education, the Economy. These statements clearly show that Nicaraguans have very personal, internal motives for being at war against the FSLN, and all that it represents.

The representative members of the FSLN in power today, are not the representatives of the Nicaraguan people. They do not come from the working class, the farmers, the capitalists, nor they represent any productive nor social sector of Nicaraguan society. They are the Socialist bourgueses representing themselves, and the Soviet and Cuban interest in Central American.

On the other hand, the FSLN maintained their commitment with the Soviet plan elaborated by a Bulgarian team, which also had the support of the economic nucleus of the FSLN. The structure of the FSLN continues to operate in clandestine-type-organization in such a way which permits its operations to function in a subversive force.

The hopes of the Nicaraguan people were defeated when the FSLN decreed and imposed the Emergency Economic and Social Law, in September, 1981. This law is similar to the law dictated in Poland in December, 1981.

The imposition of the State of Economic and Social Emergency Law, the impoverishment of Nicaraguans, and the violations of human rights were displayed in the following manner:

Prohibition to strike.

Forbidden to talk about such things as the economy and any type of military action.

Absolute control of foreign currency.

FSLN control of exterior and interior commerce.

Rationing of basic products.

Difficulty in obtaining basic materials for daily survival, reflected in the lowest level of poverty in our history.

Aggressions against the physical integrity of people.

Constant interferences in the individual and social psychological mechanisms.

The obligation of risking ones life in the popular Sandinista militias.

Loss of civil rights.

A deep division between the governing level and the rest of the people.

The harsh realities of such a decision against the Nicaraguan people took place in 1980, during two offical trips by the FSLN leaders to Russia.

The first trip took place took place in May, 1980. Moises Hassan, Henry Ruiz, and Carlos Coronel, traveled to Moscow and signed a treaty between the FSLN and the Russian Communist Party. At this time, the Soviets designated a Bulgarian Mission as the intermediary between Moscow and Managua. Nevertheless, the FSLN would only obtain assistance under the condition that it would push forward the plans of the Bulgarian team. While this happened the Russians would give the FSLN 80 percent military help and 20 percent economic help. The Sandinista Front, committed itself to spreading Soviet influence over the Central American region. Once accomplished, the help from Moscow would be 20 percent military and 80 percent economic. Commander Henry Ruiz, Minister of Planning, returned with the Bulgarian Mission. The results did not take long. The Bulgarian analysis was that Nicaragua was not viable, but that the objective should be Central America and that the problem was not economic, but military and political. Only the sector that militarily survived would stay in power. The Bulgarians said that the only two countries where the problem was not economic but military and political were, Nicaragua and Poland.

In July, 1981, Commander Humberto Ortega, traveled to the Soviet Union. The Bulgarian thesis was discussed, that of political-military priorities for Central America. At this time, the FSLN decided to arm itself more and increase their positions in Central America. In the middle of 1981, in Managua, Commander Ortega said; "That the contribution of his traveling to Indochina was fundamentally in line with the fortification of the struggle of the people".

On his returning to Nicaragua, Ortega pushed forward the emergency plan designed by the Bulgarians, which among other interesting considerations explained that it was necessary to break down all sectors that were opposed to the plan of the FSLN, among them were, the Miskito Indians, the Church and the private enterprise.

At the same time that the Bulgarian team designed the strategy mentioned before, some sectors of the FSLN government who did not know about the Bulgarian strategy, proposed an alternative plan for the implementation of the original July, 1979 program of reconstruction. This and other options came from the private sector, COSEP, as well as labor unions and political parties representatives.

The FSLN has willingly destroyed Nicaragua economically, because thus they can control the population. From July 1979 onward, the Cuban and Soviet advisors, as well as the Bulgarians worked feverishly to construct an infrastructure of control over the Nicaraguan people. The Civil Defense Committees, the Sandinista Associations, the Interior Trade Department (with its national distribution network), the Popular Sandinista Militias, and over all the Sandinista Army—ironically, Nicaraguans today call them the "Guard", just as in the time of the Somoza dictatorship—are some of the means of FSLN has to enforce the control and the Institutionalization of the Terror in Nicaragua.

To illustrate the will of the Sandinistas against the Nicaraguan people, I would like to quote the following: Sergio Ramirez, member of the Board of Government of Nicaragua, had already said during an official speech: "We are going to hand out misery." (Please notice that he did not say "share misery", but "hand out misery"). And Commander Jaime Wheelock, minister of Land Reform in another speech warned that "the Nicaraguan people have to become accustomed to eating one piece of bread a day".

From the international point of view, the FSLN, supervised and advised by the Soviets with the logistic support of Cuba, "have been creating the conditions" as it is said in the Marxist-Leninist jargon. They clearly said that they were going to Vietnamize Central America and they have done so to such a point that they only wait to provoke the spark that "will enflame all of Central America" as they have also announced.

One has to clearly understand that the FSLN is willing to start a war, and besides they have the necessary infrastructure to do so. This is their mission and they are going to fulfill it when the time comes.

For our part, we Nicaraguans have the political will to recover our revolution, and we have the right to live in freedom with dignity of human beings because whatever is undesirable for a Northamerican, or a Pole, or a Russian, is also undesirable for a Nicaraguan. Because of this, I am here giving my testimony before what is, for me a foreign Congress, but one which took an active role in the construction and the demolishing of the Somoza dictatorship, as well as the installation of the FSLN in power in Nicaragua. It is necessary to point out the intervention of the international communty against the Somoza dynasty, because the conditions that forced it are present again in Nicaragua. There is a very well documented study which was presented during the annual meeting of the International Studies Association in Philadelphia, 1981, by Dr. Larman Wilson focusing on the extent of outside intervention and the consequent legal implications of the case of the 1979 Nicaraguan Revolution. Wilson demonstrates that the OAS action was unique because for the first time it passed a resolution calling for the replacement of a head of State. The legal implications that can be drawn from this act, in the light of International Law, are valuable for us Nicaraguans because they establish a legal precedent that can and should be applied to the FSLN regime, given the fact that the FSLN not only has demonstrated its genocidal nature exceeding the historic record for the Somoza dynasty, but they also have become an expansionist force contrary to freedom and democracy to the western values. They are willing to destabilize and destroy the other governments of the area for the benefit of the Soviet Union.

Luis Alberto Monge, President of Costa Rica, as well as other Central American leaders, are now experiencing the effects of

this decision of the FSLN in their respective countries. They have expressed their concern in numerous occasions, here are some of their remarks concerning this issue:

President Monge's interview in the Miami herald, February 7, 1982:

"At this moment, it is possible that the conditions for a consensus action within the OAS are not present. But yes, there are sufficient reasons so that all the countries should be alert, because of the possibility of a more direct intervention in the internal matters of other countries. A country dominated by politics and the interests of the Soviet Union, in our Caribbean area, is a danger for the other nations. Cuba has been, and Nicaragua will be, when they definitely, decide to openly take the road to international Marxism."

President Ricardo de La Espriella, of Panama:

"When a country arms itself more than it needs to maintain internal order, its neighbors worry and can do the same. Nicaragua is arming itself and it is arming itself more than what is necessary to maintain order. This pushes the other nations to do the same. This is not the solution but we see with concern the excess of the Nicaraguan government's armament."

Honduran Foreign Minister Paz Barnica, Bogota, Feb. 8, 1983.

"The Foreign Minister of Honduras, Edgardo Paz Barnica, named Cuba responsible for intervening through Nicaragua in the conflict that Central America lives today."

POLICY SUGGESTIONS

The following suggestions are concerning U.S. foreign policy to Nicaragua under the present military regime:

That all economic aid for humanitarian purposes be set to, be controlled and administered by Archbishop Obando y Bravo, of Nicaragua.

To examine technical assistance provided by funds from Western countries, which supplies "technical" assistance to Nicaragua from Soviet-bloc nations. Their goals are to work toward Soviet-Cuban influence in the Central American region. (The director of the Literacy Campaign for Nicaragua was a Cuban sponsored by the United Nations)

To promote conditions in which the international community will become aware of the needs of the Nicaraguan people and are in line with western stability. This means, recognizing the threat which the FSLN represents against its own people, and whose political direction is that with the Soviet Union.

Any negotiations or proposals by the FSLN should be seen as a tactical advantage to escalate favorable positions for the Soviet-bloc. This means that, no country in Latin America is in the position to negotiate under these conditions with the FSLN nor with Cuba as it would mean an indirect confrontation with the Soviet empire.

As long as the FSLN obtains unconditional support from Cuba and the Soviet Union, its position will continue to be reinforced until the time when they will launch their so called Vietnamization of Central America. This should be kept in the minds not only of the U.S. Administration but on the minds of the leaders of the western hemisphere.

Based on the actions of International Solidarity with the people of Nicaragua in 1979, whose struggle was against the Somoza dictatorship, the international community should recognize today that the democratic movement of the Nicaraguan people which at that time was started in exile has return to an exile community. Their struggle of democratic and nationalist aspirations deserves the belligerent recognition of the international community.

Once more, I remind you of the Emergency Law, it was not the lack of external financial assistance that provoked the law, but instead the decision of the FSLN to put before the welfare of the Nicaraguan people. If the Committee wishes, I have detailed information on the economic situation of Nicaragua for inclusion in the record.

This is not the best moment for the North American Congress, since you are under the pressure of the next elections and all is seen within the unstable terrain of popularity. Nevertheless, I am sure that your tradition of respect for human rights, demonstrated before the western world, will permit you to examine objectively the Nicaraguan situation. I know that for an intellectual it is painful to accept the fact that the FSLN's option as a social revolution has failed, it is even more painful for us Nicaraguans who are committed to this revolution. But as long as there are Nicaraguans that love their homeland and citizens that support social justice, I am sure that we will be able to recover the Nicaraguan Revolution.

I would like to clarify that the sources and documentations that I've used in my testimony are in public circulation. I say this, so that individuals mentioned or who are authors of said documentation, will not suffer reprisal from the FSLN dictatorship. Also I would like to say at this time, that any accident that occurs to me, or members of my family after my appearing before this committee here today, should be attributed directly to the FSLN.●

ROSECRANS, ROSECRANS BEST OF ALL

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. MILLER of Ohio. Mr. Speaker, in all of sports there are the exceptional few among the vast number of competitors who, truly, are what others only seek to become: champions, the very best in the field. In the race for Olympic gold, an NCAA title, a Wimbledon trophy or a Super Bowl ring, the athletic world reserves a special place, alone at the top of the ladder, for one winner. When the season has ended, the conference complete or the tournament history, there is only one place on the pedestal for the best.

In Ohio class A high school girls basketball, there is only one Bishop Rosecrans and they, Mr. Speaker, are the best in 1983, just as they were last year. On Saturday, March 19, the Lady Bishops defeated Mansfield St. Peter's by 33 points to earn Coach Dave Bell and his team a place in Ohio scholastic athletic history. Rosecrans' second consecutive State title marked the first time in the history of girls class A competition that one school has captured back-to-back crowns in Columbus. When the road to victory began, more than 270 teams in class A girls basketball across Ohio set sight on winning the State championship. When four met in the finals last weekend, only one—Rosecrans—stepped forth with a perfect 24-0 record. And when the dust finally settled Saturday afternoon, it was Rosecrans, again, with two more wins and a championship they richly deserved and diligently earned. The State championship win marked the 41st straight victory for the Lady Bishops over an impressive 2-year stretch.

I think it is important, Mr. Speaker, to note that the exceptional record set by the Rosecrans girls is reflective of a student body, a faculty and administration that knows that the success of the team is, in reality, success for the school. With that in mind, I want to take this opportunity to commend Bishops Rosecrans, and everyone associated with the school, for being the pride and glory of girls class A basketball in the Buckeye State. I am confident that my colleagues in the House and Senate join me in extending our collective congratulations for a job well done.

Perhaps, Mr. Speaker, these remarks by Edwin Markham best summarize the Rosecrans season and success:

Great it is to believe the dream as we stand
in youth by the starry stream
But a greater thing is to fight life through
and to say at the end: "The Dream is
true".

The champions are: Susan Nash, Mary Kohler, Leslie Merz, Kelly Hays, Stacey Pfeifer, Kelly Long, Theresa Noe, Patty McLoughlin, Laurie Kendrick, Dee Ann Mell, Lisa Young. Managers are Beth Core, Christy Spiker, Becky Dusenberry, Kelly Guiley, Pam Bollinger, Sherrie Schneider. Rosecrans' athletic director is Tom Beohm and the school principal is Sister Adrianna Schouten.●

AMERICAN SOCIETY FOR PUBLIC ADMINISTRATION

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mrs. SCHROEDER. Mr. Speaker, the American Society for Public Administration is one of the finest organizations with which I have the opportunity to work. It is made up of 17,000 public administrators who have the public good first in mind.

Recently, ASPA wrote to Peter Grace, chairman of the President's Private Sector Survey on Cost Control. I think their letter should be of interest to my colleagues.

The letter follows:

AMERICAN SOCIETY FOR
PUBLIC ADMINISTRATION,
Washington, D.C., February 24, 1983.

MR. PETER GRACE,
Chairman, President's Private Sector Survey on Cost Control, Washington, D.C.

DEAR MR. GRACE. The American Society for Public Administration is a nationwide professional association of some 17,000 practitioners and teachers of public administration, dedicated to improving the quality of life through better public service. The National Academy of Public Administration is an elected collegial association of 300 public executives, scholars, and other leaders in public life recognized by their peers for distinguished contributions to public administration.

As Chairman of the President's Private Sector Survey on Cost Control, you and your colleagues on the Survey have been honored by the President with the assignment of looking for ways to improve management in his Executive Branch.

Your task and our mission make us allies.

You and the Executive Subcommittee are now embarking on a particularly difficult phase of your enterprise: combing through the reports of thirty-five task forces and pulling together the most cogent and imperative of your findings and recommendations into a Report for the President.

In doing so, the President wants you to illuminate your conclusions with the wisdom and experience of the private sector, and especially of the business world.

The Society and the Academy join with the President and his Cabinet in anticipating that your year of work will find new insights and persuasive suggestions to improve management effectiveness in the Executive Branch.

We take the liberty of bringing to your attention some of our concerns about Executive Branch management in the broadest sense—concerns with respect to government which are underscored by lessons already well known in private business. Our focus: the management of human resources.

Management of all federal programs and the chances for implementing your recommendations rest on the question: How well do senior federal managers foster productivity and accomplishment? Especially of interest to you is a second and related question: What lessons can the private sector teach those at the top levels of government about effective human resources management?

Some answers to these questions are available. They are discussed in the book, "In Search of Excellence: Lessons from America's Best-run Corporations," by Thomas J. Peters and Robert H. Waterman, Jr., Harper and Row (reviewed by James Fallows in the December 1982 Atlantic Monthly); and the study "A Comparative Analysis of Successful Organizations" published in 1981 by the Workforce Effectiveness and Development Group of the U.S. Office of Personnel Management (summarized by Kenneth A. Gold in the November/December 1982 issue of Public Administration Review).

Both studies looked at American firms which have "risen above the norm . . . demonstrated sustained 'excellence' " . . . were "well managed and highly productive". (The business firms were Bechtel, Boeing, Caterpillar, Dana, Delta Airlines, Digital Equipment, Emerson Electric, Fluor, Hewlett-Packard, IBM, Johnson and Johnson, L. L. Bean, McDonald's, Procter and Gamble, Texas Instruments, Time Inc., and 3-M.) Both studies emphasized a major conclusion which was repeated many times, as demonstrated in the following quotations from Fallows and Gold:

"Managers at various levels of the organization seem to share a respect for the abilities of their colleagues, and the belief that they enjoy the confidence of their superiors. In turn, managers seem to pass this feeling of confidence on down the line to their subordinates. There is little doubt that this atmosphere of pride and confidence is infectious, and creates a 'winning attitude' in the organization in the same way as it does on a sports team. The significance of this dimension cannot be overestimated..

"Of all the intangible qualities that distinguish the culture of the excellent companies, Peters and Waterman place most emphasis on respect, not simply for the jobs performed at each level of the enterprise, but also for the people who do them.

". . . employees believed that their organization was 'special' in some way and were generally proud to be a part of it.

". . . the guiding principle of the Dana operating philosophy is to 'recognize people as our most important asset.'

"Hewlett-Packard believes unequivocally in getting the best people possible and keeping them. Management believes its employees are a 'cut above' and that this dimension constitutes the basic strength of the organization. HP believes in investing whatever is necessary in all aspects of human resources: recruitment, training, development and compensation. The company makes a lifetime commitment to its employees.

"Dana prides itself on being an organization which exemplifies a climate of trust and participation.

"TIME, Inc., also displays a deep commitment to fostering a certain kind of work environment—one which enables employees to serve the goals of the corporation while receiving long-term personal satisfaction from their jobs. TIME managers believe that such an atmosphere is one in which workers can share in rewards, feel that they are cared about, and believe that they are contributing in a significant way to the overall success of the organization . . . There is a consensus among managers that TIME, Inc., people are extremely capable . . ."

The comments of another observer also are pertinent. William G. Ouchi of the Graduate School of Management at the University of California wrote a book entitled, *Theory Z: How American Business Can Meet the Japanese Challenge.* Ouchi argues:

"involved workers are the key to increased productivity . . . productivity gains come from improved coordination rather than increased physical effort . . . The typical Japanese company stresses trust in the worker."

From these impressive authorities in the business world, then, comes an unmistakable conclusion about human resources management in the private sector: if they want their enterprises to prosper, industry leaders must trust, respect, and support their employees.

How well is this lesson heeded in the public sector?

We realize the right of every President to espouse very different policies from those of his predecessor, and we strongly reaffirm the corresponding obligation of career professionals faithfully to uphold those policies. For a century now, however, under our civil service system, experience has demonstrated that Presidential policies—however new and different—are successfully carried out only when Presidents and their political appointees motivate, inspire, trust, and lead their career professionals.

We public administrators cannot give high marks to political officers who demean the work and workers of the very Executive Branch over which they preside. Rather than paying attention to these lessons from the private sector, many such political executives have done just the opposite.

"Tons of bureaucracy", "puzzle-palaces on the Potomac", and "the bureaucratic monster" are, we suppose, to be expected as campaign rhetoric. We believe, however, that such phrases are destructive even in a campaign context. Certainly once a President and his administration are in office, such excoriations of the federal workforce fly in the face of what we now know is good management, whether in government or in the private sector.

We urge you to include in your Survey's Report a reminder to this President and to any President in the future that management effectiveness, whether in Washington or in the marketplace, depends on people who are proud of their institutions and their work and who hear and see that principle believed in and practiced at the top.

We would like your distinguished colleagues on the Survey's Executive Subcommittee to know of our views, and we therefore are taking the liberty of sending a copy of this letter to each of them and to Admiral Nance.

Sincerely,

A. LEE FRITSCHLER,
President, American Society for Public Administration.
PHILIP S. HUGHES,
Chairman, National Academy of Public Administration.●

RUTGERS LAW PROFESSOR IS CONSTITUTIONAL EXPERT

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. FLORIO. Mr. Speaker, I was pleased to read a recent newspaper interview with Prof. Albert Paul Blaustein of the Rutgers University School of Law.

Dr. Blaustein has emerged as an expert consultant to foreign governments seeking to write or revise their national constitutions. In this interview, he discusses his work on behalf of several nations.

I am pleased that the professor, who teaches law at Rutgers' Camden campus, is receiving this well-deserved attention.

I would like to insert this fascinating discussion for the benefit of the Members.

The article follows:

[From the Washington Times, Feb. 9, 1983]

BLAUSTEIN: REWRITING THE WORLD'S CONSTITUTIONS

Q: How is it that you came to be involved with drafting the constitution of a country such as Liberia?

A: It started back in 1966 when the U.S. Information Agency asked me to buy a library of French and American law books which the Vietnamese could use as a back-

stop for drawing up a new constitution. The Vietnamese had asked for support from the United States in the sense of having various books dealing with the American Constitution, since that was the model they were interested in. Among other things, the Vietnamese asked for a French version of our constitution because this was the language of their professors.

After getting the books, I went to Vietnam to work with the development of a new Supreme Court, which also was to have been built on the American model. There I met with the people who had worked on the constitution using the books I sent and I realized the need to have a set of books which would have the constitutions of all the different countries in the world, so that one might pick and choose—get different ideas. That's when I started this book on constitutions of the world, which is now 16 volumes and growing.

Three years later, I met with Long Broet, the Prime Minister of Cambodia, in New York and he asked me to work on a new constitution for Cambodia. Unfortunately, Cambodia fell shortly thereafter and all the work I did there disappeared.

My third constitutional involvement was to help prepare a new constitution for Bangladesh after it gained its independence from Pakistan. It was a frustrating experience because Kamal Hossain had with him the constitutions of both Pakistan and India, and even though I had brought him the constitutions of many other countries to look at, he was constrained to have a British parliamentary structure such as existed in Pakistan and India. That's what their lawyers knew and were interested in.

Next I was involved in the new Peruvian constitution. What happened there, unfortunately was that the members of the legislature would say we need this and we need that, so the thing was put together like a prefabricated henhouse. There are duplications and contradictions which, if Peru had a judicial system like ours, would be declared unconstitutional. It seems that Latin Americans do not approach constitutions as legalistically as we do.

Then came my participation in hammering out the constitution of Zimbabwe, and after that came the Liberian experience.

Q: Since both Zimbabwe and Liberia are African nations, perhaps you could go into more details?

A: In Zimbabwe, Bishop A. T. Muzorewa was head of a black coalition, which had been elected to replace the white government of Ian Smith and draw up a new constitution. The Patriotic Front of Robert Mugabe and Joshua Nkoma was still continuing the war, but finally all the various groups agreed to meet at Lancaster House in England.

Q: What's Lancaster House?

A: That's where all the British colonies meet to hammer out their constitutions.

Mugabe and Nkomo came with their own lawyers and they spoke directly to the British government. Ian Smith had with him a coterie of lawyers who had worked on the previous constitutions of Rhodesia, and Muzorewa came with a group of black lawyers, including a Muslim from Canada. My function was to serve as someone who knew something about the Third World and could act as a computer on world constitutions.

Most of my work in Zimbabwe was overcoming the whites headed by Ian Smith who wanted to put things into the constitution which had to be beaten down in advance, such as wanting both the army and judiciary to be completely separate from the political process. That would not only be dangerous in terms of judges, it would be even worse in terms of the military. We had a big fight with Smith's lawyers about the right of the Prime Minister to appoint the chief of the armed forces.

In America, the Senate has to approve appointment of anyone the rank of general or above. But in a small country where there may not be so many generals, it might be preferable to modify that to apply to colonels and above.

Q: When you are starting from scratch like that, where do you begin?

A: There is no simple answer. In the Zimbabwe situation, Muzorewa felt that his people would be overshadowed in terms of constitutional experience by Smith's lawyers, so he called and asked me to come to London to help them, which I did.

Why did the people of Zimbabwe continue to fight against white rule? It wasn't because the white man was denying them habeas corpus or interfering with their right to privacy, they were fighting for land. In other words, at what point can you take property from the private owners and give it to the general public. This was something that was very important to the black groups. They wanted some constitutional right to property and were very wary of anything in there that might take it away.

I was frustrated a bit by Ian Smith whose intransigence caused much bad feeling and caused people to want to go to the opposite extreme.

Every once in awhile Africans say to me that this constitution was forced on the black majority. I say it wasn't forced, but we did make compromises in order to end the war, such as provisions which prohibit certain parts of the constitution from being amended for a set number of years. That raises an interesting question: Can you put something in the constitution that says a certain part cannot be amended?

Q: Isn't that just a temporary freeze to help stabilize a volatile situation.

A: Yes.

Q: Then it's not altogether bad.

A: No, it's not. Interestingly, in South Africa there is one thing in their constitution that is frozen; everything will be in both English and Afrikaan. That bi-linguistic right cannot be changed.

Q: What about your work on the Liberian constitution?

A: The reason I'm so excited about the Liberian experience is because I've never met so many people who were open to new ideas.

If you recall the government of William Tolbert was overthrown by a military group headed by then Master-sergeant Sam Doe, who said that he was not desirous of dictatorial powers but wanted to return the country to civilian rule as soon as possible and create a national commission to write the constitution. I had met Winston Tubman, the ambassador of Liberia to the U.N., and he recommended me to the commission.

We immediately started a survey, traveling all over the country to question people about what they wanted and did not want, how they would like to see things change and so forth.

This data was sent to me at my office in Rutgers University and I met with members of the commission to discuss things. In March I went to visit Liberia and began working with the commission to draft the new constitution.

One section I thought was very important dealt with emergency powers, since we had a military dictatorship. My proposal to them were that within 48 hours of a declared emergency a written presentation of the crisis must be submitted to the Parliament, which cannot be dissolved during an emergency, nor can there be any constitutional amendments or a suspension of habeas corpus at that time.

The fattest thing in the draft which they drew up was a section called miscellaneous. I spent a lot time with a young man named Philip Banks, who acted as the detail person, figuring out where to put everything.

Some Englishmen looked at the first draft, but their reaction was that it was too American, too general. The British are much more legislatively oriented than we are—we're more judicially oriented—and they have a penchant for spelling everything out in great detail. Things which require court orders, like searches and seizures, bother the British terribly because under their system Parliament makes those decisions.

But it had to have a certain American structure because that's what they were interested in. They have 150 years of American Supreme Court decisions which they study in their law schools, so you can't divorce yourself from that. The prior Liberian constitution, written by a Harvard law professor in 1847, was based on the Massachusetts Constitution.

I joked with them that they were more American than the Americans and that they had to open themselves up to new Third World ideas.

Q: When will the constitution be ready?

A: Probably by March or April it will go into a national referendum.

Q: Do you expect any parts to be controversial or rejected?

A: No, because where there were serious disputes we provided alternatives. I must emphasize again the openness with which they were willing to accept my ideas from overseas. Very different from the British.

One time I sat with a British lawyer and said, "My God, man, what is this" and he replied, "But professor, we always put that in an independence constitution." They wanted to use the same exact wording in Zimbabwe as they used in Ceylon (Sri Lanka) 22 years earlier. It's this kind of stubbornness they have.

Q: You mentioned that the new Liberian constitution was rather American in some respects. What about areas where it differs?

A. What we tried to do in the Liberian case was to pick up on the errors of other constitutions and be more clean-cut and precise. One example is the right to counsel from the moment of arrest. Now, we may take that for granted here, but in some parts of Liberia they still have "trial by ordeal." A young woman might be accused of adultry, so they give her an emetic. If she throws up, she's guilty. You can't enshrine that into a national constitution.

We also made provisions, however, for tribal chiefs to legally represent their people, even though they are not elected. These things go beyond the American way of thinking.

This not a prefabricated henhouse—a section from Peru here, a part from Zimbabwe there, a piece from West Germany over there—but rather leads to precedent type thinking.

At the reception a colonel got up and said, "Make sure there is a provision to prevent a Communist Party." Well, the Communist Party was specifically prohibited under the

laws of South Vietnam, but it led to much distaste and abuse. If you didn't like someone or wanted to get rid of someone, just call him a communist.

On the other hand, the phraseology of the (West) German constitution prohibits extreme parties at either end of the political spectrum, a direct response to the Hitler problem. It was a very valuable precedent.

Some of the things that people think they want in a constitution are simply outrageous. For instance, if you took a survey in America today on what people want in regards to capital punishment, most of what you would get would be hopelessly unconstitutional.

The idea of a constitution is not simply to give the majority rule, it's to protect the rights of the minority. Freedom of speech is really the freedom to say things that may be unpopular or disagreeable. You cannot accede to the wishes of the common man in all things.

A real masterstroke of our constitution is the right to know, the right to information. This includes academic freedom and specifically states that libraries will exist to preserve that information, which is something you won't find in any other constitution. The Liberian commission was very excited about some of these ideas.●

VOICE OF DEMOCRACY WINNER

HON. DICK CHENEY

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. CHENEY. Mr. Speaker, each year, the Veterans of Foreign Wars of the United States conducts its Voice of Democracy contest. Each Member of Congress is notified of the winner from his or her State and is provided a copy of the winning essay. This is a very worthwhile competition, with the national winner receiving a generous scholarship toward his or her college education.

This year's winner from Wyoming is Jill Twiford of Douglas. I am pleased to have this opportunity to insert Jill's speech into the RECORD and I would urge my colleages to take a moment and read her outstanding composition.

JILL R. TWIFORD, CONTEST WINNER

Over 200 years ago, America began the journey towards becoming the super power it is today. Our country is so very young, yet so very strong and respected. Who would have ever dreamed 200 years ago that our nation would come so far in such a short time?

America's success can be attributed to the fact that we are a nation developed by the people. Everyone has ideas, and they are free to express them. Consequently, our country is constantly improving and changing with the people's needs. We have not allowed our country to become old. Instead, we leave its doors open to new and fresh ideas, methods, and leaders.

The young people of America grow up with a positive attitude towards their home. We know that our choices are unlimited when it comes to picking a career. We also know that when we enter that chosen field, we can make it as successful as we want it to be.

Perhaps this is why America's youth feels so good about the United States. We are given every chance possible to improve ourselves and to excel in adulthood. Everyone is provided with a free high school education, and there are numerous scholarships and financial aids available for continuing with post-high school education.

Young people today are provided with the incentive they need to do their best. Because America is a land of equal opportunity and free enterprise, they constantly strive to do better. There is always the feeling of constructive competition among the people of America. Youth know when they set out into their chosen field that the sky is the limit.

America knows that its strength of tomorrow lies within the youth of today. Young people are shown their importance and significance through activities in high school, programs sponsored within the community, and through the general attitude of the public.

Young people are becoming more and more involved in realizing America's place in the world. Youth seem interested and concerned about world affairs more now than ever before. Perhaps this reflects society's attitude of youth importance. Young people are growing up more prepared to face the world and to meet its challenges.

The strength of America's tomorrow lies in today's youth. If we grow up to fulfill all of the dreams and ambitions our hearts are full of, the next 200 years will be as fantastic as the first.●

WASHINGTON POST CALLS FREEZE BAD POLICY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. BROOMFIELD. Mr. Speaker, the Washington Post on Sunday added its voice to those who have concluded that House Joint Resolution 13, the so-called nuclear freeze proposal pending before this body, "amounts to bad public policy."

Like those of us who are opposing the freeze resolution, the Post points out that it would get in the way of serious efforts in progress to reduce the world's arsenal of nuclear weapons and particularly those considered "destabilizing to the nuclear balance."

That point goes to the heart of a substitute I will offer to House Joint Resolution 13, providing for a freeze after meaningful reductions have been negotiated.

The Post correctly recognizes that the freeze language clouds the picture as far as modernization of existing weapons while freeze negotiations are underway—a process that could take years.

The editorial continues: "A freeze, or a close approach to one, would undercut not only Mr. Reagan's negotiating program but also the freeze's own."

The editorial concludes that the freeze should be laid aside because, "Arms controllers can do better."

I agree, Mr. Speaker, and commend the Post editorial to the Members of this body.

[From the Washington Post, Mar. 20, 1983]

THE FREEZE DEBATE

As a vehicle of generalized protest, the nuclear freeze proposal has had one immediate effect: it has helped induce Ronald Reagan to start adjusting some of his arms control positions. He has toned down his statements on nuclear war and begun to explore compromise in the Euromissile talks. The freeze proposal has also become an agent of nuclear education for Congress. But in our view the proposal itself still amounts to bad public policy. This has to be said despite the improvements made in the freeze resolution in the House debate, which resumes in two weeks.

It is good that the larger strategic goal now inscribed in the resolution is "essential equivalence in overall nuclear capabilities"—a vague formula but one acceptable to many if not most conservatives. The resolution no longer assumes, simplistically, that Mr. Reagan can abandon his START priority of reductions in strategic forces and bring into being "an immediate, mutual and verifiable freeze": it acknowledges that it remains to be decided "when and how" to achieve this goal.

A larger difficulty is revealed, however, by the "special attention" the resolution now accords to "destabilizing weapons," those that give either side a first-strike capability. This language goes to a major and central defect of a freeze—that it would block new programs designed to take Soviet and American nuclear forces off a hair trigger to create more "stability." The term "arms race" can be very loaded: weapons that are less vulnerable and therefore less prone to being fired first in a crisis, can settle the superpowers down. If the freeze people are serious about the perils of "destabilizing weapons," they must do more than add to their resolution a paragraph inconsistent with its basic proposition.

The Stratton amendment, barely defeated on the House floor, illuminated a second crippling defect of the freeze—its equivocation concerning what new weapons would be permissible during the time it took (one year? several?) to negotiate this freeze. The Reagan "modernization" proposals make this question urgent. To the extent that they have addressed it, freeze advocates tend to say that each new system should be judged on its merits. But it is not easy to find new systems in which they see merit. The letter of the movement honors mutual negotiated cuts. But its spirit is patently unilateralist: no more nukes. A freeze, or a close approach to one, would undercut not only Mr. Reagan's negotiating program but also the freeze's own.

The freeze resolution welcomes "concurrent and complementary arms control proposals." Sounds fine. Imagine, however, the likeliest first Reagan arms control deal, one removing some Soviet Euromissiles but deploying some American ones. Under a literal freeze, there could be no deal. Here is one more reason to put aside the freeze. Arms controllers can do better.●

JOHN BRADEMAS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. LEHMAN of Florida. Mr. Speaker, one of the truly great people with whom it has been my privilege to serve in Congress is John Brademas. Dr. Brademas, as most of us know, went from his office as majority whip to become president of New York University.

He also serves in New York City in many other important capacities. He is chairman of the Federal Reserve Bank of New York, the country's largest regional Federal Reserve bank system, and is a member of the boards of the New York Stock Exchange; RCA; Loew's Corp.; Scholastic, Inc.; and the Rockefeller Foundation. In these roles, John can effectively bring his humanitarian philosophy to the corporate community.

President Brademas was a great asset to our Congress and to the entire public sector of our country. He did so much in Congress for education, especially education for the handicapped, and in strengthening Federal support for the arts and humanities.

John continues to serve his country through his new position in New York. The following interview will remind my colleagues that John is very special and very human. He knows when to fight and he knows when to laugh.

BRADEMAS ASSESSES HIS GOALS FOR N.Y.U.

(In June 1981, John Brademas became the 13th president of New York University. Since then Mr. Brademas, a former United States Representative from Indiana and majority whip in the House, has taken steps to develop new academic leadership, expand student financial aid, and strengthen offerings in the arts and sciences; last week, the university announced the opening of a $100 million capital fund drive. Mr. Brademas recently discussed his 20 months at N.Y.U. with Edward B. Fiske, education editor of The Times. Following are excerpts from that interview.)

Q. There's going to be a 40 percent drop in the number of 18-year-olds in this area. What does that mean for N.Y.U.?

A. It means, I think, that we must continue to improve the quality of the education that we offer if we're to be able to keep attracting outstanding young men and women. If you look at the application figures for the fall of 1983, we're holding up very well. In fact, there is an increase of approximately 5 percent above the figure from one year ago.

Q. A number of colleges are planning to reduce their size as a way of maintaining there academic quality. Smith College, for example, is going to take 10 percent fewer freshmen this fall. Are you thinking in these terms?

A. We are not pressing for a substantial increase in the number of students at New York University. We think the wiser course is to enhance the quality of what we offer. This is, of course, a very large university. We have some 45,000 students—this is the largest private university in the United States, if indeed not the world—and therefore the pattern of enrollments is likely to vary from one unit to another. What I find very encouraging is that our enrollments seem to be holding up well, particularly in the professional schools, where we have very great strength. Now there are certain soft spots, quite understandably, in education, health, nursing and the arts professions and in our graduate school of public administration.

Q. Many people in higher education would say that the main weak spot at N.Y.U. in terms of quality, would be undergraduate liberal arts.

A. Let me respond in two ways. First, New York University, as our provost, L. Jay Oliva, said only this week, is perhaps the best-kept secret in American higher education. We have improved enormously academically throughout the university, and certainly we have in the liberal arts. But to enhance the quality of what we do there, I have, along with the support of the Board of Trustees, determined that the major thrust of the upcoming campaign drive—$1 million a week for 100 weeks is the easily-remembered slogan—will be the arts and sciences.

Q. What has struck you most in moving from Congress to becoming a university president?

A. When I was in Congress I found myself pressed by a variety of constituencies, each wanting more resources when there were not enough to go around. And I was always wrestling with massive egos and found myself frequently immersed in conflict and controversy. In short, it's very much like being a university president. The big difference is that you don't have to run for reelection every two years.

Q. You were involved as a Congressman in drafting most of the major educational legislation. Now that you've seen the whole issue of financing colleges from the other side, would you, in hindsight, have done anything differently?

A. I think that I would not do anything major differently. I would, however, make certain changes, for example, in the 5 percent fee that is being charged to graduate students in the Guaranteed Student Loan program. There may have been some justification for this at a time when interest rates were much higher, but given the rising cost of education, there's a strong case for eliminating it.

Q. How do you see N.Y.U. as different from the other institutions in the city? What is its unique identity?

A. For one thing, very great diversity of offerings. We have the finest art history department in the United States. In Wall Street we have one of the very best graduate schools of business administration in the country. We have what I think is regarded as the finest continuing education program of any American university, and certainly the largest. We have a superb medical school and one of the best law schools. We have in the Tisch School of the Arts one of the two best places, if not the best, to study film and television.

I could go on, but we have this extraordinary diversity of offerings unmatched in any university in the state of New York. And we are located here in the heart of Greenwich Village, which gives us a special character that by definition cannot be matched by any other university.

Q. What has struck you about the current generation of students? Are they as vocationally driven as their image would have them be?

A. I do think that they are—and quite understandably—overwhelmingly preoccupied with their careers. After all, coming to a university where the tuition is a significant cost presents an investment of money and of time, and they are not going to fritter that investment away. So they work hard.

Q. Are there qualities you'd like to see in them that you don't?

A. I think at times I would like to see a greater sense of humor. And I must say that I don't see as much political awareness as was certainly the case a decade ago, though I don't think I'd go so far as to describe New York University the way Purdue used to be described in my own home state, as a "hotbed of student rest."

Q. The university has a housing problem. Where is the space going to come from?

A. I'll give you a couple of examples. We have, through an arrangement with our law school, taken over what's called Haden Hall, which is right across Washington Square, and we are converting that into a dormitory for undergraduates. That will give us about 700 new spaces. Then we're going to build another residence for professional students, especially medical and dental students and graduate students, on 25th Street.

Q. What do you miss most about your prior incarnation?

A. Two things. First, I miss my personal friendships, because you can't have served in Congress, or in any institution, for 22 years without having made a lot of good friends. And second, when I see some of the decisions that are coming out of Washington these days—not only affecting higher education, but other areas of public policy as well—there are times when I wish I could be there and talk to my old colleagues and press hard for a particular point of view.

But having said all of that, fundamentally I really don't miss being in Washington, because being president of New York University is an enormously demanding and exhilarating job. I'm going, I would suppose, from eight in the morning until 11 at night at least five days a week, and I love it. This is the most exciting city I've ever lived in, and my wife, Mary Ellen, who is a third-year resident in dermatology at our N.Y.U. Medical Center, enjoys it, too. We count ourselves very privileged to be here.

Q. Are you a good lobbyist?

A. Not bad.

Q. What techniques do you use?

A. Well, the first thing you do is not talk too much about it.●

MEMORIES OF VIETNAM

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. STUDDS. Mr. Speaker, as the administration's denials about the similarities between U.S. involvement in El Salvador and Vietnam become more and more vehement, the more apparent these similarities are becoming to the American people. A recent editorial in the New Bedford Standard Times discussed this fact quite eloquently. I would like to share with my colleagues a copy of the editorial at this time:

[From the New Bedford (Mass.) Standard-Times, Mar. 6, 1983]

EL SALVADOR POLICY BRINGS BACK MEMORIES OF VIETNAM

The United States may be at a critical point in the evolution of its policy in El Salvador.

At the conclusion of an extended review of the situation in El Salvador and an internal debate over policy, the Reagan administration has asked Congress for an additional $60 million in military aid for the government in El Salvador. At the same time, the administration is considering increasing the number of American military advisers beyond the current limit of 55.

While pushing for increased military support for the government of El Salvador, the Reagan administration has made it clear that it is not very interested in political attempts to resolve the conflict in Central America. The administration has specifically ruled out any suggestion that the United States urge the government of El Salvador to negotiate with rebel leaders.

The United States, then, is putting all its support behind the government of El Salvador in its effort to gain a military victory over the guerrillas.

And yet, by the administration's own account, government military forces are losing the initiative to the rebels.

Despite all the assertions that the situation is different, the specter of the Vietnam quagmire keeps reappearing. For good reasons.

The United States is supporting a government which is making very little attempt to initiate genuine domestic reforms.

The United States is risking American lives, money and honor for a cause which only affects American interest because certain government leaders have defined it in those terms.

The United States is supporting a military regime which is itself undermined by its own internal, feudal divisions.

The United States is supporting a government which has aligned itself against the interest of the people of El Salvador in a just, safe society.

The United States is defining the causes of the conflict solely in terms of Communist subversion, when causes are much more complex. The United States is embarked on a policy which can only lead to more and more bloodshed.

The policy of the Reagan administration is more than wrong. It is dangerous.

Congress would be making a disastrous mistake if it endorsed the Reagan administration's wrong-headed policy by approving the $60 million in additional military aid. Any policy which turns its back on suggestions for a political settlement is a policy heading for catastrophe.

Congress, which allowed the role of the United States to grow in Vietnam without sufficient questioning, should make no such mistake this time.●

GRENADA—THREAT TO AMERICA'S CARIBBEAN OIL ROUTES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. McDONALD. Mr. Speaker, the presence of a Marxian government on the island of Grenada in the Caribbean, should give the free nations of the Caribbean pause, but the construction of an airfield on the island, capable of sustained military operations, is an even more ominous development. There is no apparent reason for this small island to have such an airport; nor is there any apparent reason for Soviet military advisers to be there. The question can also be asked as why Grenada is building a large new harbor at Egmont, but more pointedly, why it is defended by Soviet 240mm mortars and ZU-23 antiaircraft guns? Who is planning to attack Grenada? Timothy Ashby, of the University of Southern California, has attempted to supply some answers in the May-June issue of National Defense. I commend his article to the thoughtful attention of my colleagues.

The article follows:

GRENADA—THREAT TO AMERICA'S CARIBBEAN OIL ROUTES

(By Timothy Ashby)

(The author has been employed as a security advisor to several West Indian governments; he is a defense analyst and a member of the Royal United Services Institute for Defense Studies in London. He is a frequent contributor to magazines.)

The repudiation of Cuban-style Marxism by Jamaica and other Caribbean mini-states in their 1980 elections has stimulated a reappraisal of this region's strategic importance by American defense and political analysts. Although the general pro-Western political shift has eased State Department fears about a galaxy of Castroite satellites in America's "back yard", Washington should not be lulled into ignoring a Soviet/Cuban bastion of growing importance in the southern Caribbean just ninety miles off the coast of Venezuela. This Cuban-controlled base is the island of Grenada—strategically placed in the heart of one of the richest oil-producing regions in the Western Hemisphere.

CUBAN-BACKED REVOLUTION

Grenada, with a total land area of 120 square miles and a population of 110,000, became independent from Great Britain in 1974. In March 1979, a successful coup d'état was mounted by thirty members of the New Jewel Movement—a Marxist political party led by Maurice Bishop and Bernard Coard, two native lawyers who held Opposition seats in the Grenadian parliament. Their new regime was named The People's Revolutionary Government.

The revolutionaries had been trained and equipped by the Cuban intelligence agency DGI, and several Cuban operatives took part in the putsch. Within two weeks of the overthrow, Soviet Antonov An-12 transport aircraft had landed three thousand stands of AK-47 rifles, SA-7 Grail surface-to-air missiles and tons of other military equipment to outfit the newly formed People's Revolutionary Army and People's Militia. The PRA and PM were organized along text-book Soviet lines by Cuban military instructors who remained in Grenada following the initial training program, to become permanent officers and NCO's.

In December 1979, a 250-man Cuban construction battalion arrived on the island to begin work on what was publicized as a "new International Airport" to be built at Point Saline, a peninsula on Grenada's south coast. The Cubans were accompanied by 103 pieces of new Soviet construction and earthmoving equipment, including KrAZ seven-ton trucks, T-100M3 tractors and GAZ-66 mobile command post vehicles—the latter serving as offices at Point Saline.

Under the direction of Soviet and East German engineers, the Cubans constructed a military-style camp on the airport site consisting of 18 pre-fabricated wooden barracks designed to house forty men each. The "International Airport" has 2,800-meter runways that could be extended to 3,300 meters. After clearing and leveling the "International Airport" site, the Cubans directed their efforts towards the construction of a 1,600-meter airstrip some two miles away. Grenada's only surviving newspapers, the Free West Indian and the New Jewel—both owned by the People's Revolutionary Government and seemingly written by pro-propagandists from Granma and Pravda—originally announced that this short airstrip was to be the site of "government housing for the poor." Two weeks later it suddenly became a "new highway to our International Airport" (paralleling the two-lane, dual-carriageway True Blue road some fifty meters away). The latest press releases refer to the nearly completed Cuban construction as "an executive airstrip for government officials and businessmen."

Executive airstrip? The only government or private aircraft permanently based on Grenada are a Cheyenne II loaned to Prime Minister Maurice Bishop by Fidel Castro and a Beechcraft owned by St. George's University Medical School. These are parked at Pearls Airport on Grenada's northeast coast—a perfectly adequate strip for smaller aircraft which has served as Grenada's tourist airport since World War II.

NAVAL BASE

The two airfields are not the only Cuban construction projects. There is also a maritime facility going up along the shores of Egmont Harbour, and deepwater hurricane haven two and a half miles north of Point Saline. Yachting and naval experts consider Egmont Harbour one of the finest protected anchorages in the southern Caribbean. Here, the Cubans have erected six barracks, a machine shop, a large bunker, and a new road connecting the facility to Grenada's Coastal highway. A pile-driving barge is at work building a substantial jetty.

Egmont Harobr is surrounded by Calivigny Point, the site of Grenada's main military base. The encampment houses some four hundred personnel, including two platoons of Soviet Army "advisers" who are rotated bi-monthly from their parent brigade in Cuba. The approaches to Egmont Harbour are commanded by well-camouflaged batteries of 240-mm mortars and quadruple ZU-23 23-mm antiaircraft guns.

STRATEGIC IMPORTANCE

For all of Grenada's miniscule size, it is viewed as an important addition to the Soviet hegemony by Warsaw Pack strategists. Within a five-hundred-mile radius of the island are oilfields and refineries which currently supply 56 percent of the oil consumed on the eastern seaboard of the United States. During the period January to June 1980, U.S. imports of crude oil alone from Latin America and the Caribbean was 6,011,000 b/d (barrels per day). Individual refined oil production figures of countries falling within a five-hundred-mile radius of Grenada are as follows:

Venezuela, 1,013 thousand b/d.

Netherlands Antilles, 588 thousand b/d.
U.S. Virgin Islands, 564 thousand b/d.
Puerto Rico, 286 thousand b/d.
Trinidad, 235 thousand b/d.

In the Netherlands Antilles, the island of Aruba has an Exxon subsidiary refinery which produces 480,000 b/d. Shell operates a refinery at Emmastaad in Curacao with a capacity of 370,000 b/d, which in turn supplies a Shell one million b/d transshipment terminal on the same island. A second terminal with a capacity of 450,000 b/d is operated in Bonaire by Northville Industries and Paktank.

On St. Lucia, one hundred miles north of Grenada, Amerada Hess has constructed a transshipment terminal with a storage capacity of 15 million barrels; a 250,000 b/d refinery may be added. Hess also operates a 700,000 b/d refinery on St. Croix, U.S. Virgin Islands, which produces fuel oil chiefly for export to the U.S. east coast.

In 1979, Trinidad imported 141,455 b/d of crude oil for refining and subsequent reexport. The bulk of this crude came from Saudi Arabia (102,840 b/d), all of which was destined for the U.S. market.

In the event of war, this region would be of vital strategic importance to the United States. The destruction of refineries and transshipment terminals coupled with the servering of tanker lanes could cause rapid economic and social chaos in the eastern United States. The Soviets have perceived this for years, along with the fact that their air and naval bases in Cuba, over a thousand miles from Grenada, are beyond the range necessary for effective offensive operations in the southeastern Caribbean.

There are currently ten squadrons of Soviet aircraft based in Cuba, including the excellent MiG-27 (NATO designation "Flogger D") and the older Ilyushin Il-28 "Beagle" tactical strike aircraft. None of these aircraft have the combat range (600 miles for the MiG-27; 684 miles for the Il-28) to allow them to carry out missions against strategic targets in the southern Caribbean from Cuban bases. Even if fuel drop tanks were to be carried, the distance is so great that American and Venezuelan fighters would have ample time to intercept Cuba-based raiders before they could reach their targets.

Grenada provides the perfect solution to this strategic quandary—a mountainous, easily-defended bastion commanding the heart of this rich oil-producing region.

WARTIME HYPOTHESIS

In the event of escalating U.S.-Soviet tension, which experts on both sides would view as inevitably leading to a military confrontation, Cuban tactical strike aircraft could be pre-positioned at Grenada's new "Executive" and "International" airports, both capable of Soviet strike aircraft. This would be in keeping with that facet of current Soviet military strategy which relies on the "Pearl Harbor" principle of simultaneous surprise attacks on key installations to cripple the enemy and cause a scattering of his forces to far-flung defensive positions.

MiG-27's operating from Grenada could strike the totally unprotected refineries in southern Trinidad within ten minutes, based on their operational speeds of 770 to 1,055 miles per hour; the same length of time would be required to destroy the vast Hess oil storage complex in St. Lucia. Similarly, the major Venezuelan oil fields are only seventeen to twenty-five minutes' flying time away, and the essential refineries and storage facilities in the Netherlands Antilles could be reached in about 35 minutes.

Grenada's Egmont Harbour would provide a superb small naval base protected by the nearly encompassing hills from both offshore surveillance and attack. Approximately thirty Soviet-built *Osa-* and *Komar*-class missile patrol boats, with a top speed of 40 knots, are now stationed in Cuba. Armed with Styx (SS-N-2) surface-to-surface missiles, such craft would be a lethal threat to the ponderous oil tankers plying the sea lanes around Grenada. And Egmont Harbour, which measures 1,200 by 1,800 feet and has a minimum depth of 21 feet, could accommodate an entire flotilla of Cuban missile boats.

Apart from Grenada's proximity to the oilfields and refineries of the southern Caribbean, and its value as a Soviet client state at the other end of this sea from Cuba, the island is an invaluable staging post on the air route to southern Africa.

It is to be hoped that the new administration will take a more active interest in protecting America's vital Caribbean interests than its predecessor did. Firm diplomacy could induce the Soviets and their Cuban proxies to withdraw from Grenada, leaving Prime Minister Bishop to contend with a nascent pro-West underground movement and a highly antagonistic native populace.

A re-institution of the island's Westminster-style government—totally dissolved by the Bishop regime—would be a necessary first step toward United Nations-supervised elections, a la Zimbabwe. Given control over their own political destiny again, there is every reason to believe that the people of Grenada will follow the example of Jamaica in electing a democratic, pro-Western government.●

AN OUTSTANDING CAREER BY AN OUTSTANDING INDIVIDUAL, CHARLES A. McLENDON

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. VANDER JAGT. Mr. Speaker, one of the finest pleasures and benefits of our congressional careers are those opportunities to meet and to strike up new friendships with outstanding individuals. Such was and is the case for me in meeting Charles A. McLendon, executive vice president of Burlington Industries.

Unfortunately for Burlington Industries, Charles McLendon is ending a brilliant 35-year career with that firm now. This is the principal reason for this special commentary as I wish to join with his many, many friends in expressing appreciation for his years of service in a variety of community, State, and National activities, and convey to his wife, Mary, and himself even greater success, happiness, and good health in the years ahead.

As a member of the board of directors of Burlington Industries, as well as executive director of the Burlington Foundation, Charlie first joined Burlington, headquartered in his hometown of Greensboro, N.C., in 1948. He quickly worked his way up the corporate leadership ladder to his present role.

My personal relationship with the McLendon family commenced several years ago when it was my pleasure to be a guest at their lovely Greensboro residence. Gracious southern hospitality by the McLendon's could not and has not been surpassed.

One would expect Charlie to be especially active in the textile industry, which he has been for years, but he also has spearheaded Burlington Industries' solid involvement and concern in our Nation's free enterprise system through, among other activities, the political process. Burlington Industries has asserted a strong and positive political activity in recent years and Charlie McLendon has provided that interest and spark.

A graduate of the University of North Carolina at Chapel Hill, he has committed vast time and efforts as a member of the board of visitors of the University of North Carolina; serves on the advisory council of the School of Textiles at North Carolina State University; and is vice chairman of the fund for the advancement of science and mathematics education in North Carolina. And, to top it off, he is also a trustee of Guilford College in Greensboro and the independent college funds of America.

A truly outstanding business career comes to an end for a truly outstanding individual. But, his work in the educational, political, and community fields will continue with probably even greater benefits for all. My congratulations to a wonderful team * * * Mary and Charles McLendon.●

WHAT PRICE PEACE?

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. BROOMFIELD. Mr. Speaker, Brig. Gen. Joe Bartlett, former minority Clerk of the House of Representatives, called the pacifist movement the real danger to peace in a recent speech to the annual conference of the Daughters of the American Revolution of the District of Columbia.

Joe Bartlett, who recently concluded a 37-year career as a senior minority staff officer of the House, said in his speech titled, "What Price Peace?", that a "firestorm of fear" is sweeping much of the free world.

He challenged the "stewardship" of this generation to live up to its obligations. He said the basic division in the world today is between those who believe that "liberty is God-given", and those who hold to the atheistic, despotic belief that "man is the property of the state."

Mr. Speaker, I commend Joe Bartlett's remarks to the Members of this body.

I see the fortitude of this country being eroded away by a veritable fire-storm of fear, that is sweeping this land, and much of the free world. And while we argue whether or not our enemies are supplying the matches, the incendiary effect is enflaming our institutions, in a most destructive way. And there is no mistaking who will be dancing around the bonfire with delight!

We are—in my opinion—flirting with grave danger. And it is not clear how we are going to respond to it.

As conscientious citizens, and as leaders of this country—and you are leaders of this country, whether you are conscious of it or not—you are, individually and collectively, important to this determination. And I welcome this opportunity to share with you my concerns.

We, as a people, have gotten so weary of the incessant conflicts and wars, and rumors of war. Between nations and tribes and ideologies and races . . . and other excuses. At one moment we view a mortal enemy . . . then next the same is a valued ally and partner. Principle is sacrificed on the altar of expediency. The friends we thought we had bought in this world, refuse to stay bought. Our common purposes are commonly disserved, betrayed.

Small wonder that we find ourselves crying out: "Are there no immutable truths? Is there no purpose worth giving your all?"

We can remind ourselves, in the words of the old hymn, "that though the wrong seems oft so strong, God *is* the Ruler yet" . . . "This *is* my Father's world!"

And we have a stewardship to fulfill, *don't* we?

Let us take a look at this old world of ours, beyond the countless schisms, and contemplate its *basic* division.

It seems to me it is the self-same division that brought our forefathers across the perilous, uncharted seas, in search of a *new* world. And it is the same principle that ultimately forced the colonists—in spite of their natural reluctance—to declare their independence from the British monarchy, and then to fight so courageously to establish it.

And that precious principle—that "immutable verity," if you will—is that man's liberty is *God*-given; not the favor of the crown, nor the property of the state.

That is the essential, fundamental difference that divides this world we share today.

Hundreds of millions of people live under the despicable, despotism that says, "You are the servant of the state . . . The state owns you completely, body, soul and mind . . ."

I don't know what our moral responsibility is to those poor, hapless fellowmen and women who happened to come into this world beyond the pale that divides us, freemen from slaves of the state.

I am not satisfied that their plight is not ourmore conscious concern . . . that we seem to have no plan to offer them any measure of salvation. . . any hope.

But we know what the plans of their despotic rulers are for us, because they have told us unmistakably: they plan to bury us! and it is clear they are preparing to do just that.

A mere thirty years ago we had a monopoly on the most awful weapon man had ever conceived. Had it been our nature, we could have extracted from the rest of the world, any arrangement we might have desired. They would have had no choice but to capitulate. That we did not choose to do such a thing, should stand forever as eloquent testimony to the character of our people.

Let the record show that the threat to world peace today is not of our making!

For the last few decades, our efforts at defense have been devoted almost exclusively to comparatively modest measures of deterrent—in the belief that the "big stick" would discourage war and keep the peace.

A disquieting truth comes from Dionysius, by the way of General Douglas MacArthur in a 1935 address:

"It is a law of nature, common to all mankind, which time shall neither annul nor destroy, that those who have greater strength and power shall bear rule over those who have less."

Superior strength has never even been our goal . . . in keeping with some convoluted rationale, that maintaining a superior defense might antagonize our adversaries!

So, in a monumental distortion of the Constitutional roles of government, Congress virtually abdicated its responsibilities "to provide for the common defense" (in deference to the Executive Branch), and the President now initiates defense recommendations. While the Congress, not surprisingly, giving higher priority to the commendations. While the Congress, not surprisingly, giving higher priority to the more politically popular social programs, has regularly—somewhat arbitrarily—cut into the President's requests, leaving a record throughout the recent, crucial decades, of a dangerous decline in our defense capability—by any measure!

In January 1941, in a message to Congress, President Roosevelt very profoundly pointed out:

"It is dangerous to prepare for a little defense . . . !

Roosevelt was citing the danger of giving you people a false sense of security, at the same time your weakness stood as a temptation to your enemies.

There are only two kinds of defense: An adequate defense and an inadequate defense. I don't pretend to know where that line is. We have some highly competent people who have spent their lives gaining knowledge and experience about such matters, but the amateurs seem to overrule them all too often. This I believe: If you whittle away at an adequate defense program, whether for social programs, or budget considerations, or just politics—until you are left with something less than adequate—you would be better off with no program at all! "A little defense is a dangerous thing!"

To those who entertain some silly notion that our restraint in defense expenditures would cause our adversaries to be similarly restrained, let me share with you the testimony of then-Secretary of Defense Harold Brown:

"We have found that when we build weapons, they build; when we stop, they nevertheless continue to build."

The architect of our "deterrent" program during the so-called Detente years, Secretary of State Henry Kissinger, is a brilliant analyst (no matter what else we may think of him).

Let me share with you how brilliant he was in defining an effective deterrent. There are four elements to it:

First, you must possess the power to enforce the peace, or, to punish with unacceptable penalties, any transgression.

But you could possess this awesome power, and it still would not be a deterrent, if your adversary did not know you possessed it.

So, you must have the power, and secondly, you must let him know very clearly that you have it.

Even so, you have no successful deterrent, if you lack the will to act in defense of your principles. All the power in the world is useless if you are unwilling to bring it to bear.

But the fourth, and most crucial element of this equation, is that your adversary must not have any misgivings about your willingness to apply your power to your purposes! He must not doubt your resolve! History is filled with disasters that would not have happened if an adversary's willingness to engage had not been misjudged.

Korea is a classic example: Andrei Vishinsky was quoted as saying to our ambassador to the United Nations:

"The United States is very untrustworthy. The United States clearly indicated it had no interest in defending Korea. When the Communists attacked, however, you intervened with a powerful military defense. This proves you cannot be trusted."

The United States' signals cannot be trusted! And tens of thousands of America's finest sons died because of it!

In the recent conflict in the Falklands, Argentina certainly misjudged Great Britain's capability—and probably more significantly, her will—to bring so much to bear for such a remote and paltry prize. And Argentina was resoundly humiliated for the miscalculation. (She was so desperate to claim *something* that when the Brits brought up the remains of the ancient Mary Rose, according to Johnnie Carson, the Argentines claimed to have sunk her!).

In 1961, East Germany was so uncertain about our willingness to defend our proper interests in Berlin, that when they started to build the Berlin Wall, at midnight on Saturday, August 13, they took all the ammunition away from the Vopos—their police—so that if we did resist, they could pull back without precipitating an unwanted fire fight. But they soon learned we lack the will . . . and the wall became a concrete disgrace!

The Bay of Pigs is another tragedy that lacked only the will to succeed! What a sordid, unwritten chapter in American history that was! Profiles in Timidity and Indecision!

General Douglas MacArthur had urged President Kennedy *not* to commit American troops to the continent of Asia, and while he was morally ill at Walter Reed Hospital he implored President Johnson to get our troops out of Vietnam because, in his words:

"* * * the time might be dangerously near when many Americans might not have the will to fight for their country."

What a burden that thought must have been on that old soldier's heart!

The United States has a formidable defense establishment today. It is not as good as it ought to be. It is getting better every day. But I am sure it has the respect of the Kremlin. With our openness, and their deviousness, I am sure they have a far better knowledge of our capabilities than do most Americans.

So, it is not our military strength that worries me. Rather it is our national will, and the influences that would invite a miscalculation of that will. Do we, as a people, have the courage and the commitment—and the will—to stand up for the things we believe? And do the Russians believe that we will?

There are those, you know, who proclaim "Better Red than Dead" . . . and who would capitulate at the first hint of challenge. How many do you suppose feel that way?

They seem to have forgotten the terrible price generations of brave and selfless, and willing forebearers paid to allow us the very freedom to debate our own future.

I cannot believe that God's love, or man's resourcefulness, will ever permit this world to destroy itself in a holocaust. But let me be perfectly honest with you: The horrors of modern nuclear warfare scare the bejabbers out of me! I am absolutely in favor of getting rid of every nuclear weapon on earth, by any plan consistent with our security. I am no jingoist! By disposition, and by reputation, I am a lover, not a fighter! But I took an oath many years ago, declaring my willingness to die for my country, if necessary, and I will reaffirm that declaration to you here this morning.

The nuclear threat is being portrayed in such extravagant melodrama, you would think the agony of dying in combat had just been discovered for the first time. Dying for a cause has never been pleasant. There is no nice way to have your life taken from you. I don't want to lose mine a minute before my time. Death is a very personal thing. But nobody has ever gotton out of this world alive, yet! And I do not expect to be the first.

Indeed, as I have contemplated the many ways one might have to give up his life for his beliefs, I can't think of a more horrible way than being crudely nailed to a timber cross . . . goaded with spears . . . mockingly quenched with bitter vinegar . . . while the scorching sun slowly broiled your life away . . .

There is nothing new about facing death for your beliefs . . . and for your fellowman.

But America, and the free world, is today being stampeded by fear, into believing that we must not do anything to meet the challenge of this atheistic, despotic adversary!

Ironically . . . pitiably . . . shamefully . . . in the vanguard of this cowardly movement, are many who claim to be the disciples of that simple man of peace who died for His cause upon a cross, two thousand years ago.

What does that say about their faith . . . about their commitment? To God . . . or to country?

Are "fear" and "faith" mutually exclusive terms?

Was it not President Kennedy who said we should not "fear to negotiate" but neither should we "negotiate out of fear"?

And now we learn that General Walter has apparently been on a secret mission to appeal to the Pope to try to keep his followers from adding to the pressure building up on the American President, to negotiate out of fear. To negotiate with the very henchmen who so recently sent an assassin to kill the Pope!

What a pathetic state of affairs! Oh, I'm sure their heart is in the right place . . . It just is not functioning with their brain. And I won't question their patriotism . . . They simply know not what they do!

Many of us resent their attempt to polarize this issue, and to simplify it by rhetoric, whereby all who do not take up their Pollyannaish banner are "war mongers" and advocates of nuclear warfare. I have never known such a lunatic . . . and I doubt that you have, either. I contend that those who know the horrors of war best, are the most earnest advocates of peace, through strength!

Don't let anyone tell you that a strong America is a threat to the peace. That just does not square with history!

Speaking of history, I was fascinated to read recently that David Lawrence, the founding editor of U.S. News & World Report, confronted a very similar issue in his Christmas message of 1955, in which he wrote:

"* * * The prophets of old have been silenced. The new prophets urge the advantages of compromise with evil . . . They terrorize the people with a strange fear of death. They regard sacrifice as obsolete. Jesus, they argue in effect, would better have appeased the enemy . . . The motivation to resist tyrannical masters at the risk of death has always been heroic . . . But nowadays we are asked to buy security at any price, even at the price of ideals and moral principle!"

That was in 1955!

Only recently, in a debate on this subject that has gone on in England, an editorial in the Salisbury Review made the point:

"Just as the Church has traditionally taught that war has moral limits, so it should now be teaching that there are moral limits to peace . . . A desire for world peace should not be allowed to dissolve all other moral commitments . . ."

Now, I yield to no one in my fervent prayer for a world without war!

I have the handsomest little 2-year-old grandson you have ever seen. And since I talked with you last he has gotten a darling little sister—a candidate for your organization in about 18 years!

The thought of any harm coming to Danny or to Jenny Lynn as a result of a war I might have helped to prevent, is an almost unbearable thought. I have layed awake many a restless hour anguishing over that question. And I am sure many of you have done similarly.

And I have come to the conclusion that I cannot keep faith with my stewardship in this life—that I cannot do my duty to Danny and Jenny Lynn—and to all the little Dannys and Jennys around the world—who deserve a chance to grow up in freedom, and peace—except through a strong and resolute United States of America.

For to gain for Danny and Jenny, peace at the price of capitulation, and the possibility of consigning them to some future "Gulag Archipelago" . . . it tears me apart just to think about it.

"Better Red than dead?" No way!

Those who would wear away the will of this great, peace-loving nation, are, in my opinion, the witless war mongers!

Because it is their message, going to our adversaries, of a nation too weak and too cowardly to defend itself . . . A people who have lost any purpose worth defending . . . Of a people who have lost their will . . . lost their way.

That is the kind of message most likely to get us into trouble . . . To invite a hostile challenge . . . To precipitate a war . . . And, yes, that is the very thing most likely to lead, ultimately, ironically, tragically . . . to the awful nuclear exchange we all want so much to prevent.

Daniel Webster told us that:

"God grants liberty only to those who love it, and are ready to guard and defend it . . ."

And Somerset Maugham vowed that:

"If a nation values anything more than freedom, it will surely lose its freedom . . ."

And he went on to point out that they would lose everything else as well.

But it was Patrick Henry who rallied a revolution against tyranny, with his immortal words:

"Is life so dear, or peace so sweet, as to be purchased at the price of chains and slavery?"

Almighty God, forbid it!

Amen.●

IMMIGRATION REFORMS NEEDED

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. YOUNG of Florida. Mr. Speaker, our Nation is seriously in need of a comprehensive immigration policy to replace the incongruous and often confusing immigration laws now in effect. The illogical maze of immigration rules and regulations which have become law is the result of a piecemeal approach by Congress to solve our Nation's never ending immigration problems. These are the result of pressures placed on the system by the millions of people throughout the world who desire to live in the United States and enjoy the freedoms our great democracy offers.

Both the House and Senate considered comprehensive immigration reform legislation during the 97th Congress, but no final resolution was ever reached on these measures. Hearings have been held and legislation reintroduced this Congress to complete the task of establishing a sound national immigration policy. In an effort to address two major immigration concerns of mine, I am introducing legislation today which will correct serious problems and omissions in the reform package that was considered last year and is likely to be considered this Congress.

The first measure expresses the sense of the Congress that no amnesty be granted to illegal aliens presently in the United States. A key proposal in the immigration reform package reported out of the House and Senate Judiciary Committees last year would grant amnesty to all illegal aliens living in the United States. The legislation I am introducing today expresses my opposition to any proposal which rewards lawbreakers who entered our country illegally. There are too many law-abiding individuals throughout the world who are desperate to become U.S. citizens and who have followed the proper procedures to do so, but have been unsuccessful for one reason or another. To reward others who have entered this country illegally with the ability to become citizens makes a mockery of our laws and is a severe injustice to those who have sought to do so legally. Further, it is an invitation to future illegal

aliens to come to America, where they believe immigration laws are made to be broken. The flow of illegal aliens into the United States has to be stopped. Granting amnesty would only exacerbate this problem.

The second measure I am introducing would prohibit aliens living in the United States for less than 5 years from applying for and receiving Federal welfare benefits. Under the current law, immigration officials have the authority to deport aliens if they become public charges within 5 years of their arrival in the United States. However, officials who administer the supplemental security income program are not prohibited from making SSI payments to these same aliens.

Legislation I introduced today would close this loophole by prohibiting SSI officials from paying benefits to aliens who have lived in the United States for less than 5 years. It also requires sponsors of aliens to assume a legal financial responsibility during the aliens' first 5 years in our country rather than just a moral obligation, as under current law. This assures us that the sponsor, instead of the American taxpayers, will provide a minimum standard income for aliens.

I urge my colleagues to join me in my efforts to improve our Nation's immigration policy.●

CLARENCE E. KEMP, JR., OF LANCASTER, N.Y.

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. NOWAK. Mr. Speaker, earlier this year the Lancaster, N.Y., Public Schools System suffered a great loss with the death of Clarence E. Kemp, Jr., who had served as a music teacher for 40 years.

As Karen Grimster, student union president, and Oscar Roaldi, principal of Lancaster Central High School, expressed it in a letter, Mr. Kemp "inspired thousands of students with his warmth, humor, and understanding."

While future students will not have the direct benefit of Clarence Kemp's personal touch, they will benefit from the traditions he established and the fond memories and the example of his service to the community.

Mr. Kemp's contribution was poignantly described in a eulogy delivered by Dr. J. Norman Hayes, superintendent of the Lancaster Schools, on February 1, 1983:

EULOGY FOR CLARENCE E. KEMP, JR.

Just last Sunday our Clarence Kemp brought to a close 40 years of service to the boys and girls of Lancaster Schools. A teacher, a preacher—how fitting that Clarence went back to his Lord on a Sunday!

But just how long is 40 years? Long enough to span no less than nine presidencies, three wars, a career whose onset predated the age of the atom, the jet airplane and even television. Clarence touched the lives of thousands of children to say nothing of their parents and a community, which basked in his reflected glow. The warmth, the humor, the sparkling talent, the deep religion, the keen philosophy, the common sense—which were his hallmarks—showed up in everything he did. He brought a lighter touch and a brighter touch to every aspect of our lives.

After every music conference he attended, he would submit a report to the Board of Education replete with light vignettes and sound philosophy which made each report a "must" for all of us to read. His advice to teachers was vintage Kemp: "Go beyond the music and instruments—teach hearts to sing."

And, better still, "Live so, that when your song is done, the melody will live on."

I could go on and on. Clarence Kemp was all things to all people: a loving husband, a proud father and grandfather, a man who touched lives because he was so deeply touched by life. A familiar sight in pulpits, both in Canada and New York State, he was a preacher who taught so much more by his example than by precept. Of him it might well be written, his own best lesson was himself. Whether serving as teacher, music director, Master of Ceremonies at Queenston, Director of the Town Band or performing with the trumpet—Clarence brought to everything a dignity, a wit, a warmth, a wreath of smiles, a booming laugh, a note of optimism which he captured so well in his last report on a conference he had recently attended. . . .

"Folks always ask when I'm going to retire. Many are counting the years till they can retire. Some act as though ours is an unpleasant job like cleaning the oven. To me it's more like eating a banana split. I hate to come to the last spoonful."

This afternoon we grieve and, yet, there is a selfishness to grief. We grieve much more for what we have lost than for him whom we have lost. And those of who for selfish motives may want to grieve can feel the better knowing that our Music Man put down his last baton while still savoring that last musical spoonful.

Someone once said that a teacher is a person with a touch of immortality and Clarence Kemp was, most of all, a teacher. A poet long ago described the teacher's role as sculptors of tomorrow's youth.

THE TEACHER

I took a piece of plastic clay
And idly fashioned it one day.
And, as my fingers pressed it still,
it moved and yielded to my will.
I came again when days were past
That bit of clay was hard at last
The form I gave it still it bore
But, I could change that form no more.
I took a piece of living clay
And gently formed it day by day.
And molded it with power and art,
A young child's soft and yielding heart
I came again when years were gone;
It was a man I looked upon.
He still that early impress bore,
And I could change that form no more.

Those last two lines are Clarence Kemp's reward—teacher of music, molder of youth. The podium is empty. The final chord is struck. The song is over, but, so beautifully, the melody lingers on.●

ECONOMIC CRISIS IN EL PASO

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. COLEMAN of Texas. Mr. Speaker, today I am submitting for the CONGRESSIONAL RECORD a copy of two newspaper articles which appeared in the New York Times and the Washington Post concerning the economic crisis occurring in El Paso and all along the southern border of the United States because of the devaluation of the Mexican peso. Cities across the Southwest from Brownsville to San Diego are victims of the economic instability facing Mexico. As a result, there is a new wave of illegal immigration into our country with serious implications on our Nation's unemployment rate. Their articles also emphasize the need to increase our enforcement efforts along the border.

I ask my colleagues in reading these articles to consider the profound ramifications which the crisis in the Southwest will have upon the rest of the country and hope they will join members whose districts are situated along the United States-Mexico border in addressing these important issues. We have organized a Congressional Border Caucus to provide a forum for discussing problems unique to the border area, and we will be certain to inform our colleagues of our progress.

[From the Washington Post, Mar. 20, 1983]

EL PASO DOLDRUMS BORDER ON PESO MISERY

(By Dan Balz)

EL PASO, TEX.—"God help me. We are praying," said John Karem, sitting in his open-air clothing and dry goods store a few blocks from the Mexican border.

At midafternoon, his small store is populated by one clerk and one customer, while only a few people pass on the sidewalk out front. A year ago, Karem said, "You would get dizzy looking at the traffic on this side of the street."

Karem is a victim of the troubled Mexican economy and its devalued peso. He said he once did about $3,000 worth of business daily at his store strategically located to capture street traffic crossing the border from Ciudad Juarez. Today, he said, sales total a few hundred dollars a day.

The situation is the same everywhere along the nearly 2,000-mile border between the United States and Mexico. Unemployment and illegal immigration are up, retail and wholesale trade are down and nerves are on edge. Devaluations of the peso have bankrupted small businesses, cost local governments millions in tax revenue and strained social services and law enforcement agencies.

Business owners and others along the border are increasingly pessimistic, recognizing that the drop in world oil prices and the size of Mexico's debt will probably lead to further devaluations and that a problem seen as temporary could linger indefinitely. That will inevitably lead to the collapse of more businesses in places such as El Paso.

Business recruiters here see a silver lining in this economic cloud: the lower the peso goes, the more attractive nearby Juarez will become for U.S. companies and the more the local economy will benefit. But that view is by no means universal. Instead, evidence mounts of ripple effects of Mexico's sagging economy.

A snapshot of the economic impact came recently from Texas Comptroller Bob Bullock, who reported that sales-tax revenues for January in El Paso were 47 percent below levels for January, 1982. The worst such case on the border was that of Laredo, whose sales-tax revenues fell 69 percent for the same period.

More than two dozen stores in downtown El Paso, including a large Safeway food store that catered almost exclusively to Juarez residents, have closed since the last major devaluation last summer. A Sheraton hotel shut down recently but was reopened last week under new management.

The downtown J.C. Penney's store once had one of the nation's highest sales volumes for its size. Now a few dozen customers in midafternoon are the norm. Even the flea market in south El Paso, a vacant lot once packed with stands and buyers, is suffering.

Conditions here are not unique. Statistics for the lower Rio Grande Valley, collected by Gov. Mark White's office, say that the Brownsville school district may collect just 50 percent of property taxes due this year because of business failures and that home sales are down 63 percent.

The data also indicate that housing prices have dropped as much as $20,000, that the number of persons seeking free medical care has increased 38 percent in the past year and that in one south Texas county applications for food stamps have risen almost 36 percent since August.

Mexico's economy has sent immigrants flooding across the border, putting additional pressure on U.S. Border Patrol agents.

"What we see is more and more people coming," said Alan E. Eliason, chief of the patrol's El Paso sector, second busiest in the United States.

The patrol's Chula Vista headquarters, the busiest crossing point, has been capturing 35,000 to 40,000 persons a month, and 100 additional officers have been assigned to the sector.

In El Paso, capture of those trying to enter illegally rose 60 percent in February, compared with February, 1982. The numbers are up 34 percent so far this month, a rate a which, by month's end, the Border Patrol may have apprehended 18,000 persons in the El Paso sector.

Illegal immigration has long been a fact of life here. Only the border-crossing rate has changed. But economic disruption in a community that was one of the most rapidly growing cities in the United States in the 1970s is something new.

Unemployment is officially 13 percent, but local economists say it is considerably higher.

"If you go out to the new mall, it's dead," a local resident said. "That mall was built and was booming while the peso was stable." He said his relatives once came from Mexico to El Paso and bought 20 shirts at a time but now buy "just one or two."

Some local doctors, who have relied on patients from the Mexican interior, reportedly have seen business drop sharply, while enrollment at one private school declined by one-fifth this year because devaluation made tuition too costly for some Juarez parents.

George Rodriguez Jr. is new director of the Texas Regional Development Center, which is attempting to boost the border economy, in part through tourism.

"I don't think it's a short-term problem," he said. "No one is predicting the peso will stay at current levels," meaning further devaluation is expected.

Many local businesses are equally pessimistic. A recent survey for the El Paso Chamber of Commerce found that almost one-fourth of local retailers say it will take at least two years to get back to normal, while nearly one-fifth said business would never return to previous levels.

"I think they have every right to be pessimistic," business consultant Thomas Lee said. "The south El Paso retail district has lived off the Mexican nationals."

Business leaders said the devaluation has made Juarez a more attractive location for U.S. businesses looking for low-wage foreign operations and that new industry there will help El Paso.

But a prominent El Paso lawyer said potential new industries are wary of the conditions in Mexico. "Any time the government of Mexico is unstable, it's not good," he said.

Sitting in his small store, John Karem knows little about prospects for business relocations in El Paso. He is just trying to hang on.

"I don't know how long we can survive," he said. "If it is two years [before the peso is stabilized], this part of El Paso, it will be a town of ghosts."

[From the New York Times, Mar. 19, 1983]

MEXICAN MONEY CRISIS IMPELS NEW SURGE OF ALIENS TO TEXAS

(By Wayne King)

EL PASO, March 18.—The stream of illegal aliens pouring into the United States has become a torrent, driven by the currency crisis that has shattered the Mexican economy.

The Border Patrol is inundated, and the 2,000-mile border has turned into something more like a series of commuter stations than an international boundary.

So far this year, the number of deportable aliens captured and returned to Mexico is up almost 50 percent from the like period last year, and what the patrol calls the spring deluge is yet to come.

THE DAILY THOUSANDS

Each day, thousands of Mexican men, women and children, their clothing and meager lunch stuffed in a paper bag or plastic pouch, wade in full view across the skimpy Rio Grande or walk across the dusty plains and sandy desert hills to the American side. Perhaps one in three will be apprehended by the thin line of Border Patrol officers and bused back, but they will try again in a matter of hours.

The rest, evading the patrols and their electronic sensors, work a day as maids, store clerks, yard construction laborers, whatever jobs they can find. They return at night with a day's pay perhaps six times what they could earn at home. In Ciudad Juárez, the unemployment rate is 40 percent.

Others simply wander, sorting through the Goodwill boxes, picking rags or cans, begging or stealing, selling their blood at the clinic that stands within sight of the border.

They fade anonymously into the barrios of cities like El Paso or otherwise melt into the huge and growing Mexican communities on the American side. Some hop freights or huddle into sweltering vans driven by alien smugglers, known as coyotes, to go north to places like Denver or Chicago.

Increasingly, they acquire fraudulent documents and become part of the permanent illegal alien population in this country, usually estimated at three million to six million people. Increasingly, they avail themselves of social services like medical care, unemployment compensation, welfare and public education; public education is mandated as the right of any person on American soil, legal or illegal.

Their numbers grow dramatically and the Border Patrol concedes that it is all but powerless to do more than hinder the swelling tide.

"It slows them down a little bit," said Capt. Michael L. Underdown. He is a supervisor, one of the 400 officers responsible for 180 miles of desert and sandhills, 161 miles of river border and 85,000 square miles of tortuous terrain that make up the El Paso sector of the Border Patrol.

It does not stop them, here or anywhere else along the 1,954 miles of border that is patrolled by 2,300 agents, perhaps 300 of whom are on patrol at any given time.

In January, along the length of the border, 83,811 people were seized, an increase of 46 percent from January 1982; In February, 80,310, an increase of 45 percent, were caught and sent back.

In the El Paso sector, the second most active region, behind Chula Vista in California, 14,690 "illegals," 11 percent more than in 1982, were caught in January. In February, 14,792 were caught, an increase of 60 percent over February 1982.

At Chula Vista, where 73,837 arrests were logged in the first two months of the year, half again as many as in the like period a year ago, an emergency detail of 100 agents is seeking to stem the torrent.

THE HARE ELUDING THE HOUND

It is a frustrating and at times almost ludicrous game of hound and hare in which the hare has the advantages of numbers, terrain and desperate dedication. It is a daily game, played in earnest around the clock, but with the greatest number of players just as dawn breaks over the Rio Grande. Will Rogers observed that the Rio Grande was the only river on the continent that needed irrigation. Here at El Paso, it is little more than a creek with pretentions to higher office.

On one side is Ciudad Juárez, a mean city of about a million people, mostly poor. On the other is El Paso. Four blocks in either direction is a bustling downtown. On the Mexican side the scrubby land drops unimpeded to the concrete canal that holds the muddy river.

SIXTY-YARD DASH TO SANCTUARY

On the American side is the "Tortilla Curtain," a high metal mesh fence erected three years ago. It has proved a futile attempt to stop "the 60-yard dash" across the railroad and an interstate highway to the streets of El Paso and the rows of rough apartment dwellings, some gaunt and abandoned, that provide sanctuary.

One morning this week, as dawn bathed the brown river in brightness, the game began. On the Mexican side, half a dozen men in their 20's and 30's, wearing heavy shirts, scruffy trousers cut off or rolled, worked a primitive ferry service.

Coming in groups of two or three, lining up to wait, men and women of all ages,

alone, in pairs, entire families with babies in arms, walked to the water's edge.

There, after a moment's dickering over the fare, each was swept up in the arms of one of the men, or climbed aboard piggyback, to be carried to the other side, their clothing thus kept innocent of the tell-tale soaking that spawned the term "wetback."

"We are burros," said one of the ferrymen, Charlie Andara, rolling his R's with pride; "Bur-r-r-r-os, because we carry people."

"They pay what they can, 50 pesos, whatever," said another ferrymen, 36-year-old Manuel Rivera, his tattered white jeans soaked from the crossing, 30 to 40 of which he had made each day for three months. That is about 35 cents at the current rage of about 150 peso to the American dollar.

One person ferried across, a stocky, neatly dressed woman wearing fresh makeup who shyly gave her name as Señora Socorra Laguna, conveyed in a mixture of broken English and Spanish that she worked as a maid for a woman in El Paso. She worked, she said, four days a week, at a current rate of $21 a day, and had always worked for the same woman, crossing eight times a week and more. She is about 40 years old. She said she had been doing this for 15 years.

By about 7 A.M., 100 to 150 have crossed, slipping quickly through holes cut in the fence, repaired by the Border Patrol and promptly cut again as part of the game, or shinnying over barriers erected on pipelines and service walks that span the river.

SOME ARE CAUGHT, MOST SUCCEED

Some dash quickly over the tracks and the highway and into El Paso, there to be caught, processed and returned, usually to simply do it all over again. But most of the morning crossers cluster in groups 20 to 30 here, 40 there.

"We call it the buildup," said Captain Underdown, across the river and perched on a catwalk some eight stories high in El Paso's water treatment plant.

The border crossers, he explained, gather in groups already on the American side but still about 100 yards from the relative safety of the streets. "If we go after them there," he said, "they just wade back across the river and come again later."

Often the clusters of Mexicans move all at once, a maneuver intended to overwhelm the patrol by sheer numbers. Today they moved out in twos and threes, down across the tracks, some quickly, others with stealth.

Captian Underdown's radio crackles as he relays spottings: "Four just went in through the fence at Eighth, three males and a female, she has on a clear plastic jacket, going up Eighth now, crossing Sante Fe . . . there are two more, one maroon top and jeans, another brown top and jeans . . ."

A laconic voice replies: "We got the last two," and the chatter continues.●

U.S. ARMS SALES POLICY TOWARD TAIWAN

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. HAMILTON. Mr. Speaker, I wish to enclose in the CONGRESSIONAL RECORD an exchange of correspondence I had with the Department of State on arms sales to Taiwan.

After Secretary of State Shultz visited the People's Republic of China, several questions arose concerning the interpretation of the United States-China Joint Communique of August 17, 1982. Specifically, I wanted to inquire about the communique's statement of American intention "to reduce gradually its sales of arms to Taiwan, leading over a period of time to a final resolution."

In a hearing on August 18, 1982, the then Assistant Secretary for East Asian and Pacific Affairs, John H. Holdridge, had stated that the pattern of arms sales to Taiwan during the next decade would be downward. In the light of recent events in Sino-American relations, it was unclear precisely what the policy is.

I believe the following exchange of letters helps to clarify current American policy on arms sales to Taiwan. It appears that a key element of policy is that as long as China "pursues a peaceful policy," Taiwan will receive fewer American arms.

The correspondence follows:

U.S. DEPARTMENT OF STATE,
Washington, D.C., March 14, 1983.

Hon. LEE H. HAMILTON,
House of Representatives.

DEAR MR. CHAIRMAN: I have been asked to reply to your letter to the Secretary of February 18 regarding his recent trip to China and aspects for our China policy, including Taiwan. As you have indicated, the subject of U.S. arms sales to Taiwan was raised by the Chinese. The Secretary expressed our determination to fulfill the policy set forth in the August 17 joint communique and our expectation that China would do the same.

With regard to your specific questions, U.S. policy on arms sales to Taiwan was clearly stated by the President on August 17, 1982, when we issued the U.S.-China Joint Communique (copy enclosed). Arms sales to Taiwan will continue, as provided for in the Taiwan Relations Act.

The phrase "gradual reduction," means just what it says. I would note that our precise policy statement in the communique, to "reduce gradually [U.S.] sales of arms to Taiwan" should be viewed in the context of the entire communique, which also contains a Chinese statement of a fundamental policy of seeking a peaceful resolution of the Taiwan question. This relates directly to Taiwan's defense needs. We have consistently made clear our view that so long as Beijing pursues a peaceful policy, Taiwan will naturally have less need for arms. The communique does not specify a set period within which arms sales are to be gradually reduced, and it does not provide for their termination.

The statement in the communique that the U.S. does not seek to carry out a long-term policy of arms sales to Taiwan reflects our hope that, over time, a situation will emerge in which arms sales will not be necessary. As used in the communique, the term "final resolution" refers to a resolution of the differences between the U.S. and China on the question of U.S. arms sales to Taiwan.

References to quality and quantity in the communique are terms of general principles, not fixed definitions. Our policy of gradual reductions relates to overall trends, rather than precise year-to-year measurements. We will consider a variety of factors, including our assessment of Taiwan's capability and the threat it faces, to guide us in formulating our policy. The term "in recent years" refers, as stated in the communique, to that period of time since the establishment of diplomatic relations between the U.S. and China in 1979.

I hope that this information on our policy on arms sales to Taiwan is useful. The Department appreciates your interest in this very important issue.

With cordial regards,

Sincerely,

POWELL A. MOORE,
Assistant Secretary for Congressional Relations.

Enclosure.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 18, 1983.

Hon. GEORGE P. SHULTZ,
Secretary, Department of State,
Washington, D.C.

DEAR MR. SECRETARY: During your recent trip to China, there were reports in the press that the subject of arms sales to Taiwan was discussed with Chinese leaders. Arms sales to Taiwan was addressed in Section 6 of the U.S.-Chinese Joint Communique of August 17, 1982.

Because of your recent trip and the importance of this issue, I would like to inquire about U.S. policy and the U.S. interpretation of key words in the 1982 Joint Communique.

1. What is the American policy on arms sales to Taiwan?

2. In a public hearing on August 18, 1982, with then Assistant Secretary for East Asian and Pacific Affairs, John H. Holdridge, I had the following exchange:

Mr. HAMILTON. Now the phrase "gradual reduction," suggests to me that if you were to project the arms sales for the next decade, you would see the trend line going down? Is that a fair kind of assumption?

Mr. HOLDRIDGE. I think that is a fair comment.

What does the U.S. mean by the phrase "gradual reduction"?

3. The 1982 Joint Communique states that the United States "does not seek to carry out a long-term policy of arms sales to Taiwan" and the United States "intends to reduce gradually its sales of arms to Taiwan, leading over a period of time to a final resolution."

What precisely is meant by no "long-term policy of arms sales" and by the phrase "final resolution"?

4. The Joint Communique also stipulates that American "arms sales to Taiwan will not exceed, either in qualitative or in quantitative terms, the level of those supplied in recent years since the establishment of diplomatic relations between the United States and China."

What precisely does the U.S. take the terms "quantitative" and "in recent years" to mean?

I appreciate your consideration of these policy questions and look forward to an early response.

With best regards,

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

UNITED STATES-CHINA JOINT COMMUNIQUE OF AUGUST 17, 1982

1. In the Joint Communique on the Establishment of Diplomatic Relations on January 1, 1979, issued by the Government of the United States of America and the Government of the People's Republic of China, the United States of America recognized the Government of the People's Republic of China as the sole legal government of China, and it acknowledged the Chinese position that there is but one China and Taiwan is part of China. Within that context, the two sides agreed that the people of the United States would continue to maintain cultural, commercial, and other unofficial relations with the people of Taiwan. On this basis, relations between the United States and China were normalized.

2. The question of United States arms sales to Taiwan was not settled in the course of negotiations between the two countries on establishing diplomatic relations. The two sides held differing positions, and the Chinese side stated that it would raise the issue again following normalization. Recognizing that this issue would seriously hamper the development of United States-China relations, they have held further discussions on it, during and since the meetings between President Ronald Reagan and Premier Zhao Ziyang and between Secretary of State Alexander M. Haig, Jr., and Vice Premier and Foreign Minister Huang Hua in October 1981.

3. Respect for each other's sovereignty and territorial integrity and non-interference in each other's internal affairs constitute the fundamental principles guiding United States-China relations. These principles were confirmed in the Shanghai Communique of February 28, 1972, and reaffirmed in the Joint Communique on the Establishment of Diplomatic Relations which came into effect on January 1, 1979. Both sides emphatically state that these principles continue to govern all aspects of their relations.

4. The Chinese government reiterates that the question of Taiwan is China's internal affair. The Message to Compatriots in Taiwan issued by China on January 1, 1979, promulgated a fundamental policy of striving for peaceful reunification of the Motherland. The Nine-Point Proposal put forward by China on September 30, 1981, represented a further major effort under this fundamental policy to strive for a peaceful solution to the Taiwan question.

5. The United States Government attaches great importance to its relations with China, and reiterates that it has no intention of infringing on Chinese sovereignty and territorial integrity, or interfering in China's internal affairs, or pursuing a policy of "two Chinas" or 'one China, one Taiwan." The United States Government understands and appreciates the Chinese policy of striving for a peaceful resolution of the Taiwan question as indicated in China's Message to Compatriots in Taiwan issued on January 1, 1979 and the Nine-Point Proposal put forward by China on September 30, 1981. The new situation which has emerged with regard to the Taiwan question also provides favorable conditions for the settlement of United States-China differences over the question of United States arms sales to Taiwan.

6. Having in mind the foregoing statements of both sides, the United States Government states that it does not seek to carry out a long-term policy of arms sales to Taiwan, that its arms sales to Taiwan will not exceed, either in qualitative or in quanitative terms, the level of those supplied in recent years since the establishment of diplomatic relations between the United States and China, and that it intends to reduce gradually its sales of arms to Taiwan, leading over a period of time to a final resolution. In so stating, the United States acknowledges China's consistent position regarding the thorough settlement of this issue.

7. In order to bring about, over a period of time, a final settlement of the question of United States arms sales to Taiwan, which is an issue rooted in history, the two governments will make every effort to adopt measures and create conditions conducive to the thorough settlement of this issue.

8. The development of United States-China relations is not only in the interests of the two peoples but also conducive to peace and stability in the world. The two sides are determined, on the principle of equality and mutual benefit, to strengthen their ties in the economic, cultural, educational, scientific, technological and other fields and make strong, joint efforts for the continued development of relations between the governments and peoples of the United States and China.

9. In order to bring about the healthy development of United States-China relations, maintain world peace and oppose aggression and expansion, the two governments reaffirm the principles agreed on by the two sides in the Shanghai Communique and the Joint Communique on the Establishment of Diplomatic Relations. The two sides will maintain contact and hold appropriate consultations on bilateral and international issues of common interest.

PRESIDENTIAL STATEMENT ON ISSUANCE OF COMMUNIQUE

The US-China Joint Communique issued today embodies a mutually satisfactory means of dealing with the historical question of US arms sales to Taiwan. This document preserves principles on both sides, and will promote the further development of friendly relations between the governments and peoples of the United States and China. It will also contribute to the further reduction of tensions and to lasting peace in the Asia/Pacific region.

Building a strong and lasting relationship with China has been an important foreign policy goal of four consecutive American administrations. Such a relationship is vital to our long-term national security interests and contributes to stability in East Asia. It is in the national interest of the United States that this important strategic relationship be advanced. This communique will make that possible, consistent with our obligations to the people of Taiwan.

In working toward this successful outcome we have paid particular attention to the needs and interest of the people of Taiwan. My long-standing personal friendship and deep concern for their well-being is steadfast and unchanged. I am committed to maintaining the full range of contacts between the people of the United States and the people of Taiwan—cultural, commercial and people-to-people contacts—which are compatible with our unofficial relationship. Such contacts will continue to grow and prosper, and will be conducted with the dignity and honor benefitting old friends.

Regarding future U.S. arms sales to Taiwan, our policy, set forth clearly in the communique, is fully consistent with the Taiwan Relations Act. Arms sales will continue in accordance with the Act and with the full expectation that the approach of the Chinese government to the resolution of the Taiwan issue will continue to be peaceful. We attach great significance to the Chinese statement in the communique regarding China's "fundamental" policy; and it is clear from our statements that our future actions will be conducted with this peaceful policy fully in mind. The position of the United States Government has always been clear and consistent in this regard. The Taiwan question is a matter for the Chinese people, on both sides of the Taiwan Strait, to resolve. We will not interfere in this matter or prejudice the free choice of, or put pressure on, the people of Taiwan in this matter. At the same time, we have an abiding interest and concern that any resolution be peaceful. I shall never waver from this fundamental position.

I am proud, as an American, at the great progress that has been made by the people on Taiwan, over the past three decades, and of the American contribution to that process. I have full faith in the continuation of that process. My Administration, acting through appropriate channels, will continue strongly to foster that development and to contribute to a strong and healthy investment climate, thereby enhancing the well being of the people of Taiwan.●

THE 10TH ANNUAL NATIONAL AGRICULTURE DAY

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. DE LA GARZA. Mr. Speaker, all over the country today, people are celebrating the 10th annual National Agriculture Day. There are ceremonies going on here in Washington, and there are observances of all kinds scheduled in all parts of the Nation.

Agriculture Day observances this year cover a wide range of activities. In Wisconsin, I understand, State legislative committees are conducting public hearings on a farm. In Arizona, there is an Agriculture Day lunch with hamburgers, vegetables, and fruit served to visitors at the farm value of the foods—a very valuable reminder that the farmer gets only part of the consumer's food dollar. In Georgia, the State department of agriculture is holding an open house.

But while these observances take a wide variety of forms, Mr. Speaker, the basic theme is the same in every part of the Nation. And that theme is the importance of a healthy agriculture to all Americans. I have said this to the House before, but it bears saying again. Without food, there is no life. And without agriculture, there is no food.

As we celebrate Agriculture Day today, many of this Nation's farmers are struggling through the worst economic times in half a century. I believe that we will find a way out of these troubles eventually, and I believe that agriculture will survive as a

healthy industry to continue its service to our country and the world. But we must not take the recovery for granted. Those of us in the Congress, and everyone else who has a stake in agriculture, must give high priority to every practical step we can take to restore profitability to all of agriculture. That means restoring the economic health of the farmer sector, and it also means a concern for all the other segments of agriculture—everything from the farm machinery and supply industries to the rest of the food and fiber processing and distribution chain.

Agriculture today, if we include all participants in the food and fiber chain along with the farmer, is our Nation's largest and most productive industry. I hope today's observance will help underline the importance of taking whatever steps can be taken to move farm income back to levels we can live with, and to restore the health of the other troubled segments of agriculture.

Today's observance calls attention to the fact that without an efficient agriculture, we cannot have the kind of society we want for ourselves and our children. Indeed, without increasing efficiency in agriculture, this world may not be able to feed its people within a couple of generations.

But there is something more. Farmers and rural people know how important agriculture is. But unless the rest of American society comes to share this understanding, it may not be willing to accept the needs of agriculture as part of the needs of our total society. If there is one single objective that should be getting top priority on this National Agriculture Day, it should be an effort to help all the people outside of agriculture understand that they have a direct, immediate and enormous stake in the preservation of a healthy agriculture.●

THE CARIBBEAN—A WORLDWIDE TEST OF FREE ENTERPRISE

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. ANTHONY. Mr. Speaker, under the leadership of Chairman DAN ROSTENKOWSKI, a number of us from the House Ways and Means Committee, last fall, completed a short, but very productive, factfinding trip of several Caribbean countries. At that time, the heads of Government of the Caribbean Community (Caricom) met in their third and historic meeting at Ocho Rios, Jamaica.

We were fortunate to talk with most of these top officials and our meeting with Prime Minister Seaga of Jamaica impressed upon us the fact that the Caricom was entering a critical testing time for the economic development of the region. Mr. Seaga emphasized that the enactment of the remaining portions of the Caribbean Basin Initiative (CBI) would not mean the end of the efforts which had been made by Caribbean governments, but the beginning of an entire new phase of hard work.

The Prime Minister said:

It is becoming increasingly clear that in the Caribbean, we have to become a new breed of economic activists. Gearing our economies to take serious advantage of the new export opportunities requires a fundamental psychological adjustment to accompany the necessary structural changes that must occur when we move, for example, for important substitution to export-directed production.

Mr. Speaker, it is my hope that the Congress promptly provides in this session, with the passage of the remaining portion of the CBI, these mutually beneficial, new export opportunities. At this point, I include an excellent article from the January 3 issue of Forbes which discusses the benefits of the CBI in translating the struggles of the past 2 years in Jamaica from a declaration of words to a fulfillment of deeds.

"WE HAVE HAD OUR RECESSION"

(By Allan Dodds Frank)

Edward P. Seaga, 52, is entering the third year of a five-year term as prime minister of Jamaica. He inherited a shambles left by eight years of rule by his erratic, communist-leaning predecessor, Michael Manley.

Seaga was the first official foreign visitor to the White House after Ronald Reagan took office in 1981—proof of the importance the Administration attaches to his attempts to show that free enterprise offers more than socialism does to Third World nations.

Jamaica has huge problems. Production of bauxite and alumina, its most important exports, is still off 25% from dismal 1981 production, and the island nation of 2.2 million, despite $700 million in aid from the U.S. and others over the last three years, still has a huge official debt to the International Monetary Fund, other international institutions, aid lenders and private banks of $2.43 billion.

Forbes interviewed Seaga in Miami following the Sixth Annual Miami Conference on the Caribbean. How is the recession affecting Jamaica? we asked.

Seaga: We can't afford to have a recession because of the global economy. We have had our recession already. We had eight years of Manley, and that was the worst recession Jamaica has ever experienced. We lost 20% of GNP. We had eight consecutive years of negative growth. All our reserves were wiped out. We had a 50% increase in unemployment, a reduction of 57% in our standard of living, inflation averaging more than 20% per annum. Our construction industry was reduced in the 1970s to levels that existed in the 1950s. Those are the statistics of a war. We can't afford any more recession.

Now we have targeted successfully for growth. The country is hyped-up in terms of motivation and confidence in the future. In the middle of the global recession, it is showing more than a 20 percent growth in construction, and construction is the forerunner of everything else. We are building factories, homes, apartments, office buildings. We are showing a 20 percent increase in tourism for the third consecutive year, and that shows no signs of abating. We will have to start building new hotels by 1984. Perhaps more frequently than any other comment, visitors now tell me about the pleasantness of the people, the change in attitudes, the extent to which service is once again done with a smile.

Now, if you could only convince each tourist to take home a ton of bauxite, you would be all set, right?

Seaga: I was wondering how I was going to do that. Bauxite is the real weakness right now; production is way down. Let me put it in terms of GNP. We set a target of 3.9 percent growth for this year. Our projections show we would have a 4.1 percent growth if we took out the bauxite. But with bauxite, which is the only negative growth sector, we will probably end up with 1 percent. That will still make us one of the three countries in the hemisphere that will have any growth at all. Peru and Colombia are the others.

What have you changed to get the economy going?

Seaga: The basic dynamic of the 1960's, the previous development strategy, had centered around import substitution. On that basis, the private sector built up a range of light industry protected by quantitative restrictions and other measures. Our mission now is to convert the private sector into an export-oriented machine. To do this, we must have favorable access to a marketplace for exports. The Caribbean Basin Initiative, with its one-way, free-trade provisions, provides us the opportunity for expansion on the most favorable terms with the world's largest market, right on our doorstep.

How will you accomplish the shift from import substitution? With foreign currency rationalization?

Seaga: We have to convert what we have. Manufacturers have to make every effort to find products they can export. For the many industries producing for the local market that will have to continue to do so, we say, "Find another product you can earn some foreign exchange with. We can't afford to have you solely as a producer for whom we have to provide foreign exchange for raw materials."

Where are the best opportunities for export?

Seaga: We produce the world's finest coffee. We produce cocoa at the premium world price, the world's premium ginger, pimento [which you call allspice], very good rum, an excellent honey. They provide plenty of room for export in the raw state and in processing. We're formulating massive expansion in crops we have not grown before: flowers, sunflowers, rice, soybeans, and additional spices. We're expanding our coffee and cocoa to the limit, as well. I forgot one that is extremely important: mariculture of shrimp and fish.

A Jamaican exporter who is interested in shipping fresh fruit to the U.S. told us recently, "there are a lot of sly guys in Miami who will not give letters of credit. Then they wait for the shipment to start to spoil in port and try to drive down the price."

Seaga: He's probably a solo operator. But what we're setting up will expand the opportunities. I brought all the major distributors who import in Jamaica together and said, "You import and distribute rice, flour, corn meal, sardines and so forth by truck. The truck comes back empty. Reverse that—contract with farmers to produce these other items so they can come back in

the trucks. You must organize the marketplace." When they do that, they won't have to go through those sly guys. The potential is there. The U.S. imports 435 million pounds of melons. We grow the same melons and exported only 56,000 pounds. The U.S. imports 166 million pounds of plantains. We exported 117,000 pounds.

What's the advantage for U.S. manufacturers to locate in Jamaica?

Seaga: U.S. manufacturers should see the Caribbean Basin Initiative as improving their own competitiveness, which they are losing to lower-cost Asian and European production. By producing in the Caribbean, they can save their own production by having a cheaper final cost, instead of losing the whole show and the entire labor force to the competition. Products that require high labor content, take a lot of air shipment or are fragile have comparative advantage in middle-cost levels simply because of our proximity to the markets.

We think there is plenty of opportunity for Puerto Rico to expand its business opportunities in the Caribbean. Assembly work of products with high labor content could be done in Jamaica and the high-technology content added in Puerto Rico. It is at a much more advanced level of technology and industry but is becoming less competitive because labor costs are so high.

Your predecessor, Michael Manley, has charged you with attacking labor, of being too tough in order to gain a "pliant" labor force.

Seaga: During Manley's time, the cost of living escalated heavily and inflation was 23%, so there were demands for increasing wages. The IMF requirements for a wage restraint policy and guidelines created unrest as labor sought to meet the cost of living. We don't have that now. In 1981 inflation was 4.7% and in 1982 probably about 7%. Because the workers have been used to getting higher percentage increases, they are going through some adjustments before they understand that for the first time in many years the rate of increase in wages exceeds the rate of inflation.

Is Jamaica a worldwide test of free enterprise?

Seaga: This area has always been regarded as a place of beauty and beaches, too much of a playground to have serious problems. The events of the 1970s showed there are serious political and economic problems. The Manley regime took Cuba as the political and economic model for the Caribbean. This failed. The will of the people, in elections, restored moderate governments throughout the area. It is important they be given assistance to demonstrate to the competing ideology that our economic and political system is better.

A recent poll in Jamaica showed that for the first time since 1980 you are less popular than Manley. What's happening?

Seaga: There is a midterm slump, yes. Because of the world recession, we have had to revise our targets downward, but there is still growth. Let's put the poll in perspective. Some things happened in 1982 that were annoying to the voters. The broken-down system of utilities that we inherited finally stopped operating reliably. We had to take them apart and repair them at great expense. That's coming to an end. Second, low real estate values predominated under Manley, and after the election, prices jumped overnight to true values. Rents escalated considerably, angering working-class people. We have brought in the necessary rent controls. Third, the bureaucracy issuing import licenses couldn't cope with the flood of people wanting licenses to get back into business. We had to put in a computerized system while the manual system was ongoing, and that was a mess. The areas where support fell are being given attention, and the support is still strong. The results of the poll are based on some genuine complaints that will not exist in 1983.●

THE IRISH QUESTION: THE SEARCH FOR PEACE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. GILMAN. Mr. Speaker, as we mark another St. Patrick's Day in our Nation, we are faced with the undeniable fact that the situation in Northern Ireland has not improved in the last year, and that our Irish American community is deeply troubled over the stalemate and paralysis that characterizes the troubles in the North.

In our own Nation we hear calls for a British withdrawal from Northern Ireland and for unification of the nation of Ireland. American leaders, formerly silent on the unification, now propose that it is the only way to bring peace to the people of Ireland. The sad fact remains that the Irish are a people torn asunder, and the violence and destruction that come daily as a result of the partition of Ireland can be stopped if we look closely at the real issues facing the Irish.

Admittedly violence has become the main focus of arguments against change in Northern Ireland. Opponents of British withdrawal, including the British themselves, argue that if the Irish were left to their own devices, further bloodshed and loss of life would result. This was the same argument the British used to justify their presence in India over three decades ago while the Indian people struggled to gain independence and an identity of their own. We cannot expect that if the British withdrew tomorrow, all problems in Northern Ireland would disappear. The fear that each segment of the population has for each other, the lack of economic opportunity for young people in the North, and the natural questions about government and civic issues would still need to be answered. But these problems do not justify the continuing oppression and domination by the British Government in Northern Ireland.

What we need in Northern Ireland is a "Camp David-Accord" type of agreement where both sides sit down with an impartial third party and decide how to bring peace to the region. Camp David of course still has its share of problems, but there is no doubt that the consequences of having no agreement would be far worse than the resulting adjustments Israel and Egypt have made as signatories to that great peace document.

The serious lapse in civil rights under the British Government in Northern Ireland is shocking in light of the significant contributions of the British to our legal system. Their abridgment of human rights includes denial of jury trials, detainment without charges, and illegal search and seizures.

The populace of Northern Ireland is victim to the plastic bullet, which has a harmless sounding title but which is lethal and is used on a widescale basis in the North. This weapon has killed over a dozen people, many of whom were children, and has maimed countless others. The plastic bullet is a hard, long, bullet-shaped projectile fired from a gun at high speeds and is used for crowd control. There is no question that this bullet is as dangerous as the rubber bullet, which it replaced as a safety measure. Many Americans are horrified to learn of the continuing use of the plastic bullet by the British in the North.

As Americans, we are faced with the question: "What can we do to help bring peace to the people of Northern Ireland?" That question is not as difficult as it seems—what is required is a loud outcry for justice and for the redress of wrongs.

Our own companies and Government in some ways are contributing to the problems in Northern Ireland. American corporations are being called upon to locate in the North, which if properly explored would be of great help to the situation. But what has happened is that many times the location of an American firm in the North exacerbates the situation by locating in predominantly Protestant areas, employing large numbers of Protestant workers, and ignoring the needs of the Catholic workers who are in desperate need of employment. Many American companies are unaware of the discriminatory local hiring practices which do not help in solving the tension and violence which have become a way of life in Northern Ireland.

If we truly want to help bring peace to Northern Ireland we must begin to undertake some initiatives now. The Republic of Ireland has been willing to help settle the heartbreaking problems which have made life unbearable for so many people, both Protestant and Catholic, both unemployed and employed. If the U.S. Government, the Dublin Government, and the British Government were to sit down at the negotiating table and begin talking, we might be able to arrive at some significant conclusions and some workable plans. The paramilitary groups would have to lay down their arms and become part of the process of listening

and talking. The hard work that would go into such a peace process would be well worth our efforts.

St. Patrick's Day, which will be remembered as a day of peace, let us rededicate ourselves to the peace that St. Patrick stood for, and let us never forget that peace is the most sacred gift any person can give another. It is a goal that we most continually strive for and preserve.●

MODERNIZING THE VOICE OF AMERICA

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. PORTER. Mr. Speaker, I would like to bring to my colleagues' attention a column by Kenneth Y. Tomlinson, head of the Voice of America.

A real challenge lies before us to reverse the years of official neglect which constitute the real source of problems at VOA. Compared to Radio Moscow and other countries, the VOA signal is weak and often hard to receive. Our equipment is antique and desperately needs updating. How can we stand by while the Soviets spend more on jamming Western broadcasts than we allocate for the entire VOA worldwide budget?

With new equipment VOA can spread the truth about democracy and contrast the freedoms Americans enjoy with the repression of totalitarian regimes. The Congress should support the administration's modernization program to restore the strength to the Voice of America.

Mr. Tomlinson's column follows:

AMERICA'S STIFLED VOICE

(By Kenneth Y. Tomlinson)

Shortly before the Senate confirmed me as director of the Voice of America, I was approached separately by two political figures concerned about what we were going to do to VOA. One, a Democrat, was worried that we might be preparing to turn the institution into the propaganda voice of the right. The other, a Republican, feared we would not be tough enough to change VOA's alleged '50s-liberal slant.

The two represented exactly opposite attitudes toward the VOA, but, as each conversation developed, I found the two agreed on one important point. Both confessed that when abroad they listen to the BBC—not VOA. Each declared the BBC's programming was far more informative, far more relevant.

Without question, the director of the Voice of America faces an extraordinarily difficult job. Within this institution are Foreign Service diplomats who frequently want to keep the broadcast lid on, VOA journalists who often want to blow the lid off and representatives of 42 separate language services, a number of which have a rich tradition of old-world guerrilla warfare. A fact often overlooked in articles about VOA is the managerial task involved in working with groups where interests are so widely separated. But the real challenge facing the new leadership at VOA is not to come up with a new scheme for running a radio station like a city council. The real challenge is to reverse the years of official neglect that constitutes the real source of problems at VOA.

This neglect has deprived us of credibility in strategic portions of the world where the use of old transmitting equipment means that our voice barely can be heard. Equally important, it has resulted in public affairs programming that conservatives and liberals alike recognize as often dull and irrelevant.

The solution to VOA programming inadequacies is really quite simple. The Voice of America should reflect the voices of America.

The principle is an extension of the philosophy on which this nation was founded. The founders believed that a great body of people, when exposed to a diversity of information and opinion, could decide for themselves—and do it well. That is precisely what we propose to do in broadcasting to the people of the world. Our news at the top of the hour is competitive with any international broadcast organization. In VOA editorials we crisply identify and reflect the views of the U.S. government. But in current affairs programming VOA has never succeeded in reflecting the voices of the nation's opinion leaders on the important issues of the day.

Ironically, it will take greater resources to reflect opinions across the political spectrum. It is far easier and less expensive to produce in-house commentaries than it is to break outside our institution to reflect American viewpoints. But we are going to do this in the months ahead.

Whether those voices will be heard, however, is another issue.

In recent days a cable crossed my desk from an important capital in the Arab world. An American diplomat reported Radio Moscow's signal is loud and clear—as are the radio voices of numerous other nations large and small. The United States is not among them. VOA's signal is weak and often difficult to receive.

Anyone who wants to can come down to our studios at the base of Capitol Hill and see us broadcasting to the world using vintage 1950s equipment worthy of a broadcast museum. At a key relay station, we are actually using transmitter equipment captured from the Nazis at the end of World War II. So ancient are our facilities that we must maintain a machine shop to fabricate parts because they are no longer made by commercial dealers. The reminders of what this means abound:

In recent weeks, broadcasters from China and India came to tour our headquarters facility. I can only describe their reaction as one of shock. As one put it, "How can the world's most advanced nation be using some of the world's most backward equipment?"

In the last decade the number of high-power, short-wave transmitters worldwide has increased eightfold. During the same period, the VOA has added a number of languages and broadcast hours, but its technical capabilities have remained practically unchanged.

The Soviet Union spends more to jam Western broadcasts coming into the Soviet Union than we allocate for the entire VOA worldwide budget.

There is a bottom line to all this, of course. Listen to the words of a letter we received in recent weeks from Iran: "It bewilders me why a country whose astronauts can easily speak to Earth from outer space is not able to transmit her own voice across the world."

This administration is committed to a technological modernization program that would restore strength to the Voice of America.●

LEGISLATION EXTENDING VIETNAM VETERANS' PSYCHOLOGICAL READJUSTMENT COUNSELING

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. MICA. Mr. Speaker, today I am introducing legislation designed to assist the Vietnam-era veteran.

As you know, Mr. Speaker, a number of our soldiers who fought in Vietnam, returned to their homeland unable to operate in American society as they had before their experiences in Vietnam. Our country, realizing its responsibility to the Vietnam veteran, legislated funds and initiated programs to provide the necessary psychological readjustment counseling to veterans in need of such assistance.

Throughout the Nation we have a number of Veterans' Administration Outreach Centers which provide counseling to the Vietnam veteran. The programs provided by these outreach centers have had many successes in assisting Vietnam veterans with their various psychological, stress, and readjustment problems.

I have had the opportunity to meet with Vietnam veterans in my district who participate in the VA's outreach programs. There is a strong consensus among these veterans and many members of the House Veterans' Affairs Committee, that the VA's psychological readjustment counseling programs provide a critically needed service to Vietnam veterans. Over 80,000 Vietnam veterans participate in these programs, and many more have only begun to realize their need for psychological treatment and have applied for these services.

I would like to take this opportunity to bring to your attention a situation which occurred in my area. A couple of years ago, the Veterans' Administration closed an outreach center in Fort Lauderdale which resulted in an uproar within the veterans community. This reaction was so strong and the needs of the Vietnam veterans so great, the VA was forced to reopen the outreach center.

With all these factors in mind, it is apparent that the period during which Vietnam veterans may request psychological readjustment counseling from the VA should not be terminated in 1984. In order to insure continuation

of this needed program, I am today introducing legislation which would extend this period by 2 years.

In addition, this legislation will direct the Administrator of Veterans' Affairs to carry out a comprehensive study of the prevalence of posttraumatic stress disorder and related readjustment problems among Vietnam-era veterans. I believe a study of this kind is necessary if we are to fully understand the nature of the problems arising from the Vietnam experience.

I am pleased to say this legislation has the support of the chairman of the Veterans' Affairs Subcommittee on Hospitals and Health Care, the Honorable BOB EDGAR of Pennsylvania, as well as other members of the Veterans' Affairs Committee.

In closing, I would like to reiterate that I believe our Nation owes Vietnam veterans the vehicle with which to assist themselves in overcoming the problems of the Vietnam experience. Mr. Speaker, it is my hope that Congress will not abandon the needs of our Vietnam veterans and will provide the support necessary to pass this legislation.●

INDEPENDENT INSURANCE AGENTS OF WESTCHESTER COUNTY CELEBRATE 55TH ANNIVERSARY

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. OTTINGER. Mr. Speaker, I rise to bring to the attention of my colleagues the efforts of the Independent Insurance Agents of Westchester County (IIAWC), an association of 225 independent insurance agencies and over 1,000 insurance professionals in Westchester. I congratulate the IIAWC on its 55th anniversary.

Since its founding in 1928, the IIAWC members have observed a strict code of ethics and have been diligent in pursuing the goals established by its founders: advocating and sponsoring advanced education programs for members, keeping legislators informed about insurance issues, contributing to the welfare of Westchester County through special programs and volunteer efforts, and educating the community about matters relevant to insurance.

On March 24, the IIAWC will host their 17th annual Education Day at the Rye Town Hilton. Some 400 independent insurance agents and their guests are expected to attend. The theme at the conference will be "Educate—Innovate—Motivate." The IIAWC has indeed been vigorous in implementing this theme through the association's various endeavors. I commend its members for their efforts, and wish the association continuing success in the future.●

YOUTH—AMERICA'S STRENGTH

HON. GERALDINE A. FERRARO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Ms. FERRARO. Mr. Speaker, I am pleased to direct the attention of my colleagues to a fine example of the idealism and determination of today's young people. Matthew Amato, a Long Island City high school student from my own congressional district, has submitted the winning entry in the New York State Veterans of Foreign Wars Voice of Democracy speech contest.

The text of Matthew's winning speech, "Youth—America's Strength," follows:

1982-83 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM: NEW YORK WINNER—MATTHEW J. AMATO

Have you ever sat and wondered what this nation will be like in 30, 40, 50 years from now? It will surely be different, because each generation of people brings with it new ideas, new dreams, new strengths. It will be better, because today's youth is one of extraordinary perseverance and determination. They openly display a desire to improve things, to make this nation better than it's ever been.

The strength which I speak of is not one to be in youth's arms; and no, not in their legs. It's not a strength of muscle . . . rather it's a strength of character, a moral power. It is the same strength which first planted the seeds of this nation and conquered the threats to its birth. The will power and dedication, which were so characteristic of the puritans, are the core of youth strength today. These were the values of the puritans which brought this nation into existence. They are the same values which led young men to risk, and often lose, their lives in the name of their country and their beliefs. They are the same too, which lead youths to dream and to strive for and develop their concepts of a "Perfect" America. . . . A place of hard-working, honest, strong willed people living together in peace and unity . . . where all people have learned to love, rather than destroy one another.

In planting the dream of such an ideal place, and then dedicating ourselves to realizing this dream, the youths of our nation will rise above and crush the troubles which ail this country. They will prove to be victorious in their quest for a "Perfect" America.

Perfection, however, is not any one point in time, or any specific degree of accomplishment. Rather, perfection is the time when we, the American people, unify and work together as one.

Our victory need not be in the next 50 years; nor in the next 100 or 1,000 years. Whenever we achieve this perfection, then we will, throughout the years, decades and centuries, each generation will pass its values, its love and its strength to the next. Each generation will be confronted with different barriers to break through . . . and they will. We shall never be defeated. For if there be mountains to climb, oceans to cross, deserts to trudge . . . it will be done. We will strive for our goal, regardless of how far away it lies. We will bring it as close to us as possible during our life times; the next generation will do the same, and the next, and so on.

The passing of these values and of the moral strength of each generation to the next will keep this nation striving toward nationwide peace and happiness.

Our nation will be an example for others around the globe. But first you must believe in us! You must believe that we can build this nation to an eternal happiness. In believing this, you help us in our journey, and bring the dream that much closer to reality. Zen, a Philosopher of our time said, "A journey of 1,000 miles begins under one's own feet."

Perfection stands as our goal. . . . each of us be the individual that he is, yet we all stand for this. We shall each find our strength and go forth. . . . We are brave, the wise, the dedicated, and the strong are the brave humanitarians, the romanticists, the idealist, the perfectionists, the dreamers. . . . We are Youth! Within us, we have the power, intelligence and the ability to make this nation rise up in peace and glory!●

REMEMBERING CHARLES LEHMAN

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. LEHMAN of California. Mr. Speaker, this week marks the 10th anniversary of the tragic death of my brother Charles Lehman, who served as a page under the patronage of Congressman B. F. Sisk from September 1972 to January 1973.

Charlie was killed in a tragic auto accident while en route from Sanger High School where he was a senior to work in the office of Congressman Sisk.

Five years ago, in noting this sad anniversary, Congressman Sisk made the following statement on this floor:

It has been my pleasure, Mr. Speaker, to have sponsored dozens of House pages since my first election to Congress in 1954. But I can say without hesitation or qualification that Charlie Lehman was one of the very finest young men who has served as a page in this Chamber. I know that many of my colleagues in the House, his fellow pages, and his teachers at the Capitol Page School held him and still hold him in great esteem and affection. This fine Christian young man had an unusually strong character and was well respected by all who enjoyed the pleasure of his company.

Charlie Lehman wanted to be a politician. His avid interest in politics began when his brother Richard Lehman, now an exemplary member of the California Assembly in Sacramento, became actively involved in the 1968 California Presidential primary campaign of the late beloved Senator Robert F. Kennedy of New York. Charlie followed his brother Rick's footsteps into politics, greatly impressed members of my staff and myself, and I was pleased to secure him a page appointment in 1972. That he was able to serve here during his tragically short

life—just under 18 years—is something of which I am quite proud.

Our colleague TONY COELHO was Representative Sisk's administrative assistant at the time and was a dear and cherished friend of Charlie's. When he learned that I was preparing these remarks he asked to join with me and requested that I insert his comments for the record.

I am especially pleased, Mr. Speaker, to join with my colleague, Rick Lehman, in honoring the memory of a special young man on the 10th anniversary of his death. Charlie Lehman came to Washington to serve this House as a Page and did so with distinction. He served under the sponsorship of my predecessor, Bernie Sisk, and was killed in a tragic automobile accident shortly upon returning home.

I had the privilege of knowing Charlie as a friend. We would talk for hours about the political process and public service; both of which enamored Charlie and to which he brought his own particular sense of vitality. His commitment was deep and his promise great. One never really loses a friend, and Charlie Lehman's untimely passing has only served to enhance his memory and his meaning through the years.

Though words cannot possibly do justice to my feelings toward my brother, just let me say that Charlie was a precious and wonderful inspiration. He will always remain in my heart as a youthful fountain of love, energy, and goodness that can be drawn upon at any moment.

The hurt and pain and anguish does not subside but is tempered with the certain knowledge that his own life had meaning, that he profoundly influenced others in a positive manner and remains alive in each of us who knew and loved him.●

IN EL SALVADOR: 30,000 UNSOLVED MURDERS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. LEVINE of California. Mr. Speaker, the time is fast approaching when Congress will have to make decisions of conceivably far-reaching consequences regarding continued aid to El Salvador. As you know, there have been countless deaths in that country for which anyone has yet to be held responsible and prosecuted.

I would like to bring to the attention of my colleagues two articles in which deal with this subject. The first is from the March 19, 1983, Washington Post. It is only two brief paragraphs so could be easily overlooked, but it is important. It says:

SALVADORAN RULES FBI TESTS ARE UNUSABLE IN NUNS' CASE

SAN SALVADOR, March 18.—El Salvador's attorney general rules today that ballistic and fingerprint tests obtained by FBI agents cannot be used against five former soldiers charged with killing four U.S. churchwomen in 1980.

Attorney General Mario Adalberto Rivera said that the evidence—considered important in the case—was invalid because the tests were by the junta that previously ruled El Salvador and not by the country's court system as required by Salvadoran law.

The second article appeared in the March 21, 1983, New Yorker. It says in part:

Fifteen thousand civilians murdered in the last 3 years—yet not a single member of the Government's security forces or the shadowy right-wing death squads, which almost everybody concedes are together responsible for the great bulk of the killings, has been convicted of murder. But even 15,000 may be too low a total. A month-old report from the New York-based Lawyers Committee for International Human Rights refers to a total of some 30,000 killings—[I]n El Salvador the same Government that can not find a single murderer has recently been "certified" as making progress in human rights—30,000 unsolved murders.

The complete article follows:

[From the New Yorker, Mar. 21, 1983]

Some people pass many a pleasant hour hatching plans for the perfect crime. Their imaginations feverish from a diet of detective novels, they dream of airtight alibis and traceless poisons, of plots so elaborate that the police will throw up their hands in consternated bafflement and the insurance company will have no choice but to pay off on the policy. For such schemers we have a suggestion—one that if recent history is any guide should reduce the risk of apprehension to virtually zero: simply lure your intended victim along on a vacation to El Salvador, and do the deed there. The figures floating around Washington in the wake of President Reagan's recent call for increased military aid to El Salvador do not take much advanced work in statistics to comprehend. The number that some congressmen were using was fifteen thousand—fifteen thousand civilians murdered in the last three years—yet not a single member of the government's security forces or the shadowy rightwing death squads, which almost everybody concedes are together responsible for the great bulk of the killings, has been convicted of murder. But even fifteen thousand may be too low a total. A month-old report from the New York-based Lawyers Committee for International Human Rights refers to a total of some thirty thousand killings. Only the murders of four Catholic women in 1980 have resulted in indictments. Last Friday, after Salvadoran officials announced the arrest of some soldiers in the investigation of another American death, a United States Embassy spokesman said that delays in the case would be likely. "We recognize the system here is different from ours," he said. Which is one way of putting it. The deep involvement of the El Salvadoran government and its political allies in the ongoing slaughter could conceivably have something to do with the low conviction rate. It may take a thief to catch a thief, but it helps if the thieving thief and the law-enforcement thief are different people. Our government's reaction to all this would surprise anyone who put much stock in another old maxim—the one about the goose and the gander. American conservatives, including the President, scorn nothing more than a soft judge, and no domestic formula—not even trickle-down economics—wins more devout obeisance than the notion that punishment deters crime. But in El Salvador the same government that can't find a single murderer has recently been "certified" as making progress in human rights—a mystical rite akin to granting a plenary indulgence but performed by an American President and lasting only six months. Thirty thousand unsolved murders! Secretary of State George Shultz declared a few weeks back that leftists were guilty of "creating hell" in El Salvador. Creating it out of what, we'd like to know.

Finding a few scapegoats and trundling them to jail as convicted murderers will not solve El Salvador's problem, of course. The murder statistics are just one early and easy-to-spot step in a logical proof that leads to Q.E.D.: power needs to be transferred to those who will use it wisely and peacefully to end the land-hunger, the oligarchy, and assorted other injustices, which account much more than the Kremlin for El Salvador's distress. But, wisdom and compassion being in shorter supply than helicopters and mortars, that course seems none too likely. A reasonable chance exists that El Salvadoran repression will be entirely successful, and that when that happens the country's human-rights record really will improve dramatically. There comes a time when lessons have been learned, or, at least, when no one much is left around to murder.●

FREE TRADE: DOES NOT HELP A DEAD INDUSTRY

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. SCHULZE. Mr. Speaker, international economic conditions have focused the attention of the administration on the importance of foreign trade, and on the looming crisis in trade law enforcement.

It is my view that the United States must play a leadership role in improving economic conditions around the world and that international trade must be kept free of arbitrary restrictions and, just as importantly, must be protected from predatory trade practices that have increasingly been observed in these perilous times.

Mr. George Langstaff, president of the Footwear Industries of America, has recently stated his views on the necessity of fair trade to insure free trade. His cogent remarks should be read and taken to heart by every Member of Congress.

The following article appeared in the January 3, 1983, issue of Footwear News:

REMARKS OF GEORGE LANGSTAFF, PRESIDENT, FOOTWEAR INDUSTRIES OF AMERICA

Nineteen eighty-three will be the year in which the U.S. begins an agonizing reappraisal of its international trade policies in belated recognition that the American manufacturing industries are under mortal threat from the unfair, predatory policies of our trading partners.

Whether we talk about electronics, computers, automobiles, airplanes or footwear,

American industry is faced with enormous difficulties in competing in world markets or even in our own marketplace. These difficulties are a challenge to the entire American economy and must be resolved if we are to continue to enjoy prosperity at home and a leadership role in international affairs.

Since World War II, the U.S. almost alone among the nations of the free world, has aggressively pressed for free trade. It has progressively opened its domestic markets by reducing tariffs, eliminating trade barriers and avoiding subsidies for export products. It has adhered closely to the letter and spirit of the General Agreement on Tariffs & Trade (GATT), which has been the cornerstone of free world international trade for almost 35 years.

Through many aid programs to war-ravaged countries and emerging nations, the U.S. has contributed enormously to the establishment of modern industry in these countries. It has nurtured and developed countries around the world with an unselfish sharing of its advanced technologies.

Under the theory of "comparative advantage," we believed free trade would provide an opportunity for every nation to concentrate on what it does best, thus ultimately benefiting all consumers of the free world.

This a noble theory, but we're now reaping a bitter harvest of reality as we finally begin to see that other nations have not played the free trade game by the same rules.

With the U.S. marketplace wide open to free entry, foreign nations with wage levels far below those of the U.S. have targeted industry after industry with carefully orchestrated strategies for penetration and destruction. In addition to the lower wage costs, systems of subsidies that lower selling prices even further have been implemented in violation of GATT.

At the same time, impenetrable barriers have been erected to the free flow of goods into the marketplaces of the exporting nations. As these barriers have gone up around the world in practically every major market except the U.S., huge quantities of exported products have been diverted to the only open and available market—that of the U.S.

The result has been a dramatic shrinkage of the manufacturing base of our country and a rapid increase in unemployment as U.S. jobs have been exported to many other nations. High levels of unemployment are beginning to effect retail business, since out of work people just do not have the purchasing power they once had.

Recently, Ambassador Brock, the U.S. Special Trade Representative, made a gallant effort at the GATT ministerial meeting in Geneva to bring about the elimination of trade barriers and illegal foreign subsidies.

His efforts produced no significant changes and, to the contrary, seemed to harden the intent of our trading partners to continue subsidizing their exports and maintaining barriers to imports into their markets.

In effect, we have been told that the world's interpretation of "free trade" is that the U.S. markets should be freely available to one and all, but that other countries consider their own markets private property. This is an overstatement, but not by much!

Unpalatable as it may be to many, the U.S. must begin to look carefully at its own best interest in world trade. This is the year when such a reappraisal will begin.

How far is it reasonable and wise to go in permitting one-sided, unfair trade practices to destroy the manufacturing capability of our nation? How far is it rational to go in exporting U.S. employment and prosperity to achieve employment and prosperity for other nations?

Is the U.S. consumer really best served by low-priced foreign products at the cost of our own employment and at the risk of the loss of our manufacturing capability?

The issue is not consumer vs. retailer vs. manufacturer.

The issue is the vitality of the U.S. economy under present unfair and illegal trade practices that are having a devastating effect on our position as a manufacturing nation.

In the words of the Senate Finance Committee, "An unemployed worker is not a happy consumer."

The answer to these questions will not be easy to develop nor will they be popular in free trade circles, but I predict that 1983 will see the beginning of broad recognition that "free trade" has not been "fair trade" and that, until it is, some changes must be made.●

AGRICULTURE DAY

HON. NORMAN SISISKY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. SISISKY. Mr. Speaker, while "Agriculture Day" is just 10 years old today, the industry was one of mankind's oldest and was America's largest long before Congress and a Presidential proclamation made it a national observance as recently as 1981.

While farmers, ranchers, and other agricultural producers are just 3 percent of the U.S. population, they are the foundation of a human food network of more that 23 million Americans from suppliers to checkout clerks.

This industry generates at least $135 billion a year in business activity for the American economy.

Since I represent an agricultural district in Virginia, I know the efficiency of agricultural producers. The 3 percent of our population farms 46 percent of our land. They work hard enough to feed America the lowest cost food in the world plus produce over $39 billion of exports.

When we talk about farm programs, remember these programs do not subsidize farmers, they subsidize inexpensive food. In the United States, food prices have stayed far behind the rest of the world.

Only a fraction of the very small increase in food costs is farm related. At the same time, production cost increases place the family farmer in a cost-price squeeze that has put him in the midst of an agriculture depression.

Embargoes, the weather, and other factors complicate the farmers plight today, but his single greatest obstacle is the inability of so many of his countrymen to understand his plight. In 1950, each American farmer produced enough to feed 15 people, now he feeds 65. That means that in 1950 the average wage earner worked 94 minutes to purchase the food that today takes just 60 minutes of work.

Food prices have actually deflated, requiring only 15 percent of our disposable income today, compared to 23 percent in 1950.

What about the farmers situation? Has improved production given him a bigger share? If the gross income of a farmer was $53,700 in 1973, by 1980 it may have risen 80 percent to $96,114, but his expenses would have soared 124 percent, causing net farm income to drop 58 percent.

Our Nation's economy cannot rebound until its largest industry does.

And what will happen if this vital sector does not become healthy again? A hungry world will be left in an extremely precarious situation. Who will farm the land and produce the food, if the farmer is no longer there to do it?●

CONGRESSIONAL BLACK CAUCUS ALTERNATIVE BUDGET

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. CONYERS. Mr. Speaker, today I had the privilege to go before the Rules Committee to request that the Congressional Black Caucus alternative budget be made in order during House consideration of the concurrent resolution on the budget for fiscal year 1984.

This year's Congressional Black Caucus budget is the third consecutive year that the caucus has introduced a comprehensive and clearcut alternative. Every caucus member's office made a contribution to the document. The CBC budget, House Concurrent Resolution 87, was introduced on March 16, 1983, 1 day prior to the Budget Committee's approval of the Democratic leadership budget. As of late this afternoon, interestingly enough, the Republican leadership did not have a budget substitute.

During the past 2 years the Rules Committee has granted the caucus a rule making its substitute budget in order. As a matter of fact, last year 86 Members of Congress voted for the caucus alternative. House consideration of the caucus budget is even more urgent this year than in previous years. The national economy has deteriorated further this past year as unemployment reached the highest level since the Great Depression. Tens of thousands of additional citizens and families have joined the poverty ranks as a result of Reagan administration social and economic policies.

The CBC budget is for all Americans, not just black America. If the

caucus budget is not given consideration by the full House, tens of millions of citizens would go unrepresented during the congressional budget debate.

The caucus budget has included major budget proposals of labor, peace, community, and public-interest organizations across the Nation. It has incorporated the substantial jobs package proposed last month by Lane Kirkland, AFL-CIO president. It would implement the nuclear freeze resolution that is supported by the Democratic leadership. It is the only budget document that rejects completely the military arms buildup plan of the Reagan administration. We have had the support of the Fair Budget Action Campaign, a national coalition of major citizen organizations.

The CBC alternative proposes $20 billion more in nondefense spending in fiscal year 1984 than the Democratic leadership budget, including a significant expansion of jobs, job training, and economic redevelopment programs. The caucus proposes an additional $25 billion in jobs and job training funds over the next 3 years, as compared with only $4 billion in additional funds recommended by the Democratic leadership. Included also is a new proposal for a national development bank, with a $5 billion authorization in fiscal year 1984.

The CBC budget proposes the only substantial reduction in military spending: a $65 billion cut in military budget authority in fiscal year 1984 and $600 billion in budget savings in the defense function through 1988. The caucus proposes major reductions and eliminations in nuclear weapons programs.

I hope I have the support of my colleagues for a favorable rule on the Congressional Black Caucus alternative budget.●

JIMMY CARTER CHAIR OF HUMAN RIGHTS

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. JONES of Tennessee. Mr. Speaker, it has come to my attention that Georgia Southern College in Statesboro, Ga., has established the Jimmy Carter Chair of Human Rights to promote an understanding of human rights issues.

It is entirely appropriate that such a chair be established in honor of ex-President Jimmy Carter. He believed deeply in human rights and stood up for his belief. His support was unwavering both at home in Plains, Ga., and in foreign lands all across the globe.

Dr. Dale W. Lik, president of Georgia Southern College has taken the lead in this worthwhile effort and has provided the following description:

"There can be no nobler or more ambitious task for America to undertake than to help shape a just and peaceful world that is truly humane." President Jimmy Carter, Inaugural Address 1977.

The fabric of the human rights movement is only as strong as the respect and concern of man for humanity. Human relationships gone wrong, whether neighbor against neighbor or nation against nation, have torn at these fundamental rights from generation to generation. Yet a common thread has held fast across history, and that is mankind's intrinsic and universal yearning for freedom which bonds individuals and nations to the cause of human rights.

Because this nation of immigrants from every culture in the world is a member of the family of nations and has spawned a system of government bound by the recognition of "certain inalienable rights," history has assigned its leaders a special charge to address these crucial fundamental issues.

With his Southern heritage as the perspective from which he witnessed the struggle for human rights in his own nation, President Jimmy Carter brought to his Administration a unique understanding of this special global responsibility:

"In ancestry, religion, color, place of origin and cultural background, we Americans are as diverse a nation as the world has ever seen. No common mystique of blood or soil unites us. What draws us together perhaps more than anything else is belief in human freedom."

"Because we are free, we can never be indifferent to the freedom of others."

In the highest tradition of partnership between higher education and society in seeking enlightenment and progress, Georgia Southern College has aligned its stated governing philosophy of "enhancing the worth and dignity of people" with the example of this native Georgian whose presidency was a national statement of moral commitment to uplifting the worth and dignity of people everywhere.

The Jimmy Carter Chair of Human Rights at Georgia Southern College will focus the attention and resources of an institution of higher education on human rights, providing leadership and a central point of departure in pursuing these goals, as well as becoming a model in human rights education for other institutions.

The Jimmy Carter Chair of Human Rights will bring to bear the leadership of a distinguished scholar and the eminence of a professorship in the name of the thirty-ninth President of the United States and will lead to such activities as:

Promoting an understanding of human rights issues through teaching of undergraduate and graduate classes and special seminars within the institution.

Organizing public forums and special programs designed to inform and raise the consciousness of human rights in the general public.

Creating a model for human rights education through expertise and consultation in areas of curriculum development for all levels of education.

Spreading the concept of human rights education and encouraging its adoption by other institutions through travel to and contacts with college campuses and other appropriate organizations across the nation.

Appointment to the Chair will be awarded to outstanding individuals who have made a unique contribution to the advancement of human rights, and will be awarded for a period not to exceed twenty-four months. President Carter will be invited to nominate the first two occupants of the Chair and to provide guidance in setting the criteria for future selection.

All future selections will be the responsibility of an advisory committee chaired by the Dean of the host School of Education and composed of representatives from Georgia Southern College and from a national pool of individuals with distinguished reputations in the field of human rights.

Georgia Southern College will establish the Jimmy Carter Chair of Human Rights through an endowment allowing the Chair to be maintained in perpetuity. The permanent endowment to support the Chair is sought from individuals, foundations and other private sources. The College, through the Georgia Southern College Foundation, will assume responsibility for the administration of the Chair.●

TRIBUTE TO TWO OHIO STATE REPRESENTATIVES

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. ECKART. Mr. Speaker, when the Ohio Legislature convened the 115th general assembly earlier this year, two vigorous personalities from northeast Ohio were noticeably absent. I refer of course to former State Representatives Ed Hughes and Kevin Kapel, who have left the Ohio House of Representatives and are now pursuing other career goals.

Ed Hughes will be remembered for his consistent and enthusiastic commitment to a strong educational system and environmental protection. His gutsy proposal to limit phosphate content has acquired a life of its own; it has been picked up by other northeast Ohio representatives who are following former State Representative Hughes' leadership on this important issue. A teacher by trade, Ed Hughes has returned to the classroom. Children in Cleveland public schools now benefit from his creative ideas and articulate lectures.

As an appointee in the Ohio Legislature, Kevin Kapel served his northeast Ohio district diligently and with integrity. Former State Representative Kapel's 99.7 percent attendance record demonstrates that he worked full time at representing his constituency. As a member of the house education and health and retirement committees, Kevin supported programs to upgrade Ohio's educational programs and services to the elderly. He was an accessible liaison and was in close touch with the people back home. Currently, Kevin and his wife Dawn are involved in community work in northeast Ohio.

I want to take this opportunity to acknowledge the accomplishments of

these two men and wish them the best in all their future endeavors.●

TRIBUTE TO PENN LAUREL GIRL SCOUT COUNCIL

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. GOODLING. Mr. Speaker, the Girl Scouts of the United States of America recently celebrated their 70th anniversary, and, as a birthday gift to the Nation, they embarked upon a nationwide project, "The Gift of Water," which has stimulated new understanding of the serious need to preserve and protect our sources of clean, safe water.

We should all appreciate the Girl Scouts' efforts, which once again reflect their commitment to community service and to the enrichment of the environment. I understand that education for possible careers was also part of the imaginative gift of water projects chosen by local councils.

In my own 19th District of Pennsylvania, most of the 18,000 girl members participated in the Penn Laurel Girl Scout Council water awareness program, which emphasized the costs related to water use as well as the moral decisions related to conservation.

I am very pleased to learn that, since 1982, 4,163 girls have completed an extensive water conservation education and action program which included learning how we use water for daily personal needs, for recreation, and for industrial use; measuring home water consumption; identifying where water is being wasted and measuring how much is being wasted; determining where local water comes from and why it costs what it does; learning about waste water and the costs associated with waste water in our communities; and repairing leaking faucets and learning about home plumbing.

It is estimated that each girl's efforts saved at least 7,200 gallons of water a year. This means that a minimum of 29,973,600 gallons was saved by all the girls who completed the program.

In two areas, girls worked to conduct communitywide events, such as "People Conserving Water for People" in York County, and work with the Mayor's Water Conservation Week. As the girls advance through the program in 1983, they will teach others about retrofitting plumbing in homes, schools, churches, and local businesses. They will be advocates for water conservation and will work to encourage local businesses to adopt water saving measures.

The United Nations has proclaimed the eighties as the "Decade of Water." We in Congress will be making national policy decisions based on projections that water in parts of the country is becoming a scarce commodity. Programs like that developed by the Girl Scouts will contribute greatly to the education of the general public on conserving a precious resource which is used by every American, young or old, rich or poor, male or female.

I commend the Girl Scouts' initiative, and congratulate Penn Laurel Girl Scout Council president, Joan Henderson, and all the directors, troop leaders, seniors, cadets, juniors, and Brownie Scouts in my district. Thanks to all of you, who have done so much for all of us.●

THE YOUNGER GENERATION

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. WHITEHURST. Mr. Speaker, we read and hear so much about the problems among what people like to call the younger generation that it gives me particular pleasure to share with my colleagues an article which appeared in the March 17, 1983, edition of the Norfolk Ledger-Star. The writer, Larry Bonko, tells the story of one of my young constituents, Miss Emily Brown, who is clearly a thoroughly honest young person.

I am delighted to take this means to salute Emily and commend her for her actions. She represents, I believe, much of her generation, and so long as we have Emilys among us growing up, I have great hope for the future.

The article follows:

IS EMILY HONEST? YOU CAN BANK ON IT

The money was all over the street. Fives. Tens. Fifties. Even $100 bills.

Never had 10-year-old Emily Brown, a fourth-grader at Taylor Elementary School, seen so much money.

If Emily wanted to, she could have kept the money—all of it. Every bill, made a little wet that day by a late afternoon rain.

Emily Brown picked up all the $5, $10, $50 and $100 bills she saw on Maury Avenue that afternoon not long ago, stuffed them into a red cookie tin with Italian writing on it ("Fabbrila di Biscotti") and carried them back to where they came from—the First Virginia Bank at 1308 Colley Ave.

Here's what happened: About 6 p.m., when Emily Brown and her father, Robert E. Brown, were pulling away from Emily's home at Botetourt Gardens, two men in ski masks robbed the bank.

For the Browns, it started out to be just an ordinary little ride over to Maury Avenue to pick up Emily's baby sitter for the night, Noel Fox.

It ended up an adventure.

After the robbery, the thieves gave up their booty. They scattered it all over Ghent when one of those red-dye packs exploded inside the bag with the money. That dye is supposed to foil bank robbers. I wonder if it does.

Total bank robberies so far this year in Hampton Roads: 16. Total at the same time a year ago: four.

In February, police found red-stained money in a dumpster not long after a savings and loan was held up. They guess it was the same thugs.

Emily Brown thought she saw blood on the money. It was so red. That scared her.

"I was afraid to touch it," she said.

She saw the money lying on the street when her father asked her to hop out of the car and take a closer look at the house numbers. It was hard to see the addresses in the 700 block of Maury that dark and wet afternoon.

"There was money all over the place," Emily said. She is a sunshine bright girl with bangs.

She did not see the men who dropped the money. Other than Emily and her father, nobody was on the street. It was too nasty to be out.

When Brown piled out of the car and saw the cash with red stains on it, he knew it wasn't blood. Brown is a lawyer. He knows evidence of a stickup when he sees it.

He helped Emily to pick up the bills and put them in the red cookie tin he carried in the back seat of his car. Right then and there, he decided to take the money to a police station.

That was fine with Emily. "All I wanted to do was to get rid of it," she said.

Never once did she think of keeping the $3,000 or so she found on the street.

As Brown was driving downtown to a police station, he saw a crush of police cars and TV cameras at 1308 Colley Ave. He found the bank that had been hit.

Acting as calmly as if she were walking to her piano lessons, Emily Brown tapped on the bank door to get the attention of the police and FBI special agents inside.

She gave them the tin with the stolen money in it. The FBI tells me that all but a few dollars has been recovered.

"No way did I want to be caught with that stuff," Emily said. No way.

The special agent in charge of the Norfolk office of the FBI, John C. Wagner, saluted Emily Brown as a 100 percent totally honest person. It is obvious she had had a proper upbringing, the agent said.

Looking back on it all now, Emily Brown said it was scary and exciting and fun at the same time. The other kids at Taylor Elementary wanted to hear about it over and over again. The price of fame.

The bank did not give Emily Brown a reward.●

THE PLIGHT OF SOVIET JEWS

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. SENSENBRENNER. Mr. Speaker, I would like to take this opportunity to recognize the severe plight facing the Jewish people of the Soviet Union. The Government of the Soviet Union has repeatedly, and increasingly, violated the basic human rights of this group and demonstrated a flagrant attempt to extinguish the Soviet-Jewish culture. Hopefully the other Members of the House of Repre-

sentatives, as well as the American people, will join me in recognizing and condemning the atrocities levied upon the Jews by the Soviet Government.

During the past several years, Jewish emigration from the Soviet Union has dwindled to near extinction. Only 3,000 Jews were allowed to emigrate from the Soviet Union in 1982, as compared to over 51,000 in 1979. And the situation is worsening. In January of 1983, less than 100 Jews were allowed to emigrate. If this practice continues, it would bring the annual emigration rate to less than 1,000. Yet many Jews who anxiously desire to leave the Soviet Union are being denied permission to do so.

One such individual is Vladimir Tsukerman. I have sponsored Mr. Tsukerman in the past, and I have chosen to continue my support for him this year. Mr. Tsukerman applied for permission to emigrate in July 1978 in order to join his wife and son, who had emigrated to Israel earlier in the year. In October, Mr. Tsukerman was flatly denied permission to join his family because the Government deemed him ineligible due to secrets he learned as a mechanic in the Soviet Navy. He was denied on this basis even though he was never on active duty, and any technical secrets he may have learned would have been rendered obsolete in the years since he left the Navy and applied for an exit visa.

Frustrated by repeated refusals of permission to emigrate by the Government, Tsukerman became active in the refusenik community of Kishinev and was involved in protests against his unfair treatment. Due to his activities as a protester and refusenik, Vladimir Tsukerman was arrested and charged with "organization of and active participation in group activities which violate the public order." He was sentenced to 3 years in a labor camp, and was later transferred to Kyzyl in Mongolia where he is presently serving time for the practice of a right guaranteed in the U.S. Constitution and committed daily anywhere in our Nation—the right to speak out against injustice, and to speak out for what we believe in.

People like Vladimir Tsukerman are the victims of a terrible injustice which must be dealt with and eliminated. The injustice of which I am speaking, of course, is the escalating growth of violent and cruel religious repression in the Soviet Union, and especially the abominable suppression of the Jewish faith and culture.

The efforts of Jews to establish a cultural and religious base in the Soviet Union have been repeatedly stifled and crushed by Government policies and restrictions. Literature dealing with Judaism is being confiscated, study groups are being disbanded, and Hebrew teachers are being threatened with imprisonment if they continue their teaching activities. This suppression has recently evolved into an all-out attempt on behalf of the Soviet Government to quash even the few unstable elements of the Jewish culture which still exist in the Soviet Union. If the policies which deprive Jews in the Soviet Union of their basic human rights persist, the Soviet-Jewish culture may become a thing of the past.

I would like to join with the American people to condemn the violations against human rights committed by the Soviet Union. However, I feel that we must take this one step further and appeal to the new leadership in Russia to change course and allow the Jews and other oppressed peoples to enjoy the inherent rights they possess. We, as Americans, may tend to take for granted the things which Soviet Jews, and their spokespersons in the United States, are calling out for. But we should not forget their plight, and should lend them our help and support in bringing about change in their status.

Thus, I give my wholehearted support and respect to the imperiled Soviet Jews, and especially Vladimir Tsukerman, who are earnestly vying for their fundamental human rights and freedoms. I ask the other Members of Congress, and all American citizens to take the opportunity of this "call to conscious" vigil of March 22, 1983, to reflect upon this situation. And I implore the Soviet Union to grant the Soviet Jews their rights and freedoms, and to allow the Soviet-Jewish culture not only to survive, but to flourish.●

TRIBUTE TO MR. AND MRS. PAT STEPHENSON

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. SKELTON. Mr. Speaker, a very special Missouri couple celebrated their 60th wedding anniversary recently. Mr. and Mrs. Pat Stephenson, Sr., of Lexington, Mo., have been very well recognized through the years in my hometown. Mr. Stephenson, for a long period of time, served as a member of the city council. He and his charming wife have been very active in business as well as raising three successful sons. The community of Lexington, Mo., is indeed fortunate to have the Stephensons as residents.

I take this opportunity to wish them continued happiness in the years ahead.●

COBALT LEGISLATION

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. IRELAND. Mr. Speaker, today I am introducing legislation to continue until the end of June 1986 the existing suspension of duties on certain unwrought alloys of cobalt.

Pure cobalt—currently defined as minimum 99 percent cobalt—has been exempted from the duty because there is only small, secondary, domestic production of cobalt and domestic users are dependent upon imported material, the bulk of which comes from Zaire and Zambia.

The material I am describing is imported for its cobalt value only. Cobalt is the key ingredient in certain tool and alloy steels, carbide production, chemicals and ceramics, magnets, and in the super alloys used for such critical purposes as jet engine blades. In some of these cases, substitution has taken place or is taking place, because of the price and uncertainty of supply. However, in most cases, cobalt is, at least in the near term, irreplaceable.

The expensive price has made the cobalt refiners overseas reexamine their process to see where additional cobalt, previously deemed uneconomic to recover, can be mined.

As a direct consequence of this research, certain new grades of material are being recovered. The earlier material produced by the traditional cobalt refineries generally have no problem in meeting the customs restriction of 99 percent. However, the new lower grade materials do not lend themselves to the manufacture of high-purity metal.

The chemical and metallurgical methods of treatment for these types of material are totally different from traditional cobalt refinery practice. The metal so generated will contain other elements which will bring the cobalt content down in some cases to even under 90 percent. The balance has generally been iron and nickel. These materials are not only difficult to extract, they also present difficulties in use.

It has been found, however, that by picking out certain of the lots on a lot-by-lot basis, a large portion of this material is usable for the manufacture of the superalloys, thereby augmenting the supply of cobalt for this critical use. The higher iron material is fully usable by consumers such as magnet melters.

Without this legislation, that is, leaving this material dutiable at 9 percent, the bulk of this material will end up being consumed in other industrialized countries since it will generally be

uneconomical to import this material into the United States.

Maintenance of this duty will eliminate the import of the current production and discourage expansion and new production of similar type materials. U.S. consumer industries will be placed at a competitive disadvantage and American consumers will pay a higher price for finished products.

I am attaching a U.S. Bureau of Mines' summary showing there is no domestic primary production of cobalt and that production from scrap amounts to only about 5 percent of annual domestic consumption.

Mr. Speaker, time is getting short for consideration of this essential legislation. I, therefore, urge rapid and favorable consideration of this bill.●

MONTANA VOICE OF DEMOCRACY

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. MARLENEE. Mr. Speaker, the Veterans of Foreign Wars of the United States and its ladies auxiliary each year conduct a Voice of Democracy contest whereby America's high school youths are encouraged to speak up for America.

Over 250,000 U.S. high school students participated in this year's contest, as did over 8,000 schools, 4,400 VFW posts and 3,600 auxiliaries. The total monetary value of scholarships and awards provided by the VFW amounted to $575,000 this past year, which is in addition to the $32,500 in national scholarships and an annual budget of $150,000 to conduct the Voice of Democracy program.

I am proud to have significant participation in this contest by youths in my district, Montana's Eastern Congressional District, and I am honored to submit for the enlightenment of my colleagues the winning entry from the State of Montana. Jerome Wall of Glendive, Mont., has written a remarkable piece on the theme "Youth—America's Strength," and I join my fellow Montanans in paying tribute to Jerome, whose entry is reprinted below.

1982 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM: MONTANA WINNER, JEROME WALL

In the late 1950's and the early 1960's the Cleveland Browns were one of the best football teams in America. One member of that team was Jim Brown, the greatest running back of that era; possibly the greatest running back of all time. Jim Brown was Cleveland's greatest strength. When the chips were down—that's when he was at his best. When the Browns needed that tough, important yardage, they gave the ball to Jim Brown, their greatest strength.

America is also a team effort. That team is composed of many different groups, all of them very important; but when the chips are down, America, like a football team, looks to it's greatest strength—it's youth.

Like any of society's groups, American youth is made of many different individuals. These individuals may vary in many aspects, such as: race, color, political persuasion, or religious beliefs, but there is one thing that you'll find them all in agreement on: that's their love of liberty and their willingness to protect it.

No one, more than a teenager, prizes his liberty—his freedom. Now, to a teen, liberty can come in very small packages such as: having your own room or getting to use the family car.

To an older person, these may seem to be trivial things, but to a youth they are so very important. The point I want to make is this: A youth's appreciation for those "little" freedoms will soon blossom into an appreciation for the great and true freedoms we have here in America, and along with that increased appreciation for freedom goes the increased desire to protect and defend that freedom.

A nation's strength is never more evident than in a time of crisis. Take World War II for example. Shortly after the Japanese attack on Pearl Harbor, the United States Armed Forces put out a call for volunteers. At one particular Naval base, the need was for around 1,500 volunteers. Do you know how many men arrived that day to enlist? Ten thousand! Ten thousand of America's youth came to her defense when only 1,500 were needed. When America's liberties were threatened, youth was there and youth will be there again in the future! When the chips are down, America can turn, America has turned and America will turn to its strength—its youth.

Just like the football team that turns to its running back, its greatest strength, America also turns to its youth in the time of need. The nation looks to youth to carry the load, and youth says, "Give me the ball, I'll run with it and defend my team—America."

Give youth the chance to run and they will prove to be America's greatest strength.●

DAVID POPSON—NAMED TO McDONALD'S ALL-AMERICAN HIGH SCHOOL BASKETBALL TEAM

HON. FRANK HARRISON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. HARRISON. Mr. Speaker, I am proud to note that David Popson, a student of Bishop O'Reilly High School, has recently been recognized as one of the top 25 high school basketball players in the country. This recognition came to David when he was named to the 1983 McDonald's All-American Basketball Team; he was chosen from over 1,200 high school senior ball players who were nominated by high school coaches across America.

The McDonald's All-American Team was formed in 1977 to recognize the dedication and achievements of talented young student athletes. An All-American basketball game is held each year, with game proceeds donated to a local charity in the city where the competition is held. This year's All-American game will be held on April 19, in Atlanta, Ga.

To celebrate David's selection to the team, McDonald's Restaurant in Edwardsville, Pa., is holding a dinner in his honor on March 23 and has officially declared that day to be David Popson Day.

Mr. Speaker, I am delighted to join with David's family, his teachers, his many friends, and, indeed, our entire community in extending congratulations on his achievement and wish him many, many years of health, happiness, and success in all he undertakes.●

OUR LADY OF THE LAKE UNIVERSITY

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. GONZALEZ. Mr. Speaker, Saturday evening, March 19, it was my pleasure to speak at the awards banquet for the School of Business and Public Administration of our Lady of the Lake University at San Antonio.

For more than 100 years Our Lady of the Lake University has served young women, and in recent years both men and women, from not only San Antonio and the Southwest, but from places all over the world as a mecca of higher education in various disciplines and courses of study.

A small institution compared to the large State universities, it is run by the Sisters of Divine Providence. OLLU is probably best known for its Worden School of Social Work from which thousands of professionals in social work have received master's degrees.

However, OLLU has several outstanding schools, and without a doubt the highest achievers among the university's students are currently in the school of business and public administration.

Fourteen of the 29 OLLU students named to "Who's Who Among Students in American Colleges and Universities" are business majors, and 4 of the 7 OLLU students named as Presidential scholars are from the school of business and public administration.

Sister Rose Annelle McClung, an outstanding educator and administrator, has for many years been dean of the school, as well as sponsor of the OLLU chapter of Kappa Pi Sigma, National Honorary Business Fraternity.

Thirteen years ago it was my honor to speak to the first business awards banquet held by Sister Rose Annelle and her faculty and students, and I

welcomed the opportunity to be with those celebrating the 13th annual event.

Mr. Speaker, I wish to share with you and my colleagues, my remarks at the banquet on "Business and Public Policy."

The remarks follow:

REMARKS OF U.S. REPRESENTATIVE HENRY B. GONZALEZ, AWARDS BANQUET, OUR LADY OF THE LAKE COLLEGE, SCHOOL OF BUSINESS AND PUBLIC ADMINISTRATION, MARCH 19, 1983

BUSINESS AND PUBLIC POLICY

First, let me thank you for allowing me the opportunity to participate in this thirteenth annual awards banquet. I am delighted and honored to be here.

Before I go any further, I want to congratulate and commend those who have earned awards and honors this year. You have probably done more than you ever expected, and you have gained the respect of your colleagues and teachers, alike. The awards you have earned are more than commendations—they are, in fact, the concrete evidence of achievements in which you can always take pride—but far more important than that, they are achievements that represents skills that will always serve you. If you feel a special pride tonight, you have good reason for that, and I congratulate you.

I would like to talk a little about how government policy affects the economy generally, and business sectors within the economy.

Someone once said that the best way to understand the function of government is to understand that the job of government is to decide who gets what. I have never found a better short description of what policy-making is all about—for it is, in fact, the business of determining who gets what.

This is not a new phenomenon; governments have always been involved in economic policy. The pharaohs welcomed the Hebrew people into Egypt, largely as a matter of economic policy. The trouble started when the Hebrew people gained too much economic power and influence to suit Pharaoh, who then enslaved them—and you know the rest of the story.

Much later, in giving his advice on how to be a successful prince, Machiavelli wrote—some 450 years ago—

"A prince must also show himself a lover of merit, give preferment to the able, and honor those who excel in every art. Moreover, he must encourage his citizens to follow their callings quietly, whether in commerce, or agriculture, or any other trade that men follow, so that this one shall not refrain from improving his possessions through fear that they may be taken from him, and that one from starting a trade through fear of taxes; but he should offer rewards to whoever does these things. . . ."

No matter where you look in history, governments have been concerned about how to encourage economic growth and development—because growth, wealth, ultimately determines the power of the prince—or of the state or of the town, or of the whole nation. That is why economic policy has always been critically important.

King John is best remembered for being forced into signing the Magna Carta, but it was equally important that he attempted to standardize weights and measures. Royal rulers were more concerned about maintaining the coin of the realm than they were about clanking around in suits of armor—that is, if they were smart rulers.

If we look at our own American Revolution, it's easy to see though that it was caused in part by political disagreements; it was fueled by American unwillingness to see the wealth of the colonies used as a milk cow in the British system of mercantilism. The Continental Congress, in 1774, elected to use economic pressures to force King and Parliament to come to terms, and this is what they resolved to do: ". . . we will not import . . . any goods, wares or merchandise whatsoever . . . from Great Britain or Ireland . . . nor any East-India tea from any part of the world" and so on. The resolve to use economic warfare against Great Britain was most certainly felt, because a year later, London merchants petitioned the Crown, asking Parliament to seek and "apply such healing remedies as can alone restore and establish the commerce between Great Britain and her colonies on a permanent foundation . . . " but, of course, no reconciliation ever became possible, and so it was that the American Revolution took place—first to establish our priceless political rights, but just as certainly, to establish our economic independence, to break out of a system of economic manipulation that left the colonies in the very place that Machiavelli had generations before warned smart princes to avoid—an economic corner that discouraged trade and commerce, by causing the colonial citizens fear that their investments and hard work would be confiscated or taxed away by what John Hancock called "the King and his minions."

I mention all this by way of showing that economic policy is by no means a preoccupation of only modern governments. In truth and fact, aside from keeping the country free from invasion, just about every prince, king, emperor, president, mayor, governor, or dictator—ancient and modern alike—has wrestled with economic policy.

What affects business prospects?

Certain things seem constant throughout history: the terms of trade, the tax policies, the monetary policies, and the investment policies of the government.

Monetary policy: is the coin of the realm usable? Can the king's coin be trusted, or in more modern terms, can you use a peso to buy anything in the United States, and if so, at how deep a discount? How much does it cost to borrow money—and so on. These concerns go as far back as the invention of money and banking, to the days of Hammurabi, and even beyond.

Terms of trade: what are the tariff rates, and what are the regulations (can you ship on any vessel, or only one owned by the King), and do regulations either here or abroad make a particular trade or investment unfeasible?

Tax policies: do taxes make a business attractive or unattractive? Governments have always used taxes as a way of directing the flow of investment, as a way of building or discouraging one economic activity or another. Today, in our country at least, tax policy is the most pervasive of all forms of government intervention in the economy.

Investment policies: does the government build the roads and bridges, the waterworks and the port facilities, the communications facilities—and all the rest of basic structure that goes into a smooth economy? The Romans were smart: they build roads, not just temples. Machiavelli debated about the usefulness of military expenditures, knowing that an unnecessary fortification would cost tax money that might well lead to ruin and rebellion. The American revolutionaries knew that the colonies were paying their own way, and worried constantly that royal interference kept them from making sensible investments that would help build commerce. Listen to the Declaration of Independence: "(the King) has refused his assent to Laws, the most wholesome and necessary for the public good . . . forbidden his Governors to pass Laws of immediate and pressing importance . . . (and) he has erected a multitude of New Offices, and sent hither swarms of Officers to harass our people, and eat out their substance."

As much as anything else, wise investment (like the Louisiana Purchase and the Alaska Purchase), wise regulation (like the Interstate Commerce Clause, and other provisions that made the United States into the world's first continental-sized common market area), incentives like patent right protection, and careful exploitation of the national patrimony of land and resources, made America the ideal place for the development of economic growth. It was, in any time, in any age, in any place, a fantastic achievement. Consider this: Europe, to this day, still does not have an open, common market area like we enjoy for ourselves. It is a tremendous fortune that the framers of the Constitution had the foresight to write in the commerce clause, to reserve to the Federal government the right to issue a contenient-wide common currency, and to prevent the States from interfering in trade between themselves. This was—and is—the greatest market area ever created. When you think of it, the daring and audacity of the people who brought us the Constitution, and the folks who started running the Federal government, was almost beyond comprehension. These were people who believed in trade, and who argued only about how to best develop it—Jefferson's world of farmers against Hamilton's vision of a world of citified merchants.

In the case of Japan, we have a government that is in close partnership with business enterprise. The government helps decide what companies will work to penetrate which worldwide market, and then spares nothing to help achieve that goal. While the Reagan administration seeks to turn a billion-dollar taxpayer investment over to an unworkable private monopoly (I am speaking here of the Landsat resource-sensing satellite) the Japanese and French governments are jumping in to create resource sensing satellite businesses, with a direct subsidy. In other words, Japan and France, alike, see that our government blundered in its decision, two years ago, to cut off added funding for Landsat, and they are taking full advantage of that error. The possible result: the very industry that the United States invented, satellite resource sensing—may well become yet another high-technology loss.

This particular case illustrates how a governmental budget decision—on whether or not to continue a certain activity—can lead to the dismantling of an industry before it even gets started. On the other hand, governmental budget decisions can foster or encourage the development of new businesses. For example, a budget decision to go ahead with the development of large-scale rocket boosters, made feasible the development and growth of a communications satellite industry—one that started as a monopoly, but has since become intensely competitive.

It has always been true that the power to tax is the most commonly used way to intervene in economic development. A few generations ago, high tariffs were commonly used as a way to provide protected markets

for favored industry. Today, in Third World countries, similar types of devices are used to provide protected markets—usually under the technocratic label of "import substitution."

Within our own borders, tax incentives like the depletion allowance made the oil business lucrative, and that encouraged high-risk ventures that are characteristic of the independent oilman.

Rapid depreciation schedules are another way that tax policy is used to intervene in the economy. Theoretically, rapid depreciation makes investment easier and will result in the reequipping of our older industrial plant. Likewise, fast depreciation is supposedly going to encourage the rehabilitation of housing units that can be used for rental purposes.

The problem with using tax incentives as a tool of economic development is that tax approaches represent a fairly inaccurate, and very open-ended, type of subsidy. For example, if we use tax devices to spur investment in rental housing, we have no control over how much that incentive is going to be used (i.e., how much it is going to cost in the form of lost revenues) and we don't exercise much influence over how it gets used. The housing that is developed, using tax incentives instead of straight subsidies, is of course needed. But economic analysis shows that it costs less, and produces a more targeted, responsive program, if you simply go ahead and apply subsidies. In a sense, tax approaches are like using a bayonet instead of a scalpel—it is hard to control, and the result is a lot less predictable.

The colonists knew a lot about how taxes could influence the economy; it was about their biggest problem with the King and Parliament—because they believed, with good reason, that taxation without representation was bad in principle—and they also knew, from their ledger sheets, that the power to tax was very much the power to destroy.

The colonists also knew something that we know today, and that is, regulation has a powerful influence on business. If by regulation (that is, royal monopoly) the only tea you could buy was from the East India Company, that was a bad deal for anybody who wanted to buy tea, or to get into the tea business.

Likewise, regulation has powerful effects today. By regulation, we issue patents and copyrights. In Texas, regulation was used for decades to limit oil production, to keep prices up—in the same way that OPEC would like to do today. Regulation of truck weights, lengths and speed limits, has a powerful effect on determining how competitive trucks can be with railroads. The regulation of energy efficiency has a lot to do with the kinds of investment that automobile companies had to make in the last decade—and a lot to do with the troubles of OPEC today. The regulation of sewage effluent discharged has a great deal to do with the types of public investment that must be made by local governments, like our own here in San Antonio—and in turn, determines very largely what your tax bill and sewage treatment charge is going to be.

Who pays taxes, who gets regulated, what kind of money there is, how high interest rates go—all of these things determine very much whether investments are made, and less directly, what those investments are going to be. There is nothing new in any of this. Monopolistic grants of public lands provided the subsidy and the spur that opened the West to the railroads. More recently, (right now, in fact) there is a debate about whether to sell the nation's weather satellites, to create a monopoly in that business, in order to milk the public enough to get Comsat to also buy the resource-sensing satellite program, the Landsat. Either way, whether it is a grant of land to a rail monopoly or a grant or weather data to a space-age satellite monopoly, the result is the same: that is, the public pays to invent a business, or at least to nurture it. Regulations, likewise, is an old story.

In short, the way government affects business and economic development is not only profound—it is pervasive. It can be direct, and it can be indirect. It can be in the form of a general climate, or it can be in the form of a specific act. But whatever it is, be it tax, monetary or regulatory policy; be it research support or outright subsidy; be it the encouragement of patents and copyrights or the competitive spur of a limit on patent length—the whole process, in one way or another, comes down to constant decisions on who gets what. In the most fundamental sense, who gets what is, in fact, a principal function of government—and it is a function that goes back to the invention of government, back to the days of pharaoh and Hammurabi—not just back to the New Deal and FDR. Ronald Reagan may talk a different game, but his economic concern is the same as FDR's—and that is, what policy or combination of policies, is the best way for government to help business. When all the dust settles, that is also the concern of even the Red Chinese—who, these days, are experimenting with "responsibility"—meaning, they are allowing people to try a tad of free enterprise, in the hope that it will spur productivity. Pharaoh, Machiavelli, everyone before, since, or afterward, has tried to bend government policy to the best way of helping produce wealth—because wealth is not only glory to the king or country—it is power, and power is what counts in the great affairs of state.

I thank you all, and once again want to congratulate and commend not just the honorees here—but all of you who have joined us, and who are preparing yourselves for a better future. Some of you are beneficiaries of another government intervention, the student loan or the student grant. If you decided to go to college because you could get enough aid together to make it possible—that is your government economic policy at work, in the form of intervention to develop trained manpower. That is what I mean, when I say that the influence of government policy is so vast that we may not even be conscious of it. But when we reflect on it, such intervention is not new, novel, nor radical. It is, in fact, the universal tool of governments, ancient and modern, right or left wing, revolutionary or restoration. It is, you might say, a fact of life. It is the quality of the decision-making, and the wisdom of its application, that really determines what the climate of business is going to be—just as Machiavelli observed, in counseling the wise prince to encourage business, reward the industrious, and also by the way, to occasionally stage "festivals and shows . . . and give (the people) an example . . .".

The smart prince encouraged the economy and rewarded hard work. Tonight, you are being rewarded for hard work. The school, it seems, is blessed with a smart prince—and again, I congratulate you all, for your achievements in response to the school's enticements, its intervention into your daily decisions, and for your own diligence and ambition.●

PENN STATE CLUB OF THE LEHIGH VALLEY SALUTES ATHLETES

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 21, 1983

● Mr. RITTER. Mr. Speaker, on Sunday, March 27, I will join with the Penn State Clubs of Lehigh County, Northampton County, and Pocono Mountain, Pa. gathered together for their 9th annual all sports banquet. Honored will be 17 Lehigh Valley student athletes representing nine different sports at Penn State University.

The Lehigh Valley has a proud history of involvement with Nittany Lion athletics and the university as a whole; 6,300 Lehigh Valley residents are Penn State alumni. In 1912, the Penn State Allentown Campus opened and, with 71 years of providing quality education, it is the oldest continuous Penn State facility apart from the main campus at University Park. Five years ago, a new 40-acre campus just north of Fogelsville opened. Approximately 500 freshmen and sophomores are enrolled annually there in 4-year degree programs. An important aspect of the Allentown campus is its service to Lehigh Valley business and industry. Every year, 3,000 to 4,000 individuals make use of continuing education programs at Penn State, Allentown.

Certainly a highlight of this year's banquet will be the main address by Joe Paterno, head coach of Penn State's NCAA national football champions and three time national coach of the year. This year's national title tops a long list of outstanding accomplishments by Coach Paterno—a 17-year record of 162 wins, 34 losses, and 1 tie; teams which have been ranked in the Nation's top 10 in 13 of those 17 years; and 15 times participating in post-season bowl games.

The Lehigh Valley has contributed many of the leading players on those teams—names like Woody Petchel, Bob Parsons, Denny Onkontz, Mike Hartenstine, Keith Dorney, Matt Millen, and Mike Guman. This season, Dave Paffenroth of of Stroudsburg was a starting senior linebacker and next season Scott Carraher of Emmaus and Bob Williams from Notre Dame High School will return. Joining them will be Mike Wolfe from Allen High School and Barry Buchman of Whitehall.

Perhaps the most important aspect of Penn State's football program, as well as all of the university's athletic programs, is the emphasis on academic performance. Over 90 percent of Penn State's scholarship football players graduate from the university. Penn State and its alumni are understand-

ably proud of that record and I applaud them for it.

A special award this year will go to Mr. Ross Lehman, recently retired executive director of the Penn State Alumni Association. Mr. Lehman has been a leading force in recognizing and supporting the university's athletes. On this night, he will be receiving most deserved recognition and thanks.

In 1983, as throughout its history, Penn State continues its record of accomplishment on the athletic field and in the classroom. I am proud to represent in Congress these many fine individuals and join in saluting our Lehigh Valley athletes who continue Penn State's glorious record.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday March 22, 1983, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 23

8:00 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To continue open and closed hearings on S. 675, authorizing funds for fiscal year 1984 for military programs of the Department of Defense, focusing on strategic defense.
SR-222

9:30 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Credit and Rural Electrification Subcommittee
To hold hearings on farm credit needs, and related proposals.
SR-328A

*Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings to receive testimony from the U.S. Attorney General on the overall budget for the Department of Justice, and on proposed budget estimates for fiscal year 1984 for certain legal activities, Antitrust Division, general administration, Executive Office for U.S. Attorneys, Immigration and Naturalization Service, and the Office of Justice Assistance, Research and Statistics.
S-146, Capitol

Banking, Housing, and Urban Affairs
Rural Housing and Development Subcommittee
To hold hearings on S. 761, authorizing funds for fiscal years 1984 through 1988 for rural housing programs.
SD-538

*Governmental Affairs
To hold oversight hearings on management activities of the Department of Defense.
SD-342

Labor and Human Resources
Handicapped Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Education of the Handicapped Act.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Panama Canal Commission, and the St. Lawrence Seaway Development Corporation of the Department of Transportation.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
To resume oversight hearings on the implementation of the Hazardous Waste Containment Act (P.L. 96-510), providing for the safe and adequate treatment of hazardous substances released into the environment.
SD-406

Foreign Relations
Business meeting, to continue markup of S. 660, to authorize funds for fiscal years 1984 and 1985 for the Department of State, S. 734, to authorize funds for fiscal years 1984 and 1985 for the U.S. Information Agency, S. 694, to authorize supplemental funds for fiscal year ending September 30, 1983, and to authorize funds for fiscal years 1984 and 1985 for the Board for International Broadcasting, S. 608, to authorize funds for fiscal years 1984 and 1985 for the U.S. Arms Control and Disarmament Agency, and related proposals.
SD-419

10:30 a.m.
*Judiciary
Separation of Powers Subcommittee
To hold hearings on S. 462, to clarify certain provisions relating to Federal jurisdiction over labor extortion matters.
SD-226

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Pennsylvania Avenue Development Corporation, and the Smithsonian Institution.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

Armed Services
Sea Power and Force Projection Subcommittee
To continue open and closed hearings on S. 675, authorizing funds for fiscal year 1984 for military programs of the Department of Defense, focusing on U.S. Central Command and the U.S. Readiness Command.
SR-232A

Banking, Housing, and Urban Affairs
Rural Housing and Development Subcommittee
To continue hearings on S. 761, authorizing funds for fiscal years 1984 through 1988 for rural housing programs.
SD-538

2:30 p.m.
Veterans' Affairs
To hold hearings on S. 636, to provide for judicial review of certain administrative decisions of the Veterans' Administration, to codify certain VA adjudication procedures, to improve VA's appeals process, to require VA to comply with certain rulemaking procedures, and to provide for reasonable fees to attorneys serving as legal counsel for veterans; and to review VA's medical facility construction process, and specific facility prospectuses.
SR-418

3:00 p.m.
Select on Indian Affairs
Business meeting, to mark up S. 726, authorizing funds for programs of the Tribally Controlled Community College Assistance Act (Public Law 95-471), and other pending calendar business.
SD-538

MARCH 24

8:00 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To continue closed hearings on S. 675, authorizing funds for fiscal year 1984 for military programs of the Department of Defense, focusing on air breathing deterrents.
S-407, Capitol

9:15 a.m.
*Judiciary
Constitution Subcommittee
Business meeting, to mark up S.J. Res. 3, to establish legislative authority in Congress and the States with respect to abortion.
SD-226

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Governmental and Public Affairs, Office of the General Counsel, Office of the Inspector General, Office of the Secretary, and depart-

mental administration, all of the Department of Agriculture.
SD-138

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Legal Services Corporation, U.S. Information Agency, and the Equal Employment Opportunity Commission.
S-146, Capitol

Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To continue hearings on S. 675, authorizing funds for fiscal year 1984 for military programs of the Department of Defense, focusing on air breathing deterrents.
SR-232A

Banking, Housing, and Urban Affairs
International Finance and Monetary Policy Subcommittee
To resume hearings on proposed legislation authorizing funds for the Export-Import Bank of the United States.
SD-538

Labor and Human Resources
Family and Human Services Subcommittee
To continue hearings on the broken family and its impact on adults.
SD-430

Small Business
To hold oversight hearings on the Small Business Administration's minority business development program.
SR-428A

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Science and Technology Policy, and the Council on Environmental Quality.
SD-124

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 268, S. 448, S. 672, and S. 739, bills authorizing funds to construct, operate, and maintain hydroelectric powerplants at existing reclamation project facilities.
SD-366

Foreign Relations
Business meeting, to continue markup of S. 660, to authorize funds for fiscal years 1984 and 1985 for the Department of State, S. 734, to authorize funds for fiscal years 1984 and 1985 for the U.S. Information Agency, S. 694, to authorize supplemental funds for fiscal year ending September 30, 1983, and to authorize funds for fiscal years 1984 and 1985 for the Board for International Broadcasting, S. 608, to authorize funds for fiscal years 1984 and 1985 for the U.S. Arms Control and Disarmament Agency, and other related proposals.
SD-419

Judiciary
To hold hearings on proposed legislation authorizing funds for the Department of Justice.
SD-226

Select on Intelligence
To hold closed hearings on intelligence matters.
S-407, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy conservation programs of the Department of Energy.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

Armed Services
Sea Power and Force Projection Subcommittee
To continue open and closed hearings on S. 675, authorizing funds for fiscal year 1984 for military programs of the Department of Defense, focusing on airlift programs.
SR-222

MARCH 25

9:30 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on proposed legislation authorizing funds for the Securities and Exchange Commission.
SD-538

10:00 a.m.
Select on Intelligence
Budget Authorization Subcommittee
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
SD-407, Capitol

10:30 a.m.
*Judiciary
Separation of Powers Subcommittee
To resume hearings to explore certain Federal court procedures relating to the exclusionary rule, habeas corpus, and related matters.
SD-226

2:00 p.m.
Judiciary
Security and Terrorism Subcommittee
To hold oversight hearings to review the U.S. Attorney General's guidelines on domestic security investigations (Levi Guidelines).
SD-226

APRIL 4

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of Health and Human Services.
SD-116

2:30 p.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Oceanic and Atmospheric Administration of the Department of Commerce, Marine Mammal Commission, and the Small Business Administration.
SD-146, Capitol

APRIL 5

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Health Resources and Services Administration, and the Office of the Assistant Secretary for Health, both of the Department of Health and Human Services.
SD-116

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Food and Nutrition Service, and the Human Nutrition Information Service, Department of Agriculture.
SD-138

Governmental Affairs
Intergovernmental Relations Subcommittee
To hold oversight hearings on general revenue sharing.
Room to be announced

Small Business
To hold hearings on umbrella contracting and its impact on small business.
SR-428A

10:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Minerals Management Service, and the Institute of Museum Services.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

APRIL 6

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Social Security Administration, and refugee programs, Department of Health and Human Services.
SD-116

9:30 a.m.
Governmental Affairs
Intergovernmental Relations Subcommittee
To continue oversight hearings on general revenue sharing.
Room to be announced

Rules and Administration
To hold hearings on proposed authorizations for fiscal year 1984 for the Federal Election Commission.
SR-301

10:00 a.m.
Budget
Business meeting, to resume markup of the first concurrent resolution on the fiscal year 1984 Congressional Budget.
SD-608
Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on S. 431, authorizing funds for fiscal years 1983 through 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406
Judiciary
Constitution Subcommittee
To hold hearings on constitutional convention procedure.
SD-562
Judiciary
Separation of Powers Subcommittee
To resume hearings to explore certain Federal court procedures relating to the exclusionary rule, habeas corpus, and related matters.
SD-226
Veterans' Affairs
To hold oversight hearings to review adverse health effects from exposure to radiation, and other related matters.
SR-418
2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192
Judiciary
To hold hearings on pending nominations.
SD-226
Labor and Human Resources
Family and Human Services Subcommittee
To hold hearings on proposed legislation authorizing funds for child abuse prevention and treatment programs, focusing on the withholding of care from handicapped infants in hospitals.
SD-430

APRIL 7

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the Health Care Financing Administration, Department of Health and Human Services.
SD-116
9:00 a.m.
Special on Aging
To hold hearings to discuss recent decisions affecting social security disability recipients.
SD-106
9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Farmers Home Administration, Federal Crop Insurance Corporation, Office of Rural Development Policy, and the Rural Electrification Administration, Department of Agriculture.
SD-138
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Bureau of Investigation, Drug Enforcement Administration, drug task forces, Immigration and Naturalization Service, and the Federal prison system, all of the Department of Justice.
S-146, Capitol
Governmental Affairs
Intergovernmental Relations Subcommittee
To continue oversight hearings on general revenue sharing.
Room to be announced
Labor and Human Resources
Labor Subcommittee
To resume hearings on the current health and future prospects of defined benefit pension plans under the Employee Retirement Income Security Act (ERISA).
SR-485
10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Environmental Protection Agency.
SD-124
Energy and Natural Resources
Public Lands and Reserved Water Subcommittee
To hold hearings on S. 287, to establish the Harry S. Truman National Historic Site in Missouri, S. 345, to establish the AfricaTown National Historical Park and District in Alabama, S. 542, to revise certain provisions of Public Law 90-401, relating to the purchase and conveyance of certain land by the Federal Government, S. 565, to provide for the establishment of the Cape Hatteras National Recreational Seashore in North Carolina, S. 680, to designate the Baltimore-Washington Parkway in Maryland as the "Gladys Noon Spellman Parkway," and H.R. 1213, to revise certain provisions of law relating to units of the national park lands and other public lands.
SD-366
Environment and Public Works
Environmental Pollution Subcommittee
To continue hearings on S. 431, authorizing funds for fiscal years 1983 through 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406
*Judiciary
Immigration and Refugee Policy Subcommittee
Business meeting, to mark up S. 529, to revise and reform the Nation's immigration laws.
SD-226
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 655, authorizing funds for fiscal years 1984, 1985, and 1986 for the national sea grant program.
SD-430
2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Forest Service of the Department of Agriculture.
SD-138
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Personnel Management, Merit Systems Protection Board, Office of Special Council, Federal Labor Relations Authority, U.S. Tax Court, Advisory Commission on Intergovernmental Relations, and the Administrative Conference of the United States.
SD-124
2:30 p.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold oversight hearings on activities of the Patent and Trademark Office, Department of Commerce.
SD-226

APRIL 8

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Human Development Services, Department of Health and Human Services.
SD-116
10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the U.S. Customs Service, U.S. Secret Service, Bureau of Alcohol, Tobacco and Firearms, and the Federal Law Enforcement Training Center, all of the Department of the Treasury.
SD-138
Labor and Human Resoruces
Education, Arts, and Humanities Subcommittee
To resume hearings on S. 530, to provide Federal assistance to upgrade instruction in mathematics, science, computer technology and foreign languages in the Nation's elementary, secondary, and postsecondary institutions, and to provide assistance for employment-based vocational training programs, and related proposals.
SD-430

APRIL 11

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Institutes of Health, Department of Health and Human Services.
SD-116

9:30 a.m.
Energy and Natural Resources
Public Lands and Reserved Water Subcommittee
To hold hearings on S. 457, to require the protection, management, and control of wild, free-roaming horses and burros on public lands.
SD-366

10:00 a.m.
Environment and Public Works
To resume hearings on infrastructure issues relating to job opportunities in public works, and related proposals, including S. 23, S. 532, and S. 724.
SD-406

Judiciary
Constitution Subcommittee
To hold hearings on proposed legislation authorizing funds for the Commission on Civil Rights.
SD-226

Labor and Human Resources
Family and Human Services Subcommittee
To resume hearings on proposed legislation authorizing funds for child abuse prevention and treatment programs, focusing on causes and prevention of child abuse.
SD-430

APRIL 12

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the National Institutes of Health, Department of Health and Human Services.
SD-116

9:00 a.m.
Commerce, Science, and Transportation
To hold hearings on S. 372, to promote interstate commerce by prohibiting discrimination in the writing and selling of insurance contracts.
SR-253

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Food and Drug Administration, Department of Health and Human Services, the Farm Credit Administration, and the Commodity Futures Trading Commission.
SD-138

*Labor and Human Resources
To hold hearings on a radiation/epidemiology study.
SD-430

Rules and Administration
To resume oversight hearings on the operation and possible modification of the current campaign finance laws governing Presidential and congressional campaigns.
SR-301

Veterans' Affairs
Business meeting, to mark up S. 11, S. 567, S. 578, S. 629, S. 664, bills to improve and extend certain veterans' health-care programs, S. 8, S. 9, S. 667, to improve educational assistance programs for veterans, and to repeal the termination date of the GI bill, and S. 636, to provide for judicial review of certain administrative decisions of the Veterans' Administration, and to provide for reasonable fees to attorneys serving as legal counsel for veterans.
SR-418

Select on Indian Affairs
To hold oversight hearings on the disbursement of funds by the Bureau of Indian Affairs to do a study of the irrigable acres on the Blackfeet Reservation in Montana.
SD-628

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Aviation Administration, Department of Transportation.
SD-192

Environment and Public Works
To continue hearings on infrastructure issues relating to job opportunities in public works, and related proposals, including S. 23, S. 532, and S. 724.
SD-406

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold meetings on proposed budget estimates for fiscal year 1984 for the Bureau of Indian Affairs of the Department of the Interior.
SD-192

Small Business
To meet with the National Advisory Council to discuss certain legislative issues related to small business practices.
SR-428A

APRIL 13

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Inspector General, Office for Civil Rights, policy research programs, and departmental management (salaries and expenses).
SD-116

9:00 a.m.
Special on Aging
To hold hearings on health insurance matters affecting the elderly.
SD-562

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for The Judiciary, Commission on Security and Cooperation in Europe, and the Commission on Civil Rights.
S-146, Capitol

Finance
To hold hearings on S. 544, to promote economic revitalization and facilitate expansion of economic opportunities in the Caribbean Basin Region.
SD-215

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Judiciary
Separation of Powers Subcommittee
To resume hearings to explore certain Federal court procedures relating to the exclusionary rule, habeas corpus, and related matters.
SD-226

*Labor and Human Resources
To hold hearings on the nomination of Edward A. Knapp, of New Mexico, to be Director of the National Science Foundation.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the Bureau of Indian Affairs of the Department of the Interior.
SD-192

Judiciary
To hold hearings on pending nominations.
SD-226

APRIL 14

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Centers for Disease Control, Department of Health and Human Services.
SD-116

9:30 a.m.
Judiciary
Juvenile Justice Subcommittee
To hold hearings on S. 53, proposed Justice Assistance Act.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
Business meeting, to mark up S. 530, proposed education for economic security; S. 655, authorizing funds for fiscal years 1984, 1985, and 1986 for the national sea grant program; S. 112, to make certain technical amendments to improve implementation of the Education Consolidation and Improvement Act of 1981; and S. 564, proposed U.S. Academy of Peace Act.
SD-430

Rules and Administration
To hold hearings on Senate Resolution 66, to establish regulations needed to

implement television and radio coverage of proceedings of the Senate.
SR-301

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Science Foundation.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Urban Mass Transportation Administration, Department of Transportation.
SD-192

Environment and Public Works
Environmental Pollution Subcommittee
To resume hearings on S. 431, authorizing funds for fiscal years 1983 through 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume oversight hearings on the implementation of vocational education programs administered by the Department of Education.
SD-430

Labor and Human Resources
Family and Human Services Subcommittee
To resume hearings on proposed legislation authorizing funds for child abuse prevention and treatment and adoption reform programs.
SD-628

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Endowment for the Humanities, and the Office of Federal Inspector, Alaska Natural Gas Transportation System.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the General Services Administration, and to discuss the substance of S. 102, to allow State and local governments to continue to acquire surplus Federal lands for park and recreational use.
SD-124

APRIL 15

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Alcohol, Drug Abuse, and Mental Health Administration, Department of Health and Human Services.
SD-116

9:30 a.m.
Energy and Natural Resources
Public Lands and Reserved Water Subcommittee
To hold hearings on S. 49, to redesignate public land in Alaska to allow hunting.
SD-366

APRIL 18

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on proposed legislation authorizing funds for the Commission on Civil Rights.
SD-226

10:00 a.m.
Environment and Public Works
To resume hearings on infrastructure issues relating to job opportunities in public works, and related proposals, including S. 23, S. 532, and S. 724.
SD-406

10:30 a.m.
Labor and Human Resources
To hold hearings to review science education programs.
SD-430

APRIL 19

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-124

9:30 a.m.
Labor and Human Resources
To hold hearings on railroad retirement program.
SD-430

10:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

APRIL 20

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the judiciary, U.S. International Trade Commission, and the Federal Maritime Administration.
S-146, Capitol

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Executive Office of the President, National Security Council, and the Property Review Board.
SD-124

Judiciary
Security and Terrorism Subcommittee
To hold hearings to examine matters relative to the attempted assassination of the Pope.
SD-226

*Labor and Human Resources
To hold hearings on unemployment cycles.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for fossil energy research and development programs of the Department of Energy.
SD-192

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Commerce, Justice, State, the judiciary, and related agencies.
S-146, Capitol

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of the Treasury.
SD-124

Judiciary
To hold hearings on pending nominations.
SD-226

APRIL 21

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearings on the President's budget request for fiscal year 1984 for the Department of Energy's research and development programs, receiving testimony from public witnesses on energy research, conservation and renewable energy, nuclear energy, and nuclear waste activities.
SD-366

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Aeronautics and Space Administration.
SD-124

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of State, and certain international organizations.
S-146, Capitol

Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings to review U.S. immigration quotas.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold oversight hearings on the implementation of bilingual education programs administered by the Department of Education.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Indian Health Service, and the Office of Indian Education.
SD-192

APRIL 22

10:00 a.m.
Judiciary
To resume hearings on organized crime in the United States.
SD-226

APRIL 25

9:30 a.m.
*Labor and Human Resources
To hold hearings on S. 771, authorizing funds for fiscal years 1983, 1984, 1985, and 1986 for health promotion and disease prevention programs of the Department of Health and Human Services.
SD-430

2:00 p.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for transportation related programs.
SD-192

APRIL 26

9:30 a.m.
*Labor and Human Resources
To hold hearings on S. 772, to establish an Interagency Committee on Smoking and Health to coordinate Federal and private activities to educate the public about the health hazards of smoking.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for transportation related programs.
SD-124
Judiciary
Business meeting, to consider pending calendar business.
SD-226

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of the Interior.
SD-138

APRIL 27

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for transportation related programs.
SD-192
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to investigate the use of offshore banks, trusts and companies to facilitate criminal activity in the United States.
SD-342
Labor and Human Resources
To hold hearings on disease prevention.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Land and Water Conservation Fund.
SD-192
Judiciary
To hold hearings on pending nominations.
SD-226

APRIL 28

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

9:30 a.m.
Judiciary
Criminal Law Subcommittee
To hold hearings on S. 485, proposed Lawyers Duty of Disclosure Act.
SD-226

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Emergency Management Agency, and the Neighborhood Reinvestment Corporation.
SD-124
Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings to investigate the use of offshore banks, trusts and companies to facilitate criminal activity in the United States.
SD-342
Judiciary
Constitution Subcommittee
To hold joint hearings with the Committee on Labor and Human Resources on S. 425, to provide equal access and opportunity to public school students who wish to meet voluntarily for religious purposes.
SD-430
Labor and Human Resources
To hold joint hearings with the Committee on the Judiciary's Subcommittee on Constitution on S. 425, to provide equal access and opportunity to public school students who wish to meet voluntarily for religious purposes.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Strategic Petroleum Reserve, and the Naval Petroleum Reserves, Department of Energy.
SD-138

APRIL 29

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

10:00 a.m.
Judiciary
Constitution Subcommittee
To continue joint hearings with the Committee on Labor and Human Resources on S. 425, to provide equal access and opportunity to public school students who wish to meet voluntarily for religious purposes.
SD-430
Labor and Human Resources
To continue joint hearings with the Committee on the Judiciary's Subcommittee on Constitution on S. 425, to provide equal access and opportunity to public school students who wish to meet voluntarily for religious purposes.
SD-430

MAY 2

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

MAY 3

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for territorial affairs.
SD-138

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for the Legal Services Corporation.
SD-430

10:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for territorial affairs.
SD-138

MAY 4

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

MAY 5

9:30 a.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on copyright audiovisual rental.
SD-226

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Revenue Sharing (New York City loan program), Federal Home Loan Bank Board, and the National Credit Union Administration.
SD-124

MAY 9

10:00 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on proposed authorizations for refugee programs.
SD-226

MAY 10

9:30 a.m.
Labor and Human Resources
To hold hearings on home health care services.
SD-430

10:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

MAY 11

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Labor and Human Resources
To continue hearings on home health care services.
SD-430

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

MAY 12

9:30 a.m.
Judiciary
Juvenile Justice Subcommittee
To hold hearings on certain tragedies involving children.
SD-562

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on computerization of criminal history.
SD-226

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of Housing and Urban Development.
SD-124

MAY 13

9:30 a.m.
Labor and Human Resources
To hold hearings to examine fire safety issues.
SD-430

MAY 17

10:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

MAY 18

9:30 a.m.
Labor and Human Resources
To hold oversight hearings on activities of the Equal Employment Opportunity Commission.
SD-430

10:00 a.m.
Veterans' Affairs
To hold oversight hearings to review adverse health effects from exposure to agent orange, and other related matters.
SR-325

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

Veterans' Affairs
To continue oversight hearings to review adverse health effects from exposure to agent orange, and other related matters.
SR-325

MAY 19

9:30 a.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on computer chips protection.
SD-226

Labor and Human Resources
To hold hearings on health care cost.
SD-430

MAY 23

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
SD-124

MAY 24

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
SD-124

Judiciary
Business meeting, to consider pending calendar business.
SD-226

MAY 25

9:30 a.m.
Judiciary
Juvenile Justice Subcommittee
To hold hearings on the problem of parental kidnapping.
SD-226

Labor and Human Resources
To continue hearings on health care cost.
SD-430

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

JUNE 8

9:30 a.m.
Labor and Human Resources
To hold hearings on food safety.
SD-430

10:00 a.m.
Veterans' Affairs
To hold hearings on proposed legislation providing for certain veterans' compensation.
SR-418

JUNE 9

9:30 a.m.
Labor and Human Resources
To continue hearings on food safety.
SD-430

JUNE 10

9:30 a.m.
Labor and Human Resources
To continue hearings on food safety.
SD-430

JUNE 15

9:30 a.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To resume oversight hearings on activities of the Patent and Trademark Office, Department of Commerce.
SD-226

10:00 a.m.
Veterans' Affairs
To hold oversight hearings to review certain health care and other services provided Vietnam veterans.
SR-418

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

JUNE 16

9:30 a.m.
Judiciary
Juvenile Justice Subcommittee
To hold hearings on deinstitutionalization of certain status offenders.
SD-226

JUNE 20

10:00 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To resume hearings on proposed authorizations for refugee programs.
SD-226

JUNE 22

9:30 a.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on patent term restoration.
SD-226

10:00 a.m.
Veterans' Affairs
To hold oversight hearings on certain health care services for veterans.
SR-418

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

JUNE 27

10:00 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To resume hearings on proposed authorizations for refugee programs.
SD-226

JUNE 29

9:30 a.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on Federal Government patent policy.
SD-226

10:00 a.m.
Veterans' Affairs
Business meeting, to consider proposed legislation providing for certain veterans' compensation.
SR-418

JUNE 30

9:30 a.m.
Judiciary
Juvenile Justice Subcommittee
To hold hearings on juvenile offenders of serious and violent crimes.
SD-226

CANCELLATIONS

MARCH 22

10:30 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings to review proposed budget estimates for fiscal year 1984 for intelligence programs.
S-407, Capitol

MARCH 23

9:30 a.m.
Judiciary
Courts Subcommittee
To resume hearings on S. 645, to eliminate mandatory review by the U.S. Supreme Court of certain cases, to repeal various Federal statutory provisions which require appellate courts to expedite appeals in certain cases, to make certain improvements to judicial survivors benefits, to create a State justice institute, and to create a Federal courts study commission.
SD-226

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

HOUSE OF REPRESENTATIVES—*Tuesday, March 22, 1983*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May the saving health of Your bountiful love, O God, ever inspire us to have hope that Your purposes will be done on Earth as they are in Heaven. Enable us to trust in Your Word and to respond to Your grace that we will do those good works that allow people to live together in peace and harmony. Give us all that vision of our common creation that we will understand others of different backgrounds, sensitive to their needs, and open to their concerns. Unite us, O God, in this our prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. LOEFFLER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. LOEFFLER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 348, nays 21, answered "present" 1, not voting 63, as follows:

[Roll No. 39]

YEAS—348

Addabbo	Berman	Broyhill
Akaka	Bevill	Bryant
Albosta	Biaggi	Burton (CA)
Alexander	Bilirakis	Byron
Anderson	Bliley	Campbell
Andrews (NC)	Boland	Carney
Andrews (TX)	Boner	Carper
Annunzio	Bonior	Carr
Anthony	Bonker	Chandler
Archer	Borski	Chappell
Aspin	Bosco	Chappie
AuCoin	Boucher	Cheney
Badham	Bouquard	Clarke
Barnes	Boxer	Clinger
Bartlett	Britt	Coats
Bateman	Brooks	Coelho
Bedell	Broomfield	Coleman (MO)
Beilenson	Brown (CA)	Coleman (TX)
Bennett	Brown (CO)	Conable
Conte	Hubbard	Nelson
Conyers	Huckaby	Nichols
Cooper	Hughes	Nowak
Courter	Hunter	Oakar
Coyne	Hutto	Obey
Craig	Ireland	Olin
Crane, Daniel	Jeffords	Ortiz
Crane, Philip	Jenkins	Owens
D'Amours	Johnson	Oxley
Daniel	Jones (OK)	Packard
Dannemeyer	Jones (TN)	Panetta
Daschle	Kaptur	Parris
Daub	Kasich	Patman
Davis	Kastenmeier	Paul
de la Garza	Kazen	Pease
Derrick	Kennelly	Penny
DeWine	Kildee	Pepper
Dicks	Kindness	Perkins
Dixon	Kolter	Petri
Dorgan	Kostmayer	Pickle
Dowdy	Kramer	Porter
Duncan	LaFalce	Price
Durbin	Lagomarsino	Pursell
Dwyer	Lantos	Quillen
Dymally	Latta	Rangel
Early	Leach	Ratchford
Eckart	Leath	Ray
Edwards (AL)	Lehman (CA)	Regula
Edwards (CA)	Leland	Reid
English	Lent	Richardson
Erdreich	Levin	Ridge
Erlenborn	Levine	Ritter
Evans (IL)	Levitas	Roberts
Fazio	Lewis (CA)	Robinson
Feighan	Lewis (FL)	Rodino
Ferraro	Lipinski	Roe
Fiedler	Livingston	Rogers
Fields	Long (LA)	Rose
Fish	Lott	Rostenkowski
Flippo	Lowery (CA)	Roukema
Florio	Lowry (WA)	Rowland
Foley	Lujan	Roybal
Ford (MI)	Luken	Rudd
Ford (TN)	Lundine	Russo
Fowler	Lungren	Sawyer
Frank	Mack	Scheuer
Franklin	MacKay	Schneider
Frenzel	Madigan	Schulze
Fuqua	Markey	Schumer
Garcia	Marlenee	Seiberling
Gaydos	Marriott	Sensenbrenner
Gekas	Martin (IL)	Shannon
Gephardt	Martin (NY)	Sharp
Gibbons	Martinez	Shaw
Gilman	Matsui	Shelby
Gingrich	Mavroules	Shumway
Glickman	McCandless	Shuster
Gonzalez	McCloskey	Sikorski
Gore	McCollum	Siljander
Gradison	McCurdy	Simon
Gramm	McDade	Sisisky
Green	McDonald	Skeen
Gregg	McEwen	Skelton
Guarini	McGrath	Slattery
Gunderson	McHugh	Smith (FL)
Hall (IN)	McKernan	Smith (IA)
Hall (OH)	Mica	Smith (NE)
Hall, Ralph	Michel	Smith (NJ)
Hall, Sam	Mikulski	Smith, Robert
Hamilton	Miller (CA)	Snowe
Hammerschmidt	Mineta	Snyder
Hance	Minish	Solomon
Hansen (UT)	Moakley	Spence
Harrison	Molinari	Spratt
Hartnett	Montgomery	St Germain
Hatcher	Moody	Staggers
Hawkins	Moore	Stangeland
Hefner	Moorhead	Stark
Heftel	Morrison (CT)	Stenholm
Hertel	Morrison (WA)	Stratton
Hillis	Mrazek	Studds
Hopkins	Murphy	Sundquist
Horton	Murtha	Swift
Howard	Myers	Synar
Hoyer	Natcher	Tallon
Tauke	Vucanovich	Wise
Tauzin	Walgren	Wolf
Taylor	Watkins	Wolpe
Thomas (CA)	Waxman	Wortley
Thomas (GA)	Weber	Wright
Torres	Weiss	Wyden
Torricelli	Whitehurst	Wylie
Towns	Whitley	Yates
Valentine	Whittaker	Young (FL)
Vander Jagt	Whitten	Young (MO)
Vento	Winn	Zablocki
Volkmer	Wirth	Zschau

NAYS—21

Burton (IN)	Goodling	Mitchell
Coughlin	Harkin	Sabo
Dickinson	Hiler	Schroeder
Dreier	Holt	Smith, Denny
Emerson	Jacobs	Stump
Evans (IA)	Loeffler	Walker
Gejdenson	Miller (OH)	Young (AK)

ANSWERED "PRESENT"—1

Oberstar

NOT VOTING—63

Ackerman	Foglietta	Ottinger
Applegate	Forsythe	Pashayan
Barnard	Frost	Patterson
Bates	Gray	Pritchard
Bereuter	Hansen (ID)	Rahall
Bethune	Hightower	Rinaldo
Boehlert	Hyde	Roemer
Boggs	Jones (NC)	Roth
Breaux	Kemp	Savage
Clay	Kogovsek	Solarz
Collins	Lehman (FL)	Stokes
Corcoran	Long (MD)	Traxler
Crockett	Martin (NC)	Udall
Dellums	Mazzoli	Vandergriff
Dingell	McCain	Washington
Donnelly	McKinney	Weaver
Downey	McNulty	Wheat
Dyson	Mollohan	Williams (MT)
Edgar	Neal	Williams (OH)
Edwards (OK)	Nielson	Wilson
Fascell	O'Brien	Yatron

□ 1215

Mr. PURSELL changed his vote from "no" to "aye."

Mr. DAVIS changed his vote from "present" to "aye."

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. SPARROW, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1936. An act to amend title 37, United States Code, to extend certain expiring enlistment and reenlistment bonuses for the Armed Forces.

OFFICIAL OBJECTORS FOR DEMOCRATIC SIDE FOR 98TH CONGRESS

Mr. WRIGHT. Mr. Speaker, I take this time to announce the official objectors for the Democratic side for the 98th Congress.

For the Consent Calendar, our official representatives will be the gentleman from Alabama (Mr. FLIPPO); the gentleman from Texas (Mr. HANCE); and the gentleman from Maryland (Mr. DYSON).

For the Private Calendar, our official representatives will be the gentleman from Massachusetts (Mr. BOLAND); the gentleman from Minnesota (Mr. OBERSTAR); and the gentleman from Virginia (Mr. BOUCHER).

OFFICIAL OBJECTORS FOR REPUBLICAN SIDE FOR 98TH CONGRESS

Mr. MICHEL. Mr. Speaker, I take this time to announce the official objectors from the Republican side for the Consent and Private Calendars.

The Republican official objectors for the 98th Congress for the Consent Calendar will be the gentleman from Pennsylvania (Mr. WALKER), the gentleman from California (Mr. LUNGREN), and the gentleman from New York (Mr. WORTLEY).

For the Private Calendar, the Republican official objectors for the 98th Congress will be the gentleman from Wisconsin (Mr. SENSENBRENNER), the gentleman from Virginia (Mr. BLILEY), and the gentleman from Colorado (Mr. BROWN).

APPOINTMENT AS MEMBERS OF U.S. DELEGATION OF MEXICO-UNITED STATES INTERPARLIAMENTARY GROUP

The SPEAKER. Pursuant to the provisions of section 1, Public Law 86-420, as amended, the Chair appoints as members of the U.S. delegation of the Mexico-United States Interparliamentary group for the 1st session of the 98th Congress the following Members on the part of the House:

Mr. DE LA GARZA of Texas, chairman;
Mr. YATRON of Pennsylvania, vice chairman;
Mr. KAZEN of Texas;
Mr. SKELTON of Missouri;
Mr. KOGOVSEK of Colorado;
Mr. ALEXANDER of Arkansas;
Mr. BARNES of Maryland;
Mr. LAGOMARSINO of California;
Mr. RUDD of Arizona;
Mr. GOODLING of Pennsylvania;
Mr. DREIER of California; and
Mr. BEREUTER of Nebraska.

THIRD YEAR OF REAGAN PRESIDENCY

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, we are now in the third year of the Reagan Presidency and have entered that phase of the Presidency probably equivalent to the third act of a Shakespearian play. It is always in the third act that the protagonist of the drama chooses between the high side and the low side of his character, or between reality and fantasy. And his choice, of course, determines whether the play turns out to be heroic or tragic or melodramatic or comic. The supporting players in the budget drama are 230 million Americans and billions of affected people elsewhere in the world. So it matters a great deal how Mr. Reagan chooses to play out his part, whether as a statesman, or as a Hollywood gunslinger, preparing for the shootout at the OK Corral.

Here lately he has hinted of holy wars in the shrillest of terms, has assailed a rather moderate Budget Committee resolution as a source of comfort to the Communist adversary which he has characterized as the "focus of evil" in the world.

Tragically, rational people have begun privately to compare Mr. Reagan unfavorably with one of his Republican predecessors, Richard Nixon. And that tells a tale in itself. Mr. Nixon was at least capable of compromise.

IS NEW FEDERALISM POLICY FAIR?

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, the Reagan administration's New Federalism policy has always been touted as being fair. Under the New Federalism, States assume certain responsibilities and are given adequate resources to do the job. But the administration's plan for rural development in the 1980's is hardly a fair or adequate plan. In fact, this proposal is nothing more than the administration's strategy for turning its back on America's countryside.

The President's fiscal year 1984 budget proposes to drastically reduce funding for rural housing loans, FmHA community facility loans and waste and water disposal loans and grants. The so-called rural development program would consolidate what little is left of these programs into block grants for the States. The administration says the block grant programs will improve these necessary rural facilities and services. I fear the massive cuts may actually remove many of these services from the communities that need them the most: small rural communities, like those in my district in New Mexico, which have already been hard hit by thoughtless Reagan budget cuts.

Mr. Speaker, I agree we should promote self-help programs in rural communities, but the Federal Government must provide the necessary and proper tools. We must reject the adiinistration's proposal which would knock rural America flat on its back and adopt instead a policy that recognizes rural assistance as a sound economic investment for America's future.

LEGISLATION TO SET U.S. POLICY IN EL SALVADOR ON PATH TOWARD PEACE

(Mr. FEIGHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FEIGHAN. Mr. Speaker, today I have introduced two bills designed to set U.S. policy in El Salvador on the path toward peace.

The Reagan administration's policy supports the bloodshed in El Salvador, and signals to that Government that the death squads, the disappearances, and the torture can continue.

This legislation sends an even clearer message: The people of the United States will not tolerate—and will not support—a government that wages war against its own citizens.

My proposals would: First, suspend all military assistance to El Salvador until a dialog has been established among the major political and social forces in that country, and second, target U.S. foreign aid to humanitarian purposes, including food and medical assistance for the victims of the war and support for land reform education, and public improvements.

The legislation calls for a multilateral, postwar reconstruction fund to help rebuild El Salvador when the fighting has ended.

My firsthand look at El Salvador early this year, and events since then have convinced me that the United States has an important role to play. But our role should be that of peacemaker and partner in healing the wounds created by the war—not arms merchant. Our energies and our resources must be committed to finding a political—not a military—solution to the conflict.

LEGISLATION TO REDUCE HOLDING PERIOD FOR CAPITAL GAINS

(Mr. ANTHONY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANTHONY. Mr. Speaker, today I am introducing legislation for myself, Mr. LEATH of Texas and 72 original cosponsors that would reduce the holding period for capital gains or loss treatment under the Tax Code from 1 year to 6 months.

There is considerable evidence that the difference in tax treatment between short-term and long-term transactions under present law provides an incentive for investors not to realize short-term gains. Studies of capital asset sales data confirm that investors

are "locked in" to investments simply because they do not want to be taxed on short-term gains.

From 1942 to 1976 the holding period was 6 months. Enactment of the Anthony-Leath legislation would simply be a return to prior law.

Most industrialized countries have no holding period for capital gains. According to a 1981 study by the accounting firm of Price Waterhouse, U.S. capital gains provisions, including the holding period, make effective capital gains tax rates in the United States among the highest in the world.

Revenue estimates indicate that the cost of reducing the holding period from 1 year to 6 months would be negligible or nonexistent. Private estimates indicate that reducing the holding period could very slightly increase Treasury revenues.

The holding period restricts the mobility of capital, making it more difficult for small and new companies to obtain the funds needed for growth and expansion. A study by the New York Stock Exchange in 1979 pinpointed capital immobility as a likely reason for the declining effectiveness of U.S. capital investment in generating a satisfactory rate of economic growth.

THE SO-CALLED PROPOSED BUDGET—THE DEMOCRATIC PLAN

(Mr. LEWIS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Florida. Mr. Speaker, the so-called, proposed budget advertised as the Democratic plan is a slap in the face to all working people.

Members supporting it are going to have to run for reelection saying they wanted to raise taxes over $300 billion—to spend more on—new and rehired bureaucrats—and the generalized waste the voters resoundingly rejected in 1980.

Further—this crushing tax burden will not—will not—significantly reduce the budget deficit.

If this House membership has the commonsense to reject this would-be budget—the Budget Committee—under its distinguished chairman—can go to work on a real budget—hopefully a bipartisan budget.

It might relate to reality in the 1980's.

The only responsible vote tomorrow is "no" on the budget.

A BUDGET OF FAILED POLICIES AND POLITICS

(Mr. GREGG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREGG. Mr. Speaker, the proposal put forth by the liberal leadership of this House and which it calls a budget is not a budget at all. In fact, it is a manifesto of misfeasance, misinformation, and manipulation.

It is not presented for the purposes of contributing to the well-being of America. It does not even address economic recovery. It is instead a political statement, the intention of which is to pander to the interests of reelection.

With the introduction of a $300 billion tax program it crushes the ability of the wage earner in this country to take advantage of the 1981 tax cut. It heaves money at special electoral groups and reestablishes the liberals woeful history of waste and fiscal frivolousness.

This budget does not define social spending in the terms of improving the plight of the American poor, but rather with the consideration of reelection of a faltering party and a limpid leadership.

What we have here insults the sensibility of the American people as it returns to a budget of failed policies of the past, failed politics of the past and once again affirms the intellectual bankruptcy of the liberal leadership of this House.

THE MOST IMPORTANT SOCIAL SERVICE OUR GOVERNMENT CAN PROVIDE IS KEEPING AMERICANS ALIVE AND FREE

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, in the budget debate before us it is unfortunate that defense and social services have come to be viewed by some here a. being in opposition to each other. The result has been that spending in one area is seen as taking money that could have been used in the other area and the debate centers on which area is more important. I prefer to view defense and social services as two separate areas, each providing an indispensable service to the citizens of this country.

Many of us believe it is necessary to control waste and abuse in every Government agency, including defense. However, I am concerned about many of the entitlement programs. Many of the provisions made by these programs have impeded targeting of resources to those most in need and the House Budget Committee proposals do nothing to address this inequity, they merely add more money. We have a plethora of social programs that provide unequal treatment for people in similar work circumstances and which create disincentives to work.

Under the administration's budget proposal we will spend less than $80 billion for procurement and research and development in national defense. On the other hand, we will spend $398 billion for income security, health and social services in 1983. The House Budget Committee proposals emasculate defense, escalate social spending, and increase taxes leaving us with a budget deficit even greater than the administration's which they claimed to be addressing.

I would urge my colleagues to take a hard look at defense and social services; take the necessary, though difficult, steps to reform our social services so that they truly service those in need and remember that the most important social service our Government can provide is to keep Americans alive and free.

A BLUEPRINT FOR DISASTER

(Mr. HARTNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARTNETT. Mr. Speaker, I cannot believe that my Democratic colleagues intend to cripple our efforts to rebuild America's military strength. Surely they cannot have studied the disastrous provisions contained in the budget crafted by Chairman JONES and his committee.

Their budget claims to provide a 4-percent real growth rate for defense spending. That is lower than the 5-percent rate proposed by President Carter—a rate that was itself judged too low by the American people. In fact, the reality of this budget is even worse.

What will this budget really represent, both to American jobs and to our deterrent force? Nothing short of complete and unremitting disaster. The Congressional Budget Office estimates that every billion dollars cut from the defense budget costs at least 25,000 jobs. Other studies put that figure closer to 35,000 jobs. In other words, the Democratic budget for 1984 will cause between 225,000 and 315,000 Americans to lose their jobs. If that were not enough, each billion dollar cut in defense spending will reduce the deficit by only $500 million because we will lose the revenues that would have been generated by that spending.

The implications of this budget for our national security are even more ominous. The cuts will fall largely on the modernization and replacement of our weapons. On the average, these cuts will represent 33 percent of those programs. as a result, the committee budget will force the cancellation of

the F-15 and a reduction in the strength of our combat air wings. It will remove funding needed to continue production of the A-6E, the F-14, and other aircraft vitally important to our Navy. The Army will be able to procure only two-thirds of the combat vehicles that it needs, and the Navy will be forced to cancel production on at least 25 ships.

I am appalled by this budget's impact on our national defense, and on the future peace of the world. While the Soviets continue to build a vast military machine, the United States will be forced deeper and deeper into a position of permanent strategic inferiority. I urge the rejection of this blueprint for disaster.

DEMOCRATIC BUDGET IS APPALLING, OUTRAGEOUS AND UNCARING

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, the gentleman from Arkansas a few moments ago described the Democrat budget as a moderate one

I do not know what he means by moderation, but let us just look at the facts. The Democrat budget being proposed to this House raises taxes by $315 billion over 5 years. It cancels 42 percent of the 1981-82 tax cut.

It wipes out lower/middle income tax relief by canceling out third year tax cuts and indexing. It raises fiscal year 1983-88 tax burdens on families under $50,000 by $199 billion and amounts to an extra $3,550 in taxes for the average income family over that period.

It launches a 5-year domestic spending spree amounting to $181 billion add-on to the President's request for nondefense spending.

This budget is appalling, outrageous, ridiculous, disgusting and most of all uncaring. I think the people of the United States are going to see it as such.

MORE TAX AND TAX AND SPEND AND SPEND

(Mr. MACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MACK. Mr. Speaker, last week the House Budget Committee, of which I am a member, produced a Federal budget for the next fiscal year that is nothing less than an appalling return to the policies of tax and tax, and spend and spend, that got us into this economic mess in the first place.

It is a budget that will greatly raise taxes, end economic recovery and cost jobs throughout the economy.

The budget the committee produced raises social welfare spending radically, cuts defense spending not reasonably but recklessly, raises taxes on all Americans drastically, and still gives us a deficit larger than the President's original budget.

The bottom line is that this budget raises taxes and raises the deficit and that is a formula for killing our developing, still fragile economic recovery.

I urge my colleagues to vote against the Democratic budget as proposed.

REPEAL OF TAX INDEXING IS AN UNFAIR POLICY

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, a considerable amount of attention is being given to the indexing provision of the Economic Recovery Tax Act of 1981. The Democrat budget, to be debated today, contemplates a repeal of indexing. In my judgment, and in the judgment of newspaper commentators across the country, repeal of tax indexing is an unwise and unfair policy.

Contrary to all of the recent political rhetoric, indexing is not a tax break for the very rich. Rich people are in high brackets already. Indexing is a means of protecting middle and lower income taxpapers from being pushed into higher tax brackets by inflation.

It would be hypocritical for this Congress, which claims to be devoted to the virtues of fairness, to deprive middle and lower income Americans of their only defense against automatic tax increases.

The Washington Post recently summed up all the arguments for indexing when it said "the case against indexing is not one of high principle, but simply that the Government needs money." When the spenders need money, they should have to vote for new taxes. They should not hide behind automatic, hidden, and unwanted tax increases triggered by inflation.

MEMBERS' RIGHTS ARE BEING STIFLED

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, today the House is scheduled to take up two items that relate to spending. One for calender year 1983 and one for fiscal year 1984.

The first one relates to the committee funding resolution which we are annually scheduled to consider.

I rise this morning to protest the method by which this issue is brought before the House. It is brought in a package whereby no Member will be permitted to offer an amendment. And bear in mind that this proposal entails a projected increase in 1983 of 15 percent over what was spent in 1982.

Mr. Speaker, I protest the stifling of Members' ability to offer an alternative such as a freeze to the level of what was spent in 1982.

Second, we are scheduled to take up the budget resolution. This Member from California introduced an alternative budget package yesterday, in compliance with the rules of the House, that projected a spending level in 1984 of $755 billion, over $100 billion less than what this so-called Democratic budget package is.

The Rules Committee precludes consideration of this alternative.

I protest that. It is a stifling of the rights of any Member of this House and should not be tolerated.

DEMOCRATIC PARTY DOES NOT IDENTIFY WITH VAST MAJORITY OF AMERICAN PEOPLE

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, you have really done it this time. All this session the issues have been confused and the American people could not tell exactly what the difference was between national Democrat philosophy and their own ideals and aspirations.

But this time with the Democrat budget, this budget, with its extraordinarily high rates of spending, its incredibly high taxes, its cuts in defense below the level of President Carter's own recommendations, and even an extraordinarily high deficit, this time you have left no doubt that the leadership of the Democratic Party does not identify with the vast majority of the American people.

□ 1245

You and the leadership of the Democrat Party have totally caved in to the far left fringe of the party, and the moderates and conservatives of the Democrat Party should have no choice but to stay in the middle with the American people and join with the Republicans and reject the travesty that your radical members have imposed on them.

Mr. Speaker, the American people owe you their thanks for telling them who is really in control of Democrat leadership.

REBUILDING THE ROAD TO OPPORTUNITY

(Mr. MORRISON of Washington asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. MORRISON of Washington. Mr. Speaker, I urge you to listen to the following quotes:

Controlling inflation is essential to creating an economic environment to encourage investment . . .

We reject any economic program that projects annual federal budget deficits of $100 billion or more well into the foreseeable future . . .

We must be willing to say no to particular interests in order to bring overall spending under control . . .

We do not believe that the federal government should continue to spend an ever-increasing percentage of the nation's wealth . . .

We need to limit spending and to set tax rates in order to generate a balanced budget . . .

We need to revamp our tax laws to encourage . . . saving and to do it in a way that apportions fairly the tax burden among our people . . .

Sound like excerpts from the Republican economic program? Yes! But they are not! They are quotes from "Rebuilding the Road to Opportunity"—another Democratic Caucus production sponsored by our distinguished Speaker and featuring O'NEILL's robots.

Which caucus production are we to take as the Democratic Party's economic program, the one that talks about balanced budgets and fair tax laws . . . or the one that increases Federal spending and creates an unfair tax burden on the working people of this country?

Mr. Speaker, you cannot have it both ways. There is a gaping hole in your platform, and this budget should fall right through it.

BUDGET COMMITTEE RECOMMENDS ENORMOUS INCREASE IN SPENDING

(Mr. BROWN of Colorado asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Colorado. Mr. Speaker, the estimate of the budget deficit this year is over $200 billion. How does the Budget Committee suggest dealing with that problem? The recommendation is an enormous increase in spending of over $60 billion.

Is there anyone in this House that truly believes that a huge increase in spending is the way to solve that crushing burden?

The real truth is that if we are to resolve the problems America faces, we have to face up to them, not hide from them, the way this budget does.

AN EASTER PRESENT FOR THE AMERICAN PEOPLE

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, the liberal Democratic leadership has developed an Easter present for the American people, a budget that has in it a $3,550 per family tax increase over the next few years.

I think that every Democratic Member who plans to vote for that budget should ask themselves, "What will I say starting this weekend as I am home for the district work session, when my working families come up and say, 'Well, why did you vote for a $3,550 tax increase for my family?' "

The question is simple. Who should get to spend that $3,550, the Government in Washington or the working family back home that earned it?

This budget is a $3,550 question and those who vote yes will be voting to raise taxes on their working families by $3,550.

DAVID BRINKLEY COMMENTS

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. WALKER. Mr. Speaker, David Brinkley, the news commentator, has given us some ideas as to what he thinks about the Democratic budget that this House will be considering in the next few days. I would like to quote from David Brinkley:

This week the Democrats in control of the House Budget Committee met to vote on their policies on future taxing and spending. And they made it into a down home, old timey, 1950's style Democratic fish fry on the levee. Voting for what they always wanted—higher taxes on higher incomes and more spending for government pay increases, social welfare and so on, and promises of more and bigger in the future. They haven't had a drink of that sweet, fortified wine in about 2 years—not since Reagan came to town. It's been a long dry spell for them and they loved every drop of it. The Republican Minority on the Committee was voted down on Party lines votes—one time after another. It was all very pleasing but for two inconvenient facts. One is that the government is already $200 billion in the red this year alone. The other is that the American people as taxpayers have begun in wholesale numbers to cheat out of resentment of a tax system they think is unfair, too complicated, wasteful of their money. The so-called underground economy is growing rapidly, people working for cash only, reporting nothing, paying nothing. Internal Revenue figures the loss this year will be more than $100 billion and more next year. Presumably then if taxes are increased, cheating will increase. So, the Democrats had a wonderful time voting for more spending and more taxes, but their next problem will be to force people to pay them.

THE PRESIDENT'S BUDGET DISTORTIONS

(Ms. FERRARO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. FERRARO. Mr. Speaker, I had not intended to address the House this morning, but I was thinking about the President's comments this morning during the course of a press conference in which he threw down his glasses on the table and yelled because he was disgusted with the distortion of facts being presented by the banking industry on the withholding of interest issue. I guess the expression he used was that he was fed up to his kiester.

After sitting here and listening to the comments by my Republican colleague on the Democratic budget, I want to address the issue of distortion. One of our colleagues mentioned that there was a $396 billion spending for social services in our budget. What he fails to mention is that those are not programs for the poor. That is social security and medicare in large portion.

As has the programs for the poor, food stamps is a total of $12 billion; Federal welfare is a total of $6 billion; medicaid is a total of $20 billion; so when he is talking about what we should do, he is saying go after social security and medicare.

When they talk about defense, let me say that the President has asked for $1.8 trillion over the next 5 years. We are giving him $1.6 trillion. As the Washington Post put it, that is hardly unilateral disarmament.

Finally on taxes, let me just say that the Democrats are not raising taxes. They are just not giving a tax cut in this year.

We do not believe in spend-spend, tax-tax, but we also do not believe in spend-spend, borrow-borrow.

My suggestion is that when it comes to distortion, we should remember the old song, "We have only just begun."

THE PRESIDENT'S BUDGET STRATEGY

(Mr. FAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO. Mr. Speaker, President Reagan has a clear strategy in this year's budget debate:

Step No. 1, defeat the Budget Committee resolution;

Step No. 2, demand that the House come to terms with his own budget policies.

The President does not want the Members of the House to think too much today and tomorrow about step

No. 2, about his own policies, policies which even his own party refuses to offer. He has only one message for the House: Derail, defeat, destroy.

Since Friday, the President has talked a great deal about the budget. In all his remarks, there was one word the President never used: Deficit.

This is quite a departure for the President. In his first Presidential news conference, the President said:

> It's clear that the massive deficits our government runs is one of the root causes of our profound economic problems.

His record is different than his rhetoric. His budgets for fiscal years 1983 through 1988 total over $1 trillion in deficits—this despite a tax increase of $117 billion in the next 5 years. If I were a conservative and I had become the trillion dollar man of deficits, I, too, would want to change the subject.

THE ONLY ALTERNATIVE BUDGET

(Mr. WATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATKINS. Mr. Speaker, I was back in the cloakroom and I thought it appropriate for me to say a few words. I have only seen one other budget proposed. I think it is pure politics when we criticize the budget that has come out of the Budget Committee. The only other budget I have seen proposed was the President's in February. It had $204 billion in deficits, and had to raise more revenue than the Budget Committee proposal.

It had a standby tax program that was basically misleading the people of this country; but let us not be misled. That standby tax would increase more revenue, as the Washington Post said this morning, than what this particular budget would. I think we should bring the point home that this administration has accumulated more deficits than any and all the Presidents since World War II, from Harry Truman, through seven Presidents including Jimmy Carter.

I think we should let the word go out across this country, yes, we are for reducing the deficit, and this budget reduces the structural deficit.

MAKING IN ORDER AT ANY TIME TODAY OR ANY DAY THEREAFTER CONSIDERATION OF CONFERENCE REPORT AND ANY AMENDMENTS IN DISAGREEMENT ON H.R. 1718, EMERGENCY APPROPRIATIONS, 1983

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that it may be in order at any time today or any day thereafter, section 311 of the Congressional Budget Act to the contrary notwithstanding, to consider the conference report and any amendments in disagreement on the bill (H.R. 1718), making emergency expenditures to meet national needs, and for other purposes.

The SPEAKER pro tempore (Mr. MINISH). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken today after debate has been concluded on all motions to suspend the rules.

DEFENSE PRODUCTION ACT EXTENSION

Mr. LAFALCE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2112) to extend by 6 months the expiration date of the Defense Production Act of 1950.

The Clerk read as follows:

H.R. 2112

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 717(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2166(a)) is amended by striking out "May 31, 1983" and inserting in lieu thereof "September 30, 1983".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New York (Mr. LAFALCE) will be recognized for 20 minutes, and the gentleman from California (Mr. SHUMWAY) will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York (Mr. LAFALCE).

Mr. LAFALCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2112 is a very simple bill and wholly bipartisan. It would extend the Defense Production Act of 1950 for 6 months until September 30. Otherwise, the act will expire March 31, which is during the Easter district work period.

Although we are talking about only a two- or three-word amendment, this legislation is vital to our national security. The Defense Production Act is the basic law designed to keep the United States in a high state of industrial mobilization and readiness for national defense purposes.

The Defense Production Act consists of three titles. Title I contains authority for ordering priority performance of contracts and allocation of materials. Title III contains authorities for financial assistance—loans, loan guarantees, and purchase agreements—for expansion of productive capacity and supply.

Title VII contains miscellaneous provisions, including promotion of participation of small business in defense production, authority for the President to delegate powers and authorities, to make necessary rules and regulations, to obtain necessary information, and to develop a national defense executive reserve. It also contains definitions of terms used in the act, and the authorization of appropriations.

Deputy Defense Secretary Paul Thayer wrote a letter on March 8 to me as chairman of the Subcommittee on Economic Stabilization. I would like to read a brief quote from that letter on the importance of this legislation. I am quoting the following excerpt:

> Since the President, Secretary Weinberger and I have made commitments to keep Defense Production on schedule and within estimated costs, the legislative basis for these commitments must remain intact. In short, a lapse in the DPA, which constitutes the legislative foundation for establishment and enforcement of the title I industrial priorities system, could result in stretchouts in production contracts with accompanying cost growth and delays in achieving operational capabilities under extraordinary circumstances where we are unacceptably dependent upon foreign sources.

This 6-month extension is being proposed by both sides of the aisle to allow Congress sufficient time to consider possible DPA amendments relating to the revitalization of our defense industrial base. These proposals are embodied in H.R. 2057, H.R. 13, H.R. 1411 and H.R. 1412, and include a 5-year extension of the act.

In this regard, I would like to point out. to our colleagues in the Senate that I am well aware of support within the Senate Banking Committee for a 5-year extension of the Defense Production Act.

Under our plans, a multiyear extension is certainly possible after the Subcommittee on Economic Stabilization conducts a series of DPA hearings in April and then proceeds to mark up the legislation. However, it is clear at this point that the House Banking Committee will not entertain any interim extension beyond the 6-month period in this bill.

Therefore, assuming House approval today, we would strongly urge the Senate to approve this legislation without amendment so that there will be no lapse in the authorization of the Defense Production Act. If the Senate

goes beyond a 6-month extension at this time, the inevitable result is that the Defense Production Act will lapse until such time as the legislation which we will consider this summer is enacted into law.

□ 1300

Mr. SHUMWAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 2112, the legislation before us to extend the Defense Production Act through September 30, 1983. This simple 6-month extension was reported by voice vote by the House Banking Economic Stabilization Subcommittee, and enjoys the support of majority and minority members alike.

The 6-month extension provided for by H.R. 2112 will allow the subcommittee to conduct extensive hearings and debate thoroughly some of the broader issues pertaining to the DPA. While there will no doubt be real disagreement as to how or whether the DPA should be substantively amended, there is widespread agreement that it makes little sense for the DPA to be allowed to expire. The legislation before us, then, assures the continuation of the existing authority and powers provided for by the DPA, while at the same time allowing for the full and complete debate necessary before suitable DPA legislation can be considered by the House.

I therefore urge that the rules be suspended and that H.R. 2112 be passed.

Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. PAUL).

Mr. PAUL. I thank the gentleman for yielding this time to me.

Mr. Speaker, I would like to just take a moment or two to explain why I think it is inadvisable to extend the Defense Production Act at this time. I realized that this is a simple extension of 6 months, and I also realize that there is essentially no resistance to this extension, even though I think it is an error to do so.

In 1950, the Defense Production Act was passed. It was passed as emergency-type legislation for the Korean war. And here we are some 30 years later with emergency legislation that we still have on the books, and use all the time for different things. It sits there with potential use for many other things, mostly bad.

I believe the whole notion behind an act like the Defense Production Act is incorrect. I believe it is based on a false and dangerous notion. It is based on the notion that we are politicians, we here in Washington, the politicians and bureaucrats, know how to plan an economy, and that is just not true. If you need an efficient economy in time of war, you want your most efficient method of running an economy, and that is a free economy. So the argument that this type of legislation is used only in time of war does not hold any water at all because if the free economy works rather well under conditions of peace, therefore you should want to use those same ideas in time of war. It is the efficiency of a free economy that you need in time of war; you do not need the inefficiency of the bureaucrats and the politicians in running the economy.

The Defense Production Act, quite frankly, has nothing to do with defense whatsoever. It is a misnomer. It has to do with controlling the economy. It has nothing to do with production other than the fact that if you use the power in the Defense Production Act you will destroy production.

A good example of this is what happened a few years ago. The original synfuels bill came out in 1976 and came through this particular committee. This demonstrates the error in judgment of the politician and the bureaucrat. He is incapable of understanding the marketplace. We had controls on energy prices to an extreme extent up until 1979 and we waited in line for our gasoline. We got rid of the controls on prices and what do we have today? We have great concern expressed in the world today because the consumer in this country might be able to buy gasoline at a decent price again. We have a glut of oil, an overproduction, and a good consumer price on gasoline.

So it goes to prove that our so-called planning and intentions and sincere effort made many years ago along the lines of energy were completely worthless and very, very harmful to the economy.

I see the real danger of the Defense Production Act in that the power given to us here in Washington and to the administration, is that they will use it in time of peace. There have been many proposals on how this power can be used and has been used, but the real harm that is possible has certainly not yet been exerted on our economy, but I think that is what we really should fear.

There is power in this bill that many of you, I am sure, are unaware of. For instance, there is power to suppress strikes. In a free nation, a workingman should have the right to strike, but in section 101(b) the power is given that the administration can suppress a strike in the name of national defense and national security. What is rather ironic is that we can use an act like this to defend freedom which is so oppressive to freedom. There is no way that we can justify this.

Defense really is something that is critical to us and it is very important and we must plan for it. But recently we have sent a good bit of time talking about the number of nuclear bombs that we will have, and we are told that we cannot just have more defense by more nuclear bombs, and by the way, I happen to agree with that. I also happen to believe that signing treaties with Communist nations have no weight either in helping defense or insuring peace.

In the same light, we cannot depend on acts like this for our national defense. Believe me, it has nothing to do with national defense. This has only to do with giving power to government to control our lives. It is the taking away of our economic liberty that is involved here. For this reason, I strongly urge that the House just reject this bill entirely. The Defense Production Act should be repealed. It should expire. It is only sitting there as a potential danger to us because there are many in this House today who are anxiously waiting to use the Defense Production Act in times of peace to control the economy.

Defense depends on our convictions and our practice of the principles of freedom—not on acts like the DPA. This act permits the potential socialization of the entire economy.

We have a rare opportunity today to eliminate one of the most dangerous loaded guns in the hands of the Federal bureaucracy, the Defense Production Act. It is important that we recognize this loaded gun is not part of our defense arsenal to protect the Nation against foreign enemies.

The Defense Production Act is a misguided application of the theory of central economic planning to our free market economy. At the outbreak of a national emergency, it would mobilize the full power of the Federal Government to cripple and control our civilian economy. This loaded gun is pointed at out own heads, cocked and ready to shoot the very free market system that makes the United States most flexible and capable of solving economic and military emergencies.

Does anyone in this House remember the energy crisis of the past 10 years? Where has the energy crisis gone?

Remember the dreaded OPEC cartel that seemed to hold America and the free world hostage just 3 years ago? What happened to it? The elimination of price and production controls, the elimination of the Department of Energy's manipulations in our petroleum markets, cut off OPEC's power at its source. The flexible and adaptable response of the free energy market has solved our emergency in that area.

There is a lesson in the way we solved the energy crisis that this House—and this administration—has not yet learned. The very worst thing we could do in an emergency would be to let something like the Defense Production Act come into play. What might start off as a small emergency could very well end up as a major political and economic mess.

The Federal Emergency Management Agency has been circulating materials to Members of Congress and briefing our staffs about all of the problems that will occur if the Defense Production Act expires. Of course, the biggest problem FEMA sees would be the lapse in its own justification and the probable reduction in force that would follow in fiscal year 1984.

Nevertheless, take a closer look at the list of problems that the supporters of this extension have compiled.

Defense priority ratings would be eliminated. Supposedly the delivery of Government purchases would be slowed down, but nobody has really explained—if the Government is paying a competitive price and often it pays more with cost overruns—why or how that this priority rating system is supposed to speed things up.

Military transportation would no longer be able to conscript civil aviation. Supposedly this will hamper rapid deployment, yet we just authorized last year a major purchase of military aircraft for rapid deployment. Are they telling us that it would not work without a backup civilian bureaucracy?

Military procurement costs are supposed to go up without this extension of the Defense Production Act. Contractors will not submit the lowest bids if they fear they will have to purchase raw materials at a free market price, without the standby authority of DPA to requisition materials. Yet, there is no price control authority in this act—therefore the argument is spurious.

Transportation strikes can be crushed under section 101(b), so the supporters of this extension tell us how essential it is to give the President this power. What does the AFL-CIO have to say about that? Where are the friends of organized labor today? If this were a serious concern, we would find more support for proposals to reform our labor laws so that nationwide strikes would not be possible in the first place.

The machine tool industry would lose the "trigger order program" that is supposed to speed up mobilization time by getting the Government to subsidize in advance the ordering of new machines. The idea behind this program is that rational businessmen would not have excess operating capacity on hand, so if mobilization is needed it will take a year or two to gear up for it. Yet, the one great example FEMA cites for this program is the post-Korean war situation in which only 0.7 percent of the machine tools were declared surplus. Obviously the machine tool industry was smart enough to absorb this subsidy and switch back to civilian work without any trouble. Our machine tool industry in the United States has some problems, but subsidies do not help and Government programs do not stimulate entrepreneurs to discover answers.

The loss of mobilization leadtime is decried, because trained personnel and paperwork between Government and industry might not be ready. This is a silly justification for setting up a system of national economic planning just on paper so that it can be mobilized at the drop of a hat. How many millions of dollars are spent annually on this game of pretending to be prepared? Do the Members of this House remember the fiasco with standby gasoline rationing just 2 years ago? Do you remember how we finally let the crackpot idea die because it became too silly to consider? This Defense Production Act theory of mobilization is exactly the same kind of crackpot idea.

Subsidies to critical materials production would be cut off. My gosh, that would be a terrible tragedy—to specific special interest groups that hunger and thirst after higher profits. The idea is that if we do not subsidize expanded production capacity in certain areas, we might have to stockpile various things. Yet, you will notice that the famous synthetic fuels boondoggle is on the list. Need I say more?

The National Defense Executive Reserve would have to be disbanded. All of that talent in private industry that is supposed to be ready at a moment's notice to swing into action to regulate, control, command, and nationalize whole industries at a single chop would be told to stay home and run their businesses instead. The military officers and civil servants who worry about not being able to take over major corporations because they might lack lieutenants and sergeants would just have to keep their sticky fingers out of the free market in a time of crisis.

If we let the Defense Production Act expire, as we should, the free market might just be able to solve the problems of production and distribution in some future emergency all by itself—like it always has done in times of rapid change in the past, including our own wartime experiences that have been misrepresented in the official histories as triumphs of national will and central direction.

There will not be many opportunities to stand up in favor of economic reality against the fantasy of Big Brother takes our hand in time of trouble. I am voting against the extension of this Defense Production Act today because I believe eliminating this nonsense is in the best interests of genuine preparedness for any future emergency—our strength in the world is the freedom of our economic system. Let our enemies understand that we will not toss our real, robust secret of success into the trash at the moment we might need it the most.

Mr. LAFALCE. Mr. Speaker, I yield 5 minutes to the gentlewoman from Ohio (Ms. OAKAR).

Ms. OAKAR. Mr. Speaker, I thank my chairman for yielding this time to me.

Mr. Speaker, I rise in support of an extension of the Defense Production Act. There is no greater obligation of Government than to provide for our national security. The Defense Production Act is an acknowledgement that our national security begins with a firm economic base, that our Nation's ability to defend itself is entirely dependent on our industrial might, on the skill of our working men and women. Only if our military is given the means to defend our country during times of crisis and to deter aggression during times of peace can we credibly speak of being "nationally secure." If, on the other hand, our industrial base is unable to arm our fighting force, the bravery of our men and women in uniform will mean little. I rise in support of H.R. 2112.

The bill we are considering will extend the Defense Production Act for only 7 months. This will give the Congress time to consider some of the alarming deficiencies that have developed in our defense industrial base. Economists, defense analysts, and industry have been warning us for years that many of the most strategically vital areas of our national economy are in danger of collapse. Consider the industrial fastener industry. There are no more basic components to our national arsenal than the nuts, bolts, and screws that hold each and every weapon together. It takes 250,000 fasteners, for example, to make a jet airplane. Without those, our Air Force does not fly. What is the state of our industrial fastener industry? It is bad that the United States can meet only 34 percent of the projected national fastener requirements in a prewar mobilization year. Since that report was issued, approximately 40 percent of the 1977 industry capacity level has closed its doors and more closings are imminent.

The alarming state of our fastener industry was brought to the attention of the Commerce Department last year by Defense Secretary Weinberg-

er. In a petition pursuant to section 232 of the Trade Expansion Act of 1962, the Defense Secretary wanted to know whether our country would have an adequate supply of industrial fasteners during a time of national emergency. Last month, the Commerce Department published its findings. You would think that an administration that is asking the American people for an unprecedented buildup of our Defense Department would be sounding the alarm over the imminent collapse of an industry that literally holds our war machine together. That is what you would think—but, actually, the Commerce Department found nothing to be concerned about. "During a mobilization," this year's Commerce Department report concludes, "imports of fasteners would be reliable." The report assumes we would be able to maintain a dotted line of cargo ships spanning the Pacific Ocean from Mexico to Asia bringing us the nuts, bolts, and screws that our own industry would be unable to provide. In fact, the report goes so far as to suggest that "the United States could, if necessary, produce a surplus of steels and could supply friendly countries which manufacture fasteners for us with fastener grade steel if those countries could not procure the steel elsewhere."

Conclusions of this kind, can only mean that this administration has written off an entire industry. It is an understatement to say that we should be alarmed by this kind of thinking. It is a threat to our national security.

For the purposes of this report, the Commerce Department was provided by the Defense Department with a scenario that assumes two things that we have no right to assume: First, that the world political configuration will remain stable during times of global strife; and second, that we will be able to consistently maintain our sea lanes across the Pacific Ocean. While I do not question the steadfastness of our Asian allies or the ability of our Navy, I do submit there is enough room for doubt so that our national security, perhaps our national existence would be seriously jeopardized if the scenario does not play out. The history of our century gives ample precedent to expect the unexpected. When World War II began, for example, Germany and the Soviet Union were allies. Within 2 years they were enemies. When the war ended in 1945, our allies—the Soviet Union—became our enemies. Japan was our enemy when the war began. They became our allies when the war ended. Alliances have a way of changing. We should certainly do nothing to jeopardize our good relations with our Asian allies, but we should not make ourselves even partially dependent on anyone during times of national emergency. That is the whole point of the Defense Production Act—to insure our industrial capability during times when we may have no one to count on but ourselves. History has shown us that our own resources can be plenty, but only if we make adequate arrangements beforehand.

More recent military developments cause us to have serious doubts about the ability of any navy to consistently maintain open sea lanes across an ocean. During the Falkland Islands conflict, Argentina fired four Exocet missiles and sank three ships. The administration that just issued the 232 report is also telling us of the deplorable condition of our defense posture. I would like to believe that our Navy can maintain sea lanes, but what if they cannot do so consistently? What are we to believe? Are we to surrender? Or escalate the conflict?

These are not frivolous questions. They strike at the very heart of our national defense strategy. The fastener industry is not the only defense strategic industry that is in trouble. The machine tool industry just filed a 232 petition with Commerce, pointing out that their industry is also hovering on the brink of failure. In considering these questions of national industrial security, we have but one priority and that is to insure our country has the capacity to arm itself should the time ever come when we have only our resources to count on.

There are means available to protect our defense strategic industries. We can emulate Japan, for example, and provide our machine tool industry with heavy subsidies, import protection, and preferential treatment in the domestic market. Perhaps another approach would be more appropriate. One way would be to make sure our defense procurement policy be adjusted to employ domestic fastener and machine tool sources, to name two vital strategic industries. Such a policy would be entirely consistent with our national security priorities and with all U.S. treaty obligations which are subject to the primacy of national security requirements. One thing is clear, however—we have an obligation that outweighs all others, and that is to insure a defense industrial base that is consistent with our national security needs under a worst-case scenario.

By reauthorizing the Defense Production Act for another 7 months, Congress will be giving itself time to consider these matters of utmost importance to our national defense. I hope we can come up with a policy that responds adequately to our obligation to provide for the national security of this country now and in the future.

Mr. SHUMWAY. Mr. Speaker, I yield 1 minute to the gentleman from Virginia (Mr. PARRIS).

Mr. PARRIS. I thank the gentleman for yielding this time to me.

Mr. Speaker, I just want to rise in support of H.R. 2112 and congratulate the chairman of the subcommittee, the gentleman from New York (Mr. LAFALCE), and the ranking member from California (Mr. SHUMWAY) on this bipartisan effort to extend the existing legislation and to preserve the desirable portions of the DPA and keep it available for utilization in times of conflict.

One of the beneficial effect of this posture legislatively is that there will now be an opportunity for the subcommittee to hold extensive hearings and to perhaps avoid many of the controversial aspects of the legislation as it was reported in the 97th Congress.

I support the bill and hope that my colleagues will help adopt it.

Mr. SHUMWAY. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut (Mr. MCKINNEY).

Mr. MCKINNEY. I thank the gentleman for yielding this time to me.

Mr. Speaker, as past ranking member of this committee, I can simply say that this is a simple extension which I heartily endorse. I think that, as you know, I have spent a great deal of time with the Defense Production Act and I would hope that this would be an almost unanimous vote to continue something that must be kept for our national security. Obviously, I have further designs on the bill, as does the chairman, but we are simply asking now for a 6-month extension.

● Mr. ALBOSTA. Mr. Speaker, the maintenance of an adequate supply of energy resources for our national defense needs is a critical issue. The United States needs to maintain these supplies in order to provide national and economic security for our Nation.

In recent years, the United States has made a concentrated effort to improve our defense readiness needs and enable our Nation to react quickly to an international crisis. Many programs have been initiated to set certain priorities to strengthen our defense industrial base and provide important mobilization techniques, while our energy reserves have been strengthened and crucial steps taken to improve the overall picture, vital links still need to be reinforced.

The extension of the Defense Production Act of 1950 represents an important step in continuing to improve our defense readiness needs and maintain the overall security of our Nation. While I firmly support the extension of this act, I also recognize the need to improve certain areas of our defense mobilization and readiness program in order that our total system is a concrete one.

Energy resources will provide critical materials to our Nation in time of crisis. I strongly urge my colleagues in

the Congress to support H.R. 2112, the Defense Production Act of 1950, as we work to strengthen our total defense readiness needs. This measure will maintain our current viable programs as additional consideration is given to our national defense readiness needs and the security of our Nation.●

● Mr. WORTLEY. Mr. Speaker, I rise in support of the legislation to reauthorize the Defense Production Act for the next 6 months.

By moving expeditiously on the bill now, we will have adequate time to determine what changes, if any, are needed later.

It is crucial that we have a mechanism in place that can be utilized should the United States be placed in a position of having to expand its industrial capacity beyond current civilian needs.

Our national preparedness is too important to be left to chance. I urge all of my colleagues in the House of Representatives to vote aye on this much needed legislation.●

Mr. SHUMWAY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LAFALCE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. LAFALCE) that the House suspend the rules and pass the bill, H.R. 2112.

The question was taken.

Mr. PAUL. Mr. Speaker, I demand a recorded vote.

A recorded vote was refused.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LAFALCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

MASHANTUCKET PEQUOT INDIAN CLAIMS SETTLEMENT ACT

Mr. UDALL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 982) to provide for the settlement of land claims of the Mashantucket Pequot Indian Tribe of Connecticut, and for other purposes, as amended.

The Clerk read as follows:

H.R. 982

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mashantucket Pequot Indian Claims Settlement Act".

CONGRESSIONAL FINDINGS

SEC. 2. The Congress finds that—

(a) there is pending before the United States District Court for the District of Connecticut a civil action entitled Western Pequot Tribe of Indians against Holdridge Enterprises Incorporated, et al., Civil Action Numbered H76-193 (D. Conn.), which involves Indian claims to certain public and private lands within the town of Ledyard, Connecticut;

(b) the pendency of this lawsuit has placed a cloud on the titles to much of the land in the town of Ledyard, including lands not involved in the lawsuit, which has resulted in severe economic hardships for the residents of the town;

(c) the Congress shares with the State of Connecticut and the parties to the lawsuit a desire to remove all clouds on titles resulting from such Indian land claims;

(d) the parties to the lawsuit and others interested in the settlement of Indian land claims within the State of Connecticut have reached an agreement which requires implementing legislation by the Congress of the United States and the Legislature of the State of Connecticut;

(e) the Western Pequot Tribe, as represented as of the time of the passage of this Act by the Mashantucket Pequot Tribal Council, is the sole successor in interest to the aboriginal entity generally known as the Western Pequot Tribe which years ago claimed aboriginal title to certain lands in the State of Connecticut; and

(f) the State of Connecticut is contributing twenty acres of land owned by the State of Connecticut to fulfill this Act. The State of Connecticut has provided special services to the members of the Western Pequot Tribe residing within its borders. The United States has provided few, if any, special services to the Western Pequot Tribe and has denied that it had jurisdiction over or responsibility for said Tribe. In view of the provision of land by the State of Connecticut and the provision of special services by the State of Connecticut without being required to do so by Federal law, it is the intent of Congress that the State of Connecticut not be required to further contribute directly to this claims settlement.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(a) the term "Tribe" means the Mashantucket Pequot Tribe (also known as the Western Pequot Tribe) as identified by chapter 832 of the Connecticut General Statutes and all its predecessors and successors in interest. The Mashantucket Pequot Tribe is represented, as of the date of the enactment of this Act, by the Mashantucket Pequot Tribal Council;

(b) the term "land or natural resources" means any real property or natural resources, or any interest in or right involving any real property or natural resources, including without limitation minerals and mineral rights, timber and timber rights, water and water rights, and hunting and fishing rights;

(c) the term "private settlement lands" means (1) the eight hundred acres, more or less, of privately held land which are identified by a red outline on a map filed with the Secretary of the State of Connecticut in accordance with the agreement referred to in section 2(d) of this Act, and (2) the lands known as the Cedar Swamp which are adjacent to the Mashantucket Pequot Reservation as it exists on the date of the enactment of this Act. Within thirty days of the enactment of this Act, the Secretary of the State of Connecticut shall transmit to the Secretary a certified copy of said map;

(d) the term "settlement lands" means

(1) the lands described in sections 2(a) and 3 of the Act to Implement the Settlement of the Mashantucket Pequot Indian Land Claims as enacted by the State of Connecticut and approved on June 9, 1982, and

(2) the private settlement lands.

(e) the term "Secretary" means the Secretary of the Interior;

(f) the term "transfer" means any transaction involving, or any transaction the purpose of which was to effect, a change in title to or control of any land or natural resources, and any act, event, or circumstance that resulted in a change in title to, possession of, dominion over, or control of land or natural resources, including any sale, grant, lease, allotment, partition, or conveyance, whether pursuant to a treaty, compact or statute of a State or otherwise; and

(g) the term "reservation" means the existing reservation of the Tribe as defined by chapter 824 of the Connecticut General Statutes and any settlement lands taken in trust by the United States for the Tribe.

APPROVAL OF PRIOR TRANSFERS; EXTINGUISHMENT OF ABORIGINAL TITLES AND INDIAN CLAIMS

SEC. 4. (a) Any transfer before the date of enactment of this Act from, by, or on behalf of the Tribe or any of its members of land or natural resources located anywhere within the United States, and any transfer before the date of enactment of this Act from, by, or on behalf of any Indian, Indian nation, or tribe or band of Indians of land or natural resources located anywhere within the town of Ledyard, Connecticut, shall be deemed to have been made in accordance with the Constitution and all laws of the United States, including without limitation the Trade and Intercourse Act of 1790, Act of July 22, 1790 (ch. 33, Sec. 4, 1 Stat. 137, 138), and all amendments thereto and all subsequent reenactments and versions thereof, and Congress hereby does approve and ratify any such transfer effective as of the date of said transfer: *Provided, however,* That nothing in this section shall be construed to affect or eliminate the personal claim of any individual Indian (except for federal common law fraud claim) which is pursued under any law of general applicability that protects non-Indians as well as Indians.

(b) By virtue of the approval and ratification of a transfer of land or natural resources effected by subsection (a), any aboriginal title held by the Tribe or any member of the Tribe, or any other Indian, Indian nation, or tribe or band of Indians, to any land or natural resources the transfer of which was approved and ratified by subsection (a) shall be regarded as extinguished as of the date of such transfer.

(c) By virtue of the approval and ratification of a transfer of land or natural resources effected by this section, or the extinguishment of aboriginal title effected thereby, any claim (including any claim for damages for trespass or for use and occupancy) by, or on behalf of, the Tribe or any member of the Tribe or by any other Indian, Indian nation, or tribe or band of Indians, against the United States, any State or subdivision thereof or any other person which is based on—

(1) any interest in or right involving any land or natural resources the transfer of which was approved and ratified by subsection (a), or

(2) any aboriginal title to land or natural resources the extinguishment of which was effected by subsection (b),

shall be regarded as extinguished as of the date of any such transfer.

(d)(1) This section shall take effect upon the appropriation of $900,000 as authorized under subsection 5(e) of this Act.

(2) The Secretary shall publish notice of such appropriation in the Federal Register when the funds are deposited in the fund established under subsection 5(a) of this Act.

MASHANTUCKET PEQUOT SETTLEMENT FUND

SEC. 5. (a) There is hereby established in the United States Treasury a fund to be known as the Mashantucket Pequot Settlement Fund. This fund shall be held in trust by the Secretary for the benefit of the Tribe and administered in accordance with this Act.

(b)(1) The Secretary is authorized and directed to expend, at the request of the Tribe, the fund together with any and all income accruing to such fund in accordance with this subsection.

(2) Not less than $600,000 of the fund shall be available until January 1, 1985, for the acquisition by the Secretary of private settlement lands. Subsequent to January 1, 1985, the Secretary shall determine whether and to what extent an amount less than $600,000 has been expended to acquire private settlement lands and shall make that amount available to the Tribe to be used in accordance with the economic development plan approved pursuant to subsection 5(b)(3).

(3) The Secretary shall disburse all or part of the fund together with any and all income accruing to such fund excepting the amount reserved in subsection 5(b)(2) according to a plan to promote the economic development of the Tribe. (A) The Tribe shall submit an economic development plan to the Secretary and the Secretary shall approve such plan within sixty days of its submission if he finds that it is reasonably related to the economic development of the Tribe. If the Secretary does not approve such plan, he shall, at the time of his decision, set forth in writing and with particularity, the reasons for his disapproval. (B) The Secretary may not agree to terms which provide for the investment of the fund in a manner not in accordance with section 1 of the Act of June 24, 1938 (52 Stat. 1037), unless the Tribe first submits a specific waiver of liability on the part of the United States for any loss which may result from such an investment. (C) The Tribe may, with the approval of the Secretary, alter the economic development plan subject to the conditions set forth in subsection 5(b)(3)(A).

(4) Under no circumstances shall any part of the fund be distributed to any member of the Tribe unless pursuant to the economic development plan approved by the Secretary under subsection 5(b)(3).

(5) As the fund or any portion thereof is disbursed by the Secretary in accordance with this action, the United States shall have no further trust responsibility to the Tribe or its members with respect to the sums paid, any subsequent expenditures of these sums, or any property other than private settlement lands or services purchased with these sums.

(6) Until the Tribe has submitted and the Secretary has approved the terms of the use of the fund, the Secretary shall fix the terms for the administration of the portion of the fund as to which there is no agreement.

(7) Lands or natural resources acquired under subsection (5)(b) which are located within the settlement lands shall be held in trust by the United States for the benefit of the Tribe.

(8) Land or natural resources acquired under subsection (b) which are located outside of the settlement lands shall be held in fee by the Mashantucket Pequot Tribe, and the United States shall have no further trust responsibility with respect to such land and natural resources. Such lands or natural resources shall not be subject to any restriction against alienation under the laws of the United States.

(9) Notwithstanding the provisions of section 1 of the Act of August 1, 1888 (25 Stat. 357), as amended, and section 1 of the Act of February 26, 1931 (46 Stat. 1421), the Secretary may acquire land or natural resources under this section from the ostensible owner of the land or natural resources only if the Secretary and the ostensible owner of the land or natural resources have agreed upon the identity of the land or natural resources to be sold and upon the purchase price and other terms of sale. Subject to the agreement required by the preceding sentence, the Secretary may institute condemnation proceedings in order to perfect title, satisfactory to the Attorney General, in the United States and condemn interests adverse to the ostensible owner.

(c) For the purpose of subtitle A of the Internal Revenue Code of 1954, any transfer of private settlement lands to which subsection (b) applies shall be deemed to be an involuntary conversion within the meaning of section 1033 of such Code.

(d) The Secretary may not expend on behalf of the Tribe any sums deposited in the fund established pursuant to subsection (a) of this section unless and until he finds that authorized officials of the Tribe have executed appropriate documents relinquishing all claims to the extent provided by sections 4 and 10 of this Act, including stipulations to the final judicial dismissal with prejudice of its claims.

(e) There is authorized to be appropriated $900,000 for the fiscal year beginning October 1, 1983, to be deposited in the fund.

JURISDICTION OVER RESERVATION

SEC. 6. Notwithstanding the provision relating to a special election in section 406 of the Act of April 11, 1968 (25 U.S.C. 1326), the reservation of the Tribe is declared to be Indian country subject to State jurisdiction to the maximum extent provided in title IV of such Act.

LIMITATION OF ACTIONS: FEDERAL COURT JURISDICTION

SEC. 7. (a) Notwithstanding any other provision of law, the constitutionality of this Act may not be drawn into question in any action unless such question has been raised in—

(1) a pleading contained in a complaint filed before the end of the one-hundred-and-eighty-day period beginning on the date of the enactment of this Act, or

(2) an answer contained in a reply to a complaint before the end of such period.

(b) Notwithstanding any other provision of law, exclusive jurisdiction of any action in which the constitutionality of this Act is drawn into question is vested in the United States District Court for the District of Connecticut.

(c) Any action to which subsection (a) applies and which is brought in the court of any State may be removed by the defendant to the United States District Court for the District of Connecticut.

(d) Except as provided in this Act, no provision of this Act shall be construed to constitute a jurisdictional act, to confer jurisdiction to sue, or to grant implied consent to any Indian, Indian nation, or tribe or band of Indians to sue the United States or any of its officers with respect to the claims extinguished by the operation of this Act.

RESTRICTION AGAINST ALIENATION

SEC. 8. (a) Subject to subsection (b), lands within the reservation which are held in trust by the Secretary for the benefit of the Tribe or which are subject to a Federal restraint against alienation at any time after the date of the enactment of this Act shall be subject to the laws of the United States relating to Indian lands, including section 2116 of the Revised Statutes (25 U.S.C. 177).

(b) Notwithstanding subsection (a), the Tribe may lease lands for any term of years to the Mashantucket Pequot Housing Authority, or any successor in interest to such Authority.

EXTENSION OF FEDERAL RECOGNITION AND PRIVILEGES

SEC. 9. (a) Notwithstanding any other provision of law, Federal recognition is extended to the Tribe. Except as otherwise provided in this Act, all laws and regulations of the United States of general application to Indians or Indian nations, tribes or bands of Indians which are not inconsistent with any specific provision of this Act shall be applicable to the Tribe.

(b) The Tribe shall file with the Secretary a copy of its organic governing document and any amendment thereto. Such instrument must be consistent with the terms of this Act and the Act to Implement the Settlement of the Mashantucket Pequot Indian Land Claim as enacted by the State of Connecticut and approved June 9, 1982.

(c) Notwithstanding any other provision of law, the Tribe and members of the Tribe shall be eligible for all Federal services and benefits furnished to federally recognized Indian tribes as of the date of enactment of this Act.

OTHER CLAIMS DISCHARGED BY THIS ACT

SEC. 10. Except as expressly provided herein, this Act shall constitute a general discharge and release of all obligations of the State of Connecticut and all of its political subdivisions, agencies, departments, and all of the officers or employees thereof arising from any treaty or agreement with, or on behalf of the Tribe or the United States as trustee therefor.

INSEPARABILITY

SEC. 11. In the event that any provision of section 4 of this Act is held invalid, it is the intent of Congress that the entire Act be invalidated. In the event that any other section or provision of this Act is held invalid, it is the intent of Congress that the remaining sections of this Act shall continue in full force and effect.

The SPEAKER pro tempore. Is a second demanded?

Mr. McCAIN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

The gentleman from Arizona (Mr. UDALL) will be recognized for 20 minutes and the gentleman from Arizona (Mr. MCCAIN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona (Mr. UDALL).

□ 1315

Mr. UDALL. Mr. Speaker, I yield myself such time as I may require.

GENERAL LEAVE

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in connection with the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, H.R. 982 provides the needed congressional ratification of a settlement of certain land claims of the Mashantucket Pequot Tribe of Connecticut. This settlement was negotiated between the tribe and the State of Connecticut and involves participation by the tribe, the State, the private landowners, and the United States.

The Pequot claims falls within the category of Indian land claims known as Indian nonintercourse claims. Under these claims, it is alleged that Indian lands were conveyed or taken without the consent of the United States in violation of the provisions of the Indian Nonintercourse Act (25 U.S.C. 177). Therefore, it is further alleged, these conveyances are void and the Indian tribes retain title to the lands. The Pequot claims, as with other eastern Indian land claims, have cast a cloud on the title of private landowners which has resulted in extreme economic and social disruptions in affected areas.

Mr. Speaker, the Congress, in recognition of the responsibility of the United States in these cases, has already enacted four laws ratifying similar settlements. Those laws settled the claims of the Penobscot and Passamaquoddy in Maine; the Narragansett in Rhode Island; the Pamunkey in Virginia; and the Miccosukee in Florida.

In considering those bills, the Interior Committee has established certain criteria against which it measures the merits of request for legislative settlements. Those criteria require that: First, the claim be credible; second, the settlement terms be reasonable; third, there be general agreement by the affected party; and fourth, the State and local community make a significant contribution to the settlement.

In the committee's judgment, the Pequot settlement proposal meets all of these criteria.

While there is no certainty that the tribe's claim would be upheld in any final judicial determination, the committee found that the claim has a sound legal foundation.

The settlement terms set out in H.R. 982 are reasonable. The tribe agrees to waive, and the bill extinguishes, its claim to 800 acres in the claim area. In addition, all Indian claims in the claim area are extinguished. In return, the United States agrees to pay the tribe $900,000 for land purchase and economic development purposes; to accept in trust lands held or acquired by the tribe in a defined settlement area; and to extend Federal recognition to the tribe.

There is general agreement to the settlement terms. The tribe, the State acting through the State legislature, and the affected private landowners have agreed to the terms.

Finally, there is significant local contribution. The State has agreed to transfer to the tribe title to the existing State reservation and, further, to convey to the tribe title to 20 acres of State lands. In addition, some of the private landowners have agreed to sell, at fair market value, their lands to the tribe.

In addition, Mr. Speaker, I note that the bill has the strong support of the entire Connecticut congressional delegation.

Mr. Speaker, my committee has not sought to assign any blame for the existence of these land claims. The Indian tribes assert certain legal claims to property under the laws of the United States and have a right to pursue those claims in the judicial system. On the other hand, the non-Indian private landowner acquired their interest in the claimed lands in good faith and are innocent of any wrongdoing.

It may be that the State of Connecticut, in selling the tribal lands in 1855, engaged in an illegal transaction, but there is no wrongdoing on the part of the State today. It also may be that the United States failed to carry out its trust responsibility to the Indians when the lands were conveyed out of Indian ownership.

But it is pointless to now attempt to assign blame. The United States undoubtedly bears some of the responsibility for the wrong done to the tribe and the unfair burden being borne by the innocent landowners. This bill accepts that responsibility and provides congressional ratification to a fair, reasonable settlement.

I urge passage of the bill.

I should say, Mr. Speaker, that having this bill before the House today is in large part due to the great efforts of the gentleman from Connecticut (Mr. GEJDENSON), a member of our committee and a key sponsor of this legislation. We are terribly indebted to him for the hard work he has done in settling this matter in a fair way to meet the needs of all concerned.

Mr. Speaker, I yield such time as he may require to the gentleman from Connecticut (Mr. GEJDENSON).

Mr. GEJDENSON. Mr. Speaker, I thank the chairman of the committee for yielding me this time.

The committee chairman has described the main parts of the legislation. This legislation stems from a settlement that was reached between the State, the homeowners in the area, and the Indian tribe. We had initially a court case that put a cloud over many of the titles in my part of eastern Connecticut. After much negotiation we came up with a settlement that provides the least amount of social disruption.

Under this settlement, no homeowners lose their homes. It is an equitable settlement. It is a settlement that provides for 35-percent State participation, which is a higher percentage than in any other claims to date. It is a settlement that is fair. It provides for the interests of the Indians, it provides for the interests of the local homeowners, and it provides for both State and Federal participation in resolving this dispute.

Mr. Speaker, I would now like to yield to my colleague, the gentleman from Connecticut (Mr. MORRISON), a member of the Committee on the Judiciary, for a brief colloquy.

Mr. MORRISON of Connecticut. Mr. Speaker, I thank the gentleman for yielding.

I would like to engage my good friend and colleague, the gentleman from Connecticut (Mr. GEJDENSON), in a brief colloquy, and I will ask that the gentleman refer to section 7 of the bill, if he would, and please explain the purpose of that section.

Mr. GEJDENSON. Mr. Speaker, the primary purpose of the entire legislation is to effectuate an agreement that, was negotiated, at arms length, between the Mashantucket Pequot Tribe and the State of Connecticut. As part of this settlement the parties are attempting to remove a cloud on the title of certain land in Ledyard, Conn. Section 7 provides that any claims contesting the constitutionality of this settlement—as approved by this bill—must be brought within 180 days.

Mr. MORRISON of Connecticut. Mr. Speaker, I thank the gentleman for his explanation. My concern about this section relates to the truncated nature of the statute of limitations for claims and the provisions mandating venue in one Federal district court. It is my understanding that this provision is modeled after a similiar provision in Public Law 95-395 relating to a

settlement of certain claims in Rhode Island. It may be appropriate to include such clauses in agreements like this one where all of the potential parties have been a party to the negotiations. It would, in my view, be an unfortunate precedent if this approach were applied to other situations. In this regard I would hope that any future legislation containing any similar statute of limitations provisions and venue provisions would be referred either formally or informally to the Committee on the Judiciary.

The Committee on the Judiciary should be consulted as to the workability, wisdom, and constitutionality of such court access rules.

Mr. GEJDENSON. Mr. Speaker, I share the gentleman's concern and also hope that before any future legislation containing similar limitations on the right to bring actions in Federal court will be cooperatively reviewed by the Committee on the Judiciary.

Mr. MORRISON of Connecticut. Mr. Speaker, I thank the gentleman from Connecticut (Mr. GEJDENSON) for his explanation.

Mr. McCAIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Connecticut (Mr. McKINNEY).

Mr. McKINNEY. Mr. Speaker, I would first like to congratulate my friend, the gentleman from Connecticut (Mr. GEJDENSON), for offering this bill and getting it through.

The real question here, Mr. Speaker, is that in fact the U.S. Government many moons ago, as I guess the Indians would say, made a decision which has come down to modern times and has clouded the ability of people in this part of the State of Connecticut to be able to sell their property and to in fact have clear title.

I think it is probably recognized by most Members of this body that there has been an enormous contribution from the State of Connecticut here—35 percent, 20 acres of land, over 200,000 dollars' worth of cash, which is more in fact than has been done in most of our Indian settlement claims. In fact, the minute size of this whole issue makes me laugh somewhat when I think of the problems we have been through with the State of Maine, where it was half of the State, and so on, and so forth.

Mr. Speaker, I am not a member of this committee, and I certainly do not represent the gentleman's district, but what we are really saying here is that the U.S. Government in fact did make a deal or a treaty which now puts modern Americans' titles and home ownership under a cloud. We have gone through this in Cape Cod, Maine, out West, in the Middle West, and in the Southwest, and it is very unfair to turn around to modern-day Americans and say, "You may not sell your house with a clear title" or "you may not do this because of something we did in this Congress so far back that none of us can remember." In fact, it was committed really before the Congress was in session.

Mr. Speaker, I simply say that I am proud of the State of Connecticut, and I congratulate the gentleman from Connecticut (Mr. GEJDENSON) for having worked on this. OMB always has an objection to this type of bill, but I suggest that OMB's objections are not correct. The State has done its part, this Government is in fact responsive, and I would hope that we would have a unanimous vote for this piece of legislation.

Mr. McCAIN. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, this settlement is certainly not a standard for any other settlement that may be made with our Indian tribes. There are hundreds, even thousands of cases brought by our Indian tribes against States, against the Federal Government, and against each other, and I would submit that at this time this settlement is probably a better settlement than is generally the case throughout the West. And, of course, in my State of Arizona we have many, many cases that are pending before the Federal and State courts.

Finally, it has been the policy of this administration to encourage negotiations to relieve the courts of their burden of years and years of litigation, and I believe this settlement will probably go a long way in that direction.

Mr. GEJDENSON. Mr. Speaker, if the gentleman will yield, I join my colleague, the gentleman from Arizona (Mr. McCAIN), in his comments.

Mr. Coldiron, when he testified before our committee, pointed out that each instance has to be assessed on its merits.

Mr. McCAIN. Mr. Speaker, I yield back the balance of my time.

Mr. GEDJENSON. Mr. Speaker, I yield back the balance of my time.

● Mrs. JOHNSON. Mr. Speaker, I rise today to speak on behalf of H.R. 982, the Mashantucket Pequot Indian Claims Settlement Act. As has already been noted in earlier statements, this bill would resolve claims to land and consequential damages that have been raised by the Mashantucket, or Western, Pequot Indians to certain lands within the town of Ledyard, Conn. These claims are based on the failure of the State of Connecticut to obtain the approval of the United States for the transfer of certain lands held in fee simple by the Pequot tribe. This approval was required by the nonintercourse section of the Trade and Intercourse Act which the tribe alleges was applicable to lands held by Indians in the State of Connecticut. As a representative from a district which is subject to a similar claim, I would like to make a few remarks about the nature of these claims and the terms of settlement that are embodied in the legislation that is before us today.

First, it bears special emphasis that, although there are several claims in east coast States based on the applicability of the Nonintercourse Act, these claims are highly individualistic and each must be highly individualistic and each must be assessed on its own terms. Both evidence for the applicability of the act and the terms under which the transfers took place vary considerably from claim to claim and from State to State. Second, the authority of Congress to resolve these claims by ratifying the transfers of land as of the date they occurred and then extinguishing consequential damages has never been determined to a certainty. Taken as a whole, these factors guarantee that any attempt to settle these claims through litigation will be prolonged and the result uncertain. The hardship suffered by those people located in the claims area throughout this drawn-out process is extreme. As a result, the Nonintercourse Act claims are prime candidates for negotiated settlements. And, because the statute in question is a Federal statute and because Congress, under the Constitution, has plenary authority in the field of Indian affairs, the settlement is approximately before the House of Representatives.

Any settlement of a Nonintercourse Act claim should meet the following criteria: First, and perhaps, most important, it should be final. H.R. 982 meets this criterion by requiring the Pequot Tribe to stipulate to a dismissal with prejudice of its claims before any of the moneys to settle claims can be appropriated. Second, no person should be involuntarily dispossessed of his or her land. H.R. 982 meets the criterion in that the lands that have been designated for acquisition have been offered by the State of Connecticut and willing sellers. Third, the contributions to the settlement from the affected State and the Federal Government should fairly reflect the strength of the case for the application of the Nonintercourse Act to the contested land transfers and, assuming for the sake of argument that the Nonintercourse Act did apply to those land transfers, the relative responsibilities of the affected State and the Federal Government.

H.R. 982 meets the criterion by setting the contribution of the Federal Government at $900,000 and the State of Connecticut at in excess of $200,000. The contribution of the State of Connecticut has been valued by combining the value of 20 acres of land, assessed at $50,000, with past services provided by the State of Connecticut to the Mashantucket Pequot Tribe that should have been provided by the United States. The State of

Connecticut is, therefore, making a contribution that amounts to about 22 percent of the Federal contribution. This is similar to the contribution that was credited to the State of Maine when Congress enacted the Maine Indian Claims Settlement Act in 1980.

I would like to address two final points before closing. The question may be raised, is this a Federal responsibility? The answer, most definitely, is that it is. What is in question in these suits is the applicability of an act, enacted by the Congress of the United States, to protect Indian tribes from the dispossession of their lands under fraudulent or coercive terms. The application of this act to an Indian tribe has been held by the first circuit of appeals to create a trust relationship between the tribe and the United States. If, as the Pequot Tribe asserts, the Nonintercourse Act applied to it, the United States violated its trust responsibilities to the tribe in permitting the transfers to take place. It also failed to advise those non-Indians who later purchased the land in good faith that their purchases were not valid. Given the nature of the alleged Federal obligation here, the claim is without question a Federal matter.

Another point turns on the question of whether Congress should extend Federal recognition to the Pequot Tribe in this bill. Recognition of an Indian Tribe by act of Congress is admittedly an unusual procedure but it is essential in the settlement of a claim by Congress. Without this Federal recognition, the United States, the State of Connecticut, and innocent landowners would remain vulnerable to future suits raised by groups purporting to the Pequot Tribe. Whatever the merits of the Federal recognition project administered by the Bureau of Indian Affairs, it should not stand as a bar to the designation by Congress of one of the principal parties to the settlement. Federal recognition is essential to a final settlement of the claims.

Mr. Speaker, in closing I would reiterate that this settlement is fair and reasonable. If Congress rejects it, it could frustrate other attempts to settle these claims that are ongoing in my home State of Connecticut as well as other eastern States. The private landowners, who by all accounts are innocent of wrongdoing, are relying on the action of Congress to remove the cloud to their title and to restore certainty to their lives.

I commend the parties to this settlement for having reached a negotiated resolution and urge my colleagues to join me in supporting H.R. 982, the Mashantucket Pequot Indian Claims Settlement Act.●

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona (Mr. UDALL) that the House suspend the rules and pass the bill, H.R. 982, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. GEJDENSON. Mr. Speaker, I ask unanimous consent that Committee on Interior and Insular Affairs be discharged from further consideration of the Senate bill (S. 366), to settle certain claims of the Mashantucket Pequot Indians a measure similar to the bill just considered, and ask for it immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

Mr. McCAIN. Mr. Speaker, reserving the right to object, and I shall not object, would the gentleman briefly explain what is involved.

Mr. GEJDENSON. If the gentleman will yield, this bill is nearly identical with the bill just passed by the House. There are a few differences in terminology but the intention is the same in both bills. It seems unnecessary to send this measure back to the Senate under these circumstances so I am proposing that we approve the Senate-passed bill and clear the measure for the White House.

Mr. McCAIN. Mr. Speaker, I thank my colleague for this explanation and agree that there are no substantive differences between H.R. 982 and S. 366. Accordingly, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 366

Be enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mashantucket Pequot Indian Claims Settlement Act".

CONGRESSIONAL FINDINGS

SEC. 2. The Congress finds that—

(a) there is pending before the United States District Court for the District of Connecticut a civil action entitled Western Pequot Tribe of Indians against Holdridge Enterprises Incorporated, et al., Civil Action Numbered H76-193 (D. Conn.), which involves Indian claims to certain public and private lands within the town of Ledyard, Connecticut;

(b) the pendency of this lawsuit has placed a cloud on the titles to much of the land in the town of Ledyard, including lands not involved in the lawsuit, which has resulted in severe economic hardships for the residents of the town;

(c) the Congress shares with the State of Connecticut and the parties to the lawsuit a desire to remove all clouds on titles resulting from such Indian land claims;

(d) the parties to the lawsuit and others interested in the settlement of Indian land claims within the State of Connecticut have reached an agreement which requires implementing legislation by the Congress of the United States and the Legislature of the State of Connecticut;

(e) the Western Pequot Tribe, as represented as of the time of the passage of this Act by the Mashantucket Pequot Tribal Council, is the sole successor in interest to the aboriginal entity generally known as the Western Pequot Tribe which years ago claimed aboriginal title to certain lands in the State of Connecticut; and

(f) The State of Connecticut is contributing twenty acres of land owned by the State of Connecticut to fulfill this Act. The State of Connecticut has provided special services to the members of the Western Pequot Tribe residing within its borders. The United States has provided few, if any, special services to the Western Pequot Tribe and has denied that it had jurisdiction over or responsibility for said Tribe. In view of the provision of land by the State of Connecticut and the provision of special services by the State of Connecticut without being required to do so by Federal law, it is the intent of Congress that the State of Connecticut not be required to further contribute directly to this claims settlement.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) The term "Tribe" means the Mashantucket Pequot Tribe (also known as the Western Pequot Tribe) as identified by chapter 832 of the Connecticut General Statutes and all its predecessors and successors in interest. The Mashantucket Pequot Tribe is represented, as of the date of the enactment of this Act, by the Mashantucket Pequot Tribal Council.

(2) The term "land or natural resources" means any real property or natural resources, or any interest in or right involving any real property or natural resources, including without limitation minerals and mineral rights, timber rights, water and water rights, and hunting and fishing rights.

(3) The term "private settlement lands" means—

(A) the eight hundred acres, more or less, of privately held land which are identified by a red outline on a map filed with the Secretary of the State of Connecticut in accordance with the agreement referred to in section 2(d) of this Act, and

(B) the lands known as the Cedar Swamp which are adjacent to the Mashantucket Pequot Reservation as it exists on the date of the enactment of this Act. Within thirty days of the enactment of this Act, the Secretary of the State of Connecticut shall transmit to the Secretary a certified copy of said map.

(4) The term "settlement lands" means—

(A) the lands described in sections 2(a) and 3 of the Act to Implement the Settlement of the Mashantucket Pequot Indian Land Claims as enacted by the State of Connecticut and approved on June 9, 1982, and

(B) the private settlement lands.

(5) The term "Secretary" means the Secretary of the Interior.

(6) The term "transfer" means any transaction involving, or any transaction the purpose of which was to effect, a change in title to or control of any land or natural resources, and any act, event, or circumstance that resulted in a change in title to, possession of, dominion over, or control of land or

natural resources, including any sale, grant, lease, allotment, partition, or conveyance, whether pursuant to a treaty, compact or statute of a State or otherwise.

(7) The term "reservation" means the existing reservation of the Tribe as defined by chapter 824 of the Connecticut General Statutes and any settlement lands taken in trust by the United States for the Tribe.

APPROVAL OF PRIOR TRANSFERS; EXTINGUISHMENT OF ABORIGINAL TITLES AND INDIAN CLAIMS

SEC. 4. (a) Any transfer before the date of enactment of this Act from, by, or on behalf of the Tribe or any of its members of land or natural resources located anywhere within the United States, and any transfer before the date of enactment of this Act from, by, or on behalf of any Indian, Indian nation, or tribe or band of Indians of land or natural resources located anywhere within the town of Ledyard, Connecticut, shall be deemed to have been made in accordance with the Constitution and all laws of the United States, including without limitation the Trade and Intercourse Act of 1790, Act of July 22, 1790 (ch. 33, Sec. 4, 1 Stat. 137, 138), and all amendments thereto and all subsequent reenactments and versions thereof, and Congress hereby does approve and ratify any such transfer effective as of the date of said transfer.

(b) By virtue of the approval and ratification of a transfer of land or natural resources effected by subsection (a), any aboriginal title held by the Tribe or any member of the Tribe, or any other Indian, Indian nation, or tribe or band of Indians, to any land or natural resources the transfer of which was approved and ratified by subsection (a) shall be regarded as extinguished as of the date of such transfer.

(c) By virtue of the approval and ratification of a transfer of land or natural resources effected by this section, or the extinguishment of aboriginal title effected thereby, any claim (including any claim for damages or trespass or for use and occupancy) by, or on behalf of, the Tribe or any member of the Tribe or by any other Indian, Indian nation, or tribe or band of Indians, against the United States, any State or subdivision thereof or any other person which is based on—

(1) any interest in or right involving any land or natural resources the transfer of which was approved and ratified by subsection (a), or

(2) any aboriginal title to land or natural resources the extinguishment of which was effected by subsection (b),

shall be regarded as extinguished as of the date of any such transfer.

(d) Nothing in this section shall be construed to affect or eliminate the personal claim of any individual Indian (except for Federal common law fraud claim) which is pursued under any law of general applicability that protects non-Indians as well as Indians.

(e)(1) This section shall take effect upon the appropriation of $900,000 as authorized under section 5(e) of this Act.

(2) The Secretary shall publish notice of such appropriation in the Federal Register when the funds are deposited in the fund established under section 5(a) of this Act.

MASHANTUCKET PEQUOT SETTLEMENT FUND

SEC. 5. (a) There is hereby established in the United States Treasury an account to be known as the Mashantucket Pequot Settlement Fund (hereinafter referred to in this section as the "Fund"). The Fund shall be held in trust by the Secretary for the benefit of the Tribe and administered in accordance with this Act.

(b)(1) The Secretary is authorized and directed to expend, at the request of the Tribe, the Fund together with any and all income accuring to such Fund in accordance with this subsection.

(2) Not less than $600,000 of the Fund shall be available until January 1, 1985, for the acquisition by the Secretary of private settlement lands. Subsequent to January 1, 1985, the Secretary shall determine whether and to what extent an amount less than $600,000 has been expended to acquire private settlement lands and shall make that amount available to the Tribe to be used in accordance with the economic development plan approved pursuant to paragraph (3).

(3)(A) The Secretary shall disburse all or part of the Fund together with any and all income accruing to such Fund (excepting the amount reserved in paragraph (2)) according to a plan to promote the economic development of the Tribe.

(B) The Tribe shall submit an economic development plan to the Secretary and the Secretary shall approve such plan within sixty days of its submission if he finds that it is reasonably related to the economic development of the Tribe. If the Secretary does not approve such plan, he shall, at the time of his decision, set forth in writing and with particularity, the reasons for his disapproval.

(C) The Secretary may not agree to terms which provide for the investment of the Fund in a manner inconsistent with the first section of the Act of June 24, 1938 (53 Stat. 1037), unless the Tribe first submits a specific waiver of liability on the part of the United States for any loss which may result from such an investment.

(D) The Tribe may, with the approval of the Secretary, alter the economic development plan subject to the conditions set forth in subparagraph (B).

(4) Under no circumstances shall any part of the Fund be distributed to any member of the Tribe unless pursuant to the economic development plan approved by the Secretary under paragraph (3).

(5) As the Fund or any portion thereof is disbursed by the Secretary in accordance with this section, the United States shall have no further trust responsibility to the Tribe or its members with respect to the sums paid, any subsequent expenditures of these sums, or any property other than private settlement lands or services purchased with these sums.

(6) Until the Tribe has submitted and the Secretary has approved the terms of the use of the Fund, the Secretary shall fix the terms for the administration of the portion of the Fund as to which there is no agreement.

(7) Lands or natural resources acquired under this subsection which are located within the settlement lands shall be held in trust by the United States for the benefit of the Tribe.

(8) Land or natural resources acquired under this subsection which are located outside of the settlement lands shall be held in fee by the Mashantucket Pequot Tribe, and the United States shall have no further trust responsibility with respect to such land and natural resources. Such land and natural resources shall not be subject to any restriction against alienation under the laws of the United States.

(9) Notwithstanding the provisions of the first section of the Act of August 1, 1888 (25 Stat. 357, chapter 728), as amended, and the first section of the Act of February 26, 1931 (46 Stat. 1421, chapter 307), the Secretary may acquire land or natural resources under this section from the ostensible owner of the land or natural resources only if the Secretary and the ostensible owner of the land or natural resources have agreed upon the identity of the land or natural resources to be sold and upon the purchase price and other terms of sale. Subject to the agreement required by the preceding sentence, the Secretary may institute condemnation proceedings in order to perfect title, satisfactory to the Attorney General, in the United States and condemn interests adverse to the ostensible owner.

(c) For the purpose of subtitle A of the Internal Revenue Code of 1954, any transfer of private settlement lands to which subsection (b) applies shall be deemed to be an involuntary conversion within the meaning of section 1033 of such Code.

(d) The Secretary may not expend on behalf of the Tribe any sums deposited in the Fund established pursuant to subsection (a) of this section unless and until he finds that authorized officials of the Tribe have executed appropriate documents relinquishing all claims to the extent provided by sections 4 and 10 of this Act, including stipulations to the final judicial dismissal with prejudice of its claims.

(e) There is authorized to be appropriated $900,000 for the fiscal year beginning October 1, 1983, to be deposited in the Fund.

JURISDICTION OVER RESERVATION

SEC. 6. Notwithstanding the provision relating to a special election in section 406 of the Act of April 11, 1968 (82 Stat. 80; 25 U.S.C. 1326), the reservation of the Tribe is declared to be Indian country subject to State jurisdiction to the maximum extent provided in title IV of such Act.

LIMITATION OF ACTIONS; FEDERAL COURT JURISDICTION

SEC. 7. (a) Notwithstanding any other provision of law, the consitutionality of this Act may not be drawn into question in any action unless such question has been raised in—

(1) a pleading contained in a complaint filed before the end of the one-hundred-and-eighty-day period beginning on the date of the enactment of this Act, or

(2) an answer contained in a reply to a complaint before the end of such period.

(b) Notwithstanding any other provision of law, exclusive jurisdiction of any action in which the constitutionality of this Act is drawn into question is vested in the United States District Court for the District of Connecticut.

(c) Any action to which subsection (a) applies and which is brought in the court of any State may be removed by the defendant to the United States District Court for the District of Connecticut.

(d) Except as provided in this Act, no provision of this Act shall be construed to constitute a jurisdictional act, to confer jurisdiction to sue, or grant implied consent to any Indian, Indian nation, or tribe or band of Indians to sue the United States or any of its officers with respect to the claims extinguished by the operation of this Act.

RESTRICTION AGAINST ALIENATION

SEC. 8. (a) Subject to subsection (b), lands within the reservation which are held in trust by the Secretary for the benefit of the Tribe or which are subject to a Federal restraint against alienation at any time after

the date of the enactment of this Act shall be subject to the laws of the United States relating to Indian lands, including section 2116 of the Revised Statutes (25 U.S.C. 177).

(b) Notwithstanding subsection (a), the Tribe may lease lands for any term of years to the Mashantucket Pequot Housing Authority, or any successor in interest to such Authority.

EXTENSION OF FEDERAL RECOGNITION AND PRIVILEGES

SEC. 9. (a) Notwithstanding any other provision of law, Federal recognition is extended to the Tribe. Except as otherwise provided in this Act, all laws and regulations of the United States of general application to Indians or Indian nations, tribes or bands of Indians which are not inconsistent with any specific provision of this Act shall be applicable to the Tribe.

(b) The Tribe shall file with the Secretary a copy of its organic governing document and any amendments thereto. Such instrument must be consistent with the terms of this Act and the Act To Implement the Settlement of the Mashantucket Pequot Indian Land Claim as enacted by the State of Connecticut and approved June 9, 1982.

(c) Notwithstanding any other provision of law, the Tribe and members of the Tribe shall be eligible for all Federal services and benefits furnished to federally recognized Indian tribes as to the date of enactment of this Act.

OTHER CLAIMS DISCHARGED BY THIS ACT

SEC. 10. Except as expressly provided herein, this Act shall constitute a general discharge and release of all obligations of the State of Connecticut and all of its political subdivisions, agencies, departments, and all of the officers or employees thereof arising from any treaty or agreement with, or on behalf of the Tribe or the United States as trustee therefor.

INSEPARABILITY

SEC. 11. In the event that any provision of section 4 of this Act is held invalid, it is the intent of Congress that the entire Act be invalidated. In the event that any other section or provision of this Act is held invalid, it is the intent of Congress that the remaining sections of this Act shall continue in full force and effect.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 982) was laid on the table.

PROVIDING FOR EXPENSES OF INVESTIGATIONS AND STUDIES BY STANDING AND SELECT COMMITTEES

Mr. ANNUNZIO. Mr. Speaker, by direction of the Committee on House Administration, I call up a privileged resolution (H. Res. 127), providing amounts from the contingent fund of the House for expenses of investigations and studies by standing and select committees of the House in the 1st session of the 98th Congress.

The SPEAKER pro tempore (Mr. SEIBERLING). The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. Res. 127

Resolved, That there shall be paid out of the contingent fund of the House in accordance with this primary expense resolution not more than the amount specified in section 2 for investigations and studies by each committee named in such section, including expenses—

(1) in the case of a committee named in section 3, for procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946; and

(2) in the case of a committee named in section 4, for provision of assistance for members of professional staff in obtaining specialized training under section 202(j) of such Act.

SEC. 2. The committees and amounts referred to in the first section are: Select Committee on Aging, $1,367,631; Committee on Agriculture, $1,621,447; Committee on Armed Services, $1,350,500; Committee on Banking, Finance and Urban Affairs, $2,775,917; Select Committee on Children, Youth, and Families, $663,458; Committee on the District of Columbia, $305,286; Committee on Education and Labor, $2,956,929; Committee on Energy and Commerce, $4,484,969; Committee on Foreign Affairs, $2,092,637; Committee on Government Operations, $2,871,996; Committee on House Administration, $977,000; Committee on House Administration—House Information Systems, $7,900,000; Permanent Select Committee on Intelligence, $266,600; Committee on Interior and Insular Affairs, $1,590,718; Committee on the Judiciary, $1,716,750; Committee on Merchant Marine and Fisheries, $1,921,215; Select Committee on Narcotics Abuse and Control, $745,400; Committee on Post Office and Civil Service, $1,346,500; Committee on Public Works and Transportation, $2,190,026; Committee on Rules, $653,000; Committee on Science and Technology, $2,209,200; Committee on Small Business, $874,500; Committee on Standards of Official Conduct, $500,000; Committee on Veterans' Affairs, $587,815; and Committee on Ways and Means, $2,427,000.

SEC. 3. (a) Of the amounts provided for in section 2, each committee named in subsection (b) may use not more than the amount specified in such subsection for consultant services under paragraph (1) of the first section.

(b) The committees and amounts referred to in subsection (a) are: Select Committee on Aging, $5,000; Committee on Agriculture, $20,000; Committee on Armed Services, $40,000; Committee on Banking, Finance and Urban Affairs, $4,000; Select Committee on Children, Youth, and Families, $30,000; Committee on the District of Columbia, $20,000; Committee on Education and Labor, $54,536; Committee on Foreign Affairs, $10,000; Committee on House Administration, $40,000; Committee on House Administration—House Information Systems, $400,000; Permanent Select Committee on Intelligence, $25,000; Committee on Interior and Insular Affairs, $18,000; Committee on the Judiciary, $90,000; Committee on Merchant Marine and Fisheries, $13,174; Select Committee on Narcotics Abuse and Control, $15,000; Committee on Post Office and Civil Service, $100,000; Committee on Public Works and Transportation, $5,000; Committee on Rules, $5,000; Committee on Science and Technology, $10,000; Committee on Standards of Official Conduct, $400,000; Committee on Veterans' Affairs, $20,000; and Committee on Ways and Means, $10,000.

SEC. 4. (a) Of the amounts provided for in section 2, each committee named in subsection (b) may use not more than the amount specified in such subsection for specialized training under paragraph (2) of the first section.

(b) The committee and amounts referred to in subsection (a) are: Select Committee on Aging, $2,000; Committee on Agriculture, $5,000; Committee on Armed Services, $15,000; Committee on Banking, Finance and Urban Affairs, $2,000; Committee on the District of Columbia, $2,500; Committee on Education and Labor, $3,000; Committee on Energy and Commerce, $3,000; Committee on Government Operations, $4,000; Committee on House Administration, $10,000; Committee on House Administration—House Information Systems; $113,000; Committee on Interior and Insular Affairs, $2,000; Committee on the Judiciary, $2,000; Committee on Merchant Marine and Fisheries, $7,150; Committee on Post Office and Civil Service, $15,000; Committee on Public Works and Transportation, $8,000; Committee on Rules, $1,000; Committee on Science and Technology, $14,000; Committee on Small Business, $2,000; Committee on Standards of Official Conduct, $3,000; and Committee on Veterans' Affairs, $2,500.

SEC. 5. The Committee on House Administration—

(1) shall, through House Information Systems, develop, operate, maintain, and improve computer and information services for the House, including direct computer and information systems support for Members, committees, administrative offices, and other governmental entities, and shall conduct necessary investigations and studies of such services;

(2) is authorized to receive reimbursement for services under paragraph (1) and to expend amounts so reimbursed in accordance with policies of the committee; and

(3) is authorized to provide for professional development programs, office and personnel management consultation services, and periodic publication of handbooks, guides, bulletins, and other items necessary for the House.

SEC. 6. Payments under this resolution shall be made on vouchers authorized by the committee involved, signed by the chairman of such committee, and approved by the Committee on House Administration.

SEC. 7. Amounts shall be available under this resolution for investigations and studies carried out during the period beginning at noon on January 3, 1983, and ending immediately before noon on January 3, 1984.

SEC. 8. Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Administration.

Mr. ANNUNZIO (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

The SPEAKER pro tempore. The Clerk will report the committee amendment in the nature of a substitute.

The Clerk read as follows:

Committee amendment in the nature of a substitute: Strike out all after the resolving clause and insert:

That there shall be paid out of the contingent fund of the House in accordance with this primary expense resolution not more than the amount specified in section 2 for investigations and studies by each committee named in such section, including expenses—

(1) in the case of a committee named in section 3, for procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946; and

(2) in the case of a committee named in section 4, for provision of assistance for members of professional staff in obtaining specialized training under section 202(j) of such Act.

SEC. 2. The committees and amounts referred to in the first section are: Select Committee on Aging. $1,316,057; Committee on Agriculture, $1,322,669; Committee on Armed Services, $1,212,273; Committee on Banking, Finance and Urban Affairs, $2,566,411; Select Committee on Children, Youth, and Families, $534,608; Committee on the District of Columbia, $288,432; Committee on Education and Labor, $2,876,713; Committee on Energy and Commerce, $4,255,000; Committee on Foreign Affairs, $2,085,400; Committee on Government Operations, $2,462,601; Committee on House Administration, $977,000; Committee on House Administration—House Information Systems, $7,807,682; Permanent Select Committee on Intelligence, $262,232; Committee on Interior and Insular Affairs, $1,421,522; Committee on the Judiciary, $1,631,179; Committee on Merchant Marine and Fisheries , $1,775,755; Select Committee on Narcotics Abuse and Control, $616,823; Committee on Post Office and Civil Service, $1,219,088; Committee on Public Works and Transportation, $2,009,994; Committee on Rules, $526,857; Committee on Science and Technology, $1,958,456; Committee on Small Business, $874,500; Committee on Standards of Official Conduct, $450,000; Committee on Veterans' Affairs, $449,438; and Committee on Ways and Means, $2,343,133.

SEC. 3. (a) Of the amounts provided for in section 2, each committee named in subsection (b) may use not more than the amount specified in such subsection for consultant services under paragraph (1) of the first section.

(b) The committees and amounts referred to in subsection (a) are: Select Committee on Aging, $5,000; Committee on Agriculture, $20,000; Committee on Armed Services, $40,000; Committee on Banking, Finance and Urban Affairs, $4,000; Select Committee on Children, Youth, and Families, $30,000; Committee on the District of Columbia, $20,000; Committee on Education and Labor, $54,536; Committee on Foreign Affairs, $10,000; Committee on House Administration, $40,000; Committee on House Administration—House Information Systems, $400,000; Permanent Select Committee on Intelligence, $25,000; Committee on the Interior and Insular Affairs, $18,000; Committee on the Judiciary, $90,000; Committee on Merchant Marine and Fisheries, $13,174; Select Committee on Narcotics Abuse and Control, $15,000; Committee on Post Office and Civil Service, $100,000; Committee on Public Works and Transportation, $5,000; Committee on Rules, $5,000; Committee on Science and Technology, $10,000; Committee on Standards of Official Conduct, $400,000; Committee on Veterans' Affairs, $20,000; and Committee on Ways and Means, $10,000.

SEC. 4. (a) Of the amounts provided for in section 2, each committee named in subsection (b) may use not more than the amount specified in such subsection for specialized training under paragraph (2) of the first section.

(b) The committees and amounts referred to in subsection (a) are: Select Committee on Aging, $2,000; Committee on Agriculture, $5,000; Committee on Armed Services, $15,000; Committee on Banking, Finance and Urban Affairs, $2,000; Committee on the District of Columbia, $2,500; Committee on Education and Labor, $3,000; Committee on Energy and Commerce, $3,000; Committee on Government Operations, $4,000; Committee on House Administration, $10,0000; Committee on House Administration—House Information Systems, $113,000; Committee on Interior and Insular Affairs, $2,000; Committee on the Judiciary, $2,000; Committee on Merchant Marine and Fisheries, $7,150; Committee on Post Office and Civil Service, $15,000; Committee on Public Works and Transportation, $8,000; Committee on Rules, $1,000; Committee on Science and Technology, $14,400; Committee on Small Business, $2,000; Committee on Standards of Official Conduct, $3,000; and Committee on Veterans' Affairs, $2,500.

SEC. 5. (a) The Committee on House Administration—

(1) shall, through House Information Systems, develop, operate, maintain, and improve computer and information services for the House, including direct computer and information systems support for Members, committees, administrative offices, and other governmental entities, and shall conduct necessary investigations and studies of such services;

(2) is authorized to receive reimbursement for services under paragraph (1) and to expend amounts so reimbursed in accordance with policies of the committee; and

(3) is authorized to provide for professional development programs, office and personnel management consultation services, and periodic publication of handbooks, guides, bulletins, and other items necessary for the House.

SEC. 6. Payments under this resolution shall be made on vouchers authorized by the committee involved, signed by the chairman of such committee, and approved by the Committee on House Administration.

SEC. 7. Amounts shall be available under this resolution for investigations and studies carried out during the period beginning at noon on January 3, 1983, and ending immediately before noon on January 3, 1984.

SEC. 8. Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Administration.

Mr. ANNUNZIO (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. ANNUNZIO) is recognized for 1 hour.

Mr. ANNUNZIO. Mr. Speaker, I yield 30 minutes, for the purpose of debate only, to the gentleman from California (Mr. BADHAM), and I yield myself 30 minutes.

Mr. Speaker, House Resolution 127 is an original measure incorporating all of the primary expense resolutions which were introduced earlier this year. The Committee on House Administration adopted a motion to report the resolution with an amendment.

The amendment strikes all after the resolving clause and inserts in lieu thereof a substitute text which appears in italic type in the reported resolution.

Mr. Speaker, as chairman of the Accounts Subcommittee, I want to thank all of those who worked so hard to bring this resolution to the floor.

I want to thank the chairman of our committee, Mr. HAWKINS; the ranking minority member of the committee, Mr. FRENZEL; and, the ranking minority member of the subcommittee, Mr. BADHAM.

I also want to thank the other Republicans of the subcommittee, the gentleman from California, Mr. THOMAS, and the gentlelady from Illinois, Mrs. MARTIN, for their energetic participation. They sat hour after hour and asked the hard questions that do not come easy when posed to colleagues.

And, on the Democratic side of the subcommittee, I want to express my deep felt gratitude for the day in and day out support and dedication of Mr. SWIFT, Mr. COYNE, Mr. FOLEY, Ms. OAKAR, Mr. COELHO, Mr. BATES, and Mr. GAYDOS.

I also want to thank all of the committee chairmen, their ranking minority members, and their staffs. They worked long and hard to prepare meaningful budgets in keeping with the guidelines given to them by the Subcommittee on Accounts.

I am proudest of all for the record achieved by our committees during the 97th Congress. Despite severe cuts in their budgets during austere times, only one came to this floor with a supplemental resolution. It was not easy. During the past 2 years, House committees cut staff by a total of 134 employees. That is more than a 10-percent cut in House committee personnel.

In addition to the committee chairmen who testified on behalf of their funding resolutions, the following ranking minority members appeared in full support of their committee budgets: Mr. FRENZEL, Mr. WINN, Mr. HAMMERSCHMIDT, Mr. DICKINSON, Mr. CONABLE, Mr. QUILLEN, Mr. MADIGAN, Mr. WYLIE, Mr. SNYDER, Mr. FISH, Mr. TAYLOR, Mr. HORTON, Mr. BROOMFIELD, Mr. MCDADE, Mr. FORSYTHE, Mr. MCKINNEY, Mr. GILMAN, Mr. MARRIOTT, and Mr. ROBINSON.

Mr. Speaker, this is a tight budget. It accepts reality. We cannot escape our responsibility. Your Committee on House Administration faced the reality of a huge Federal deficit. It was frugal in the sums it approved for committees under House Resolution 127. But, Mr. Speaker, there is a point at which frugality becomes partisan unreality.

I regret very much that we come to you without a full agreement on both sides of the aisle. We began markup with hopes of reaching a bipartisan consensus, and both sides sincerely worked for it. When we parted agreement we were close. We bring to this floor a disagreement that at the end of our markup was only a fraction of 1 percent of the total.

This body should know that every committee presented a sound well-thought-through budget plan for our consideration. Had we given them every cent they requested, I believe they would have used every penny wisely and well.

This floor cannot conduct the studies and investigations that our committees do. It must rely upon their abilities to oversee and to foresee activities within their jurisdictions. When their ability to do so is pinched and strangled, the buck stops here. All on this floor then share the blame.

Those who put us in competition with the Senate do this House and the taxpayer a great injustice. Trying to compare our committees' budgets with those of the other Chamber is like comparing apples and oranges. They have their unique needs, desires and requirements. We have our own uniqueness in those same regards.

In that Republican Chamber, they fought hard and well to hold committee budgets to what they believe is a bare bones 7.5-percent increase. They have reported that this amount provides them only with a sum sufficient to cover last year's across-the-board salary and other personnel benefit changes.

In this Chamber, under House Resolution 127, you will vote less of an increase. The amount of increase approved by House Administration over last year's authorization is 7.3 percent. It is only with the addition of the new Select Committee on Children, Youth, and Families that the bottom line increase becomes 8.64 percent.

If you divide last year's defense budget into the number of minutes there are in a year, you will find that the total House committee budget takes less than 23 minutes' worth of the annual dollars for defense last year. That Department spent more in 1 minute than our Armed Services Committee spends in 1 year of overseeing its activities.

How many in this Chamber know, or remember, that the 5-cent gas tax, enacted during the recent lameduck session, authorized the Committee on House Administration to provide up to $3,000,000 for a study of the Nation's infrastructure by the House Committee on Public Works and Transportation?

That sum is more than the 7.3-percent increase which is now proposed for all House committees who were here last year. That 7.3-percent increase is equal to only $2,903,942, which is less by approximately $100,000 than that one study by one committee which this Chamber included in a bill last year.

Mr. Speaker, House Resolution 127, as amended, provides $42,709,215 for investigations and studies by the standing and select committees who were funded by authorization of this Chamber for 1982, including House Information Systems. In addition, it provides $534,608 for the new Select Committee on Children, Youth, and Families.

The amount approved is $3,152,671 less than the amounts sought by the committees and House Information Systems in their original resolutions.

In arriving at these figures, the Accounts Subcommittee looked at the increases and decreases in individual committee spending over the past several years; their estimates for administrative expenses; their unexpended balances in the previous year; and their plans for oversight and legislative activities.

The committees of the House know better than most that a budget is a dollar ceiling and not an allocation to be spent in full. Most operate frugally hoping to return unspent dollars to the Treasury. When their annual operations end with substantial balances, we should applaud them for it. When they end the year close to their ceiling, we must be concerned, and we are. We watch them like a hawk. Committees should have reserves for contingencies but spend them only when they are contingencies.

Mr. Speaker, the state of the Union for our committees is as follows:

Most report a heavy backlog of work as a result of this Chamber's engagement with budget matters during the last Congress.

All are in a catch-up position for dollar resources. The rate of inflation during the 97th Congress was 11.5 percent. During the first session, we cut their aggregate funding by 10 percent. And, in the second session by a faction of 1 percent. Their aggregate gap in constant dollar resources is therefore down by 21.5 percent as we begin the 98th Congress. We are looking at an additional 5-percent inflation creep projected for 1983. As House committees came to us for funding this year, they had an aggregate working ability of only 73.5 percent in constant dollar resources, as compared to their ability 2 years ago. In other words, they will have at least 26.5 percent less resources than they had at the tail end of the 96th Congress if the 98th Congress does not grant them an increase.

Seven of the committees appealed for funds under House rule XI 5(d). Under the rule, whenever a subcommittee chairman or ranking minority member requests the right to appoint one staff person, they must be given the right to exercise that privilege. The Accounts Subcommittee interceded where it could to reduce these claims but when a 5(d) claim is pressed, the rule must be followed and the cost allowed. Eight majority positions and seventeen minority positions were involved in these claims.

A substantial portion of committee requests is a result of the raised cap on salary ceilings enacted during the 97th Congress. Many of the chairmen reported they will lose top staff to Federal agencies and private industry unless they can grant the new salary ceilings to hold experienced committee employees.

During the austere years of the 97th Congress, a number of committees found ways to stretch dollars by automating and computerizing their operations. This year, more committees are requesting funds to improve the technology of their offices.

The amount approved for House committee activities is 7.30 percent more than authorized last year. With the inclusion of the new Select Committee on Children, Youth, and Families, there is an 8.64-percent increase. No committee will be satisfied with the amount authorized; but, your Committee on House Administration believes they will meet the challenge and they will scrape the barrel of their ingenuity to stay within the budgets imposed by this resolution.

Mr. Speaker, Members who read the committee report on this resolution, will discover a determined and ambitious program of work described by each and every one of the House committees. They promise to produce good value for every dollar budgeted in this resolution. I urge its adoption.

I yield for purposes of debate only.

□ 1330

Mr. BADHAM, Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to take this opportunity to commend my good friend and colleague, the gentleman from Illinois, Representative ANNUNZIO, for his leadership on this Subcommittee on Accounts. This subcommittee I think has pursued the difficult task of evaluating these budgets in a dedicated and responsible manner.

□ 1340

As a result of these efforts, budget requests submitted by the various committees are now thoroughly and

carefully reviewed, something that did not exist in the past, in distinct contrast to the often perfunctory attention given in previous years.

I pledge my continued support to the chairman in his efforts to restrain unnecessary committee spending and to maintain vigorous oversight of committee operations. But, Mr. Speaker, as is printed on an often-quoted headstone from some obscure cemetery somewhere, "Here lies FRANK ANNUNZIO, he done his damndest."

I say that, Mr. Speaker, because try as he would, with the support of the minority members of the committee, the committee chairman and ranking minority members in many cases came in with requests that were outlandish compared to previous years.

In contrast to that, I would like also to commend the distinguished chairman of the full Committee on House Administration, my friend, the gentleman from California (Mr. HAWKINS).

Since assuming this chairmanship in 1981 he has successively submitted budgets which are the model of fiscal restraint. In fact his 1983 request, Mr. Speaker, was remarkably the exact figure as his 1982 request, and that deserves comment and praise.

Unfortunately, Mr. Speaker, I cannot rise in support of House Resolution 127. Despite the fact that all subcommittee members worked long and hard in an effort to approve or amend individual budgets, we ended up with a figure that is just too large to deserve minority or Republican support.

We realize that to some the figure is too high. We realize that some committees had to curb activities last year and were hoping to make up for it this year. But we also realize in good conscience that we cannot go to the public with a significantly increased internal overall budget while we are looking to decrease external operations.

Of course, this amount pales when compared to the overall budget or the national deficit. But it sends a message to the American people that I do not feel comfortable in taking home or delivering to them.

Comment has been made here today that the Senate is 1 to 2 higher than we are in their overall budgets. Mr. Speaker, I think it should be pointed out that they include all of their budget for committee expenses in there and we slip under the rug $31 million for what we refer to as statutory allowances, which are granted even before we even discuss budgets and, therefore, ours, would it have been included, would have increased by another $31 million.

Committee chairmen need to listen to our message. We cannot continue to grow at this rate. Last year's committee funding resolution offered real hope that committee costs were being checked. I was happy to support the modest increase it represented last year.

This year, as we have an inflation rate of about 4 percent, we are asking, through the committee chairmen and ranking minority members, for increases of 16.5 percent over last year's authorizations and the committees came to us asking for 22 percent over expenditures.

Several committees displayed a wanton disregard for the taxpayers' money and in the end I believe we are treated too generously.

The press has asked me about some comments I made in the subcommittee as to why the ranking minority members would always show up supporting these committee budgets. I told them, as I will tell you and my colleagues, Mr. Speaker, that the simple reason remains that if staff cuts were to be made, told the majority to the minority, they would be made out of the minority's hide, and I do not think there is a Member of this Congress or this House of Representatives who would dispute the fact that the minority staffing runs anywhere from 3 to 10 percent depending on the committee. To take that out of their hide would not be too good.

Mr. Speaker, we need to change all of that. We need to change the approach taken by committees in forming their budgets. We as a House need to change the significant increases in requests and the significant increases in authorizations.

We need to send a message to the American people that as we ask them to practice fiscal sanity and restraint, we in the Congress of the United States should do the same.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. BADHAM. I am happy to yield.

Mr. ANNUNZIO. I want to clarify one point. If I was misunderstood I said that the budget that we approved was below the Senate. The Senate authorization is 7.5 percent above last year. We are at 7.3 percent without the Select Committee on Children, Youth, and Families for which this House voted 312 to 69.

As the ranking minority member of our committee, the gentleman knows full well that when the House authorizes it, this is the place where you beat these resolutions, on the floor of the House, not in the Committee on House Administration.

So when I speak about a bare bones budget I am speaking about a budget increase that is below the other body by at least 0.2 percent.

Mr. BADHAM. I stand corrected by the gentleman. What I was pointing out was the fact that we slipped a little $31 million into statutory allowances. The other body does not have that. They throw out the whole cake on the floor and we hide $31 million.

I am not blaming the gentleman for that, certainly.

Mr. ANNUNZIO. As I say, the other body operates in a unique manner to take care of their special problems, like we do. But they do not show the $20 million from which they give each Senator $194,000 for clerical and staff work. That is in addition to whatever their committees get, and in addition to whatever their allowances provide. They get $20 million more that should be included but that is their business.

Mr. BADHAM. I thank the gentleman and indeed I will agree with the gentleman and stipulate that from time to time the other body is difficult to understand.

Mr. Speaker, I reserve the balance of my time.

Mr. ANNUNZIO. Mr. Speaker, I now yield, for purposes of debate only, whatever time he may need to the distinguished chairman of our full committee, the gentleman from California (Mr. HAWKINS).

Mr. HAWKINS. Mr. Speaker, before we debate the resolution, I would like to point out a few facts about how we got here.

The Accounts Subcommittee, under the chairmanship of our distinguished colleague from Illinois, held 7 meetings, heard from 56 witnesses, and spent nearly 17 hours reviewing committee budgets. The subcommittee invested considerable majority and minority staff time in reviewing budget data and analyzing committee requests, and received additional assistance from the Government Accounting Office. In short, the resolution before you reflects the substantial interest and the genuine concern of the members of the subcommittee and the full committee in the entire funding process.

To put the resolution in perspective, I would point out that the resolution provides an 8.6-percent overall increase, which includes funding for the new Select Committee on Children, Youth and Families, the establishment of which was overwhelmingly supported by both Republicans and Democrats (312 to 69). Five percent of the increase reflects cost-of-living adjustments, and the remainder various contingencies.

Another fact of interest is that the difference in the amount proposed by the majority and minority is insignificant compared to the overall cost of operating the legislative branch. You have heard the argument: "If you take care of the pennies, the dollars will take care of themselves." Well, committees are responsible for overseeing the process by which the President will expend nearly $800 billion in the next fiscal year. Prudence would dictate that committees be given all the necessary resources to enable them to monitor and review such an enormous

budget, just as the Accounts Subcommittee has monitored and reviewed these committee budgets.

In short, given the thoughtful deliberation by the subcommittee, and in the context of the operating costs of the legislative branch and the President's overall budget, the subcommittee's recommendations seem modest, balanced, and fair. The resolution actually represents a cut of 7.2 percent from the amounts requested by the committees.

Before I conclude, I would like to thank the members of the subcommittee, both majority and minority, for the many hours which they invested in reviewing committee budgets and in considering this resolution. The subcommittee majority and minority reached the same conclusion as to the need for growth, and differed only by one-half of 1 percent as to the amount. That is very close to a consensus, and I would hope that the vote on the resolution will reflect the compromise nature of the resolution.

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Mr. BADHAM. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, last year the distinguished chairman of the House Administration Subcommittee on Accounts (Mr. ANNUNZIO) brought a funding resolution to the House with the unified report of the whole committee. Republicans, including myself, were pleased to support the 5.6-percent increase in spending covered by that resolution, especially since it followed a freeze the year before.

The Republican minority on the committee places a high value on the bipartisan work of the Accounts Subcommittee. It believes the subcommittee is fortunate to have the leadership of the distinguished gentleman from Illinois (Mr. ANNUNZIO), and credits the restraint on committee spending in the past several years mostly to the diligence and courage of Mr. ANNUNZIO.

We worked on House Resolution 127, the committee funding resolution now before the House, exactly as we worked on last year's resolution. We—both Republicans and Democrats—attempted to apply relatively consistent standards to enormously differing needs. Democrat Members tend to look more at the needs of producing a good legislative work product. Republicans tend to look more at total costs. Nevertheless, we did work together.

Only on the final day of the subcommittee markup did it become apparent that the Republican minority could not support House Resolution 127. That does not mean that we did not try. Nor does it mean that the Democrats did not try to accommodate our requests. Most of all, Chairman ANNUNZIO tried to bring all the new points together.

We came awfully close, but because we judged that the final figures represented too great an increase in cost at a time when our budget deficits scream for frugality, the committee minority, and I personally, must vote "No" on this resolution.

The pressures for increases were extreme. Committee chairmen, after 2 years of relatively close restraint, uniformly believed they needed large increases to perform the work assigned to them. Ranking Republicans, too, believed they needed increases, and, with a few exceptions, supported the requests of their chairman.

Committee leaders were under pressure from subcommittee chairmen and ranking members who were demanding so-called rule 5(d) staff. Committee chairmen acknowledged that right, but insisted, in nearly every case, on financing 5(d) staff from new spending rather than from reductions in previous spending.

The net result was that committees which had been careful in the past, like Armed Services and Agriculture, asked for huge spending increases. Committee that had been profligate in the past, like Energy and Commerce, Post Office and Civil Service, Education and Labor, and Rules, were no less profligate this year.

The overall increases, slightly less than 9 percent of last year's resolution, was simply too high. The Senate made do with less than 8 percent, and the House should have been able to do so, too.

Mr. Speaker, while considering this measure, it is important to remember that these budgets authorize only a portion of a committee's total operating expenses. It is the prevalant but mistaken view that all committee costs are reflected in these budgets. They do not. This budget covers about one-half of all committee operating costs.

Salaries of statutory staff—the 30 employees provided under the rules of the House to each standing committee—are excluded from these budgets. In 1982, these salaries amounted to over $31 million, an 8-percent increase over 1981's statutory salaries. Two committees—Appropriations and Budget—are totally exempt from the budget process. Although both of these committees are accorded statutory staff, neither is capped at the 30-staff ceiling.

In 1982, the statutory staff cost for these two committees was $8.3 million, a 9.1-percent increase from 1981. Over $31 million was spent on statutory salaries in 1982, an amount virtually equivalent to the total expenditures of committees under the funding resolutions.

This year the cap on high-salaried staff was lifted for the first time in several years. High-salaried staff is carried on the statutory budget. Therefore, statutory staff budget increases will probably exceed last year's 8-percent figure.

Other committee costs—such as stationery—may be charged directly to the contingent fund, rather than be financed by the funding resolutions. In 1982, over $405,000 was spent on these miscellaneous costs.

In sum, the committee system cost almost $66 million in 1982, not the $34 million authorized by last year's resolution.

So when we consider the committee funding resolution, we are considering only a portion of the operating costs of committees. What we see before us today is a partial picture. In fact, the funding resolution figure represents just over half of the total cost.

The full picture of committee spending in 1981 and 1982 may be seen more clearly in the tables which follow:

TABLE 1.—1981

Committee	Committee expenses [1]	Statutory staff salaries	Contingent fund expenses [2]	Total
Aging	$1,156,389	([3])	$10,744	$1,167,133
Agriculture	952,411	$1,143,831.16	15,101	2,111,343
Armed Services	776,012	1,064,858.04	13,300	1,854,170
Banking	2,218,545	789,501.19	6,042	3,014,088
District of Columbia	237,301	1,067,872.96	6,038	1,311,212
Education and Labor	2,289,545	1,243,722.73	14,542	3,547,810
Energy and Commerce	3,719,155	1,216,496.29	106,129	5,041,780
Foreign Affairs	1,769,223	1,190,389.81	17,914	2,977,527
Government Operations	2,097,964	840,096.57	8,018	2,946,079
House Administration	848,007	1,006,562.70	6,887	1,861,448
Intelligence	866,985	([3])	0	866,985
Interior	1,157,918	1,305,178.13	8,929	2,472,025
Judiciary	1,341,106	1,226,447.56	27,535	2,595,088
Merchant Marine	1,493,650	1,207,463.95	24,505	2,725,619
Narcotics	522,356	([3])	0	522,356
Post Office	902,479	1,194,081.62	13,193	2,109,754

TABLE 1.—1981—Continued

Committee	Committee expenses [1]	Statutory staff salaries	Contingent fund expenses [2]	Total
Public Works	1,698,417	1,395,043.50	15,556	3,109,016
Rules	423,905	1,039,186.38	5,184	1,468,275
Science and Technology	1,683,002	1,121,400.24	20,447	2,824,850
Small Business	745,555	928,293.37	7,308	1,681,156
Standards	108,478	299,938.20	678	409,094
Veterans' Affairs	337,013	760,960.67	7,138	1,105,112
Ways and Means	1,956,545	1,296,826.26	21,063	3,274,434
Appropriations	3,163,748	4,490,813.14	14,295	7,668,856
Budget	208,611	3,152,367.84	25,612	3,386,591
Totals	32,674,320	28,981,332.31	396,148	62,051,801

[1] Includes investigative staff salaries.
[2] According to the regulations of the committee on House Administration, only standing committees may charge expenditures for "legislative functions" to the contingent fund; however, this has been interpreted to include the permanent select committees: Aging and Intelligence.
[3] Permanent select and select committees of the House are not authorized to employ "statutory" staff.

TABLE 2.—1982

Committee	Committee expenses [1]	Statutory staff salaries	Contingent fund expenses [2]	Total
Aging	$1,190,867	([3])	$12,490	$1,203,357
Agriculture	992,441	$1,207,138.51	16,712	2,216,292
Armed Services	824,251	1,104,794.74	9,106	1,938,152
Banking	2,225,387	1,034,541.90	9,320	3,269,249
District of Columbia	254,627	1,066,277.15	4,923	1,325,828
Education and Labor	2,357,249	1,220,773.22	17,698	3,595,720
Energy and Commerce	3,965,256	1,419,589.37	112,774	5,497,619
Foreign Affairs	1,887,026	1,369,003.31	16,889	3,272,916
Government Operations	2,113,862	896,385.25	8,485	3,018,733
House Administration	752,400	1,017,829.28	7,790	1,778,019
Intelligence	938,655	([3])	0	938,655
Interior	1,204,318	1,391,312.45	7,210	2,602,841
Judiciary	1,326,027	1,289,016.39	30,702	2,645,745
Merchant Marine	1,506,760	1,230,914.51	27,936	2,765,611
Narcotics	490,282		0	490,282
Post Office	940,960	1,364,670.64	10,708	2,316,339
Public Works	1,766,685	1,454,842.11	15,264	3,236,791
Rules	376,298	1,061,729.30	4,129	1,442,156
Science and Technology	1,690,778	1,219,379.55	26,338	2,936,496
Small Business	802,796	1,028,086.83	14,361	1,845,243
Standards	338,569	451,944.68	2,916	793,429
Veterans' Affairs	352,392	774,772.69	4,330	1,131,495
Ways and Means	2,102,145	1,352,720.02	16,798	3,471,663
Appropriations	3,640,788	4,873,424.16	11,218	8,525,430
Budget	226,515	3,466,868.16	17,110	3,710,493
Total	34,267,334	31,296,014.22	405,207	65,968,555

[1] Includes investigative staff salaries.
[2] According to the regulations of the Committee on House Administration, only standing committees may charge expenditures for "legislative functions" to the contingent fund; however, this has been interpreted to include the permanent select committees: Aging and Intelligence.
[3] Permanent select and select committees of the House are not authorized to employ "statutory" staff.

TABLE 3.—*1981-82 committee cost comparison*

Funding authorization expenses:
1981 32,674,320
1982 34,267,334
4.9 percent increase
Statutory staff salaries:
1981 28,981,332
1982 31,296,013
8.0 percent increase
Contingent fund expenses:
1981 396,148
1982 405,207
2.3 percent increase
Total costs:
1981 62,051,801
1982 65,968,555
6.3 percent increase

Following the experience of the past, it is easy to see that while we will pass a resolution calling for spending of $43 million today, actual spending will be more than $70 million this year. I cannot justify that level of expense.

My personal belief is that if committees were funded on a basis of need alone, and if they could be managed reasonably well, they could be operated at a level below a freeze. If we would give frugality a chance, we could save millions of dollars.

For proper control of costs, rule 5(d), which causes unnecessarily heavy expense, and destroys the ability of chairmen and staff directors to manage staff, should be repealed. Budget and Appropriations Committee expenses, and statutory staff expense, as well as expenses from the contingent fund, should be included in this resolution. Associate staff should be eliminated, and select committees, which have no legislative jurisdiction, terminated.

If all these reforms were to be enacted, not only could we save the taxpayers million of dollars, but we would also have committee staffs which could probably do a better job than they do today. In general, the minority views from the committee report on this resolution, do describe the problems and the potential solutions clearly. Those views follow:

Last year the House Administration minority supported the committee funding resolution. It provided only a 1.77 percent increase over the 1981 authorization, which itself was frozen from 1980. Those two years of frugality led us to believe that committee costs were being controlled.

After two years of admirable restraint, Committee Chairmen returned to the "business-as-usual" budgets with unacceptable spending interests. The blame for excessive spending does not lie with the Subcommittee on Accounts. Much credit should go to Chairman Frank Annunzio and his Subcommittee Members who did their best to resist spending increases, but who were overrun by Chairmen and Committees who believed they must have more and more staff.

Thanks to Chairman Annunzio, committee budgets are now subjected to careful scrutiny. We pledge our continued support to the Chairman in his efforts to restrain unnecessary committee spending.

TABLE A.—BUDGET RESOLUTION APPROVED BY THE COMMITTEE ON HOUSE ADMINISTRATION

Committee	1981 authorization	1982 authorization	1982 expenditures	1983 request	House administration recommendation	Percent increase/ decrease 1982 authorization
Aging	$1,184,840	$1,223,680	$1,190,867	$1,367,631	$1,316,057	+7.5
Agriculture	1,184,840	1,143,122	992,441	1,621,447	1,322,669	+15.7
Armed Services	952,223	918,866	824,251	1,350,500	1,212,273	+32.0
Banking, Finance and Urban Affairs	2,414,919	2,414,919	2,225,387	2,775,917	2,566,411	+6.3
District of Columbia	275,187	265,000	254,627	305,286	288,432	+8.8
Education and Labor	2,565,448	2,630,005	2,357,249	2,956,929	2,876,713	+9.4
Energy and Commerce	3,750,000	3,969,000	3,965,256	4,484,969	4,255,000	+7.2
Foreign Affairs	1,800,119	1,928,424	1,887,026	2,092,637	2,085,400	+8.1
Government Operations	2,229,402	2,230,000	2,113,862	2,871,996	2,462,601	+10.4
House Administration	1,219,000	977,000	752,400	977,000	977,000	0
Intelligence (Permanent Select)	938,700	938,700	938,655	266,600	262,232	[1] −72.1
Interior and Insular Affairs	1,219,615	1,249,615	1,204,318	1,590,718	1,421,522	+13.8
Judiciary	1,350,410	1,452,336	1,326,027	1,716,750	1,631,179	+12.3
Merchant Marine and Fisheries	1,581,241	1,609,104	1,506,760	1,921,215	1,775,755	+10.4
Post Office and Civil Service	902,500	963,350	940,960	1,346,500	1,219,088	+26.5
Public Works and Transportation	1,806,373	1,840,521	1,766,685	2,190,026	2,009,994	+9.2
Rules	530,738	458,732	376,298	653,000	526,857	+14.8
Science and Technology	1,820,928	1,847,000	1,690,778	2,209,200	1,958,456	+6.0
Small Business	776,000	804,680	802,796	874,500	874,500	+8.7
Standards of Official Conduct	450,000	400,000	338,569	500,000	450,000	+12.5
Veterans' Affairs	352,490	357,494	352,392	587,815	449,438	+25.7
Ways and Means	2,252,000	2,202,000	2,102,145	2,427,000	2,343,133	+6.4
Narcotics Abuse and Control	540,000	540,000	490,282	745,400	616,823	+14.2
Children, Youth and Families	NA	NA	NA	663,458	534,608	[2] NA
House Information Systems	7,509,560	7,441,725	7,396,958	7,900,000	7,807,682	+4.9
Total	39,605,373	39,805,273	37,796,989	46,396,494	43,243,823	8.54

[1] In March 1983 the staff of the Select Committee on Intelligence was switched from "investigative" to "statutory."
[2] The Select Committee on Children, Youth and Families was formed in 1983. If these two panels were omitted from the base aggregate, the percentage would be 9.2 percent.

FUNDING AUTHORIZATION: ONLY HALF THE COST

While considering the aggregate amount in his funding resolution, it is important to remember that this Resolution authorizes only a portion of a committee's total operating expenses. Contrary to popular opinion, all committee costs are not reflected in these budgets.

The largest exclusion is the salaries of "statutory" staff—the 30 employees provided under the Rules of the House to each standing committee. In 1982, these salaries amount to over $31 million which was an 8.0 percent increase over 1981's statutory salaries. We expect increases at least as large in 1983. Two committees—Appropriations and Budget—are totally exempt from the scrutiny of this process and this Resolution. Neither is capped at the statutory staff ceiling of 30. In 1982, the "statutory" staff cost of these two committees was $8.3 million, as 9.1 percent increase from 1981. Other committee costs—such as stationery—may be charged directly to the contingent fund rather than be financed by the funding resolutions. In 1982, over $405,000 was spent on these miscellaneous items.

In sum, the total in this funding Resolution is over half of the total cost of all Committee expenses. In 1982, less than $35 million was spent under this funding Resolution, while over $65 million was spent on total committee costs. That such a sizable amount of committee costs are unaccountable in our funding process is of major concern.

TABLE B.—TOTAL COMMITTEE COSTS: 1982

Committee	Committee expenses [1]	Statutory staff salaries	Contingent fund expenses [2]	Total
Aging	$1,190,867	([3])	$12,490	$1,203,357
Agriculture	992,441	$1,207,138.51	16,712	2,216,292
Armed Services	824,251	1,104,794.74	9,106	1,938,152
Banking	2,225,387	1,034,541.90	9,320	3,269,249
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House Administration	752,400	1,017,829.28	7,790	1,778,019
Intelligence	938,655	([3])	0	938,655
Interior	1,204,318	1,391,312.45	7,210	2,602,841
Judiciary	1,326,027	1,289,016.39	30,702	2,645,745
Merchant Marine	1,506,760	1,230,914.51	27,936	2,765,611
Narcotics	490,282		0	490,282
Post Office	940,960	1,364,670.64	10,708	2,316,339
Public Works	1,766,685	1,454,842.11	15,264	3,236,791
Rules	376,298	1,061,729.30	4,129	1,442,156
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Small Business	802,796	1,028,086.83	14,361	1,845,243
Standards	338,569	451,944.68	2,916	793,429
Veterans' Affairs	352,392	774,772.69	4,330	1,131,495
Ways and Means	2,102,145	1,352,720.02	16,798	3,471,663
Appropriations	3,640,788	4,873,424.16	11,218	8,525,430
Budget	226,515	3,466,868.16	17,110	3,710,498
Total	34,267,334	31,296,014.22	405,207	65,968,555

[1] Includes Investigative Staff salaries.
[2] According to the regulations of the Committee on House Administration, only standing committees may charge expenditures for "legislative functions" to the contingent fund; however, this has been interpreted to include the permanent select committees: Aging and Intelligence.
[3] Permanent Select and Select Committees of the House are not authorized to employ "statutory" staff.

MINORITY ALLOCATION

We have long advocated that the minority should receive, on request, one-third of the funds allocated for staff salaries. Although a one-third standard applies to statutory staff, no such guidelines apply to the investigative staff hired pursuant to this funding Resolution. Combining statutory and investigative staff reveals that the total minority staff is less than 20 percent.

During the Subcommittee on Accounts hearings, several committees presented budgets which reflected wide disparity in investigative staff ratios. One the Committee on Energy and Commerce, only 10 of 110 investigative staff were allocated to the minority; on Foreign Affairs, only 4 of 52; on Judiciary, 2 of 40. Sometimes the Minority does not need its one-third, but in most instances, it is not that the minority allotment is too small—rather that the majority numbers of personnel are indefensibly large.

There are three which have pursued a policy of equitably distributing staff resources—Aging, Agriculture, and Public Works and Transportation. In our view, they serve as a model against which other committees should be judged.

TABLE C.—COMMITTEE STAFFING: MAJORITY/MINORITY RATIOS [1]

Committee	Statutory [2]		Investigative		Total				Overall percentage		
	Majority	Minority	Majority	Minority	Majority	Minority	Nonpartisan	Total	Majority	Minority	Nonpartisan
Aging		([3])	24	12	24	12		36	66.5	33.5	
Agriculture	20	10	20	13	40	23		63	63.5	36.5	
Appropriations: [4]											
Full committee/subcommittee	64	9	[5] 11		110	29		139	79.0	21.0	
Associate committee staff	35	20									
Armed Services [6]								49			100
Banking, Finance and Urban Affairs	20	10	45	10	65	20		85	76.0	24.0	
District of Columbia	21	9	13		34	9		43	79.0	21.0	
Education and Labor	20	9	[7] 61	14	81	23		104	78.0	22.0	
Energy and Commerce	21	8	100	10	121	18		139	87.0	13.0	
Foreign Affairs	20	10	48	4	68	14		82	83.0	17.0	

TABLE C.—COMMITTEE STAFFING: MAJORITY/MINORITY RATIOS [1]—Continued

Committee	Statutory [2]		Investigative		Total				Overall percentage		
	Majority	Minority	Majority	Minority	Majority	Minority	Nonpartisan	Total	Majority	Minority	Nonpartisan
Government Operations	17	8	49	4	66	12		78	85.0	15.0	
House Administration [8]	26	4	16		42	4		46	91.0	9.0	
Intelligence [9]							21	21			100
Interior and Insular Affairs	20	10	34	7	54	17		71	76.0	24.0	
Judiciary	20	10	47	2	67	12		79	85.0	15.0	
Merchant Marine and Fisheries	20	10	39	7	59	17		76	78.0	22.0	
Narcotics Abuse [10]			10	4	10	4		14	71.0	29.0	
Post Office and Civil Service	18	10	32	4	50	14	2	66	76.0	21.0	
Public Works and Transportation	20	10	35	15	55	25		80	69.0	31.0	
Rules	20	9	14		34	9		43	79.0	21.0	
Science and Technology	20	10	46	3	66	13		79	84.0	16.0	
Standards of Official Conduct [11]							23	23			100
Small Business	20	10	20	6	40	16		56	71.0	29.0	
Veterans' Affairs	17	10	5	1	22	11		33	66.5	33.5	
Ways and Means	20	10	52	8	72	18		90	80.0	20.0	
Children, Youth and Families			8	5	8	5	3	16	50.0	31.0	19
Budget: [12]											
Full committee	63	7			81	10		91	89.0	11.0	
Associate staff	18	3									
Total	540	206	729	129	1,269	335	98	1,702	74.6	19.7	5.7

[1] Unless otherwise indicated, the statistics on staff are derived from budget requests submitted to the Committee on House Administration. Vacancies and new positions are not included.

[2] According to the Rules of the House, each standing committee (except Budget and Appropriations) is allowed up to 30 "statutory" staff; the minority party can request up to ⅓ of the statutory allotment. As to the investigative, the minority in not entitled to any specified fraction.

[3] The Select Committee on Aging is not authorized to employ any "statutory" staff.

[4] Statistics as of December 1982. The Committee on Appropriations is permitted to establish its own staffing levels, and is not restricted by the statutory staff ceiling of 30. The Committee on Appropriations is exempt from the committee funding process.

[5] The personnel detailed to the committee on a reimbursable basis are not reflected in the totals.

[6] The Committee on Armed Services operates with a staff which is not differentiated on majority/minority lines.

[7] The investigative staff totals include the staff for the pension activities of the Subcommittee on Labor-Management Relations.

[8] The staff listing for the Committee on House Administration does not include the 206 personnel of the House Information Systems.

[9] The Permanent Select Committee on Intelligence operates with a non-partisan staff. With the passage of H. Res. 58 on Mar. 1, 1983, the staff designation was switched from "investigative" to "statutory".

[10] The Select Committee on Narcotics is not authorized "statutory" staff.

[11] The Committee on Standards of Official Conduct has a non-partisan staff—all positions are "statutory".

[12] The Committee on Budget, as the Committee on Appropriations, is permitted to establish its own staffing levels, and is not restricted by the statutory staff ceiling of 30. The Committee on Budget is exempt from the committee funding process. Statistics as of December 1982.

Note.—As committee budgets indicate numerous vacancies, significant changes in staff totals may occur during the next few months, with a consequent shift in staff ratios. Furthermore, revisions in committee budget proposals by the Committee on House Administration may have a similar effect.

COMMITTEE REVIEW

Of particular relevance among the twenty-five committee funding resolutions considered by our Committee is the budget submitted by the Committee on House Administration. For the second year, the Committee requested, and was granted, an authorization of $977,000. This represents no increase from last year's authorization. Remarkably, the 1982 expenditures were below the 1979 expenditures. We congratulate Chairman Hawkins for his continued efforts in reducing costs.

Several of the budgets under consideration reflected demands for additional staff and support services—requests we believe should have been further reduced.

Post Office and Civil Service: A 40.9-percent increase over last year's authorization was requested. The Subcommittee on Accounts settled on a budget of $1,219,088 which—at 26.5 percent—is the second highest percentage increase of any House Committee.

Energy and Commerce: For the second time, this Committee's resolution has surpassed the 4 million dollar mark. The $4,244,000 awarded the Committee on Energy and Commerce is excessive and is almost 1.4 million higher than the second largest in this Resolution, that of Education and Labor.

Veterans' Affairs: The $587,815 authorized this Committee represents a 25.7-percent increase over last year's authorization. For the second year this Committee has been granted more than a 20-percent increase and we feel the increase is excessive.

Armed Services: The Subcommittee provided this Committee with the highest percentage increase of any House Committee. The $1,212,273 reflects a 32-percent increase over 1982's authorization.

CONCLUSION

We are dismayed that the committee funding Resolution before the House does not follow last year's pledge of fiscal restraint. By approving an aggregate amount which is 8.64 percent above last year's authorization, we are endorsing further increases to an already bloated budget. We are supporting internal escalation while we are demanding external restraint. Another example of continued growth in the committee system was the addition of the Select Committee on Children, Youth and Families. Although we recognize the value of its potential oversight capabilities, we caution against the development of new panels.

It is apparent that the committee funding process itself is plagued by inadequacies. As currently structured, substantial cost areas are exempt from review. Of particular concern is the exclusion of statutory staff salaries and the operating expense of the Budget and Appropriations Committees.

Additionally, the House continues to retain obsolete distinctions between statutory and investigative staff. More counterproductive is a provision, incorporated in the Rules of the House, which allows chairmen and ranking minority members of subcommittees of standing committees to employ a staff person to assist with committee work. Such personnel, labeled 5(d) after the specific clause authorizing their hire, sustain the independence of subcommittee staff. As a result, subcommittee autonomy is promoted at the expense of full committee authority.

We intend to pursue those changes necessary to ensure that the committee funding process encompass the entire scope of committee expenditures so as to achieve greater accountability.

Mr. Speaker, I want to again commend the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Speaker, I yield 2 minutes, for debate purposes only, to the distinguished chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. I want to thank the chairman personally for yielding me this time and commend him on the outstanding job which he has done, in my opinion.

I rise in support of House Resolution 127, as amended.

Since I became chairman of the Merchant Marine and Fisheries Committee at the beginning of the 97th Congress, our committee's authorizations have been below the authorization for 1980, the year preceding my chairmanship. Also, our actual spending for 1981 and 1982 has been below 1980 expenditures.

I am proud of that record of spending restraint. Even after my committee's budget is approved, I do not consider that a license or directive to go out and spend every last penny. If I can see that the committee's work can be accomplished in a more frugal manner than originally contemplated, I will opt for saving money.

Try as we might, I do not think that our committee can continue its record of holding authorizations and expenditures below the 1980 levels. Therefore, House Resolution 127, as amended, would authorize $1,775,755 for us in 1983. This is about a 10-percent increase over our 1982 authorization. The extra money is needed to expand the committee's computerized systems and to retain our current staff members with fair wages.

I certainly appreciate the support of our ranking minority member, the

gentleman from New Jersey, in devising and defending our budget proposal. Our budgets can truly be characterized as the result of a joint majority/minority cooperative effort.

I urge a yes vote for House Resolution 127, as amended.

□ 1400

Mr. ANNUNZIO. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL. Mr. Speaker, I thank the gentleman for yielding.

I rise in support of the resolution.

Let me just say I am a little disturbed about some of the criticism that has been made against the funding for the committees. We are facing a whole new situation in this Nation where additional responsibilities are being thrust upon the Congress and therefore upon the committees.

I have the honor and privilege of chairing the House Small Business Committee and enormous new responsibilities are being thrust upon that committee.

First of all, we had to, in the last year, carry out the mandates of the last White House Conference on Small Business. That was an additional burden thrust upon the committee.

Second, it is no great secret that this Nation has been caught up in the grips of a severe economic recession/depression. There is no secret but that the economic vicissitudes of this Nation have negatively impacted on small business. Under the present administation the small business bankruptcy rate increased 40 percent over last year. We have to take on the additional responsibility of trying to support and salvage small businesses as they face these extreme economic difficulties. You cannot do that unless you have the personnel.

We have the same situation I think in terms of the Banking Committee, for example, where enormous new pressures are being exerted on that committee, particularly in housing, because of the economic difficulties that we have had over the last 2 years.

Now with respect to my own committee, we deal with disasters on that committee. And Lord knows we have had some, natural disasters and nonphysical disasters. The sheer impact of what transpired in terms of the devaluation of the Mexican peso, the impact that that had on small businesses on the Texas-Mexican border and on the California-Mexican border has been enormous.

We have had to have two field investigations, and in addition to that, all of the members of the Texas delegation and all of the members of the California delegation are saying give us more help. How can we ignore that?

Insofar as California is concerned, I suspect that we will be called on to come to California because of the natural disasters that have occurred. I fully suspect that we will be called to come to California on more than one occasion because of the unprecedented bad weather that they have had in that State and it is our duty and responsibility as public servants to respond to the need of small businesses.

In short what I am saying is, in the last year or two, we have seen a whole new series of complex problems confront this Nation and each one of the committees of the Congress has to meet those new complex problems. The only way it can be done is by giving us the personnel and the money to meet those problems.

I personally want to comment both the chairman and the chairman of the Account Subcommittee for doing an excellent job in showing foresight in helping this Congress to be an effective, problem-solving entity for the people who need us.

Mr. BADHAM. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. DANNEMEYER).

PARLIAMENTARY INQUIRY

Mr. DANNEMEYER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. DANNEMEYER. Mr. Speaker, if the gentleman from California would offer an amendment to reduce spending for these investigative staff for calendar year 1983 to the level that was expended in 1982, some $37.7 million, which would be a reduction of 15 percent, would that amendment now be in order?

The SPEAKER pro tempore. The Chair will advise the gentleman that he did not hear the question. Would the gentleman repeat the question.

Mr. DANNEMEYER. My question, Mr. Speaker, is this: If this Member from California would now offer an amendment to the total in this resolution so that the total rather than spending $43.2 million would be $37.7 million, which would be a 15-percent reduction, what we spent last year, would that amendment now be in order?

The SPEAKER pro tempore. The Chair would rule that the amendment would be in order if the gentleman from Illinois (Mr. ANNUNZIO) would yield to the gentleman from California for that purpose.

Mr. ANNUNZIO. Mr. Speaker, I want to point out that the gentleman from California (Mr. DANNEMEYER) had been recognized for debate purposes only.

Consequently, I would make a point of order against the motion.

The SPEAKER pro tempore. That is correct.

Mr. DANNEMEYER. So the ruling of the Chair is such an amendment would not be in order; is that correct?

The SPEAKER pro tempore. It would not be in order unless the gentleman were recognized for purposes of offering such an amendment.

Mr. DANNEMEYER. And if I understand the gentleman from Illinois, he said that I have only been recognized for the purpose of debate, not for an amendment, therefore that amendment would not be in order; is that right?

Mr. ANNUNZIO. That is right.

Mr. DANNEMEYER. Further parliamentary inquiry, Mr. Speaker.

What if we were successful in defeating the previous question with respect to this issue? If we did, would an amendment to reduce spending consistent with what I stated previously then be in order?

The SPEAKER pro tempore. The Chair would advise the gentleman if the previous question were defeated a germane amendment to the committee amendment would be in order at that time.

Mr. DANNEMEYER. At that time it would be in order.

The SPEAKER pro tempore. That is correct.

Mr. DANNEMEYER. I have a further parliamentary inquiry, Mr. Speaker.

We have a motion to commit which is available at the conclusion of a matter of this type. Is the procedure under which this process is now considered by the floor such that the motion to commit can be used with instructions to reduce spending by a certain amount or is it a motion to recommit without instructions?

The SPEAKER pro tempore. If the committee amendment in the nature of a substitute is agreed to no further direct amendment could be made by a motion to recommit.

Mr. DANNEMEYER. I thank the gentleman.

And these questions and the answers that have been forthcoming illustrate why I am standing in the well right now protesting not only what totals are involved in this process, but the very process itself.

And I will tell the Members why I say that. Four years ago when I came to this House I found on investigation that spending for staff in the House of Representatives was out of control. It was growing at 15 to 20 percent annually for investigative staff. And many of us in this House were concerned about that in 1979 and 1980. We were able to get rollcall votes on one or more of these spending resolutions and we were successful in 1980 of beating several of them.

Well, this bothered our colleagues on the majority side and so what did they do? They said, well, we have to structure a process whereby these persons, these Members who seek to reduce this spending cannot assert

their will and have an opportunity on the floor of the House to vote on the issue.

So, what did they do? Beginning in 1981 they put them all into one lump form so it is up or down. But how did they bring it to the floor? Under a privileged resolution, an amendment in the nature of a substitute, which means that an amendment is not in order to reduce spending by a Member of the House unless the chairman would recognize the Member for that purpose and the chairman, the gentleman from Illinois, said he would not recognize this Member from California for that purpose.

So, where are we?

The House leadership seeks to avoid the responsibility of a rollcall vote on whether or not we would reduce spending to a certain level so they observed, they have finessed, they have so couched the process so that when a vote is taken today on this issue it is just up or down and nobody will be able to offer an alternative as to the level of spending.

□ 1410

This is what is called a politician's way of saying, "Now you see it, now you don't."

We will not in this structure give any Member of this House an opportunity to offer an amendment which would say that we want to limit spending in 1983 to what was spent in 1982.

How anybody in this House can suggest and justify, with a deficit projected at $185 billion in fiscal year 1984, an increase of 15 percent for committee investigative staff over what was spent in 1982 boggles the imagination of almost anyone who cares to dwell upon it.

So for two reasons, the process which precludes the offering of an amendment which would establish a level of spending that should be adopted; namely, a freeze, or what was spent last year, and second, the total itself, we should reject this and give our colleagues on the House Administration Committee a chance to come back with a spending resolution which is not in excess of what we spent last year.

Mr. BADHAM. Mr. Speaker, I yield 5 minutes to the gentlewoman from Illinois (Mrs. MARTIN).

Mrs. MARTIN of Illinois. Mr. Speaker, there are many reasons to vote for or against budgets, whether they be for parts of the executive or parts of the legislative branch.

We have had speakers who say why their committees need this and what good work they will do, and, indeed, from my side of the aisle, we have had speakers saying that with the economy in America in disarray, the House must set an example and, indeed, the House should vote "no" on this resolution because the numbers are too large, the increases are too great. But there are other reasons that one should and, indeed, must vote "no" on this resolution. I regret to bring them up in this House.

Through the years the voice of the people has been heard here. When there were votes on civil rights, this House responded. When the threat of racism threatened to destroy this Nation, this House responded. Indeed, the majority has taken much credit for that. They have, in fact, said that the minority does not care.

When the Speaker made the equal rights amendment (H.J. Res. 1) he said that it is because we care about women in America.

I have no doubt that that is all true; but if one cares about the issue of civil rights, if one wishes to make sure that racism is discontinued, if one wants to say that sexism has no place in America, what better place is there to start than right here?

The old American expression is, "Put your money where your mouth is," and this House could be accused by some of being hypocritical because these committee budgets are both sexist and racist.

Unlike local governments, unlike defense contractors, we cannot even ask the question about who is getting what money, but certain numbers cry for attention.

For salaries under $20,000, 77 percent are paid to women. For salaries over $40,000, 77 percent are paid to men. What could that mean?

Well, it certainly could mean there are outstanding men, but it can and obviously does mean that there is institutional racism and sexism. It is obvious on both counts.

Let us go a step further. Some committees that I did not expect to be very good deserve commendation. I assumed, because of the past and because of the subject matter, committees such as Public Works and Agriculture would be male dominated and, indeed, white dominated, but they fulfill any normal criteria beautifully. That means other committees are doing even worse.

I thought perhaps the tax writing committee, the powerful Ways and Means Committee, would be dominated in the wrong way, but indeed, it is not; but other committees whose chairmen have stood on this floor and talked about equal rights are not practicing it.

I have never had any problem with the majority criticizing the current administration if they think it is in error. I have not even had much of a problem by those who would suggest that only Republicans are holding up the causes of equal rights for minorities or for women; but we have evidence right now that you as the majority are deliberately cutting off the best, the right of competition, all those things that you supported on the floor.

I serve under a distinguished chairman and a distinguished subcommittee chairman who have no control about those other committees, but for every person on that side of the aisle that has sponsored the ERA, for every person who has not, but has said, "I believe in equal rights for women"; for every black who has rightfully said what racism has done wrong for America; for every liberal who has stood and claimed that the rights of others matter, and for every conservative that says, "I do care," you must vote "no." How can you vote for this committee resolution?

I tell you this, there must be one "no" vote to give the message to those chairmen that we will be watching.

Mr. ANNUNZIO. Mr. Chairman, I yield 1 minute to the distinguished chairman of the Committee on Interior and Insular Affairs, the gentleman from Arizona (Mr. UDALL).

Mr. UDALL. Mr. Speaker, I rise in support of House Resolution 127, as reported by the Committee on House Administration to authorize funds for House committees for 1983. With respect to the funding for the Committee on Interior and Insular Affairs, before I ever submitted my budget recommendation to my committee for its consideration, I had cut over $100,000 from the amount requested. The Subcommittee on Accounts has cut an additional $170,000 from our committee budget request. Because this committee's budget as submitted to the House Administration Committee was already pared down at the time of submission, the additional cuts made by the House Administration Committee will mean that some of the committee's planned activities will have to be scaled back somewhat.

I reluctantly accept the cuts imposed by the Subcommittee on Accounts with an admonition to my colleagues on both sides of the aisle regarding funding of congressional committee functions. When crises face this country—be it natural disaster, a nuclear powerplant accident, or a dam failure, an abuse of power in an agency of Government, a threat to our natural resources—the people turn to the Congress as the court of last resort. In carrying out our committee responsibilities there must be fiscal restraint exercised just as there must be throughout all sectors of Government. But, if the legitimate interests of our fellow citizens are to be protected, the Congress must insure that it has the resources to fulfill its legislative and oversight responsibilities to the American people. The people expect and deserve no less from us.

Regarding staffing for our committee, I have successfully reduced the staff from a high in 1979 of 78 staff

members to 72 currently. We intend to maintain our staff level for the 98th Congress in the low seventies probably at 73. Furthermore, we have included funds in our budget to bring the committee into the age of word processing on a limited basis. In the long run we expect to increase the effectiveness and productivity of our staff through the use of this relatively new technology and thereby be able to keep our staff at a stable level.

With increased pressures being placed on this country's natural resources in the future, the Congress must properly consider how and when those resources should be used. The Interior Committee's jurisdiction stretches from the national parks of the East, to the vast public lands of the West and Alaska, to the Federal lands in Hawaii, and to our territories in the Caribbean and the Pacific Ocean. To properly oversee the problems of these areas spread out over many thousands of miles, you simply must get out from behind a desk in Washington, D.C., and go to the field. A substantial budget item for our committee, therefore, is committee travel. We make no apologies for it. It is a necessary and justified expenditure of our tax dollars.

I will tell my colleagues that I will do my best to insure that the taxpayer gets full value from the dollars they invest in the work of the Interior Committee. The budget for the Interior Committee in House Resolution 127 before you today, is responsible, justifiable, and necessary if the committee is to properly meet its responsibilities to the American people. I urge adoption of this resolution.

Mr. ANNUNZIO. Mr. Speaker, I yield such time as he may consume to the chairman of the Committee on Government Operations, the gentleman from Texas (Mr. BROOKS).

Mr. BROOKS. Mr. Speaker, I rise in support of the committee amendment.

For the past 2 years, and now again this year, we have seen an assault on the committee system of the House by certain members of the minority that appears designed to keep the committees from carrying out their full responsibilities.

The job of the House Administration Committee is difficult and often unpleasant. By our House rules, they are expected to sit in judgment on the requirements of the House committees.

As chairman of the Committee on Government Operations, I worked with our subcommittee chairmen and ranking minority member to put together a reasonable request for funds to conduct our studies and investigations.

The Accounts Subcommittee, under the leadership of Chairman FRANK ANNUNZIO, listened to us as they did the other standing committees. They examined all aspects of our budget. Nonetheless, recognizing the heavy pressure all Members feel to reduce Government expenditures, they reduced our proposed authorization by a considerable amount.

We will manage, however, with the amount available as we did last year. We will continue to function and work although there will of necessity be less oversight—fewer investigations of fraud, waste, and abuse in Government.

But now, on top of the reductions made by the House Administration Committee, along came a group of Republicans who want to cripple the Congress. Why have the House Administration Committee review the committee budgets in the future if the Republicans are going to withdraw from the process at the 11th hour for partisan political purposes?

The House Administration Committee deserves the commendation of the House for a job well done. The majority should turn back this attack on the committees, accept our responsibility and get on with our work.

Mr. ANNUNZIO. Mr. Speaker, I yield 1 minute to the distinguished chairman of the Committee on Energy and Commerce, the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, I rise in support of House Resolution 127, which authorizes funds for the committees of the House for 1983.

Mr. Speaker, every year the Committee on House Administration faces one of the most difficult and politically sensitive tasks confronting the Congress—reviewing and recommending funding levels for the operation of the committees of the House. This process provides endless opportunities for those who think it plays well back home to advocate that Congress operate on a shoestring budget.

I have had the opportunity to observe the committee funding process some 28 times. That experience has convinced me that it is impossible for the House Administration Committee to approve any funding levels that will escape demagoguery and criticism. A resolution that deals with funding for the operation of the House is a target that some Members find irresistible. The temptation to trot out tired and superficial rhetoric and blindly champion the cause of fiscal austerity, beginning at home, is too great to pass up.

I will not make a long speech about my belief in the constitutional doctrine of separation of powers and the necessity for an adequate budget to enable the Congress to do the best job possible of representing the American people and to stand proudly as a coequal branch of Government. I will not belabor the point that I—and others—believe that in certain respects the committee resolution does not provide enough funds for investigations and other vital functions. But I will suggest to the Members that this annual round of opportunistic carping demeans this institution and its Members.

The committee resolution does not give the committees everything they asked for. It represents a cut of more than $3 million from the initial requests of the committees—a significant cut, indeed, for those Members who are interested in cuts for the sake of cuts. In at least one case, the 1983 budget approved for a committee is actually lower than the 1980 budget, measured in constant dollars.

The House Administration Committee has done the best job it could under difficult and trying circumstances. It and House Resolution 127 deserve the support of the Members.

Mr. ANNUNZIO. Mr. Speaker, I yield 3 minutes to a distinguished member of our subcommitte, the gentlewoman from Ohio (Ms. OAKAR).

□ 1420

Ms. OAKAR. I thank the chairman for yielding this time to me and I rise in support of this resolution.

I think the chairman and members of the committee attempted to be fair. The chairman, especially, attempted to be extremely frugal, much to the dismay of some of the Members, but I think it is a fair budget.

I would like to address a couple of issues that were discussed on the floor, and I certainly do this with the utmost respect. One of the Members indicated that he had an objection to the fact that there were so many staff people that deal with investigations; these staff members are very important. It is true that the staff on various committees costs thousands of dollars. However, that staff has probably saved the American taxpayers millions of dollars. Where would we be without the investigation staff relative to the EPA, for example? Where would we be with respect to the investigations that were done on the Superfund which comprises billion of dollars to clear up the toxic materials in our country, where some naturally would rather not have investigations of those kinds of issues, but we need the tools to work with, and that particular area especially is where we need the staff.

I also would like to say to my friend from Illinois that I happen to agree with her on the issue related to the matter of pay equity. I think she knows, and other Members know, that I brought up the issue perhaps more than anyone else during the course of our subcommittee hearings. But I also feel one of the areas that shows obvious areas of inequity toward women is the Reagan budget and I will, at another appropriate time during the course of another debate, submit for the record a very, very extraordinary

report entitled, "The Inequality of Sacrifice—The Impact of the Reagan Budget on Women," that was prepared by 20 different groups, all working in the field with respect to the negative impact on women the President's budget and future budget has.

Mrs. MARTIN of Illinois. Will the gentlewoman yield, please?

Ms. OAKAR. In just a second I will be happy to yield.

I just want to make one more point. Some of the Congresswomen including myself are preparing a bill that really relates to the issue that my friend from Illinois and I, within the context of the committee, brought up and that is the issue of pay equity. It seems to me that if we are ever going to get pay equity for women accomplished, we have to address the problem of equal pay for comparable work in a comprehensive way. The value of the work that so many women do, not only in the overall labor force but certainly for Members of Congress and their committees, is not commensurate with the pay. That is really where the crux of the problem is, that secretaries are underpriced in terms of their value, and clerical staff, and those who do legislative work, et cetera. So I hope all people who take exception to the manner in which women are treated will join forces in our efforts to remove this insidious problem. Let us not just talk about the problem, let us do something about it. Cosponsor the legislation when it comes up and really get to the crux of the issue, which is the pay equity issue. You know and I know to condemn every chairperson or minority leader is not fair. Let us deal with the issue comprehensively. I will hope all on the other side of the aisle will come onboard on this issue and not just follow the Reagan role as it relates to the treatment of women.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. ANNUNZIO) has 4 minutes remaining, and the gentleman from California (Mr. BADHAM) has 7 minutes remaining.

Mr. ANNUNZIO. I yield 1 minute to the gentlewoman from Illinois (Mrs. MARTIN), an outstanding member of our subcommittee.

Mrs. MARTIN of Illinois. I thank the ever gallant and gracious subcommittee chairman from Illinois.

I think it is a nice slide, but no homeplate.

Fine. All of us will be happy to look at that future legislation, but today we are talking not about giant legislation but unfairness that exists in this House under the majority. I grant you it takes a ton of courage to vote against committee chairmen, some of whom are good, fine people. But let us not have you go home and say how you are for these giant, big bills when it comes time right now, in this House, with our staffs under your control, and you vote no. Do not talk to me about bills a month from today. Right now, where there is overt, obvious sexism and racism vote no, because that is the vote that counts.

Mr. ANNUNZIO. Mr. Speaker, I reserve the balance of my time.

Mr. BADHAM. Mr. Speaker, I yield 3 minutes to the gentleman from Wyoming (Mr. CHENEY).

Mr. CHENEY. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise on behalf of the Republican Policy Committee to oppose House Resolution 127, the proposed House committee funding resolution.

If this Congress is going to deal adequately with the enormous problems we face in terms of future budget deficits, then it seems to me we have to get our own house in order first. The Republican Policy Committee has adopted a statement which I would ask be included in the RECORD at this point opposing both the substance of the resolution as well as the procedure under which it is currently being considered.

The SPEAKER pro tempore. Without objection, the statement will be included in the RECORD.

The statement follows:

The House Republican Policy Committee opposes H. Res. 127, the proposed House committee funding resolution.

Two years of frugality by majority Democrats, who heeded the call of the American taxpayer for economy and efficiency in government, are being overturned by the House Democratic leadership which has returned to a "business as usual" approach to committee spending.

After promising fiscal restraint, House Democrats are proposing an 8.6% increase in the House committee spending authorization. The soaring increases are even more evident when recommended committee spending authorizations are compared with last year's actual spending levels. The increases measure more than 40% in some instances.

Similarly bloated are statutory staff budgets of House committees. In 1982 those salaries totaled more than $31 million, an 8% increase over basic committee budgets. And a similar jump is expected this year.

Under normal circumstances, it would be possible to offer an amendment to reduce the committee spending levels recommended by the Committee on House Administration. However, in this instance, H. Res. 127 is privileged and a committee backed amendment in the nature of a substitute will be offered, a combination of circumstances which effectively precludes the offering of perfecting amendments or the chance to vote down the previous question. In fact, even a motion to recommit with instructions will be out of order under the procedures to be employed, meaning the most effective recourse available is to vote down H. Res. 127 in the hope that a subsequent committee funding proposal will contain figures at, or near, last year's levels.

The House Republican Policy Committee opposes the House committee funding resolutions as drafted by majority Democrats and calls on House Republicans to do the same.

The SPEAKER pro tempore. The gentleman from California (Mr. BADHAM) has 6 minutes remaining, and the gentleman is recognized.

Mr. BADHAM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise at the end of this debate to cite one example of the kind of thing over which our committee, our distinguished chairman, and the chairman of the subcommittee have no control, and that is the domestic travel budgets of the various committees.

In 1982, last calendar year, we authorized the equivalent of 627 round trip, 2-night stays, cross country: Assume Supersaver fares; per diem, hotel, and food at $100; and telephones, taxis, and miscellaneous expenses; 627 round trip, 2-day trips, not to Dubuque, or Des Moines, or Chicago, but to Los Angeles, clear across the country, 627.

Now, this year, the authorization granted by this committee in response to requests by the committee chairmen, many of whom have come before the House today in support of this expenditure bill, added 295 more for this year. No wonder they would support the resolution. So this year 922 staff, round trip, 2-day trips can be taken to Los Angeles.

That is one thing that should be pointed out in the RECORD: That despite the efforts of our chairman and our distinguished chairman of our subcommittee to engender some restraint in committee spending, we have added 295 trips, to make a total of 922 trips around the United States.

● Mr. MICHEL. Mr. Speaker, since this Congress convened there has been a steady stream of legislation through here increasing spending for everything imaginable. There is more to come. It seems that the recession is a good excuse to rob the Federal Treasury.

This week we will have before us a budget, and I use the term loosely because it is really a Democratic political platform, a budget that calls for massive increases in spending and repeal of what tax relief American taxpayers still have coming to them next year and the years thereafter.

The spending spree engineered in the budget is intolerable and unjustified, but even that does not hold a candle to the resolution we have before us today.

This resolution provides for overall spending increases of 14 percent, not for humanitarian aid or public works jobs or health care, but 14 percent more for the committees of this House.

When you look at some of the committees, the increases between what was actually spent last year and what is authorized this year are not 14 percent, but 40 percent.

The Armed Services Committee will get 47 percent more than it spent in 1982. The Rules Committee will get 40 percent more, the House Administration Committee 30 percent, Post Office and Civil Service 30 percent, Agriculture 33 percent, and Education and Labor 25 percent.

This resolution does not even contain all of the spending. Expenses for statutory staff are not included. If they were the $43 million price tag for our committees would be millions and millions higher.

The growth of committee funding and particularly committee staffing over the last decade has been deplorable. Yet the production from those same committees and their staffs has not increased significantly enough to warrant the increased spending.

Ten years ago, in 1973, total committee staffing was 878. Today, under this resolution, we will have a staff of 1,702. Ten years ago the total price tag for the committees was almost $13 million. Today it is $43 million. Ten years ago the Agriculture Committee was authorized to spend $150,000. This year the authorization is $1.3 million. The Agriculture Committee in the 93d Congress in 1973–74 was assigned 666 pieces of legislation and reported 46 to the floor. In the next Congress, they considered 772 and reported 56; in the next Congress, 785 were considered and 95 reported; in the 96th Congress the committee was assigned only 394 and reported 49. In the last Congress, the committee was assigned 320 bills and reported 37.

That record holds true for most committees.

How do we justify such growth? We do not. We can not. There are not any businesses in my district that are looking forward to 14 to 40 percent increases in operating revenue this year. There are not any businesses in my district that can hire more people and do less work.

The real tragedy is that during the last Congress, while the Nation's attention was focussed on spending excesses around here, we made some real progress in holding down the cost of the Congress. It was a good start. Little did I know that it was also a good finish.

I have no doubt that each committee chairman can come up with logical arguments in favor of increases. But those arguments are borne out of the fact that we have allowed a proliferation of subcommittees and special committees and select committees and task forces and caucuses in this House to such an extent that we are only making more work to make more Members look good.

It has got to stop.

Obviously, we on this side of the aisle have a vested interest here. While you are stacking the committees with more staff, the minority is shortchanged. We have got 38 percent of the Members in this House, but we do not have 38 percent of the staff on the committees. On House Administration we have 9 percent and on Energy and Commerce we have 13 percent. On Banking we have 24 percent. That is democracy in acting for you.

We were criticized for raising our own pay during the lameduck session, and rightly so, and now we will be criticized for feathering our own nest once again, and rightly so.

It is a tragedy that in the name of economic recovery, we are once again spending the taxpayers' money like there was no tomorrow. Fiscal restraint is gone. Fiscal folly is back in.

We do not have the votes to defeat this resolution, and the majority has denied us the opportunity to amend it and bring the costs down or freeze expenditures at last year's level, which is the only responsible course. So on with the show. Bring on the bucks. Spend them before anybody outside Washington has time to realize what is going on around here.●

● Mr. RODINO. Mr. Speaker, I would be remiss if I did not join in expressing thanks to our colleague, FRANK ANNUNZIO, for the fair and conscientious manner in which he again led his subcommittee on accounts in reviewing and recommending funding levels for the operation of the committees of the House. His task is often difficult and unpleasant. Long and arduous hours must be spent in evaluation. Mr. ANNUNZIO's vitally important job, if not entirely thankless, is never fully appreciated.

Mr. ANNUNZIO's recommendations did not have full bipartisan support. Nevertheless, I note that his Republican colleagues on the subcommittee did not hesitate to remark on the restraint he exercised and the dedicated and responsible manner in which he considered diverse views and sought to reach acceptable bipartisan compromises.

Finally, I want to express my appreciation to Chairman ANNUNZIO and his subcommittee for the full and fair hearing they gave me in my appearance before them. The subcommittee and the parent House Administration Committee deserve to be commended for a job well done.●

Mr. BADHAM. Mr. Speaker, I yield back the balance of my time.

Mr. ANNUNZIO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. Speaker, I move the previous question on the committee amendment in the nature of a substitute and on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

MOTION TO RECOMMIT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the resolution?

Mr. FRENZEL. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. FRENZEL moves to recommit the resolution, House Resolution 127, to the Committee on House Adiinistration.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the resolution, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BADHAM. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 262, nays 141, not voting 30, as follows:

[Roll No. 40]

YEAS—262

Ackerman	Clay	Fowler
Addabbo	Clinger	Frank
Akaka	Coelho	Frost
Albosta	Coleman (TX)	Fuqua
Alexander	Collins	Garcia
Anderson	Conyers	Gaydos
Andrews (NC)	Cooper	Gejdenson
Andrews (TX)	Coyne	Gephardt
Annunzio	Crockett	Gibbons
Anthony	D'Amours	Gilman
Applegate	Daschle	Gonzalez
Aspin	Davis	Gore
AuCoin	de la Garza	Gray
Barnard	Dellums	Guarini
Barnes	Derrick	Hall (IN)
Bates	Dicks	Hall (OH)
Bedell	Dingell	Hammerschmidt
Beilenson	Dixon	Hance
Bennett	Donnelly	Harkin
Berman	Dorgan	Harrison
Bevill	Dowdy	Hatcher
Biaggi	Durbin	Hawkins
Boland	Dwyer	Hefner
Boner	Dymally	Heftel
Bonior	Dyson	Hertel
Bonker	Eckart	Hightower
Borski	Edwards (AL)	Horton
Bosco	Edwards (CA)	Howard
Boucher	English	Hoyer
Bouquard	Erdreich	Hubbard
Boxer	Erlenborn	Huckaby
Breaux	Evans (IL)	Hughes
Britt	Fascell	Hutto
Brooks	Fazio	Jenkins
Brown (CA)	Feighan	Jones (NC)
Bryant	Ferraro	Jones (OK)
Burton (CA)	Fish	Jones (TN)
Byron	Flippo	Kaptur
Carney	Florio	Kastenmeier
Carper	Foglietta	Kazen
Carr	Foley	Kennelly
Chappell	Ford (MI)	Kildee
Clarke	Ford (TN)	Kogovsek

Kolter	Nichols	Smith (NE)
Kostmayer	Nowak	Snyder
LaFalce	Oakar	Solarz
Lantos	Oberstar	Spratt
Lehman (CA)	Obey	St Germain
Lehman (FL)	Olin	Staggers
Leland	Ortiz	Stangeland
Levin	Ottinger	Stark
Levine	Owens	Stokes
Levitas	Panetta	Stratton
Lipinski	Patman	Studds
Long (LA)	Patterson	Sundquist
Long (MD)	Pease	Swift
Lowry (WA)	Penny	Synar
Luken	Pepper	Tallon
Lundine	Perkins	Taylor
MacKay	Pickle	Thomas (GA)
Madigan	Price	Torres
Marlenee	Quillen	Torricelli
Martinez	Rahall	Towns
Matsui	Ratchford	Traxler
Mavroules	Ray	Udall
Mazzoli	Reid	Valentine
McCloskey	Richardson	Vento
McCurdy	Rinaldo	Volkmer
McHugh	Rodino	Walgren
McNulty	Roe	Watkins
Mica	Rose	Waxman
Mikulski	Rostenkowski	Weaver
Miller (CA)	Rowland	Weiss
Mineta	Roybal	Wheat
Minish	Russo	Whitley
Mitchell	Sabo	Whitten
Moakley	Scheuer	Williams (MT)
Molinari	Schroeder	Wirth
Mollohan	Schumer	Wise
Montgomery	Seiberling	Wolpe
Moody	Shannon	Wright
Morrison (CT)	Sharp	Wyden
Mrazek	Shelby	Yates
Murphy	Sikorski	Young (AK)
Murtha	Sisisky	Young (MO)
Myers	Skelton	Zablocki
Natcher	Smith (FL)	
Nelson	Smith (IA)	

NAYS—141

Archer	Hamilton	Oxley
Badham	Hansen (ID)	Packard
Bartlett	Hansen (UT)	Parris
Bateman	Hartnett	Paul
Bereuter	Hiler	Petri
Bethune	Hillis	Porter
Bilirakis	Holt	Pritchard
Bliley	Hopkins	Pursell
Brown (CO)	Hunter	Regula
Broyhill	Hyde	Ridge
Burton (IN)	Ireland	Ritter
Campbell	Jacobs	Roberts
Chandler	Johnson	Robinson
Chappie	Kasich	Roemer
Cheney	Kindness	Rogers
Coats	Kramer	Roukema
Coleman (MO)	Lagomarsino	Rudd
Conable	Latta	Sawyer
Conte	Leach	Schneider
Coughlin	Leath	Sensenbrenner
Courter	Lent	Shaw
Crane, Daniel	Lewis (CA)	Shumway
Crane, Philip	Lewis (FL)	Shuster
Daniel	Livingston	Siljander
Dannemeyer	Loeffler	Skeen
Daub	Lott	Slattery
DeWine	Lujan	Smith (NJ)
Dreier	Lungren	Smith, Denny
Duncan	Mack	Smith, Robert
Early	Marriott	Snowe
Emerson	Martin (IL)	Solomon
Evans (IA)	Martin (NY)	Spence
Fiedler	McCain	Stenholm
Fields	McCandless	Stump
Franklin	McCollum	Tauke
Frenzel	McDade	Tauzin
Gekas	McDonald	Thomas (CA)
Gingrich	McEwen	Vander Jagt
Glickman	McGrath	Vucanovich
Goodling	McKernan	Walker
Gradison	McKinney	Weber
Gramm	Michel	Whitehurst
Green	Miller (OH)	Whittaker
Gregg	Moore	Winn
Gunderson	Moorhead	Wolf
Hall, Ralph	Morrison (WA)	Wylie
Hall, Sam	Nielson	Zschau

NOT VOTING—30

Boehlert	Jeffords	Savage
Boggs	Kemp	Schulze
Broomfield	Lowery (CA)	Simon
Corcoran	Markey	Vandergriff
Craig	Martin (NC)	Washington
Dickinson	Neal	Williams (OH)
Downey	O'Brien	Wilson
Edgar	Pashayan	Wortley
Edwards (OK)	Rangel	Yatron
Forsythe	Roth	Young (FL)

□ 1440

So the resolution as amended, was agreed to.

The results of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and entend their remarks on the resolution just agreed to.

The SPEAKER pro tempore (Mr. HIGHTOWER). Is there objection to the request of the gentleman from Illinois?

There was no objection.

PROVIDING FOR CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 91, FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1984

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 144 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 144

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 91) revising the congressional budget for the United States Government for fiscal year 1983 and setting forth the congressional budget for the United States Government for the fiscal years 1984, 1985, and 1986, and the first reading of the resolution shall be dispensed with. All points of order against the consideration of the resolution for failure to comply with the provisions of section 305(a)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. General debate shall continue not to exceed ten hours, with not to exceed six hours to be equally divided and controlled as provided in section 305(a)(2) of the Congressional Budget Act and not to exceed four hours for debate on economic goals and policies as provided in section 305(a)(3) of the Congressional Budget Act. No amendment to the resolution shall be in order except one amendment in the nature of a substitute printed in the Congressional Record of March 22, 1983 by, and if offered by, Representative Latta of Ohio, and said substitute shall not be subject to amendment but shall be debatable for not to exceed one hour, equally divided and controlled by Representative Latta and the chairman of the Committee on the Budget, but said substitute shall only be in order if an estimate of said substitute by the Congressional Budget Office is available to Members by 9:30 a.m. on Wednesday, March 23, 1983. It shall also be in order to consider the amendment or amendments provided in section 305(a)(6) of the Congressional Budget Act necessary to achieve mathematical consistency.

SEC. 2. Notwithstanding the provisions of rule XLIX, upon the adoption of H. Con. Res. 91 or of any concurrent resolution as finally adopted revising the congressional budget for the fiscal year 1983 and setting forth the congressional budget for fiscal year 1984, the enrolling clerk of the House of Representatives shall prepare an engrossment of only one joint resolution, and the last two sentences of clause 1 of rule XLIX shall apply to such joint resolution. The matter after the resolving clause of such joint resolution shall be as follows: "During the period beginning October 1, 1982 and ending September 30, 1984, the public debt limit set forth in section 3101(b) of title 31, United States Code, shall be temporarily increased by $———— (and any other provision of law providing for a temporary increase in such limit shall not apply."; with the blank being filled with a dollar figure equivalent to the amount by which H. Con Res. 91, or any concurrent resolution as finally adopted revising the congressional budget for fiscal year 1983 and setting forth the congressional budget for fiscal year 1984, states that the temporary statutory limit on the public debt should be increased for fiscal year 1984.

□ 1450

The SPEAKER pro tempore. The gentleman from South Carolina (Mr. DERRICK) is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I yield the usual 30 minutes, for purposes of debate only, to the gentleman from Ohio (Mr. LATTA) and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 144 is a modified closed rule providing for consideration of House Concurrent Resolution 91, the first concurrent resolution on the budget for fiscal year 1984.

House Resolution 144 waives section 305(a)(1) of the Congressional Budget Act—the 10-day layover rule—in order to allow for prompt consideration of the budget resolution. The resolution provides for 10 hours of debate on the budget resolution: 6 hours of general debate and 4 hours for debate on economic goals and policies as provided in section 305(a)(3) of the Congressional Budget Act.

Besides any amendments necessary to achieve mathematical consistency, this resolution makes in order only one amendment: An amendment in the nature of a substitute to be offered for the minority by Representative LATTA. This resolution requires that this subcommittee be printed in the CONGRESSIONAL RECORD of March 22 and that a CBO analysis of this

subcommittee be made available to Members of the House not later than 9:30 a.m. on March 23. The Latta substitute will be debatable for 1 hour and will not be subject to amendment.

Section 2 of House Resolution 144 deals with a purely technical matter concerning adjustment of the temporary debt limit. It provides that, upon adoption of the budget resolution, the enrolling clerk shall prepare and engross and send to the other body one joint resolution revising the temporary debt limit by such amount as provided for in the budget resolution. House Rule XLIX provides for this automatic engrossment of a debt limit revision resolution, but in the absence of section 2 of House Resolution 144 the enrolling clerk would be required to prepare and engross two such resolutions: one for fiscal year 1983 and one for fiscal year 1984. Section 2 provides that the necessary revisions for both fiscal years be included in one resolution.

This is a straightforward and uncomplicated rule which will facilitate our careful consideration of the crucial budget decision facing us. It gives us a clear choice between a budget proposed by a majority of the Democrats in this body and one proposed by the majority of Republicans. Now, some Members have decried the partisan nature of these alternatives and have said this budget should be an American budget, not a Democratic budget or a Republican budget. I agree with them that we should never let partisan rivalries obscure the national interest, but I believe this is a situation in which our two great parties have honest and legitimate differences about how to achieve our common goal of putting America back to work. In this case the national interest will be served by our full and careful consideration of the budget alternatives proposed by the House budget committee and by Mr. LATTA.

At the conclusion of this process, I hope this body adopts the House budget committee's proposal. It is carefully constructed and well balanced. It incorporates sound fiscal and monetary policy and is based on prudent economic assumptions. It produces significantly lower deficits in fiscal year 1984 and in the outyears. This should help to lower interest rates, which will provide relief for the housing and automobile industries and allow business investment to expand and consumer confidence to grow. The resulting economic growth will reduce the unemployment rate from the high levels existing today.

This economic recovery will take time, however, and the budget committee's proposed budget allows us to fulfill our responsibility to alleviate the pain and suffering afflicting our unemployed citizens right now. It restores fairness and equity to the Federal budget by directing attention to domestic programs that have been cut too severely the last 2 years, and provides hope for the unemployed by allowing the establishment of job creating and job training programs. It provides assistance to our States which have been doubly hurt by reduced Federal funds and by the recession itself. It seeks to insure that all Americans can receive appropriate health care and proper nutrition.

This budget provides for the long-term growth of the economy by emphasizing education and scientific research and by allowing for a rebuilding of our Nation's infrastructure.

This budget also adequately addresses our defense needs. It allows for steady and real growth in defense expenditures over the next 3 years. It preserves our commitment to our allies. It would, however, require careful and efficient planning and spending by the Defense Department to insure that waste and duplication can be eliminated.

I believe this budget will achieve the economic goals that we all share. I hope my colleagues will support it.

Before I yield to the gentleman from Ohio I want to address the question of the fairness of this proposed rule. Some of you are calling this rule unfair because it does not allow everyone the opportunity to offer an amendment to the budget resolution. I think that this is a very narrow view of fairness, a view that few of us would endorse in more reflective moments than these. We cannot consider the fairness of a rule in isolation from the rest of the legislative process. The really important question about fairness is not whether a rule allows everyone to stand up on the House floor and offer an amendment; rather it is whether Members have an opportunity to consider real, viable alternatives here on the floor and whether everyone has an opportunity to participate in shaping the alternatives that come to the floor.

In this context, I do not think anyone can claim that this rule is unfair. I believe Members have had the opportunity to participate in the shaping of the alternatives we will consider here today and tomorrow. While I can only speak from personal experience about the participation in the budget process by Members on this side of the aisle, I am sure my Republican friends have had a chance to help mold the Latta substitute. I know that this year Members on this side who are not on the Budget Committee have had an unprecedented opportunity to participate in the shaping of the Budget Committee's proposed resolution. No one of us is completely happy with the end result, but I can assure you that none of your views were ignored as the committee put this budget together.

I do believe that this process has resulted in a proposed resolution that is truly representative of the views of the Democratic Members as to the proper shape of the Federal budget, and I am sure that Mr. LATTA's substitute will be equally as representative of the views of Republican Members.

This rule is designed to insure that every Member will have an opportunity to decide between these two very different clear, complete, and consistent views of the direction the Federal budget should take in the coming years. It provides the opportunity to make this crucial decision free from the confusion and inconsistencies which arise when a complex budget resolution is put together piecemeal on the House floor.

I think that this rule, which provides Members the opportunity to make a clear and thoughtful choice as the culmination of this long participatory budget process, is a fair rule. I urge its adoption.

□ 1500

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from South Carolina (Mr. DERRICK) has adequately described the provisions of this rule. For that reason I do not intend to repeat the same.

However, Mr. Speaker, once again it seems we are rushing a budget resolution throughout the House in a way that does not allow for proper consideration of the alternatives. There were representatives of the Black Caucus who appeared before the Rules Committee yesterday asking to have their substitute made in order. The gentleman from California (Mr. DANNEMEYER) appeared to request that the rule provide for consideration of a resolution designed to lead to a balanced budget over several years. Finally a group of moderate and conservative Democrats appeared asking to have their alternative budget made in order. When the voting on the rule began the majority's proposed rule excluded from consideration the Black Caucus alternative, balanced budget alternative, and the moderate and conservative Democratic alternative. Since the majority seemed unwilling to consider these alternatives, there was a motion on the minority side to make all these in order. After a demand for division on the question on each of the three alternatives, each and every one was turned down by a majority on the Democratic side.

Next there was a motion again from the minority side to allow the consideration of any amendment printed in advance in the RECORD. Debate on each amendment was to be limited to 40 minutes. By a straight party line vote this proposal was defeated.

Finally there was an amendment from the majority side which passed. Let me tell you what this amendment does. It provides that in order to be considered a Latta substitute not only has to be submitted by the close of business March 22 for printing in the RECORD but also by 9:30 a.m. the next morning it must have been prepared and submitted to the Congressional Budget Office. In the Rules Committee a question was raised about what might happen if the CBO did not complete its estimate in time to be available by 9:30 the next morning. The answer was that the Latta substitute could not be offered if the estimate was not available. So, Mr. Speaker, if I submit a substitute today, I will not know until tomorrow morning whether it will be considered or not.

Under this rule the determining factor as to whether this substitute is considered or not would be beyond my control.

If CBO works quickly enough on its estimate under this rule I would be allowed to offer the substitute. But if CBO does not prepare the proper estimate in time, my amendment would be disqualified under this rule.

Now, Mr. Speaker, as we begin debate on this rule most Members have not had a chance to read the resolution that would make it in order or its report.

The resolution and the report were not even filed until a few moments before the Rules Committee met yesterday.

The date for considering this rule was moved from Wednesday back to Tuesday only late yesterday further limiting the ability of Members to find out what was being done to them and the American people.

What is the purpose of all the rush? Is this an attempt to obliterate the fact that the Budget Committee plan requires such a large increase in taxes that it can only be feasibly achieved by canceling the third year of the tax cut? This will mean substantial net tax increases for families under $50,000 in income, since the first two tax cut installments have only covered scheduled payroll increases and bracket creep.

Is all of this rush an attempt to obliterate the fact that the Democratic Budget Committee plan turns the President's budget priorities upside down, thereby restoring discredited policies of the Carter era, excessive social spending on the one hand and inadequate defense spending on the other?

The Budget Committee proposal will cripple the national defense rebuilding program by slashing the administration's defense budget authorization request by $206 billion over 5 years.

When funds are set aside for civilian and military pay retirement and essential readiness initiatives these proposed cuts would require nearly one-third reduction in the DOD weapons modernization and replacement programs.

Let me pause to note that the outlays under this proposal for 1984 for national defense are even lower, I stress that, lower than those proposed for the Nation by President Carter.

The Budget Committee plan reverts to big spending as usual for all the goody-goody social type programs.

By 1986 nondefense spending proposed in the committee resolution will be 35 percent higher than in 1981.

Mr. Speaker, if the reason for all this rush and this tightly closed procedure is to push this package through before Members have had a good chance to take a look at it, then I am opposed to the procedure. Members should be fully aware of all the things the resolution would do to their constituents and to the American economy before being stampeded into a vote.

Certainly our Democrat friends are not totally unaware of the fact that the economy has started to turn around, that all the figures are up. Yesterday we learned that the gross national product was up 4 percent. So, all the signs seem to be "go" for the economy, but our Democrat friends do not seem to understand this. This has been described by many as a political document from start to finish. I was quite amazed to read in the Washington Post, after it had been presented, that the Speaker had made some comment that this was to appeal to the center and to the left of the center of the Democratic Party. Now he did not say in that statement what percentage was appealing to the center and to the left of center, but as I examined the document it seems to me that about 10 percent is appealing to the center and about 90 percent is appealing to the left of center. I really do not think the Democratic Party wants to go all that way.

But as we get into the discussion of this budget these things are going to come out. As is the fact that every single function under this budget, save national defense, and, lo and behold, the administration of justice, are up, up.

Very briefly, even international affairs is up $500 million; function 250, general science, space and technology up $200 million under this proposal; energy up $1 billion. I am speaking of outlays. Natural resources, environment, up $2.4 billion; agriculture, up $1.85 billion; commerce and housing up $1.55 billion.

Transportation up $1.25 billion. Community and regional development, up $1.2 billion. Education, training, employment, and social services up, $7.45 billion.

Health, up $0.75 billion. Income security, up $6.15 billion. Veterans benefits and services up $0.2 billion. Administration of justice, as I pointed out earlier, down $0.05.

General government, up $200 million. General purpose, fiscal assistance, up $0.85 billion. Net interest charges, up $0.15. Allowances up $0.3 billion.

□ 1510

Undistributed offsetting receipts, up $1.55 billion.

Revenues up, under this proposal, $27.45 billion.

Oh yes, they claim the deficit is going to be reduced. Well, using their figures the deficit would be reduced, but it would be at the cost of our national security and increased taxes.

I do not know whether the American people want to go that way or not. I have not had too many letters lately from anybody wanting any increased taxes.

So if we want to stifle the economic recovery now under way the adoption of the liberal Democratic budget is the way to go. We do not want to stifle this recovery, but certainly as we get into the discussion of this budget, hopefully more people on the other side of the aisle will see the light and will vote to keep the recovery going.

Mr. Speaker, I yield 10 minutes to the gentleman from California (Mr. DANNEMEYER).

Mr. DANNEMEYER. Mr. Speaker, I thank the gentleman for yielding me this time.

This is probably one of the most important debates that the House will take up in this year 1983.

When I reflect on what is before us, namely, the budget proposal for fiscal year 1984, the issue and question that I want to ask my colleagues in the House is whether or not the document that we are being asked to consider this afternoon, in terms of spending and taxes, reflects the sense of the constituencies that we represent all over this country.

And having asked that question, I would like to relate to the Members very briefly a couple of polling results that were taken within the past 6 or 7 months that reflect perhaps an answer to that question.

In June of last year a market opinion research poll indicated 79 percent approval for a balanced budget amendment, 59 percent strongly approve versus 15 percent in opposition, 8 percent strongly against.

In addition, 73 percent were shown in favor of congressional spending limitations, 54 percent strongly in favor, whereas only 20 percent were opposed, 10 percent strongly against.

Moreover, 73 percent stated they would be more likely to vote for a Member of Congress who supported such an amendment versus 12 percent less likely.

And then in July, a Gallup survey reported in U.S. News & World Report, revealed that among those who were aware of the balanced budget amendment, 74 percent were for it. Also in July a Harris poll indicated that 90 percent of Americans believe that the projected budget deficits posed serious problems for the national economy.

Now, let us think about it. By overwhelming majorities the people of this country, the people whom we are elected to serve, are really almost begging this institution to get its fiscal house in order by cutting spending, to balance the budget.

What do we have before us as an alternative presented by the Democrats in this closed or modified closed rule?

A spending total for 1984 of some $863 plus billion and a projected deficit of some $174.45 billion, and tax increases of some $30 billion.

Rather than giving the Members of the House an alternative to vote on a reduction in spending, a reduction in the deficit, the Democratic alternative is just the opposite.

Yesterday when I was appearing before the Rules Committee, I heard a resolution presented by the members of the Black Caucus, who asked for consideration of a budget resolution that would reflect the concerns of that caucus. This rule stifles that request.

Also while I was waiting to be heard, I was aware that there were Members there, more conservative Democrats, who sought a rule from the Rules Committee which would permit them to present their alternative budget. This rule stifles them.

This Member from California offered a budget alternative which would spend some $755 billion, in 1984 which is a total of some $108 billion less than what this Democratic alternative before us proposes. The rule that we are now considering stifles that request.

In short, the rule that is being considered for our vote this afternoon stifles the requests of a large group of minorities in this House, which I submit when we put them altogether result in a majority.

Why is that? What is the reluctance of this institution to permit consideration of alternative budgets? What do the Members have to fear by letting the debate take place in the well of the House as to whether or not the document that we are talking about expresses the will of the American people?

Not permitting a vote on an alternative which reduces spending and the deficit avoids political accountability to those in this country who want less spending. This rule that has been presented stifles consideration of these alternatives and this Member from California deeply resents that because I think it is a frustration of the purpose of the House.

The Members will recall last May we had seven alternatives that were debated by the House. At that time I had the privilege of working on the presentation of the Rousselot amendment and we, in presenting that to the House, called for a balanced budget. It had a $20 billion tax increase, I will admit that, but it had the lowest spending total of any of the seven and it received the second highest in the tournament of seven, 182 votes. The highest was 192.

I do not think it is unreasonable to suggest that this year, in this process, we should have the opportunity of considering a similar alternative on the floor of the House to determine whether or not this level of spending, $755 billion, is what the people of the country want for 1984.

I will be candid with you, my colleagues. The spending level of $755 billion has a deficit of $63 billion. And you say, well, wait a minute, you are supposed to be a proponent of the balanced budget, right? How can you stand here in the well of the House and bring forth your most effective work product and still have a deficit in it? What are you about? Are you willing to admit that you as a Member of the House of Representatives cannot even propose a budget that is balanced? What are you talking about? Are you blowing smoke in promoting a balanced budget amendment to the Constitution when you come to the well of the House and propose a budget resolution that has a deficit of $63 billion? Where is your sense of responsibility?

Those are fair questions and I would like to answer them for you.

When I came here 4 years ago, I believed that we could get a balanced budget in this Congress by reducing spending, not increasing taxes. I no longer believe that. Now, what does that mean?

This country, and the Western World, of which we are the leader, is in a major fiscal crisis and we are in a major monetary crisis. And I am convinced that we are not going to get out of this mess in order to lay the foundation for economic growth until we recognize that we not only have a fiscal crisis, but a monetary crisis, and we must address these dual crises.

So what do I propose or is it proposed that we discuss in the forum of this Chamber with respect to a reform of the monetary crisis facing our world?

We have several major nations, big trading partners of this country, who are on the verge of default on their international debts, not to say the least of which is Mexico and Brazil. If one of these nations defaults, it could precipitate a major banking crisis in this country.

What is the alternative?

Well, since 1968, we have been engaged on the course of the dollar not tied to gold. It is some 15 years and it is about time we recognize the error of our ways and recognize that by tying the dollar to gold we do dramatic things to the economic growth of this country.

□ 1520

Nobody in this Chamber wants to sentence the young people of this country, or in fact 70 percent of the American people, to the fate of not being able to share in the American dream of owning a home; but that is what we are doing today. Seventy percent of our people cannot afford to buy a home because they cannot qualify for a loan, given the existing interest rates that prevail in the country today.

How do we get them down? We must reduce Federal borrowing requirements. How do we get that down? From 1933 to 1972 the U.S. Government issued debt securities at a rate that averaged 2.9 percent—2.9 percent to service the debt requirements of the U.S. Government.

If you look at this year's budget, the budget total for interest is $96 billion in the Democratic alternative. That presupposes a current interest rate of about 8 percent on the outstanding national debt of $1.2 trillion and when you reflect on the fact that our entire national debt will come due within the next 2½ years, a dramatic reduction would take place in the net interest expense of servicing our national debt if we could once again enjoy the benefit of the Federal Government selling debt securities for 3 percent or under. A 5-percent reduction in debt service would reduce the interest expense by $60 billion per year at the end of 2½ years. Also we would experience a drop in the prime rate of 3 to 4 points and enjoy an economic boom. We would experience an increase in GNP which would return additional revenues to the Federal Treasury. The unemployment rate would drop at least 4 percent to not more than 7 percent. We would achieve a balanced budget, economic growth without inflation, and a return of the American dream to the vast majority of Americans; namely, the ability to buy a home.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mr. DERRICK. Mr. Speaker, I yield 3 minutes to the gentleman from Oklahoma (Mr. JONES).

Mr. JONES of Oklahoma. I thank the gentleman for yielding.

Mr. Speaker, I am not going to debate the substance of the budget resolution today. We have 6 hours of general debate tomorrow and we can

thoroughly go into the substantive details of the budget tomorrow.

I think it is fair to point out at this time how difficult it has been for all sides who are interested in budget restraint and the budget process to write a budget document that can command a majority of this institution to pass and to go on to conference with the other body. It has been a very difficult exercise, because all of us would like to have lower deficits, but when we look at the component parts of achieving lower deficits, we have three areas in which to do it. One is defense spending and how much we increase defense is the big issue.

One is domestic spending, and one is to raise revenues through taxation.

Because those three hard areas of choice are before this body, it is very difficult to reach a consensus to present a budget that could pass.

What we have tried to do on our side of the aisle is to involve all our Members in trying to reach a consensus, at least to take us past this first step toward passing a budget resolution.

I would like to discuss, however, the rule before us today. I think it is a good rule, particularly under the circumstances in which we find ourselves.

I think if nothing else, we ought to look at history and learn from history. A year ago, the Rules Committee in dealing with the budget resolution gave us a rule that allowed a vote on 7 substitutes and something like 70 amendments. We spent several days in that process and at the end of the line nothing was able to pass. Every one of the substitutes went down. I think we learned something from that particular process.

Two years ago during debate on the rule on reconciliation, a number of distinguished colleagues of ours on the Republican side of the aisle came forward and asked that we have an up or down vote on a Democratic proposal and an up or down vote on the Republican administration.

I was rereading the CONGRESSIONAL RECORD and saw the eloquent remarks of the gentleman from Ohio (Mr. LATTA), of the gentleman from Tennessee (Mr. QUILLEN), the gentleman from New York (Mr. CONABLE), the gentleman from Texas (Mr. COLLINS), the gentleman from Minnesota (Mr. FRENZEL), and the gentleman from Illinois (Mr. MICHEL), all of whom suggested that the way to approach this was to have two packages, a Republican substitute and a Democratic alternative and let the House work its will.

Actually, they were very convincing, in retrospect, and that is precisely what this rule provides for, a Democratic alternative as reported out of the Budget Committee and making in order a Republican substitute.

It is a good rule. It is a fair rule. It is a rule that meets the circumstances under which we find ourselves today and I strongly urge my colleagues to support and vote for this rule.

Mr. LATTA. Mr. Speaker, I yield 4 minutes to the gentleman from Mississippi (Mr. LOTT).

Mr. LOTT. Mr. Speaker, I was very interested in the remarks of the gentleman from Oklahoma just a moment ago. I see him smiling because he knows full well what I am going to say. I remember last year when he was arguing and the leadership on the other side of the aisle was arguing that we should divide the budget up into several pieces, and—I have to say—they convinced me.

I think that Members should have an opportunity—if they have an amendment or a substitute and within some limitations, such as having to print that amendment or substitute in the RECORD—to have their amendment or substitute considered.

We have gone through many different ways of handling the budget. Basically, I guess, when it comes to this rule, it has all failed. I think it is about time we go back to handling it the way we should handle issues here in the House—to give every Member or every group of Members that have a position that they put time into and that they have thought about, an opportunity to make their case and be heard.

We should have an open rule instead of one that is so restrictive.

As a matter of fact, hearing the gentleman from South Carolina describe the rule a while ago, I thought he was implying that it was a totally open, totally fair rule. He did not, but it sounded so good, I almost wondered if that was what he intended.

It is not an open rule. It is closed. It does allow the Budget Committee document and one substitute, if offered by the gentleman from Ohio (Mr. LATTA); but let me tell you what the rule does to the substitute of the gentleman from Ohio.

It says:

> But said substitute shall only be in order if an estimate of said substitute by the Congressional Budget Office is available to Members by 9:30 a.m. on Wednesday, March 23, 1983.

Now, I do not have any problem with requiring an analysis of amendments or substitutes that may be filed. But the rule in effect says that if the Budget Office cannot get it ready for whatever reason, that substitute could not even be offered. It shall be in order only if a CBO estimate of the substitute is available by 9:30 a.m. on Wednesday.

I raised that question in the Rules Committee, but naturally the steamroller was rolling, and there was no stopping it.

And it is certainly a steamroller like I have never seen in the years I have been around here. I mean, this is King Caucus at its best and, boy, it is get on and here we go.

Everything we have tried to do, not to slow the process down, but just to give Members a chance to be heard, has been rejected out of hand.

The gentleman from Ohio (Mr. LATTA) has cooperated in the Budget Committee. We cooperated in the Rules Committee. And here it is on the floor today. I remind you that last week when I had the opportunity as the assistant to our leader, the gentleman from Illinois (Mr. MICHEL), to get the schedule, we were specifically told that this would not be on the schedule for today, that we were not going to have the rule, we were not going to have the Humphrey-Hawkins debate or general debate. We were told yesterday that we would start on this today. That is the first time we had heard about it.

As far as openness is concerned, we heard a lot of hollering in 1981 that, oh, we have not seen your document. I will not get into the details of what happened to that document; but this budget resolution was available to the committee members the morning that it was taken up. The report on this budget resolution was available yesterday at noon.

How many of you have had a chance to see it?

There are other instances where this thing is being shut off. The Black Caucus will not have a chance to offer its substitute.

The gentleman from Louisiana (Mr. ROEMER) came up with an excellent Democratic budget alternative, which was summarily rejected.

□ 1530

Mr. Speaker, we still have, I believe, freethinking Members in this institution that ought to have a right to offer amendments and be heard.

Let us reject this rule and get this thing off on the right foot. If we do not, I think maybe history will repeat itself on this rule, or if not on the rule, on this budget. The best thing that could probably happen on this first budget out of the chute is to have it go down, and then all groups within this House can work together to fashion a truly American budget.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. GRAMM).

Mr. GRAMM. Mr. Speaker, I rise in opposition to the rule and in opposition to the committee budget proposal.

Mr. Speaker, I think it is clear that we have had an expedited consideration of this budget, even though it will not take effect until October 1 of this year, for one and only one reason. This budget is a radical departure not only from the two Reagan budgets, which have brought inflation down by three-fourths, interest rates down by

50 percent, and have begun the hard process of rebuilding the American economy, but it is, in fact, a retreat even from the last Carter budget.

Let me review very briefly what this budget does. In the binding portions for fiscal years 1983 and 1984, the only parts of the budget that will be binding on this Congress, it slashes defense by $9.3 billion, it raises taxes by $27.4 billion by raising income taxes and by eliminating indexing to protect the working people of this country from inflation. But in the binding portion of the deficit, after slashing defense and raising taxes, it still raises the deficit by $5.1 billion because it raises nondefense discretionary social spending by $42 billion.

Mr. Speaker, there are those in this country who believe that maybe the Reagan defense number is too high, but are there those who believe that we ought to cut defense back below the level recommended in the last Carter budget? I think not.

There are those in this country who think maybe we ought to raise taxes to reduce the deficit, but are there those who think we ought to raise taxes but raise spending more than taxes so that the deficit rises? I think not.

This is a disastrous budget aimed at political constituencies, not at dealing with the Nation's economic problem. I hope, Mr. Speaker, that we can vote down this rule and, barring that, vote down this budget so we can put together not a political document aimed at political constituencies, but an economic document on a bipartisan compromise basis where all interests are compromised to the common goal of reducing the deficit, reducing interest rates, and revitalizing the American economy.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas (Mr. BETHUNE).

Mr. BETHUNE. My colleagues, I think we have been glossing over some of the history of the budget process. Particularly last year, you will remember the shenanigans of the Gang of Seventeen which went on for so long, and then the Byzantine process when we had over 7 substitutes and 100 amendments which were debated here on the floor for nearly a week. We had a failed first attempt, and then finally we managed to produce a budget wherein factions throughout the House reached for one another and we came up with an agreement.

I happen to think that it is necessary for us to go through steps like that and for us to vent ourselves here in the House of Representatives. That creates the right environment which permits the House to work its will rather than to have just the Speaker work his will. That is what is happening here.

We have political considerations overcoming the substantive needs of this country to make a budget that will work. The thing that interests me is that the budget proposal that is going out of here reneges on the deal that we made last year where there would be $3 worth of spending cuts for every dollar's worth of tax increases. That has gone out the window. You are increasing spending phenomenally by this. You are not just cutting the growth in defense spending you are gutting the defense budget. That is a big difference.

Taxes are absolutely staggering under this budget proposal. The Washington Post called it an old fashioned Democrat budget.

The thing that interests me also is that we have been waiting for 2 years for you to offer a proposal, and now you want to whisk it through the House in less than 6 days. Why do you want to be in such a hurry? Why do we not debate this thing openly so the people can see what it is you stand for after all this period of time. My goodness, you are acting like you are ashamed of this document or that there is something in it that you do not want to have to explain to the people. Get up and tell them how much you are going to raise taxes. Get up and tell them how much you want to have economic planning and more central government. Get up and tell them all of these things. Let the people see all of this.

I will tell you what I think they would do. I think they would tell you, "Throw that thing out and write us a budget that will work."

The SPEAKER pro tempore. The gentleman from Ohio (Mr. LATTA) has 2 minutes remaining.

Mr. LATTA. I yield my remaining time to the gentleman from Louisiana (Mr. ROEMER).

Mr. ROEMER. I thank the gentleman for yielding this time to me.

Mr. Speaker, I want to thank the Committee on Rules for allowing a group of us Democrats, conservative in our economic views, the opportunity to come before the Committee on Rules yesterday and make our presentation. I am not a rules expert, but commonsense tells me that the rule ought to parallel the importance of the event, and I have seen us, in my 2½ years in the House, spend far more time than this rule gives us on the budget of the United States of America debating other, much more mundane issues.

A budget is about priorities, what we can do and what we cannot do. It reminds me of the story of the man who had a son. The man was a workaholic, worked all the time. The son wanted to go fishing. The man kept saying, "No, we will do it later." Finally, he said, "We will do it Saturday."

Saturday came, they went fishing, it rained all day, cold, did not get a nibble, did not catch a fish, came home that night, and the man wrote in his diary, "Dear Diary, what a wasted day. Got wet, no fish, no nibble. I could have been at work. I could have done something important."

The son, in the same house, wrote that night beside his bed, "Dear Diary, what a great day. Spent all day with daddy."

Priorities.

A budget is about priorities: Military spending, social program, has policy, and so forth. How can we support a rule that does not let us offer alternatives to a badly planned budget.

I urge my colleagues, in good sense and in good economic judgment, to vote no on this rule.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. ROEMER. I am glad to yield to the gentleman from New York.

Mr. KEMP. I thank the gentleman for yielding.

Mr. Speaker, I totally agree with the gentleman. I would think any Member who wants to debate the subject should have a chance to help amend the Democratic Party budget, who cares deeply about this economy and jobs, and what is happening under this rule, to various interests within the Congress. From the Black Caucus to some of our more conservative friends on the Democratic side of the aisle, all have a stake in defeating this rule and going back to the Committee on Rules and getting the type of rule in which we can have not only a full debate but allow for the amendment process to go forward.

Mr. Speaker, I am amazed that the majority on the Budget Committee chose to abdicate its responsibility to fashion a realistic budget and instead promoted a document blatantly intended to be a 1984 campaign platform as a Federal budget. The only people who ultimately will be hurt by this document are the American taxpayers. They will be hurt by the excessive taxes, the threat to economic recovery and the lack of commitment to basic national security.

I strongly oppose the rule and urge its defeat, Mr. Speaker.

While the majority recognizes that an economic recovery has begun, colleagues on the other side of the aisle seem determined to suffocate the recovery under the burden of increased taxes. Raising taxes increases the cost of labor and reduces work incentives. During a period of high unemployment, this policy is sheer economic idiocy. Yet, this document calls for tax hikes of $30 billion in fiscal year 1984 alone, with a cumulative increase of $265 billion by 1988.

Our colleagues on the other side of the aisle claim that repeal of the third year of tax rate reductions and indexing is not necessary to achieve these

tax increases. Is it not a coincidence then that the increases correspond exactly to revenue reductions resulting from these two provisions? The Democrats contend that the excessive tax increases are necessary to lower the deficit. But no one is fooled by this rhetoric, especially after the chairman of the Committee on Ways and Means has flatly stated that he would only consider approximately $8 billion in increased taxes.

The majority has been attacking us the past 2 years for passing a tax package that they claim is unfair and inequitable. However, elimination of the July 1 rate reduction and indexing would impact most heavily upon persons earning less than $50,000 per year.

Repeal of the July 1 cut would mean that the average American taxpayer will receive no net tax reduction from the 3-year rate reduction plan because of increased social security taxes and bracket creep; 71 percent of the July tax cut and 77.7 percent of indexing benefits will accrue to those individuals making less than $50,000 annually. Persons making less than $10,000 would be hit with a 13.9-percent tax increase if the third year is repealed and a 9-percent increase if indexing is eliminated.

The Democrats claim that repeal of these two vital provisions is not a tax increase because American taxpayers have not received the tax benefits yet. But in reality, the Democrats would be destroying the American people's expectations and hopes that in the near future they will not have their purchasing power and standard of living constantly eroded because the Federal Government is taking an increasing percentage of their wealth through inflation.

This document also emasculates basic national security requirements, reducing the President's request by $206 billion in budget authority over 5 years and $163 billion in outlays between fiscal years 1984 and 1988. In fiscal year 1984 alone, budget authority would be curtailed by $16 billion and outlays cut by almost $10 billion.

Democratic claims that they are providing for a whopping 4-percent real growth rate in defense spending for fiscal year 1984 are false.

Actually, the growth rate is only 3.4 percent, with a compound annual real growth rate of 3.2 percent for fiscal years 1984–88, based on CBO economic assumptions. Because of substantial locked-in costs for basic operation and maintenance, pay, and retirement, including the committee-recommended pay raise and COLA costs, the cuts will devastate remaining defense programs. The Democrats' defense plan would force a one-third reduction in weapon modernization systems and replacement of obsolete equipment.

This document undermines the 1980 mandate of the American people for a revitalization of our national security. In addition, it undercuts the arms control and arms limitation talks with the Soviet Union. Why should that country make concessions when the Congress is unilaterally reducing our modernization efforts.

Despite the beginning of an economic recovery and the American peoples' evident distaste for past policies of spend, spend, and tax, tax, my colleagues on the other side of the aisle seem unable to stop adding billions of dollars to their pet domestic programs. They have outdone themselves this time, adding more than $181 billion in new domestic spending over the President's request during the next 5 years.

This additional funding is not targeted to the truly needy, but rather puts the Federal Government back into the business of subsidizing those above the poverty line, while eradicating the President's reforms to decrease waste and abuse in entitlement programs. For example, this document repeals over $4 billion in previously enacted food stamp and welfare reforms. I am for a food stamp, welfare system and so forth, but some thought must be given to the working men and women whose taxes finance all spending.

Even the prior administration would have reason to be astonished at this level of domestic spending. The $549 billion targeted in this document for fiscal year 1984 nondefense spending is $96 billion over the bloated fiscal year 1981 Carter budget. By fiscal year 1986, the funding level will be 35 percent higher than the fiscal year 1981 figure.

My colleagues on the other side of the aisle claim that this budget only covers the next 3 years, or until fiscal year 1986, so medicare should be addressed later. But, we cannot afford to wait until the system's imminent collapse before addressing the problem of runaway medical costs in this country. Congress played brinkmanship with the solvency of the social security system, waiting until the elderly feared that funds for their next benefit check did not exist and younger people were convinced that the system would not even exist by the time they retired. We cannot afford to play Nero while the medicare system goes up in smoke.

This document makes a travesty of the congressional budget process. At a time when realistic budget decisions are critical for the well-being of this country, my colleagues on the other side of the aisle have chosen to launch their party platform for 1984. This document ignores the will of the American people by returning to the days of unrestrained Federal spending and excessive taxes. It makes a mockery of recent sacrifices endured by the American people in order to restore this country's prosperity and growth by returning them to the old treadmill of spend, spend, and tax, tax that the American voters resoundingly rejected in 1980.

If you want to return to double-digit inflation, unemployment, interest rates and a 20.9 prime rate, vote for this rule and the Democratic budget.

Mr. ROEMER. I thank the gentleman.

Mr. DERRICK. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Speaker, this is the saddest day in the history of the budget because the Congressional Black Caucus alternative budget for the first time in the years that we have been constructing one has been turned down for consideration and debate. It is an insult to the millions of Americans who have come to rely on it, to the labor, community, civil rights organizations, the churches, the nuclear freeze organizations, who have all been asking this Member, "Where is the Congressional Black Caucus alternative budget? Can we debate it? Can we get a vote on it? We got 86 votes last time. Unemployment is higher. The situation is worse than ever."

Here is the answer, ladies and gentlemen. The leadership and some members of the Black Caucus decided that they would go along with the Jones budget this year. Well, here is one Member who has not. I argue that we are entitled to a debate on a budget alternative that is reasonable and that pulls in more and more Members every year.

□ 1540

So I am very discouraged that the Democratic leadership would tell the Congressional Black Caucus that "this year, fellows, it is going to be tight, so we don't want you to be rocking the boat; we will give you an hour under Humphrey-Hawkins"—which we may recall is a law which no President has ever honored—"We will give you an hour, and then all of the Black Caucus members can come down there and tell us about that great product that you have written that isn't worthy of coming to a vote."

Well, Mr. Speaker, and Mr. Leader, I consider that an insult to the black people, the working people and those who have looked for some inspiration from the alternative budget of the Congressional Black Caucus.

Mr. DERRICK, Mr. Speaker, I yield such time as he may consume to the distinguished majority leader, the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Speaker, I rise in support of the rule and ask for the support of the Members for the

budget that the committee has put together and brought before us.

We have heard criticism of the budget and of the rule offered by Members on the right and Members on the left. A budget is undoubtedly the most difficult single thing to put together. It is absolutely impossible for the Budget Committee ever, under any circumstances, to write a budget which reflects the mirror image of any single Member with respect to the individual Member's set of personal priorities. So any one of us can find some reason, some good and valid reason, to vote against any budget that is put together.

It is lot easier to justify and to excuse some vote against a budget than it is to explain a vote for a budget. That has always been the case, and that is one of the difficulties of this budget process. But let me say to my colleagues that we face the responsibility to make this process work if we are serious about fiscal discipline in this country. If we are serious about the idea of trying to put together some kind of a budget that does represent a consensus of our views, each of us has to give a little bit in order to accept the compromise of which I am sure Henry Clay was speaking when he said, "Do not despise compromise. It is the cement that holds the Union together."

Now, this budget is indeed the result of compromise. Every Member was given an opportunity and encouraged to participate in filling out a questionnaire and giving the Budget Committee the results of his or her personal recommendations. And that is what it is. It does these things: First, it reduces the deficit.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. Mr. Speaker, let me say that if the Members on the Republican side were not given that opportunity, then it is because those Members on the Republican side did not distribute any questionnaire. We on the Democratic side did.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. No, I will not yield.

Mr. KEMP. Mr. Speaker, will the gentleman yield, in the spirit of fairness?

Mr. WRIGHT. All right, I am delighted to yield to my distinguished friend, the gentleman from New York. First, may I ask, how much time do we have remaining?

Mr. DERRICK. Mr. Speaker, we have enough for the gentleman from Texas to yield to the gentleman from New York for about 30 seconds.

Mr. WRIGHT. All right, I yield for 30 seconds to the gentleman from New York.

Mr. KEMP. Mr. Speaker, we deeply appreciate the liberality of the gentleman's comment, but let me ask the majority leader this: In the spirit of Henry Clay's comment that compromise is the glue that holds the Union together, does the gentleman know that there was not an inch of compromise on any single issue, from defense to domestic spending to taxes to assumptions or to any part of this budget?

It is even labeled the "Democratic budget." It does not even have the spirit, much less the letter, of a compromise. I wonder why the distinguished gentleman from Texas would label this a "compromise."

I am on the Budget Committee, and the gentleman from Ohio (Mr. LATTA), is on the Budget Committee. We did not get an ounce of a compromise from the majority party. I wonder why the gentleman is using the words of Henry Clay to sell the rule.

Mr. WRIGHT. Mr. Speaker, I would simply respond to the gentleman by saying that this simply represents the consensus of the views of those Members who responded to the questionnaire that was sent out to those on the Democratic side of the aisle.

Mr. KEMP. From the Democratic Caucus. I would ask the gentleman, was Henry Clay only talking about the Democratic Caucus?

Mr. WRIGHT. Mr. Speaker, let me further respond to the gentleman by saying that we have added up the effect of each and all of the amendments offered in the committee by Members on the Republican side and have calculated the result had all of them been adopted. The result would have been $22 billion added to the deficit.

Mr. KEMP. Shocking.

Mr. WRIGHT. Now, we did not want to compromise that way.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. Mr. Speaker, let me go on a little further, because I want the gentleman to understand the reason for the deficit. I know the gentleman from New York has inveighed against deficits on occasion, as has the distinguished gentleman from Pennsylvania, who also was seeking recognition and indeed, as did the President when he was a candidate for President.

It is a bit ironic and I know it must be a deep personal disappointment to Ronald Reagan that he who demanded, insisted upon, promised, and vowed to achieve a balanced budget by 1984 has, as a result of the success of his policies and their adoption in the Congress and his ability to dictate a compromise, seen the highest deficits in American history. These are the Ronald Reagan deficits.

Now, let us compare them with the deficits of any other President. I ask the Members to look at the chart which graphically portrays all of the deficits in all the years since 1947, back to and including the administration of Harry Truman. As we can see, in a couple of those Truman years we had surpluses. We had one surplus in the Johnson years. And yet today we see the highest deficits in America's history because the President did succeed in dictating the terms of the so-called compromise of 1981, because he prevailed in the Gramm-Latta budget, and because he prevailed in the excessive tax cut which benefits primarily the wealthiest people of this country.

The Secretary of the Treasury has responded to a question that I asked him in the Budget Committee, and Mr. Regan, responding to that question, said that the total loss of revenue in the Treasury in fiscal year 1983, the present year, as a result of that 1981 tax cut on which President Reagan insisted is $135 billion.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. No; I do not want to yield. I want to explain this. I think the gentleman might want to understand it. If he would listen for a minute, he might be able to catch the drift.

The $135 billion added to the deficit by means of an excessive tax cut for the wealthy is every bit as devastating to fiscal solvency as $135 billion of extra spending. In addition to that, we have seen $81 billion added to the deficit in the last 2 years by the increase in unemployment.

The gentleman from New York full well knows that every percentage point of unemployment automatically generates an adverse impact upon the budget in the equivalent of about $27 billion. The day Ronald Reagan came into office unemployment was 7.4 percent; today it is 10.4 percent, 3 percentage points higher than it was just 2 years ago. And because of that, we have seen inevitably and unavoidably added to the deficit an additional $81 billion.

So it should not be so surprising that Ronald Reagan, he who preaches piously about balanced budgets, has produced the highest budget deficit in America's history, not only the highest budget deficit in history, but one which is more than three times as high as the highest ever experienced under any previous administration. And that, incidentally, was in 1976, under the administration of President Gerald Ford, when $66 billion was the deficit which the country suffered.

Now, if we would compare and consider the oft repeated refrain about the mess we inherited, in light of the simple facts we will see that it was not a mess that was inherited but a mess that was created by the craving and cowering acceptance in this Congress

of the dictates of the President of the United States interfering in the budget process.

Here is the sum total of the deficits accumulated in 35 years graphically portrayed in this blue column.

□ 1550

From 1947 until 1981, 35 years of seven different administrations, Republican and Democratic alike, we added a sum total cumulatively to the deficit of $477,300,000,000. And now, in the 5 years, by President Reagan's own accounting, of 1982 through 1986, a 5-year budget cycle, for which he assumes responsibility, we will, by his own figures, add $849 billion to the debt of the United States. In other words, more than half again as much added in these 5 years for which Mr. Reagan asks us to follow his budgetary leadership than were added in the 35 years since World War II, from and including Harry Truman through Jimmy Carter.

So what we are trying to do is restore some semblance of balance. Now, the Democratic budget, if that is what the gentlemen on my left prefer to call it, would reduce the deficit by some $14 billion in fiscal 1984 and by Approximately $108 billion throughout the term of the 5-year budget cycle.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. We would do this not by decimating defense—I yielded to the gentleman a moment ago. I think perhaps there will be ample time under general debate for the gentleman to speak.

Mr. KEMP. The gentleman mentioned my name.

Mr. WRIGHT. How does the gentleman know that he is the gentleman from New York to whom I was referring? There are several gentlemen from New York.

Mr. KEMP. Sitting here and having made the point, I thought the gentleman was plain. If not, I will sit down.

Mr. WRIGHT. I will be delighted, in a bit, if I still have time, to yield to my friend.

And I am certain that this House is not going to be denied the persuasive beauty of the rhetoric of the gentleman from Buffalo, N.Y. (Mr. KEMP) in the course of general debate. If I had any doubt that the gentleman would be shut out and prevented his full and ample opportunity to be heard, I would yield the rest of my time to him, but I do not have any such doubt, and I do have one or two other things that I want to say.

One of them is this: The budget does deal responsibly with the military strength of the United States. It is an unfortunate thing, in my view, that the President has chosen to characterize this budget as one which would bring joy to the hearts of the Kremlin. I wish he had not said that, and I think perhaps he wishes he had not said it. I hope he wishes he had not said it. If there is any one thing this country does not need in the 1980's it is a return to the overblown rhetoric of the 1950's by which people accused others of a lack of patriotism. I surely would not want to indulge in accusing any of my good friends in the Republican Party of lacking patriotism, and I know that they would not want to make that accusation against any of their good friends in the Democratic Party.

No, we do not cut defense. Let us make that point clear. This budget does not reduce defense. This budget accommodates a steady, regular, consistent, assimilable rate of real growth at 4-percent annually after accounting for inflation.

Now, that means assuming the President's figures of 4-percent inflation that we will add 8 percent each year to the military budget.

Unlike President Reagan's budget submission, however, we do not propose freezing the pay of those brave men and women who bear the brunt of this Nation's defense. We think that is grossly unfair. It has been difficult enough to attract and hold the kind of competent and dedicated people that we need in the defense of our country without freezing their pay and making them subject to the ravages of inflation. And so we reject that theory. And we would propose a 4-percent pay increase based upon the assumption that inflation will inflict a toll of approximately 4 percent.

Ah, but if you have a 4-percent inflation rate and a 4-percent increase in defense pay, which accounts for about 40 percent of the Defense Department's budget, and you provide a real rate of increase of 4 percent above the inflation rate, or about 8 percent for the total budget, then we are providing for every other function of the military, everything, including building of our defense bases, purchasing of supplies, procurement of weapons systems, research and development, we are proposing a guaranteed growth rate of 6.8 percent throughout these next 5 years. And that ought to be enough.

When it comes down to the total of the 5-year period, Mr. Reagan would have us spend $1.8 trillion more on defense. We propose, instead, to spend $1.6 trillion more on defense, and I really do not think anybody seriously would contend that that is rendering us dangerously defenseless or sending cheer to the hearts of the people in the Kremlin.

Ms. FIEDLER. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I cannot refuse to yield to the distinguished gentlewoman from California, so of course I yield to the gentlewoman.

Ms. FIEDLER. I thank the gentleman for yielding.

Mr. Speaker, I note in the gentleman's discussion regarding the defense budget that he used the argument that there is going to be some real growth in the budget, that you do not cut the pay of members of the military, but you do put them into a situation where you were not going to provide them with an adequate kind of backup system, so where you may not take their money, you may eventually cost them their lives because they are not having adequate force structure behind them.

Mr. WRIGHT. I hope that is not the case.

Ms. FIEDLER. I also note that in the process of the gentleman's discussion that he feels that it is OK to talk about defense increases when it is in your budget, but when we were taking a look at social programs and talking about modest increases, as we were, then we were talking about cuts. So you cannot have it both ways. Either you are cutting the defense program in relationship to the President's initial proposal or you are showing real increases. If that applies on that side, then we also have to take that same concept and apply it on the social programs when it comes to the other budgets that we have been looking at.

Mr. WRIGHT. Mr. Speaker, let me accept the gentlewoman's definition and refine what I have said and see if I cannot express it in words that everyone can accept as being accurate.

We are reducing the rate of increase in military expenditures. We are providing a real rate of increase but we are not providing as large a rate of increase as President Reagan demands and insists upon.

Let me bring this one other thought to the attention of the Members, and then I do want to discuss just for a moment some of the imperatives of the domestic budget.

We are spending this year on defense, on the weapons of warfare and implements of defense, some $98 billion more than we were just 3 years ago in 1980, almost a $100 billion increase in defense expenditures in the last 3 years per annum.

Now, that is a pretty big increase. And I would just suggest this, as my closing thought: It does not make any difference how much money we spend in defense on weapons and sophisticated systems and machines if we are going to ignore the imperatives of education and the necessities of a strong industrial base. Unless we are first in education, we are not going to be permanently first in defense. And unless we restore the domestic economy to a healthy growing level, capable of sustaining growth in our production base, then we are not going to be permanently first in defense.

It is for those reasons that we have taken a portion of that saving that we would achieve, not by raising taxes, but simply by calling off any further reductions in taxes until we get the budget at a lower level.

Mr. KEMP. Mr. Speaker, on that point, will the distinguished majority leader yield for a question?

The SPEAKER pro tempore. The time of the gentleman from Texas (Mr. WRIGHT) has expired.

Mr. WRIGHT. I regret very much that my time has expired and I cannot yield to the gentleman.

Mr. KEMP. We regret it, too.

The SPEAKER pro tempore. All time has expired.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the Chair was in doubt.

Mr. DERRICK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 230, nays 187, not voting 16, as follows:

[Roll No. 41]

YEAS—230

Ackerman	Coleman (TX)	Gibbons
Addabbo	Collins	Glickman
Akaka	Cooper	Gonzalez
Albosta	Coyne	Gore
Alexander	Crockett	Gray
Anderson	D'Amours	Guarini
Andrews (NC)	Daschle	Hall (IN)
Andrews (TX)	Derrick	Hall (OH)
Annunzio	Dicks	Hance
Anthony	Dingell	Harkin
Applegate	Dixon	Harrison
Aspin	Donnelly	Hatcher
AuCoin	Dorgan	Hawkins
Barnes	Dowdy	Hefner
Bates	Durbin	Heftel
Bedell	Dwyer	Hertel
Beilenson	Dymally	Hightower
Bennett	Dyson	Howard
Berman	Early	Hoyer
Bevill	Eckart	Hubbard
Biaggi	Edwards (CA)	Hughes
Boland	English	Jenkins
Boner	Erdreich	Jones (NC)
Bonior	Evans (IL)	Jones (OK)
Bonker	Fascell	Jones (TN)
Borski	Fazio	Kaptur
Bosco	Feighan	Kastenmeier
Boucher	Ferraro	Kennelly
Bouquard	Flippo	Kildee
Boxer	Florio	Kogovsek
Britt	Foglietta	Kolter
Brooks	Foley	Kostmayer
Brown (CA)	Ford (MI)	LaFalce
Bryant	Ford (TN)	Lantos
Burton (CA)	Fowler	Lehman (CA)
Byron	Frank	Lehman (FL)
Carper	Frost	Leland
Carr	Fuqua	Levin
Chappell	Garcia	Levine
Clarke	Gaydos	Lipinski
Clay	Gejdenson	Long (LA)
Coelho	Gephardt	Long (MD)
Lowry (WA)	Owens	Staggers
Luken	Panetta	Stark
Lundine	Patman	Stokes
MacKay	Pease	Stratton
Markey	Penny	Studds
Martinez	Pepper	Swift
Matsui	Perkins	Synar
Mavroules	Pickle	Tallon
Mazzoli	Price	Thomas (GA)
McCloskey	Rahall	Torres
McCurdy	Rangel	Torricelli
McHugh	Ratchford	Towns
McNulty	Reid	Traxler
Mica	Richardson	Udall
Mikulski	Rodino	Valentine
Miller (CA)	Roe	Vandergriff
Mineta	Rose	Vento
Minish	Rostenkowski	Volkmer
Mitchell	Roybal	Walgren
Moakley	Russo	Watkins
Mollohan	Sabo	Waxman
Moody	Scheuer	Weaver
Morrison (CT)	Schumer	Weiss
Mrazek	Seiberling	Wheat
Murphy	Shannon	Whitten
Murtha	Sharp	Williams (MT)
Natcher	Sikorski	Wilson
Neal	Simon	Wirth
Nelson	Sisisky	Wise
Nowak	Slattery	Wolpe
Oakar	Smith (FL)	Wright
Oberstar	Smith (IA)	Wyden
Obey	Solarz	Yates
Ortiz	Spratt	Zablocki
Ottinger	St Germain	

NAYS—187

Archer	Hall, Ralph	Moorhead
Badham	Hall, Sam	Morrison (WA)
Barnard	Hamilton	Myers
Bartlett	Hammerschmidt	Nichols
Bateman	Hansen (ID)	Nielson
Bereuter	Hansen (UT)	Olin
Bethune	Hartnett	Oxley
Bilirakis	Hiler	Packard
Bliley	Hillis	Parris
Boehlert	Holt	Paul
Breaux	Hopkins	Petri
Broomfield	Horton	Porter
Brown (CO)	Huckaby	Pritchard
Broyhill	Hunter	Pursell
Burton (IN)	Hutto	Quillen
Campbell	Hyde	Ray
Carney	Ireland	Regula
Chandler	Jacobs	Ridge
Chappie	Jeffords	Rinaldo
Cheney	Johnson	Ritter
Clinger	Kasich	Roberts
Coats	Kazen	Robinson
Coleman (MO)	Kemp	Roemer
Conable	Kindness	Rogers
Conte	Kramer	Roukema
Conyers	Lagomarsino	Rowland
Coughlin	Latta	Rudd
Courter	Leath	Savage
Craig	Lent	Sawyer
Crane, Daniel	Levitas	Schneider
Crane, Philip	Lewis (CA)	Schroeder
Daniel	Lewis (FL)	Schulze
Dannemeyer	Livingston	Sensenbrenner
Daub	Loeffler	Shaw
Davis	Lott	Shelby
Dellums	Lowery (CA)	Shumway
DeWine	Lujan	Shuster
Dickinson	Lungren	Siljander
Dreier	Mack	Skeen
Duncan	Madigan	Skelton
Edwards (AL)	Marlenee	Smith (NE)
Emerson	Marriott	Smith (NJ)
Erlenborn	Martin (IL)	Smith, Denny
Evans (IA)	Martin (NY)	Smith, Robert
Fiedler	McCain	Snowe
Fields	McCandless	Snyder
Fish	McCollum	Solomon
Franklin	McDade	Spence
Frenzel	McDonald	Stangeland
Gekas	McEwen	Stenholm
Gilman	McGrath	Stump
Gingrich	McKernan	Sundquist
Goodling	McKinney	Tauke
Gradison	Michel	Tauzin
Gramm	Miller (OH)	Taylor
Green	Molinari	Thomas (CA)
Gregg	Montgomery	Vander Jagt
Gunderson	Moore	Vucanovich
Walker	Winn	Young (FL)
Weber	Wolf	Young (MO)
Whitehurst	Wortley	Zschau
Whitley	Wylie	
Whittaker	Young (AK)	

NOT VOTING—16

Boggs	Forsythe	Roth
Corcoran	Leach	Washington
de la Garza	Martin (NC)	Williams (OH)
Downey	O'Brien	Yatron
Edgar	Pashayan	
Edwards (OK)	Patterson	

□ 1610

The Clerk announced the following pairs:

On this vote:

Mrs. Boggs for, with Mr. Forsythe against.

Mr. Edgar for, with Mr. Martin of North Carolina against.

Mr. Downey of New York for, with Mr. Corcoran against.

Mr. de la Garza for, with Mr. Pashayan against.

Mr. Patterson for, with Mr. Edwards of Oklahoma against.

Mr. REID changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 1718, EMERGENCY APPROPRIATIONS, 1983

Mr. WHITTEN. Mr. Speaker, pursuant to the order of the House of today, March 22, 1983, I call up the conference report on the bill (H.R. 1718) making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

□ 1620

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of Monday, March 21, 1983.)

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the statement of the managers be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The gentleman from Mississippi (Mr. WHITTEN) will be recognized for 30 minutes, and the gentleman from Massachusetts (Mr.

CONTE) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN).

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report to H.R. 1718, and that I may include extraneous and tabular matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, last December we passed through the House a jobs bill which originated with our Committee on Appropriations. We are all aware that whatever the cause may be of unemployment it is a bad situation. We have in many ways, examples all around us of bankruptcies and unemployment and the sad reality of how deadly serious the problem has become. I will not repeat the statistics which we have called to the Members attention last December when we were called upon in the Appropriations Committee to bring together a jobs bill.

We approached it the very best we knew how because we asked each subcommittee that knows the programs. We had about 11,000 witnesses during the course of the last Congress. We studied the information the committee had obtained and identified programs where additional money could be used effectively, especially in areas where appropriation levels had not been fully adequate.

Beginning with that, we worked out a bill which covered the whole United States, every region, and we did a good job of it, in my opinion, starting with the best and most comprehensive information available.

That bill passed the House and went to the Senate but prior to final action with the Senate, it was withdrawn because a statement had been made by the President that it would be vetoed.

With the beginning of the new Congress, on January 6 of this year I reintroduced that bill, not knowing what action was desired. That bill was not brought up in the House but on request we drafted a similar but updated bill.

This conference report that we bring before you today passed the House on March 3, 1983, in 1 day. It was on the Senate floor for some 7 days and in conference this past Monday, March 21, 1983 for most of the day. The Senate added some 98 amendments. The conference agreement we bring before you disposed of those amendments with the Senate receding on 17, the House receding on 19, compromise was reached on 30, and we have technical disagreement on 32 which I expect, with possibly only one exception, will be disposed of quickly.

The Senate added two major new items to title II of the House bill, which included $5 billion for unemployment compensation to the States; $5.7 billion for the Commodity Credit Corporation, and $434 million for the Small Business Administration.

The Senate added a new title dealing with the Domestic Commodity Distribution Food Act.

Mr. Speaker, as I understood it, the administration in their present informal agreement asked for $4.3 billion for the jobs portion and supplementals of $10.7 billion.

The House passed $4.9 billion, with other supplementals of $5 billion which is for unemployment compensation.

The Senate passed $3.9 billion and then other supplementals of $11.2 billion.

Mr. Speaker, may I say that as we meet here today, according to my information, the unemployment compensation funds have been exhausted as of yesterday. We were in cnnference all through the day yesterday and we got final agreement about 7:30 last night. We carefully went over all the Senate amendments. We agreed to carry out, as far as we could, the intent of the various targeting formulas that were offered. We did that.

As my colleagues will understand in conference with the Senate, you do not always have your way. I have learned that over the years. But to the degree that we could represent the House position, we did so.

We are faced now with a situation that where anything that would send this conference agreement back to the Senate would further delay the distribution of much needed funds for the jobs which we have provided for in this bill. We have followed the two targeting formulae approaches of distribution to be sure that nobody is overlooked, be it a private individual in a small area, or the many, many people unemployed in the larger areas. We tried to weigh our priorities in favor of the places of great unemployment and we have not overlooked the pockets of poverty.

May I say to my colleagues that this unemployment situation is one that is a drastic failure to meet the needs of people. It is an individual, personal thing to the fellow who is unemployed. It is also a community problem when a plant is closed. It may be the only income from industry for that area.

Your conferees have done their best to forget those areas where we know we have had a long-term percentage of high unemployment, because we know that the big aggregate of money should go there.

We have tried to come up with a compromise which takes care of everybody, everywhere. This is a national concern. And may I say again I do not know when I have ever been called on for a harder task to handle. The President has a position, the leadership has another position, and the Senate position has been another. As chairman of the Appropriations Committee I have tried to see the picture from where we stand in the House.

We have tried to listen to everyone and to include what we can. But may I say again I hope the Members will go along with your committee. We have done the very best we could and if you send this back, I am not sure that we could do any better. That is just the way it is.

We need to move ahead with this bill and get these programs started. The unemployment situation is desperate.

May I say again that this conference includes the humanitarian features of this bill which I introduced back in January. In view of the unemployment situation, in view of the bankruptcies, in view of the snowstorms in the East and the floods and disasters elsewhere, there is a great need to expand those programs due to the fact that more and more people are in real need.

It is sad to see the hardships of any of our people. Only a few weeks ago we were finding in all our major cities and throughout all the sections that many, many people who lived on the streets had nowhere to go at night. They were being flushed out by reason of these snowstorms, floods, and disasters.

So I say to my colleagues there is a real emergency and we must move and move now.

With regard to the Edgar amendment, we tried to carry out its intent, and about two-thirds of it is included here in this conference report and that is a pretty good compromise when you deal with our colleagues on the other side of the Capitol.

Mr. Speaker, it is estimated that our financial situation is such that we cannot hope to have any great extension of our interstate highways due to their expense. This makes it necessary that we find the best and most economical means of widening our two-lane highways. Information with respect to highways is as follows:

Description	*Miles*
Total Federal-aid system	825,000
Interstate system	−42,500
Total primary secondary and urban system (the noninterstate system)	782,500
Approximate miles of less than 4-lane roads which is 67 percent of the total highway system	550,000

In this bill we provided $33 million for the purpose of a demonstration road project widening from 2 lanes to 4 lanes U.S. Highway 72 from the Alabama line to intersect with U.S. Highway 45, the results of which would be of benefit in connection with an expansion of the four-lane program.

With regard to the Public Works Committee we got language in the bill that would give the Committee on Public Works the same attention that was given by our colleagues on the other side who wrote directives in the conference report.

Mr. Speaker, in connection with the food distribution program for which we provided, the Senate had included language which, to our minds, was unworkable and made no reference to maintaining our export markets. The conferees agreed on a substitute which brings together the best provisions of various pending bills. The conferees have recommended a temporary program for the balance of this fiscal year in order to get a program established and underway. The conference agreement allows the legislative committees, who have jurisdiction over these programs, to seek and determine the final form of the new emergency feeding program in legislation which will be developed at a later date.

The temporary commodity distribution program will provide for the distribution of surplus agricultural commodities that are in excess of the quantities needed for the fiscal year to carry out the PIK program, to maintain the U.S. share of world markets, and to meet international market development and food aid commitments. Commodities that are in surplus to these needs will be donated to all of the traditional agencies that have been served by the various commodity donation programs to date, plus a number of new distributing groups and agencies provided for in this act, such as charitable institutions, food banks, hunger centers, soup kitchens, and similar nonprofit organizations who provide nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons.

Mr. Speaker, there are two other parts to the emergency food assistance program set up by the bill.

The first would be the provision, which was in the House bill and was unchanged by the Senate, of $75 million for the purchase under section 32 of perishable agricultural commodities for donation to the various feeding programs. In the second part which was also included in the House, and concurred in by the Senate, is $100 million for the women, infants, and children program (WIC).

Mr. Speaker, our conferees also agreed without objection with the provision offered by our colleague, Mr. WYDEN of Oregon. The following provision which I quote reads as follows:

The committee of conference emphasizes its concern over the failure of the EPA and the Office of Federal Procurement Policy to effectively implement section 6002 of the Resource Conservation and Recovery Act (Public Law 96-482), calling for procuring agencies to purchase items composed of the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.

The committee reaffirms that federal procurement policy is an effective means of stimulating the market for recovered materials. The Office of Federal Procurement Policy and procuring agencies are directed to implement the guidelines and policy set forth in section 6002 in procuring materials under this Act, to the maximum extent possible.

So may I repeat again, we bring you a bill where we have compromised with the Senate.

Mr. Speaker, we must move ahead with this bill. If we go back the only thing we do is delay the starting of these much needed jobs, because we can do no better than we have here.

May I say that with 435 Members, all we can do is try to meet all of your concerns. We tried to handle the job the best we know how, because with 435 Members, who I consider my friends, that we cannot hope to satisfy just how they would have written it. In conference you just have to write it the best you can.

Your committee worked hard to bring you a bill that I believe covers the necessities. You might have worded it differently, and I might have worded it differently.

But I hope you will take the bill as it is. We will help you any way we can to see that it carries out the purpose for which it was written. And I say again it covers national needs for everybody if properly administered.

But by all means, let us move ahead because of the tragic situation that now exists.

Mr. Speaker, for the benefit of my colleagues, I will insert at this point in the RECORD, a table that shows each of the items that was in the original House-passed bill and its disposition in this conference agreement.

BILL SUMMARY (H.R. 1718)

	Fiscal year 1983 new budget authority			
	Request	House	Senate	Conference
TITLE I—MEETING OUR ECONOMIC PROBLEMS WITH ESSENTIAL AND PRODUCTIVE JOBS				
THE NEED FOR NEW CORPORATIONS OR AGENCIES WITH NEW AUTHORITY				
Department of the Treasury				
Office of the Secretary		500,000		
MAINTAINING AND PROTECTING PUBLIC INVESTMENT FEDERAL BUILDINGS				
General Services Administration				
Federal Buildings Fund		125,000,000	125,000,000	125,000,000
REBUILDING AMERICA'S HIGHWAYS				
Federal Highway Administration				
Highway demonstration project		33,000,000		33,000,000
Federal-aid highways (limitation on obligations)		(500,000,000)	(275,000,000)	(275,000,000)
TO SPEED UP IMPROVEMENT OF MASS TRANSPORTATION				
Urban Mass Transportation Administration				
Urban mass transportation systems		171,000,000	94,300,000	32,650,000
Mass Transportation Capital Fund (effect of deferral disapproval)		(229,000,000)	(229,000,000)	(229,000,000)
REBUILDING RAILROAD INFRASTRUCTURE				
Federal Railroad Administration				
Grants to the National Railroad Passenger Corporation		110,000,000	130,000,000	80,000,000
REBUILDING AVIATION INFRASTRUCTURE				
Federal Aviation Administration				
Grants-in-aid for airports (limitation on obligations)			(150,000,000)	(150,000,000)
IMPROVING THE SAFETY OF RAIL PASSENGERS				
Federal Railroad Administration				
Northeast Corridor improvement program			25,000,000	

BILL SUMMARY (H.R. 1718)—Continued

	Fiscal year 1983 new budget authority			
	Request	House	Senate	Conference
IMPROVING FACILITIES AND SERVICES PROVIDED TO VETERANS				
Veterans' Administration				
Medical care		75,000,000	75,000,000	75,000,000
PROTECTION FROM FORECLOSURE—EMERGENCY MORTGAGE ASSISTANCE				
Department of Housing and Urban Development				
Management and Administration				
Salaries and expenses		500,000		
Community Planning and Development				
Community development grants		1,250,000,000	540,000,000	1,000,000,000
(Limitation on guaranteed loans)			(1,000,000,000)	
Urban Development Action Grants				
(Effect of deferral disapproval)		(244,000,000)	(244,000,000)	(244,000,000)
Annual Contributions for Assisted Housing				
(Effect of deferral disapproval)		(3,081,152,796)	(3,081,152,796)	(3,081,152,796)
TO AID LOCAL ECONOMIC DEVELOPMENT TO OFFSET PRESENT BUSINESS AND PLANT CLOSURES				
Department of Commerce				
Economic Development Administration				
Economic development assistance programs		200,000,000		100,000,000
Small Business Administration				
Business loan and investment fund		202,000,000	2,000,000	52,000,000
DEVELOPING PARKS AND RECREATION AREAS				
Small Business Administration				
Salaries and expenses		50,000,000		50,000,000
REPAIRING AND RESTORING PARKS AND RECREATIONAL FACILITIES				
Department of the Interior				
National Park Service				
Urban parks and recreation fund		50,000,000		40,000,000
Operation of the national park system		50,000,000	25,000,000	25,000,000
Historic preservation fund			25,000,000	25,000,000
Land and Water Conservation Fund			50,000,000	40,000,000
Total, National Park Service		100,000,000	100,000,000	130,000,000
PRESERVING THE NATIONAL FOREST SYSTEM				
Department of Agriculture				
Forest Service				
National forest system		25,000,000	90,000,000	60,000,000
Construction		20,000,000	25,000,000	25,000,000
Total, Forest Service		45,000,000	115,000,000	85,000,000
IMPROVING INDIAN HEALTH FACILITIES				
Department of Health and Human Services				
Health Services Administration				
Indian health facilities		39,000,000	39,000,000	39,000,000
IMPROVING FISH AND WILDLIFE SERVICE FACILITIES				
Department of the Interior				
United States Fish and Wildlife Service				
Resource management		25,000,000	20,000,000	20,000,000
IMPROVING NATURAL RESOURCES ON INDIAN RESERVATIONS				
Bureau of Indian Affairs				
Operation of Indian Programs		20,000,000		20,000,000
BUREAU OF INDIAN AFFAIRS CONSTRUCTION				
Construction			64,450,000	64,450,000
IMPROVING INDIAN HOUSING				
Operation of Indian Programs			30,000,000	30,000,000
ASSISTING IN RURAL DEVELOPMENT AND RESOURCE CONSERVATION				
Department of Agriculture				
Farmers Home Administration				
Rural water and waste disposal grants		200,000,000	125,000,000	150,000,000
Rural Development Insurance Fund: water and sewer facility loans		(600,000,000)	(400,000,000)	(450,000,000)
Salaries and expenses		6,500,000	6,500,000	6,500,000
Total, Farmers Home Administration		206,500,000	131,500,000	156,500,000
Soil Conservation Service				
Resource conservation and development		15,000,000		5,000,000
INCREASING THE EFFECTIVENESS OF SOIL CONSERVATION ACTIVITIES				
Soil Conservation Service				
Watershed and flood prevention operations		150,000,000	75,000,000	100,000,000
Farmers Home Administration				
Agricultural Credit Insurance Fund: Soil conservation loans		(25,000,000)		
Agricultural Credit Act of 1978, emergency measures		10,000,000		7,500,000

BILL SUMMARY (H.R. 1718)—Continued

	Fiscal year 1983 new budget authority		
	Request	House	Senate	Conference
AGRICULTURAL RESEARCH SERVICE CONSTRUCTION				
Agricultural Research Service				
Buildings and facilities			10,000,000	3,000,000
FOOD AND DRUG ADMINISTRATION CONSTRUCTION				
Food and Drug Administration				
Buildings and facilities			39,000,000	875,000
ENHANCEMENT OF WATER RESOURCE, HYDROELECTRIC POWER BENEFITS AND FOR EMERGENCY FLOOD CONTROL WORK				
Department of Defense—Civil				
Department of the Army				
Corps of Engineers—Civil				
Construction, general		125,000,000	85,000,000	85,000,000
Operation and maintenance, general		76,000,000	164,000,000	164,000,000
Flood control, Mississippi River and tributaries		203,000,000	80,000,000	140,000,000
Total, Corps of Engineers—Civil				
RECLAMATION AND IRRIGATION PROJECTS				
Department of the Interior				
Bureau of Reclamation				
Construction program		50,000,000	65,000,000	65,000,000
Operation and maintenance		21,000,000	21,000,000	21,000,000
Loan program		30,000,000	30,000,000	30,000,000
Total, Bureau of Reclamation		101,000,000	116,000,000	116,000,000
Tennessee Valley Authority				
Payment to Tennessee Valley Authority Fund		40,000,000	40,000,000	40,000,000
FEDERAL, STATE, AND LOCAL PRISON MODERNIZATION				
Department of Justice				
Federal Prison System				
Buildings and facilities		90,000,000	70,000,000	80,000,000
(Transfer to support of United States prisoners)		(30,000,000)	(10,000,000)	(20,000,000)
CONSTRUCTION AND MODERNIZATION OF HOUSING UNITS FOR MILITARY FAMILIES				
Family housing, Army		100,600,000	40,465,200	73,654,000
Family housing, Navy		50,531,000	20,614,000	32,798,000
Family housing, Air Force		91,869,000	39,487,000	73,190,000
Total, Family housing		243,000,000	100,566,200	179,642,000
LOW-INCOME ENERGY CONSERVATION				
Department of Energy				
Energy conservation (Low-income weatherization)		150,000,000	100,000,000	100,000,000
SCHOOLS AND HOSPITALS WEATHERIZATION ASSISTANCE				
Energy conservation			75,000,000	50,000,000
SCHEDULED MOTOR VEHICLE PROCUREMENT				
General Services Administration				
General supply fund (Motor vehicle purchases)		75,000,000		
INCREASING EMPLOYMENT AND TRAINING OPPORTUNITIES				
Department of Labor				
Employment and training assistance		207,400,000	257,400,000	217,400,000
(Job Corps)		(32,400,000)	(32,400,000)	(32,400,000)
(Summer youth employment)		(100,000,000)	(100,000,000)	(100,000,000)
(Displaced workers)		(75,000,000)	(125,000,000)	(85,000,000)
INCREASING EMPLOYMENT OPPORTUNITIES FOR OLDER AMERICANS				
Community service employment for older Americans		25,000,000	50,000,000	37,500,000
GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES				
(Increase in limitation on trust fund transfer)			(50,000,000)	
INCREASING ESSENTIAL COMMUNITY AND HOME HEALTH SERVICES				
Department of Health and Human Services				
Health services (Community and Migrant Health Centers)		78,000,000	70,000,000	70,000,000
INCREASING MATERNAL AND CHILD HEALTH SERVICES				
Health services (Maternal and Child Health Grants)		110,000,000	105,000,000	105,000,000
CENTERS FOR DISEASE CONTROL				
Preventive health services (construction and renovation)			15,560,000	15,560,000
INCREASING ASSISTANCE FOR PUBLIC HOSPITALS AND EMERGENCY ROOM SERVICES				
Preventive health services		52,000,000		
INCREASING ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH SERVICES				
Alcohol, Drug Abuse, and Mental Health Administration				
Alcohol, drug abuse, and mental health		30,000,000	30,000,000	30,000,000
INCREASING DAY CARE AND SOCIAL SERVICES				
Social Services Block Grant (Title XX)		150,000,000	300,000,000	225,000,000
INCREASING HEADSTART SERVICES				
Human Development Services		30,000,000		
INCREASING COMMUNITY AND HUMANITARIAN SERVICES				
Community services block grant		25,000	41,375,000	25,000,000

BILL SUMMARY (H.R. 1718)—Continued

	Fiscal year 1983 new budget authority			
	Request	House	Senate	Conference
PROVIDING URGENTLY NEEDED SCHOOL FACILITIES				
Department of Education				
School assistance in federally affected areas (Constr)		35,000,000	60,000,000	60,000,000
EDUCATION FOR THE HANDICAPPED				
Education for the handicapped			40,000,000	40,000,000
REHABILITATION SERVICES AND HANDICAPPED RESEARCH				
Rehabilitation services and handicapped research			5,000,000	5,000,000
STUDENT FINANCIAL ASSISTANCE				
Student financial assistance			100,000,000	50,000,000
LIBRARIES				
Libraries and learning resources			50,000,000	50,000,000
RELIEVING HUMAN SUFFERING OF INDIGENT PEOPLE				
Food and Nutrition Service				
Food program administration		250,000		
DISTRIBUTION OF AGRICULTURAL COMMODITIES				
Funds of strengthening markets, income, and supply (Section 32)		75,000,000	75,000,000	75,000,000
FEEDING PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)				
Feeding program for Women, Infants, and Children (WIC)		100,000,000	100,000,000	100,000,000
Federal Emergency Management Agency				
Emergency food and shelter program		50,000,000	50,000,000	100,000,000
RAILROAD UNEMPLOYMENT BENEFITS				
Railroad Retirement Board: Payment to Railroad Unemployment Ins. Trust Fund			125,750,000	125,750,000
Department of the Treasury				
U.S. Customs Service				
Operation and maintenance, air interdiction program			3,750,000	3,750,000
Total, title I:				
New budget (obligational) authority		4,898,150,000	3,924,651,200	4,598,577,000
(Limitation on obligations)		(500,000,000)	(425,000,000)	(425,000,000)
(Limitation on guaranteed loans)			(1,000,000,000)	
(Limitation on direct loans)		(625,000,000)	(400,000,000)	(450,000,000)
(Effect of deferral disapproval)		(3,554,152,796)	(3,554,152,796)	(3,554,152,796)
TITLE II—DOMESTIC COMMODITY DISTRIBUTION AND FOOD ASSISTANCE				
Distribution of agricultural commodities			100,000,000	50,000,000
Total, titles I and II		4,898,150,000	4,024,651,200	4,648,577,000
TITLE III—SUPPLEMENTAL UNEMPLOYMENT APPROPRIATIONS				
DEPARTMENT OF LABOR				
EMPLOYMENT AND TRAINING ADMINISTRATION				
Advances to the Unemployment Trust Fund and other funds	5,033,000,000	5,033,000,000	5,033,000,000	5,033,000,000
Grants to States for unemployment insurance and employment services (limitation on trust fund transfer)	(276,100,000)	(276,100,000)	(276,100,000)	(276,100,000)
SMALL BUSINESS ADMINISTRATION				
Business loan and investment funds, additional capital			434,000,000	200,000,000
(By transfer)	(178,600,000)			
DEPARTMENT OF AGRICULTURE				
Commodity Credit Corporation				
Reimbursement for net realized losses	5,707,457,000		5,707,457,000	5,707,457,000
Total, title III:				
New budget (obligational) authority	10,740,457,000	5,033,000,000	11,174,457,000	10,940,457,000
(Limitation on trust fund transfer)	(276,100,000)	(276,100,000)	(276,100,000)	(276,100,000)
Grand total, titles I, II and III:				
New budget (obligational) authority	10,740,457,000	9,931,150,000	15,199,108,200	15,589,034,000
(Limitation on guaranteed loans)			(1,000,000,000)	
(Limitation on trust fund transfer)	(276,100,000)	(276,100,000)	(326,100,000)	(276,100,000)
(Limitation on obligations)		(500,000,000)	(425,000,000)	(425,000,000)
(Limitation on direct loans)		(625,000,000)	(400,000,000)	(450,000,000)
(Effect of deferral disapproval)		(3,554,152,796)	(3,554,152,796)	(3,554,152,796)

□ 1630

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume, and I yield to the gentleman from Arizona (Mr. RUDD).

Mr. RUDD. Mr. Speaker, may I ask the chairman of the Subcommittee on Energy and Water Development what the funding level for the construction program for the Bureau of Reclamation is under this bill?

Mr. BEVILL. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Alabama.

Mr. BEVILL. The funding level for the Bureau of Reclamation under this bill for construction purposes is $65 million.

Mr. RUDD. As the chairman knows, the central Arizona project took a severe cut under the fiscal year 1983 continuing resolution. Does the chairman have a recommendation for the allocation of funds for the CAP under the Bureau of Reclamation's construction funding?

Mr. BEVILL. The committee and Bureau feel that $20 million could be effectively utilized for the rest of the year to make up lost ground due to the cutbacks under the continuing resolution.

Mr. RUDD. It is my understanding that this level of funding is to be applied to ongoing construction on the Granite Reef and Salt Gila aqueducts and for erection of electrical transmission lines; is that correct?

Mr. BEVILL. Yes, that is correct.

Mr. RUDD. Mr. Speaker, I thank the chairman of the subcommittee.

Mr. CONTE. Mr. Speaker, I rise in support of this conference report. I am by no means satisfied with a number

of its provisions. This bill is still far from the kind of labor intensive measures that I would prefer. It still contains money for programs that can only be characterized at best as pure pork barrel.

Nevertheless, we have to remember that politics is the art of compromise, and this measure is perhaps above all a political document. The conferees worked long and hard on this bill, and I can honestly say that the conference report is vastly superior to either of the House or Senate bills that went into conference.

We also have to remember that we have now gone past the 11th hour and are approaching the 12th hour as far as Federal funds for employment compensation are concerned.

Through a series of accounting and cost-saving measures, the Department of Labor has been able to postpone the day when it must stop payment of funds to the States for unemployment compensation. But the well will finally run dry. The Department of Labor has no more funds available for this purpose after today. This applies not only to those 29 States that are borrowing unemployment funds but also to the Federal share of all extended benefit and supplemental benefit programs. The Federal unemployment benefits on which over 5.5 million Americans must tragically depend for support are expiring today.

Unless this bill is enrolled and on the President's desk by tomorrow morning, some States are going to be sending out I O U's and excuses instead of benefit checks. I would not want to have to explain that to my constituents.

So it is clear that our feet are to the fire. This is a terrible way to legislate, but there is no alternative.

Let me take a few minutes, Mr. Chairman, to outline some of the major items contained in the conference report.

As I said a minute ago, this is not a perfect bill but it is a great deal better than the bill that left the House.

For titles I and II, the job-creating portions of the bill, the conference report contains approximately $4.6 billion, as compared to $4 billion in the Senate bill and $4.9 billion in the House bill.

The bill contains funds for a number of worthwhile programs designed to create jobs and provide humanitarian assistance for those in need.

The conference report includes $100 million for the economic development administration public works grants program, an even split between the $200 million in the House bill and zero in the Senate bill. This program is a popular and effective job creator in urban and rural areas alike. It is estimated that the amount included in the conference report could provide about 17,000 jobs in such activities as industrial park development, water and sewer development, street and railway improvements and rehabilitation of inner-city housing for residential use.

The conferees agreed, wisely in my view, to reduce the amount for small business administration direct loans from the House amount of $200 million down to $50 million. I would have prefered to go to zero. The SBA direct loan program is an extremely wasteful use of SBA resources. The default rate on these loans is high. The loans have been limited in the past to a very small portion of the small business community, and the special loan terms are resented by others in that community. Guaranteed loans are far more effective and efficient.

The conference report contains $100 million for low-income weatherization, a labor intensive program that will help create jobs immediately and will also help low-income individuals save on future fuel bills. The conference agreement also contains $50 million for the schools and hospitals weatherization assistance programs.

The conferees have provided $225 million for title 20 social services block grants. These funds will enable the States to provide additional support for such necessary activities as day care, child abuse prevention, and other grassroots human relief measures.

We have provided $29.25 million for community service employment for older Americans, more than $9 million above the House bill.

The conference report provides $150 million for airport development grants, almost $133 million for mass transit capital development, $80 million for Amtrak, and $257 million for highway development. These funds can be rapidly put to use and we can provide lasting benefits for our transportation system.

I am pleased to report that funds for Corps of Engineers construction were reduced from $125 million in the House bill to the $85 million in the Senate bill. Flood control funds for the Mississippi River and tributaries were also reduced from $203 million in the House bill to $140 million.

Finally, on the questions of targetting, the conference report combines elements of both the Edgar amendment adopted by the House that targetted discretionary programs and the Hatfield amendment adopted by the Senate for formula program. I was not satisfied by the conference result, and excepted to amendment 82 which contained that provision.

Of the 25 programs originally covered by the Edgar amendment, only 9 remain, the Corps of Engineers, the Bureau of Reclamation, the Economic Development Administration and even the $33 million highway demonstration project were excepted. In addition, humanitarian programs excepted by the Edgar amendment, such as alcohol, drug abuse and mental health program were included.

Although I opposed the conference agreement on amendment 82, we have to be realistic. It is better than the Senate provisions alone. And we cannot forget that $5 billion of unemployment compensation funding.

Mr. Speaker, on balance I believe that his conference report strikes a reasonable compromise, and I urge its adoption.

Mr. WHITTEN. Mr. Speaker, I yield such time as he may consume to a member of the committee, the gentleman from California (Mr. FAZIO.)

Mr. FAZIO. Mr. Chairman, I would appreciate it if I could engage in a colloquy with my subcommittee chairman, the gentleman from Alabama (Mr. BEVILL). It is my understanding that the Bureau of Reclamation has just learned from OMB that there will need to be an increase in the gross obligation ceiling for direct loans under the provisions of this legislation to the amount of $30 million or so.

Would it be possible for us to accommodate that at the nearest possible time?

Mr. BEVILL. Mr. Speaker, if the gentleman will yield, if it is necessary we will accommodate that in the first possible legislation that could be passed.

Mr. FAZIO. I appreciate the chairman's indication.

I would at this time be happy to yield to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman for yielding, and also for the very constructive role he has played in the development of this bill and in the conference. In particular, I am grateful to the gentleman for the managers' language he had inserted on storm damage in California, directing the Army Corps of Engineers to give due consideration to the severe damages we have suffered, in allocating funds provided in the bill for maintenance, repair, and beach restoration in California. I spoke to the gentleman about this problem yesterday morning and I want to express the appreciation of the residents of Ventura and Santa Barbara Counties in particular for his quick response.

If I may inquire of the gentleman, what is the effect of this language in providing direction to the corps in relation to the recent and ongoing emergency in California?

Mr. FAZIO. It is my understanding that this language will allow the corps to provide immediate assistance in any current emergency situation, and also to assist in restoration of corps projects which have already been damaged.

Mr. LAGOMARSINO. Mr. Speaker, if I may further inquire, as the gentle-

man knows, the Federal Emergency Management Agency (FEMA) has been imposing a 25-percent matching requirement by contract on grants to localities for repairing public facilities damaged in the disaster. Is there language in the bill which addresses this problem, and if not, would the gentleman agree that something needs to be done to provide relief from this rather arbitrary provision?

□ 1640

Mr. FAZIO. I regret to say that there is no language in the bill that goes to the gentlemen's point, but I think all of us, particularly those of us from the storm-battered States, would agree that FEMA should show some flexibility in this matter and permit other sources of revenue to provide some of the 25-percent local match, which is a severe impediment to many localities in their efforts to come up with the assistance that we will all need in order to make those essential improvements.

Ms. FIEDLER. Mr. Speaker, will the gentleman yield?

Mr. FAZIO. I would be happy to yield to the gentlewoman from California.

Ms. FIEDLER. I thank the gentleman for yielding.

Mr. Speaker, I would like to associate myself with the gentleman's remarks. I have just finished having the opportunity to meet with one of the supervisorial representatives from Ventura County, which is really facing tremendous damage as a result of the storms recently, and any assistance that you or any other Member of this House can give us in trying to help resolve the damage which was caused to communities like that would be very much appreciated.

Mr. FAZIO. I appreciate the gentlewoman's comments. I am sure the gentleman from Alabama (Mr. BEVILL) and the gentleman from Mississippi (Mr. WHITTEN) will work with us to make sure that the proper repairs are made through corps funding in California.

Ms. FIEDLER. I thank the gentleman very much.

Mr. WHITTEN. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey (Mr. HOWARD).

Mr. HOWARD. I thank the gentleman for yielding this time to me.

Mr. Speaker, I think that, overall, this jobs bill is a good bill and I intend to support it. However, I am disturbed about some of the conference committee's actions in the area of mass transit.

As you know, the House bill had money allocated, $110 million, where the administration was willing to go for $171 million in public transportation, and the House bill had earmarked every cent of that to about eight areas in the country, leaving out most of the urban areas, not giving them a cent.

Another $229 million which the administration wanted to defer, which was part of the bill we passed last December when we agreed to increase the gasoline tax by 5 cents, was eliminated. My amendment bill corrected that. We put in the $229 million by rejecting the deferral, and put in the $171 million, to bring a total of $400 million, and left that $171 million unearmarked in discretionary funds.

The Senate went halfway forward and halfway back. They left in the rejection of the deferral, but then they packed up the rest of the discretionary money, leaving it mostly to members of their appropriations committee or perhaps their close friends. I am sorry to see that in the conference the situation did not get any better; it got worse.

So what we are left with, in $132 million worth of transit funds, there are about eight or nine States that are going to get all but $8 million of it. In the first section, out of $85 million, if you live in Buffalo or Dade County, or Connecticut or Pennsylvania or California, Boston or Long Island, you will do all right. But out of that $85 million, all the rest of the States are going to have to fight for a share of only $4 million.

In the interstate transfer section, if you are in northeast Illinois or Sacramento, or Oregon or Baltimore, or New Jersey, you are treated quite well. In fact, the State of New Jersey, out of $47 million, gets $20 million, almost half of all the money. My State of New Jersey certainly has great needs in transit, but we do not rate almost 50 percent of all the national money. If you live in the other 45 States, out of that $47 million, you are going to have to fight for a share of $4 million.

I think it is a disgrace. It does not mean that this bill ought to be rejected, but I just want to say one thing, to the leadership on my side: The next time a major, overall bill comes along and there is some intention of saying, "Leave it to the Appropriations Committee, let them do the whole thing. They will confer with the authorizing committees as to what some priorities might be," I say, never again, if I have anything to say about it, and I believe many authorizing committee members feel the same way. We have gone through it once. There is more good than bad in this bill, but let us not do something like this again where we still have not come up with an amount of total transit money that the administration—the administration we have been fighting for years because they do not care for transit—was willing to accept more money than we came up with.

I hope we can do much better next time around, and I hope that the authorizing committees may have something to say about it.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, may I say that I recognize the feeling of my friend from New Jersey, Mr. HOWARD, the distinguished chairman of the Public Works and Transportation Committee. And may I say to my friend, when he offered his amendment to the House bill I went along with it. I thought it was proper.

May I say also, in the conference I did my best to see that the Department of Transportation would have more discretion in allocating the funds. I was virtually alone in my insistence on that in the conference committee all along the line.

I recessed the conference to see if I could not work it out where everyone relied on the Department of Transportation.

I was unable to do that. I found myself up against the wishes of the subcommittee on both the House and Senate sides and against all the conferees generally.

The best I could get, was the language in the conference report which appears in four instances. It was the best I could do, may I say, to my friend from New Jersey.

At my suggestion, the conferees agreed to include the following language: That such other projects as may have been agreed upon by the appropriate authorizing committees shall receive equal attention. And we got them to increase the amount by $10 million.

May I say that is all I could do. That is true. I did everything I knew to do. The gentleman knows how I feel toward him personally and how I have worked with him on legislation through the years. I hope it will continue that way.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from New Jersey.

Mr. HOWARD. I thank the gentleman for yielding.

Mr. Speaker, I just want to say that I agree that we have worked together well in the past and I am sure we will be able to in the future. I just think this is a very unfortunate situation here. Even though, as I said, the State of New Jersey, from the Senate amendment, got an awful lot of money in here, I do not think we are entitled to that much earmarking. I think a lot of States or a lot of areas like Atlanta and Houston and a lot of other needy areas for transit should have gotten some consideration.

Mr. WHITTEN. May I say I am not differing with my friend about the ultimate end. I just want him to know that I did everything that I knew to do and we came out with the best we could get.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. WALKER).

Mr. WALKER. I thank the gentleman for yielding this time to me.

Mr. Speaker, I have commented before that we tend to have a very short institutional memory in the House of Representatives, but I would hope that we might be able to remember from one debate to the next on the same day.

In the previous debate with regard to the budget, we had the majority leader parade out here some fancy charts purporting to show us where deficits come from, and they purported to show us deficits come from Presidents, and he had a list of Presidents and big deficit figures on his charts.

I would suggest to you, Mr. Speaker, that right here is where deficits come from. The bill that we have before us, brought to us by the chairman of the Committee on Appropriations, from conference, is a $15 billion budget deficit add-on. This bill contains $15 billion of additional spending in fiscal year 1983.

So the next time we are treated to the kind of charts that purport to show budget deficits and they are up by $15 billion, we will know that they did not come out of the White House, we will know that we voted on them right here on this floor this afternoon; that we had a chance to do something about budget deficits and we reneged—we said no when it came to the question of whether or not we were going to add $15 billion to a budget deficit figure that is already over $150 billion.

I would ask a no vote on this bill. Let us try to do something to contain deficits.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. BURTON).

□ 1650

Mr. BURTON of Indiana. I thank the gentleman for yielding.

Mr. Speaker, I think the point of the gentleman from Pennsylvania is well taken. In addition to that, I am very disappointed that we have so little time to review this piece of legislation. I just asked some of the people here who are supposed to know, how this bill is going to impact on the Sixth Congressional District of Indiana and on Indiana in general, and they do not have any idea of how much money is going to be allocated for that State for jobs, or how many jobs will be created. We are totally in the dark.

We have had a very, very short period of time to look at a piece of legislation that is going to cost this country $15 billion. We do not know how it is going to impact many of our individual States, as far as jobs are concerned. We do know it is going to cost a lot of money. And I think it is totally irresponsible for us to vote for this piece of legislation without studying it more carefully. And how much time that means, I really do not know; but it certainly means more than just a couple of hours.

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume, and I just want to clarify one point. The gentleman from Pennsylvania (Mr. WALKER) said it was a $15 billion bill. Most of the $15 billion is what the administration asked for. When the bill came through from the House over the Senate, the Senate tacked on $5,707 million for the Commodity Credit Corporation. That was a supplemental that the administration asked for. We just saw fit not to handle it here. We were going to handle it in a later supplemental, but they thought over there it was an emergency, and they tacked it on. It is not something that this Congress tacked on.

I want to make it very clear, as I said on the floor of the House, this bill as sent up by the administration and acted on by the House is $249,573,000 below the House bill that went through here several weeks ago.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. MORRISON).

Mr. MORRISON of Connecticut. Mr. Speaker, I believe this jobs bill is very much needed, but I also think that this jobs bill needs very much to be targeted more effectively than the conferees have proposed. Most of the Members of the House agreed with me when we voted on targeting language just prior to passage of this bill. Unfortunately, the Senate approach to targeting, which has been incorporated by the conferees, creates much mischief, and this conference report, in amendment 82, creates serious problems for the targeting of these funds.

Under the conferees' proposal, allocation of community development block grant funds, which by formula already are targeted to local communities in need, will now be determined not on the basis of local need, but on the basis of a State's average unemployment. That makes no sense. It does not make sense because there is little relationship between statewide unemployment rates and the economic condition of any community within a State.

In the State of Connecticut, we have 2 of the 10 cities which suffer the highest rates of poverty in the Nation. Under the conferee's proposal, funds for those cities will be drastically reduced by this targeting because the entire State of Connecticut as a whole has low unemployment.

I can support this entire conference report, but not amendment 82. I hope, when we get to that point in the proceedings, we will reject amendment No. 82 and look for a different solution in a new agreement with the Senate.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas (Mr. HAMMERSCHMIDT).

Mr. HAMMERSCHMIDT. I thank the gentleman for yielding.

Mr. Speaker, I wonder if I might have the attention of the distinguished chairman of the Subcommittee on Energy and Water Development so that I could ask him a question.

I note that the conference report before us appropriates for the "operation and maintenance, general" account of the U.S. Army Corps of Engineers an additional $164 million, which will result in productive jobs and which will remain available until expended. It is my understanding that the bill will allow for the Corps of Engineers to use a portion of this funding to begin, as soon as possible, construction of the Dardanelle Resident Office/Visitors Center in connection with the Arkansas River navigation project. I wonder if the gentleman would comment on that?

Mr. BEVILL. If the gentleman will yield, the gentleman is correct. The funds in the bill are available for times like the Dardanelle Visitors Center construction.

Mr. HAMMERSCHMIDT. I thank the chairman for his clarification of this point and for this continued strong leadership in the area of sound water research and development.

Mr. Speaker, I am most pleased to see that the need to begin construction of the Dardanelle Visitors Center has been recognized in this legislation. This facility is important both for providing space for the corps' management of the Dardanelle lock and dam and for its use as a center of activity for the community and visitors to the Arkansas River navigation project. The design work necessary to complete the center's engineering plans and specifications has been completed and the project is ready to be constructed as soon as funding is made available.

Dardanelle is a major unit in the multipurpose plans and development for the Arkansas River and tributaries in Arkansas and Oklahoma, now named the McClellan-Kerr Arkansas River Navigation System. Being located near the midpoint of the McClellan-Kerr System, the Dardanelle Visitors Center will tell the story of the corps' involvement on the entire Arkansas River Navigation System. The proposed location has been well planned, as evidenced by the fact that, in 1977, more than 1.5 million persons visited the parks located within a 4-mile radius of the proposed visitor center.

Mr. Speaker, this is an excellent feature of an excellent project, and I am pleased to see that we are able to com-

bine this fact with the proposal to create new jobs in this legislation so that construction of the center can begin without further delay.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma (Mr. WATKINS).

Mr. WATKINS. I thank the gentleman for yielding.

Mr. Speaker, I understand the conference report makes an additional $65 million available for the Bureau of Reclamation for construction of Bureau projects. Is that correct?

Mr. BEVILL. If the gentleman will yield, the gentleman is correct.

Mr. WATKINS. Mr. Speaker, let me say to the chairman that one of the projects eligible for funding under this account is the McGee Creek project, which is located in an area which has about 17-percent unemployment. One of the important local aspects of this project is the need for a lake access road, which is proposed, and local citizens have asked that this be from Stingtown to the Lane area. Construction of the road would also be highly labor intensive in an area which, as I understand has already been pointed out, has experienced chronic long-range unemployment.

Mr. Chairman, is it the intent of the committee that funds under this category be available for design and construction of this important lake access road?

Mr. BEVILL. The gentleman is correct.

Mr. WATKINS. I thank the Chairman.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. I thank the gentleman for yielding so that I may engage in a colloquy with the distinguished chairman.

I understand that a substantial amount of funds has been provided for the Corps of Engineers and that this will permit the Corps of Engineers to begin construction on the mouth of the Colorado jetties project in Matagorda County in Texas; is that correct?

Mr. BEVILL. If the gentleman will yield, the gentleman is correct. Funds are available in the bill to resume construction of that project.

Mr. PATMAN. I thank the gentleman.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. CARR).

Mr. CARR. Mr. Speaker, in section 209 of the jobs bill, under title II of the conference report, we are going to be expanding and improving the domestic commodity distribution programs across the Nation, and I would like to congratulate and applaud the work of our fine chairman. Specifically, I would like to applaud his work in increasing the amount of funds which the Secretary of Agriculture must provide the States to pay for the cost of administering the commodity supplemental food program.

As you know, Mr. Chairman, in the 1981 farm bill, Congress changed the administrative funding formulas of the commodity supplemental food program. Essentially Congress said that we could distribute surplus food, but we could not have any funds for administering the program.

We have a surplus commodity distribution program in the Detroit area. It is administered by Project Focus Hope, and it contributes, Mr. Chairman, food to about 50,000 low-income and undernourished mothers and babies and preschool children every year. We are mighty grateful to the chairman and members of the committee for making sure that we are going to have some administrative funding. In fact, I will be back to you asking for another $15,000 in the appropriations bill this year so that we can expand that program in my own home area of Pontiac, Mich., where we have some tragic needs for surplus food.

I want to thank the chairman very much.

Mr. WHITTEN. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, may I say here that we appreciate greatly the statement made be our friend and member of the committee, the gentleman from Michigan (Mr. CARR). I would like to tell the membership that this is not the last appropriations action the Congress is going to take this year. If there are problems that do arise, the Appropriations Committee will meet throughout the year, and I assure everyone that we will continue to do the very best we can. If some issue does arise, we certainly will give our attention to try to solve it.

Again, just because one item does not come under one section does not mean another section does not apply. We have done the very best that we possibly could do. And may I say that there are about 435 different viewpoints about how we should do this that and the other. We have done the best we could, and I hope the Members will let us go ahead and make these funds available for the people of the country when they need it and let us address other issues that you might see later if they should surface.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I, too, want to compliment the chairman on this particular subject in this bill. It is a terribly important matter. Nobody in Iowa or for that matter in any other part of the country can understand that if we have surplus commodities why we cannot get them to the poor people who need them. One of the reasons we have not been able to do that is that some years ago a bill was enacted that prohibits county welfare departments from having a dual system of distribution. They cannot have both a direct food program and also a food stamp program. That provision has prevented the Department of Agriculture from distributing this food to local welfare departments where it ought to be distributed. However, as a substitute we, at least, ought to have distribution to charities and others who can have mass feeding programs, as this bill does. But this is not the final answer.

I want to compliment the gentleman because he has long understood this problem and it is a very important part of this bill.

□ 1700

Mr. WHITTEN. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. HUGHES).

Mr. HUGHES. I want to compliment the chairman of the full Appropriations Committee and the members of the Appropriations Committee. It is not the bill that I would myself craft. I do not think it is targeted the way I would target it. But I think given the time constraints under which the committee has operated, it is a good bill and I intend to support it.

I do have one question of the distinguished chairman of the Energy and Water Subcommittee if I could just question him.

Mr. Chairman, in my southern New Jersey district I have two small communities that are developing a barge port. In fact, they are already beginning to bring barges in. We have shoaling problems in the river. I know at least in one, Salem City, it is an old, federally authorized project and I suspect that Bridgeton City is the same.

My question is under the enhancement of water resources benefits, the $164 million program, would maintenance dredging to free up the rivers so we can bring the barges in and out, would that qualify under that particular program?

Mr. BEVILL. Mr. Speaker, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Alabama.

Mr. BEVILL. The gentleman is correct. This funding is available for maintenance dredging.

Mr. HUGHES. It would seem to be the kind of program that would develop a lot of jobs. In fact, we are creating a lot of jobs with these new barge ports and they would seem to be ideally suited for that type of project. Would the gentleman agree?

Mr. BEVILL. That is correct. There are maintenance dredging funds in the bill.

Mr. HUGHES. I thank the chairman and commend him for his work on the conference.

Mr. CONTE. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. SAM B. HALL, JR.).

Mr. SAM B. HALL, JR. I would like to direct a question if I may to the gentleman. I notice when the bill left the House there were no funds for repurchasing defaulted loan guarantees. The conferees have recommended $200 million for the repurchasing of these SBA loan guarantees.

My question is: What dates will be used to repurchase? When will that start?

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. SAM B. HALL, JR. I yield to the gentleman.

Mr. SMITH of Iowa. Let me say there are more loan guarantees in default or expected to be in default than the amount in this bill would cover. As the banks turn in the loan guarantees that are in default SBA will pick up the loan. The date that the loan was made by the bank is not involved here. The date that is applicable is the date that the loan guarantee that is in default is turned into the SBA. We will have to have another supplemental bill. The $200 million in this bill for repurchases of SBA loan guarantees that are in default is not enough money.

Mr. SAM B. HALL, JR. If I may ask another question of the gentleman from Iowa (Mr. SMITH), the $200 million is not to repurchase loans that have previously defaulted but for loans that will possibly default in the future?

Mr. SMITH of Iowa. These are loans that banks made and were guaranteed by SBA. When the banks turn over such loans to the SBA they have to pay the bank off.

Mr. SAM B. HALL, JR. But the gentleman does say there will be a supplemental?

Mr. SMITH of Iowa. There will have to be a supplemental in addition to the amount in this bill for repurchasing these defaulted SBA loan guarantees.

Mr. SAM B. HALL, JR. I thank the gentleman and I yield back.

Mr. WHITTEN. Mr. Speaker, I yield my remaining 3 minutes to the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Speaker, the House of Representatives with an overwhelming vote of 335 to 83 voted to target this jobs bill to areas of high unemployment. The vote was specifically to take about $2.4 billion of the discretionary programs, those dealing with the Army Corps of Engineers or rural sewers or soil conservation and zero in and spend 75 percent of the funds in communities that had at least 9-percent unemployment or higher.

That is an unemployment rate that was at 90 percent of the national average over the last 12 months.

That targeting provision received a great deal of support both inside and outside of this body because people in the real world believe that if you are going to spend just $5 billion, and half of that humanitarian aid, the half that deals with construction clearly ought to go to those areas of highest unemployment and that, in fact, 75 percent of those dollars should be spent in communities that have the most outrageous levels of unemployment.

Unfortunately, when the conferees met, because of the pressure of time, because of the need to put together legislation that deals with jobs, they put together a hodgepodge of targeting amendments that do little or nothing to target this legislation.

For example, they took the Hatfield amendment on the Senate side, which was a targeting provision for the humanitarian aid, which frankly does not even need to be in the bill, and they included almost all of that in this legislation.

Then they took the 25 programs that would have been covered under the Edgar amendment, reduced them to about nine, and four of those nine were not even included in the original Edgar language.

Therefore I urge my colleagues to look carefully at this bill. Yes, we need a jobs bill. Let us vote for it. But when amendment 82 comes before the House I urge you very strongly to look carefully at it. We are going to ask that we focus in on that particular amendment and go back and discuss with the other body a clear targeting provision that targets these funds into the areas of highest unemployment.

This will be a bit technical. We will be asking to divide the question. we will be asking those who supported targeting to vote no on the motion to recede and concur with the other body, and then we hope that in discussions with the other body we can have a targeting provision placed in this bill that more adequately equates to the real need.

I urge my colleagues to support the targeting provision that we originally passed in the House. I urge my colleagues not to let us go home for an Easter recess with $5 billion floating out into a jobs bill which will not be targeted to the areas of most need.

I urge my colleagues to support the effort to defeat amendment 82.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina (Mr. CAMPBELL).

Mr. CAMPBELL. I thank the gentleman for yielding.

I just wanted to pose a question. In reviewing the legislation I found that there was $33 million for demonstration highway widening programs. I do not see that this is earmarked or anything. Is this money still open for application, or is it earmarked for specific projects?

Mr. CONTE. Will the gentleman yield?

Mr. CAMPBELL. I yield to the gentleman from Massachusetts.

Mr. CONTE. No, this is not earmarked for any project. It is merely a demonstration project to expand a two-lane highway into a four-lane highway. I am sure that the Federal Highway Administration will award that project strictly on the basis of merit.

Does the gentleman have that kind of project in mind?

Mr. CAMPBELL. I have a county union with 25 percent unemployment that has had an application in for funding trying to get a highway widened. That county does not have a four-lane highway at all, and it has a problem. I just wondered if they would be eligible to apply for this type of a demonstration project?

Mr. CONTE. I definitely feel they would be eligible and this bill will be signed, I imagine, tomorrow, so if I were the gentleman I would get down to the Federal Highway Administration and apply for your share of the $33 million.

Mr. CAMPBELL. I thank the gentleman.

● Mr. BIAGGI. Mr. Speaker, I rise in support of the conference report to H.R. 1718—the Emergency Supplemental Appropriations Act of 1983. In the course of legislative development, one comes to expect compromise to achieve a finished product. This conference report is no exception, but on balance, it maintains a commitment to alleviating the major problem facing our Nation today—record and rampant unemployment.

In many respects this conference report is more a pure jobs bill than either the original House or Senate bill. And well it should be. Today as too many of us know we have more than 11 million of our citizens enduring the indignity of unemployment. We have thousands and perhaps even more of our citizens suffering from homelessness and hunger. We are seeing soup kitchens sprouting up in many communities in this Nation—harkening this Nation to another era of despair in our Nations history—the Great Depression.

While this bill does not in and of itself address all of the problems caused by this prolonged recession, it lays the foundation for a possible recovery which could be felt by those who have been most victimized by the recession.

As I mentioned during the House's consideration of its version of H.R. 1718 on March 3, when we look further at the 11-percent unemployment

rate we find that the numbers are far more severe when you examine particular segments of our population. For example, unemployment among black workers—always higher than the national average—has increased twice as fast in the past year over that of nonminorities. Similarly unemployment among Hispanic workers has soared by more than 15 percent in the past year. Unemployment among women who maintain families has jumped to 13.2 percent. In addition to certain segments of individuals suffering far worse than the national average with respect to unemployment, so too are certain sectors of our economy feeling it worse as well. Unemployment in the construction industry is now over 20 percent and other industries such as steel are also experiencing extremely high unemployment rates.

The most startling consequence of this unemployment crisis is that our Nation is now spending some $32 billion annually on unemployment compensation. With our passage of this conference report we will finally be spending billions of dollars to put people back to work.

Let me review the important features of this legislation. All told, this conference report would appropriate $4.65 billion in additional funding during this fiscal year for programs to create jobs and provide humanitarian relief to victims of the recession.

Critically important in this legislation is the appropriation of some $1 billion for the community development block grant program—one of the more successful Federal programs. While this figure is less than the House-passed bill it still represents a significant amount of money which can be converted into activities which can put people back to work. I am pleased with two particular provisions agreed to by the conferees. The first mandates that $250 million of the funds under this section would be reserved for urban areas of high unemployemt. The second would raise from 10 to 50 percent the limitation on the amount of funds which can be spent on public service activities such as day care. Again in this section, I support the conferees ability to retain more than $132 million in urgently needed mass transportation assistance.

I support the conferees decision to retain some $100 million for programs and activities of the Economic Development Administration in the area of public works. The EDA and their programs have been of particular significance to the areas that I represent now and have in the past. I refer in particular to the contribution which EDA "seed" money has made to the redevelopment of the South Bronx. I hope that EDA's commitment to neighborhood revitalization can be maintained for the balance of this fiscal year and beyond and by Congress providing $100 million more in funds for this fiscal year, we are indicating our support of the agency.

This conference report also provides a total of $179.6 million in funds for the repair and rehabilitation of military family housing. I would hope that this might include work on underutilized military housing which might be deemed habitable for the many thousands of homeless in our Nation.

I support the conferees action which led to an additional $176 million for the child health community and migrant health centers and the community and migrant health centers program. Unfortunately, the conferees did not see fit to retain another important House-passed provision providing some $52 million in preventive health services block grant funds.

As a staunch supporter of the former title XX program and ardent opponent of its decimation through block granting, I applaud the conferees decision to provide an additional $225 million for the social service block grant. These are funds which I am certain will be used to address a myriad of urgent human problems facing many in our Nation. The provision of important social and human services to those in need is one of the main mandates of the SSBG and without adequate resources, it simply does not get done.

As a cosponsor of the Job Training and Partnership Act of 1982, I commend the conferees agreeing to provide an additional $254 million for employment and training programs, including $10 million more for training of displaced workers. In addition, the bill provides a total of $12.5 million for a program of great importance to me: Title V of the Older Americans Act, the Community Service Employment Act. This will allow more low-income persons aged 55 and over not only to obtain part-time employment, but also to serve their communities and their fellow senior citizens in a variety of public service jobs. This is one of the most cost effective of all Federal programs and deserves the additional funds it will receive from this legislation.

Let me address myself in full support of the provisions of this bill providing a first-time specific commitment of $100 million for the distribution of surplus agricultural commodities by the Department of Agriculture. I have authored legislation which was passed by the House Education and Labor Committee which would make the necessary statutory changes in the current law to provide for this procedure after this fiscal year. However, I commend the conferees for agreeing to this very important provision which will help a great deal in reversing current Federal policies which result in the Department of Agriculture spending some $2.2 billion a year to purchase and store these commodities, but no funds are provided for distribution. The result is thousands upon thousands of tons of butter, cheese, and other dairy products are sitting idly in warehouses—in some cases rotting—while people go hungry in our Nation. Under the provisions of this conference report funds will be provided to distribute these funds directly to such entities as food banks, emergency relief groups, nonprofit charitable organizations, and related entities. This is a vitally important provision and a change which is long overdue.

Two final points I would like to make: I support and consider absolutely essential the provision appropriating $5.03 billion for advances to the Federal unemployment compensation trust fund.

Finally, as a senior member of the House Education and Labor Committee I applaud the $50 million provided in this bill for financial assistance to college students in the college work-study program, the $50 million provided for construction, acquisition, and remodeling of public libraries and the $40 million for the removal of architectural barriers to handicapped children in schools.

In totality this is a fine bill, one which is responsive to some of the most pressing domestic economic crises affecting this Nation. It deserves our quick approval and that of the Senate and the equally prompt affixing of the President's signature to make it law.●

● Mr. GONZALEZ. Mr. Speaker, I am happy to note that the conference agreement contains a $1 billion expansion of the community development block grant program, and especially happy to see that the agreement rejects the phony-money, funny-money approach that had been urged by that prince of darkness who now reigns over the Office of Management and Budget. The communities of this country are in real trouble, and they need real money, not the kind of now-you-see-it, now-you-don't loan approach that had been called for by OMB. Their argument was that the loans would be forgiven, and that their ploy was just to keep this expansion of CDBG from showing up on the budget. The conferees were absolutely correct in insisting that the expansion of community development block grants should be straightforward and treated honestly in the budget.

The committee well knows that the CDBG program has a sound planning and management process in place, and that process has developed valid, essential programs that can be quickly put under contract. In my own city, the CDBG process has 6 years' worth of projects identified and on the

books. There could be no quicker or more efficient way to provide a stimulus program, than through the expansion of CDBG, and I commend the conferees for their action on this matter.

I am disappointed that the conference agreement deletes the funds that had been provided by the House for early administrative expenses on an emergency mortgage assistance program. I expect that the H.R. 1983, authorizing bill for this program, will be approved by the House in the first days after the Easter recess. It would have been helpful to have the administrative machinery in a developmental stage at an early date. But I recognize the difficulties, since the administration will doubtlessly oppose the mortgage assistance bill, and since it was urgent to reach quick agreement on the jobs question.

There is no question that whatever economic recovery is taking place—as hopefully there is—will not reduce unemployment very much or very fast. The average length of unemployment today is about 20 weeks; some 40 percent of the unemployed have been looking for work at least that long. There are millions of workers who are out of work for the first and only time in their lives: People who are running out of savings, and people who are growing more desperate by the day. For them, recovery will take place too late—emergency action is the only thing that will help them in any way whatever. I commend the conferees on their quick action, and support the agreement.●

● Mr. FRENZEL. Mr. Speaker, the jobs bill is still a bulging barrel of pork. It has been slimmed down by a few hundred million dollars, but it is still long on unnecessary spending and short on delivery of real jobs.

It is a bill only its sponsors could love, mainly because they have lavished projects on each other's districts. Even though it has been reduced in total cost, it has not been improved.

The welfare costs are add ons. The transportation portion has been described as a disgrace by the chairman of our Public Works and Transportation Committee. The public works programs will produce overtime for employed, skilled workers, instead of jobs for idle workers or new entrants into the labor market.

The bill has been aptly and accurately described. Nobody is proud of it. It ought to be rejected.●

● Mr. BOUCHER. Mr. Speaker, I rise in support of the conference report on H.R. 1718, the emergency jobs appropriations bill. First, however, I must express my disappointment about changes made by the conference committee in the targeting provisions which are meant to direct funds to areas of high unemployment.

During House consideration of H.R. 1718, we adopted the Edgar amendment to target funds under this bill to civil jurisdictions with the highest unemployment. This amendment was necessary to assure that local communities hardest hit by the recession would receive the assistance they so badly need.

Unfortunatly, Senate language which targets funds according to statewide unemployment rates rather than unemployment rates in local communities prevailed in conference. The effect of the Senate language will be to divert funds away from regions of high unemployment that happen to be located within States that are fortunate enough to have relatively low unemployment.

In southwest Virginia, for example, the unemployment rate exceeds 18 percent. The unemployment rate in my congressional district is more than double the unemployment rate in my State. By using a statewide unemployment rate to target job funds, regions of high unemployment like southwest Virginia will be denied their rightful share of the assistance under this bill.

The targeting language that appears in the jobs conference report is another example of the misallocation of funds that occurs when statewide unemployment levels are used to determine need in Federal programs. An identical problem occurs in the Federal extended unemployment benefits program which uses a statewide trigger for extended benefits based on the statewide unemployment rate. I have introduced H.R. 2169, the Unemployment Compensation Fairness Act of 1983 to correct this serious inequity. I invite my colleagues to join with me in an attempt to make sure that Federal unemployment assistance is targeted to the local areas where it is most needed.●

Mr. WHITTEN. Mr Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. BENNETT). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 329, nays 86, not voting 18, as follows:

[Roll No. 42]

YEAS—329

Ackerman	Florio	McCain
Addabbo	Foglietta	McCandless
Akaka	Foley	McCloskey
Albosta	Ford (MI)	McCurdy
Alexander	Ford (TN)	McDade
Andrews (NC)	Fowler	McHugh
Andrews (TX)	Frank	McKernan
Annunzio	Franklin	McKinney
Anthony	Frost	Mica
Applegate	Fuqua	Michel
Aspin	Garcia	Mikulski
AuCoin	Gaydos	Miller (CA)
Barnes	Gejdenson	Miller (OH)
Bates	Gephardt	Mineta
Bedell	Gibbons	Minish
Bennett	Gilman	Mitchell
Berman	Glickman	Moakley
Bevill	Gonzalez	Mollohan
Biaggi	Goodling	Moody
Bilirakis	Gore	Morrison (CT)
Boehlert	Gradison	Morrison (WA)
Boland	Gray	Mrazek
Boner	Green	Murphy
Bonior	Guarini	Murtha
Bonker	Gunderson	Myers
Borski	Hall (IN)	Natcher
Bosco	Hall (OH)	Neal
Boucher	Hall, Ralph	Nelson
Bouquard	Hall, Sam	Nichols
Boxer	Hamilton	Nowak
Breaux	Hammerschmidt	Oakar
Britt	Hance	Oberstar
Brooks	Harkin	Obey
Broomfield	Harrison	Olin
Brown (CA)	Hatcher	Ortiz
Bryant	Hawkins	Ottinger
Burton (CA)	Hefner	Owens
Byron	Heftel	Packard
Campbell	Hertel	Panetta
Carper	Hightower	Patman
Carr	Hiler	Patterson
Chandler	Hillis	Pease
Chappie	Holt	Penny
Clarke	Horton	Pepper
Clay	Howard	Perkins
Clinger	Hoyer	Petri
Coats	Hubbard	Pickle
Coelho	Huckaby	Porter
Coleman (MO)	Hughes	Price
Coleman (TX)	Hutto	Pritchard
Collins	Ireland	Pursell
Conte	Jacobs	Quillen
Conyers	Jeffords	Rahall
Cooper	Johnson	Rangel
Coughlin	Jones (OK)	Ratchford
Coyne	Jones (TN)	Regula
Crockett	Kaptur	Reid
D'Amours	Kasich	Richardson
Daschle	Kastenmeier	Ridge
Davis	Kazen	Rinaldo
de la Garza	Kennelly	Ritter
Dellums	Kildee	Rodino
Derrick	Kindness	Roe
Dickinson	Kogovsek	Rogers
Dicks	Kolter	Rose
Dixon	Kostmayer	Rostenkowski
Donnelly	LaFalce	Roukema
Dorgan	Lagomarsino	Rowland
Dowdy	Lantos	Roybal
Duncan	Leach	Russo
Durbin	Lehman (CA)	Sabo
Dwyer	Lehman (FL)	Savage
Dymally	Leland	Sawyer
Dyson	Levin	Scheuer
Early	Levine	Schneider
Eckart	Lewis (FL)	Schroeder
Edgar	Lipinski	Schulze
Edwards (AL)	Long (LA)	Schumer
Edwards (CA)	Long (MD)	Seiberling
Emerson	Lowery (CA)	Shannon
English	Lowry (WA)	Sharp
Erdreich	Luken	Shelby
Erlenborn	Lundine	Sikorski
Evans (IA)	Madigan	Simon
Evans (IL)	Markey	Sisisky
Fascell	Marlenee	Skeen
Fazio	Marriott	Skelton
Feighan	Martin (IL)	Slattery
Ferraro	Martin (NY)	Smith (FL)
Fiedler	Martinez	Smith (IA)
Fields	Matsui	Smith (NE)
Fish	Mavroules	Smith (NJ)
Flippo	Mazzoli	Smith, Robert

Snowe	Torricelli	Whitten
Solarz	Towns	Williams (MT)
Spratt	Udall	Wilson
St Germain	Valentine	Winn
Staggers	Vander Jagt	Wirth
Stark	Vandergriff	Wise
Stokes	Vento	Wolpe
Stratton	Volkmer	Wortley
Studds	Walgren	Wright
Sundquist	Watkins	Wyden
Swift	Waxman	Wylie
Synar	Weaver	Yates
Tallon	Weiss	Young (AK)
Tauzin	Wheat	Young (MO)
Thomas (CA)	Whitehurst	Zablocki
Thomas (GA)	Whitley	Zschau
Torres	Whittaker	

NAYS—86

Anderson	Gregg	Oxley
Archer	Hansen (UT)	Parris
Badham	Hartnett	Paul
Barnard	Hopkins	Ray
Bartlett	Hunter	Roberts
Beilenson	Jenkins	Robinson
Bereuter	Kemp	Roemer
Bethune	Kramer	Rudd
Bliley	Latta	Sensenbrenner
Brown (CO)	Leath	Shaw
Broyhill	Lent	Shumway
Burton (IN)	Levitas	Shuster
Carney	Lewis (CA)	Siljander
Chappell	Livingston	Smith, Denny
Cheney	Loeffler	Snyder
Conable	Lott	Solomon
Courter	Lujan	Spence
Craig	Lungren	Stangeland
Crane, Daniel	Mack	Stenholm
Crane, Philip	MacKay	Stump
Daniel	McCollum	Tauke
Dannemeyer	McDonald	Taylor
Daub	McEwen	Traxler
DeWine	McGrath	Vucanovich
Dreier	Molinari	Walker
Frenzel	Montgomery	Weber
Gekas	Moore	Wolf
Gingrich	Moorhead	Young (FL)
Gramm	Nielson	

NOT VOTING—18

Bateman	Forsythe	O'Brien
Boggs	Hansen (ID)	Pashayan
Corcoran	Hyde	Roth
Dingell	Jones (NC)	Washington
Downey	Martin (NC)	Williams (OH)
Edwards (OK)	McNulty	Yatron

□ 1720

The Clerk announced the following pairs:

On this vote:

Mr. Bateman for, with Mr. Corcoran against.

Mr. Forsythe for, with Mr. Hansen of Idaho against.

Messrs. NIELSON of Utah, WOLF, LENT, and McGRATH changed their votes from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1730

AMENDMENTS IN DISAGREEMENT

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Clerk designate the Senate amendments reported in disagreement in lieu of reporting such amendments.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. The Clerk will designate the first amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 1: Page 2, strike out all after line 3 over to and including line 11 on page 4 and insert:

The Congress finds that the current economic recession at its peak has resulted in nearly fourteen million unemployed Americans, including those no longer searching for work, rivaling the actual numbers of unemployed during the Great Depression. Other millions work only part-time due to the lack of full-time gainful employment. The hardships on these people occasioned by the recession have been much more severe in terms of duration of unemployment and reduced percentage of unemployed receiving jobless benefits than in previous recessions.

While these millions of unemployed can only return to work through a robust and sustained recovery of the economy, the strength of the projected recovery is only half of that normal for post-war recessions. Even with the predicted recovery, unemployment is expected at over 10.5 per centum for the entire 1983 calendar year, declining only to 10.4 per centum in the fourth quarter, and at just under 10 per centum for calendar year 1984. Over eleven million Americans would thus be unemployed in 1984.

Under these circumstances, the Congress finds that a program to increase employment through additional funding of existing Federal programs, to hasten progress toward realization of the Congress commitment to rebuild our Nation's infrastructure, and to provide humanitarian assistance to the indigent and homeless, to be very strongly in the national interest.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

It is the sense of the Congress that the continued economic recession has resulted in nearly fourteen million unemployed Americans, including those no longer searching for work, rivaling the actual numbers of unemployed during the Great Depression. Other millions work only part-time due to the lack of full-time gainful employment. The annual cost of unemployment compensation has reached the staggering total of $32,000,000,000. The hardships occasioned by the recession have been much more severe in terms of duration of unemployment and reduced percentage of unemployed receiving jobless benefits than in previous recessions.

Actual filings of business related bankruptcies for the year ending June 30, 1982, reached a total of seventy-seven thousand as compared with a prior year figure of sixty-six thousand. Business failures are up 49 per centum compared to one year ago. Delinquencies are many times greater. The American farmers are more than $215,000,000,000 in debt. Hundreds of thousands of farmers are faced with bankruptcy.

It is essential that interest rates, which have been reduced following a General Accounting Office investigation of the Federal Reserve System at the request of the Committee on Appropriations on April 26, 1982, continue at present or lower rates with due regard for controlling inflation so as not to have an opposite effect of driving interest rates upward for business, industrial and agricultural recovery.

Under these circumstances, the Congress finds that a program to provide for neglected needs of the Nation which results in productive jobs, and to provide humanitarian assistance to the indigent and homeless, to be very strongly in the national interest.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 2: Page 4, strike out all after line 11 over to and including line 14 on page 6.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

REDUCING AND STABILIZING INTEREST RATES

It is the sense of the Congress that the Board of Governors of the Federal Reserve and the Federal Open Market Committee with due regard for controlling inflation so as not to have an opposite effect of driving interest rates upward should continue such actions as are necessary to achieve and maintain a level of interest rates low enough to generate significant economic growth and thereby reduce the current intolerable level of unemployment as they have since the Committee on Appropriations on April 26, 1982 obtained an investigation of the Federal Reserve System by the General Accounting Office.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 9: Page 8 strike out lines 10 to 20, inclusive, and insert:

To provide for labor-intensive capital improvements, the Secretary of Transportation shall make capital grants to the National Railroad Passenger Corporation of $130,000,000, to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

To provide for labor-intensive capital improvements, the Secretary of Transportation shall make capital grants to the National Railroad Passenger Corporation of $80,000,000, to remain available until expended.

The SPEAKER pro tempore. Does the gentleman from Massachusetts seek time on this amendment?

Mr. CONTE. Mr. Speaker, I rise in support for this amendment, which provides $80 million for grants to Amtrak, to be used for labor-intensive capital improvements. Among these improvements is $10 million for the rehabilitation of a line between Attleboro and Hyannis, Mass. Railroad rehabilitation work is extremely labor intensive and will create a good many jobs in the current construction season. In addition, these improvements will give lasting benefit to our national rail transportation system, including the Northeast corridor.

Mr. Speaker, at this point I would also like to mention several other transportation programs that have been included in the conference report.

The conference agreement includes $150 million for airport development grants, as contained in the Senate bill. The House had no comparable provision. The conference report indicates those airports which, in addition to those listed in the Senate report, should receive priority consideration in the award of assistance grants. I was pleased that these funds could be provided, because this type of work is extremely labor intensive, and these improvements also contribute greatly to the economic development and vitality of an area.

We have also provided over $132 million for mass transit capital improvements, consisting of over $85 million in urban discretionary projects and $47 million in transit interstate transfers. The conference report contains language confirming the availability of urban discretionary funds for publicly owned rail lines that are used both for commuter rail passengers and for freight traffic, and I understand that such funds could profitably be used in this way by the city of Boston.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that Senate amendments Nos. 10, 12, 19, 26, 44, 54, 60, 74, 75, 77, 81, and 83 be considered en bloc and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk designated Senate amendments Nos. 10, 12, 19, 26, 44, 54, 60, 74, 75, 77, 81, and 83 as follows:

Senate amendment No. 10 reads as follows:

Senate amendment No. 10: Page 8, after line 20, insert:

REBUILDING AVIATION INFRASTRUCTURE

Section 302 of the Department of Transportation and Related Agencies Appropriation Act of 1983, Public Law 97-369, amended:

(i) by deleting "$600,000,000" and inserting in lieu thereof "$750,000,000"; and

(ii) by deleting the period at the end thereof and inserting in lieu thereof: ": Provided, That $150,000,000 of such funds shall be available only for the purposes of section 507(a)(3)(B) of the Airport and Airway Improvement Act of 1982, Public Law 97-248, as added by section 426(a) of the Surface Transportation Assistance Act of 1982, Public Law 97-424: Provided further, That in making discretionary grants pursuant to such section 507(a)(3)(B), the Federal Aviation Administrator shall give first consideration to eligible projects with respect to which preapplications have been filed with the Federal Aviation Administration on or before June 1, 1983.".

Senate amendment No. 12 reads as follows:

Senate amendment No. 12: Page 8, after line 20, insert:

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

OPERATIONS AND RESEARCH

Notwithstanding any other provision of law, there is available from sums otherwise made available to the National Highway Traffic Safety Administration, not to exceed $100,000 for the Presidential Commission on Drunk Driving established under E.O. 12358.

Senate amendment No. 19 reads as follows:

Senate amendment No. 19: Page 13, line 7, after "limitation" insert ": *Provided*, That the administration may not decline to participate in a project under section 503 of the Small Business Investment Company Act of 1958 because other sources of financing for the project include or are collateralized by obligations described in section 103(b) of the Internal Revenue Code of 1954: *And provided further*, That loans made with the proceeds of debentures guaranteed under section 503 of said Act shall be subordinated to obligations described in section 103(b) of the Internal Revenue Code of 1954: *And provided further*, That the administration and any other agency of the Federal Government shall not restrict the use of debentures guaranteed under this section with obligations described in section 103(b) of the Internal Revenue Code of 1954 if the project being so financed otherwise complies with the regulations and procedures of the administration".

Senate amendment No. 26 reads as follows:

Senate amendment No. 26: Page 14, after line 15, insert:

HISTORIC PRESERVATION FUND

For assistance to States, $25,000,000 to be derived from the Historic Preservation Fund, established by section 108 of the Historic Preservation Act of 1966 (80 Stat. 915), as amended (16 U.S.C. 470): *Provided further*, That such funds shall be available only for development grants, and for related State administrative expenses not to exceed 5 per centum of the amount available to each State: *Provided further*, That such funds shall be available only for grants for which: (1) obligations are entered into before October 1, 1983, (2) work will be in progress before January 1, 1984, and (3) all Federal funds will be outlayed before September 30, 1984.

Senate amendment No. 44 reads as follows:

Senate amendment No. 44: Page 20, line 21, after "remodeling," insert "and construction of new facilities, and constructing,".

Senate amendment No. 54 reads as follows:

Senate amendment No. 54: Page 22, strike out lines 11 to 15, inclusive, and insert:

Sections 102(c), 202(c), and 302(c) of the Military Construction Authorization Act, 1983 (Public Law 97-321), are each amended by striking out "June 1, 1983" and inserting in lieu thereof "April 1, 1983".

Senate amendment No. 60 reads as follows:

Senate amendment No. 60: Page 24, line 2, after "performed" insert ": *Provided*, That the requirements of section 304 of the Job Training Partnership Act shall not apply to the sums appropriated under this heading.

Senate amendment No. 74 reads as follows:

Senate amendment No. 74: Page 29, after line 2, insert:

EDUCATION FOR THE HANDICAPPED

To carry out the provisions of section 607 of part A of the Education of the Handicapped Act, relating to the removal of architectural barriers in schools, $40,000,000, which shall remain available until expended.

Senate amendment No. 75 reads as follows:

Senate amendment No. 75: Page 29, after line 2, insert:

REHABILITATION SERVICES AND HANDICAPPED RESEARCH

There is appropriated $5,000,000 for section 621 of the Rehabilitation Act of 1973, relating to projects with industry for handicapped individuals, which is in addition to the amounts otherwise available for that section for fiscal year 1983.

Senate amendment No. 77 reads as follows:

Senate amendment No. 77: Page 29, after line 2, insert:

LIBRARIES

To carry out the provisions of title II of the Library Services and Construction Act, $50,000,000, which shall remain available until expended.

Senate amendment No. 81 reads as follows:

Senate amendment No. 81: Page 32, after line 21, insert:

There is hereby appropriated $50,000,000 to the Federal Emergency Management Agency to carry out an emergency food and shelter program. Notwithstanding any other provision of this Act or any other law, such amount shall be made available under the terms and conditions of the following paragraphs:

The Director of the Federal Emergency Management Agency in consultation with the Director of the Office of Community Services, Department of Health and Human Services shall, within thirty days of the enactment of this Act, make grants totaling $50,000,000 to States (as defined in section 673(4) of Public Law 97-35) for the purposes of carrying out a program of shelter and food distribution within the States. The Director of the Federal Emergency Management Agency shall make grants to States in amounts based upon the procedure established for determining allotments to States in section 674 of Public Law 97-35 except that the Director of the Federal Emergency Management Agency shall disregard subsection (B) of section 674(a)(1).

No part of the appropriation provided herein shall be expended for the administrative costs of the Federal Emergency Management Agency or any other Federal agency. Administrative costs shall be limited to 2 per centum of the total appropriation: *Provided*, That, the States shall use such funds to supplement and coordinate efforts to supply food and shelter by organizations such as the United Way agencies, the Salvation Army chapters, community action agencies, church organizations, and other voluntary groups and organizations.

Senate amendment No. 83 reads as follows:

Senate amendment No. 83: Page 35, after line 5, insert:

RAILROAD UNEMPLOYMENT BENEFITS

SEC. 102. (a) The Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.) is amended by adding at the end thereof the following new section:

"SUPPLEMENTAL BENEFITS

"SEC. 17. (a) An employee as defined in section 1(d) of this Act shall be entitled to supplemental unemployment benefits in accordance with the provisions of this section for each day of unemployment in excess of four during any registration period in such employee's period of eligibility if such employee—

"(1) has less than ten years of service as defined in section 1(f) of the Railroad Retirement Act of 1974, did not voluntarily retire, and did not voluntarily leave work without good cause;

"(2) has with respect to the benefit year beginning July 1, 1982, exhausted all rights to unemployment benefits under this Act other than supplemental unemployment benefits payable by reason of this section;

"(3) has no rights to unemployment benefits under any State unemployment compensation law or any other Federal law; and

"(4) is not receiving unemployment compensation with respect to such day under the unemployment compensation law of Canada.

"(b) For purposes of this section, an employee shall be deemed to have exhausted his rights to unemployment benefits under this Act when no unemployment benefits (other than supplemental unemployment benefits payable by reason of this section) can be paid to the employee because he has received the maximum unemployment benefits available to him under this Act, other than this section.

"(c) The amount of supplemental unemployment benefits payable to an employee under this section for any day of unemployment shall be equal to the amount that would be payable to him for such day under section 2(a) of this Act if he were entitled to receive benefits under such section.

"(d) The maximum number of days of unemployment for which supplemental unemployment benefits may be paid to an employee by reason of this section shall be fifty.

"(e) No supplemental unemployment benefits shall be payable by reason of this section for any day before March 10, 1983, or for any day in any registration period beginning after June 30, 1983.

"(f) For purposes of this section the term 'period of eligibility' means with respect to any employee, the period beginning with the first day of unemployment following the later of (i) the day on which he exhausted his rights to unemployment benefits (as determined under subsection (b)) in the benefit year beginning July 1, 1982, or (ii) January 31, 1983, and shall consist of five consecutive registration periods, except that no supplemental benefits under this section shall be payable for any day of unemployment in any registration period beginning after June 30, 1983.

"(g) The terms and conditions of this Act that apply to claims for unemployment benefits and the payment or recovery thereof shall apply to claims for supplemental unemployment benefits and payment thereof, except where inconsistent with the provisions of this section.

"(h)(1) There are authorized to be appropriated from the general fund in the Treasury to the railroad unemployment insurance account in the Unemployment Trust Fund, without fiscal year limitation, such sums as may be necessary to pay supplemental unemployment benefits payable by reason of this section. Such amounts shall not be required to be repaid.

"(2) There are authorized to be appropriated from the general fund in the Treasury to the railroad unemployment insurance administration account in the Unemployment Trust Fund, without fiscal year limitation, such sums as may be necessary to meet the costs of administering the program of supplemental unemployment benefits established by this section. Such amounts shall not be required to be repaid.".

(b) In addition to any amounts otherwise appropriated in this Act or any other Act, there are appropriated for the Railroad Retirement Board, $125,000,000 for transfer into the railroad unemployment insurance account in the Unemployment Trust Fund in accordance with section 17(h)(1) of the Railroad Unemployment Insurance Act, and $750,000 for transfer into the railroad unemployment insurance administration account in the Unemployment Trust Fund in accordance with section 17(h)(2) of such Act.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendments of the Senate numbered 10, 12, 19, 26, 44, 54, 60, 74, 75, 77, 81, and 83, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 16: Page 10, line 7, strike out all after "funds" down to and including "Act" in line 12 and insert ": *Provided further*, That of the new budget authority provided under this heading up to $250,000,000 shall be available until September 30, 1984, for activities authorized by section 105(a)(8) of the Housing and Community Development Act of 1974, as amended: *Provided further*, That the 10 per centum limitation on the amount of funds for public services activities contained in such section 105(a)(8) shall not apply to the funds provided under the immediately preceding proviso: *Provided further*, That notwithstanding the limitation of $60,000,000 contained in section 107(a) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5307(a)), 3 per centum of the new budget authority provided for local community development programs in this Act shall be set-aside for the special discretionary fund for grants to Indian tribes as authorized under section 107(b) of the Housing and Community Development Act (42 U.S.C. 5307(b))".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 16 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: ": *Provided further*, That of the new budget authority provided under this heading up to $500,000,000 shall be available until September 30, 1985, for activities authorized by section 105(a)(8) of the Housing and Community Development Act of 1974, as amended: *Provided further*, That the 10 per centum limitation on the amount of funds for public services activities contained in such section 105(a)(8) shall not apply to the funds provided under the immediately preceding proviso: *Provided further*, That notwithstanding the limitation of $60,000,000 contained in section 107(a) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5307(a)), one per centum of the new budget authority provided for local community development programs in this Act shall be set-aside for the special discretionary fund for grants to Indian tribes as authorized under section 107(b) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5307(b))".

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. CONTE. Mr. Speaker, I rise in support of the motion.

Mr. Speaker, $1,000,000,000 is provided for community development block grants, of which one-fourth or $250,000,000 is targeted to those areas of high unemployment. Normal restrictions on the use of block grant

moneys for public service activities are removed in regards this $1 billion, and the conferees agree that up to 50 percent of these funds may be used for public service activities, which frequently entail jobs held by women. The conferees agreed further to provide 1 percent of the billion dollars and earmark $7,500,000 for grants to Indian tribes. They further urged the Department of Housing and Urban Development to make available from existing funds the $60,000,000 authorized for grants to Indian tribes.

The conferees agreed on further assurances that the needs of Indian tribes are not overlooked in this jobs bill; $20,000,000 is designated for the labor intensive agricultural range conservation and forest development activities; $64,450,000 is designated for general construction activities and another $30,000,000 for housing construction activities.

The Interior portion of the bill contains $40,000,000 for urban parks rehabilitation and repair; $25,000,000 for improvement and maintenance of our national facilities; $25,000,000 for the land and water conservation funding of park development and redevelopment projects; $35,000,000 for site preparation, reforestation, and timber stand improvements; $25,000,000 for Forest Service construction; and $20,000,000 for fish and wildlife activities. Mr. Speaker, the conferees have set time limits on the obligations and expenditures of those funds to assure that their use and economic impact is immediate.

Matching grants from the States are involved in many of these expenditures, thereby doubling the total economic and jobs impact in many cases.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 21: Page 13, strike out lines 14 to 22, inclusive.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 21 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

DEVELOPING PARKS AND RECREATION AREAS

An additional amount of $50,000,000 to remain available until expended, is appropriated for "Salaries and expenses", Small Business Administration to be available only for grants for resources development programs pursuant to Section 21(a)(1) of the Small Business Act; notwithstanding any other provision of law including any contained herein, such sum shall be allocated to each State, the District of Columbia, and the Commonwealth of Puerto Rico on the basis of the average of the number of unemployed individuals who reside in each such area as compared to the total number of unemployed individuals in all of the States, the District of Columbia and Puerto Rico during the fourth quarter of calendar year 1982; upon receipt of a certification, which the Administrator deems appropriate, from the Governor of any State or Puerto Rico or the Mayor of the District of Columbia, the grant to that area may be made immediately, and an expedited review and approval of any rules, regulations or procedures is hereby authorized and shall be completed by April 15, 1983.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 22: Page 14, strike out lines 3 to 7, inclusive.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment insert the following:

There is appropriated for expenses necessary for the "Urban Parks and Recreation Fund" for rehabilitation grants and repairs, under the provisions of the Urban Park and Recreation Recovery Act of 1978 (title 10 of Public Law 95-625), $40,000,000: *Provided*, That such funds shall be available only for grants for which: (1) obligations are entered into before October 1, 1983, (2) work will be in progress before January 1, 1984, and (3) all Federal funds will be outlayed before September 30, 1984.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 27: Page 14, after line 15, insert:

LAND AND WATER CONSERVATION FUND

For assistance to States, $50,000,000, to be derived from the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 4601-4-11): *Provided*, That such funds shall be available only for development or redevelopment purposes: *Provided further*, That such funds shall be available only for grants for which: (1) obligations are entered into before October 1, 1983, (2) work will be in progress before January 1, 1984, and (3) all Federal funds will be outlayed before September 30, 1984.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 27 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert the following "$40,000,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 28: Page 14, strike out lines 17 to 21, inclusive, and insert:

In order to provide jobs, to improve the growth rate of existing forested land inventories, and to decrease the number of deforested acres of Forest Service lands, there is appropriated an additional $90,000,000 for "National Forest System", Forest Service: *Provided further*, That of this amount $35,000,000 shall be made available for site preparation work and reforestation, and $55,000,000 shall be made available for timber stand improvement.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 28 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

To restore, repair, and provide forest roads, trails, and other existing facilities which are part of the real wealth of this country, there is appropriated an additional amount of $25,000,000, to remain available for obligation until September 30, 1984, for the "National Forest System".

In order to provide jobs, to improve the growth rate of existing forested land inventories, and to decrease the number of deforested acres of Forest Service lands, there is appropriated an additional $35,000,000 for "National Forest System", Forest Service.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 64: Page 24, strike out all after line 18 over to and including line 25 on page 25 and insert:

To expand the availability of essential health care services for the disadvantaged and unemployed, including those in rural towns and villages, an additional $70,000,000 for "Health Services", Department of Health and Human Services, for carrying out titles III and XIX of the Public Health Service Act with respect to community and

migrant health centers: *Provided,* That $5,000,000 shall be for the provision of home health care centers at such centers and $5,000,000 shall be for carrying out section 339 of the Public Health Service Act relating to home health care services and training: *Provided further,* That each center may apply up to 20 per centum of these funds provided to the center for the purchase (at rates not exceeding those prevailing under the applicable State plan approved under title XIX of the Social Security Act) of inpatient hospital services for delivery and post partum care to pregnant women and infants who have no other source of payment for the care.

INCREASING MATERNAL AND CHILD HEALTH SERVICES

(HEALTH SERVICES)

To increase the availability of essential health services for disadvantaged children and mothers, an additional $105,000,000 for "Health Services", Department of Health and Human Services, for maternal and child health grants under title V of the Social Security Act: *Provided,* That such funds shall be available notwithstanding section 502 for special grants to title V agencies in those States or areas within States experiencing high levels of unemployment: *Provided further,* That no grant shall be made to a State unless such State offers assurances satisfactory to the Secretary that it will use such amounts in addition to rather than in lieu of existing Federal or State funds currently available for these purposes.

CENTERS FOR DISEASE CONTROL PREVENTIVE HEALTH SERVICES

For an additional amount for "Preventive Health Services", $15,560,000, which shall remain available until expended and shall be for construction and renovation of facilities.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 64 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following:

To expand the availability of essential health care services for the disadvantaged and unemployed including those in rural towns and villages, an additional $70,000,000 for "Health Services", Department of Health and Human Services, for carrying out titles III and XIX of the Public Health Service Act with respect to community and migrant health centers: *Provided,* That $5,000,000 shall be for the provision of home health services at such centers and $5,000,000 shall be for carrying out section 339 of the Public Health Service Act relating to home health care services and training: *Provided further,* That each center may apply up to 20 per centum of these funds provided to the center for the purchase (at rates not exceeding those prevailing under the applicable State plan approved under title XIX of the Social Security Act) of inpatient hospital services for delivery and post partum care to pregnant women and infants who have no other source of payment for the care.

INCREASING MATERNAL AND CHILD HEALTH SERVICES (HEALTH SERVICES)

To increase the availability of essential health services for disadvantaged children and mothers, an additional $105,000,000 for "Health Services", Department of Health and Human Services, for maternal and child health grants under title V of the Social Security Act: *Provided,* That such funds shall be allocated as provided for under section 502(b) of the Act: *Provided further,* That no grant shall be made to a State unless such State offers assurances satisfactory to the Secretary that it will use such amounts in addition to rather than in lieu of existing Federal or State funds currently available for these purposes.

CENTERS FOR DISEASE CONTROL PREVENTIVE HEALTH SERVICES

For an additional amount for "Preventive Health Services", $15,560,000, which shall remain available until expended and shall be for construction and renovation of facilities.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. CONTE. Mr. Speaker, I rise in support of the motion.

Mr. Speaker, the conference report on H.R. 1718 provides both needed funds to continue the payment of unemployment compensation benefits and to provide additional State unemployment claims processors, as well as a number of important supplemental appropriations to provide jobs and humanitarian relief to the unemployed.

URGENT SUPPLEMENTAL

The conference report provides $5.033 billion for loans to 29 States and for the Federal Government to pay for unemployment compensation benefits. Both these States and the Federal Government are exhausting their current funds as we speak, and this urgent appropriation has not come a moment too soon.

It also provides $276 million in trust funds to pay for approximately 11,000 additional State unemployment claims processors to accommodate the workload associated with the continued high unemployment.

JOBS BILL PROVISIONS

In the labor/health and human services/education section of title I, the conference report provides a total of $1,056,210,000. That is $313,810,000 over the amount provided in the House bill, and $193,875,000 less than in the Senate bill. For the Department of Labor, the conference report provides $217,400,000 for employment and training programs, including $32,400,000 for the Jobs Corps, $100,000,000 for summer youth employment, and $85 million for displaced worker training. It also provides $37,500,000 for title V of the Older Americans Act, the Senior Community Service Employment program.

For the Department of Health and Human Services, the conference report provides a number of humanitarian relief programs including: $70,000,000 for community and migrant health centers, of which $10 million is for home health care services and trahning; $105,000,000 for maternal and child health programs; $225,000,000 for title XX social services block grants, to provide needed social services, and also to provide employment opportunities more available to women than construction programs are likely to, with strong report language urging the States to fund more day care programs; $30,000,000 for alcohol, drug abuse and mental health block grants; $25,000,000 for community services block grants, for antipoverty and community economic development activities.

Under the Department of Education, the conference report provides some important construction programs that will benefit many communities across this Nation for many years to come. Those programs include: $50,000,000 for library construction; $40,000,000 for architectural barrier removal, to help schools comply with the access requirements for the handicapped that are currently mandated by law; and $60,000,000 for impact aid school construction.

The conference also provides $50,000,000 for college work study, and $5,000,000 for projects with industry, to train approximately 5,000 handicapped individuals in meaningful and rewarding jobs.

The conference report also provides $125,750,000 to provide 10 additional weeks of unemployment benefits to railroad workers who have less than 10 years experience. They are currently limited to 26 weeks. I urge the authorizing committees to permanently rectify this situation as part of the legislation they are now drafting to address the financial problems facing railroad unemployment and retirement systems.

H.R. 1718—Jobs Bill Conference Report
(Selected L/HAS/EJ Items)

Title I:	
Department of Labor:	
Jobs Corps	$32,400,000
Summer youth employment	100,000,000
Displaced workers	85,000,000
Older workers employment	37,500,000
Department of Health and Human Services:	
Community and home health services	70,000,000
Maternal and child health block grant	105,000,000
Alcohol, drug abuse, and mental health block grant	30,000,000
Title XX, social services block grant	225,000,000
Community services block grant	25,000,000
Department of Education:	
School construction	60,000,000

H.R. 1718—Jobs Bill Conference Report (Selected L/HAS/EJ Items)—Continued

Education for the handicapped, architectural barrier removal	40,000,000
Rehabilitation services, projects with industry	5,000,000
Student financial aid, work study	50,000,000
Libraries	50,000,000
Related Agencies: Railroad unemployment benefits	125,750,000
Total, Title I	1,056,210,000

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 71: Page 28, line 25, strike out "$15,000,000" and insert "$20,000,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 71 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$25,000,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 76: Page 29, after line 2, insert:

STUDENT FINANCIAL ASSISTANCE

For an additional amount for "Student Financial Assistance", $100,000,000 to remain available until September 30, 1984 for carrying out part C of title IV of the Higher Education Act of 1965, relating to the College Work Study Program: *Provided*, That notwithstanding subsections (a), (b), (c), and (e) of section 442 of the Higher Education Act of 1965, and section 11 of Public Law 97-301, the Secretary shall allot the sums appropriated pursuant to section 441(b) of the Higher Education Act of 1965 for fiscal year 1983 among the States so that each State's allotment bears the same ratio to the total amount appropriated as that State's allotment in fiscal year 1981 bears to the total amount appropriated pursuant to section 441(b) for the fiscal year 1981.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 76 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

STUDENT FINANCIAL ASSISTANCE

For an additional amount for "Student Financial Assistance", $50,000,000 to remain available until September 30, 1984 for carrying out part C of title IV of the Higher Education Act of 1965, relating to the College Work Study Program: *Provided*, That notwithstanding subsections (a), (b), (c), and (e) of section 442 of the Higher Education Act of 1965, and section 11 of Public Law 97-301, the Secretary shall allot the sums appropriated pursuant to section 441(b) of the Higher Education Act of 1965 for fiscal year 1983 among the States so that each State's allotment bears the same ratio to the total amount appropriated as that State's allotment in fiscal year 1981 bears to the total amount appropriated pursuant to section 441(b) for the fiscal year 1981.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 79: Page 30, after line 11, insert:

Notwithstanding section 713(c)(2) of title 15, United States Code, the Secretary of Agriculture shall purchase from funds appropriated under section 32 of the Agriculture Adjustment Act of 1935 (49 Stat. 774; Public Law 74-320), and distribute through eligible recipient agencies, up to $30,000,000 each year of domestically produced fresh and processed fishery products that have been made surplus by irregular international trade, market dislocations, or for other reasons, or when such purchase increases employment and stability in the domestic fishery industry.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 79 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

Notwithstanding 15 U.S.C. 713c-2, the Secretary of Agriculture shall purchase domestically produced fresh and processed fishery products from funds appropriated under 7 U.S.C. 612c, and distribute to eligible recipient agencies.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 82: Page 32, strike out all after line 21 over to and including line 5 on page 35 and insert:

TARGETING JOBS TO STATES OF HIGH UNEMPLOYMENT

SEC. 101. (a)(1) Notwithstanding any other provision of law, and subject to the provisions of subsection (d), the head of each Federal agency to which funds are appropriated or otherwise made available under this title, with respect to any program distributed according to a formula grant by State, shall allot the funds as follows:

(A) One-third of such sums for each such program shall be allotted among the States on the basis of the relative number of unemployed individuals who reside in each State as compared to the total number of unemployed individuals in all of the States.

(B) One-sixth of such sums for each program shall be allotted among "long-term unemployment States", to be allotted among "long-term unemployment States" on the basis of the relative number of unemployed individuals who reside in each "long-term unemployment State" as compared to the total number of unemployed individuals in all "long-term unemployment States".

(C) One-half of such sums for each such program shall be allocated among the States on the basis of the provisions of law authorizing each such program.

(2) Funds which are allotted to States in accordance with this section, but which cannot be rapidly or efficiently utilized shall be identified in a report transmitted to Congress not later than thirty days following enactment of this Act. Not later than ten days following transmittal of such report, such funds shall be reallotted on the basis of the provisions of law authorizing each such program.

(3) States receiving allotment of funds under ths section shall to the extent practicable utilize such funds in areas of the State where unemployment is highest and has been high for the longest period of time and for authorized purposes which have the greatest immediate employment impact.

(4) For purposes of this section:

(A) The term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

(B) The number of unemployed individuals who reside in each State, as well as the total number of unemployed individuals in all of the States, shall be determined by the Bureau of Labor Statistics of the Department of Labor for the month of January 1983.

(C) The term "long-term unemployment State" means any State in which the average unadjusted unemployment rate was equal to or above the unemployment rate of 9.4 percent for the period of June 1982, through November 1982.

(b) Notwithstanding any other provision of law, and subject to the provisions of subsection (d), the head of each Federal agency to which funds are appropriated or otherwise made available under this title for any program which involves project grants or project contracts shall, to the extent practicable, give priority to projects to be carried out in States that are "long-term unemployment States" determined in accordance with subsection (a).

(c) Notwithstanding any other provision of law, and subject to the provisions of subsection (d), the head of each Federal agency to which funds are appropriated or otherwise made available under this title, with respect to any program distributed according to a formula grant to political subdivisions of the States, shall allot the funds or other authority provided by this title first, among

States in the manner specified in section (a)(1) and second, among the political subdivisions of that State, to the extent practicable under subsections (a)(2) and (a)(3), in accordance with the allocation factors contained in the provisions of law authorizing each such program.

(d) The provisions of subsection (a), (b), or (c), as the case may be, of this section shall apply to funds appropriated, or otherwise made available, under this title to—

(1) Community Development Grants;

(2) Operation of the National Park System, National Park Service;

(3) Resource Management, Fish and Wildlife Service;

(4) Social Services Block Grants;

(5) Community Services Block Grant;

(6) Community Service Employment for Older Americans;

(7) Education of the Handicapped Act;

(8) Library Services and Construction Act;

(9) Summer Youth Employment and Training;

(10) Interstate transfer grants;

(11) Rebuilding Aviation Infrastructure;

(12) Urban Development Action Grants (Disapproval of Deferral);

(13) Grants to States for Unemployment Insurance and Employment Services.

(e) The head of each Federal agency to which funds are appropriated or otherwise made available under this title, or States, or political subdivisions of States, which receive allotment of funds under this title shall to the extent practicable utilize such funds in a manner which maximizes immediate creation of new employment opportunities to individuals who were unemployed at least fifteen of the twenty-six weeks immediately preceding the date of enactment of this Act. It is the intent of the Congress that funds appropriated or otherwise made available under this title be obligated and disbursed as rapidly as possible so as to quickly assist the unemployed and the needy as well as minimize future year budgetary outlays.

(f) Every employer hiring individuals for jobs payed for with funds made available under this title shall give priority in hiring for 75 per centum of such jobs to individuals who have been unemployed for at least 15 of the 26 weeks preceding the date of hire. Any employer who cannot find a sufficient number of qualified unemployed individuals to meet the priority established by the preceding sentence shall report such inability to the local office of the United States Employment Service which shall assist him in meeting that priority.

(g)(1) Notwithstanding any other provision of law, the head of each Federal agency to which funds are appropriated or made available under this title for any program or project which is described in paragraph (3) shall, to the extent practicable, give priority to projects to be carried out in areas of high unemployment.

(2) For purposes of this subsection, an area of high unemployment is any State or county or county equivalent whose unemployment rate for calendar year 1982 exceeded 90 percent of the unemployment rate for the United States for such period as determined under the Bureau of Labor Statistics "Local Area Unemployment Statistics" program on the date of enactment of this Act.

(3) The provisions of this subsection shall apply to—

(A) rural water and waste disposal grants and loans;

(B) watershed and flood prevention operations;

(C) Agriculture Research Service;

(D) Small Business Administration loan guarantee program;

(E) Corps of Engineers, Construction Operations and Maintenance;

(F) Military Family Housing;

(G) Bureau of Reclamation Construction Loan Program, Operations and Maintenance;

(H) Veterans' Administration Hospital Repairs and Maintenance.

(4) Notwithstanding any other provision of law, the head of each Federal agency to which appropriations are made under this title, with respect to project grants or project contracts in this section, shall expedite final approval of projects in areas of high unemployment in order to allocate sums to areas of high unemployment as required by this section. Nothing required by this section shall impede the rapid expenditure of funds under this section.

(5) For projects encompassing several counties, only one of the several counties must meet the criteria for an area of high unemployment in subsection (2) in order to qualify for funds under this section.

(h) Notwithstanding any other provision of law, any agency rulemaking proceeding conducted in order to implement the provisions of this title shall be conducted expeditiously, and in no case shall an agency hearing on the record be required.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 82 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

SPECIAL ATTENTION TO AREAS OF HIGH UNEMPLOYMENT

SEC. 101. (a)(1). Notwithstanding any other provisions of law, 75 per centum of the funds appropriated or otherwise made available in this title for each account listed in subsection (a)(5) shall be made available for projects and activities in civil jurisdictions with high unemployment, labor surplus areas, or in political units or in pockets of poverty that are currently or should meet the criteria to be eligible under the Urban Development Action Grant program administered by the Department of Housing and Urban Development.

(2) For purposes of this subsection, "civil jurisdiction" is—

(A) a city of 50,000 or more population on the basis of the most recently available Bureau of the Census estimates; or

(B) a town or township in the state of New Jersey, New York, Michigan or Pennsylvania of 50,000 or more population and which possesses powers and functions similar to those of cities; or

(C) a county, except those counties which contain any of the types of civil jurisdictions defined in paragraphs (A) or (B) of this subsection; or

(D) a "balance of county" consisting of a county less any component cities and townships identified in paragraphs (A) or (B) of this subsection; or

(E) a county equivalent which is a town in the States of Massachusetts, Rhode Island, and Connecticut; or

(F) a portion of a city or jurisdiction that meets the pockets of poverty criteria as defined by the Department of Housing and Urban Development.

(3) For purposes of this subsection, a "civil jurisdiction with a high level of unemployment" is a civil jurisdiction that has been so classified by the Assistant Secretary for Employment and Training, United States Department of Labor. The Assistant Secretary shall classify a civil jurisdiction as having high unemployment whenever, as determined by the Bureau of Labor Statistics using the latest comparable data available from Departmental, State or local sources, the civil jurisdictions has had an average unemployment rate over the previous twelve months of not less than ninety percent of the national average unemployment rate during the same period. The Assistant Secretary shall publish a list of civil jurisdictions with high unemployment as soon as practicable, but not later than 30 days, after the date of enactment of this Act.

(4) In classifying civil jurisdictions with high unemployment, the Assistant Secretary, in order to include those individuals actually unemployed, should consider modification of the criteria which counts as fully employed persons who worked at all as paid employees in their own business, professions or farm, or who worked fifteen hours or more in an enterprise operated by a member of the family.

(5) The provisions of this subsection shall apply only to funds appropriated or otherwise made available in this title to:

GSA-Repairing Federal Buildings;
Repairing VA hospitals;
SBA-Business Loan and Investment Fund:
Repairing Urban Parks;
Low-Income energy conservation;
School and hospital weatherization;
Job Corps;
School facilities; and
Alcohol, Drug Abuse and Mental Health.

(6) For projects encompassing several counties, only one of the several counties must meet the criteria for an area of high unemployment in subsection (a)(3) in order to qualify for funds under this subsection.

(b)(1) Notwithstanding any other provision of law, and subject to the provisions of subsection (b)(5), the head of each Federal agency to which funds are appropriated or otherwise made available under this title, with respect to any program distributed according to a formula grant by State, shall allot the funds as follows:

(A) One-third of such sums for each such program shall be allotted among the States on the basis of the relative number of unemployed individuals who reside in each State as compared to the total number of unemployed individuals in all of the States.

(B) One-sixth of such sums for each program shall be allotted among "long-term unemployment States" on the basis of the relative number of unemployed individuals who reside in each "long-term unemployment State" as compared to the total number of unemployed individuals in all "long-term unemployment States".

(C) One-half of such sums for each such program shall be allocated among the States on the basis of the provisions of law authorizing each such program.

(2) States receiving allotment of funds under this subsection shall to the extent practicable utilize such funds in areas of the State where unemployment is highest and has been high for the longest period of time and for authorized purposes which have the greatest immediate employment impact.

(3) For purposes of this subsection:

(A) The term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

(B) The number of unemployed individuals who reside in each State, as well as the total number of unemployed individuals in all of the States, shall be determined by the Bureau of Labor Statistics of the Department of Labor for the month of January 1983.

(C) The term "long-term unemployment State" means any State in which the average unadjusted unemployment rate was equal to or above the unemployment rate of 9.4 percent for the period of June 1982, through November 1982.

(4) Notwithstanding any other provision of law, and subject to the provisions of subsection (b)(5), the head of each Federal agency to which funds are appropriated or otherwise made available under this title, with respect to any program distributed according to a formula grant to political subdivisions of the States, shall allot the funds or other authority provided by this title first, among the States in the manner specified in subsection (b)(1) and second, among the political subdivisions of that State, to the extent practicable under subsection (b)(2), in accordance with the allocation factors contained in the provision of law authorizing each such program.

(5) The provisions of subsections (b)(1) or (b)(2), as the case may be, of this subsection shall apply to funds appropriated, or otherwise made available, under this title to—

Community Development Grants;

Social Services Block Grants;

Community Services Block Grants;

Library Services and Construction Act; and

Rebuilding Aviation Infrastructure.

(c) The head of each Federal agency to which funds are appropriated or otherwise made available under this title, or States, or political subdivisions of States, which receive allotment of funds under this title shall to the extent practicable utilize such funds in a manner which maximizes immediate creation of new employment opportunities to individuals who were unemployed at least fifteen of the twenty-six weeks immediately preceding the date of enactment of this Act. It is the intent of the Congress that funds appropriated or otherwise made available under this title be obligated and disbursed as rapidly as possible so as to quickly assist the unemployed and the needy as well as minimize future year budgetary outlays.

(d) Funds or authority to be made available for projects and activities in civil jurisdictions or States with high unemployment in accordance with this section, but which cannot be rapidly or efficiently utilized shall be identified in a report transmitted to Congress by the Office of Management and Budget not later than thirty days following enactment of this Act. Not later than ten days following transmittal of such report, such funds shall be allotted on the basis of the provisions of law authorizing each such program.

(e) Notwithstanding any other provision of law, the head of each Federal agency to which appropriations are made under this title, with respect to project grants or project contracts in this section, shall expedite final approval of projects in areas of high unemployment in order to allocate sums to areas of high unemployment as required by this section. Nothing required by this section shall impede the rapid expenditure of funds under this section.

(f) Notwithstanding any other provision of law, any agency rulemaking proceeding conducted in order to implement the provisions of this title shall be conducted expeditiously, and in no case shall an agency hearing on the record be required.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. PEASE. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

The Clerk will read.

The Clerk continued to read the motion.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD, so that we can get on with the debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. EDGAR. Mr. Speaker, I ask for a division of the question.

The SPEAKER pro tempore. The question will be divided.

Does the gentleman from Mississippi (Mr. WHITTEN) desire time?

□ 1740

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, when this bill was before the House on March 3, I voted for the Edgar amendment and said that we would seek to carry out the intent of that amendment in conference with the Senate. As a lawyer with experience I do not know how anybody could write targeting language without great difficulty which would deal with as many complicated issues as we have and deal with it firmly without doing more harm than good.

As I said on March 3, I support the intent of the House-passed targeting amendment. The compromise we bring before you today is an attempt to carry out the intent and make the targeting work without delaying the availability of the funds.

The original jobs bill that the House passed before Christmas did not have a targeting provision.

In this bill we have applied the targeting provision on many items. Certain accounts which would have been affected by the targeting language in the House-passed bill are not affected by the conference agreement. In some instances, the Senate did not want accounts included. In others, it was feared that due to the nature of the programs, if targeting was required it would result in an inefficient use of taxpayer moneys.

This is a productive jobs bill which also provides relief from several floods which have occurred recently in the country. I think last year we had over 8 million acres, all the way from California to Louisiana, all the way from Florida to the northern part of the country inundated with flood waters.

At this point in the RECORD I will insert a detailed analysis of the flood damage done throughout the Nation during calendar year 1982.

FLOOD DAMAGE ANALYSIS—CALENDAR YEAR 1982

	Total flood damages incurred	Damages prevented by corps projects (for completed and partially completed projects)	Area inundated by 1982 [1] flooding (acres)
Southwestern division—Arkansas, Oklahoma, Missouri, Texas, New Mexico, Colorado, Kansas	$430,300,000	$527,514,000	800,000
Pacific Ocean division—Hawaii	2,200,000	800,000	.....
Missouri River division—Iowa, Montana, Kansas, Missouri, Colorado, Nebraska, North Dakota, South Dakota, Wyoming	22,604,000	371,137,000	104,600
Ohio River division—Illinois, Indiana, Kentucky, Ohio, West Virginia, Tennessee, New York, Pennsylvania, Maryland, North Carolina, Alabama, Georgia	70,000,000	182,219,000	333,000
North Central division—Illinois, Missouri, Iowa, Michigan, New York, Pennsylvania, North Dakota, Minnesota, Wisconsin, Ohio	31,883,000	252,818,000	59,500
Lower Mississippi Valley division—Arkansas, Illinois, Missouri, Mississippi, Louisiana, Tennessee, Kentucky	[2] 385,000,000	259,197,000	[2] 7,830,000
Mississippi River and tributaries—Arkansas, Illinois, Missouri, Mississippi, Louisiana, Tennessee, Kentucky	[2] 344,000,000	8,944,150,000	[2] 7,830,000
South Pacific division—California, Utah, Arizona	455,500,000	470,413,000	200,000
North Pacific division—Idaho, Oregon, Washington, Alaska, Montana, Wyoming, Nevada	23,365,000	[4] 237,287,000	4,900
South Atlantic division—North Carolina, Georgia, Alabama, Florida, Mississippi, South Carolina, Virginia	4,365,000	24,067,000	10,000
New England division—Massachusetts, Connecticut, Rhode Island, New Hampshire, Vermont, Maine	280,300,000	236,343,000	.....
North Atlantic division—Vermont, New York, Virginia, Pennsylvania, New Jersey, Maryland, Delaware, District of Columbia, West Virginia, North Carolina	10,000,000	51,309,000	.....
Total	2,059,517,000	11,557,254,000	.....

[1] Data incomplete.

[2] Damage totals for the Lower Mississippi Delta are not complete. Flood waters have not totally receded. Estimated damages to date exceed $729 million.

[3] Minor amounts inundated prior to major event in December—some duplication would result if included.

[4] $1.7 billion in flood damages prevented in Oregon by corps projects in mid-December 1981.

I also want to quote from the statement of the managers concerning this problem:

The Mississippi River drains water from 40 percent of the land surface of the Continental United States. Each time a shopping center, a housing development or a highway is constructed, valuable watershed control is lost. This results in increased flows of water through the lower Mississippi River Valley into the States of Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri and Tennessee. All of this water empties into the State of Louisiana. In the last ten years there have been three "hundred-year" floods which contribute to the flooding problem.

In recent months, almost 8 million acres were under water. Estimated damages exceed $729 million—levees broke, homes

and bridges were destroyed. The reservoirs are full.

The levees are walked each night, watching the dams—for if they are breached, large parts of a number of states would be further flooded.

Experience has shown that if we don't do everything possible to hold back the water in the watershed areas, disastrous floods will always result that we are unable to control.

Much damage has occurred, to local dams, roads and bridges. Unless corrected promptly these damages will greatly increase.

Let me explain here, and my colleague from Pennsylvania may not be aware of this, perhaps. Some years ago we had a disastrous flood in Pennsylvania caused by Hurricane Agnes. We provided funds for Pennsylvania. Let me read you how much: Small Business Administration, $1.3 billion; President's disaster fund, $200 million; Department of Commerce, Economic Development Administration, $40 million; Appalachian Regional Commission, $16 million; Department of the Army, Corps of Engineers, $12 million; Department of Agriculture, $1.8 million; and we go on down the list. Nearly $1.6 billion to relieve the situation in Pennsylvania. This was in addition to $200 million provided earlier within days of the hurricane.

Now, we did not subject those funds to a target. We worked simply to address the Nation's needs. I say to you that when we had the disastrous situation with the Mount St. Helens eruption in Washington State, and I am proud of this, we had already acted on a supplemental appropriation bill, but when that disaster occurred that bill was killed and we went back and brought up another one so our friends in the House from that area could have something to say about restoring it. We ultimately provided over a billion dollars in response to that need. We did not try to target the funds. We just addressed the need.

Certain accounts have not been included in the targeting provision for similar reasons. In some instances we are providing productive jobs by addressing pressing national needs wherever they are. To target the funds might result in a less than efficient expenditure. We have tried to tackle the problems where the damage is and where the repairs have to be. So I say to you that we have taken care of this situation in every way I know, and I cannot for the life of me see that if you do not come under one provision that you are not covered by another.

We have provisions for the States with the highest percentage of unemployment, we have provisions for States with the greatest number of unemployed, we have provisions for pockets of poverty, and we have other provisions. We look to the Department of Labor to tell us who is unemployed. So one section or another of this overall bill, in my opinion, will address most problem situations that we have.

So I ask you to go along. Now, the other side of this is, if we have to go back to conference with the Senate you may just be delaying this bill and the sorely needed funding it provides. Remember—there is no difference between the House and Senate conference on which programs should receive funds—or even on how much funding—just on details of how the funds should be distributed. We should not let these details delay the distribution of the funds.

Unemployed people, these folks who are unemployed now, are getting unemployment compensation to the extent of eligibility. I have not heard complaint one about $32 billion being spent for unemployment compensation, as important as it is for the individual, and the Government and the people do not get anything for it. Under this bill we provide jobs so the country is richer and better off. So I urge you, do not waste a week or more before we make these funds available. Because if you send this amendment back, that is what you probably are doing.

I see my friend, the gentleman from Iowa, NEAL SMITH, next to me. The original Edgar amendment would even had repairs to jails targeted. You have to fix a jail where it is. They even had housing to military bases targeted. You have to build and maintain them where the base is.

So I just say to you that I know my friend from Pennsylvania is disappointed that more accounts are not covered by the targeting provision. But I say to you that if you tried to target most of the bill without making provision for the peculiarities of certain accounts it would not work. It would do far more harm than good, as my friend from Iowa, Mr. SMITH, pointed out the other day.

So I hope you will agree with the committee. Do not waste a week or more getting started, because if you send this back, that is all you have done, delay by 1 week or 10 days providing the funds in this bill which are so badly needed.

The SPEAKER pro tempore. The gentleman from Mississippi (Mr. WHITTEN) has consumed 6 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. COUGHLIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the logs have been rolled and we are back here with the bacon. We are back here with a conference report that makes a mockery of the expressed will of the House of Representatives and that turns this bill back into a pork barrel grab bag. In fact, in my 15 years in this body, I have yet to see a conference report that so blatantly disregards a rollcall vote on the floor of this House.

Mr. Speaker, this is supposed to be a jobs bill, an emergency jobs bill. When this jobs bill was before this House, we passed by a vote of 335 to 83—335 to 83—the Edgar amendment, which targeted 75 percent of the public works funds to those areas of the Nation with the highest unemployment. Under that amendment, $1.8 billion of public work-type projects would be targeted first to the neediest areas. Under the conference provisions, disclosed to the conferees, I might add, at the very last minute, major programs—major programs—were removed from the targeting provisions.

Out from under those targeting provisions slithered—you guessed it, you guessed it—Corps of Engineers projects for $389 million, the biggest single item in the public works part of the bill. Out it went. They will not be targeted to the needy. They will go into the old pork barrel.

Out from under the targeting amendment slithered—you guessed it again—rural water, and sewer grants, and Soil Conservation Service. Those programs will not be targeted to the needy. They will go back into the old pork barrel.

In fact, by the time that all these programs that slithered out from underneath the targeting provisions, instead of the $1.8 billion in the House provision, only $350 million will be targeted to the needy areas of highest unemployment.

A travesty, Mr. Speaker, a travesty of a bill that purports to be an emergency jobs and unemployment bill. Now, the chairman has said that Corps of Engineers projects and Bureau of Relcamation projects must be located where the projects are needed. Well, of course they must be located where the projects are needed, but giving priority to those needed projects in areas of highest unemployment. It will be said that a vote in this area, to insist on the House position, might delay the bill and the unemployment compensation benefits contained in it. Is it not strange that the Senate conferees never objected to the House version of targeting? They might even just accept it.

□ 1750

If the motion to recede and concur is voted down and if there is not some other previous motion precluding it, I would intend to offer a substitute motion that maintains the House position in this area, and I would urge my colleagues to vote for the substitute.

Mr. EDGAR. Mr. Speaker, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Speaker, I would like to compliment the gentleman in

the well for his statement. I think it is clear that what we received back in this conference report language similar to what the language was in the House passed provision without the programs. The gentleman is correct in recognizing the fact that the language that the conferees have given us will be more harmful than helpful in targeting these funds to areas of high unemployment.

The gentleman I think is right in opposing this motion, and I hope our other colleagues will join the gentleman in voting no on the motion to recede to the Senate provisions, and I compliment the gentleman for his support.

Mr. COUGHLIN. Mr. Speaker, the gentleman is exactly right. The gentleman's previous amendment targeted a number of programs. We brought back a mouse.

Mr. EDGAR. That is correct.

Mr. COUGHLIN. We brought back a mouse.

Mr. McDADE. Mr. Speaker, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Speaker, I want to offer my congratulations to the gentleman from Pennsylvania and associate myself with his remarks.

I find it difficult to believe that this House of Representatives can ignore the question of trying to target the billions of dollars that we are going to vote in this bill to areas of high unemployment. And both my friends are absolutely correct when they point out to our colleagues that that is what is happening. You are being taken for a ride and you do not even know it. We are sitting here at 10 minutes to 6 and we hear, "Oh, we got to do this tonight, we got to get this done tonight, there is not time to go back and talk to the Senate."

How many times have you heard that before?

I have heard one of my colleagues say, "Well, you have got to put the money where the problems are."

What kind of a problem? A flood problem. That ought to be in a regular appropriation bill. That ought not to be covered in a jobs bill. You are supposed to target—and that is what we all voted for—areas of high unemployment.

Let me just give you a couple of figures. We started out with, roughly, $2.5 billion in nondiscretionary programs that were targeted. We said to the agencies, "Go to the areas that have high unemployment, take care of them first. This is a jobs bill."

We did not come back with that. In fact, $1.5 billion in the discretionary programs is completely out of the targeting provisions.

You are saying, "Put that money right out, wherever they need it, wherever you want to put it, the Corps of Engineers, Bureau of Reclamation, rural water and sewer, go ahead, put it anywhere in the Nation, do not relate it to jobs."

What were we doing here when we fought for a jobs bill to try to help those who are the neediest in this Nation?

Let me tell you something else: We have got a group of cities—listen to these unemployment rates. Maybe some of you are lucky enough to have them; 4.7 percent. How many of you have got that? They are going to get formula money under this bill, not areas of the country that are suffering from 12, 15, 18 percent and, yes, in some cases, 20 percent. I have got 11 examples. You can all call the Bureau of Labor Statistics, you can get the cities. Enormous amounts of money that are going to be distributed to them whether they need it or not in the name of a jobs bill.

I am sad to say, my friends, that I believe this is a travesty. I believe we ought to send this bill back to the Senate, we ought to take the time that is necessary to work it out so that we do the one thing that we started out to do, and that is to hit the areas of high unemployment that exist in this Nation. To do otherwise is to engage in what, to me, is an act of great hypocrisy where we turn our backs on those who suffer from unemployment in those areas that are the most critically hurt in this Nation, ignore them and say, "Well, just go along, business as usual."

I hope, when this motion is put to a vote, we will send this bill back to the Senate and insist that we come back with a bill that will be a jobs bill. That is what this started out to be.

Mr. COUGHLIN. Mr. Speaker, I reserve the balance of my time.

Mr. WHITTEN. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Speaker, yesterday in the conference agreement, only 5 of the original 21 programs covered by my amendment were included, and they added, under the guise of my amendment, things that did not need to be targeted at all, things like low-income weatherization that is already targeted, things like school and hospital weatherization which is already targeted.

Mr. Speaker, if you look at the list of projects and areas and agencies which would have been covered by the original amendment, you discover that rural water and sewer grants compose $200 million of this conference report, they are excluded from targeting. Soil and Conservation Service, $100 million excluded from targeting. Army Corps of Engineers, $385 million excluded from this conference report from targeting. Bureau of Reclamation, excluded $65 million. Tennessee Valley Authority, $40 million.

I might point out to my colleagues that the amendment which we offered originally in the House which passed 335 to 83 simply said that at 90 percent of the national unemployment level, approximately 9 percent, that communities at that level and higher should receive 75 percent of the $2.4 billion in these 21 programs. Twenty-five percent of the funds are still available to be used at the discretion of the agency heads in those areas across the country that have specific needs but they have very low levels of unemployment.

My colleagues, you must know that in this language that we have been given by the conference you are being asked to have apples and oranges mixed.

Let me be clear: The House passed a targeting amendment that dealt only with discretionary funds, only with $2.4 billion. The Senate passed targeting language that dealt with formula grant programs. And when the committee tells you that we have targeting in this legislation, you can get quickly confused because they add in their targeting figures $1 billion for community development block grants, which ought not to be targeted at all.

I hope my colleagues will help us go back to the original House language. If we are going to have a jobs bill that means anything, that cares about the areas of this country that have the highest levels of unemployment, we need a jobs bill that targets those discretionary programs much more carefully and simply does not accept a shopping list of projects in communities regardless of the level of unemployment.

Now let me be clear. Twenty-one programs, discretionary funding programs, in the original Edgar amendment, six of those programs retained in the House version. $2.4 billion targeted in the original Edgar language, less than $350 million targeted in the language that was brought back by the conferees. Programs that were to help put people back to work in the construction industry and in the areas of the country with the highest levels of unemployment have been excluded from the targeting language. Added now to the targeted language are many, many programs that already go out to communities for formula grant.

I urge a "no" vote on this particular motion to recede.

□ 1800

Mr. COUGHLIN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio (Ms. OAKAR).

Ms. OAKAR. I thank the gentleman for yielding to me and I certainly want to associate myself with the gentleman's remarks and the remarks of the distinguished Member from Pennsylvania (Mr. EDGAR) as well.

I want to urge my colleagues to stick with the House provision and vote against the motion. Those of us from areas that are traditionally discriminated against, mainly the Midwest and Northeast, quite honestly have had it. We have had it. We get the short end on just about every bill that passes through this House and usually it relates to some kind of a jobs program. Even with the gasoline tax bill, which I supported, even though we had a formula that upgraded the percentage that we were entitled to, it was only upgraded by 85 percent of what other States were getting.

So, once again, those of us with the greatest need get the shortest end.

So I would urge my colleagues to stick with the House decision. It is really a question of the House's integrity on whether it wants to stay firm and stand firm on something that in principle is supposed to be geared toward the unemployed in our country. Stick with the targeting provision.

There is not a State that really would benefit from targeting, that really does not need it, and the need is not just a simple need. It is an absolute, acute need. It is an emergency need, it is a critical need, and this is what this bill is supposed to be all about. It is an emergency jobs bill.

So I urge my colleagues to once again stick with the House provision, vote against the motion, to ascede to the Senate version. For those Members from Ohio, I urge you to stick with the House provision of targeting.

Stick with the House position; vote against the motion.

Mr. COUGHLIN. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN of Michigan. Mr. Speaker, I am also rising to support a no vote on this motion to recede. Nothing is more important than this bill for the State of Michigan, indeed for most of the country. Nothing is more important than that this be a jobs bill.

It can be summed up, this argument before us, very simply. The Appropriations Committee has worked very hard on this bill but on the targeting amendment that we passed here overwhelmingly, 80 percent of what we asked to be targeted is no longer targeted, 80 percent.

A half a loaf may be better than nothing. But this is a fifth of the loaf that we baked here in the House.

A week ago, Mr. Chairman, in the Detroit Free Press, an article appeared about unemployment. This was about unemployment, though not in Michigan, but in Ohio. I would urge my colleagues, everyone, to read it. The headline says, "In East Toledo, 30 Percent Jobless—And No Help on the Way."

"Gone with the job: workers' property, and self esteem."

Then this was included in the report: "But in the neighborhoods of the unemployed throughout Toledo, the feeling is widespread that such a future—if it is coming—won't come in time to help them."

Then " 'There is no way these people are going to get back what they've lost—homes, bank accounts, personal belongings, self esteem' " said Father Armstrong. " 'There kids aren't getting any training in high school, because the schools have no funds to train them for the newer technologies. And parents can't send their children to college. They're stuck. They have lost the American myth.' "

I think he might have meant the American dream.

A jobs bill should be a jobs bill. A targeting amendment should be a targeting amendment and not 20 percent of it.

We would not waste a week, we would not waste a day if we stand up here and say we passed it overwhelmingly and we want the Appropriations Committee, if necessary, to meet with the other body once again and secure a targeting amendment that makes sense.

But I have a hunch if we stick to our guns and if we refuse to recede, that the other body, using wisdom, will decide to accede to our amendment.

Mr. EDGAR. Mr. Speaker, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I would like to compliment the gentleman in the well for his statement. The gentleman in the well had a targeting amendment before the Rules Committee and agreed to a compromise targeting language.

We had three or four different efforts to target this language that coalesced around one approach.

I think the gentleman makes a good point that this will not delay action. The other body could in fact concur. The other body will, in fact, work to get this out in the next day or two and it will provide us an opportunity to go home for the recess and to tell the people in those areas of highest unemployment that we care about them as people.

I thank the gentleman for his leadership on this issue.

Mr. LEVIN of Michigan. I would say to the gentleman from Pennsylvania there is no pride of authorship; there is a pride of passage in this House overwhelmingly. Let us meet that commitment.

I yield back.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. I thank the gentleman for yielding.

Mr. Speaker, my objection to the conference report is that it is not in fact a targeting amendment as I would understand that. What the other body did and what the conference agreed to was to provide that the targeting be done on a State basis. In other words, if you have a State where the unemployment level is high, that is what determines where the money goes in the community development block grants.

The people I represent in Massachusetts are on the whole as neighborly as most others. But I have found that people in cities with high unemployment rates in one part of Massachusetts take very little comfort from the fact that people in another part of Massachusetts enjoy a much lower unemployment rate.

The point is that the targeting amendment that we are talking about is badly flawed and it is bad public policy to adopt a principle that we target on a statewide basis. States have their function but they are not the economic units that they might once have been.

Unemployment becomes a factor at the standard metropolitan statistical area level. At the most, to target or say we are targeting and do it on a statewide basis is to punish people who may live in high unemployment cities in low unemployment States, and unduly to benefit people who live in the reverse situation.

This is simply not sensible public policy to say that we are targeting and then use entities that are as economically undifferentiated as entire States.

The House did it much better by targeting on the basis of the relevant economic units, the substate unit that really does reflect economic differentiations. I would hope we would send the amendment back so the notion that you target on a statewide basis would be rejected and that if we are going to target we use sensible entities.

Mr. COUGHLIN. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut (Mr. MORRISON).

Mr. MORRISON of Connecticut. Mr. Speaker, I think it is important as we proceed in this debate to focus on the targeting language that the Senate has added to this bill. We are all concerned that the money we are appropriating go out as rapidly as possible and be made available to communities around the country which have greatest need. Yet what the other body has done is to take programs which are already targeted, which already have formulas based on need, and to impose on top of those formulas a new and different set of formulas.

My colleagues can imagine what the various agencies with responsibility for distributing these funds will do.

□ 1810

We will be mired for months in disputes and questions about what these

formulas mean, these additional new targeting formulas, imposed as they would be on top of existing formulas and we will be lucky if these funds are ever spent or ever allocated. Under the House version, funds for programs such as community development block grant funds will go automatically and immediately to those entitlement communities which already have in place the processes to use these funds.

The House version makes far more sense and it will be far more effective. People will be out to work immediately rather than having a long-term bureaucratic struggle over whether or not a particular community is entitled to funds on three or four or five levels of formulas.

The House already has adopted sound targeting language. The conferees' proposal, which incorporates the Senate's targeting plan, would seriously weaken this bill. I ask my colleagues to vote against amendment 82. Thank you Mr. Speaker. I yield back the balance of my time.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. PEASE).

Mr. PEASE. Mr. Speaker, I join several of my distinguished colleagues in rising to urge a "no" vote on this motion. I come from one of the areas of high unemployment of which we talk.

I come from a district which has counties with unemployment levels of 20 to 25 percent and has had those levels for 2 and 3 years now.

Just last night on the House floor I talked about a meeting I had with the Catholic Youth Organization in Lorain, Ohio.

In January 1981 that organization provided 80 families with emergency food baskets, 80 families. In January 1982 that had risen to 132. In January of this year, it was 320. The people of my area are hurting; they have been unemployed for a long time.

And what concerns me is this, about a targeting amendment which is really not a targeting amendment: Our economy is recovering; much of the country will come out of the recession this year—in 3 months, 6 months, 9 months, the amount of time it takes the money in this bill to go out into the economy. But that will not happen in my counties. At the end of the 9 months in my district will still have 16, 18, 20 percent unemployment. We desperately need the funds that this bill will provide. We need a tight targeting amendment which will make sure that that money goes in those areas like Ohio and Pennsylvania and some other Midwestern and Northeastern States that are going to have that problem month after month, many of them after other areas of the country have recovered. I urge a no vote on the motion. I yield back the balance of my time.

Mr. COUGHLIN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Speaker, I thank the kind gentleman from Pennsylvania. I rise to oppose the motion to recede and concur with the Senate amendment.

As a new Member, last November's election does not seem that far away to me. And I came here with one message from the people of Ohio's Ninth District in the northwestern corner of the State and that message was jobs and jobs now.

The people of my district have been waiting and waiting patiently now for several months. A few weeks ago when we passed the original targeting amendment people in my community began to form committees in order to apply for the various types of funds that would come to our area. They have been waiting for so long. And they saw some hope in the bill that came from the House, that I think with some changes that we made here, could be called a jobs bill.

To call what came back to us from the Senate a jobs bill, I think, is playacting at best, with less than $500 million left in it for targeting to areas of highest unemployment.

I find it astounding, disappointing, and somewhat remarkable that this report thwarts the original will of this House.

On a vote of 335 to 83 we passed that targeting amendment with a lot of work by a lot of people who are present here today. For me and my district to vote for the Senate version would not only be irresponsible, irreverent, but frankly heartless.

I urge a no vote and thank my colleagues.

Mr. WHITTEN. Mr. Speaker, I yield myself 2 minutes.

May I say to my friends, and if the situation was like our friends think it is, I could understand their feelings. But I believe this bill addresses most of the issues which have been discussed here.

Now I would like to call attention to the fact the last December, the Appropriations Committee brought up a jobs bill. We reported a jobs bill, and we passed it through the House. I was chairman of the committee that wrote it, with the approval and help of the subcommittees and subcommittee chairmen. Because of a threatened Presidential veto, the productive employment provisions of the December continuing resolution were deleted in conference with the Senate.

I reintroduced the measure in January. Now there is a whole lot of discussion about what this jobs bill is and how it was developed. The title, as it passed the House, was, "An Act making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes."

That was the title of the bill. We agreed in the conference to amend the title so as to read, "An Act making appropriations to provide productive employment for hundreds of thousands of jobless Americans, to hasten or initiate Federal projects and construction of lasting value to the Nation and its citizens, and to provide humanitarian assistance to the indigent for fiscal year 1983, and for other purposes."

The most important point, though, is not what the title of the bill is—or how or when it was drafted—it is the relief and assistance it will provide to countless thousands of needy Americans.

Now, this conference report provides targeting for pockets of poverty, similar to the provisions in the House-passed bill. The committee has worked hard on this legislation. We have tried our best to take care of the Nation interests. We think we have. If you send this targeting amendment back, I do not have any reason to believe they will change their mind. You will be causing additional delay in making these much-needed funds available, in my opinion.

Mr. Speaker, I yield the balance of my time to the gentleman from Iowa (Mr. SMITH).

The SPEAKER pro tempore. The gentleman from Iowa (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of Iowa. Mr. Speaker, let us get to the real problem involved here. The real problem is the nature of the House language.

What it does is to eliminate from employment anybody who happens to live in an area with 8.9 percent unemployment or less. It is very discriminatory in that regard. Two or three of the previous Speakers said that we ought to target the areas with the most outrageous levels of unemployment. Have we come to the place where 8.9 percent is not an outrageous level of unemployment in this country? I certainly hope not. A few years ago we thought 5 percent was outrageous. Then we passed the CETA bill which I supported, that we funded with billions and billions of dollars saying 7-percent unemployment in this country is intolerable. In other words, if the national unemployment rate reached 7 percent, those who are unemployed were entitled to a job of last resort.

Now what the proponents of the House language are saying is, "Oh, if unemployment is less than 9 percent forget it, just forget 'em." That is what is the problem with this amendment. Now if the targeting provision

of the House language was on the basis of the percentage of unemployment in an area compared to the national unemployment, nobody would complain. That is fair. That was the basic reason for the broad support for the CETA program. However, that is not the way this bill was designed, as it came out of the House.

□ 1820

I would be for that kind of targeting because that relates the money to the area according to the number of unemployed persons there. However, this amendment, as it came out of the House, said, "We do not care how long you have been unemployed, if you do not happen to occupy a park bench in that part of the city where there is 90 percent unemployment, you do not get any help—you have to divide the remaining 25 percent on a nationwide basis." That just is not right.

Now back under WPA 50 years ago, we did not say to people, "You can't have a job with WPA if you live on the wrong side of the street." No, you could have a job with WPA no matter which side of the street you lived on, if you met certain financial requirements. It was the same way with the CCC.

Then we went through a long period of discrimination in this country, based upon race, creed, and color. We have finally just about gotten rid of that kind of discrimination, then up pops a new form of discrimination, based on geography, not based upon the accident of birth, but upon the accident of geography. It is an insidious form of discrimination that we should not tolerate and should not get started within this country.

One of the Biblical quotations that is quoted so often is of course that, "It is more blessed to give than to receive." More blessed to give then to receive. But now we have a new approach. The new approach is that it is better to take something from some of the poor than it is to share the poverty. If you do not have enough for everybody to have what they need, then let some of them starve so the others can have more. That is the theory behind this. That is the nature of this amendment as it came out of the House. That is the reason the Senate would not take it. Of course they would not take it, the more they examined it, the more they could see that it is the wrong approach.

If we have another jobs bill I hope that we can have a provision on this subject that is better thought out than this amendment. We could have a provision that is based upon giving people who are unemployed a share of whatever it is that can be distributed. I would not object to that, but I do strenuously object to insidious discrimination of any kind in this country, including that based upon the accident of where a person happens to live.

Mr. EDGAR. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I thank the gentleman for yielding.

The gentleman's arguments are right to the point and I cannot understand why the gentleman in the well supported the Hatfield language which takes the humanitarian aid that already goes out by formula——

Mr. SMITH of Iowa. I do not support either one. I just think at this time that we have got to get something done and I think both of them are bad.

Mr. EDGAR. If the gentleman will yield further, the gentleman's earlier comment is correct. We ought to take a look at those areas that we have in our communities, the pockets of poverty, those communities that have high levels of unemployment as compared to the national unemployment average. That is exactly what this amendment does.

Mr. SMITH of Iowa. I hope the gentleman votes for the conference agreement on amendment 82, because he is not going to get anywhere here tonight sending it back to the Senate. We better vote for this bill and get it out of here.

Mr. COUGHLIN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. RIDGE).

Mr. RIDGE. Mr. Speaker, 8.9 percent unemployment is something that my district and my community and the towns and municipalities have not seen in 5 or 6 years. And when I return home on a weekly basis and I talk to the 19-percent unemployment in the northern part of the district and the 25 percent of the people who are unemployed in the southern part of the district, they remind me of what this body promised them a couple of weeks ago, because they, like many of us, are headline readers. They just read the headlines and they saw that the Congerss of the United States, the House of Representatives was going to pass a jobs bill and these people were interested, these unemployed men and women, were interested when they might be able to anticipate or expect to go back to work, because of this jobs bill.

We have raised their level of expectation in these communities where we have pockets of poverty and high incidents of unemployment. We have raised it further, we have raised it much further than we should be allowed as an institution. But at least let us send it back.

Let us vote "no" and let us target it, let us give some of these people some hope and let us put some of them, in these areas where there are high pockets of unemployment, back to work. That is what they read in the headline. Then let us do it. Let us vote "no."

Mr. COUGHLIN. Mr. Speaker, I yield 5 minutes to the distinguished ranking minority member of the Appropriations Committee, the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I rise in support of the effort of the gentleman from Pennsylvania to defeat the conference decision on amendment No. 82 and to restore the original intent of the Edgar/Conte/Coughlin amendment. That amendment was adopted overwhelmingly by this House, and I was disappointed that the conferees did not support the position adopted by the House.

In fact, I suggested late last night that we should have adjourned the conference, come back today, so that we could digest and debate this thing even further.

Mr. Speaker, the original Edgar amendment required the targeting of funds from some 21 programs, totaling nearly $1.9 billion in the conference report. The conference agreement, however, limited that number to only five programs totaling about $350 million. Mr. Speaker, the conference agreement has essentially gutted the Edgar amendment language.

One of the problems is that without targeting, the programs in this bill must be regarded as inappropriate for a measure that calls itself a jobs bill. The programs excluded by the conference agreement—including the $389 million for the Corps of Engineers, the $150 million for rural water and sewer grants, the $100 million for the economic development assistance. Even my good friend, the gentleman from Iowa (Mr. SMITH) won out on his $50 million for the SBA to plant trees. Now a tree never grows in Brooklyn. So here is a chance to put that under targeting and maybe Brooklyn will now have a tree.

I spoke to people in Athol, Mass., Sunday. And they have high hopes about this bill. I told them I did not think there is much in this bill to help them. But there is that $50 million in there to plant trees. And if we can keep that targeted there with that 18 percent unemployment, I will have everybody in Athol planting trees and we can help the nurseries and everybody else.

I went along with it yesterday. So I hope that the gentleman is going to target it.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I am glad to yield to my good friend, the gentleman from Iowa.

Mr. SMITH of Iowa. I thank the gentleman for yielding.

The gentleman has to admit that this program is practically the only

thing in the bill that will take totally unskilled people and put them to work almost immediately. Any nurseryman in almost any city can go out and hire some totally unskilled young people and take them out and plant trees. That will be done now, not 2 years from now.

Mr. CONTE. That is why we want to target it. We want to target it but we have a lot of people unemployed and they are unskilled and they can go out there with their shovels and plant these trees. None of us will have anything to bark about.

While there are many other cases where there are worthwhile programs, their only justification for inclusion in this bill rather than in the regular 1984 appropriations measures should be that they will help to alleviate unemployment in areas that need such assistance.

Mr. Speaker, without targeting, we will be building dams all over the country, including areas with comparatively low unemployment. While these dams may eventually be needed, there is no justification for increasing the deficit at this time simply to provide additional jobs in areas that are already in comparatively good economic condition.

Mr. Speaker, in order to restore the original intent of the Edgar amendment, we first need to defeat the motion to recede. I therefore urge a "no" vote on the pending motion.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. LEVITAS).

Mr. LEVITAS. Mr. Speaker, I rise in support of the motion of the gentleman from Mississippi and I would like to associate myself with the remarks of the gentleman from Iowa.

One of the concerns that I have got is that this public works bill, which will create a few jobs, will create these jobs primarily in the construction industry area. And the unemployment figures, which are being used for targeting, are not construction industry unemployment figures.

People who, such as in my district, are laid off from the automobile factories, or from chemical factories, or from oil refineries, or whatever, who are not in the construction industry are not going to benefit from any of this targeting. And many of the areas which are identified as high unemployment areas are areas where you do not have the same high levels of unemployment, where you have in other areas lower levels of overall unemployment but very high levels of construction unemployment.

□ 1830

The consequence of failing to adopt the motion of the gentleman from Mississippi is to further perpetuate the fraud that this is somehow going to create jobs for people in these high unemployment areas, because if they are not construction industry workers, they are not going to get the jobs that are going to be out there.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. LEVITAS. I am happy to yield to the gentlewoman from Ohio.

Ms. OAKAR. One of the areas that was of great concern to women and we succeeded, I think, was to get some jobs that were nonconstruction, since so many women are in service oriented areas, so I hope the gentleman is not just saying this bill is just a construction bill, because I thought the bill with the targeting with the targeting amendment was a composite of various jobs to address the national unemployment problem, which includes women also.

Mr. LEVITAS. Well, regrettably, and I feel one of the great lacks in this bill is the fact that it overlooks such concerns as the gentlewoman has expressed. I do not believe enough concern was taken for the people in service industries, such as women, where they are predominantly working; but what I am simply saying is that the programs which would be targeted by the unemployment figures which the gentleman from Pennsylvania included in his amendment as it originally passed the House is primarily related to the construction industry.

We are talking about building housing, building jails, building bridges, building rapid transit systems, and somebody who has been laid off in an automobile factory is not somebody who is going to go out and get one of the jobs that are going to be created in the construction industry; so my concern is that rather than perpetuate the hoax that people in these high unemployment areas are going to get these jobs, I think we would be a lot better off taking the type of mix which the appropriations conference has come up with and let the people be served honestly.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I would like to repeat for my colleagues we had the job of trying to bring together the views of 435 Members of this House. We are now confronted with an annual cost of $32 billion in unemployment compensation. We have provided for productive employment which will reduce the cost of unemployment payments. We provide jobs, get benefits, and reduce unemployment compensation.

I have voted for unemployment compensation because it is very important to individuals who suffer personally whether they are in Mississippi, or any other part of the the country, but it is dead weight insofar as the economy is concerned. We can provide employment and meet neglected needs at the same time.

We have many problems in this country and if we are going to get some benefits from jobs, some lasting benefits, you must have a different approach.

It is my belief that under the formula in the bill that we do take care of our problems in the major areas. It is directed toward unemployed people. But in those areas where there is an urgent need to repair damage coming from natural disaster, we want that to be included, too.

So when we say this is a jobs bill that just divides out the money, it is not. It is a productive jobs bill and it is so understood. It is in the title each and every time. And it is because of this approach that I think that we clearly take care of the problems here.

I hope you will stay with the committee, because with everything we have done, we have tried to do the best we could with a bad situation and we have tried to take care of it, so I hope you will stay with us. If not, you will just delay this matter and delay will not get jobs or food out to people. If you delay this unemployment compensation continues at this high level. Nobody complains about paying out money except where you get something for your money. That is the way it seems. We try to do something constructive here and apply to the whole country. In our approach, if you do not come under a State allocation, you may come under pockets of poverty or some other provision which is of assistance. We have all these things mentioned. It is just a case of which section you want to look to; so I hope you will stay with the committee and let us go ahead and start getting these jobs out where folks can be taken care of.

Mr. COUGHLIN. I yield to the distinguished ranking minority member.

Mr. CONTE. Mr. Speaker, the chairman keeps on talking about working during the Christmas holidays and nobody else was here. I was here. I would have been glad to work with the gentleman on this jobs bill.

Let me say one thing about this amendment. You know, there is an old saying that politics is like making sausages. If you ever see them make sausages, you would never eat sausages again and, boy, if you saw how this amendment was handled yesterday in the conference, you would not eat sausages again, because here we were almost at 7:30 and all of a sudden they come in and they say, "We got an agreement on the targeting part of this bill."

Of course they worked it out, and the rest of us knew nothing about the targeting part of the bill.

I think that maybe we all could learn a lesson here. If everybody, everyone on that conference committee—we are all elected by a half a mil-

lion people, if everyone on that conference committee had gotten upstairs and all worked on that part of the provision on targeting, we would not be in this mess tonight, and this bill is going back just because of that. I hope we learned a lesson.

Mr. WHITTEN. Mr. Speaker, I yield myself 2 minutes.

May I say to my friend, the gentleman from Massachusetts, that the only change he offered to this targeting provision during the conference was accepted. So if the gentleman had others, he did not offer them at the time.

When I said holidays, I was talking about the recent district work periods. That is when I stayed here to work at it. So we have done the very best we can. I will tell you, it does not please everybody, but we tried to compromise with many competing viewpoints. I think we have done that and I hope you will stay with us.

May I say again, that the only amendment to the targeting provision that was offered by my friend, the gentleman from Massachusetts (Mr. CONTE), was quickly accepted.

The House and Senate versions of the bill treated targeting very differently. The House bill targeted certain discretionary funds to areas of civil jurisdiction, including "pocket of poverty" within cities and counties. The Senate bill retargeted certain programs which usually allot funds to States on a formula basis. The conferees agreed to include parts of both approaches. We realize what we recommend will not satisfy everyone, but we hope it will prove acceptable. The House conferees support the intention of the House targeting amendment. But we had to compromise with the Senate conferees. And we tried to bring back a compromise which is workable and will not result in a delay in making funds available to the truly needy—the unemployed, the indigent, the homeless. I hope the Congress does not hold up availability of the much needed provisions in this bill while it debates technicalities.

● Mr. KOLTER. I rise in opposition to the motion and urge my colleagues to reject that portion of the conference report which drastically alters the House amendment offered by the gentleman from Pennsylvania (Mr. EDGAR).

The 1982 elections were undeniably a mandate to the Congress to take an active part in alleviating the problem of unemployment, and Congress took swift action in the form of the appropriations bill we are considering today. However, that bill was only a step, a small step, in the right direction. As a matter of fact, it was a little embarrassing that so little was contained in the bill in relation to the nature of unemployment in this country. Unemployment in my district is around 17 percent, and in parts it is 25 percent. These people are hungry, cold, and desperate. It was extremely difficult for me to explain to them that the original "jobs bill" contained very little for them. As a matter of fact, I considered opposing the bill because it was not enough help for the people of my district.

The only redeeming feature of the entire bill was the Edgar amendment, which passed this House overwhelmingly. The Edgar amendment gave me some pride in the bill and enabled the Congress to tell the American people that it had passed a bill which was designed to help fight unemployment rather than serve the interests of the powerful.

I urge my colleagues to protect the vital targeting language of the House version. It is the very least we owe the people who elected us in hopes that we would do something constructive about the problem of unemployment.●

The SPEAKER pro tempore. The question is, Will the House recede from its disagreement to Senate amendment No. 82?

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. WHITTEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 132, nays 277, not voting 24, as follows:

[Roll No. 43]

YEAS—132

Akaka	Gephardt	McCandless
Alexander	Gibbons	McCurdy
Andrews (NC)	Glickman	McDonald
Barnard	Gonzalez	McGrath
Bartlett	Gramm	Mica
Bereuter	Gregg	Miller (CA)
Berman	Hance	Mineta
Bevill	Hatcher	Molinari
Brown (CO)	Hefner	Montgomery
Burton (CA)	Heftel	Moorhead
Carney	Hightower	Morrison (WA)
Chappell	Hopkins	Mrazek
Chappie	Hoyer	Myers
Coleman (TX)	Hubbard	Natcher
Conable	Huckaby	Nelson
D'Amours	Hutto	Nichols
Daniel	Ireland	Ortiz
Dannemeyer	Jenkins	Packard
Daschle	Jones (OK)	Panetta
de la Garza	Jones (TN)	Patman
Dorgan	Kastenmeier	Paul
Dowdy	Lagomarsino	Penny
Dreier	Lantos	Perkins
Early	Leath	Price
Edwards (AL)	Lehman (FL)	Ratchford
Edwards (CA)	Levitas	Ray
Emerson	Lewis (CA)	Roberts
English	Livingston	Robinson
Fascell	Loeffler	Rogers
Fazio	Lott	Rowland
Fields	Lowery (CA)	Roybal
Flippo	Lujan	Rudd
Foley	MacKay	Sabo
Franklin	Marlenee	Shannon
Frenzel	Mazzoli	Skeen
Fuqua	McCain	Skelton
Smith (IA)	Udall	Whitley
Smith (NE)	Valentine	Whittaker
Stump	Vandergriff	Whitten
Synar	Volkmer	Williams (MT)
Tauzin	Watkins	Wilson
Taylor	Waxman	Wright
Thomas (CA)	Weber	Young (FL)
Thomas (GA)	Whitehurst	Young (MO)

NAYS—277

Ackerman	Ford (MI)	Miller (OH)
Addabbo	Ford (TN)	Minish
Albosta	Fowler	Mitchell
Anderson	Frank	Moakley
Andrews (TX)	Frost	Mollohan
Annunzio	Garcia	Moody
Anthony	Gaydos	Moore
Applegate	Gejdenson	Morrison (CT)
Aspin	Gekas	Murphy
AuCoin	Gilman	Murtha
Badham	Gingrich	Nielson
Bates	Goodling	Nowak
Bedell	Gore	Oakar
Bellenson	Gradison	Oberstar
Bennett	Gray	Obey
Bethune	Green	Olin
Biaggi	Guarini	Ottinger
Bilirakis	Gunderson	Owens
Bliley	Hall (IN)	Oxley
Boehlert	Hall (OH)	Parris
Boggs	Hall, Ralph	Patterson
Boland	Hall, Sam	Pease
Boner	Hamilton	Pepper
Bonior	Hammerschmidt	Petri
Bonker	Hansen (ID)	Pickle
Borski	Hansen (UT)	Porter
Bosco	Harkin	Pritchard
Boucher	Harrison	Pursell
Boxer	Hartnett	Quillen
Breaux	Hawkins	Rahall
Britt	Hertel	Rangel
Brooks	Hiler	Regula
Brown (CA)	Hillis	Reid
Broyhill	Horton	Richardson
Bryant	Howard	Ridge
Burton (IN)	Hughes	Rinaldo
Campbell	Hunter	Ritter
Carper	Hyde	Rodino
Carr	Jacobs	Roe
Chandler	Jeffords	Roemer
Cheney	Johnson	Rostenkowski
Clarke	Kaptur	Roth
Clay	Kasich	Roukema
Clinger	Kazen	Russo
Coats	Kemp	Savage
Coelho	Kennelly	Sawyer
Coleman (MO)	Kildee	Scheuer
Collins	Kindness	Schneider
Conte	Kogovsek	Schroeder
Conyers	Kolter	Schulze
Cooper	Kostmayer	Schumer
Coughlin	Kramer	Seiberling
Courter	LaFalce	Sensenbrenner
Coyne	Latta	Sharp
Craig	Leach	Shaw
Crane, Daniel	Lehman (CA)	Shelby
Crane, Philip	Leland	Shumway
Crockett	Lent	Shuster
Daub	Levin	Sikorski
Davis	Levine	Siljander
Dellums	Lewis (FL)	Simon
Derrick	Lipinski	Sisisky
DeWine	Long (LA)	Slattery
Dickinson	Long (MD)	Smith (FL)
Dicks	Lowry (WA)	Smith (NJ)
Dingell	Luken	Smith, Denny
Dixon	Lundine	Smith, Robert
Donnelly	Lungren	Snowe
Duncan	Mack	Snyder
Durbin	Markey	Solarz
Dwyer	Marriott	Solomon
Dymally	Martin (IL)	Spence
Dyson	Martin (NY)	Spratt
Eckart	Martinez	St Germain
Edgar	Matsui	Staggers
Erdreich	Mavroules	Stark
Erlenborn	McCloskey	Stenholm
Evans (IA)	McCollum	Stokes
Evans (IL)	McDade	Stratton
Feighan	McEwen	Studds
Ferraro	McHugh	Sundquist
Fiedler	McKernan	Tallon
Fish	McKinney	Tauke
Florio	McNulty	Torres
Foglietta	Michel	Torricelli

Towns	Weiss	Wyden
Traxler	Wheat	Wylie
Vander Jagt	Winn	Yates
Vento	Wirth	Young (AK)
Vucanovich	Wise	Zablocki
Walgren	Wolf	Zschau
Walker	Wolpe	
Weaver	Wortley	

NOT VOTING—24

Archer	Edwards (OK)	O'Brien
Barnes	Forsythe	Pashayan
Bateman	Holt	Rose
Bouquard	Jones (NC)	Stangeland
Broomfield	Madigan	Swift
Byron	Martin (NC)	Washington
Corcoran	Mikulski	Williams (OH)
Downey	Neal	Yatron

□ 1850

The Clerk announced the following pairs:

On this vote:

Mr. Stangeland for, with Ms. Mikulski against.

Mr. Archer for, with Mr. Corcoran against.

Messrs. FROST, McCLOSKEY, and DWYER of New Jersey changed their votes from "yea" to "nay."

Messrs. MORRISON of Washington, GEPHARDT, CHAPPELL, HOYER, LOTT, WILSON, MOORHEAD, and WAXMAN changed their votes from "nay" to "yea."

So the motion to recede was rejected.

The result of the vote was announced as above recorded.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist on its disagreement on the amendment of the Senate numbered 82.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 88: Page 35, after line 5, insert:

ADMINISTRATION FOR NATIVE AMERICANS

SEC. 107. General administration of programs authorized under the Native American Programs Act shall remain in the Department of Health and Human Services and shall not be transferred to the Bureau of Indian Affairs and the Secretary of Health and Human Services shall continue to administer the financial assistance grants funded under that Act through the Administration for Native Americans: *Provided*, That this provision shall not prohibit interagency funding agreements between the Administration for Native Americans and other agencies of the Federal Government for the development and implementation of specific grants or projects.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 88 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

ADMINISTRATION FOR NATIVE AMERICANS

SEC. 103. During fiscal year 1983, general administration of programs authorized under the Native American Programs Act shall remain in the Department of Health and Human Services and shall not be transferred to the Bureau of Indian Affairs and the Secretary of Health and Human Services shall continue to administer the financial assistance grants funded under that Act through the Administration for Native Americans: *Provided*, That this provision shall not prohibit interagency funding agreements between the Administration for Native Americans and other agencies of the Federal Government for the development and implementation of specific grants or projects.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 89: Page 35, after line 5, insert:

NATIONAL WEATHER SERVICE

SEC. 108. Since the Administration has proposed to sell the weather (METSAT) and land (LANDSAT) satellite systems;

Since there are concerns about possible commercialization of the National Weather Service;

Since our country should provide weather service information for the protection of life and property;

Since our Nation's economy—its agriculture, aviation, ocean shipping, and construction—is heavily affected by weather and our ability to forecast and disseminate vital information about its behavior: Now, therefore,

It is the sense of the Senate, that a reliable and comprehensive national weather information system responsive to the needs of national security; agriculture, transportation and other affected sectors; and individual citizens must be maintained through a strong central National Weather Service that can work closely with the private sector, other Federal and State government agencies, and the weather services of other nations.

Further, the Nation's civil operational remote sensing satellites (METSAT and LANDSAT) shall remain under the National Oceanic and Atmospheric Administration. No effort shall be made to dismantle, transfer, lease or sell any portion of these systems without prior congressional approval.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 89 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

NATIONAL WEATHER SERVICE

SEC. 104. Since the Administration has proposed to sell the weather (METSAT) and land (LANDSAT) satellite systems;

Since there are concerns about possible commercialization of the National Weather Service;

Since our country should provide weather service information for the protection of life and property;

Since our Nation's economy—its agriculture, aviation, ocean shipping and construction—is heavily affected by weather and our ability to forecast and disseminate vital information about its behavior: Now, therefore,

It is the sense of the Congress that a reliable and comprehensive national weather information system responsive to the needs of national security; agriculture, transportation and other affected sectors; and individual citizens must be maintained through a strong central National Weather Service that can work closely with the private sector, other Federal and State government agencies, and the weather services of other nations.

Further, the Nation's civil operational remote sensing satellites (METSAT and LANDSAT) shall remain under the National Oceanic and Atmospheric Administration. No effort shall be made to dismantle, transfer, lease or sell any portion of these systems without prior congressional approval.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The motion was agreed to.

□ 1900

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 90: Page 35, after line 5, insert:

SHEA'S BUFFALO THEATER AND KLEINHANS MUSIC HALL, BUFFALO, NEW YORK

SEC. 109. Upon request of the city of Buffalo, New York, the Secretary of Commerce shall authorize such city to sell or lease to any person the Shea's Buffalo Theater and Kleinhans Music Hall, without affecting the Federal assistance provided by a grant under the Public Works and Economic Development Act of 1965 (project numbered 01-51-22675) or any other law, if such transfer documents provide for the operation of such facilities as performing arts centers for at least 25 years after the date of such transfer.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 90 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert the following: "105".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 91: Page 35, after line 5, insert:

DEPARTMENT OF THE TREASURY

UNITED STATES CUSTOMS SERVICE

OPERATION AND MAINTENANCE, AIR INTERDICTION PROGRAM

SEC. 110. For expenses, not otherwise provided for, necessary for the acquisition of aircraft (by any means other than purchase from a commercial source), operation and maintenance of United States Customs Service air interdiction program activities, $3,750,000.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 91 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "106".

Mr. CONTE. Mr. Speaker, I rise in support of the motion.

Mr. Speaker, the Treasury-Postal Service portion of the jobs bill conference report contains $125 million for payment to the General Services Administration Federal buildings fund for repairs and alterations of Federal buildings. Projects under this authority include improving building appearance, initiating repairs to reverse building deterioration, installing aids for the handicapped, and retrofitting for energy conservation programs.

Although the Senate amount for this category was the same as the House amount, and thus not in disagreement, I wanted to mention it because this category is one of the more worthwhile sections of this bill for two reasons: First, many of our Federal buildings around the country are in drastic need of upgrading; and second, the funds under this category can be obligated fairly quickly to provide some 5,000 jobs as bids go out for rewiring projects, heating system and roofing repairs, and a host of others.

In another Treasury-Postal Service section, there is a $3.7 million supplemental for the Customs Service in connection with the ongoing air interdiction program against illegal narcotics smuggling. Before the voices of the critics rise, let me say that I know this bill is not the ideal vehicle for this supplemental, but these funds are needed now to allow Customs to move forward with the steps they are taking to upgrade their air mobile capability.

I do not have to tell the Members of this body how important it is for us to do everything we can to curb the importation of illegal drugs into this country. The percentage of drugs smuggled into the United States continues to rise: The methods of the smugglers continue to become more sophisticated to include the use of jet aircraft, and the speed with which smugglers geographically shift their operations to elude the law continues to mount.

What all of this means is that we need to continue to refine our enforcement techniques to keep up with rapid changes in methods of smuggling. One of the ways we find substantial success is through air detection and interdiction. All of us, I think, want to see continued success in this effort and this is what these extra funds are for.

They were put in during the Senate markup of the jobs bill and strongly supported in that body. During the conference, when we got to that portion of the bill, the conferees of the House fully supported receding to the Senate on these supplemental funds, thus indicating the importance placed on their need.

For those of you who are wondering about the Senate's deletion of $75 million for purchase of Government vehicles, we receded to the Senate on that amendment because the normal procurement schedule for Federal vehicles for fiscal year 1983 and fiscal year 1984 calls for the purchase of 13,000 and 14,000 vehicles respectively. The total amount programed for this replacement effort is $189.5 million. An added $75 million to the already scheduled procurement would have been wasteful, and out of line with normal procurement.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 92: Page 35, after line 5, insert:

TITLE II—DOMESTIC COMMODITY DISTRIBUTION AND FOOD ASSISTANCE ACT

SHORT TITLE

SEC. 201. This title may be cited as the "Domestic Commodity Distribution and Food Assistance Act", and is hereinafter in this title referred to as the "Act".

AVAILABILITY OF CCC COMMODITIES

SEC. 202. (a) Notwithstanding any other provision of law, in order to complement the domestic nutrition programs, make maximum use of the Nation's agricultural abundance, and expand and improve the domestic distribution of price supported commodities, commodities acquired by the Commodity Credit Corporation that the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary"), in the Secretary's discretion, determines are in excess of quantities needed for the fiscal year to—

(i) carry out domestic donation programs, including maintaining an effective school lunch program,

(ii) meet other domestic obligations (including quantities needed to carry out a payment-in-kind acreage diversion program), and

(iii) meet international market development and food aid commitments,

shall be made available in such year for use by eligible recipient agencies.

(b) Commodities made available under this Act shall be provided upon request, without charge or credit, and in a form suitable for institutional food use, except that commodities made available for use by organizations that relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons, shall, upon request, be provided in a form suitable for individual household food use.

(c) With respect to commodities made available under this Act and to the extent funds are appropriated or otherwise available under section 205(c) of this Act, the Secretary shall pay the costs of initial processing and packaging of such commodities into forms suitable for institutional or home use. The Secretary may pay such costs by providing commodities equal to the value of the processing and packaging costs. The Secretary shall insure that such payments-in-kind will not displace commercial sales of such commodities.

(d) Not later than forty-five days after the date of enactment of this Act, the Secretary shall publish in the Federal Register an estimate of the types and quantities of commodities that the Secretary anticipates are likely to be made available under this Act during the fiscal year ending September 30, 1983. Prior to the beginning of the fiscal year ending September 30, 1984, the Secretary shall publish such an estimate with respect to the commodities that the Secretary anticipates are likely to be made available under this Act during such fiscal year.

(e) Notwithstanding any other provision of law, if wheat stocks acquired by the Commodity Credit Corporation are not available for purposes of this Act, up to 500,000 metric tons of wheat designated under section 302(b)(1) of the Food Security Wheat Reserve Act of 1980 may be used for the purposes of this Act. Any amount of wheat used from the food security wheat reserve under this Act shall be replenished by an equivalent quantity of wheat under the provisions of section 302(b) of the Food Security Wheat Reserve Act of 1980 by such date as is practicable, but before October 1, 1984.

ELIGIBLE RECIPIENT AGENCIES

SEC. 203. As used in this Act, "eligible recipient agencies" are public or nonprofit organizations that administer—

(1) activities and projects, including those operated by charitable institutions and food banks, providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons;

(2) school lunch programs, summer camps for children, and other child nutrition programs providing food service;

(3) nutrition projects operating under the Older Americans Act of 1965, including congregate nutrition sites and providers of home delivered meals;

(4) activities and projects that are supported under section 4 of the Agriculture and Consumer Protection Act of 1973;

(5) activities of charitable institutions, including hospitals and retirement homes, to the extent that needy persons are served; or

(6) disaster relief programs;

and that have been designated by the appropriate State agency, or by the Secretary, and approved by the Secretary for partici-

pation in the program established under this Act.

FEDERAL AND STATE RESPONSIBILITIES

SEC. 204. (a) The Secretary shall, as expeditiously as possible, provide the commodities made available under this Act in such quantities as can be used without waste to State agencies designated by the Governor or other appropriate State official for distribution to eligible recipient agencies, except that the Secretary may provide such commodities directly to eligible recipient agencies and to private companies that process such commodities for eligible recipient agencies under section 206 of this Act.

(b) State agencies receiving commodities under this Act shall, as expeditiously as possible, distribute such commodities in the quantities requested to eligible recipient agencies within their respective States. If a State agency cannot meet all requests for a particular commodity under this Act, the State agency shall give priority in the distribution of such commodity to organizations that relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons. To the extent funds are appropriated or otherwise available under section 205(c) of this Act, the Secretary may pay the costs of storage and distribution of such commodities within the States.

(c) In administering this Act, the Secretary shall minimize, to the maximum extent practicable, the regulatory, recordkeeping, and paperwork requirements imposed by the Secretary on eligible recipient agencies.

AUTHORIZATION AND APPROPRIATIONS

SEC. 205. (a) There is authorized to be appropriated to carry out the provisions of this Act not to exceed $100,000,000 for each of the fiscal years ending September 30, 1983, and September 30, 1984.

(b) There is appropriated $100,000,000, to remain available until March 31, 1984, to carry out the provisions of this Act: *Provided*, That not less than $10,000,000 of this amount shall be paid to the States for commodity storage and distribution expenses incurred by those eligible recipient agencies defined in section 203(1) of this Act, except that in no case shall payments to any State exceed 5 per centum of the total value of the commodities received by the eligible recipient agencies defined in section 203(1) of this Act within the State. The value of the commodities made available under this Act shall not be charged against this appropriation.

(c) In addition to the funds appropriated under subsection (b), the Secretary shall, in each of the fiscal years ending September 30, 1983 and September 30, 1984, expend funds of the Commodity Credit Corporation to carry out the provisions of this Act in an amount equal to those storage and spoilage costs that the Secretary estimates would have been incurred in such fiscal years but for this Act. Such funds may be expended by the Secretary to reprocess or further process available commodities into end-food products for use by those eligible recipient agencies defined in section 203(1) of this Act. The value of the commodities made available under this Act shall not be charged against these funds.

(d) To the extent practicable, the Secretary shall carry out the program established under this Act through the Commodity Credit Corporation.

PROCESSING AGREEMENTS

SEC. 206. Whenever a commodity is made available without charge or credit under any nutrition program administered by the Secretary, the Secretary shall encourage consumption thereof through agreements with private companies under which the commodity is processed into end-food products for use by eligible recipient agencies, with the expense of the processing to be borne by the recipient agencies.

PROGRAM SAFEGUARDS

SEC. 207. (a) The Secretary shall obtain such assurances as the Secretary deems necessary that any eligible recipient agency receiving commodities under this Act will provide such commodities to persons served by the recipient agency and will not diminish its normal expenditures for food by reason of the receipt of such commodities. The Secretary shall also obtain such assurances as the Secretary deems necessary that commodities made available under this Act will not displace commercial sales of such commodities or the products thereof.

(b) Commodities provided under this Act shall be distributed only in quantities that can be consumed without waste. No eligible recipient agency may receive commodities under this Act in excess of anticipated usage, based on inventory records and controls, or in excess of its ability to accept and store such commodities.

RELATIONSHIP TO FOOD STAMP ACT OF 1977

SEC. 208. Section 4(b) of the Food Stamp Act of 1977 shall not apply with respect to the distribution of commodities under this Act.

COMMODITIES NOT TREATED AS INCOME

SEC. 209. Notwithstanding any other provision of law, commodities distributed under this Act shall not be considered income or resources for any purpose under any Federal, State, or local law.

PROHIBITION AGAINST CERTAIN STATE CHARGES

SEC. 210. Whenever a commodity is made available without charge or credit under any nutrition program administered by the Secretary for distribution within the States to eligible recipient agencies, the State may not charge recipient agencies any amount that is in excess of the State's direct costs of storing and transporting the commodities to recipient agencies minus any amount the Secretary provides the State for the costs of storing and transporting such commodities.

PENALTIES FOR MISUSE OF COMMODITIES

SEC. 211. Section 4(c) of the Agriculture and Consumer Protection Act of 1973 is amended by—

(1) striking out "or section 709" and inserting in lieu thereof "section 709"; and

(2) inserting after "(7 U.S.C. 1446a1)," the phrase "or the Domestic Commodity Distribution and Food Assistance Act,".

AMENDMENT TO AGRICULTURAL ACT OF 1949

SEC. 212. Clause (3) of the first sentence of section 416 of the Agricultural Act of 1949 is amended by inserting "in public or nonprofit postsecondary schools, penal institutions, and Veterans' Administration medical care facilities," after "for children,".

PROGRAM TERMINATION

SEC. 213. The authorities provided in sections 202 through 210 of this Act shall not be effective after September 30, 1984.

AMENDMENT TO THE AGRICULTURE AND CONSUMER PROTECTION ACT OF 1973

SEC. 214. Clause (2) of subsection (a) of section 5 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c, note) is amended by striking out "amount appropriated for the provision of commodities to State agencies" and inserting in lieu thereof "sum of (i) the amount appropriated for the commodity supplemental food program (ii) the value of additional commodities donated by the Secretary to State or local agencies for use in the commodity supplemental food program without charge against funds appropriated for such program that are included in food packages distributed to program participants".

MOTION OFFERED MY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 92 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

TITLE II—TEMPORARY EMERGENCY FOOD ASSISTANCE ACT OF 1983

SEC. 201. This title may be cited as the "Temporary Emergency Food Assistance Act of 1983", and is hereinafter in this title referred to as "the Act".

AVAILABILITY OF CCC COMMODITIES

SEC. 202. (a) Notwithstanding any other provision of law, commodities acquired by the Commodity Credit Corporation that are in excess of quantities needed for the fiscal year to carry out a payment-in-kind acreage diversion program, maintain U.S. share of world markets, and meet international market development and food aid commitments, shall be made available by the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") without charge or credit in such fiscal year for use by eligible recipient agencies. Upon request, commodities provided by the CCC shall be provided in a form suitable for individual household or institutional use.

(b) Notwithstanding any other provision of law, if wheat stocks acquired by the Commodity Credit Corporation are not available for the purposes of this Act, up to 300,000 metric tons of wheat designated under section 302(b)(1) of the Food Security Wheat Reserve Act of 1980 shall be used for the purposes of this Act. Any amount of wheat used from the Food Security Wheat Reserve under this Act shall be replenished by an equivalent quantity of wheat under the provisions of section 302(b) of the Food Security Wheat Reserve Act of 1980 as soon as practicable, but before December 31, 1983.

PROCESSING AGREEMENTS

SEC. 203. Whenever a commodity is made available without charge or credit under any nutrition program administered by the Secretary, the Secretary shall encourage consumption thereof through agreements with private companies under which the commodity is reprocessed into end-food products for use by eligible recipient agencies, with the expense of the reprocessing to be borne by the recipient agencies.

AUTHORIZATION AND APPROPRIATIONS

SEC. 204. (a) There is appropriated for the period ending September 30, 1983, $50,000,000 for the Secretary to make available to the States for storage and distribution costs, of which not less than $10,000,000 shall be made available for paying the actual costs incurred by charitable institutions, food banks, hunger centers, soup kitchens, and similar nonprofit organizations providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy per-

sons, including low-income and unemployed persons, provided that in no case shall such payments exceed five per centum of the value of commodities distributed by any such agency. The value of the commodities made available under this Act and the funds of the Corporation used to pay the costs of initial processing, packaging (including forms suitable for home use), and delivering commodities to the States shall not be charged against this appropriation.

RELATIONSHIPS TO FOOD STAMPS

SEC. 205. Section 4(b) of the Food Stamp Act of 1977 shall not apply with respect to the distribution of commodities under this Act.

COMMODITIES NOT INCOME

SEC. 206. Notwithstanding any other provision of law, commodities distributed under this Act shall not be considered income or resources for any purposes under any Federal, State, or local law.

PENALTIES

SEC. 207. Section 4(c) of the Agriculture and Consumer Protection Act of 1973 is amended by—

(1) striking out "or section 709" and inserting in lieu thereof "section 709"; and

(2) inserting after "(7 U.S.C. 1446a1)" the phrase "or the Emergency Food Assistance Act of 1983".

PROHIBITION AGAINST CERTAIN STATE CHARGES

SEC. 208. Whenever a commodity is made available without charge or credit under any nutrition program administered by the Secretary for distribution within the States to eligible recipient agencies, the State may not charge recipient agencies any amount that is in excess of the State's direct costs of storing and transporting the commodities to recipient agencies minus any amount the Secretary provides the State for the costs of storing and transporting such commodities.

COMMODITY SUPPLEMENTAL FOOD PROGRAM ADMINISTRATIVE EXPENSES

SEC. 209. Notwithstanding any other provision of law, administrative expenses for the Commodity Supplemental Food Program, on commodities donated by CCC during fiscal year 1983, shall be paid from CCC funds and shall be fifteen per centum of the book value of the commodities donated.

REGULATIONS

SEC. 210. The Secretary shall issue regulations within 30 days to implement this Act.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 97: Page 36, after line 7, insert:

SMALL BUSINESS ADMINISTRATION

BUSINESS LOAN AND INVESTMENT FUND

GUARANTEED LOANS

For additional capital for the "Business loan and investment fund", authorized by the Small Business Act, as amended, $434,000,000, to remain available without fiscal year limitation.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 97 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert the following: "$200,000,000".

Mr. CONTE. Mr. Speaker, I rise in support of the motion.

Mr. Speaker, the conferees have agreed to include $100 million for the Economic Development Administration public works grants program, an even split between the $200 million in the House bill and zero in the Senate bill. This program is a popular and effective job creator in urban and rural areas alike. It is estimated that the amount included in the conference report could provide about 17,000 jobs in such activities as industrial park development, water and sewer development, street and railway improvements, and rehabilitation of inner city housing for residential use.

House conferees accepted Senate language requiring the Small Business Administration to fund section 503 certified development company projects even if such projects receive financial support from tax-exempt revenue bonds. The administration has refused such funding, arguing that it represents double cost to the treasury.

The conferees agreed, wisely in my view, to reduce the amount for Small Business Administration direct loans from the House amount of $200 million down to $50 million. I would have preferred to go to zero. The SBA direct loan program is an extremely wasteful use of SBA resources. The default rate on these loans is high. The loans have been limited in the past to a very small portion of the small business community, and the special loan terms are resented by others in that community. Guaranteed loans are far more effective and efficient.

Unfortunately, the conference report includes the House amount of $50 million for SBA grants to States or public colleges and universities for contracts with small businesses to plant trees and perform other park and recreational area improvements. This tree planting program is wasteful and unnecessary. While some communities might engage in park and recreation projects in order to obtain Federal grant funds, it is doubtful that the supposedly small nurseries and landscapers they would use would need to hire a substantial number of new employees to do the work.

House conferees agreed to Senate language to allow the $60 million provided for the Federal prison system to be used for new construction. House language had limited the use of this money to repair and improvement projects at existing institutions. The Senate intended that $40 million of the $60 million be used to construct a 500-bed metropolitan correctional center in Los Angeles, Calif., a project which the administration has proposed for fiscal year 1984 funding. Before this or other new construction projects can be moved forward to fiscal year 1983 funding under this bill, they must be approved by the committee.

The conferees compromised on the amount provided for the Cooperative Agreement Program [CAP] under which the Federal Government provides funds for the renovation, expansion, and construction of State and local detention facilities which house Federal prisoners awaiting trial or transfer to Federal facilities. The program will receive $20 million, compared to $30 million, in the House bill and $10 million in the Senate bill.

To the relief of those who worried about having to go to private enterprise for their weather forecasts, the conference report contains language expressing the sense of the Congress that a strong Central National Weather Service should be continued. The language also forbids the dismantling, transfer, lease, or sale of the remote sensing satellites (METSAT and LANDSAT) which are now operated by the National Oceanic and Atmospheric Administration, without prior congressional approval.

House conferees accepted Senate language allowing the city of Buffalo, N.Y., to sell or lease Shea's Buffalo Theater and Kleinhans Music Hall. The city wishes to sell these EDA-supported facilities and then to lease them back and use the proceeds for arts-related activities. The effect of the Senate language would be to negate existing legal requirements that the city would have to repay to EDA the amount of EDA assistance (approximately $900,000) previously provided for the facilities. There is a precedent for such congressional action.

The conferees agreed to provide $200 million to cover defaulted SBA guaranteed loans. The Senate had included $434 million for this purpose, while the House had no similar provision. These funds are needed to partially cover higher than expected defaults due to the sluggish economy. The House on March 10 of this year disapproved several proposed deferrals which were intended to cover $316 million of these defaulted loans.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the final amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 98: Page 36, after line 7, insert:

DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

For an additional amount for "Reimbursement for net realized losses", $5,707,457,000 of which $500,000,000 shall be available for the Agricultural Export Credit Revolving Fund as authorized by section 1201 of Public Law 97-98.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 98 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

For an additional amount for "Reimbursement for net realized losses", $5,707,457,000.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

PARLIAMENTARY INQUIRY

Mr. LOEFFLER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. LOEFFLER. Mr. Speaker, have you gone into the consideration of the House concurrent resolution on the budget?

The SPEAKER pro tempore. The Chair was about to make that statement but had not yet made it.

POINT OF ORDER AGAINST CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 91, FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1984

Mr. LOEFFLER. Mr. Speaker, I have a point of order against consideration of this budget resolution.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. LOEFFLER. Mr. Speaker, I make a point of order against the consideration of House Concurrent Resolution 91, which is the House concurrent budget resolution for fiscal year 1984, on the grounds that its consideration would violate the provisions of clause 2(l)(6) of rule XI of the rules of the House.

I refer specifically to the language of the rule which reads, and I quote: "Nor shall it be in order to consider any measure or matter reported by any committee (except the Committee on Rules in the case of a resolution making in order the consideration of a bill——

Mr. O'NEILL. Mr. Speaker, would the gentleman yield?

The SPEAKER pro tempore. The gentleman reserves his point of order and is recognized for 1 minute.

Mr. LOEFFLER. I will be happy to yield to my distinguished Speaker.

Mr. O'NEILL. May I say that we are aware of the fact that a point of order does lie.

I would ask the gentleman for what reason he raises the point of order, because we are at 7 o'clock. We had intended to continue with the debate. We have every hope that we can be out of here by Thursday night.

What we would attempt to do now then would be to have the Rules Committee meet, go upstairs, bring back a new rule, and it would require a new vote on the rule.

We discovered too late that there was an objection to the rule.

I think the gentleman is putting the House to an extraneous problem, and I just cannot understand why the gentleman is doing this at this time of night.

Mr. LOEFFLER. With all due respect to my Speaker, Mr. Speaker, I would say that we are about to consider a very major piece of legislation on the floor of the House.

First of all, the resolution itself, as I understand it, has errors and had to be resubmitted to the Printing Office to request a star print. In addition, we have not yet gotten and probably will not get before conclusion if we follow this schedule, the committee report which is at the Printing Office to be printed. This is a massive document. It is a document which in my judgment needs to be reviewed by Members because I believe we are turning back the clock, quite frankly.

I do not raise this point of order idly. I recognize that it will slow down the process. But I also believe that each and every Member should know what is in it.

We had the railroad system going on in the Budget Committee. We have had the railroad system going on through the Rules Committee and on the floor of the House today and I, therefore, will be very strong in my position of insisting on a point of order, Mr. Speaker.

Mr. O'NEILL. May I ask the gentleman would he allow us to start the proceedings, and we will forgo once we just get into the bill immediately, so that the debate would have to be tomorrow.

Let me just say this to the gentleman: There was never a time during the past 2 years I did in any way ever obstruct the Republican Party at any particular time. Two years ago the Gramm-Latta bill was never even brought to the floor when we had completed all of the debate. We did that as a courtesy because we said in no way are we going to try to obstruct.

Now I find at this hour of the night when we are in the twilight of leaving to go on a vacation, it just seems to me to be an unfair thing to do.

Mr. LOEFFLER. Mr. Speaker, again with all due respect, and I do not doubt you are a very honest man, I do not believe we are in any way obstructing the process. What we are asking for is an opportunity for each Member to have an opportunity not only to look at the star print which would have the correct figure but, as well the committee report.

Mr. JONES of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. LOEFFLER. I am happy to yield to my distinguished chairman.

Mr. JONES of Oklahoma. I appreciate the gentleman yielding.

Let me say that this matter of the rule being defective was brought to my attention earlier today. I discussed this with members of your leadership and members of the Budget Committee on the Republican side to discuss whether or not our previous agreement of discussing the Humphrey-Hawkins debate tonight, as well as taking up general debate tomorrow would still be the agreement you wanted to live by.

□ 1910

Had we known earlier we could have had the Rules Committee meet and report out a new rule. So we were trying to live up to what we understood the agreement with the minority to be and I do not know why it is changing.

Mr. LOEFFLER. Reclaiming my time and reserving my point of order, Mr. Speaker, I would say that to the best of my knowledge no clearance was granted with the minority leader and the minority whip and certainly I was not aware of any conversation whatsoever as a member of the Budget Committee.

Mr. JONES of Oklahoma. If the gentleman will yield, I talked earlier today both with Mr. LOTT and Mr. LATTA, whether we wanted to proceed ahead with debate on the Humphrey-Hawkins section of the budget this evening and then convene tomorrow morning for general debate and have votes on the substitute and the final passage tomorrow. I was assured that that was what the minority wanted to do.

Mr. FRENZEL. Will the gentleman yield to me?

Mr. LOEFFLER. I will be happy to yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

I think the gentleman is making an excellent point, that the House is being asked to consider a matter on

which it does not have information and I think we on this side feel it very strongly because in the past we have been accused of bringing things to the floor that people have not had time to review adequately. Here is a case where clearly the shoe is on the other foot. I think the gentleman has made an excellent point. I am sure it is embarrassing to all of us. On the other hand, there is nothing to be gained by progressing the point of order and I would respectfully suggest to the gentleman that he has made an excellent point and now would be a splendid time to withdraw the point of order.

Mr. LOEFFLER. Reserving my point of order I yield to my distinguished ranking member of the committee.

Mr. LATTA. I thank the gentleman for yielding. Let me say that the chairman had discussed with me the possibility of considering Humphrey-Hawkins this evening and we were going to go no further and the gentleman knows what we discussed under Humphrey-Hawkins, there will be no votes. Then we would go into general debate tomorrow. Certainly the gentleman has a good point and raises a good point. But I would hope that we would be able to get these 2 hours out of the way so that we do not have to use that tomorrow.

Mr. LUNGREN. Would the gentleman yield?

Mr. LOEFFLER. Reserving my point of order, I yield to the gentleman.

Mr. LUNGREN. I thank the gentleman.

One of the difficulties we have on this side of the aisle, those of us who are not privileged to serve on the Budget Committee attempting to find out precisely what is in the budget document.

My office has been calling all day to find out when we can get a print of the report so we can find out precisely what we are talking about. I think the gentleman's point of order is raised for the specific purpose of attempting to find out whether Members will have the opportunity to have in their hands tomorrow at sometime prior to the vote that takes place about that which we are voting. I do not think that is asking too much, that those Members of us who are not on the Budget Committee have the opportunity to review the report. I know some Members have copies, committee copies. There are very few. But we just do not have the opportunity to do that. I think the gentleman makes a very good point and I think he protects the rights of many of the rest of us.

The SPEAKER pro tempore. Would the gentleman from Oklahoma (Mr. JONES) address the point that was just made, which was that it would show a little more magnanimity if they were sure we were going to get the report prior to the time of the meeting tomorrow? Can the gentleman make such assurance?

Mr. JONES of Oklahoma. If the gentleman will yield.

Mr. LOEFFLER. Mr. Speaker, I would be happy to yield to my chairman.

Mr. JONES of Oklahoma. The report was given to the Government Printing Office at noon, Monday. We had been on their case, the chairman of the subcommittee who deals with appropriations of GPO has been trying to move them along. We expect the report to be printed and ready for distribution at any moment. We would be happy to xerox copies of what we had given to the GPO as of noon yesterday in the Budget Committee and make that available to any Member.

We are not trying to railroad anyone. I thought the minority side understood the mechanical problem and I thought we had an understanding as to the debate and I just hope we can continue with that agreement.

Mr. LOEFFLER. Mr. Speaker, this Member has extreme reservations about not pursuing the point of order and I wish to inform the body specifically as to where I come from.

When we went into markup of the House Budget Committee, we arrived at 10 o'clock for the markup, at that time the minority Members had not seen nor was the committee print, markup print available. The chairman was kind enough to delay until 1 o'clock at which time we finally had in hand the very large compendium which was the committee print for markup. We went through in a very expeditious fashion without any input, any consultation whatsoever with respect to this budget resolution. The same has occurred with respect to the rule. It is in essence a gag rule disallowing many Members and coalitions and caucuses an opportunity to debate at least their particular feelings. It also is on a fast track because I know as well as Members on both sides of this aisle that the search for votes by the majority and minority is very active.

I believe that in the final analysis as we come to the final vote that we should have the document on the table for everyone to look at and, again, I have very, very strong feelings toward reserving this point of order and seeing that every Member has an opportunity to view the resolution as well as the committee report.

Mr. JONES of Oklahoma. Would the gentleman yield?

Mr. LOEFFLER. I would be happy to yield to my chairman.

Mr. JONES of Oklahoma. Just to clarify that in the committee markup again the GPO has been given the document. They were slow in delivering it. When they had not delivered it, I think you will recall, as chairman, I postponed any markup that day, to allow Members to have it that day and we marked up the next day. As far as the deadlines are concerned, there is no fast track. This particular schedule was announced by me as chairman of the Budget Committee and by the Speaker as the leadership of the House. This schedule was announced in January. We did the same thing 2 years ago to accommodate the President's budget. We have tried to keep to this schedule. It is not an attempt to railroad. We have said all along we have to keep up this pace, moving if we are going to pass the budget before Easter.

That is precisely what we announced in January, we have kept to this schedule.

If the gentleman would yield just a moment further, the gentleman from California (Mr. FAZIO) informs me that GPO announces that they will have it here by 9:30 this evening. We will have 6 hours of general debate tomorrow. The Speaker just indicated that we will not start that if the document was here and available to the Members.

Mr. LOEFFLER. Let me, reclaiming my time, say in no way am I accusing the chairman of not allowing finally an opportunity for us to look at the document and it was not his fault, perhaps, that it was late in arriving. I do not place that blame on his shoulders, nor on the leadership at this time, including our distinguished Speaker. But at the same time the gentleman was then willing to allow us to go through a general explanation of the bill on the first day that we received the committee markup and on the second day we had votes. I would say that this establishes a good precedent at least, because the rules of the House require at least 3 days for a resolution or committee report to lie before we act on the floor. As we all understand there is a reason behind it, that is so that Members can understand what in fact they are voting on. In this instance, I believe this concurrent budget resolution is one of the most important items that we will consider during the course of this entire Congress. It will set the pattern on a lot of activity that occurs in the House of Representatives alone. Therefore, I think that if we are trying to accommodate one another, that at least we should have 1 day being able to allow the resolution and the bill to lie over before we begin debate and final votes on the budget resolution. I am willing to stay in the House and address the needs as long as we have to address them, to meet the requirements that the leadership has set forth that we conclude our work before the Easter work period.

The SPEAKER pro tempore. Is the gentleman withdrawing his point of order?

Mr. LOEFFLER. Mr. Speaker, I insist on my point of order.

The SPEAKER pro tempore. The gentleman insists upon it?

Mr. LOEFFLER. Yes, Mr. Speaker.

The SPEAKER pro tempore. Are there any further Members who want to speak on the point of order? Apparently not.

□ 1920

The SPEAKER pro tempore. The Chair believes that while House Resolution 144 was intended to permit immediate consideration of House Concurrent Resolution 91, the provisions of clause 2(L)(6), rule XI do technically—under the second sentence of that clause—separately require a 3-day availability of the Budget Committee's report. That part of the rule was not separately waived, and although the 10-day rule was waived effectively, the Chair will sustain the point of order and advise that under that rule the Rules Committee may immediately report out and call up a special order waiving the 3-day rule.

The SPEAKER. The Chair's understanding now is that the Rules Committee will meet and will report back somewhere around the time of 8:30. The Chair will go to Special Orders at this particular time and we could ask for a recess subject to the call of the Chair and the reporting of the Rules Committee.

PARLIAMENTARY INQUIRY

Mr. ERLENBORN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. ERLENBORN. Mr. Speaker, I wonder if a motion to adjourn would be in order at this time?

The SPEAKER. The Chair will advise that a motion to adjourn is in order.

The Chair would inquire if there is any objection to the House being in recess.

Mr. WALKER. I object, Mr. Speaker.

The SPEAKER. Objection is heard.

□ 1930

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair announces, it is the intention and the prerogative of the Speaker after Special Orders to call up business, in case there is anybody lingering out there that thinks the Speaker does not have that power.

Mr. WALKER. Mr. Speaker, I had understood that it is not formalized by the rules, but there is an informal arrangement that had been agreed to early in the Congress that we would not take up business after Special Orders had been started.

Is that now going to be canceled at the discretion of the Chair, is that my understanding of what the Speaker is saying?

The SPEAKER. I am sure as the gentleman appreciates, it is the special duty of the Speaker to see that the program of the day is put through. When the occasion arises when there is an exception, the Speaker would act in the best interests of the majority of the House and not just an individual or two in the eyes of the Speaker, and consequently it would be understood by the precedents that that is the way the Speaker would act and the Speaker would recognize for consideration of legislation.

Mr. WALKER. That would certainly be the prerogative of the Chair.

The SPEAKER. The Chair recognizes the gentleman from Oklahoma (Mr. JONES).

Mr. JONES of Oklahoma. Mr. Speaker, we have been consulting with the gentleman from Texas and we would like to enter into a colloquy with the gentleman.

The concern the gentleman has expressed is that we have the reports tonight. We have been assured that the GPO will have the reports between 9 and 10 tonight. With that assurance, I think the gentleman might withdraw his point of order, and with the agreement that we could take up the Humphrey-Hawkins debate this evening, complete that 4 hours of debate, come in at 11 instead of 10 tomorrow and go into the general debate and then the vote on the budget resolution.

Mr. LOEFFLER. Mr. Chairman, will the gentleman yield?

Mr. JONES of Oklahoma. I am happy to yield to the gentleman.

Mr. LOEFFLER. I am reluctant to agree to continue debate this evening; however, I do believe that when a man gives his word in this body and there is a handshake, it is to be honored, and as I understand, my ranking Republican on the Budget Committee had agreed with the distinguished chairman that tonight should be the time for us to move on with respect to consideration of the Humphrey-Hawkins portion of this resolution.

In view of that, I wish to honor that commitment. At the same time, with inquiry to the distinguished chairman of the committee, I would then be willing, and again reluctantly, because I think it is most important that we have the documents in our hands to allow for consideration to begin tomorrow morning at 11 o'clock, assuming that we have, in fact, received the star print of the resolution and the print of the committee report during the course of the evening and it would be on our desk and in our offices at the beginning of work tomorrow morning.

I believe, Mr. Speaker, and to my distinguished chairman, that this would be a fair compromise, one where we would have a little time at least to allow for Members to review the majority as well as the minority reports.

The SPEAKER. The Chair is happy to acquiesce in the proposition the gentleman from Texas has propounded.

FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1984

The SPEAKER. Pursuant to House Resolution 144 and rule XXIII, without objection, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution, House Concurrent Resolution 91.

There was no objection.

The SPEAKER. The Chair appoints the gentleman from New Jersey (Mr. MINISH) to preside over the Committee of the Whole.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 91) revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal years 1984, 1985, and 1986, with Mr. MINISH in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. Pursuant to House Resolution 144, the first reading of the concurrent resolution is dispensed with.

The gentleman from Oklahoma (Mr. JONES) will be recognized for 3 hours, and the gentleman from Ohio (Mr. LATTA) will be recognized for 3 hours.

The Chair will recognize the gentleman from Oklahoma (Mr. JONES) or any other Member or Members designated by him and the gentleman from Ohio (Mr. LATTA) for 2 hours each to control debate on economic goals and policies.

After this 4 hours of debate has been consumed or yielded back, the Chair will recognize the chairman and ranking minority member of the Committee on the Budget to control the remainder of the 6 hours of debate.

The Chair recognizes the gentleman from Oklahoma (Mr. JONES).

Mr. JONES of Oklahoma. Mr. Chairman, I will designate the gentleman from California (Mr. HAWKINS) to control 1 hour of debate and the gentleman from California (Mr. DIXON) to control 1 hour of debate on the Humphrey-Hawkins debate section of the budget resolution.

In the meantime, I yield such time as he may consume to the majority whip, the gentleman from Washington (Mr. FOLEY).

(By unanimous consent, Mr. FOLEY was allowed to speak out of order.)

FURTHER LEGISLATIVE PROGRAM

Mr. FOLEY. Mr. Chairman, I have done this in order to clarify an understanding with the distinguished Republican whip on the remainder of the business for this evening. Because of some confusion which has arisen under the circumstances about how the House would proceed tonight and tomorrow, it has been suggested that rather than proceed tonight with the Humphrey-Hawkins portion of the debate, we would ask unanimous consent that the House convene at 9 a.m., tomorrow morning and begin the debate at that time on the Humphrey-Hawkins protion of the bill and on the remaining general debate under the bill.

Mr. LOTT. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. Yes.

Mr. LOTT. I want to make sure that we understand. I was under the impression just a moment ago that now we were going forward with the Humphrey-Hawkins debate and that we would come in in the morning at the 10 o'clock hour; but now the gentleman is saying that because of the hour——

Mr. FOLEY. And the absence of Members that were to participate in the debate, either due to the confusion over the House's intentions tonight, we have reached a situation where it seems to us that it would be better for the full participation in the debate to proceed tomorrow at 9 o'clock in an orderly way through the entire debate, both the Humphrey-Hawkins portion and the general debate on the bill.

It would be my intention to ask unanimous consent at the appropriate time that when the House adjourns tonight, it adjourn to meet at 9 a.m. tomorrow.

Mr. LOTT. If the gentleman will yield further, I wonder, was this discussed with the gentleman from Ohio (Mr. LATTA) or the distinguished leader, the gentleman from Illinois, that we would make this request to come in at 9 o'clock and have Humphrey-Hawkins then, instead of having it tonight?

While we have had some discussion here on a legitimate point of order, it only delayed things 20 minutes or so.

Mr. FOLEY. Well, members of the Budget Committee have been discussing this. I know there has been confusion on the floor about the schedule tonight.

At one time it appeared that we would have to take up the entire debate tomorrow. At another time it appeared we might do part of the debate tonight and take up the remainder tomorrow; but the problem coming to agreement has been that because of the confusion over the schedule, many Members have assumed that the House would not proceed tonight with the debate and under the circumstances we are faced with the problem of an orderly discussion under the rule; so it was our thought, and we thought we had received agreement from the gentleman's side, that we would proceed tomorrow with the debate.

In fact, that was the original position we understood that the gentleman's side wanted to undertake, to have the whole debate tomorrow; so the only thing we would be asking is unanimous consent to come in 1 hour early in order that action on the bill would not be quite as delayed tomorrow evening.

□ 1940

Mr. LATTA. Let me say in answer to the question by our minority whip, as a matter of fact I did not hear an answer as to whether we were consulted on this side about the change of time all of a sudden, I was not consulted, but let me just say that the reason that the gentleman from Texas withdrew his objection was the fact that he did not know about the understanding that the gentleman from Oklahoma and I had that we would take Humphrey-Hawkins tonight.

In view of that fact, it seems to me it comes a little bit late now, within a couple of minutes, to come in here and say that what we ought to do now is to come in at 9 o'clock and take it up. What happens to the understanding that the gentleman from Oklahoma and I had?

Mr. FOLEY. I think the gentleman in fairness would agree that there has been a good deal of confusion.

Mr. LATTA. I would agree to that.

Mr. FOLEY. And that the gentleman from Texas had made a potential point of order against the beginning of the consideration of the bill.

Mr. LATTA. And withdrew it.

Mr. FOLEY. And he withdrew it, and there had been a certain difficulty of communication on both sides, both among our own Members on each side, and between both sides.

I think the problem now is how we can best and in the most orderly and appropriate fashion dispose of the legislation before us. The only thing I was suggesting that I might ask in the way of unanimous consent, to which, of course, any Member can object, is that rather than come in at 10 o'clock tomorrow, we would come in at 9, but I would have to advise the gentleman that because of the confusion over the schedule tonight, those who were to participate in the Humphrey-Hawkins portion of the bill are not immediately available, some of them, and we do not feel that an orderly part of this important section of the Budget Act can be carried forth at this time.

Mr. LOEFFLER. Mr. Chairman, will the distinguished majority whip yield?

Mr. FOLEY. I yield to the gentleman from Texas.

Mr. LOEFFLER. Mr. Chairman, I made a statement earlier that I was willing to reluctantly yield to some of the requests, particularly in view of the fact that my ranking member had made a commitment, had shaken the hand of the chairman of the Committee on the Budget, and at the same time I believe that those commitments that are given to you on your side of the aisle are equally as important.

You had an agreement then that I was honoring that is now being violated, and I find that to be rather ironic, that I gave, based on one man's word to another man, and I would expect now that——

Mr. FOLEY. I am sure the gentleman from Texas understands that no one is attempting to break his word or break an understanding, but it is difficult in a House with 435 Members and 4 Delegates that every person be consulted on every issue.

With respect to the gentleman from Texas, and I say that without any criticism, his objection took everyone by some surprise. We did not have an opportunity to consult adequately on either side about the implications of the gentleman's potential objection. We are trying to deal with it in the most fair and equitable way possible, but at this time we have a concern, a very serious concern, expressed on behalf of those who were to conduct the Humphrey-Hawkins portion of the debate that the hour is late, the confusion on the schedule is great, and that they feel it would not be appropriate to proceed at this time.

It is not an attempt to go back on anybody's word or understanding. It is an attempt to get an understanding among all of those who have an important part on both sides of the aisle.

Mr. LOTT. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Mississippi.

Mr. LOTT. Instead of starting on the so-called Humphrey-Hawkins portion of the debate at 7 o'clock, we are only talking about starting at 20 minutes to 8, and because of the understanding that the gentleman from Texas (Mr. LOEFFLER) found out, that there was an understanding between the gentleman from Oklahoma (Mr. JONES) and the gentleman from Ohio (Mr. LATTA) he relented so we could go forward with Humphrey-Hawkins, and then within 2 or 3 minutes it changed.

I wonder if we could not go ahead and do part of this debate tonight, then.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the distinguished chairman of the Committee on the Budget.

Mr. JONES of Oklahoma. We do not need to have a "Who shot John" replay, but the Parliamentarian had suggested and the Speaker had ruled, that the point of order would be sustained. At that point there was a considerable pause, Members left, and the gentleman from Washington says that the Members who would have participated, many of them have gone and that he feels it would be unfair to proceed ahead tonight.

That is why we are trying to get out of this dilemma and ask unanimous consent at the appropriate time that we come in at 9 o'clock tomorrow, start off with Humphrey-Hawkins, and go straight through.

Mr. LOTT. If the gentleman from Washington would yield so that I could make one further comment, regardless of how this is resolved now, I would like for the record to show that in spite of being rolled time and time again on procedure, on rules, on opportunities to be heard, the Republicans have not tried to obstruct this procedure. We have been cooperative, and now I want the record to also show that this gentleman was making his point of order just so that we would have an opportunity to see the bill and the report. But he relented and now you are asking for another change.

While we have raised our objections, we are concerned about the way this thing is being steamrolled. We have been willing to go along with these different changes. I am not saying now that we are willing to accept what you are proposing, but again and again, we have been willing to go along with changes of signals and having the minority ruled out of opportunities to be properly heard, even see the report, and we continue to see these changes.

I want one and all to understand that we have been very deliberate in trying to be cooperative in this effort.

Mr. FOLEY. I hope the gentleman's spirit will continue. I think it will be helpful to all of us.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the Speaker.

Mr. O'NEILL. I just want to say to the gentleman from Texas, I admire his skill. I would say we probably have adopted other rules on budget resolutions with that flaw in it before, and you are the first gentleman to have caught it. A man with that ability and talent, I just want to pay him my respects.

Mr. LOEFFLER. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Texas.

Mr. LOEFFLER. I might just respond to my distinguished Speaker that we will only know when the final vote is cast as to whether it was worth it or not. I happen to believe it is, and I think the American people should know that we, as a body, have not yet the official copy of the bill or the committee report, and that we, in essence, are going to be voting blind tomorrow when final consideration is given unless we have the bill and the committee report on our desk in the morning.

Mr. JONES of Oklahoma. Mr. Chairman, I would like to ask on the other side if there is agreement with what the majority whip indicated he was going to ask for as a unanimous consent to come in at 9 o'clock tomorrow.

Mr. LATTA says he has no objection.

Could I yield to the minority leader?

Mr. MICHEL. If the gentleman will yield, it is my understanding that what you want to do is get back into the House so we can make requests here, and you would like to know whether or not there would be an objection to coming in at 9 o'clock in the morning and going immediately to Humphrey-Hawkins. The gentleman from California suggests that he might not even have to take up the 2 hours, and that immediately after that we would proceed in the normal fashion.

From this gentleman's point of view, I would suggest that is probably what we ought to do.

Mr. JONES of Oklahoma. Mr. Chairman, I move that the Committee do now rise.

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the motion was agreed to.

□ 1950

Accordingly the Committee rose; and the Speaker pro tempore (Mr. FOLEY) having assumed the chair, Mr. MINISH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 91) revising the congressional budget for the U.S. Government for the fiscal year 1983 and setting forth the congressional budget for the U.S. Government for the fiscal years 1984, 1985, and 1986, had come to no resolution thereon.

HOUR OF MEETING ON TOMORROW

Mr. JONES of Oklahoma. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 9 o'clock a.m. tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CALL FOR PEACE AND RECONCILIATION IN IRELAND

(Mr. FOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FOLEY. Mr. Speaker, on March 17, St. Patrick's Day, the President of the United States was the guest of honor at a reception at the Embassy of Ireland. In addition to being greeted by its distinguished Ambassador, the Ambassador O'Sullivan, the President was greeted by his Excellency, Mr. Peter Barry, T.D., Foreign Minister of Ireland.

I am including in the RECORD today the eloquent statement of the Foreign Minister in greeting the President and the eloquently, timely, and important response of the President of the United States to the greeting of the Ambassador and Foreign Minister. And I will quote only the last paragraph of the President's statement which certainly deserves to be read carefully in full. The President said:

Some few but vocal Americans believe that differences between Irishmen can only be solved by violence and intimidation. They are no friends of Ireland. They disgrace the principles for which both Ireland and America stand. I would urge my fellow Americans not to listen to such people. I know that Foreign Minister Barry joins me in calling upon people everywhere to turn away from the moral bankruptcy of the men of violence and to help or heed, instead, the call for peace and reconciliation that is the true message which St. Patrick himself first brought to Ireland.

STATEMENT MADE AT A RECEPTION TO HONOR THE PRESIDENT OF THE UNITED STATES OF AMERICA, MR. RONALD REAGAN, BY THE FOREIGN MINISTER OF IRELAND, MR. PETER BARRY, T.D., AT THE EMBASSY OF IRELAND, ON ST. PATRICK'S DAY, MARCH 17, 1983

Cead Mile Failte. You are all most welcome to this house today.

The feast of Saint Patrick is a day which brings all the Irish and all the Friends of Ireland together to exchange greetings and extend the hand of friendship.

It is especially fitting, Mr. President, that in paying us the honor of visiting here today you do so having come with us from a lunch where we were guests of another great Irishman, our friend the Speaker of the House, Tip O'Neill. It is of course no surprise to those in Ireland that two great Irishmen occupy the Houses on both sides of Pennsylvania Avenue. Naturally, we expect no less of the Irish in America.

Not that the Irish boast of having invented politics, Mr. President—but at least we have tried to ensure that America should never be wanting in good politicians—and that American politics should never be wanting in good humor. For, if politics is the art of the possible, Mr. President, good humor is what makes good politics possible and keeps debate alive and well. The luncheon you graciously hosted today showed that, I think you'll agree, Mr. Speaker.

It is a particular privilege for me to welcome so many distinguished friends to our Embassy.

Those who carry the names of Irish forebearers (whether Reagan or O'Neill, whether Kennedy or Foley, whether Moynihan or Dodd, whether Carey or Shannon and many more).

Those who cherish proudly their mother's heritage and whose love of Ireland is no less great.

Those who have come to know the heritage of Ireland through their friends and neighbors and who join with us as friends today.

All who wish to know the generosity of America as a haven for successive generations of immigrants need look no further than this room today. All who seek out the achievements of the Irish in America need hardly search beyond this room today. All who wish to know Ireland's loyal friends in the United States need go no further than this room today.

The good will, friendship and sympathy of the American people we proudly cherish in Ireland and this has special importance for us as we seek in the period ahead to check the violence in Northern Ireland and end the divisions of the Irish people. We particularly appreciate the support already received from our friends in the United States Congress and the encouragement which you personally have given, Mr. President, to my Prime Minister, Dr. Garret FitzGerald, for his efforts to promote reconciliation between the two Irish political traditions and between Britain and Ireland. The strong condemnations of violence which you have all made and your consistent commitment to stemming the flow of U.S. dollars to the agents of terror in Northern Ireland we heartily applaud.

The Ireland we seek is one which will never be achieved by violence. Our goal is a new Ireland founded on agreement, free of intolerance and fear, where justice and compassion prevail, where the rights and identities of all traditions are respected and where all the Irish people can find unity and courage in the shared symbol of Patrick which is a symbol of peace, and friendship and reconciliation.

To this end, my Government has recently proposed, in agreement with the political parties concerned, to establish a forum for consultations on the means by which peace and stability can be achieved in a new Ireland through the democratic process. The views of those of all traditions in Ireland who agree with the purpose of these consultations and who reject violence will be sought by the forum. We believe that this initiative can point the way to a lasting peace and we look for the support of our friends in America as we advance these efforts to establish peace, to end division and move towards a new Ireland.

In Ireland, we send shamrock to our friends overseas and the wearing of shamrock expresses our hope for peace in the year ahead. Mr. President, it is my privilege to present to you today shamrock from Ireland as a mark of the enduring friendship between Ireland and the United States and as a symbol of our hopes for the future.

REMARKS OF THE PRESIDENT AT RECEPTION AT THE EMBASSY OF THE REPUBLIC OF IRELAND

The PRESIDENT. Thank you very much. Foreign Minister Barry and Ambassador O'Sullivan, Excellencies. On this day that is so special to all Americans, but especially to the 30 million of us that take pride in our Irish heritage, I want to thank you for the hospitality that you've again offered me here at the Irish Embassy. Like the seeds of the shamrock, Ireland has scattered its sons and daughters to the four winds, and everywhere they've taken root they've made a unique contribution to their adopted country. Here is America the men and women whose patron saint we honor today have made an immeasurable contribution to the development of this nation. Even the White House has not been exempt from Ireland's spell. Many of our Presidents traced their roots to Ireland, and I'm proud to trace mine to Ballyporeen in County Tipperary.

Our links to Ireland are many and varied. We are grateful for the closeness of our historic heritage, just as we respect the proud independence of today's Ireland whose troops have worn the blue helmet of the United Nations in so many lands, including service today with the U.N.I.F.I.L. forces in Lebanon.

I've previously spoken about our concerns over the violence in Ireland and do not need to either elaborate, nor in any way detract from what I and my predecessors in this office have already said, other than to emphasize again my support for a just and peaceful solution to the problems of Ireland and my strong condemnation of all acts of terrorism and violence. (Applause.) As I've said before, we believe that a lasting solution to the problems of Ireland can be found only in a process of reconciliation. And I again take this occasion on St. Patrick's Day to join with my fellow Americans who work and pray for an end to terrorism and violence.

The Bishop of Down and Connor, Bishop Daly, speaking at the funeral mass of Judge William Doyle, who was gunned down by the Provisional I.R.A. on a Sunday morning as he left church in Belfast, told the assembled congregation, representing both Irish communities, ". . . We commit ourselves once more to work for peace and reconciliation. Our belief in peace is unshaken. Our hope for peace is irrepressible."

I'm told that in Armagh, the ecclesiastical capital of Ireland since the days of St. Patrick, that there are two great cathedrals on the hills of that town, each dedicated to St. Patrick. I understand that late last year the archbishop of the Protestant Church of Ireland and the Primate of the Roman Catholic Church in Ireland, the incumbents of those cathedrals, came together in a spirit of brotherhood and reconciliation to jointly sponsor a town celebration dedicated to peace and harmony. It is that message that I wish my fellow Americans to hear on this St. Patrick's Day. I encourage Americans of all faiths to walk together in such a spirit of reconciliation, rejecting violence in any form.

Some few but vocal Americans believe that differences between Irishmen can only be solved by violence and intimidation. They are no friends of Ireland. They disgrace the principles for which both Ireland and America stand. I would urge my fellow Americans not to listen to such people. I know that Foreign Minister Barry joins me in calling upon people everywhere to turn away from the moral bankruptcy of the men of violence and to help or heed, instead, the call for peace and reconciliation that is the true message which St. Patrick himself first brought to Ireland.

□ 1230

THE PRECARIOUS FINANCIAL CONDITION OF PUBLIC BROADCASTING

(Mr. LONG of Louisiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LONG of Louisiana. Mr. Speaker, the recent announcement of firings and program cuts at National Public Radio underscores the precarious financial condition of public broadcasting. While NPR's immediate problem is soluble, budget cuts proposed by the Reagan administration threaten the survival of public radio and television in the United States.

Since 1982, Federal support for public broadcasting has declined 25 percent—from $172 million in fiscal year 1982 to $137 million in fiscal year 1983 and $130 million for each of 1984 and 1985. Although Congress last year rejected an administration attempt to further cut funding for public broadcasting, the President has again proposed a significant reduction.

It astonishes me that a President so generous with tax cuts for the wealthy few is so eager to cut this modest public investment in variety and excellence—one which benefits all Americans.

Public broadcasting has carved an important niche in the cultural and political life of our Nation. Its programing is lively, original, and diverse. Despite slender resources, public broadcasting has won acclaim for first-rate programing which both educates and entertains. A nation that can afford to spend trillions of dollars on arms can afford to spend a small fraction of that on programs that delight and inform us.

It is especially ironic that the administration's attempt to rescind money Congress already has authorized comes when public broadcasting is trying to lessen its dependence of Federal support. After the first round of Reagan budget cuts in 1981, for example, National Public Radio embarked on a campaign to achieve financial independence by 1988.

Even though Federal funding fell to $11.5 million in fiscal 1983, compared to $14.5 million in 1981, NPR set an ambitious spending goal of $25 million this year. Regrettably, NPR has fallen short of that mark and therefore has been forced to trim its budget by nearly $3 million. As a result, NPR announced this week, about 35 employees have been fired and several popular programs have been cut or curtailed.

NPR President Frank Mankiewicz has attributed the revenue lag to the lingering effects of the recession and to bureaucratic inertia. The slow pace of economic recovery has discouraged

corporate contributors, while Federal Communications Commission delays in public radio deregulation have held up NPR's effort to engage in profit-making ventures.

Mr. Speaker, I believe this Government should help public broadcasting make the transition to self-sufficiency, not hinder it. Yet that is precisely what the administration proposes to do. The assault on public broadcasting spending is shortsighted and counterproductive. It should be obvious that private contributions would not agree to underwrite programs if it looks like PBS or NPR would not be around long enough to produce them.

Moreover, successful programing is often planned years in advance. Approving a $45 million recission now, as the administration proposes, would pull the rug out from beneath public broadcasting in 1985.

Public broadcasting is watched and listened to by millions of Americans, myself included. It deserves a stable, predictable level of public support. I hope my colleagues in Congress will join in rejecting Reagan administrations cuts aimed at destroying public broadcasting in this country.

CHRISTINE KRATZER—VOICE OF DEMOCRACY WINNER

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. VUCANOVICH. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conduct a voice of democracy contest. This year, more than 250,000 secondary students participated in the contest. The theme this year was "Youth—America's Strength."

I am proud to inform my colleagues that the Nevada State winner is from my hometown of Reno. Christine Ann Kratzer is 17 and attends Earl Wooster High School in Reno. She competed with many young people across the State of Nevada. I am sure my colleagues join me in congratulating Christine on her fine speech, which I insert in the RECORD at this point:

1982-83 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM NEVADA WINNER CHRISTINE KRATZER

It all started when the first son of the first caveman watched his father spend an entire day chasing after their dinner with a tree branch and some rocks. The son vowed to devise an easier, more efficient way of obtaining his food for the family he would soon be heading. Ever since then, each new generation has had a strong desire to make their lives better than the lives of the preceding generation. This is what ensures both the existence and progress of mankind. If it were not for the initiative, freshness, and strength of youth, life would improve very slowly, and we might still be living in the dark ages. The main source of strength of America is in the youth of each new generation who are the country's future leaders.

But what if these future leaders of America grew up to be incapable of fulfilling their titles, or uncaring about their country: its land, its people, its government, its economy, its world status? What would happen to America in seventy-five years or less? I can tell you what would happen, America would deteriorate. That is why children must be nurtured and guided into adulthood to keep America's strength and power.

Just how are children led to constructive citizenship? A child is born with certain characteristics, but most of his personality develops through his childhood under the influence of the many adults surrounding him. It is important for adults to recognize the significant role they play in the development of children. Children begin developing skills for their thinking, their acting, their manners, and their values by the process of imitation. They observe an adult, be it a family member, a friend of the family or even a stranger, and copy what they see and hear. Therefore, adults need to make conscious efforts to act and speak in an intelligent inspiring manner which will influence children in a positive way. It is necessary and beneficial for adults to continue to impart their knowledge gained through past experiences to youths, and to teach them the traditional, basic American ideas. But, at the same time, it is essential for them to listen to and encourage the fresh, modern ideas of youth. This will start us to think for ourselves and our ideas will later help adapt our country into what our generation will need it to be. This is progress. One other way adults, especially parents, can help develop young people into strong future leaders is by exposing them to the many interests and occupations our country has from which to choose. In short, the present leaders of America, its adults, must equip the future leaders of America, its youths, with the knowledge, capability and desire to maintain our country's strength and leadership.

The responsibility of motivating America's youth does not solely belong to the adult population, we, the youth of America, must demonstrate the concern, commitment, and initiative. It is up to us to obtain good education so to be able to carry out the duties of a mature citizen intelligently. Young people should respect their elders and take heed of the lessons taught by them. We can also learn from mistakes of past generations and take measures to avoid them. It is imperative to instill feelings of loyalty and love for our country necessary to wise and patriotic leadership.

Not only is it essential for young people to be mentally capable of choosing the best courses for our country, but we must also be physically capable of carrying out those choices. It is important to keep our bodies healthy and strong.

Time, energy, caring, and confidence must be invested into each new generation of youths in order to receive the dividend of a strong America. If we fail to make these investments, we could find our descendents chasing after their food with a tree branch and some rocks.

THREE HUNDRED AND ONE CASE EXEMPLIFIES HANDICAP OF U.S. WORKERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 60 minutes.

● Mr. GAYDOS. Mr. Speaker, I saw an old friend, a steelworker, in Pittsburgh this past weekend; and, remembering that he is an avid golfer, asked him, What is your handicap these days?

He answered, "it is the same darned thing it has been for the last 10 years * * * a weak trade policy."

It appears that my friend will have to continue carrying this handicap—unless and until this Congress wakes up—because the administration last month was handed an opportunity to adjust it;

And this administration's response was: "You may be right, but don't bother us about it now."

This timidity, this political procrastination in the face of a showing that the Japanese and the Europeans have formally divided the world steel market in violation of the General Agreement on Tariffs and Trade, will cost my friend dearly;

And the cost will be equally dear to the United States and to all the American consumers whose welfare is the professed chief concern of the Japan lobby.

We are in for a gouging that will be almost as vigorous as during the heyday of the OPEC.

Understanding what is in store requires consideration of a number of related developments.

These developments are the budding recovery that we may have; and,

The overseas hopes and plans for this recovery, which they long for perhaps more than we do; and,

The massive rationalization of the steel industry, which still is the basis of most manufactured goods made and sold in the world, in the United States. This is a shrinking that is being forced by the subsidized and dumped imports that foreign industrial policies spew forth.

The last consideration is this Government's stubborn refusal to examine evidence that there is a treaty of economic aggression between the Japanese and the Europeans. This evidence was presented in a section 301 trade petition that was filed in behalf of steel companies making about 90 percent of this Nation's raw steel.

It was to this assertion that our Special Trade Representative, Mr. Brock, said, you may be right, and then dismissed the petition.

So let us consider the recovery, Mr. Speaker, if we really have one.

In the steel industry, the 160,000 workers who were laid off in groups that numbered in the thousands are being called back in groups that number in the hundreds; and capacity utilization, that for so dismally long hovered around 30 percent, has been up. The economic indicators are off

the floor is not completely on their feet.

As for rationalization, we will have completed a massive one between the mid-1970's and the point at which the current situation stabilizes.

Some experts estimate that this forced shrinking will be on the order of 20 percent of capacity; and it will come on the heels of a year in which imports, many of them subsidized and dumped, ran in the neighborhood of 22 percent of the market, which follows a 20-percent year in 1981.

Even before this began, the United States was the only major industrial nation incapable of meeting its own steel need at home.

These 2 years mean we will be even less capable when the binge is over; it means that those whose policies forced this shrinking will be positioned to suck a lot of the vitality out of the recovery, if we have one, and any recoveries that follow.

So now it is time to consider what the world wants from this recovery, Mr. Speaker.

In this consideration I will ask the House to hear several voices, including that of our special trade representative, Mr. Brock.

First, the Washington Post reported from Tokyo on business conditions and hopes in Japan in January.

The Post reported, and I quote directly, that—

> In the view of analysts here (that is Japan) only a more economically robust United States . . . can absorb enough Japanese goods to reverse this country's steepest export decline in almost three decades and help revive its sluggish economy.

Mr. Speaker, unemployment in Japan was a little over 2 percent when that analysis was made. Ours was over 10 percent. If 2 percent is sluggish, 10 percent is comatose.

But the Post went on to quote a senior analyst in the Japanese private sector, who said, "Export recovery will only follow recovery of the U.S. economy * * * Japan is now poised to take full advantage on any U.S.-induced rebound in global trade."

The article noted that even a modest upturn here would bring 3 to 4 percent growth in Japan, so great is their poise.

These analysts were backed up by a senior Japanese trade official, a Mr. Tsutsumi, who told the New York Times in neat summation that, "we sit here praying that the U.S. economy will recover soon."

Mr. Speaker, praying was spelled with the letter "a" and not the letter "e."

And then there is Mr. Brock; his analysis tended to support the others if he was paraphrased accurately last month in the newspaper, American Metals Market.

In this Mr. Brock is reported to have put forth the proposition that officials in Japan believe that the health of their steel industry depends on the health of the U.S. steel market, which depends on recovery here.

Just how healthy they expect to get in Japan through recovery here—with the American industry shrunk by up to 20 percent—can be approximated by looking at another projection.

This is not a projection of the industry or of Government. It is a projection advanced by a flinty-eyed investment house whose chief and rightful concern is helping its clients make money.

Just last month the Metals Intelligence International Report, published by Paine Webber, boldly advised its followers to buy stock in a so-called declining industry—steel;

Advised them to buy stock in Nippon Steel Corp.

To explain why, I offer the House excerpts from the report.

The report said:

> We believe that, for the American investor, the stock appears to have only a 20-percent risk and, once world steel export prices rise sharply, a potential reward of 300 percent.

The report noted that:

> On the reward side, a steel shortage * * * seems likely just 2 to 3 years after the next Western world economic recovery.
>
> This is because steelmaking capacity is declining * * * and a 10 percent to 15 percent steel consumption rebound * * * seems likely once an economic recovery is underway.

And, the analysis continued:

> In a steel shortage a $300 per metric ton rise in Nippon Steel's export realization—versus the expected $600 per metric ton rise in the spot export price—would boost pretax earnings by 100 yen per share * * *.
>
> Earnings rise so sharply because Nippon Steel normally exports one-third of its steel and it can substantially boost production at low incremental cost.

It went on.

So here is the situation in summary: The United States is the only big open market for steel in the world; it has been forced into a position of being further unable to meet its own need at home, of depending on foreign suppliers; and those whose job it is to know figure that this dependency will be rewarded by a $600 per ton rise in the spot export price.

We have ridden this cycle—rationalization forced by industrial policies and followed by price gouges when demand picks up—before.

The record will show that in the last shortage American companies that were longtime customers of foreign suppliers got hit with premium demands of $100 above domestic prices, of premiums of up to 40 percent.

During the period of this shortage, the foreign port dollar value of imports rose from $160 a ton to $386 a ton, and this is a matter of record too.

In summary, Mr. Speaker, vicious price discounting by subsidy and dumping denies capital to American steelmakers to modernize in normal times and in times of slack markets; and capacity is closed, which makes the United States further dependent; and this dependency is exploited at the earliest possible moment; and the money that would constitute both wages and capital flows overseas.

So this induced dependence is exploited to the great detriment of American consumers—who ultimately get the shortage premium—and to the terminal detriment of American workers, whose jobs are rationalized.

This is why the world so looks forward to an economic recovery in the United States.

Incidentally, our trading partners have survived the recession in some interesting ways.

The metals intelligence report particularly noted that:

> Nippon Steel is facing less financial pressures than most of its foreign and domestic competitors because it has access to substantial short-term loans from the Japanese banking community.

According to what I have been able to read, Mr. Speaker, the Japanese banking community by and large dances to the tune of the Government in industrial matters; that is, if a thing conforms with official industrial policy, loans are made at low cost; it it does not, loans are hard to find.

This is more sophisticated than the outright subsidies involved in Europe. There the French Government has just decided to put another $935 million into its uncompetitive steel industry; into firms that already have been found to ship steel here with subsidies of around 20 percent.

In the United States, with imports taking about 22 percent of the market;

With 160,000 out of work in the mills and capacity utilization that has been around 30 percent;

The estimates are that unsubsidized American steelmakers lost about $4 billion in 1982 and have not been able to gather capital to begin modernizing.

By the way, Mr. Speaker, the metals intelligence report gave still another reason for investing in Nippon Steel, and that was the value of the yen.

Said the report, "We consider the Japanese yen at 240 per dollar to be extremely undervalued * * *"

Now, we know that the Government of Japan kept the yen weak for years as a matter of policy. But they are supposed to have renounced this. However, the yen's weakness resists trends that would make it stronger under almost any theory of economics except government industrial policy. And this resistence is so effective that the yen is virtually a chronic invalid.

The hypochondria of the yen was one of the things that American steelmakers complained of in their 301 petition to Mr. Brock; the one to which

he said: You might have something there, but do not bother me now.

Their chief complaints were these:

First, that Europe and Japan by formal and signed agreement split up the world steel market to the detriment of the United States, and in violation of GATT and other treaties; and that these agreements and understandings run back to the 1970's; and,

Second, that the position of the Japanese steel industry, attained through a program of subsidy and protection, is being artificially maintained through an undervalued yen, also in violation of the GATT.

The petitioners asked a reduction of imports by 1.75 million metric tons, and for a 25 percent surcharge to offset the manipulation of the yen.

And Mr. Brock told them—and this is a direct quote—that:

> The petition adequately demonstrates the existence of a bilateral agreement to restrain steel exports between the Government of Japan and the ECSC which, in USTR's view, is inconsistent with the provisions of article 11 of the GATT.

In other words, he told them, you are right.

But, he added, you did not prove nullification or impairment of any rights due under GATT; you did not prove harm.

He saw no harm despite a 10-year rationalization that experts think will be in the range of 20 percent;

He saw no harm despite 160,000 out of work at the peak of this 2-year binge, and with the experts saying half may never be called back;

He saw no harm despite the fact that the only big criminal indictment for steel dumping was returned in 1982 against a Japanese firm;

And he saw no harm despite the historic pattern of U.S. consumers being whipsawed between cutthroat dumping and capacity rationalization and price gouging.

This 301 petition was filed in December and withdrawn during the recent period that Mr. Brock was in Japan on trade matters. This apparently was done at the administration's suggestion to allow him to talk to our partners absent pressure and to come home with an understanding of more than their market sense.

But in steel, he seems to have come home with only an appreciation of their market sense.

So the petition was refiled, and it was dismissed with an acknowledgement of correctness and the suggestion that it could be filed again.

Mr. Speaker, if Mr. Brock could see no harm, I think that he did not look; or that he looked at the petition on the narrowest grounds possible; or that it was administration policy for him to look the other way.

This is what my friend meant about his handicap being a weak trade policy; administration-through-administration, everyone is looking the other way when trade law violations occur because they have other political priorities.

My friend—and those of his fellow steelworkers who still are working—recently took a 9-percent cut in pay and a cut in benefits to help industry combat the import manifestations of foreign industrial policies. Since labor costs have accounted for about 40 percent of production costs, this could improve price competitiveness by as much as 3.6 percent, if I have made no error in my rough calculation.

In addition, the leadership of the United Steelworkers of America testified before the Steel Caucus this month, and they say the savings will amount to about $2.9 billion in capital for the companies.

Joseph Odorcich, the man who negotiated the contract, put it to the caucus this way:

> We did our job. The companies are doing theirs. Now it is up to the Government.

Mr. Odorcich and the steelworkers and industrial workers in general have heard much about the need of Americans to emulate the cooperation found in foreign nations if they are to meet their competition; some of it has come from leaders of this administration.

But it always is a three-way cooperation in foreign nations—labor and management, and government.

For example, the USWA leaders pointed out that overseas the general rule is that when there is a problem such as we have had with steel, the Government initiates the trade case or simply acts.

Here, the steelmakers initiated and won trade cases against the Europeans only to have the Government force a negotiated settlement; here the Government is given evidence of a cartel that violates the GATT and the response is: You may be right, but do not bother us now.

Here, the Government is looking the other way at other things.

Mr. Odorcich had a good dozen suggestions, which I will not detail in these remarks because there are time limits.

But together, the pieces add up to an informal steel policy, and of such a policy, he said:

> In the final analysis, the realization of a stable and productive steel industry will only come about as a result of a conscious national steel policy developed by labor and management and Government through the tripartite policy process.

We had such a process going once, Mr. Speaker. It was called the Steel Tripartite Advisory Committee. It was closed down as tightly by this administration as dumped and subsidized imports will force Bethlehem to close down its operations at Lackawanna.

Having demonstrated his mastery of constructive bargaining and policy participation, Mr. Odorcich wants to see more of it.

"The Steel Tripartite Advisory Committee needs to be reestablished," he said.

Mr. Odorcich invited the Government to take a place at the table just as it does in the East and in Europe.

And I join him in saying to the administration, "The Steel Tripartite Advisory Committee needs to be reestablished."

Otherwise the industry—still the basis of most things made and sold—will riccochet from dumping binge to price gouge for the remainder of this century.

Moreover, I think our partners will do whatever is necessary to keep the rationalization rolling in the United States unless the administration comes to the table.

This is the meaning of the nearly $1 billion more that France will put into its inefficient industry.

And this is the meaning of access to substantial short-term capital through the Government-directed Japanese banking community, and of low-cost Government capitalization to the tune of more than 80 percent.

For the record, for every $1 billion worth of steel we make and sell, we get 52,000 jobs and $2.2 billion in economic activity, according to a recent study by the Congressional Research Service.

If that much steel is dumped here or comes in with cutthroat subsidy, those 52,000 jobs, that $2.2 billion go overseas.

Just a little bit of this kind of international income transferring will start a slump or deepen a recession or cripple a recovery; just a little less of it will turn things around.

The Congress that wrote this trade law we have did not intend for it to handicap those who are trying to help themselves; nor did it intend for a clear showing of violation and cartelization to be answered with procrastination.

Like any arm of law enforcement, this administration's trade officials have a clear duty to follow up a showing of probable cause with an investigation of the facts.

Shown probable cause, this Government said, you may be right, but do not bother us about it now unless you have proof beyond all doubt.

Congress meant for the law to put trade war and mercantilism out of the picture and to establish the real free trade that Franklin Roosevelt had in mind when he called on Congress in 1944 to establish "the right * * * to trade in an atmosphere of freedom from domination by monopolies at home and abroad."

But what we have instead is an appreciation of market sense, and the

suggestion that the petitioners can refile if things get worse.

We also have the probability of forced shortage followed soon by price gouging, if they lose their market sense as they did in the 1970's and as some flinty-eyed investment houses predict they will in the 1980's.

One thing the administration can do now is to reestablish the Steel Tripartite Advisory Committee.

And one thing Congress can do is to have a measured and fair-to-all quota system in place for immediate imposition if our partners are working under an understanding different than the one the administration brought home last month.

Such a law on standby would stay the destruction of the industrial base that this administration professes to want to revive until this administration is ready to pay attention;

It would spare the consumers an OPEC-like episode of price gouging, and also prevent the creation of still another serious strain in the relationship between the United States and Japan;

And it would adjust my friend's handicap.

But foremost, it would answer the call from Mr. Roosevelt that has gone unanswered for all these years.

Since this month is the 50th anniversary of Mr. Roosevelt's first inauguration, it is a fitting time for Congress to quit looking the other way.●

THE LIBERAL DEMOCRATIC BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. GINGRICH) is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, let me say, at the beginning, to anyone who has watched or will read these proceedings, that the last 40 minutes probably looks most confusing. But in fact this is the way in which a free society has to run itself. It is a remarkable accomplishment for 435 Representatives and 4 delegates to work together as we do. And while it is frustrating, it is far less frustrating than the efficiency and ease of a dictatorship. Tonight's maneuvers set the stage for tomorrow's debate and vote on the budget, and I think this particular budget is a particularly appropriate document.

We in this body have been swamped with mail asking us to repeal withholding on interest and dividends, asking us to, in effect, have a less onerous bureaucracy, and it is fascinating that, in the face of a flood of mail begging us to go to the Ways and Means Committee and ask for the repeal of withholding on interest and dividends, far from proposing that kind of an act, the liberal Democratic budget will ask for a $3,500 tax increase for a family over the next few years; $3,500 less in take home pay over the next few years for the average family, $3,500 fewer dollars to buy cars or houses or consumer goods, $3,500 fewer dollars for a family to save.

This budget will kill jobs, it will weaken the economy, it will discourage saving. And it does so to go back and repeal the reforms over the last few years.

The liberal Democratic budget calls for a massive increase in discretionary social welfare spending, a rise of 45 percent between 1983 and 1984 alone. It will provide record money for the Federal Department of Education. It will raise taxes again and again. It will mandate changes on a scale almost 4 times as large as the chairman of the Ways and Means Committee said he thought was possible.

Indeed, the liberal Democratic budget is so bad, so unacceptable to the American people, that Morton Kondracke, a liberal Democrat himself, the editor of the New Republic, said in a recent article:

> If the Democratic Party tried to devise the perfect political gift for President Reagan, one that would help Republicans look generous and make Democrats seem wasteful, it could not do better than the budget proposal just approved by the House Democratic caucus and the House Budget Committee.

Mr. Kondracke goes on to say:

> The House budget proposal calls for tax increases of $30 billion in fiscal 1984 . . . and domestic spending increases of $20 billion.

And I continue quoting from Mr. Kondracke:

> Led by House Budget Committee Chairman James R. Jones of Oklahoma, the Democrats acted as they did in the shortsighted belief that, by producing a budget in the red by "only" $174 billion (as opposed to Reagan's $189 billion), they would appear the party of fiscal responsibility.
>
> But at what a price! To raise $30 billion in new revenue, the Democrats would cancel the third year of Reagan's tax cuts. This is foolish on two counts: First, the U.S. economy is just peeking its nose out of the worst recession since the Depression, and needs all the help that it can get; tax increases are a downer, not an upper, for the economy. Second, this coming year, for the first time, Reagan's tax cuts will benefit mostly the middle class, not (as in previous years) the wealthy; the Democrats are hurting their own people, and Reagan is going to remind them.
>
> House Speaker Thomas P. (Tip) O'Neill Jr. perceived this politico-economic error in the making and argued against it. He urged "capping" the tax cut—giving benefits only to families making $35,000 a year or less—but was voted down decisively by fellow House leaders, who wanted to raise more revenue than the $12 billion in O'Neill's proposal.

Mr. Kondracke goes on to say:

> Yet another blunder lies in the Democrats' chosen method of long-term deficit-closing—cancellation of income-tax indexing. Indexing will protect people against being pushed into higher tax brackets by inflation. Reagan will be out using this new gift soon, too, charging that Democrats haven't the guts to vote new taxes straightforwardly, but want to sneakily use inflation to get vast amounts of new spending money.
>
> He can also argue that indexing actually protects lower-income people more than the rich. Once someone is in the 50% income bracket—the top—inflation can't push him any higher. But if a steel worker gets $1,000 through a cost-of-living escalator, it might push him into a new bracket where he'd end up with less purchasing power than he had before.

Let me say that Mr. Kondracke is right, that the liberal Democratic budget asks for massive tax increases on middle-income taxpayers. If approved, it will force taxpayers to pay from 10 to 35 percent more in income taxes by 1988, depending on their income.

A family of four earning $10,000 in 1983, whose income keeps up with inflation, would pay 35.6 percent more income tax from 1983 to 1988 under the liberal Democratic proposal.

It is hardly the party of the working poor if in fact it raises taxes on a family of four earning $10,000 by 36 percent.

Single taxpayers are hit just as hard. A single taxpayer earning $5,000 in 1983 can expect to pay 30 percent more income tax from 1983 to 1988.

According to the National Taxpayer Union study, the taxpayer which escapes with the smallest tax increase is the single taxpayer earning $100,000 in 1983 who would then still pay 9.7 percent more income tax for that 6-year period.

A vote for the liberal Democratic budget is a vote to force repeal of the 10-percent tax cut and the repeal of indexing. The revenues generated by that are almost dollar for dollar equal to the revenue increases mandated by the liberal Democratic budget.

The $265 billion tax increase mandated by the liberal Democrats is the largest in history.

The liberal Democratic budget especially hurts low- and middle-income taxpayers. With the repeal of indexing, the percentage of tax increase rises steadily with each passing year. This is because taxpayers find themselves in higher tax brackets as their income rises with inflation. Low- and middle-income taxpayers are especially hard hit because the distance between tax brackets is smaller at low-income levels, so low-income taxpayers are more quickly pushed into higher tax brackets. Low-income tax-paying families are also more affected by the erosion in the value of fixed income exemptions. Since exemptions represent a larger percentage of a low income than a high one, any decrease in the value of these amounts by inflation will harm low-income taxpayers

the most, especially those with large families.

In other words, the liberal Democrats, in order to increase the amount they will give out to those who are not working, who are on welfare, would dramatically increase the taxes on those who are working but are at the margin, are the poorest workers.

Let me note further that this vote, in the end, comes down to three simple facts. First, that at a time people want us to repeal withholding on interest and dividends, there is no mention of it in this budget and indeed, every indication that it would be kept, and, if anything, extended; that this is a budget to gouge and to search and to grab every dollar, to find every possible loophole, to do everything conceivable to get more money out of the American people.

Second, that when the liberal Democrats had to choose between changing the budget of the United States and changing the budget of every working family, they made a clear, simple choice that the working families of America could afford to take $3,500 extra dollars out of their account but the U.S. Government could not change its spending habits and, indeed, had to go right back to spending more than ever.

Finally, that in order to accommodate all of this, the liberal Democrats, in the face of Soviet penetration across the planet, in the face of Soviet military buildup, in the face of the most serious threat to peace since Nazi Germany, the liberal Democrats have gone back to offer us a budget which on defense is weaker than President Carter. Now, one does not have to be for everything President Reagan wants in defense to be for at least as much as President Carter wanted.

□ 2000

So we are faced with this choice tomorrow. We will have a chance to vote against the budget which clearly would require that we keep withholding on interest and dividends.

We will have a chance to vote against a budget which would raise taxes $3,500 per family, kill jobs, kill savings, and kill incentive.

We will have a chance to vote against a budget which would provide a defense weaker than Jimmy Carter.

Faced with those choices I hope most Members will recognize that this is the last few days before the recess and that we will all have a chance over Easter to go back home. I hope our Democratic friends will think through how are they going to explain to the people back home that they voted for $3,500 more in taxes per family, that they voted for a defense weaker than Jimmy Carter, and that they voted not to take the opportunity to stop withholding on interest and dividends but, instead, voted in favor of continuing to withhold on interest and dividends.

On every major national tide this budget is wrong. On every major interest to the American people this budget is wrong.

It is my hope that in the next few hours the American people will insure that their Congressmen know that it is the wrong budget.

Mr. Speaker, I yield back the balance of my time.

GREEK INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. BILIRAKIS) is recognized for 60 minutes.

GENERAL LEAVE

Mr. BILIRAKIS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida,

There was no objection.

Mr. BILIRAKIS. Mr. Speaker, it is a great honor for me, thc son of immigrant Greek parents, to stand before this House to honor the people of my heritage as we approach the 162d anniversary of the Greek war of independence from the Ottoman Empire.

Friday, March 25, is that special day. It is a day when Greeks the world over bow their heads in prayer, thanking God for helping us achieve our liberation and, at the same time, cheer the Greek people's spirit and determination to be free.

On March 25, 1821, just 45 years after this country announced its own freedom, the Greek people, with the help of expatriate Greeks, other Europeans, and Americans, began a 6-year struggle for freedom and independence from Turkey. This freedom was finally achieved in October 1827 when the Turkish fleet was destroyed.

Like the American Revolutionary War, the Greek struggle was not an easy one. If you do any reading about the American war of independence, you will find remarkable similarities. As Gen. George Washington had difficulties keeping his army together, so did the Greeks. As Washington had trouble unifying his command, so did the Greeks. The same can be said for raising money, finding arms, and so on.

But, like Washington and the American people, the Greeks finally achieved their desired goal—to be a free people living in an independent nation.

As a Greek, who is also a loyal American and a patriot, I take great pride in the close relationship between America and Greece that has existed for so many years.

During the darkest days of World War II, when it appeared the forces of Hitler and Mussolini would overrun Europe with little resistance, the Greek people denied those Axis powers the easy occupation of their country.

Many Greeks died delaying the Axis takeover of the Greek peninsula and we must remember those Greeks died in the tradition of their forefathers who threw off the mantle of the Ottoman Empire. They fought tirelessly, without fear but with dignity, knowing the ultimate goal was most important to them.

After World War II, America recognized its debt to the Greek people for their resistance to the Axis forces. In 1946 and 1947, when the Communists sought a foothold in that country, then President Harry Truman included Greece in his economic and military assistance program. This was later followed by the Marshall plan which provided the economic support to enable the Greeks to defeat the Communist threat.

During the Grecian war of independence, three noted Americans offered support to the Greek cause. Former President Thomas Jefferson proclaimed his interest in the Greek struggle and suggested that once independence was achieved, the Greek people might find a model for their new constitution in the U.S. Constitution, considering it "a tribute rendered to the names of your Homer, your Demosthenes whose blood is still flowing in your veins."

President James Monroe made an enthusiastic declaration in favor of Greek freedom, saying:

> A strong hope is entertained that these people will recover their independence and resume their equal station among the nations of the world.

Secretary of State John Quincy Adams, who would succeed Monroe as President, said:

> The people of the United States • • • sympathizing with the cause of freedom and independence wherever its standard is unfurled, behold with peculiar interest the display of Grecian energy in defence of Grecian liberties, and the association of heroic exertions, at the present time. • • • If in the progress of events, the Greeks should be enabled to establish and organize themselves into an independent nation, the United States will be among the first to establish diplomatic and commercial relations with them.

The words of these three great Americans encouraged many American volunteers to come to Greece to help the cause of freedom and independence. Many of these Americans saw themselves as so many LaFayettes, a comparison the old general himself did not discourage during his visit to the United States in 1824.

While I recognize the close ties between the United States and the

Greek people and applaud the words of Jefferson, Monroe, and Adams and the deeds of the many Americans who fought in Greece during the early 1820's, I must make special mention of a real hero of the Greek war of independence.

The contribution of Lord George Gordon Byron, the British poet, is unequaled by any other single person. During the war of independence, Byron led his own brigade to Greece. He also was responsible for raising substantial sums of money for the Grecian war effort. Unfortunately, Byron died in Greece before he was able to have much impact on the battle scene.

But Byron's greatest contribution to the Greek cause was made long before the actual fighting started. Byron's pro-Greek sympathies stemmed from his visits there in 1809 and 1810. The impressions made on his romantic spirit during his time in Greece led to some of his greatest literary works. These works, which glorified the Greeks of old and compared them to the modern Greeks, served as a catalyst for the Greek cause among educated Europeans of the day.

In fact, because of Byron's poetry, the educated public adopted Byron's romanticized sentiments of Greece in accepting three ideas that led to the growth of philhellenism in Europe. The three ideas were: Ancient Greece had been a paradise inhabited by supermen; modern Greeks were the true descendents of the ancient Greeks; and, a war against the Turks would regenerate the modern Greeks and restore former glories.

I would like to read excerpts from two of Byron's works that perhaps captured his feelings best and stirred the imaginations of the Europeans.

The first is from the "Siege of Corinth," written in 1816, some 5 years before the Greek people actually began their war of independence.

Despite of every yoke she bears,
That land is glory's still and theirs!
'Tis still a watchword to the earth:
When man would do a deed of worth
He points to Greece, and turns to tread,
So sanctioned, on the tyrant's head:
He looks to her, and rushes on
Where life is lost or freedom won.

The second poem segment, and probably the most famous, is from Canto III of "Don Juan," written in 1821:

The mountains look on Marathon—
And Marathon looks on the sea;
And musing there an hour alone,
I dream'd that Greece might still be free;
For standing on the Persian's grave,
I could not deem myself a slave.

Mr. Speaker, the long and glorious history of Greece has always been a struggle to preserve the dignity of man: His independence, his freedom, his equality before the law—all ideals which we cherish in our own Constitution and the American Declaration of Independence.

The Greek people, too, share these ideals and have fought time and time again to achieve them.

Mr. BILIRAKIS. Mr. Speaker, I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I want to congratulate the gentleman from Florida on his statement on recognizing the importance of the Greek Independence Day.

Not only are the millions of Americans of Greek ancestry but the entire Western civilized world owes an enormous debt of gratitude to the Greek tradition which has from ancient times inspired the culture, the intellectual, philosophical, and the artistic ideals of civilized mankind.

□ 2010

No single people, any time in the world's history made a greater contribution to the entire world of civilization than did Greece. And that spark of ingenuity and intelligence and humanity survives today in the Greek people, illuminates their lives and illuminates in the lives of our own country so many who have come to our shores and became part of the American tradition, bringing with them Greek heritage and Greek ancestry.

So it is an extraordinarily important day to celebrate the independence of Greece in modern times and the great tradition of Greece stretching all across the centuries that has enriched and enlightened the lives of all of us. I thank the gentleman for the opportunity to participate.

Mr. BILIRAKIS. On behalf of all of our people I thank the gentleman from Washington for those kind words. I would yield to the gentleman from Pennsylvania at this time.

Mr. GEKAS. I thank the gentleman. I too wish to commend the gentleman from Florida for bringing to the attention of the Congress the commemoration of March 25, the repetition of the celebration of Greek Independence Day. I, just as the gentleman from Florida, was reared in a home by loving parents who came from that little country in the Agean, the country that had spawned so many heroes, so many dimensions over the spread of the world history and the history of civilization.

When March 25 came along every year, I learned very quickly, as a child that it had a double significance for the Greek household, the Greek-American household, especially. And that significance was embodied in the fact that March 25 was an important day on the religious calendar, the Day of Evangelismou. On that particular day the church was filled and would have been filled ordinarily and was filled before 1821 by reason of the significance of the religious event in its own right. Yet when we were being raised and reared in that warm household we learned for the first time that March 25 was also an ethnic day, marking the independence of Greece from the Ottoman Empire. How did those two events coincide in history and, indeed, in the very soul of the Greek in the world and, especially, of the American born of Greek parents?

The individual most significantly contributing to the final push that freed the Greek nation from Turkish-Ottoman domination was a cleric, was a priest by the name of Pater Germanos, Father German in literal translation. It is he who, knowing what his church meant to him and knowing what his nation meant to him, strode in the forefront of that revolution and raised the flag of freedom. From that day to this day the American of Greek descent and the Greeks wherever they may be found in this world, celebrate March 25 as a combined celebration of ethnic glory and one of praise to God because they are similar and because they are conjunctive and because they are indiscernible one from the other.

It is that coincidence of events, coincidence of celebrations that makes March 25 even more splendiferous than the normal "independence day" kind of celebration to which many, many countries are used to in their particular cultures.

I am glad, too, that the gentleman from Florida mentioned the special contributions made to that series of events by the Englishman, Lord Byron, because he, in the final analysis demonstrated to the world that the world and the civilization on which it was based really was repaying the founder of our Western civilization, Greece, was repaying in no small kind for the enlightenment which it brought forth onto the continents of the world. And his special "thank you" was duplicating; his special "thank you" was in the word, as the gentleman from Florida said that he put on paper to applaud the Kingdom of Greece, as it was then. And later the ultimate "thank you" the rendering of his life in the Battle of Missolonghi, where Lord Byron, himself, died in Greece, in a country which he adopted in his heart and for which he had written such great poetry.

One final thought: What made our upbringing so unique in that Greek-American home which I have described up to now was that those loving parents who brought up a family in America, did so because they felt and do feel, did feel from the moment they set foot on these shores, that America was the greatest country in the world. They always felt that, to this day they feel that and every son and daughter whom they reared also feels that. And they have felt from that first moment that America is the greatest country in the world because

it was wise enough and giant enough to be able to adopt, whole cloth, the ideals which their native land set forth in the books of history.

I thank the gentleman.

Mr. BILIRAKIS. I thank the gentleman from Pennsylvania (Mr. GEKAS) and would say that I am proud he is one of my fellow Greek Americans.

● Mr. FORSYTHE. Mr. Speaker, today marks the 162d anniversary of the outbreak of the Greek war for independence against Ottoman rule in 1821. With memories of the American Revolutionary War still vivid, our youthful Nation quickly rallied to Greece's side and offered both spiritual and material support. After 7 years of fighting, the Greeks triumphed on September 14, 1829, when the Turks were forced to recognize the independence and sovereignty of Greece.

With Greece's historic commitment to freedom and justice in mind, I am, however, reminded of the present-day tragedy in Cypress and the need to solve the problems there through diplomatic rather than military means. I have cosponsored legislation which would address this situation by suspending military aid to Turkey until all of its forces are removed from Cypress and until an agreement is reached embodying the principles of Cypriot self-determination and majority rule. In light of our country's traditional relationship with Greece, it behooves us to work for stability in the eastern Mediterranean region.

It is not surprising that the United States has maintained a close kinship with Greece. Greek contributions to all levels of man's understanding of the world are well-known. The teachings of such scholars as Socrates and Hippocrates form the basis of our civilization and continue to guide our pursuit of knowlege. With Greece as our philosophical mentor, our Founding Fathers created a system of government based largely on the ideals of Plato and Aristotle and on the structure of the Greek city-states. The United States is forever indebted to the Greeks for creating the foundations on which all existing democracies are based.●

● Mr. ERDREICH. Mr. Speaker, tomorrow is the 162d anniversary of the war of independence for the people of Greece. In October of 1827 the Greek people achieved their 6-year struggle for freedom and full independence from the Ottoman Empire. During the Grecian war of independence, three noted Americans offered their support for the people of Greece and their noble cause, announcing their readiness to recognize Greece as a free and independent nation. Former President Thomas Jefferson, then-President James Monroe, and future President John Quincy Adams each proclaimed their support for the Greek people, and it is certainly appropriate for this body to continue that tradition here today.

Further, there is no question that we owe much of our own heritage to ancient Greek culture. In fact, the concept of democracy itself was first examined by the ancient Greeks; and for this reason alone, our debt of gratitude is great. However, our society and way of life have been further assisted and enriched by our Grecian friends.

Greek immigrants began coming to the United States shortly after the Greek war of independence left the country politically fragmented and in economic distress. These settlers came to our shores in search of economic opportunity and, in turn, provided economic benefits to our own country. In my own hometown of Birmingham, Ala., the Greek community grew quickly and prospered well, contributing greatly to the economic growth of our area.

At the outbreak of World War II, Greek forces fought with our Western Allies to preserve freedom and secure peace for the world. In so doing, their losses were great and we are certainly indebted to them for their assistance.

For these reasons, I join my colleagues here today to pay tribute to the accomplishments of Greek Americans and to the independent spirit of the people of Greece. We applaud their fight for freedom and stand ready to offer our friendship and support to our fellow democracy.●

● Mr. ACKERMAN. Mr. Speaker, I am proud to add my voice to those commemorating March 25 as the 162d anniversary of the Greek people's war of independence from the Ottoman Empire.

There are more than 3 million Greek Americans living in the United States today, many of them in my own district in Queens. In fact, on March 27, New York City will host more than one-quarter million spectators in one of this country's largest parades celebrating Greek independence. More than 25,000 Greeks and Greek supporters have proudly marched in this parade in recent years.

They have reason to be proud. Greeks have contributed much to Western civilization in the arts, architecture, literature, and the sciences. Their names have become synonymous with the various disciplines: Hippocrates with medicine; Euclid and Archimedes with mathematics; Socrates, Plato, and Aristotle with philosophy. Greek contributions, however, do not end with the ancients. The modern art world has benefited from El Greco, the world of music from Maria Callas, and literature from Nobel Poet Laureate George Seferis, to name a few.

But perhaps Greece's greatest contributions to civilization have been not in concrete disciplines but in concepts: the concepts of democracy, freedom, and independence. Americans have long admired the Greek devotion to these concepts, and even today Greece continues to battle for them in Cyprus.

Supporters of Greece—and I count myself among their numbers—can be encouraged by the words of President Harry S Truman during the Greek's post-World War II struggle against Communist rebels: "The valor of Greece * * * convinces me that the Greek people are equal to the task." His words still ring true today.●

● Mrs. SNOWE. Mr. Speaker, it gives me great pride to commemorate the 162d anniversary of Greek independence. On March 25, 1821, a small yet resolute group of Greek patriots rebelled against Turkish authorities, initiating a decade of struggle by the Greek people to overthrow the oppressive rule of the Ottoman Empire. It was a long, bloody, determined struggle, marked first by ruthless reaction by the Ottoman Sultan and the intense military engagements of Valtetsi, Dervenaia, and Missoloughi, where Lord Byron fought and died, followed by victory in October 1827 at the battle of Navarino, where British, French, and Imperial Russian navies defeated the Turkish fleet. The Turks recognized Greek sovereignty in the Treaty of Adrianople in 1829 and the London Protocol of 1830, firmly establishing Greek independence.

Rarely has a revolution captured the imagination and soul of foreign peoples, statesmen, and intellectuals. Perhaps only the American and French revolutions could stand in comparison. James Monroe, then the American President, harbored similar feelings, and said:

> The mention of Greece fills the mind with the most exalted sentiments and arouses in our bosoms the best feelings of which our nature is susceptible. That such a country should have been overwhelmed, and so long hidden, as it were, from the world under a gloomy despotism, has been a cause of increasing and deep regret to generous minds for ages past. . . . A strong hope is entertained that these people will recover their independence and resume their equal station among the nations of the earth.

Over a century later similar words of praise and hope were voiced by statesmen worldwide in regard to the valiant Greek resistance to Fascist and Nazi invasion. Ten years after British and American forces helped liberate Greece from Hitler's yoke, another American President, Dwight D. Eisenhower, again praised Greek resolve to defend its integrity and preserve democracy against a new menace—communism. Eisenhower said in 1953:

> Greece asked no favor except the opportunity to stand for those rights in which it believed, and it gave to the world an example of battle . . . a battle that thrilled the hearts of all free men and free women everywhere.

The whole of Western civilization is indebted to the Greek cultural traditions of freedom and democracy, expression and thought. These concepts established by the ancient Greeks and fought for bravely time and again by the modern Greek people are the same principles our two countries, as well as many other fortunate nations, enjoy and are dedicated to emulating, preserving, and defending.

America thanks the Greek people for providing an excellent example of national pride and strength. We also thank them for their direct contribution to our Nation as Greek-American citizens. We therefore congratulate the Greek nation on their national holiday of independence and wish them well in their future democratic experience.●

● Mr. CARR. Mr. Speaker, I join with my colleagues today in commending the courage and fortitude of the Greek people in their struggle 162 years ago for independence from the Ottoman Empire.

It is well to remember not only the parallels between this struggle and the American Revolution, but also the strong American support the Greek people received in their fight against a longstanding tyranny. More than a century later, the principles behind that struggle are worth taking to heart, just as the strength of the Greek cause is worth commemorating.

Our country continues to have strong ties with Greece because of the many contributions of Greek Americans in communities such as my own, and because of our nations' very strong cultural ties and common foundation in the ideals of democracy. I take great pleasure in joining in the celebration of those ties as we in Congress honor Greek Independence Day.●

● Mr. MAVROULES. Mr. Speaker, over 2,000 years ago, on a small, rocky peninsula located in southeastern Europe, a group of philosophers and statesmen developed the most important political idea ever conceived: democracy.

As we all know, it was the beliefs and practices of these first democracies that inspired our own Founding Fathers to rise up against and overthrow their British masters and form the first modern democracy, the United States of America.

It is thus entirely appropriate that we give warm congratulations to the modern nation of Greece on this, the 162d anniversary of its independence.

On March 25, 1821, Alexander Ypsilantis proclaimed Greece independent from the Ottoman Turkish Empire, which had ruled Greece for nearly 400 years. This proclamation began a bloody war that lasted for 8 long, hard years, until on September 14, 1829, the Ottomans were forced to recognize Greek freedom and sovereignty.

The sheer audacity of the Greek people in their declaration of independence made their cause a rallying point for lovers of freedom around the world. Here were poorly armed, disorganized farmers and fishermen, raising the cry of freedom against one of the major powers in the world at that time. This courage and determination to be free sparked the imagination of men who believed in freedom and justice for all, and were willing to fight and die for it.

Volunteers from every nation in Europe and the United States flocked to the cause of Greece. The most notable was the English poet Lord Byron, who not only wrote powerful poetry about the Greek struggle for independence, but gave his life fighting side by side with his Greek comrades at Missolonghi in 1824.

From the convening of the first modern Greek National Assembly, on January 1, 1822, during which came the official declaration by the Greek people of their desire to be free and their willingness to fight for that freedom, the Greek people have cherished freedom above all else.

The most dramatic evidence of this came in 1940, when the Greek people took a stand against fascism and injustice and rejected Mussolini's demand for the surrender of Greece. This resounding "no" was a demonstration to dictators everywhere that the torch of liberty, burning so bright in Greece, would not be snuffed out without a fight. Where 300 Spartans had died in a vain attempt in the passes of northern Greece to protect their land 2,300 years before, modern Greeks took a similar stance in defense of their homeland.

After the end of World War II, the battle for freedom continued, for Greece was then faced with a Communist civil war. After much fighting of brother against brother, the Communists were expelled and Greece was free once again.

The cornerstone of Western democracy, the gifts of the ancient Greeks are too numerous to enumerate here. The foundation for much of our scientific, philosophical, and political beliefs and knowledge is based on the thoughts expounded by these philosophers. The names of Socrates, Plato, Aristotle, Archimedes, Euclid, Pericles, Sophocles, and Homer are held in high regard wherever knowledge and freedom are respected. These and many other Greek philosophers and statesmen laid the foundation upon which much of our western civilization and culture is built.

The birth of our Nation, we must never forget, is based on the Greek ideals of equality, freedom, and democracy, creating an emotional bond of brotherhood between the Greek and American people.

It is with pride in this past friendship between Greece and the United States, and hope for even closer cooperation, that I offer my congratulations and best wishes to the many Americans of Greek ancestry in my own Sixth District of Massachusetts, and across America, who are celebrating this 162d anniversary of the establishment of the modern Greek state, bathed in the glory of her past, but ever looking forward to a free and prosperous future.●

● Mr. SEIBERLING. Mr. Speaker, March 25 will mark the 162d anniversary of Greek independence. Prior to 1821, the Ottoman Turks held sway over Greece for nearly 400 years.

On March 25, 1821, the Greek people raised the flag of revolt against the Ottoman Empire. Risings occurred in the Peloponnesos, Rumelia, and several of the islands. For several years, the Greeks fought successfully, although indecisively, against the Ottoman Empire. Failing to break the rebellion, the Turks finally turned to Egypt for help.

In 1824, Egyptian armies, under Muhammad Ali, an Ottoman subject, landed at the Peloponnesos and drove the Greek Army northward. Finally, Britain, France, and Russia stepped in, lending support to the Greeks. The combined assistance routed the Turkish and Egyptian forces, and the Treaty of Adrianople of 1829 included a Turkish recognition of Greek sovereignty. Freedom had at last returned to the birthplace of democracy.

Today, Greece is one of the most important nations in the Mediterranean. Sound relations between the United States and Greece are very much in our national interest. While those relations are not without difficulties, I join with other Members of the House in wishing the Greek people continued peace and freedom.●

THE SITUATION IN EL SALVADOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CORCORAN) is recognized for 10 minutes.

● Mr. CORCORAN. Mr. Speaker, today I have submitted testimony for the consideration of the Senate Foreign Relations Committee concerning the important issue of aid to El Salvador. Because the House will be facing this same issue in the near future, I wish to share my remarks with you and our colleagues:

STATEMENT OF HON. TOM CORCORAN, ILLINOIS

Mr. Chairman, thank you for the opportunity to appear before this committee to testify on a subject important to myself and to those concerned for the safety of every country in the Western Hemisphere. In January, I was able to go to El Salvador and witness that Nation's struggle against the Marxist-Leninist guerrillas first hand. I

came away with the understanding that that small country's battle against communism should not be left to it alone. Every American President has recognized that we cannot defend our own country and meet our commitments around the world without a secure Western Hemisphere—and that security has been threatened by the situation in El Salvador and neighboring Nicaragua. The time has come for America to adopt a tough foreign policy that leaves no doubt as to where this country stands when it comes to leftist insurgents trying to shoot their way into power in Latin America. I firmly believe that El Salvador's problems began with the Panama Canal giveaway. When an American President showed his willingness to acquiesce to political pressure without regard to the strategic interests of this Nation. Once again, the strategic interests of this Nation are at stake, and I believe that Congress must support the President's proposal for increased aid to El Salvador to show Marxist-supported revolutionaries around the world that this country is not only able, but willing, to aid in putting a stop to their efforts.

Much has been said recently about human rights violations in El Salvador, and that should continue to be a major area of concern as we assist the Salvadoran Government. However, I find it somewhat ironic that many who are now so adamantly opposed to economic assistance for El Salvador supported aid for the Sandinista regime in Nicaragua just three and a half years ago. Today in Nicaragua you will hear no promise of land reform or elections. If we wish to see more progress toward democratization in El Salvador, we need to help protect that Nation from the same fate as its neighbor. And it is for that reason the President has asked Congress for increased economic and military assistance for El Salvador.

The President has consulted with congressional leaders and determined that no one wants to see a Marxist-Leninist victory in El Salvador. Just as assuredly, no one wants to see Americans in a combat role in Central America. The economic assistance package the President is proposing is a means to avoid both while holding off the armed challenge of the guerilla forces in El Salvador. Increasing the Nation's security assistance will give the Salvadoran military the capability to seize the initiative from the guerillas, protect the economic infrastructure from being destroyed by the guerillas and allow development of the country's democratic, social and economic institutions. These goals are in keeping with the President's overall strategy in El Salvador that responds to each of the aspects of the country's multifaceted problem. I would like to briefly share the key points of that strategy with the committee.

First, the strategy is to promote and protect democracy, reform and human rights. A quick look at Nicaragua is evidence enough that the guerillas must not be allowed a victory in El Salvador if human rights and democracy are to be protected. Second, it is to provide economic assistance to help overcome the suffering caused by the fighting and the recession that has hit El Salvador particularly hard. Economic dislocation and social injustice bred by the war result in further violence and these problems cannot be solved without putting an end to the war. Third, it is to give the Salvadoran military enough training and assistance to face a mobile, well-supplied enemy, whose main tactic is to attack the economy. There is a belief in democracy and the advantages of resolving the crises in the region through the democratic process, but the Marxist-backed guerillas reject it because they believe they can win militarily. The guerillas candidly announced on the radio not long ago that they intend to maintain their supply lines open with Nicaragua and Cuba, admitting "important logistical operations of a clandestine character with which we have armed and munitioned our forces for a long time." In light of these facts, it is not only appropriate, but it is necessary for the U.S. to discuss options for support to the Salvadoran military. Fourth, it is to give the entire area hope for the future. Should El Salvador be allowed to fall, the likelihood is that the Communists will be encouraged to export their revolution to Guatemala, Honduras, Costa Rica and even Mexico. The U.S. will find it necessary to intervene at some point if the Communists are permitted to spread the war, and we will find it infinitely more costly if we choose to wait. A show of strength in El Salvador will deter the Soviets and Cubans from putting forces in Nicaragua and from supplying arms to that country with which to threaten its neighbors. This leads to the final aspect of the President's Central American strategy: The only way to foster peaceful solutions in Central America is to develop peaceful negotiations among countries in that region. The President has also supported negotiations within countries to allow all groups to participate in open elections. Salvadoran President Magana called for presidential elections this year, open to the Guerillas and their supporters. However, the guerillas will not be willing to resort to democratic solutions until they are convinced that their own terrorist tactics will not work. We need to assist the Salvadoran Government to provide guarantees of personal security, of access to the media for campaigning, of a fair count, and of respect for the results of the votes cast in open elections. Democracy offers the Salvadoran people hope for an end to war and continued violence, and U.S. assistance is needed to maintain the possibility of a democracy ever being fully implemented.

El Salvador is the key to Central American policy. U.S. security interests are at stake, and the funding requested by the President is needed to protect those interests. The President has asked for bipartisan support for increased economic assistance for El Salvador. Those concerned about human rights in Latin America, and those concerned about our national security can support the package because it is consistent with both goals. It gives the Salvadoran people the means by which they can end the bloodshed in their country, and helps to deter Marxist expansionism in Latin America.

Thank you very much.●

SMALL BUSINESS ADMINISTRATION STATE DEVELOPMENT COMPANY PROGRAM AMENDMENTS OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 15 minutes.

● Mr. BEDELL. Mr. Speaker, I am pleased to introduce, along with Mr. CONTE, Mr. MITCHELL, Mr. MCDADE, and Mr. NOWAK, the Small Business Administration State Development Company Program Amendments of 1983, H.R. 2227. This bill is companion legislation to S. 745 introduced by Senator NUNN and 10 other Senators last week.

Under section 501 of the Small Business Act of 1958, the Small Business Administration has the authority to make direct loans to State business development corporations. The bill we are introducing today would amend section 501 to allow the SBA to purchase or guarantee debentures issued by certified State development agencies. This new authority would be similar to the authority SBA presently has to purchase or guarantee debentures in its SBIC and section 503 certified development company programs.

In 1982, there were 24 State certified development corporations with 16 States being especially active. In my State of Iowa, the Iowa Business Development Credit Corporation is particularly ambitious in its operation to help small business obtain affordable, long-term financing.

The present 501 program works together with individual State laws to create a State economic development authority or business corporation. The SBA can make direct loans on a long-term basis to these 501 companies. The proceeds of these loans must then be used to provide either equity capital or long-term loans to small businesses. These 501 companies typically receive their private capital from private financial institutions. The SBA is allowed to lend them an amount of their non-Federal capitalization. Thus, private funds are leveraged with Federal funds to provide low-cost, long-term capital for small business. This provides for a very effective economic development program.

By all measures, the 501 program has been a success. There has never been a loss by the SBA on any loan to any State business development company. In addition, loan losses to 501 companies are usually less than 1 percent of total loans, attesting to the quality of BDC's thorough credit screening, constant loan monitoring, and management assistance.

The legislation we introduced today is necessary because there is much uncertainty about whether the Federal Government will remain an active partner in the program. Because of the administration's determination to eliminate the direct loan programs at the SBA, the SBA's ability to provide direct loans to 501 companies is in jeopardy. Therefore, it is imperative that an alternative method of Federal financing be made available.

Mr. Speaker, I want to make it clear that this bill will not change the relationship between the SBA and 501 companies, or between the 501 companies and their portfolio investments.

Second, this bill will not create any new programs. There are no new budg-

etary requirements to this legislation. The bill provides that debentures issued under the 501 program shall be taken from the total authority already made available by Congress for debentures for the 503 certified development company program. The National Association of Development Companies, which represents both 501 and 503 development companies, has endorsed this legislation.●

GREEK INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, Greek Independence Day has a special meaning for Americans, for 162 years ago, on March 25, 1821, Greek patriots raised the flag of revolt against their Turkish oppressors and the flag was blessed by Bishop Germanos of Palaeion Patron, at the monastery of Aghia Lavra.

There followed 7 years of grim fighting during which a handful of rebels held at bay the combined might of the Sultan's Ottoman Empire. The engagements of Valtetsi, Dervenaia, as well as Missolonghi, where Lord Byron fought and died, rank among the most glorious pages of Greek history, while the exploits of the Greek Navy, under Miaoulis, Kanaris, and Sachtouris, stirred the hearts of the peoples of Europe, who finally brought pressure upon their governments to intervene in the fight and to compel the Sultan to reognize Greek independence.

The cause of Greek independence immediately caught the imagination of the American people. Our new Nation was not in a position to offer substantial assistance to the struggling Greeks. However, a few Americans volunteered to serve with the badly outnumbered Greek patriots; others organized efforts to send packages of bandages and other supplies to the Greeks; and expressions of sympathy and solidarity were forthcoming from the highest Government officials and from communities throughout our young Nation.

During the long and bitter war of independence, the world was inspired by the indomitable resistance and heroic dedication of the Greek patriots. Our own John Adams remarked:

> My old imagination is kindling into a kind of missionary enthusiasm for the cause of the Greeks.

Following the intervention of Russia, England, and France in the Greek independence struggle, however, the Greeks saw their valor and tenacity crowned with success. After many centuries of foreign rule, freedom was regained by the Treaty of Adrianople of 1829 and the London Protocol of 1830.

During the next century, the Greeks devoted their efforts to extending their boundaries to include Greeks still under foreign rule, and to establishing a stable government. When they were threatened anew with the opening of World War II, they again showed their fierce devotion to freedom and independence. Their stubborn resistance to the German invasion of 1941 delayed the opening of the German campaign against Russia by several crucial weeks.

The end of World War II brought no respite to the Greeks. Their country was devastated, and they faced a new threat within their borders in the form of armed Communist guerrilla bands seeking to overthrow the government. However, once more they showed courageous determination to preserve their liberty at all costs. The struggle against the guerrillas was long. It delayed economic reconstruction by several years. But, finally, it too was crowned with success.

Americans can be proud that they played an important role in this new struggle. In 1949, America's faith was rewarded, for hostilities came to an end and the Greek struggle against the Communist forces was successfully concluded.

It is a pleasure to extend greetings to Americans of Greek descent in the 11th Congressional District of Illinois, which I take pride in representing, as well as those in Chicago and across our Nation, on the occasion of their independence day and to recall a century and a half of genuine friendship between the people of America and the people of Greece.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MACKAY) is recognized for 5 minutes.

● Mr. MACKAY. Mr. Speaker, I was delayed in returning to Washington from my district on Monday, March 21, by a late arriving plane flight. As a result, I was unable to record my vote on the rule (H. Res. 141) providing for the consideration of the Oregon Wilderness Act (H.R. 1149).

Had I been present for the vote (Rollcall No. 34) I would have voted "yea."

I appreciate having this opportunity to state my position for the RECORD.●

A BILL TO REVISE AND REORGANIZE PORTIONS OF TITLE 46, UNITED STATES CODE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. STUDDS) is recognized for 5 minutes.

● Mr. STUDDS. Mr. Speaker, I am today introducing for myself, Mr. JONES of North Carolina, Mr. BIAGGI, Mr. YOUNG of Alaska, and Mr. FORSYTHE, legislation to reorganize, update, enact into positive law, and generally make more comprehensible virtually the entire body of U.S. law dealing with merchant marine vessel safety and personnel.

The existing body of maritime law is a confusing collection of individual statutes developed over a period of nearly two centuries, each enacted to rectify some particular problem of the day. Viewed now, as a whole, our maritime laws are poorly organized, duplicative, often obsolete, and extremely difficult even for professional lawyers, let alone the public or Members of Congress, to understand.

The antiquated nature of existing maritime law may best be illustrated through a few examples. Section 713 of title 46 of the United States Code presently contains a chart delineating the types and quantities of food that must be made available to seamen. For example, one-half pound of biscuits, 1¼ pounds of salt beef, one-half pound of flour, three-fourth ounces of coffee, one-eighth ounce of tea, one-half pint of molasses, and 1 ounce of lard must be provided to each seaman on Tuesdays. This provision originated in the days when ships were without refrigeration. Our legislation will replace these highly specific requirements with more general and more modern, but equally effective, language.

Another section of present law requires that the Coast Guard approve indentures by which apprentices are bound at sea. This section is simply being repealed. Still other sections of law address the equipping of vessels for the slave trade, receiving persons on board to be sold as slaves, and forfeiture of interest in slave vessels. These sections, too, will be repealed.

The legislation we are introducing today is logical, necessary, and long overdue. The complexity of the task, however, has caused four similar efforts to fail over the past half century. The first attempt was made in 1929 shortly after the formal adoption of the United States Code. Additional attempts were made in the late 1940's, the early 1960's, and the early 1970's. The specific legislation we have now developed is a result of an effort begun by the U.S. Coast Guard in the spring of 1980.

The organization and simplification of maritime law embodied in this revision of title 46 is the product of countless hours of work by Coast Guard, as well as congressional, personnel. Last year, similar legislation was introduced in both Houses and Congress (H.R. 7103 and S. 2660) and hearings were held by the House Subcommittee on Coast Guard and Navigation and the Subcommittee on Merchant Marine of the Merchant Marine and Fisheries Committee. The legislation I

am introducing today differs in two major ways from H.R. 7103. First, a series of changes were made to more closely reflect existing law in areas that hearing witnesses or other interested and informed parties deemed controversial. And second, the new bill has been drafted as positive law, rather than as a simple amendment to the existing title 46.

Maritime groups have been involved in the drafting process, both through our formal meetings and through less formal discussions and correspondence. The Seamen's International Union (SIU), for example, proposed a large number of changes in the bill. Many of the SIU concerns were based on a desire to retain the precise wordage of certain provisions of existing law which have been the focus of legal cases involving the rights and obligations of merchant seamen. The SIU wished to insure that the Secretary of Transportation would be permitted to designate seamen's unions as "parties in interest" in marine casualty investigations. This provision was not included in the initial draft, but is retained in the legislation being introduced today.

The SIU was also opposed to deleting the authorized functions of shipping commissioners. Shipping commissioners are Federal officials who oversee shipping agreements made between a vessel master and his crew. Although funds for the shipping commissioners have not been appropriated for the last few years, the law that created the shipping commissioner function is still on the books. Since the purpose of this legislation is to reorganize and simplify the law, but to do so without making substantive statutory changes of a controversial nature, the request that this provision be retained in the law has been honored.

Another matter brought to our attention by the SIU concerned section 3306 of the legislation. As previously worded, it would have substantially increased the authority of the Secretary of Transportation to grant exemptions from vessel inspection regulation. We have modified that language to conform the Secretary's authority to grant exemptions to present law.

The SIU was also opposed to language that required duty on a merchant vessel to be divided into three watches "as equally as possible." The phrase "as equally as possible" is not in existing law and the union believes it alters the intent of the law in a manner detrimental to merchant seamen. We have therefore deleted that phrase.

We have also deleted an archaic provision requiring that disobedient seamen be placed in irons and fed bread and water.

The rule we have followed in revising this legislation is to resolve all issues of controversy by preserving as closely as possible the precise meaning and, if necessary, the precise language of current law.

As mentioned above, this legislation will enact into positive law the maritime safety and seamen protection laws of the United States. The last time the entire body of U.S. law was enacted into positive law was in 1875, when the existing Statutes at Large were repealed and codified in the Revised Statutes. The United States Code by contrast has never been submitted to Congress and enacted in its entirety. There is underway an attempt to enact each title separately into positive law and 22 of the 50 titles have thus far been so enacted. The decision was made by the sponsors of this bill to enact it into positive law in keeping with the larger effort to eventually do so with the entire United States Code.

The ultimate aim of this legislation is three-fold: to make maritime safety and seamen protection laws easier for the Coast Guard to administer, to make it less cumbersome for the maritime community to use, and to make it more understandable for everyone involved.

There is currently a very similar bill pending before the Senate and I both hope and intend to enact this legislation quickly, and conclude thereby the efforts of a half century to reorganize and modernize maritime law.●

ANTITRUST FAIRNESS AMENDMENTS OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 15 minutes.

● Mr. RODINO. Mr. Speaker, today I am introducing the Antitrust Fairness Amendments of 1983.

During the past several Congresses, the Subcommittee on Monopolies and Commercial Law of the House Committee on the Judiciary has examined painstakingly the concepts of fairness in antitrust litigation—fairness to injured consumers, fairness to defendants, and the appearance of fairness in the dismissal and settling of cases brought by the Department of Justice. We have learned enhanced fairness inexorably seems to require sacrifice of other antitrust values. The subcommittee has devoted many hours in evaluating fairness in specific contexts and in balancing it against other important interests such as deterrence, compensation, and cost of litigation.

The subcommittee's efforts have provided a sound record for devising fairness amendments that will produce far-reaching benefits with the minimum cost to other values.

Two of the provisions in this bill address the rights of plaintiffs and defendants in treble damage suits. After 90 years of experience, this important remedy, intended by the Congress to compensate the victims of violations and deter future infractions, is ripe for some fine-tuning. The third provision deals with the appearance of unfairness that may arise from the practices followed by the Department of Justice in resolving antitrust suits brought by the Government.

RECOVERY RIGHTS OF INDIRECT PURCHASERS

Section 2 of the bill addresses the most important legislative question: Who may recover damages for antitrust violations? In Illinois Brick Co. against Illinois, a 6 to 3 majority of the Supreme Court held that only direct purchasers could sue to recover antitrust damages. Typically, a manufacturer's products move through a number of hands within the distribution chain before reaching consumers. With a few recognized exceptions, only the direct purchaser can recover for all overcharges, even if the overcharge was passed down the chain through increased prices. The ultimate consumer, frequently the real victim, cannot sue.

This rule is unfair. It denies a remedy to the injured and creates at least the possibility of a windfall for the direct purchaser. Moreover, the deterrent effect of the treble damage remedy may be lost. Because a direct purchaser's net damages may be nonexistent or small, and because he may have a longstanding and dependent relationship with his supplier, he may never bring suit against his supplier. Knowing that no one else in the distribution chain can sue, the seller will not be deterred by the treble damage remedy.

In other areas of the law—contracts, torts, and product liability—the courts have struck down artificial "privity of contract" barriers to allow indirect purchasers to recover. Antitrust should not be different. It, too, must be brought forward into the 20th century.

The subcommittee studied the Illinois Brick problem extensively in the 95th and 96th Congresses and recommended a solution, which I continue to support, to remedy the problem for all consumers. Although the subcommittee's prior efforts won strong bipartisan support, they also encountered considerable resistance. Some business groups behieved that reversal of Illinois Brick would expand, complicate, and protract antitrust litigation, which, almost everyone agrees, is already staggeringly complex. This criticism is not without substance. Fairness to the injured and improved deterrence must be balanced against increased complexity of litigation.

Section 2 of the antitrust amendments is a limited response to Illinois Brick. Rather than permitting injured consumers a direct right of action, it would preserve the right of State at-

torneys general to recover damages in actions on behalf of consumers (parens patriae), whether or not the consumer was a direct purchaser.

As events have developed since Illinois Brick, individual consumers frequently have no redress. Congress, in 1976, gave the States the right to sue on behalf of residents, intending to let a State attorney general step in when consumers are unable to sue individually. Illinois Brick negated this authority of State attorneys general. The antitrust fairness amendments limit Illinois Brick to restore the full effect to our 1976 statute granting the States parens patriae powers. In addition, the amendments permit Federal, State, and local Governments to sue for proprietary injuries, even if they were indirect purchasers. This feature preserves the Government's authority to recovery public funds paid to antitrust violators.

ALLOCATION OF DAMAGES AMONG DEFENDANTS

Section 3 of the bill addresses the problem of possible unfairness for defendants in antitrust conspiracy cases. Under the principle of joint and several liability, each violator of the antitrust law is liable for all the damages that a conspiracy causes. In cases in which a plaintiff sues more than one conspirator and settles with some defendants, the remaining defendants continue to be liable for threefold the damages all conspirators cause, minus only the payments of the settling defendants.

The current system may also create undesirable settlement incentives. Because exposure is not related to relative culpability, the most clearly culpable defendants may well seek, and the plaintiff may well accept, an early "bargain" settlement. This process magnifies the settlement pressures on the remaining defendants, discouraging those who wish to exercise their trial rights. Although the frequency of unfair results under the current system is still disputed, legislation to eliminate the potential for unfairness is both timely and appropriate.

The most commonly discussed technique for changing the law is a statutory right of contribution and mandatory claims reduction. Under contribution, an alleged violator would have a cause of action to compel another to pay a share of any antitrust judgment. Under mandatory claims reduction, the judgment against a defendant who loses at trial would be reduced by the amount of damage attributable to settling defendants' activities (instead of the amount of the settlement payments to the plaintiff).

In Texas Industries, Inc. against Radcliff Materials, Inc., the Supreme Court unanimously rejected a defendant's attempt to claim contribution from other alleged violators. The court ruled that creation of a contribution right was beyond the Court's authority because Congress had not included it among the antitrust remedies. The Court did not explicitly pass upon whether mandatory claims reduction exists, a matter still being litigated in the courts.

The Supreme Court's decision sparked 5 days of subcommittee hearings during the 97th Congress on proposed legislation addressing the damage allocation issue. The subcommittee solicited the opinions of experts in academia, private practice, and Government. At my direction, the subcommittee staff prepared a report analyzing the record and the various legislative proposals.

Although a statute creatifg rights of contribution and claims reduction would maximize the allocation of damage burdens among violators, such a solution would likely carry substantial costs. New claims, issues, and parties could burden the judicial system and threaten deterrence and the plaintiff's ability to obtain compensation.

Based upon the subcommittee's record, I believe section 3 represents an appropriate balance in assuring fairness without endangering the deterrence and compensatory purposes of private actions. Section 3 simply affords the Court power to reduce a plaintiff's judgment to avoid substantial injustice. This provision will prevent elephantine judgments for minor participants in a conspiracy and eliminate unfair settlement pressures. It should encourage plaintiffs to pursue the most culpable participants and not to accept bargain settlements from major violators. Importantly, the impact of judgment reduction on the private enforcement system should be relatively small. No new claims, defenses, or parties are introduced.

TUNNEY ACT AMENDMENTS

Section 4 of the antitrust fairness amendments would revise procedures for settling Government antitrust cases set forth in the Antitrust Procedures and Penalties Act of 1974, commonly called the Tunney Act. The Department may not be immune from the political influence that some antitrust litigants wield. Because settlement negotiations frequently take place privately and the complexity of antitrust cases makes the meaning of a negotiated settlement inaccessible, the Tunney Act creates special procedures to promote both the fact and the appearance of fairness. The act's basic tool is public notification of, and comment on, a proposed settlement to help the Court determine whether it should accept the settlement.

Experience during the past few years has revealed major questions concerning the circumstances in which the Department must comply with the act, the burden of compliance, and the standards to be applied by the Court.

The Department takes the position, now accepted by a number of courts, that the Tunney Act does not apply to dismissals of cases or modifications of outstanding decrees. The Department dismissed the antitrust case against IBM after nearly 13 years without even nodding compliance with Tunney Act procedures; it also sidestepped the strict application of the Tunney Act to the AT&T settlement by agreeing to modify a 1956 decree and dismissing its 1974 case. Failure to comply with the Tunney Act creates a disquieting precedent and could detract from the public's perception of the fairness of these settlements.

The opportunity for mischief and the need for disclosure exist in dismissals and decree modifications as much as in initial settlements. It would be perverse if the Department, faced with Tunney Act scrutiny of a proposed settlement favorable to a defendant, could avoid that scrutiny by a flat dismissal of the proceeding, an even more extreme result.

The Department is reviewing its outstanding decrees to see if they should be dissolved or modified. Some of the decrees may be outmoded, but each represents the expenditure of considerable Government resources. There is no reason why Tunney Act procedures should not apply to such decree modifications as well.

A second problem with the Tunney Act is that some of its publication requirements are expensive and of little benefit. For example, the requirement that the Department file a competitive impact statement in every settlement has led the Department to use boilerplate statements. These statements are expensive to publish and provide little or no information not contained in the settlement decree.

Finally, the Tunney Act requires the Court to determine whether a proposed consent decree is "in the public interest." This general standard provides only limited guidance for the courts.

Section 4 of the fairness amendments will assure that the Tunney Act procedures apply to all consensual resolutions of the Department's antitrust cases. It also will eliminate unnecessary publication requirements and establish more specific standards for the courts to use in making public interest determinations.

Under the bill, the Government would file a notice with the Court of its intent to resolve a case consensually and an explanation of the settlement. At the same time, it must publish a notice in the Federal Register. During the next 60 days, the public could comment. After the public comment and Department response, the Court in most cases would approve the proposal without further proceedings. The Court can postpone the approval decision if it finds further proceedings are necessary. Once completed, the

Court can order the Department to reevaluate its actions if it concludes that the proposal does not meet articulated criteria. These procedures, when measured against current procedures, would assure fairness in dismissals and modifications and would be less costly to administer and more specific in execution.

I urge my colleagues to join me in supporting the antitrust fairness amendments.●

THE HEROISM OF A COMMUNITY MORRO BAY, CALIF.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, as my colleagues may remember, a terrible accident and potentially terrible tragedy occurred in the harbor of Morro Bay, Calif., in the 16th Congressional District, on February 16 of this year. On that day, around the time of one of the terrible storms that have afflicted California this year, the *San Mateo*, a boat that operated out of Morro Bay, capsized in high winds with 32 passengers on board. Twenty-three of those passengers were children.

Under most circumstances we could have expected one or two deaths, and one could even have imagined 10 or 20 children dying in the chilly waters of the harbor. But, Mr. Speaker, I am both relieved and proud to be able to report that not one person on board the *San Mateo* died that day.

For that, we do not know what miracle we may owe our thanks to. But we do know the people and the organizations whose personal heroism and emergency preparedness made it possible to rescue all of the passengers on the *San Mateo*. The individuals involved are receiving appropriate commendations from the city of Morro Bay this Sunday, March 27. This statement will be read at that ceremony, and I would like to name for the Members of the House the people who prevented a terrible accident from turning into a major tragedy.

For their tremendous heroism on that day, the city of Morro Bay is awarding gold medals to Jim Funk, who is chief harbormaster of Morro Bay, and Jerry Mendez, a harbor patrolman. The city is awarding silver medals to Dick Rodgers, who is also a harbor patrolman, Mike Sisemore, a Morro Bay fire engineer who is credited with saving four lives, and Jose Hermandez, a member of the U.S. Coast Guard, who saved eight lives. Plaques and letters are being awarded also to Pete Evans, a crewmember of the *San Mateo*, and Linda Britt, of Atascadero, a bystander who jumped into Morro Bay Harbor to help victims of the accident make their way to shore.

In addition, these individuals will receive commendation for the part they played in this effort: Bernie Zerr, the chief of the Morro Bay Fire Department, who developed a responsible emergency response plan that worked when put to the ultimate test, Dr. Larry Newman and Dr. Keith Hutchins, physicians who provided expert medical care at the scene of the accident, and Loyd O'Neal, one of the parent chaperones on board, who held on to six of the children, preventing them from falling into the water.

Finally, in addition to these members of our community, I want to pay tribute to the organizations which took part in the rescue effort. These organizations include the South Bay Fire Department, Morro Bay Fire Department, Morro Bay Police, San Luis Obispo County Sheriff's Search and Rescue Team, the Hunger-Liggett Helicopter Rescue Crew, the San Luis Ambulance Service, the Cambria Fire Service, and Dial-A-Ride. Also, the Morro Bay Public Works Department as a whole deserves great credit for helping to avert a tragedy.

Mr. Speaker, extreme circumstances often bring out extreme behavior by people. This is true throughout our country and throughout the world. I am proud that in the most extreme of circumstances, the people of Morro Bay and the surrounding areas showed extreme heroism. As the people of the city extend appropriate thanks to their fellow citizens, I know my colleagues join them, as I do, in offering their thanks and their respect for these acts of heroism.

In addition and above all, we join in offering prayers of thanks for the fact that 23 children and 9 adults who rode on the *San Mateo* on February 16 are alive and well today.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. BONKER) is recognized for 5 minutes.

● Mr. BONKER. Mr. Speaker, because of a longstanding commitment, I was necessarily absent during part of yesterday's session. For this reason, I would like to comment on the Oregon wilderness bill at this time.

H.R. 1149, the Oregon wilderness bill, would protect 1.2 million acres of prime recreational and wildlife lands. It would also release close to 2 million acres of RARE II lands, thereby opening them up to timber harvest. Jobs would be created in the tourism and fishing industries, while existing timber-related jobs would be protected. Last, timber revenues actually would be enhanced due to the removal of nonproductive lands from consideration and the redirection of funds for their development into more intensive management of higher quality timberlands. All in all, the Oregon wilderness bill is a balanced piece of compromise legislation.

As a result of my previous engagement, I had to leave the floor after the adoption of the rule on the Oregon wilderness bill. Had I been present for the amendments and for final passage, I would have voted as follows:

Rollcall 35: Amendment in the nature of a substitute offered by Mr. DENNY SMITH. "Nay."

Rollcall 36: Amendment in the nature of a substitute offered by Mr. YOUNG of Alaska. "Nay."

Rollcall 37: Amendment offered by Mr. WALKER of Pennsylvania. "Nay."

Rollcall 38: Final passage. "Yea."●

PRESERVING SMOKESTACK AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MURTHA) is recognized for 15 minutes.

● Mr. MURTHA. Mr. Speaker, I share my colleagues' concern about ineffective trade and procurement policies of our Government and would now like to turn to the subject of "national industrial policy." The basic fact is that we do not even have a policy—administrations both past and present have been unwilling to design, develop, or implement even a shred of the concept which has contributed so greatly to our trading partners' success in their efforts to export to this Nation.

In the last Congress you will remember that an Export Trading Company Act was passed with the objective of promoting the viability of American manufacturers through enhanced export policy and as we all hear repeatedly these days, exports contribute to 8 percent of GNP today compared to 4 percent 10 years ago. As laudable as the objectives of expanding the concept of export trading companies, the wider participation of the banking community in the process and the loosening of antitrust laws to promote exports may be, the point remains that many basic industrial sectors of our economy are engaging in a battle for survival in the domestic market against unfairly subsidized competition with little time to concentrate on exporting.

I am not here to criticize the importance of the concept embodied in this legislation but it is difficult to reconcile when you consider the condition of "smokestack" America whose survival is mandatory to the health of this Nation, which used to be a net exporter of goods. A few weeks ago I felt that maybe we in the Steel Caucus were alone in our belief of the need for coordinated action and policy to

preserve industrial America. My mind has been changed somewhat for a number of reasons. For example, recently I was amazed to read in an article in the American Metal Market which echoed sentiments similar to the Steel Caucus regarding industrial policy. It was encouraging to learn that Mr. Eliot Janeway, a well-known political economist, has a similar understanding and vision of the problems facing this country.

I would like to share with my colleagues some excerpts from this article. According to the article in which Mr. Janeway was interviewed:

The administration is unwilling to develop a "national industrial policy" to maintain the economic viability of basic industries in the United States;

Once the worldwide economic recovery gathers steam, the foreigners will drink our blood with their industrial surpluses;

Allowing shares of the U.S. market for imported cars, steel, copper, brass and aluminum in the name of free trade is unconscionable;

The loss of these markets is occurring because there is a belief by the administration that the U.S. should switch from an economy based on manufactured goods to an economy based on delivery services;

Finally, the Congress will have to take the lead in supporting the restructuring and revitalization of basic industries.

While I would not subscribe completely to Mr. Janeway's assertions, I would submit that he has made a point which I consider an "absolute." We cannot afford to allow the American economy to shift to a service-based economy. It is politically, economically, and socially unwise. As Mr. Janeway put it:

People like to make things, to be productive. Computers only work for you, they don't think for you. . . . True, there is less need in some markets for the volume of metal once consumed in the U.S. But it is also true that there are other areas, like rebuilding of America's highway and bridge infrastructures, where more metal is going to be needed in coming years.

Mr. Janeway could have added that thanks to action by the Congress last December on the Surface Transportation Assistance Act, there will be the beginning of a rebuilding and with a stronger "Buy American" provision more jobs in industry will be created.

Mr. Janeway continued:

The U.S. can get by with less over all capacity for certain metals, that's the shakeout underway during the current recession. But the U.S. needs to have sufficient, efficient capacity to meet the needs of the bulk of home-market demand, and a cushion to meet any buildup caused by defense.

I believe that it is Mr. Janeway's contention that we would do well to emulate our trading partners in their industrial policies.

In every other industrialized nation, government is the offensive line, the shield, the buffer acting to support basic industry, not the heavy hand of socialism, but industry's stock broker.

Further, he warns that if there is a strong recovery in the U.S. economy without the effort to restructure and revitalize domestic industries,

the foreigners will rip off chunks of the U.S. market with low-import prices like you've never seen to get their people working and their plants running at full capacity.

In conclusion, Mr. Janeway observed that more legislators acknowledge the difficulty that U.S. businesses have in competing today in a world of state capitalism where offshore producers are owned by their governments. Further, there is a need for trade law reform to resolve "philosophical inequities" between the United States and its trading partners, and that the "free trade credo is supposed to be fair trade, protection for the consumer, not protection for the importing industries."

Most of what Mr. Janeway said was reaffirmed recently in testimony before the Congressional Steel Caucus by a diverse panel of domestic industries—from mushrooms to aerospace. This convinced me that we are indeed not alone in a effort which began in the creation of the Steel Caucus in September 1977. With the recent efforts by industry and labor to increase productivity and cut back costs, it is time for those in government to establish long-term policies to reverse the liquidation of "smokestack" America.

However, the urgency of my concern has grown with recent projections by economists regarding the growing trade imbalance. While some economists have forecasted a jump from a $40 billion trade deficit in 1982 to a trade deficit of nearly $80 billion in 1983, others are forecasting a staggering $100 billion trade deficit this year. I am not sure that we have a trade policy these days, but if we do it should be implemented to reduce this trade imbalance and not accelerate it year after year.

In my view, a balanced industrial policy would take this into consideration and would seek to promote and expand the viability of domestic industries by coordinating trade, tax, and regulatory policies to foster a climate of positive economic growth, not a conflicting array of edicts without direction.

The caucus in the coming weeks and months will be offering its views on what actions are needed to improve the climate for modernization and expansion of industry, to address the chronic problem of unfair trading practices, and to provide better coordination of various regulatory policies. We will gladly share those views with our colleagues and invite their comments in the future.●

CORRECT TEXT OF HOUSE CONCURRENT RESOLUTION 91, FIRST CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1984

(Mr. JONES of Oklahoma asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. JONES of Oklahoma. Mr. Speaker, I am hereby submitting for inclusion in the RECORD the correct text of House Concurrent Resolution 91, as reported by the Committee on the Budget, since the resolution as printed contained printing errors which will be corrected in a subsequent print.

Resolved by the House of Representatives (the Senate concurring), That the Congress hereby determines and declares that the concurrent resolution on the budget for fiscal year 1983 is revised, the first concurrent resolution on the budget for fiscal year 1984 is established, and the appropriate budgetary levels for fiscal years 1985 and 1986 are set forth.

(a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1982, October 1, 1983, October 1, 1984, and October 1, 1985:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1983: $606,200,000,000.
Fiscal year 1984: $689,100,000,000.
Fiscal year 1985: $765,900,000,000.
Fiscal year 1986: $831,500,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1983: −$100,000,000.
Fiscal year 1984: $35,200,000,000.
Fiscal year 1985: $48,100,000,000.
Fiscal year 1986: $58,000,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1983: $886,200,000,000.
Fiscal year 1984: $936,550,000,000.
Fiscal year 1985: $998,650,000,000.
Fiscal year 1986: $1,058,400,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1983: $814,700,000,000.
Fiscal year 1984: $863,550,000,000.
Fiscal year 1985: $912,600,000,000.
Fiscal year 1986: $967,550,000,000.

(4) The amounts of the deficits in the budget which are appropriate in the light of economic conditions and all other relevant factors are as follows:

Fiscal year 1983: $208,500,000,000.
Fiscal year 1984: $174,450,000,000.
Fiscal year 1985: $146,700,000,000.
Fiscal year 1986: $136,050,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1983: $1,389,200,000,000.
Fiscal year 1984: $1,607,450,000,000.
Fiscal year 1985: $1,804,000,000,000.
Fiscal year 1986: $1,993,750,000,000.

and the amounts by which the temporary statutory limits on such debt should be accordingly increased are as follows:

Fiscal year 1983: $99,000,000,000.
Fiscal year 1984: $218,250,000,000.
Fiscal year 1985: $196,550,000,000.
Fiscal year 1986: $189,750,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1982, October 1, 1983, October 1, 1984, and October 1, 1985, are as follows:

Fiscal year 1983:
(A) New direct loan obligations, $52,550,000,000.
(B) New primary loan guarantee commitments, $94,550,000,000.
(C) New secondary loan guarantee commitments, $68,250,000,000.
Fiscal year 1984:
(A) New direct loan obligations, $49,400,000,000.
(B) New primary loan guarantee commitments, $96,850,000,000.
(C) New secondary loan guarantee commitments, $68,250,000,000.
Fiscal year 1985:
(A) New direct loan obligations, $47,450,000,000.
(B) New primary loan guarantee commitments, $103,950,000,000.
(C) New secondary loan guarantee commitments, $68,250,000,000.
Fiscal year 1986:
(A) New direct loan obligations, $48,000,000,000.
(B) New primary loan guarantee commitments, $107,650,000,000.
(C) New secondary loan guarantee commitments, $68,250,000,000.

(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1983 through 1986 for each major functional category are:

(1) National Defense (050):
Fiscal year 1983:
(A) New budget authority, $245,500,000,000.
(B) Outlays, $214,250,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority $263,850,000,000.
(B) Outlays, $235,400,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $290,350,000,000.
(B) Outlays, $256,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $317,500,000,000.
(B) Outlays, $284,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):
Fiscal year 1983:
(A) New budget authority, $24,850,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $10,650,000,000.
(D) New primary loan guarantee commitments, $9,250,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $18,850,000,000.
(B) Outlays, $13,200,000,000.
(C) New direct loan obligations, $12,100,000,000.
(D) New primary loan guarantee commitments, $10,250,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $17,100,000,000.
(B) Outlays, $13,200,000,000.
(C) New direct loan obligations, $12,400,000,000.
(D) New primary loan guarantee commitments, $10,250,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $16,550,000,000.
(B) Outlays, $13,000,000,000.
(C) New direct loan obligations, $12,950,000,000.
(D) New primary loan guarantee commitments, $10,250,000.
(E) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):
Fiscal year 1983:
(A) New budget authority, $7,900,000,000.
(B) Outlays, $7,700,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $8,850,000,000.
(B) Outlays, $8,350,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $8,800,000,000.
(B) Outlays, $8,750,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $8,150,000,000.
(B) Outlays, $8,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(4) Energy (270):
Fiscal year 1983:
(A) New budget authority, $4,050,000,000.
(B) Outlays, $4,700,000,000.
(C) New direct loan obligations, $11,600,000,000.
(D) New primary loan guarantee commitments, $150,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $4,400,000,000.
(B) Outlays, $4,300,000,000.
(C) New direct loan obligations, $12,050,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $4,200,000,000.
(B) Outlays, $3,400,000,000.
(C) New direct loan obligations, $12,550,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $3,750,000,000.
(B) Outlays, $3,350,000,000.
(C) New direct loan obligations, $12,600,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):
Fiscal year 1983:
(A) New budget authority, $11,550,000,000.
(B) Outlays, $12,500,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $12,100,000,000.
(B) Outlays, $12,500,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $11,850,000,000.
(B) Outlays, $12,550,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):
Fiscal year 1983:
(A) New budget authority, $22,300,000,000.
(B) Outlays, $22,100,000,000.
(C) New direct loan obligations, $17,250,000,000.
(D) New primary loan guarantee commitments, $5,550,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $14,850,000,000.
(B) Outlays, $14,650,000,000.
(C) New direct loan obligations, $14,650,000,000.
(D) New primary loan guarantee commitments, $4,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $15,100,000,000.
(B) Outlays, $13,350,000,000.
(C) New direct loan obligations, $12,300,000,000.
(D) New primary loan guarantee commitments, $4,350,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $14,100,000,000.
(B) Outlays, $14,050,000,000.

(C) New direct loan obligations, $12,400,000,000.
(D) New primary loan guarantee commitments, $4,350,000,000.
(E) New secondary loan guarantee commitments, $0.
(7) Commerce and Housing Credit (370):
Fiscal year 1983:
(A) New budget authority, $5,800,000,000.
(B) Outlays, $2,700,000,000.
(C) New direct loan obligations, $7,400,000,000.
(D) New primary loan guarantee commitments, $48,700,000,000.
(E) New secondary loan guarantee commitments, $68,250,000,000.
Fiscal year 1984:
(A) New budget authority, $6,100,000,000.
(B) Outlays, $2,300,000,000.
(C) New direct loan obligations, $6,000,000,000.
(D) New primary loan guarantee commitments, $48,700,000,000.
(E) New secondary loan guarantee commitments, $68,250,000,000.
Fiscal year 1985:
(A) New budget authority, $6,250,000,000.
(B) Outlays, $400,000,000.
(C) New direct loan obligations, $5,750,000,000.
(D) New primary loan guarantee commitments, $48,700,000,000.
(E) New secondary loan guarantee commitments, $68,250,000,000.
Fiscal year 1986:
(A) New budget authority, $6,450,000,000.
(B) Outlays, −$350,000,000.
(C) New direct loan obligations, $5,800,000,000.
(D) New primary loan guarantee commitments, $48,700,000,000.
(E) New secondary loan guarantee commitments, $68,250,000,000.
(8) Transportation (400):
Fiscal year 1983:
(A) New budget authority, $26,650,000,000.
(B) Outlays, $21,950,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $1,050,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $28,300,000,000.
(B) Outlays, $26,150,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $550,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $29,500,000,000.
(B) Outlays, $27,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $30,400,000,000.
(B) Outlays, $28,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1983:
(A) New budget authority, $6,750,000,000.
(B) Outlays, $7,650,000,000.
(C) New direct loan obligations, $2,250,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $8,250,000,000.
(B) Outlays, $8,550,000,000.
(C) New direct loan obligations, $1,650,000,000.
(D) New primary loan guarantee commitments, $2,450,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $10,650,000,000.
(C) New direct loan obligations, $1,800,000,000.
(D) New primary loan guarantee commitments, $6,450,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $12,450,000,000.
(B) Outlays, $11,150,000,000.
(C) New direct loan obligations, $1,750,000,000.
(D) New primary loan guarantee commitments, $6,450,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment and Social Services (500):
Fiscal year 1983:
(A) New budget authority, $32,800,000,000.
(B) Outlays, $32,000,000,000.
(C) New direct loan obligations, $600,000,000.
(D) New primary loan guarantee commitments, $6,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $39,150,000,000.
(B) Outlays, $32,700,000,000.
(C) New direct loan obligations, $650,000,000.
(D) New primary loan guarantee commitments, $6,650,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $33,050,000,000.
(B) Outlays, $31,150,000,000.
(C) New direct loan obligations, $750,000,000.
(D) New primary loan guarantee commitments, $6,650,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $33,700,000,000.
(B) Outlays, $32,800,000,000.
(C) New direct loan obligations, $800,000,000.
(D) New primary loan guarantee commitments, $6,650,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1983:
(A) New budget authority, $70,150,000,000.
(B) Outlays, $83,350,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $250,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $96,250,000,000.
(B) Outlays, $96,000,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $250,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $104,500,000,000.
(B) Outlays, $106,550,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $250,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $117,300,000,000.
(B) Outlays, $115,350,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
(12) Income Security (600):
Fiscal year 1983:
(A) New budget authority, $309,400,000,000.
(B) Outlays, $278,100,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $14,650,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $310,600,000,000.
(B) Outlays, $284,700,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $14,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $332,700,000,000.
(B) Outlays, $296,800,000,000.
(C) New direct loan obligations, $750,000,000.
(D) New primary loan guarantee commitments, $16,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $354,050,000,000.
(B) Outlays, $313,200,000,000.
(C) New direct loan obligations, $500,000,000.
(D) New primary loan guarantee commitments, $18,150,000,000.
(E) New secondary loan guarantee commitments, $0.
(13) Veterans Benefits and Services (700):
Fiscal year 1983:
(A) New budget authority, $24,850,000,000.
(B) Outlays, $24,550,000,000.
(C) New direct loan obligations, $950,000,000.
(D) New primary loan guarantee commitments, $8,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $26,000,000,000.
(B) Outlays, $25,550,000,000.
(C) New direct loan obligations, $800,000,000.

(D) New primary loan guarantee commitments, $9,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $26,400,000,000.
(B) Outlays, $26,000,000,000.
(C) New direct loan obligations, $650,000,000.
(D) New primary loan guarantee commitments, $10,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $27,000,000,000.
(B) Outlays, $26,500,000,000.
(C) New direct loan obligations, $700,000,000.
(D) New primary loan guarantee commitments, $12,500,000,000.
(E) New secondary loan guarantee commitments, $0.
(14) Administration of Justice (750):
Fiscal year 1983:
(A) New budget authority, $5,100,000,000.
(B) Outlays, $5,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $5,600,000,000.
(B) Outlays, $5,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $5,550,000,000.
(B) Outlays, $5,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $5,450,000,000.
(B) Outlays, $5,450,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) General Government (800):
Fiscal year 1983:
(A) New budget authority, $5,550,000,000.
(B) Outlays, $5,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $5,800,000,000.
(B) Outlays, $6,050,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $6,200,000,000.
(B) Outlays, $6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $6,250,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(16) General Purpose Fiscal Assistance (850):
Fiscal year 1983:
(A) New budget authority, $7,550,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $250,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $7,600,000,000.
(B) Outlays, $7,600,000,000.
(C) New direct loan obligations, $250,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $7,450,000,000.
(B) Outlays, $7,500,000,000.
(C) New direct loan obligations, $300,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $7,600,000,000.
(B) Outlays, $7,600,000,000.
(C) New direct loan obligations, $300,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) Interest (900):
Fiscal year 1983:
(A) New budget authority, $87,800,000,000.
(B) Outlays, $87(800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $96,150,000,000.
(B) Outlays, $96,150,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $103,400,000,000.
(B) Outlays, $103,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $105,650,000,000.
(B) Outlays, $105,650,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) Allowances (920):
Fiscal year 1983:
(A) New budget authority, $5,700,000,000.
(B) Outlays, $2,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, $1,200,000,000.
(B) Outlays, $1,250,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, $2,500,000,000.
(B) Outlays, $2,650,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $3,850,000,000.
(B) Outlays, $4,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) Undistributed Offsetting Receipts (950):
Fiscal year 1983:
(A) New budget authority, −$18,050,000,000.
(B) Outlays, −$18,050,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1984:
(A) New budget authority, −$17,350,000,000.
(B) Outlays, −$17,350,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1985:
(A) New budget authority, −$18,750,000,000.
(B) Outlays, −$18,750,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, −$23,550,000,000.
(B) Outlays, −$23,550,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

RECONCILIATION

SEC. 2. (a) The House Committee on Armed Services shall report changes in law within the jurisdiction of that committee to change spending in amounts sufficient to decrease budget authority by $591,000,000 and outlays by $580,000,000 in fiscal year 1984; further the Congress finds that to attain the policy of this resolution in future fiscal years requires decreases of $646,000,000 in budget authority and $645,000,000 in outlays in fiscal year 1985; and requires decreases of $914,000,000 in budget authority and $913,000,000 in outlays in fiscal year 1986.

(b) The House Committee on Education and Labor shall report changes in law within the jurisdiction of that committee to change spending in amounts sufficient to

decrease budget authority by $4,000,000 and outlays by $4,000,000 in fiscal year 1984; further the Congress finds that to attain the policy of this resolution in future fiscal years requires decreases of $4,000,000 in budget authority and $4,000,000 in outlays in fiscal year 1985; and requires decreases of $4,000,000 in budget authority and $4,000,000 in outlays in fiscal year 1986.

(c) The House Committee on Foreign Affairs shall report changes in law within the jurisdiction of that committee to change spending in amounts sufficient to decrease budget authority by $0 and outlays by $3,000,000 in fiscal year 1984; further the Congress finds that to attain the policy of this resolution in future fiscal years requires decreases of $0 in budget authority and $4,000,000 in outlays in fiscal year 1985; and requires decreases of $0 in budget authority and $8,000,000 in outlays in fiscal year 1986.

(d) The House Committee on Post Office and Civil Service shall report changes in law within the jurisdiction of that committee to change spending in amounts sufficient to decrease budget authority by $1,054,000,000 and outlays by $1,347,000,000 in fiscal year 1984; further the Congress finds that to attain the policy of this resolution in future fiscal years requires decreases of $1,633,000,000 in budget authority and $2,068,000,000 in outlays in fiscal year 1985; and requires decreases of $2,518,000,000 in budget authority and $3,334,000,000 in outlays in fiscal year 1986.

(e) The House Committee on Small Business shall report changes in law within the jurisdiction of that committee to change spending in amounts sufficient to decrease budget authority by $139,000,000 and outlays by $287,000,000 in fiscal year 1984; further the Congress finds that to attain the policy of this resolution in future fiscal years requires decreases of $555,000,000 in budget authority and $466,000,000 in outlays in fiscal year 1985; and requires decreases of $544,000,000 in budget authority and $443,000,000 in outlays in fiscal year 1986.

(f) The House Committee on Veterans' Affairs shall report changes in law within the jurisdiction of that committee to change spending in amounts sufficient to decrease budget authority by $216,000,000 and outlays by $214,000,000 in fiscal year 1984; further the Congress finds that to attain the policy of this resolution in future fiscal years requires decreases of $235,000,000 in budget authority and $234,000,000 in outlays in fiscal year 1985; and requires decreases of $241,000,000 in budget authority and $238,000,000 in outlays in fiscal year 1986.

(g) The House Committee on Ways and Means shall report changes in laws within the jurisdiction of that committee sufficient to increase revenues by $30,000,000,000 for fiscal year 1984; further the Congress finds that to attain the policy goals of this resolution in future years revenues should be increased by $40,000,000,000 for fiscal year 1985, and $50,000,000,000 for fiscal year 1986.

SEC. 3. (a) Not later than June 6, 1983, the committees named in section 2(a)-(f) shall submit their recommendations to the House Committee on the Budget, except for those committees exempt under subsection (b) of this section. After receiving those recommendations, the Committee on the Budget shall report to the House a reconciliation bill incorporating all such recommendations without any substantive revision.

(b) Subsection (a) shall not apply to any committee named in section 2(a)-(f) which reports to the House by June 1, 1983, legislation pursuant to the committee's reconciliation instructions.

(c) The Committee on Ways and Means shall report its recommendations to the House not later than June 1, 1983. If the changes in laws reported to the House by the Committee on Ways and Means pursuant to section 2(g) contain changes involving the imposition of new or expanded taxes to directly finance programs within the jurisdiction of any other committee of the House (including, but not limited to, inland waterways or deep draft ports) or the imposition of any new or expanded user fees within the jurisdiction of any other committee of the House, an appropriate referral pursuant to rule X of the Rules of the House should be considered.

MISCELLANEOUS PROVISIONS

SEC. 4. No bill or resolution providing new discretionary budget authority for fiscal year 1984, or new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act for fiscal year 1984, which exceeds the appropriate allocation of such new discretionary budget authority or new spending authority made pursuant to section 302(a) of such Act shall be enrolled until after the Congress has completed action on the second concurrent resolution on the budget required to be reported under section 310 of such Act or until October 1, 1983, whichever occurs first.

SEC. 5. (a) If Congress has not completed action by October 1, 1983, on the concurrent resolution on the budget required to be reported under section 310(a) of the Budget Act for the 1984 fiscal year, then this concurrent resolution shall be deemed to be the concurrent resolution required to be reported under section 310(a) of such Act, for the purposes of section 311 of such Act: *Provided, however,* That if Congress has not completed action by such date on the concurrent resolution required to be reported under section 310(a) of such Act for the 1984 fiscal year the Committee on the Budget may report to the House a House or concurrent resolution which only revises, for purposes of section 311 of such Act, the levels of total budget outlays, budget authority, and revenues for technical and economic assumptions.

(b) The report on such resolution to the House, in the case of a House resolution, or the conference report, in the case of a concurrent resolution, shall contain a statement allocating total new budget authority and total outlays to each committee of the House, and said statement shall be deemed to be the statement under section 302(a) of the Congressional Budget Act.

(c) Section 311(a) of the Congressional Budget Act, as made applicable by subsection (a) of this section, shall not apply to bills, resolutions, or amendments within the jurisdiction of a committee, or any conference report on any such bill or resolution, if—

(1) the enactment of such bill or resolution as reported;

(2) the adoption and enactment of such amendment; or

(3) the enactment of such bill or resolution in the form recommended in such conference report;

would not cause the appropriate allocation for such committee of new discretionary budget authority or new spending authority as described in section 401(c)(2)(C) of the Congressional Budget Act made pursuant to section 302(a) of such Act for fiscal year 1984 to be exceeded.

(d) The provisions of this section shall cease to apply when Congress completes action on a subsequent concurrent resolution on the budget for fiscal year 1984 pursuant to section 304 or 310 of the Congressional Budget Act.

SEC. 6. It is the sense of the Congress that monetary policy and the economic assumptions in the budget resolution shall be consistent with each other. To that end, it is the sense of the Congress that in the reports to Congress required by the Full Employment and Balanced Growth Act of 1978, the Board of Governors of the Federal Reserve System shall report to the Congress on the objectives of the Board of Governors and the Federal Open Market Committee with respect to the growth or diminution of gross national product in current and constant dollars, inflation, and unemployment for the current and three following calendar years. In addition, the Board shall in the same report explain the differences, if any, between these objectives and the economic assumptions of the most recent President's budget submission, the most recent projections of the Congressional Budget Office, and the economic assumptions of the most recent congressional budget resolution. It is further the sense of the Congress that, if necessary, the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate shall report legislation amending the Federal Reserve Act to require such reporting.

SEC. 7. It is the sense of the Congress that, in light of budget restraint, limited resources, and the need to foster economic growth, the House Committee on Armed Services should initiate a thorough review of military retirement programs which constitute a major sector of the defense budget and should recommend changes which would result in reduced spending under these programs.●

THE DEMOCRATIC ALTERNATIVE BUDGET

(Mr. ROEMER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. ROEMER. Mr. Speaker, this budget proposal represents a Democratic alternative to the budget reported by the House Budget Committee last week.

Our criticism of the HBC effort is that it gives us the worst of all possible worlds: A drastic increase in the tax burden at a time of economic fragility, a dubious compromise of national defense commitments at a time of world peril, a sharp increase in domestic spending across the board when spending discipline and investment selectivity are imperative, and a marginal reduction in the projected deficit when the threat of rising real interest rates demands deficit reduction.

The President's budget is obviously unacceptable to us. The deficits are too high, the tax policy is imprecise, the outyear trends are wrong, and the

national defense commitment is exaggerated and unmanageable.

In contrast to the HBC and administration budgets, our proposal yields a lower deficit. It also controls national defense spending at a realistic 7-percent real growth per year, raise taxes at half the HBC recommendation—$10 billion in fiscal year 1984—and uses the proceeds to reduce the deficit and freezes many domestic programs at the fiscal year 1983 level. Yet this budget allows a 10-percent nominal growth in education and job training, a health budget growth of twice the inflation rate and income security growth of $54.3 billion above the freeze level over the next 3 years.

Unlike the other two budget proposals, our plan sends a strong, positive message that says we believe in lower interest rates, increased economic opportunity, a credible national defense, and a commitment to those in our land who need a helping hand.

1984 BUDGET PROPOSALS

[In billions of dollars]

	Spending	Receipts	Deficit	New taxes	No tax deficit
House Budget Committee	863.55	689.10	174.45	30.00	204.45
Administration	840.80	661.65	179.15	.....	179.15
Democratic alternative	842.90	671.65	171.25	10.00	181.25

SPENDING COMPARISONS

	Freeze	Administration	House Budget Committee	Democratic alternative	Difference—House Budget Committee	Difference—Administration	Difference—Freeze
Function:							
050	214.2	244.70	235.4	239.2	+3.80	−5.50	+25.00
150	11.2	12.70	13.2	11.2	−2.00	−1.50	.....
250	7.7	8.15	8.4	7.7	−.70	−.45	.....
270	4.5	3.75	4.3	3.75	−.55	.....	−.75
300	12.4	10.10	12.5	10.8	−1.70	+.70	−1.60
350	21.0	12.80	14.7	13.5	−1.20	+.70	−7.50
370	2.3	.75	2.3	1.0	−1.30	+.25	−1.30
400	21.8	24.90	26.2	24.90	−1.30	.....	+3.10
450	7.7	7.35	8.6	7.70	−.90	+.35	.....
500	26.4	25.25	32.7	29.05	−3.65	+3.80	+2.65
550	82.5	90.25	96.0	90.25	−5.75	.....	+7.75
600	277.0	278.55	284.7	282.60	−2.10	+4.05	+5.60
700	24.5	25.35	25.6	25.60	.....	+.25	+1.10
750	5.1	5.55	5.5	5.20	−.30	−.35	+.10
800	5.8	5.85	6.1	5.80	−.30	−.05	.....
850	6.4	6.50	7.6	6.40	−1.20	−.10	.....
900	87.3	96.00	96.2	96.20	.....	+.20	+8.90
920	.9	.95	1.3	1.30	.....	+.35	+.40
950	(18.0)	(18.90)	(17.4)	(18.90)	−1.50	.....	−.90

1985 BUDGET PROPOSALS

[In billions of dollars]

	Spending	Receipts	Deficit	New taxes	No tax deficit
Budget Committee	912.60	765.90	146.70	40.00	186.70
Administrative	905.20	731.65	173.55	.....	173.55
Democratic alternative	891.95	751.65	140.30	20.00	160.30

SPENDING COMPARISONS

	Freeze	Administration	House Budget Committee	Democratic Alternative	Difference—House Budget Committee	Difference—administration	Difference—freeze
Function:							
050	214.2	282.3	256.3	267.2	+10.9	−15.1	+53.0
150	11.2	12.8	13.2	11.2	−2.0	−1.6	.....
250	7.7	8.35	8.75	7.7	−1.05	−0.65	.....
270	4.5	2.9	3.4	2.9	−0.50	.....	−1.60
300	12.4	10.2	12.55	10.8	−1.75	+.60	−1.60
350	21.0	11.35	13.35	13.0	−.35	+1.65	−8.00
370	2.3	1.85	0.40	0.25	−.15	−2.10	−2.05
400	21.8	25*85	27.10	25.85	−1.25	.....	+4.05
450	7.7	7.50	10.65	7.7	−2.95	+.20	.....
500	26.4	24.8	31.15	30.00	−1.15	+5.20	+3.60
550	82.5	99.2	106.55	99.20	−7.35	.....	+16.7
600	277.0	290.75	296.60	292.60	−4.20	+1.85	+15.6
700	24.5	25.85	26.00	26.00	.....	+.15	+1.5
750	5.1	5.5	5.5	5.2	−.30	−.30	+.1
800	5.8	6.05	6.1	5.9	−.20	−.15	+.1
850	6.4	6.5	7.5	6.4	−1.10	−.10	.....
900	87.4	104.95	103.40	103.4	.....	−1.55	+16.0
920	0.9	4.0	2.65	2.65	.....	−1.35	+1.75
950	(18.2)	(21.8)	(18.75)	(21.8)	−3.05	.....	−3.60

1986 BUDGET PROPOSALS

[In billions of dollars]

	Spending	Receipts	Deficit	New taxes	No tax deficit
Budget Committee	967.55	831.50	136.05	50.00	186.05
Administration	972.00	825.20	146.80	46.00	192.80

1986 BUDGET PROPOSALS—Continued

[In billions of dollars]

	Spending	Receipts	Deficit	New taxes	No tax deficit
Democratic alternative	952.45	819.20	133.25	40.00	173.25

SPENDING COMPARISONS

	Freeze	Administration	House Budget Committee	Democratic Alternative	Difference—House Budget Committee	Difference—Administration	Difference—freeze
Function:							
050	214.2	321.55	284.30	297.40	+13.1	−24.15	+83.20
150	11.2	12.90	13.00	11.00	−2.0	−1.9	−0.20
250	7.7	7.90	8.30	7.70	−0.6	−0.2	
270	4.5	2.85	3.35	2.85	−.5		−1.65
300	12.4	9.85	12.00	10.80	−1.2	+.95	−1.60
350	21.0	11.50	14.05	13.00	−1.05	+1.50	−8.00
370	2.3	−2.35	−0.35	−1.00	−.65	+1.35	−3.30
400	21.8	27.05	28.40	27.05	−1.35		+5.25
450	7.7	7.25	11.15	7.70	−3.45	+.45	
500	26.4	24.65	32.80	30.80	−2.0	+6.15	+4.40
550	82.5	107.60	115.35	107.80	−7.55	+.20	+25.30
600	277.0	307.30	313.20	310.10	−3.10	+2.80	+33.10
700	24.5	26.30	26.50	26.50		+.20	+2.00
750	5.1	5.5	5.5	5.2	−.30	−.30	+.10
800	5.8	6.15	6.25	6.1	−.15	−.05	+.30
850	6.4	6.6	7.6	6.4	−1.20	−.20	
900	87.4	109.85	105.65	105.65		−4.20	+18.25
920	0.9	6.25	4.10	4.10		−2.15	+3.20
950	(18.2)	(26.70)	(23.55)	(26.70)	−3.15		−8.50

ASSUMPTIONS FOR THREE YEARS

050 Defense: Assume 7 percent real growth.

150 Int. Affairs: freeze at 1983 level for three years.

250 Gen. Science, Space: freeze at 1983 level for three years.

270 Energy: CBO reestimated level.

300 Nat. Resources: between HBC plan and administration's ($4.8 billion above freeze).

350 Agriculture: between HBC plan and administration's.

370 Housing: between HBC plan and administration's.

400 Transportation: administration level (CBO reestimate).

450 Community Development: freeze at 1983 level.

500 Education: 10 percent nominal growth.

550 Health: double inflation.

600 Income Security: between HBC plan and administration's ($54.3 billion more than freeze).

700 Veterans: HBC plan.

750 Justice: freeze plus $100 million per year.

800 General Govt.: slightly above freeze for IRS.

850 Fiscal Assistance: freeze.

900 Net Interest: HBC plan.

920 Allowances: HBC plan (4 percent pay raise).

950 Offsetting Receipts: CBO reestimated level.

DEMOCRATIC ALTERNATIVE BUDGET

050 National Defense: assumes 7 percent real growth per year: (a) spends $27.8 billion more than Budget Committee plan over three years; and (b) spends $44.75 billion less than administration plan over three years.

500 Education: assumes 10 percent nominal growth: (a) spends $15.15 billion more than administration in three years; (b) spends $6.80 less than HBC in three years; and (c) spends $10.65 more than freeze level in three years.

550 Health: assumes spending growth of twice the inflation rate for three years (9.4 percent, 9.4 percent, 8.6 percent): (a) spends $200 million more than administration over three years; (b) spends $49.75 billion more than freeze level over three years; and (c) spends $20.65 billion less than HBC in three years.

600 Income Security: assumes middle ground between Budget Committee and administration: (a) spends $8.7 billion more than administration over three years; (b) spends $9.4 billion less than HBC in three years; and (c) spends $54.3 billion more than freeze in three years.

Middle ground spending between HBC and administration

300 Natural Resources and Environment.
350 Agriculture.
370 Housing.
600 Income Security.
050 National Defense.

Freeze level spending

150 International Affairs.
250 General Science.
450 Community Development.
850 Fiscal Assistance.

COMPARISONS OF THREE BUDGETS ON KEY POINTS: TAXES, DEFICITS, MILITARY SPENDING, OTHER SPENDING

[In billions of dollars]

	1984	1985	1986	Total
Taxes:				
Budget Committee	30	40	50	120
Administration			46	46
Democratic alternative	10	20	40	70
Deficits:				
Budget Committee	174.45	146.70	136.05	
Administration	179.15	173.55	146.80	
Democratic alternative	171.25	140.30	133.25	
Military spending:				
Budget Committee [1]	235.4	256.3	284.3	
Administration	244.7	282.3	321.55	
Democratic alternative [2]	239.2	267.2	297.4	
Other spending—over administration proposal:				
Budget Committee	+34.6	+39.15	+30.50	+104.25

[1] 72.55 below administration total.
[2] 44.75 below administration total.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DYSON (at the request of Mr. WRIGHT), for today, on account of a death in the family.

Ms. MIKULSKI (at the request of Mr. WRIGHT), for today, after 6 p.m., on account of official business.

Mr. YATRON (at the request of Mr. WRIGHT), for March 21 and 22, on account of illness.

Mr. FORSYTHE (at the request of Mr. MICHEL), for March 21 and the balance of the week, on account of illness.

Mr. MCEWEN (at the request of Mr. MICHEL), for March 23, on account of official business.

Mr. BATEMAN (at the request of Mr. MICHEL), after 3 p.m. for the balance of the day, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCCAIN) to revise and extend their remarks and include extraneous material:)

Mr. CORCORAN, for 10 minutes, today.

(The following Members (at the request of Mr. HATCHER) to revise and extend their remarks and include extraneous material:)

Mr. BEDELL, for 15 minutes, today.
Mr. GONZALEZ, for 30 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. MACKAY, for 5 minutes, today.
Mr. STUDDS, for 5 minutes, today.
Mr. RODINO, for 15 minutes, today.
Mr. LEVITAS, for 5 minutes, today.
Mr. PANETTA, for 5 minutes, today.
Mr. BONKER, for 5 minutes, today.
Mr. MURTHA, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. STANGELAND, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $2,091.39.

(The following Members (at the request of Mr. MCCAIN) and to include extraneous matter:)

Mr. BROOMFIELD in two instances.
Mr. COATS.
Mr. MOORHEAD.
Mr. ERLENBORN.
Mr. DANNEMEYER.
Mr. CONABLE.
Mr. WEBER in two instances.
Mr. CAMPBELL.
Mr. CLINGER.
Mr. BETHUNE in two instances.
Mr. WORTLEY.
Mr. SILJANDER.
Mr. GILMAN in three instances.
Mr. TAUKE.
Mr. BEREUTER.
Mr. GINGRICH.
Mr. BLILEY.

(The following Members (at the request of Mr. HATCHER) and to include extraneous matter:)

Mr. BORSKI.
Mr. RODINO.
Mr. YATRON.
Mr. DINGELL.
Ms. MIKULSKI.
Mr. BARNES.
Mr. LANTOS.
Mr. ROE in four instances.
Mr. CARR.
Mr. MURTHA in two instances.
Mr. WILLIAMS of Montana in two instances.
Mr. FAZIO in two instances.
Ms. FERRARO in two instances.
Mr. TORRICELLI.
Mr. AUCOIN.
Mr. AKAKA.
Mr. HARKIN.
Mr. BONKER in three instances.
Mr. MARKEY.
Mr. MCDONALD in five instances.
Mr. SHELBY.
Mr. ERDREICH.
Mr. TORRES.
Mr. RICHARDSON.

SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled joint resolutions of the Senate of the following titles:

S.J. Res. 35. Joint resolution designating the week beginning March 20, 1983, as "National Mental Health Counselors Week"; and

S.J. Res. 65. Joint resolution designating March 21, 1983, as "Afghanistan Day."

ENROLLED BILL SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1936. An act to amend title 37, United States Code, to extend certain expiring enlistment and reenlistment bonuses for the Armed Forces.

ADJOURNMENT

Mr. KOLTER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly at (at 8 o'clock and 18 minutes p.m.), under its previous order, the House adjourned until Wednesday, March 23, 1983, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

685. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Army's proposed sale of certain defense articles to Greece (Transmittal No. 83-16), pursuant to 10 U.S.C. 133b; to the Committee on Armed Services.

686. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Army's proposed sale of certain defense articles to Norway (Transmittal No. 83-22), pursuant to 10 U.S.C. 133b; to the Committee on Armed Services.

687. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Air Force's proposed sale of certain defense articles to Saudi Arabia (Transmittal No. 83-23), pursuant to 10 U.S.C. 133b; to the Committee on Armed Services.

688. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Navy's proposed sale of certain defense articles to Saudi Arabia (Transmittal No. 83-26), pursuant to 10 U.S.C. 133b; to the Committee on Armed Services.

689. A letter from the Acting Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting draft of proposed legislation to amend title 32, United States Code, to extend the period of time during which all elements of a National Guard unit must complete a training assembly; to the Committee on Armed Services.

690. A letter from the Secretary of Education, transmitting a draft of proposed legislation to amend the Rehabilitation Act of 1973, to increase flexibility and simplify grant programs to States for vocational rehabilitation, to improve rehabilitation services for the severely handicapped, to modify certain discretionary grant programs providing essential services and resources specifically designed for handicapped individuals, and for other purposes; to the Committee on Education and Labor.

691. A letter from the Chairman, Equal Employment Opportunity Commission, transmitting the report of the Commission's Office of Interagency Coordination for the period July 1, 1981 to June 30, 1982, pursuant to section 715 of Public Law 92-261 and section 1-401 of Executive Order 12067; to the Committee on Education and Labor.

692. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's proposed intention to offer to sell certain defense articles and services to Greece (Transmittal No. 83-16), pursuant to section 36(b) of the Arms Export Control Act, together with certification that the sale is consistent with the principles contained in section 620C(b) of the Foreign Assistance Act, pursuant to section 620C(d) of the Act; to the Committee on Foreign Affairs.

693. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's proposed intention to offer to sell certain defense articles and services to Norway (Transmittal No. 83-22), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

694. A letter from the Director of the Defense Security Assistance Agency, transmitting notice of the Air Force's proposed intention to offer to sell certain defense articles and services to Saudi Arabia (Transmittal No. 83-23), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

695. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Navy's proposed intention to offer to sell certain defense articles and services to Israel (Transmittal No. 83-24), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

696. A letter from the Director of the Defense Security Assistance Agency, transmitting notice of the Navy's proposed intention to offer to sell certain defense articles and services to Saudi Arabia (Transmittal No. 83-26), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

697. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to amend the International Security and Development Cooperation Act of 1983; to the Committee on Foreign Affairs.

698. A letter from the Executive Director, Neighborhood Reinvestment Corporation, transmitting a report on the Corporation's activities under the Government in the Sunshine Act during calendar year 1982, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

699. A letter from the Secretary of the Interior, transmitting a report on the Department's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

700. A letter from the Chairman, Tennessee Valley Authority, transmitting a report on the Authority's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

701. A letter from the Chairman, National Capital Planning Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

702. A letter from the President, American Academy and Institute of Arts and Letters, transmitting the annual report on the academy's and institute's activities during calendar year 1982, pursuant to section 4 of its charter; to the Committee on House Administration.

703. A letter from the Secretary of the Interior, transmitting notice of a 2-year deferment of the 1982 construction repayment installment due from the Almena Irrigation District No. 5, Pick-Sloan Missouri basin program, Kansas, pursuant to section 17(b) of the Reclamation Project Act of 1939, as amended; to the Committee on Interior and Insular Affairs.

704. A letter from the Under Secretary of the Interior, transmitting notice of a proposed exchange of certain lands in the Cascade Lake area along the northern border of Gates of the Arctic National Park, Alaska, pursuant to section 1431(e)(2) of Public Law 96-487; to the Committee on Interior and Insular Affairs.

705. A letter from the Assistant Secretary of the Interior (Indian Affairs), transmitting a proposal plan for the use and distribution of the judgment funds awarded to the Ottawa Indians in Dockets 133-A, 133-B, and 302 by the Indian Claims Commission and Dockets 133-C and 338 by the U.S. Court of Claims, pursuant to section 2(a) and 4 of Public Law 93-134; to the Committee on Interior and Insular Affairs.

706. A letter from the Chairman, National Park Foundation, transmitting the 1982 annual report of the Foundation, pursuant to section 10 of Public Law 90-209; to the Committee on Interior and Insular Affairs.

707. A letter from the Director, Minerals Management Service, Department of the Interior, transmitting notice of the proposed refund of $2,120,192.91 to the Marathon Oil Co. for excess royalty payments, pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

708. A letter from the Director, Minerals Management Service, Department of the Interior, transmitting notice of the proposed refund of $1,100,784.62 to the Union Oil Co. of California for excess royalty payments, pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

709. A letter from the Director, Minerals Management Service, Department of the Interior, transmitting notice of the proposed refund of $47,938.08 to Conoco, Inc., and Shell Oil Co. for excess royalty payments, pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

710. A letter from the Director, Minerals Management Service, Department of the Interior, transmitting notice of the proposed refund of $552,380.46 to Transco Exploration Co. for excess royalty payments, pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

711. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation, "Protect Our Wetlands and Duck Resources Act of 1983"; to the Committee on Merchant Marine and Fisheries.

712. A letter from the Chief Planning Officer, Navajo and Hopi Indian Relocation Commission, transmitting the seventh annual report of the Navajo and Hopi Indian Relocation Commission, pursuant to Public Law 93-531; to the Committee on Interior and Insular Affairs.

713. A letter from the Secretary of Transportation, transmitting the seventh progress report on railroad-highway demonstration projects, pursuant to section 163(o) of Public Law 93-87, as amended; to the Committee on Public Works and Transportation.

714. A letter from the Board of Directors, Tennessee Valley Authority, transmitting the 49th annual report of the Corporation's activities covering fiscal year 1982, pursuant to section 9(a) of the Tennessee Valley Authority Act of 1933, as amended; to the Committee on Public Works and Transportation.

715. A letter from the Secretary of Energy, transmitting the fourth annual report on the use of alcohol in fuels, pursuant to section 221(c) of Public Law 95-618; to the Committee on Ways and Means.

716. A letter from the Secretary of Housing and Urban Development, transmitting the annual report for fiscal year 1982 of the Board of Directors of the Solar Energy and Energy Conservation Bank, and the report on the impact of the limitation on payments to utilities for financial assistance for the purpose and installation of solar systems, pursuant to section 519 of the Solar Energy and Energy Conservation Bank Act; jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANTHONY (for himself, Mr. LEATH of Texas, Mr. FLIPPO, Mr. FORD of Tennessee, Mr. FOWLER, Mr. HANCE, Mr. JENKINS, Mr. PICKLE, Mr. FOLEY, Mr. SAM B. HALL, JR., Mr. WRIGHT, Mr. BREAUX, Mr. FAZIO, Mr. HUTTO, Mr. MACKAY, Mr. MCCURDY, Mrs. BOUQUARD, Mr. COELHO, Mr. LELAND, Mr. WILSON, Mr. IRELAND, Mr. MONTGOMERY, Mr. CHAPPELL, Mr. DOWDY of Mississippi, Mr. VALENTINE, Mrs. BYRON, Mr. DIXON, Mr. MCNULTY, Mrs. BOGGS, Mr. AUCOIN, Mr. DANIEL, Mr. ALEXANDER, Mr. MICA, Mr. MCDONALD, Mr. JONES of North Carolina, Mr. TAUZIN, Mr. HALL of Ohio, Mr. SKELTON, Mr. RALPH M. HALL, Mr. VANDERGRIFF, Mr. ANDREWS of Texas, Mr. BRITT, Mr. DYSON, Mr. HEFNER, Mr. WATKINS, Mr. ROEMER, Mr. BARNARD, Mr. HUCKABY, Mr. STENHOLM, Mr. ENGLISH, Mr. DE LA GARZA, Mr. LONG of Louisiana, Mr. BORSKI, Mr. HUBBARD, Mr. GLICKMAN, Mr. DERRICK, Mr. ORTIZ, Mr. BEVILL, Mr. WHITTEN, Mr. PATMAN, Mr. DASCHLE, Mr. FROST, Mr. ROWLAND, Mr. MURTHA, Mr. WHITLEY, Mr. COLEMAN of Texas, Mr. BROOKS, Mr. SHELBY, Mr. SMITH of Iowa, Mr. FUQUA, Mr. YOUNG of Missouri, Mr. HIGHTOWER, Mr. ERDREICH, Mr. JONES of Tennessee, and Mr. BRYANT):

H.R. 2225. A bill to amend the Internal Revenue Code of 1954 to reduce the holding period required for long-term capital gain or loss treatment; to the Committee on Ways and Means.

By Mr. BARNES:

H.R. 2226. A bill to amend title 5, Ujited States Code, to provide that retired administrative law judges may be reappointed under regulations prescribed by the Director of the Office of Personnel Management, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BEDELL (for himself, Mr. CONTE, Mr. MITCHELL, Mr. MCDADE, and Mr. NOWAK):

H.R. 2227. A bill to amend the Small Business Investment Act of 1958 to provide debentures for State development companies licensed pursuant to section 501 of the Small Business Investment Act of 1958; to the Committee on Small Business.

By Mr. BENNETT:

H.R. 2228. A bill to establish the Florida Frontier Rivers Conservation District in the State of Florida, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DANNEMEYER (for himself, Mr. PASHAYAN, Mr. FAZIO, Mr. DENNY SMITH, Mr. SAWYER, Mr. MORRISON of Washington, Mr. COELHO, Mr. THOMAS of California, Mrs. SCHROEDER, Mr. SHUMWAY, Mr. STUMP, Mr. DE LA GARZA, Mr. SAM B. HALL, JR., and Mr. CROCKETT):

H.R. 2229. A bill to amend the Immigration and Nationality Act to require consent or a warrant before entering onto farm property; to the Committee on the Judiciary.

By Mr. EDWARDS of California:

H.R. 2230. A bill to amend the Civil Rights Act of 1957 to extend the life of the Civil Rights Commission and for other purposes; to the Committee on the Judiciary.

By Mr. ERLENBORN (by request):

H.R. 2231. A bill to establish a new Federal student grant program to supplement and encourage student self-help efforts, to improve the operations and efficiency of certain Federal postsecondary education programs, to remove certain financial barriers preventing the disadvantaged from attending postsecondary institutions, to provide a more equitable distribution of Federal student aid funds, and for other purposes; to the Committee on Education and Labor.

By Mr. FEIGHAN (for himself, Mr. ECKART, Mr. SEIBERLING, Mr. TORRES, and Ms. OAKAR):

H.R. 2232. A bill to suspend military assistance and sales to El Salvador until the Government of El Salvador has demonstrated its willingness, through the appointment of a peace commission, to enter into a dialog with the other parties to the conflict in that country and with other Salvadoran groups which are seeking an end to the conflict; to the Committee on Foreign Affairs.

Mr. FEIGHAN (for himself, Mr. ECKART, Mr. TORRES, and Ms. OAKAR):

H.R. 2233. A bill to require that any security assistance funds allocated for El Salvador which are not used for development, humanitarian, or land reform assistance, be contributed to a multilateral postwar reconstruction assistance fund for El Salvador; to the Committee on Foreign Affairs.

By Mr. FRENZEL (for himself and Mr. ERLENBORN):

H.R. 2234. A bill to amend the Internal Revenue Code of 1954 to clarify provisions prohibiting discrimination in vesting standards under plans governing qualified trusts, and for other purposes; to the Committee on Ways and Means.

By Mr. GREEN (for himself, Mr. WIRTH, Mr. RINALDO, Mr. SCHEUER, Mr. HORTON, Mr. GARCIA, Mr. BIAGGI, and Mr. MARKEY):

H.R. 2235. A bill to enhance the detection of motor vehicle theft and to improve the prosecution of motor vehicle theft by requiring the Secretary of Transportation to issue standards relating to the identification of vehicle parts and components, by increasing criminal penalties applicable to trafficking in stolen vehicles and parts, by curtailing the exportation of stolen motor vehicles and off-highway mobile equipment, and by

establishing penalties applicable to the dismantling of vehicles for the purpose of trafficking in stolen parts, and for other purposes; jointly, to the Committees on Energy and Commerce, the Judiciary, Foreign Affairs, Post Office and Civil Service, and Ways and Means.

By Mr. KILDEE (for himself, Mr. D'AMOURS, Mr. DE LUGO, Mr. DWYER of New Jersey, Mr. FAUNTROY, Mr. FORD of Michigan, Mr. FRANK, Mr. MITCHELL, Mr. OBERSTAR, Mr. SHELBY, Mr. WALGREN, Mr. WASHINGTON, and Mr. WOLPE):

H.R. 2236. A bill to provide for the continuation of the National Diffusion Network; to the Committee on Education and Labor.

By Mr. LENT:

H.R. 2237. A bill to amend the Internal Revenue Code of 1954 to exclude from the gross income of any participant in any State or local government plan so much of any distribution from such plan as represents his allocable share of tax-exempt interest of such plan; to the Committee on Ways and Means.

By Mr. LUNGREN (for himself, Mr. KINDNESS, Mr. LIVINGSTON, Mr. DREIER of California, and Mr. CORCORAN):

H.R. 2238. A bill to amend title 28 of the United States Code to reform habeas corpus procedures, and for other purposes; to the Committee on the Judiciary.

By Mr. LUNGREN (for himself, Mr. KINDNESS, Mr. LIVINGSTON, and Mr. DREIER of California):

H.R. 2239. A bill to amend title 18 of the United States Code to reform the fourth amendment exclusionary rule; to the Committee on the Judiciary.

By Mr. LUNGREN (for himself, Mr. LAGOMARSINO, Mr. SAM B. HALL, JR., Mr. KINDNESS, Mr. WILSON, Mr. DENNY SMITH, Mr. SUNIA, Mr. GINGRICH, Mr. LEWIS of California, Mr. BEREUTER, Mr. PORTER, Mr. EMERSON, Mr. BADHAM, Mr. MCCOLLUM, Mr. HANSEN of Utah, Mr. DYSON, Mr. SHUMWAY, Mr. ANDERSON, and Mr. HARTNETT):

H.R. 2240. A bill to amend title 18 of the United States Code to establish procedures for imposition of the death penalty for Presidential assassination, and for other purposes; to the committee on the Judiciary.

By Mr. LUNGREN (for himself, Mr. LIVINGSTON, and Mr. DREIER of California):

H.R. 2241. A bill to amend section 1963 of title 18, United States Code, and the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 801 et seq.) to provide for the criminal forfeiture of the proceeds of racketeering activity, to provide for the sanction of criminal forfeiture for all felony drug offenses, to facilitate forfeitures in drug-related and racketeering cases, and for other purposes; jointly to the Committees on the Judiciary and Energy and Commerce.

By Ms. MIKULSKI (for herself, Ms. FERRARO, Mrs. SCHROEDER, Mrs. KENNELLY, Ms. OAKAR, Mr. CONABLE, Mrs. BOGGS, Mrs. COLLINS, Mr. PERKINS, and Mr. MILLER of California):

H.R. 2242. A bill to establish a grant program to provide for a centralized system of child care information and referral; to the Committee on Education and Labor.

By Mr. PERKINS:

H.R. 2243. A bill to amend the National School Lunch Act to change the definition of "school" to eliminate the exclusion of certain nonprofit private schools from such definition; to the Committee on Education and Labor.

By Mr. RODINO (for himself, Mr. BROOKS, Mr. EDWARDS of California, Mr. SEIBERLING, and Mr. HUGHES):

H.R. 2244. A bill to amend the Clayton Act to allow certain indirect purchasers and sellers to bring antitrust actions, to allow the reduction of certain antitrust damage awards, and to improve the procedures for consensually resolving civil antitrust actions brought by the United States; to the Committee on the Judiciary.

By Mrs. SMITH of Nebraska:

H.R. 2245. A bill to establish objective criteria and procedures for closing and consolidating weather stations; to the Committee on Science and Technology.

By Mr. STANGELAND:

H.R. 2246. A bill to settle claims relating to certain allotted Indian lands of the White Earth Indian Reservation, quiet titles to such lands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STUDDS (for himself, Mr. JONES of North Carolina, Mr. BIAGGI, Mr. YOUNG of Alaska, and Mr. FORSYTHE):

H.R. 2247. A bill to revise, consolidate, and enact certain laws related to vessels and seamen as subtitle II of title 46, United States Code, "Shipping"; to the Committee on Merchant Marine and Fisheries.

By Mr. TAYLOR:

H.R. 2248. A bill to amend title 5, United States Code, to provide that flight service station personnel be entitled to immediate retirement annuities under section 8336; to the Committee on Post Office and Civil Service.

By Mr. AKAKA:

H.R. 2249. A bill to promote economic revitalization and facilitate expansion of economic opportunity in the Caribbean Basin region; to the Committee on Ways and Means.

By Mr. WAXMAN (for himself, Mr. WIRTH, Mr. MOORHEAD, Mr. ROYBAL, Mr. PANETTA, Mr. DOWNEY of New York, Mr. EDWARDS of California, Mr. DIXON, Mr. PASHAYAN, Mr. MILLER of California, Mr. TORRES, Mrs. SCHROEDER, Mr. LEVINE of California, Mrs. BOXER, Mr. MYERS, Mr. BOSCO, Mr. BERMAN, Mr. FAZIO, Mr. LELAND, Mr. BURTON of California, Mr. BEILENSON, Mr. GORE, Mr. MARTINEZ, Mr. MINETA, Mr. HAWKINS, Mr. SOLARZ, Mr. BROWN of California, Mr. BRYANT, Mr. SYNAR, Mr. MATSUI, Mr. DELLUMS, Mr. STARK, Mr. RUSSO, Mr. PATTERSON, Mr. LEHMAN of California, Mr. FLORIO, Mr. DYMALLY, Mr. ENGLISH, Mr. HEFTEL of Hawaii, and Mr. COELHO):

H.R. 2250. A bill to provide a moratorium until June 30, 1988, on changes to the Federal Communications Commission rules regarding network television syndication, network television financial interest, and prime-time access; to the Committee on Energy and Commerce.

By Mr. BLILEY (for himself, Mr. BATEMAN, Mr. WHITEHURST, Mr. DANIEL, Mr. SISISKY, Mr. PARRIS, Mr. WOLF, and Mr. ROBINSON):

H.R. 2251. A bill to authorize the construction of the flood control project for the James River Basin at Richmond, Va; to the Committee on Public Works and Transportation.

By Mr. FORD of Tennessee (for himself, Mr. JONES of Tennessee, and Mr. SUNDQUIST):

H.R. 2252. A bill to modify the Mississippi River and tributaries project to authorize improvements in the Memphis Harbor; to the Committee on Public Works and Transportation.

By Mr. HARKIN (for himself, Mr. JEFFORDS, Mr. ALBOSTA, Mr. ASPIN, Mr. BONIOR of Michigan, Mr. CARR, Mr. DASCHLE, Mr. FROST, Mr. GAYDOS, Mr. GUNDERSON, Mr. KOGOVSEK, Mr. ROBERTS, Mr. ROTH, Mr. STANGELAND, Mr. STENHOLM, Mr. TORRICELLI, Mr. TRAXLER, Mr. VOLKMER, Mr. WEBER, and Mr. YOUNG of Missouri):

H.R. 2253. A bill to assure the production of an adequate supply of pure and wholesome milk to meet the needs of markets in the United States, to assure a reasonable level of return to dairy farmers and stable prices for dairy products for consumers, to stabilize a temporary imbalance in the supply and demand for dairy products, to enable milk producers to establish, finance and carry out a coordinated program of dairy product promotion to improve, maintain and develop markets for dairy products, and for other purposes; to the Committee on Agriculture.

By Mr. LUNGREN (for himself, Mr. THOMAS of California, Mr. FORSYTHE, Mr. DANNEMEYER, Mr. GINGRICH, and Mr. BADHAM):

H.R. 2254. A bill to amend the Immigration and Nationality Act to establish a program to permit nationals of Mexico to enter the United States to perform temporary services or labor; jointly, to the Committees on the Judiciary, Ways and Means, Education and Labor, and Foreign Affairs.

By Mr. MATSUI:

H.R. 2255. A bill to amend the provisions of the Internal Revenue Code of 1954 relating to controlled foreign corporations to make the constructive ownership rules inapplicable in determining deemed distributions to individuals with small individual and family interests in such corporations; to the Committee on Ways and Means.

By Mr. MATSUI (for himself, Mr. MINETA, and Mr. ZSCHAU):

H.R. 2256. A bill to amend the Internal Revenue Code of 1954 to provide that income otherwise eligible to be taken into account in computing the section 936 credit shall not be ineligible merely by reason of being received in the United States; to the Committee on Ways and Means.

By Mr. MINISH:

H.R. 2257. A bill to amend the National Labor Relations Act to authorize the Secretary of Labor to prohibit the awarding of Federal contracts to persons who have violated certain judicial orders or orders issued by the National Labor Relations Board; to the Committee on Education and Labor.

By Mr. MOLLOHAN:

H.R. 2258. A bill to suspend the duty on certain benzoid chemicals until the close of June 30, 1986; to the Committee on Ways and Means.

H.R. 2259. A bill to suspend the duty on certain surface active agents until the close of June 30, 1986; to the Committee on Ways and Means.

By Mr. SHELBY:

H.R. 2260. A bill to authorize and direct the Secretary of the Army to correct certain erosion problems along the banks of the Warrior River near Moundville, Ala.; to the Committee on Public Works and Transportation.

By Mr. JACOBS:

H.J. Res. 214. Joint resolution designating the week beginning May 15, 1983, as "National Surgical Technologists Week"; to the Committee on Post Office and Civil Service.

By Mr. DYMALLY:

H. Res. 146. Resolution expressing the sense of the House of Representatives that the Committee on the Judiciary of the House of Representatives should conduct hearings on the subject of governmental intervention in religious affairs in the United States; to the Committee on the Judiciary.

By Mr. SILJANDER (for himself and Mr. DWYER of New Jersey):

H. Res. 147. Resolution concerning observance by the Government of Romania of the human rights of the Hungarians in Transylvania, especially the right of self-determination; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

40. By the SPEAKER: Memorial of the Legislature of the State of California, relative to aid to Greece and Turkey; to the Committee on Foreign Affairs.

41. Also, memorial of the Legislature of the State of Washington, relative to nuclear weapons freeze; to the Committee on Foreign Affairs.

42. Also, memorial of the Legislature of the State of California, relative to the levees in the Sacramento-San Joaquin Delta; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LENT:

H.R. 2261. A bill for the relief of the Laka Tool & Stamping Co., Inc.; to the Committee on the Judiciary.

PRIVATE RESOLUTION

By Mr. FAZIO:

H. Res. 148. A resolution to commend the Golden 1 Credit Union of Sacramento, Calif., for 50 years of growth and success in serving the consumer financial needs of its depositors and borrowers; to the Committee on Post Office and Civil Service.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 27: Mr. DE LUGO.

H.R. 29: Mr. GUARINI, Mr. HYDE, Mr. FLORIO, and Mr. ALBOSTA.

H.R. 84: Mr. LAFALCE.

H.R. 87: Mr. KINDNESS.

H.R. 135: Mr. CORRADA.

H.R. 171: Mr. STUMP.

H.R. 382: Mr. RUSSO.

H.R. 411: Mr. REGULA.

H.R. 569: Mr. OTTINGER, Mr. TAUKE, Mr. BIAGGI, Mr. MITCHELL, Mr. GRAY, and Mr. MCKINNEY.

H.R. 822: Mr. ZABLOCKI and Mr. MCCLOSKEY.

H.R. 836: Mr. WEISS, Mr. RICHARDSON, Mr. ORTIZ, Mr. GINGRICH, Mr. SENSENBRENNER, Mrs. BOXER, Mr. ROE, Mr. HUGHES, Mr. WASHINGTON, Mrs. COLLINS, Mr. HOPKINS, and Mr. MATSUI.

H.R. 857: Mr. DANIEL B. CRANE.

H.R. 877: Mr. DENNY SMITH, Mr. DASCHLE, Mr. WON PAT, Mr. ANNUNZIO, Mr. ROBINSON, Mr. DANIEL B. CRANE, Mr. GINGRICH, Mr. EDWARDS of Oklahoma, Mr. BROWN of Colorado, Mr. DANNEMEYER, Mr. ROE, and Mr. DE LA GARZA.

H.R. 904: Mr. RAHALL and Mr. MOLLOHAN.

H.R. 905: Mr. SCHULZE, Mr. SUNIA, Mr. DWYER of New Jersey, Mr. NEAL, Mr. CROCKETT, Mr. DYSON, Mr. GUNDERSON, and Mr. BEVILL.

H.R. 953: Mr. SUNIA, Ms. FERRARO, Mr. YATES, Mrs. HALL of Indiana, Mr. LEHMAN of Florida, Mr. GUARINI, Mr. DE LA GARZA, Mr. ANDERSON, Mr. STUDDS, Mr. HOYER, Mr. THOMAS of Georgia, Mr. BORSKI, Mr. GRAY, and Mr. DE LUGO.

H.R. 954: Mr. LUNDINE.

H.R. 1028: Mr. WYDEN.

H.R. 1035: Mr. CLAY, Mr. ST GERMAIN, Mr. FORD of Michigan, Mr. OBERSTAR, Mr. ENGLISH, Mr. HUGHES, Mr. SWIFT, Mr. D'AMOURS, Mr. RATCHFORD, Mr. FOLEY, Mr. HAMMERSCHMIDT, Mr. WASHINGTON, Mr. ORTIZ, and Mr. DAUB.

H.R. 1098: Mr. STUMP and Mr. DE LUGO.

H.R. 1104: Mr. ROSE, Mr. STOKES, Mr. MCNULTY, Mr. OWENS, Mr. FRANK, Mr. FEIGHAN, Mr. RATCHFORD, Mr. OTTINGER, Mr. ENGLISH, Mr. ORTIZ, and Mr. FISH.

H.R. 1106: Mr. SMITH of Florida, Mr. KOGOVSEK, Mr. HOWARD, Mr. CHAPPIE, Mr. WILLIAMS of Montana, Mr. MARKEY, Mr. PEPPER, Mr. CORRADA, Mr. TALLON, Mr. GOODLING, Mr. SUNIA, Mrs. COLLINS, Mr. BARNARD, Mr. VENTO, Ms. MIKULSKI, Mr. HERTEL of Michigan, Mr. CHANDLER, Mr. WASHINGTON, and Mr. BATES.

H.R. 1137: Mr. MONTGOMERY, Mrs. JOHNSON, and Ms. KAPTUR.

H.R. 1172: Mr. WASHINGTON.

H.R. 1176: Mr. SWIFT and Mr. BENNETT.

H.R. 1183: Mr. SIKORSKI.

H.R. 1200: Mr. HOYER, Mr. MITCHELL, Mr. GEJDENSON, Mr. RATCHFORD, Mr. CLAY, Mr. LEHMAN of Florida, and Mrs. COLLINS.

H.R. 1202: Mr. SIMON.

H.R. 1206: Mr. ROTH.

H.R. 1207: Mr. MARLENEE.

H.R. 1245: Ms. MIKULSKI.

H.R. 1315: Mr. FORD of Tennessee, Mr. HATCHER, Mr. RINALDO, and Mr. TAUZIN.

H.R. 1386: Mr. FOGLIETTA.

H.R. 1390: Mr. BONIOR of Michigan.

H.R. 1405: Mr. OXLEY, Mr. REGULA, Mr. KINDNESS, Mr. STAGGERS, Mr. HYDE, Mr. CORCORAN, Mr. MYERS, Mr. KASICH, Mr. ROGERS, and Mr. SIMON.

H.R. 1407: Mr. CHAPPIE, Mr. SKEEN, Mr. SYNAR, Mr. WINN, Mr. WEBER, Mr. MCCANDLESS, Mr. FEIGHAN, Mr. TAUKE, Mr. FORSYTHE, Mr. CROCKETT, Mr. NEAL, Mr. WHITTAKER, and Mr. WILSON.

H.R. 1456: Mr. DELLUMS.

H.R. 1462: Mr. STUMP.

H.R. 1475: Mr. STUMP.

H.R. 1528: Mr. ASPIN.

H.R. 1544: Mr. LELAND.

H.R. 1587: Mr. JACOBS, Mr. DASCHLE, Mr. CARR, Mr. ALBOSTA, Mr. APPLEGATE, Mr. ROE, Mr. FRANK, Mr. AUCOIN, Mr. HERTEL of Michigan, Mr. RATCHFORD, Mr. STANGELAND, Mr. DINGELL, Mr. FROST, Mr. MCKINNEY, Mr. OWENS, Mr. WILLIAMS of Montana, Mr. HUGHES, Mr. ORTIZ, and Mr. SIKORSKI.

H.R. 1646: Mr. BROWN of California, Mr. HOWARD, Mr. TORRICELLI, Mr. KILDEE, Mr. DWYER of New Jersey, Mr. LANTOS, and Mr. CARR.

H.R. 1669: Mr. BEREUTER and Mr. DAUB.

H.R. 1691: Mr. EMERSON.

H.R. 1740: Mrs. MARTIN of Illinois, Mr. YOUNG of Alaska, Mr. KINDNESS, Mr. RUDD, Mr. SABO, and Mr. ECKART.

H.R. 1799: Mr. WISE, Mr. BEILENSON, Mr. JACOBS, and Mr. BATES.

H.R. 1810: Mr. GILMAN, Mr. FISH, Mr. SHELBY, Mr. GUARINI, Mr. HOYER, Ms. OAKAR, and Mr. WAXMAN.

H.R. 1841: Mr. SUNIA and Mr. FORSYTHE.

H.R. 1942: Mr. UDALL, Mr. FRANK, and Mr. RATCHFORD.

H.R. 1955: Mr. CHAPPELL, Mr. PHILIP M. CRANE, Mr. HUBBARD, Mr. MCCOLLUM, Mr. NOWAK, Mr. RITTER, and Mr. STRATTON.

H.R. 1961: Mrs. SNOWE, Mr. SABO, Mr. MARTIN of New York, Mr. GUARINI, Mr. WALGREN, Mr. BRYANT, Mr. CLAY, Mr. BOEHLERT, Mr. WISE, Ms. KAPTUR, Mr. LEVIN of Michigan, Mr. SYNAR, Mr. JACOBS, Mr. WEBER, and Mr. CONTE.

H.R. 2023: Mr. ROBERT F. SMITH, Mr. LAGOMARSINO, Mr. FRANK, Mr. WINN, Mr. LELAND, Mr. HILLIS, Mr. KINDNESS, Mr. STANGELAND, Mr. OTTINGER, Mr. ROE, Mr. SUNIA, Mr. HILER, Mrs. MARTIN of Illinois, Mr. STOKES, Mr. JEFFORDS, Mr. PURSELL, Mr. WHITEHURST, Mr. FEIGHAN, Mr. MARLENEE, Mr. MOLLOHAN, Mr. MICHEL, Mr. BATEMAN, Mr. DE LUGO, and Mr. HUGHES.

H.R. 2053: Mr. ORTIZ.

H.R. 2072: Mr. SKEEN and Mr. PATMAN.

H.R. 2097: Mr. LAGOMARSINO and Mr. RATCHFORD.

H.R. 2205: Mr. DELLUMS, Mr. WHITEHURST, Mr. SMITH of Florida, Mr. LOWRY of Washington, Mr. STOKES, Mr. LEVINE of California, Mr. BROWN of California, Mr. DWYER of New Jersey, Mr. FORD of Tennessee, Mr. MATSUI, Mr. WALGREN, Mr. COELHO, Mr. GEJDENSON, Mr. ROE, Mr. LELAND, Mr. FAZIO, Mr. RATCHFORD, Mrs. BOXER, Mr. DE LUGO, Mr. WAXMAN, Mr. OWENS, Mr. GOODLING, Mr. SIKORSKI, and Mr. LEVIN of Michigan.

H.J. Res. 77: Mr. OWENS, Mr. SOLARZ, Mr. SEIBERLING, Mr. WOLPE, and Mr. LUNDINE.

H.J. Res. 87: Mr. WEAVER.

H.J. Res. 120: Mr. GRAY.

H.J. Res. 132: Mr. BARNARD, Mr. BATES, Mr. DE LA GARZA, Mr. EVANS of Illinois, Mr. FISH, Mr. GRAY, Mr. GREEN, Mr. TAUKE, and Mr. WASHINGTON.

H.J. Res. 156: Mr. VANDERGRIFF, Mr. YATRON, Mr. MCNULTY, Mr. FISH, Mr. BARNES, Mr. CLINGER, Mrs. COLLINS, Mr. OXLEY, Mr. SHUMWAY, Mr. SIMON, Mr. LEVINE of California, Mr. WEAVER, Mrs. HALL of Indiana, Mr. MCCAIN, Mr. STAGGERS, Mr. PATTERSON, Mr. WASHINGTON, Mr. NICHOLS, Mr. ROGERS, Mr. GORE, Mr. STENHOLM, Mr. PETRI, Ms. FERRARO, Mr. DINGELL, Mr. FOGLIETTA, Mr. FAZIO, and Mr. PATMAN.

H.J. Res. 176: Mr. APPLEGATE, Ms. KAPTUR, Mr. FAZIO, Mr. ROEMER, Mr. ROWLAND, Mr. ALBOSTA, Mr. DE LA GARZA, Mr. D'AMOURS, Mrs. KENNELLY, Mr. ORTIZ, Mr. RATCHFORD, Mr. DYSON, and Mr. LIPINSKI.

H. Con. Res. 45: Mr. BOUCHER, Mr. GUARINI, Mr. MARKEY, Mr. LAGOMARSINO, and Mr. ORTIZ.

H. Con. Res. 60: Mr. GOODLING, Mr. BEDELL, Mr. DYMALLY, and Mr. GRAY.

H. Res. 37: Mr. HARTNETT.

H. Res. 46: Mrs. BOXER, Ms. MIKULSKI, Mr. KOLTER, and Mr. AUCOIN.

H. Res. 135: Mr. EVANS of Illinois, Mr. RODINO, Mr. ROE, Mr. CORRADA, Mr. FRANK, Mr. TOWNS, Mr. ROSE, Mr. SMITH of Florida, Mr. ACKERMAN, Mr. D'AMOURS, Ms. KAPTUR, Mr. RICHARDSON, Mr. LONG of Maryland, Mr. WHEAT, Mr. VANDERGRIFF, Mr. MILLER of California, and Mr. SEIBERLING.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

53. By the SPEAKER: Petition of the Treasurer, Town of Sandwich, Mass., relative to the Federal revenue sharing program; to the Committee on Government Operations.

54. Also, petition of the Cayuga County Legislature, Auburn, N.Y., relative to duty-free bids by foreign manufacturers; to the Committee on Government Operations.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.J. RES. 13

By Mr. LENT:

—Page 2, immediately before the last paragraph of the preamble which begins on that page insert the following:

"Whereas, on the initiative of President Reagan, the United States and the Soviet Union are presently engaged in strategic arms reduction talks (START) and intermediate-range nuclear reduction negotiations (INF) in Geneva;".

SENATE—*Tuesday, March 22, 1983*

(Legislative day of Monday, March 21, 1983)

The Senate met a 9:15 a.m., on the expiration of the recess, and was called to order by the Honorable DAVID DURENBERGER, a Senator from the State of Minnesota.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

When the righteous are in authority, the people rejoice; but when the wicked rule, the people groan.—Proverbs 29:2.

We hear this wisdom from the Bible, Sovereign Lord, and we pray that the leadership of our Nation will govern so that the people rejoice. In the sometimes confusion and contradiction of complicated and conflicting issues, save the Senators from simplistic solutions and grant them and their support staffs wisdom from above. Strengthen them against the temptation to expediency rather than principle. Give them the courage of their convictions when an unpopular decision must be made. May they treasure virtue and integrity which lead to righteous judgments in the confidence that the people will rejoice. In the name of Him who is Truth and Righteousness Incarnate. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., March 22, 1983.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DAVID DURENBERGER, a Senator from the State of Minnesota, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. DURENBERGER thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

Mr. BAKER. I thank the Chair.

SENATE SCHEDULE

REALLOCATION OF SPECIAL ORDERS

Mr. BAKER. Mr. President, there are a series of special orders in favor of Senators this morning. The first is in favor of the distinguished Senator from Maine (Mr. COHEN) who has indicated to me that he has no requirement for that time this morning and wishes to transfer the time to the Senator from Alaska (Mr. MURKOWSKI).

I ask unanimous consent that that be done.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Next, Mr. President, following on after the special order in favor of the Senator from Ohio (Mr. METZENBAUM), there are seven additional Senators who are favored with such orders, and according to the arrangement between those Senators, the aggregate time being eight special orders in total of 15 minutes each, such time should be transferred to the control of the distinguished Senator from Ohio (Mr. METZENBAUM).

I ask unanimous consent that that be done.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, after the expiration of the time allocated to the Senators on special orders, I ask unanimous consent that there be a period for the transaction of routine morning business in which Senators may speak for not more than 2 minutes each and which will extend not past the hour of 12 noon today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, under the order previously entered the Senate will stand in recess today from 12 noon until 2 p.m. in order to accommodate the requirements of Senators on both sides of the aisle to attend respective party caucuses.

Once again I remind those who may wonder about this procedure on Tuesdays that party caucuses are frequently the place at which issues are formulated, positions are established, and much of the unofficial work of the Senate is conducted. Therefore, it seems wise and prudent to provide a time for these weekly caucuses by recessing the Senate.

Mr. President, when the Senate resumes its session at 2 p.m. the pending business will be H.R. 1900, which is the social security package so-called, and the pending question will be the Dole amendment (No. 532) to the Melcher amendment (No. 531), as modified.

Mr. President, I hope we can finish the social security bill today. I am prepared to ask the Senate to remain late. I have not yet conferred, however, with the minority leader or with the managers of the bill, so I am not prepared to estimate the length of time the Senate will be in session today.

ADJOURNMENT RESOLUTION

Mr. President, I have asked the Speaker to originate an adjournment resolution for the Easter recess providing for an adjournment of the House and Senate over after today, or tomorrow, or the next day, or the day following that, depending upon how circumstances unfold and develop.

Assuming the House does pass such a resolution and it is received in the Senate it is not the intention of the leadership to call up that resolution, however, until the work of the Senate is completed as circumstances indicate we must complete it before the Easter recess.

Mr. President, I have no further need for my time under the standing order, and I am prepared to yield it to the control of the distinguished acting minority leader if he wishes.

Mr. President, I yield back the remainder of my time.

RECOGNITION OF THE ACTING MINORITY LEADER

The ACTING PRESIDENT pro tempore. The acting minority leader is recognized.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that that part of the minority leader's time which I do not use be reserved for his later use.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

UNIVERSITY OF WISCONSIN COURSE ON NUCLEAR WAR—A SMASH SUCCESS

Mr. PROXMIRE. Mr. President, last fall the University of Wisconsin at Madison provided a three-credit course—three times a week on "Perspectives on Nuclear War." In this re-

lentless march that engages our Nation and the Soviet Union toward the death and destruction of civilization which a nuclear war would bring—this course—how it was given and how it was received—provided a fresh breeze of hope. Our best chance to prevent a nuclear war relies on public knowledge, public understanding, and public action to stop it. This University of Wisconsin course showed one remarkably effective way to do that. The course was so popular that the audience had to jam into the hall on a standing-room-only basis. In addition to the lectures, the reading assignments and the examinations, each student was required to develop a paper or a course-related subject. And here is where the course really bore fruit. Many students carried the course into nearby communities: A film and lecture at a nearby high school followed by a discussion. Some went to elementary schools or Scout troops.

Mr. President, the course has had a remarkable influence throughout the country as well as throughout Wisconsin. The University of Augusta in Maine asked for a syllabus. And talk about a geographical spread—the University of Hawaii did too.

The 39 lectures in the series included: Nuclear science and nuclear weapons, consequences of the use of nuclear weapons, visions and nightmares, paths toward war and paths toward peace.

Mr. President, I ask unanimous consent that an article in the March/April issue of the Wisconsin Alumnus describing this course in detail and entitled "Confronting Catastrophe" be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONFRONTING CATASTROPHE: STUDENTS AND FACULTY TAKE A HARD LOOK AT A DARK FUTURE

(By Ann Boyer)

An interdisciplinary three-credit course, "Perspectives on Nuclear War" was taught here last fall. Three evenings a week, 250 people (Most were students, but others were admitted on an SRO basis) crowded a lecture hall in the Humanities Building to hear a series of experts speak on aspects of the arms race. Credit-enrollees ranged from freshmen to graduate students, majors encompassed fifty fields. Along with the usual reading assignments and examinations, each student had to write a paper or develop a course-related project. A popular form of the latter carried the impact of the course into nearby communities: some traveled to their former high schools to show a film and lead a discussion; others gave instruction in elementary schools or to scout troops.

Prof. Dick Ringler, the originator of the course, is something of a Renaissance man. Technically he's a member of the English department, but half of him has been on loan for the past fifteen years to the department of Scandinavian studies. He has large features and abundant ruddy hair—a look that suggests his own north-European ancestry. I interviewed him in his office in Van Hise Hall. His vigor fills the room. He hunched forward in the chair, his elbows resting on his knees: "My professional concern has been with the languages, literatures and cultures of northwestern Europe: England, Ireland, Scandinavia—during the Dark Ages," he says. "I've done a lot of traveling in these areas, looking at manuscripts and photographing ruins of monasteries. For the past twenty years I've been, in effect, living amid the ruins of the Roman Empire. This has made me conscious of the real fragility of civilization though it looks so solid. People say glibly 'If we had a nuclear war we'd be back in the Dark Ages.' I know what the Dark Ages were like! People were trying to pick up the few pieces of civilization that were left, and do something with them." It was partly this knowledge that set him thinking about the possibility of a new Dark Ages.

Related to this was his growing concern about America's role in the nuclear buildup. "About a year ago I asked myself what one can do. The answer seemed to be to work within my own profession." (This effort was not occurring in a vacuum. Partly as the outgrowth of a national symposium, "The Role of the Academy in Addressing the Issues of Nuclear War" a year ago in Washington, there has been a swelling of activity at universities and colleges nationwide, with a spate of new courses.) "But, to give a course on nuclear war, one needs to be an expert in practically everything."

Ringler had already gained considerable experience in coordinating team-taught interdisciplinary courses, including Scandinavian Studies 276 and a survey of Western monasticism offered by the Medieval Studies Program. Using a number of experts seemed to him a workable solution.

Late last winter he began drawing up an outline. "I did the conceptualizing out of my own concern. I wanted to make people look at the problem—there are increasing numbers of nuclear weapons and nobody seems to be able to do something about it. Governments can't seem to do much, they're frozen into adversarial positions. If something can't be done, eventually there's the possibility of disaster. People should know this, then they should decide for themselves whether anything can be done, what can be done, and whether they will do it.

"I wanted the students to be able to develop a new and sounder basis for judging what they read in the papers. And I hoped they'd gain new kinds of realizations about politics."

So, Ringler planned for a wide sweep of disciplines to be represented. The base core would come from history, political science and the hard sciences, but he felt there should be, as well, the outlook of poets, novelists, politicians, psychologists and religious figures.

He also wanted the course to be by and for the citizens of Wisconsin: almost all speakers were residents, and he hoped course materials might ultimately be disseminated statewide. ("Perspectives on Nuclear War" is, in fact, running currently over Wisconsin Public Radio on Mondays, Wednesdays and Fridays at 2 p.m. During the summer it will be repeated evenings on WHA and probably on the state FM network.)

The search for speakers led Ringler to, among other places, the Madison chapter of Physicians for Social Responsibility, an organization of which he is a lay member. Faculty acquaintances added suggestions for speakers in other fields. "I was open to new titles. I made an honest effort to have diverse points of view represented, including some I don't share.

"The thrust of the course is that nuclear war is a bad idea—if you want to call that position a political one," Ringler told the Capital Times, "but it does not advocate the nuclear weapons freeze or any other single solution." He allows that he may have achieved even better balance if he had included speakers from the military and/or the State Department, but, "I didn't really want students to leave this course thinking you could flip a coin about which of the viewpoints is better.

The thirty-nine-lecture series was eventually organized into six sections: Introduction, Nuclear Science and Nuclear Weapons, Consequences of the Use of Nuclear Weapons, Visions and Nightmares, Paths Towards War, and Paths Toward Peace.

The roster lived up to the prospectus: ". . . more than thirty UW faculty members and political and religious figures from Wisconsin approach the subject from a number of different points of view—scientific, medical and religious." Said James P. Gustafson MD, associate professor of psychiatry, in his "Psychological Resistances to Confronting Nuclear War":

Since no one can tolerate a feeling of helplessness for very long, many of us react to the catastrophic danger of nuclear war by looking away from the threat. We create feelings of security within ourselves through various mechanisms. By this "selective inattention" we can at least temporarily reduce the scope of the threat. Others of us learn all we can, in an effort to reduce our anxiety. But the more one knows about nuclear war and yet does nothing, the more helpless one feels. The way to break this cycle is to take some action with the support of others.

Professor John Dower of the history department gave two consecutive lectures. In the first, *"I tried to look through American eyes at the World War II decision process to drop the A-bomb: why we built it and what our options were. There was very little debate at the top level on whether it should be used."* Dower's second lecture looked at Hiroshima from the perspective of the Japanese victims. He examined portrayals of the bombing in drawings made by survivors many years later, illustrations in children's books and the Masuki Panels, the famous murals.

Fannie J. LeMoine, professor of classics and comparative literature, spoke on "Apocalyptic Fiction," Professor Stanley A. Temple of the department of wildlife ecology addressed the "Ecological Effects of Nuclear War," and Niels Ingwersen, professor of Scandinavian studies, spoke on "How Poets Imagine Nuclear War." George A. Wirz, auxiliary bishop of Madison, took "A Catholic Perspective" and Joseph Lehman, public affairs director of the U.S. Arms Control and Disarmament Agency, spoke on "An Administration Perspective."

Yuri Kapralov, from the Soviet Embassy, may have generated the most electricity. "Everybody was agog at the notion of having a real live Russian, especially one talking about this topic," said Ringler. "It's easy to think of Russians as 'the enemy'. We tend to depersonalize them."

To my husband, a history professor who attended his lecture, Kapralov's remarks were reasonable. He emphasized that the suffering the Russians had endured during World War II motivated them against another military involvement with the West.

The audience listened carefully. Students' questions were tough and sometimes skeptical, but they showed little hostility. Kaprolov fielded them, and judged them "more thoughtful and informed" than those from any other American audience he had met.

In retrospect, Ringler sees a high level of commitment in all of the speakers. "People invited to talk took the invitation seriously. They made an unusually strong effort to say something sound and coherent—even eloquent. There wasn't a sloppy, off-the-cuff presentation in the lot. (Now, as I listen to the lectures on radio, I'm more than ever convinced of their collective excellence.)"

The semester's final meeting was somewhat poignant. In order to suggest what mankind is capable of achieving, Ringler arranged a program at the Elvejem Museum of Art. Slides shown by Professor Frank Horlbeck of the art history department suggested the range of western art and architecture, from Viking ships through master painting to the Greek cliff monasteries. The Pro Arte Quartet played Mozart and Schubert.

The course has had a ripple effect. "I get letters once or twice a week from people at other universities," Ringler said. "The University of Hawaii asked us for a copy of the syllabus; so did the University of Maine at Augusta. That's quite a geographic spread! And we've had influence on courses being given elsewhere in the state. I've been in touch with people at the UWs in Eau Claire, Milwaukee, and Whitewater, and Carroll College in Waukesha. Courses like this should be introduced everywhere, and the sooner the better."

Students had varied reactions. Some said they found the course depressing or disturbing, but often simultaneously mentioned that it had increased their sense of urgency. For many it seemed to trigger a desire to learn more, to educate their friends. Some felt the urge to take up various forms of political activity. There were those who said their new concern with this issue would become the motivating force in their lives.

After the trauma of the Vietnam years on campus, the University administration might have been expected to treat such an "activist" new course with kid gloves. But such was not the case. Reaction to the topical and indeed somber curriculum by deans and University committees who reviewed it was wholly supportive. The only negative response Ringler encountered was "a sense of resistance I get from people who don't want to think about this issue."

GENOCIDE CONVENTION: TESTIMONY OF SURVIVORS OF THE HOLOCAUST

Mr. PROXMIRE. Mr. President, on May 2, 1979, Laurel Vlock, an award winning independent television producer, began filming a documentary on survivors of the Holocaust. Although she did not realize it at the time, the project that she was embarking upon that day would be one of the most important undertakings of her life.

Countless books, documentaries, and audiotapes already depict the dark era of the Holocaust, but Mrs. Vlock felt that only through actually seeing the survivors recounting their painful stories, could the audience begin to understand their horrifying experiences.

In a recent edition of the New Journal, a Yale University student publication, Editor Andy Court writes about his interviews with Mrs. Vlock and describes the emotional ordeal that she and her crew went through while filming the documentary. For each of them, the experience was a profoundly moving one. For example, one of the cameramen describes the uncomfortable job of removing the microphone from the subjects who were often soaked with tears and sweat when the taping stopped. Trying to make conversation with them was equally as difficult. After all, he points out, what can you possibly say to someone who has just admitted that they rode on cattle cars and ate human flesh to survive?

In one interview, survivor Leon Weinberg describes the intense hunger that consumed his life while in the concentration camp.

> The only thought in them days was hunger. When you're hungry, it gets to the point where you don't mind stealing from your own father. I would get up in the middle of the night and slice a piece of bread off my sister's ration.

Another survivor, Renee Hartman, describes her experiences at the age of 9, roaming around the streets of Bratislava, Czechoslovakia with her younger sister, after being separated from their parents. After 3 weeks they gave themselves up to the Gestapo who transported them to Bergen-Belsen Concentration Camp.

Once in the camp, Mrs. Hartman began to keep a diary on a roll of toilet paper that she had found. She remembers a soldier finding her journal during one of the searches, laughing at it, and commenting that she had a wonderful sense of humor. Mrs. Hartman, however, could not remember anything the least bit funny about her writing. Defiantly, she had told the soldier that he may have been able to take that roll from her, but he would never stop her from writing.

For Mrs. Vlock and her crew, watching Renee Hartman demonstrate with her hands how the German soldier unrolled this makeshift diary, was like watching her relive the event. When Mrs. Hartman finished her story, the entire crew was in tears.

Three years after the filming Mrs. Vlock won an Academy Award for the documentary, which she had named "Forever Yesterday." With this project, she felt as though she had made her most important contribution to society. Not only had her film provided many of those survivors with a new beginning and helped to give them a greater perspective over their experiences, but, more importantly, she felt that each testimony opened up new doors by uncovering details that could bring the rest of the world closer to an understanding of what the Holocaust was really like.

We should commend Mrs. Vlock and those survivors that she interviewed for their successful undertaking in the production of this film. I hope viewing this documentary will enhance our understanding of the horrors of that era and lead us to reaffirm our commitment to the prevention of future tragedies.

One way for the United States to demonstrate this commitment is by ratifying the Genocide Convention, a treaty that would declare the systematic destruction of any racial, ethnic, national, or religious group, a crime under international law. The Genocide Convention has been pending before the Senate since 1949, but the United States still refuses to become a party to the treaty. Every President since Harry Truman has pleaded with the Senate to act and we have failed to do it. Unfortunately, the need for such a treaty has not diminished since the Holocaust.

Let us prove to the world that we are committed in our actions, as well as our words, to the prevention of another Holocaust. I urge my colleagues to ratify the Genocide Convention immediately.

Mr. President, I yield to the distinguished Senator from Rhode Island whatever time he may desire.

Mr. CHAFEE. I thank the distinguished Senator from Wisconsin very much.

MEN EARN TWICE AS MUCH AS WOMEN

Mr. CHAFEE. Mr. President, the U.S. Census Bureau has reported that male high school graduates can expect lifetime earnings of a half a million dollars more than women. The gap is even wider for college graduates.

I wish to submit for the CONGRESSIONAL RECORD an article from USA Today concerning the U.S. Census Bureau's findings. I believe the facts released by the Census add evidence to the need for an equal rights amendment to the U.S. Constitution. Despite current laws against pay inequities, unfair treatment prevails.

In addition, I wish to include an article from the National Journal which states that cuts in student financial aid programs adversely affect the number of women attending college, more than such cuts affect men.

These facts cause me considerable regret. The gap between opportunities for men and women was beginning to shrink. But with fewer women attending college we may see a resulting decline in the status of women, and in their ability to compete for a fair shake in the marketplace. One result of decreased educational opportunities is that on average a woman will realize a loss of $1.6 million in earnings in her lifetime.

Mr. President, I ask unanimous consent that a copy of the article from USA Today of March 14 and the article from the National Journal of March 5, 1983, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the USA Today, Mar. 14, 1983]

LIFETIME PAY FOR USA MEN TWICE WOMEN'S

(By Kathleen O'Dell)

Male high school graduates can expect lifetime earnings of $500,000 more than women, and the gap widens to $1.6 million if each has a college degree, the U.S. Census Bureau reported Sunday.

The findings:

Male high school graduates will out-earn women, $861,000 to $381,000.

The range for college graduate men is $1.19 million to $2.75 million; for women, $520,000 to $1.12 million.

While the census figures on lifetime earnings are "somewhat speculative in nature," says John Coder of the Census Bureau, they can show the added value of a high school diploma or college degree.

One reason for the gap, said feminist Betty Friedan:

"We're by no means more than halfway down the road to equality. Women have just begun to move into the ranks of the professions."

Says Phyllis Schlafly, president of the anti-Equal Rights Amendment Eagle Forum:

"The average woman has been in her present job only half as long as the average man. If you don't stay in the job, you're not going to earn as much as a man."

"Then there's the factor of how many hours they work. Most men will grab overtime hours. Most women avoid it if they possibly can," she said.

Coder said officials were concerned that "some people would look at the numbers and immediately assume the difference is due to discrimination," Not true, he says.

The figures are often used in lawsuits to determine future income of a person who was killed or injured.

[From the National Journal, Mar. 5, 1983]

COLLEGE SQUEEZE HITS WOMEN, PART-TIMERS

As student financial aid dollars dry up and hard times continue to beset the economy at large, women and part-timers appear to be suffering the most in higher education.

For the first time in seven years, the rate of growth for male enrollment in colleges and universities was greater than for women for the period from the fall of 1981 to the fall of 1982, according to preliminary estimates based on a survey of 1,314 colleges and universities by the National Center for Education Statistics. In fact, for women, enrollment was down.

In another reversal, which the report said might be related to high unemployment, part-time enrollment fell. From 1976–81, part-time enrollment grew faster than full-time enrollment.

In all, enrollment declined by less than 0.1 per cent to 12,358,216, the center estimates. Here are details:

	1981	1982	Change (percent)
Women:			
Full time	3,468,413	3,471,506	+0.1
Part time	2,928,203	2,902,499	−.9
Total	6,396,616	6,374,005	−.4
Men:			
Full time	3,712,827	3,731,521	+.5
Part time	2,262,219	2,252,690	−.4
Total	5,975,056	5,984,211	+.2

RECOGNITION OF SENATOR MURKOWSKI

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Alaska (Mr. MURKOWSKI) is recognized for not to exceed 15 minutes.

EXEMPTING NEWLY DISCOVERED OIL FROM THE WINDFALL PROFIT TAX—S. 464

Mr. MURKOWSKI. Mr. President, recently, I became a cosponsor of S. 464, which was introduced by the senior Senator from Louisiana, Senator LONG. This bill would exempt newly discovered oil from the windfall profit tax. New oil is currently taxed at a rate of 25 percent over its base price.

In the years since the Arab oil embargo, this country has been attempting to achieve energy independence. Never again should this country be held hostage by OPEC. As a member of the Energy Committee, I have been impressed with the steps that we have taken to achieve that energy independence. It is paradoxical, however, that we have structured the Tax Code to achieve the opposite result. Like any other business, people in the oil business will explore for and produce oil only if they can get a satisfactory return on their investment. The windfall profits tax on new oil has had the result of diminishing the return on developing new oil. Hence, oil that would otherwise be profitable to produce becomes unprofitable, and is left in the ground.

Mr. President, I submit that oil that is left in the ground, undeveloped, does nothing to further the energy security of this country. Yet this is actually occurring. The American Petroleum Institute estimates that a zero tax on new oil would result in increased production of 30,000 to 50,000 barrels of oil per day.

I can, from personal experience, attest to the positive effect that an exemption from the windfall profits tax can have on the discovery and production of new oil. In my own State of Alaska, most new oil is exempt from the windfall profits tax. Consequently, oil is produced that otherwise would remain in the ground. I know of at least one field containing over 1 billion barrels of recoverable oil, for which a windfall profits tax exemption played a major factor in the decision to go ahead with a production program.

Exploration for, and production from, new Alaskan fields is contingent upon exemptions from the windfall profits tax. Considering that Alaska is estimated by the U.S. Geological Survey to have 6.9 billion barrels of undiscovered recoverable oil, the importance of Alaskan oil production cannot be overstated. Alaska can and will make substantial contributions to this Nations' energy security, but those contributions are dependent upon favorable and stable Federal taxation policies.

The lessons of effect of Federal taxation policies in Alaska are equally applicable in the lower 48. If you want to encourage production of new oil, the best way to do so would be to exempt it from the windfall profit tax.

Mr. President, Senator Long's bill is particularly timely. World oil prices have recently declined, and it is predicted that they will decline further. This has had a negative effect upon domestic oil prices and consequently, domestic oil exploration. The number of drilling rigs actively being used to explore for oil has declined from 4,520 at the end of 1981, to 2,192 in February of this year. Although lower oil prices certainly have a positive impact upon most parts of the American economy, we must not let ourselves be lulled into a false sense of security. A new outbreak of violence in the volatile Middle East could easily turn the present oil glut into an oil shortage. We must continue to encourage the domestic oil industry to explore and produce oil, so that America's energy security is assured. Exempting newly discovered oil from the windfall profits tax will help provide that encouragement.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF SENATOR KENNEDY

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Massachusetts (Mr. KENNEDY) is recognized for not to exceed 15 minutes.

Mr. KENNEDY. I thank the Chair.

THE NATIONAL EDUCATION AND ECONOMIC DEVELOPMENT ACT OF 1983

Mr. KENNEDY. Mr. President, our public school system has entered the decade of the 1980's facing unprecedented challenges and opportunities, but it is also plagued by widespread criticism and public doubts. It is no secret that many in our Nation now question the ability of our public schools to provide an effective education for the next generation of Americans. I share many of these concerns—but I do not agree with the solution that some have proposed: To encourage broad segments of our society to abandon the public schools and to send their children instead to private schools.

That is simply a recipe for disaster. Our public schools are too vital to our national strength to be abandoned or downgraded. Instead, we must work more effectively to help the public school system to meet the demands and problems of an increasingly complex future. Congress has an important role to play in addressing these challenges. We must take the lead in forging a new national effort to restore excellence to our public schools.

Today, I am introducing legislation which I hope will be an important piece of this new program for public school excellence—a comprehensive national effort to upgrade the quality of math and science education. The National Education and Economic Development Act is designed to deal specifically with the challenges which new and rapid technological growth and change will place on our schools. Only in this way will America be able to maintain its competitive position in the world economy and create a sound industrial future.

We have heard and read a great deal during the last year about the failure of our schools to fulfill students' sophisticated mathematic, scientific, and technological needs. This challenge has been described in hearings before Senate and House committees, in major articles in newspapers and magazines, and in meetings in Washington and around the country. The dimensions of that challenge are enormous.

We have heard comparisons of the American education system and those of our political and economic competitors around the world—and America has not come out on top. Less than a third of our school districts require more than 1 year of math and science in high school. Millions of students take only the most basic of studies.

Yet in Japan, secondary school students take three natural science courses and four math courses. West German students have a single standard curriculum for all students and it has a greater proportion of math and science. The Soviet Union requires 4 years of chemistry, 5 of physics and 6 of biology. A compulsory 10-year curriculum of math ends with students learning calculus. And for each engineer graduated annually in the United States, West Germany graduates 1.4, Japan graduates 2.6 and the Soviet Union graduates 4.1.

Of course, we must look to these comparisons cautiously. Other countries and their educational systems differ markedly from ours. We take pride in a system which aims to educate all our citizens fully and equitably; the same cannot be said for many of these other systems. But these nations are making significant investments in training their next generation to cope with the future, and we cannot do less.

I am pleased that our colleagues in the House have recognized this problem and have passed legislation to address it. I am also heartened that a number of Senators have addressed this issue, and I look forward to working with them to fashion a measure that is adequate in both scope and funding to answer the need.

A few statistics illustrate the problem.

In 1981, 43 States reported a shortage of secondary school math teachers; 42 States a shortage of physics teachers; and 38 States a shortage of chemistry teachers.

During the 1970's, the number of student teachers in science suffered a threefold decline; the number in math a fourfold decline—and only half of those actually became teachers.

Over 10 percent of full-time college engineering faculty positions were unfilled in 1982.

The National Science Teachers Association reports that over half of the elementary schoolteachers received no undergraduate science training.

In 1981, 25 percent of all secondary math teachers had only temporary or emergency certificates and 50 percent of the new math and science teachers were similary uncertified.

Math and science courses in elementary and middle schools are simplistic at best, leaving students to face the complexities of these subjects in high school and college without adequate preparation.

Science and math courses around the country were operating with obsolete equipment in need of maintenance—assuming that the equipment ever exists. As a result of budget cuts in 1981, 60 percent of the science courses had reductions in funds for equipment and supplies.

The result has been a two-decade decline in SAT math scores. From 1975 to 1980, remedial math enrollments in 4-year colleges and universities increased by 72 percent while total enrollment rose by only 7 percent. The most recent national assessment in student achievement showed that 65 percent of the students could do little more than simple computations and that 15 to 20 percent could not even do that. Similarly, a majority of the students did not perform acceptably on the science portion of the achievement tests. In virtually every age group, the percentage of student exhibiting the necessary math and science skills declined during the 1970's

These problems arise from many sources—teacher shortage, lack of teacher skills, outdated equipment, inadequate curriculums, and limited budgets. An adequate remedy must address all of these factors, and it will not be cheap.

My proposal calls for a $1.5 billion program in the first year. In fact, this amount may not even be enough. That is why my bill emphasizes the need for an assessment of the local problems and the development of a local response. We may discover, based on the results of the assessments, that the problem is even greater than we now expect.

Of course, the Federal Government will not bear the entire financial burden of this endeavor. My bill encourages States to contribute to the effort—both financially and administratively. It will also encourage local school districts to draw upon local community resources, such as business, libraries and museums. But we must recognize that this is a national problem. It requires a national effort, with Federal leadership and a significant influx of Federal money.

My proposal would distribute $1 billion to local and State education agencies to improve elementary and secondary education in math and science. The funds would be used for the training and retraining of teachers, the development and dissemination of innovative teaching materials, the acquisition of equipment, programs of outreach for minorities, women, and the handicapped, and cooperative ventures with local businesses, public agencies, and other community institutions.

An additional $100 million would be used to establish math and science centers in universities, colleges, community colleges and junior colleges. The centers would form a link between university researchers and local teachers by disseminating information to improve instruction in math and science. They would operate programs for gifted and talented students, and for students from underrepresented populations. They would become centers for math and science educators.

The Department of Education will also distribute $50 million to establish four national research institutes, to support regional centers for program evaluation, and to conduct pilot programs demonstrating innovational instructional methods, equipment and materials.

The National Science Foundation is given the important role under this bill of improving university programs in math, science and technology. Grants are authorized to improve undergraduate curriculum, to acquire instructional equipment, to establish collaborative programs with businesses and other local institutions and to retain and retrain university teaching personnel.

Taken together, these programs will launch a comprehensive effort to address the needs of students for math and science education in public elementary and secondary schools and in colleges and universities.

But we must not forget that the crisis in our public schools involves more than just a lack of effective math and science education. The system is plagued by too many dropouts and too many chronic absentees. Despite the positive impact of Federal programs like title I and bilingual education, many urban economically disadvantaged students still lack the basic skills necessary to become productive citizens in our society. Too often, the courses and skills available to students bear little relationship to the employment needs that the students will face. Finally, many parents and students have lost confidence in the public schools.

Any program to restore excellence to public schools must address these large problems, in addition to the needs of the technological future. After the Senate returns from its Easter recess, I intend to introduce additional legislation to meet these other critical needs.

America in the 1980's faces a dramatic challenge—from other nations and from the changing demands for our future. Our success in mastering that future depends upon our people. Our businesses cannot function without skilled workers or managers; our scientific knowledge will not expand without well-educated researchers; our military might is in danger without trained forces. Our future depends on the full realization of the talents of all our people. Now is the time for Congress to chart the path that will endow America with the citizenry that is essential for our Nation's economic future.

Mr. President, I send my bill to the desk and ask that it be appropriately referred.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

Mr. KENNEDY. Mr. President, I ask unanimous consent to have the bill printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 874

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Education and Economic Development Act of 1983".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to establish a national effort to improve the quality of instruction in mathematics, science, and technology—

(1) by providing access to all students, male and female, of all ethnic, racial, and economic backgrounds, who are in public elementary and secondary schools, to quality instruction in mathematics, science and technology, including education in the use of computers; and

(2) by encouraging a collaboration between all levels of government (Federal, State, and local) and private businesses, institutions of higher education, public agencies (including museums and libraries), and other appropriate institutions and organizations in the community, designed to—

(A) identify emerging occupational needs;

(B) develop innovations and exemplary programs in the instruction of mathematics and science; and

(C) provide students with instruction in mathematics and science necessary to develop the skills appropriate to become productive workers and citizens in their community and in this Nation.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "Director" means the Director of the National Science Foundation;

(2) the term "elementary school" has the same meaning given that term under section 198 (a)(7) of the Elementary and Secondary Education Act of 1965;

(3) the term "equipment" has the same meaning given that term by section 198 (a)(8) of the Elementary and Secondary Education Act of 1965;

(4) the term "Foundation" means the National Science Foundation;

(5) the term "Governor" means the chief executive of any State;

(6) the term "institution of higher education" has the same meaning given that term under section 1201 (a) of the Higher Education Act of 1965;

(7) the term "local educational agency" has the same meaning given that term under section 198(a) (10) of the Elementary and Secondary Education Act of 1965;

(8) the term "secondary school" has the same meaning given that term under section 198 (a)(7) of the Elementary and Secondary Education Act of 1965;

(9) the term "Secretary" means the Secretary of Education;

(10) the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands; and

(11) the term "State educational agency" has the meaning given that term under section 198(a)(17) of the Elementary and Secondary Education Act of 1965.

TITLE I—GRANTS TO STATES FOR PLANNING, PROGRAM DEVELOPMENT, AND PROGRAM IMPROVEMENT IN MATHEMATICS AND SCIENCE INSTRUCTION

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. (a) There are authorized to be appropriated to carry out part A of this title, relating to planning and program development for mathematics and science instruction in the elementary and secondary schools of the States, $400,000,000 for the fiscal year 1984 and such sums as may be necessary for each of the succeeding fiscal years ending prior to October 1, 1988.

(b) There are authorized to be appropriated to carry out part B of this title, relating to program improvement in mathematics and science instruction in the elementary and secondary schools of the States, $600,000,000 for the fiscal year 1984, and such sums as may be necessary for each of the succeeding fiscal years ending prior to October 1, 1988.

ALLOTMENT TO STATES

SEC. 102. (a)(1) From the sums appropriated to carry out parts A and B of this title in any fiscal year, the Secretary shall reserve—

(A) not to exceed 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, and

(B) 0.5 percent for payments for children enrolled in Indian schools,

to be alloted in accordance with their respective needs.

(2) From the remainder of the amount appropriated for each such part, the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State except that no State shall receive less than an amount equal to 0.5 percent of such remainder.

(b) For the purpose of this section—

(1) the term "school-age population" means the population aged 5 through 17; and

(2) the term "States" includes the fifty States, the District of Columbia, and the Commonwealth of Puerto Rico.

PART A—GRANTS FOR PLANNING AND PROGRAM DEVELOPMENT IN MATHEMATICS AND SCIENCE INSTRUCTION IN ELEMENTARY AND SECONDARY SCHOOLS

WITHIN STATE ALLOCATION

SEC. 111. (a) Not to exceed 25 percent of each State's allotment shall be available to the State educational agency for activities and programs designed to improve the quality of instruction in mathematics and science within the State at the State level in accordance with section 112(a).

(b)(1) The State educational agency shall allocate 70 percent of the remainder to the allotment of the State to local educational agencies within the State pursuant to a formula consisting of the relative number of children aged 5 to 17 residing within the school districts of such agencies.

(2) The State educational agency shall distribute 30 percent of the remainder of the allotment of the State based on the relative number of children aged 5 to 17 who—

(A) are from families below the poverty level as determined under section 111(c)(2)(A) of the Elementary and Secondary Education Act of 1965; and

(B) are from families above the poverty level as determined under section 111(c)(2)(B) of the Elementary and Secondary Education Act of 1965;

in the public schools of the local educational agencies within the State.

USES OF FUNDS

SEC. 112. (a) From the portion of the allotment available at the State level under section 111(a), the State education agency may use grant under this part for—

(1) the training of teaching, administrative and other appropriate personnel of

local educational agencies in the use of instructional equipment and materials, including computers and computer software;

(2) the training, retraining and improvement of skills of teaching and other appropriate personnel in course content and instructional methods relating to instruction in mathematics, science and technology, including education in the use of computers;

(3) in cooperation with institutions of higher education receiving grants under this Act, the development, acquisition, and dissemination of information evaluating instructional methods, equipment, and materials, including computers and computer software, and other resources or activities relating to instruction in mathematics, science and technology, including education in the use of computers;

(4) in cooperation with institutions of higher education receiving grants under this Act, the development of innovative methods and materials to improve instruction in mathematics, science and technology, including education in the use of computers, and to interest in and access to this instruction, with particular emphasis on those populations traditionally underrepresented in the study of these subjects, including girls and women, minorities, handicapped, limited-English proficient, the economically disadvantaged and migrant students;

(5) technical assistance where requested by the local educational agencies; and

(6) fiscal oversight of the programs of local educational agencies.

(b) From the portion of the allotment of the State distributed among local educational agencies within the State under section 111(b), grants under this part may be used for—

(1) the determination of the need within the local educational agency for instructional materials and equipment, including computers and computer software, for teacher training and retraining, for guidance and counseling, for the improvement of the curriculum and of instructional methods and for other programs to improve student achievement in the access to mathematics, science, technology and computer use;

(2) the assessment of the local resources of businesses, public agencies (including museums and libraries), institutions of higher education and other community institutions and organizations available to achieve the purposes of this Act and the development of plans to use these resources;

(3) the training of teaching, administrative, and other appropriate personnel in the use of instructional equipment and materials, including computer and computer software;

(4) the training, retraining, and improvement of skills of teaching personnel and other appropriate personnel in course content and instructional methods relating to instruction in mathematics, science and technology, including education in the use of computers; and

(5) the evaluation by an independent organization or institution of the effectiveness of local programs established pursuant to this section.

(c) The State educational agency is authorized to enter into contracts or grants with local educational agencies, intermediate school districts, institutions of higher education or other appropriate institutions and organizations to carry out its responsibilities under this Part.

(d) Funds may be used by the local educational agency in cooperation with other local educational agencies, the State educational agency, institutions of higher education, private businesses, public agencies and other appropriate institutions and organizations in the community, to carry out their responsibilities under this Part.

STATE SUBMISSION REQUIREMENTS

SEC. 113. (a) Each State which desires to receive assistance under this part shall submit to the Secretary a document which—

(1) designates the State educational agency as the State agency responsible for the administration and supervision of programs assisted under this part;

(2) provides assurances that the State will use grants made under this part—

(A) so as to supplement the level of funds that would, in the absence of such funds, be made available from non-Federal sources for the purposes of the program for which assistance is sought; and

(B) in no case to supplant such funds from such non-Federal sources; and

(3) provides assurances that the programs established under this part by the State educational agency will be administered by the State educational agency in cooperation with the local educational agencies within the State;

(4) provides assurances that the State will not expend more than 20 percent of the funds available to it under section 111(a) for administration and oversight activities;

(5) provides assurances that the State educational agency will furnish services necessary to local educational agencies within the State to carry out their responsibilities under this part;

(6) provides that the report filed by each local educational agency under this part shall not be rejected without notice and opportunity for a hearing before the State educational agency; and

(7) beginning with fiscal year 1985, provides for an annual evaluation of the effectiveness of State programs assisted under this part.

(b)(1) The document filed by the State under subsection (a) shall be for a period not to exceed three fiscal years and may be amended annually as may be necessary to reflect changes without filing a new document.

(2) The Secretary shall not reject the document submitted by the state educational agency without first affording notice and an opportunity for a hearing.

LOCAL REPORTS

SEC. 114. (a) A local educational agency shall receive payments under this part for any fiscal year in which it has on file with the State educational agency a report which—

(1) sets forth the general uses for which assistance is sought by the local educational agency;

(2) sets forth a description of the resources of private businesses, institutions of higher education, public agencies and other appropriate institutions and organizations in the community which are available to improve programs of instruction in mathematics, science, technology, and computer use, together with a description of the manner in which such resources have been and are being used to improve such instruction;

(3) provide assurances that funds paid under this part—

(A) will be so used as to supplement the level of funds that would, in the absence of such funds, be made available from non-Federal sources for the purpose of the program for which assistance is sought, and

(B) in no case as to supplant such funds from non-Federal sources;

(4) provide assurances that the other provisions of this part shall be met;

(5) agrees to keep such records and provide such information to the State educational agency as reasonably may be required for fiscal oversight consistent with the responsibilities of the State educational agency under this part; and

(6) provide assurances that the local educational agency will establish procedures for an independent evaluation of the effectiveness of programs assisted under this part.

(b) The report filed by a local educational agency under subsection (a) shall be for a period not to exceed three fiscal years and may be amended annually as may be necessary to reflect changes without filing a new report.

(c) The report filed by the local educational agency under this part shall be rejected by the State educational agency only where the report submitted is incomplete.

PAYMENTS; FEDERAL SHARE

SEC. 115. (a) From the amount allotted to each State pursuant to section 102, the Secretary shall, in accordance with provisions of this Act, pay to the State an amount equal to the Federal share of the cost of the program to be assisted under this part.

(b)(1) The Federal share for State activities shall be 50 percent with respect to—

(A) 40 percent of the amount made available under section 111(a) for the State activities for fiscal year 1985;

(B) 60 percent of the amount made available under section 111(a) for State activities for fiscal year 1986; and

(C) 80 percent of the amount made available under section 111(a) for State activities for fiscal year 1987 and for each fiscal year thereafter.

(2) The Federal share for the amount distributed to local educational agencies in accordance with section 111(b) shall be 100 percent.

(3) Non-Federal contributions may be in cash or in kind, fairly evaluated, including plant, equipment, and services.

WITHHOLDING

SEC. 116. Whenever the Secretary, after reasonable notice to any State and opportunity for hearing within the State, finds that there has been a failure to comply substantially with any provision set forth under sections 113 and 114 the Secretary shall notify the State that further payments will not be made under this title until the Secretary is satisfied that there is no longer any such failure to comply. Subject to the last sentence of this section, until the Secretary is so satisfied, no further payments shall be made under this title. The Secretary may authorize the continuance of payments with respect to any projects assisted under this Act which are being carried out by a State and which are not involved in noncompliance.

PART B—GRANTS FOR PROGRAM IMPROVEMENT IN MATHEMATICS AND SCIENCE INSTRUCTION IN ELEMENTARY AND SECONDARY SCHOOLS

WITHIN STATE ALLOCATION

SEC. 121. (a) The State educational agency shall allocate 95 percent of the allotment of the State under this part in accordance with subsection (b).

(b)(1) The State educational agency shall allot 60 percent of the amount available for allocation under subsection (a) to local educational agencies within the State pursuant to a formula consisting of the relative number of children aged 5 to 17 residing within the school districts of such agencies.

(2) The State educational agency shall distribute 40 percent of the amount available for allocation under subsection (a) to local educational agencies within the State based on the relative number of children aged 5 to 17 who—

(A) are from families below the poverty level as determined under section 111(c)(2)(A) of the Elementary and Secondary Education Act of 1965; and

(B) are from families above the poverty level as determined under section 111(c)(2)(B) of the Elementary and Secondary Education Act of 1965;

in the public schools of the local educational agencies within the State.

USES OF FUNDS

SEC. 122. (a) Grants under this part may be used for—

(1) the modernization and expansion of courses in mathematics, science, technology, and computer use;

(2) the establishment of programs (including programs of guidance and counseling) that promote student interest in and access to mathematics, science, technology, and computer use, with particular emphasis on those populations traditionally underrepresented in the study of these subjects, including girls and women, minorities, handicapped, limited-English proficient, the economically disadvantaged and migrant students;

(3) the establishment of cooperative programs with local businesses, institutions of higher education, public agencies (including museums and libraries) and other community institutions to engage in the shared use of equipment and materials (including computers and computer software), personnel and other resources to improve programs of instruction in mathematics, science and technology, including education in the use of computers;

(4) the acquisition and use of instructional equipment and materials, including computers and computer software, to improve programs of instruction in mathematics, science and technology, including education in the use of computers;

(5) minor construction and remodeling of facilities necessary for the effective use of instructional equipment or the implementation of programs assisted under this part;

(6) programs to recruit and retain teachers who will instruct in mathematics, science and technology, including education in the use of computers; and

(7) the evaluation by an independent organization or institution of the effectiveness of local programs supported pursuant to this section.

(b) Funds may be used by local educational agency in cooperation with other local educational agencies, the State educational agency, institutions of higher education, private businesses, public agencies, and other appropriate institutions and organizations in the community to carry out their responsibilities under this part.

STATE SUBMISSION REQUIREMENTS

SEC. 123. (a) Each State which desires to receive assistance under this part shall submit to the Secretary a document which—

(1) designates the State educational agency as the State agency responsible for the administration and supervision of programs assisted under this part;

(2) provides assurances that the State will use grants made under this part—

(A) so as to supplement the level of funds that would in the absence of such funds be made available from non-Federal sources for the purpose of the program for which assistance is sought; and

(B) in no case to supplement such funds from such non-Federal sources; and

(3) provides assurances that the State will not expend more than 5 percent of the allotment of the State for administrative expenses under the State application;

(4) provides that the report filed by each local educational agency under this part shall not be rejected without notice and an opportunity for a hearing before the State educational agency; and

(5) contains assurances that the State educational agency will comply with the other provisions of this part.

(b)(1) The document filed by the State under subsection (a) shall be for a period not to exceed three fiscal years and may be amended annually as may be necessary to reflect changes without filing a new document.

(2) The Secretary shall not reject the document submitted by the State educational agency without first affording notice and an opportunity for a hearing.

LOCAL REPORTS

SEC. 124. (a) A local educational agency shall receive payments under this part for any fiscal year in which it has on file with the State educational agency a report which—

(1) sets forth the general uses for which assistance is sought by the local educational agency;

(2) provides assurances that not more than 50 percent of the payments made to the local educational agency will be used for activities described in clause (4) and clause (5) of section 122 and not less than 10 percent of such payments will be made for the activity described in clause (2) of section 122;

(3) provide assurances that funds paid under this part—

(A) will be so used as to supplement the level of funds that would in the absence of such funds be made available from non-Federal sources for the purpose of the program for which assistance is sought; and

(B) in no case to supplant such funds from non-Federal sources;

(4) provide assurances that the other provisions of this part shall be met;

(5) agrees to keep such records and provide such information to the State educational agency as reasonably may be required for fiscal oversight consistent with the responsibilities of the State educational agency under this part; and

(6) provide assurances that the local educational agency will establish procedures for an independent evaluation of the effectiveness of programs assisted under this part.

(b) The report filed by a local educational agency under subsection (a) shall be for a period not to exceed three fiscal years and may be amended annually as may be necessary to reflect changes without filing a new report.

(c) The report filed by the local educational agency under this part shall be rejected by the State educational agency only where the report submitted is incomplete.

PAYMENTS

SEC. 125. From the amount allotted to each State pursuant to section 102, the Secretary shall, in accordance with the provisions of this Act, pay to the State an amount equal to the cost of the programs described in the document submitted pursuant to section 123.

WITHHOLDING

SEC. 126. Whenever the Secretary, after reasonable notice to any State and opportunity for hearing within the State, finds that there has been a failure to comply substantially with any provision set forth under section 123 and 124 the Secretary shall notify the State that further payments will not be made under this title until the Secretary is satisfied that there is no longer any such failure to comply. Subject to the last sentence of this section, until the Secretary is so satisfied, no further payments shall be made under this title. The Secretary may authorize the continuance of payments with respect to any projects assisted under this Act which are being carried out by a State and which are not involved in noncompliance.

TITLE II—GRANTS TO INSTITUTIONS OF HIGHER EDUCATION FOR MATHEMATIC AND SCIENCE CENTERS AND FOR RESEARCH IN THE FIELDS OF MATHEMATICS AND SCIENCE INSTRUCTION

PROGRAM AUTHORIZED; DISTRIBUTION OF FUNDS

Sec. 201. (a) The Secretary is authorized, in accordance with the provisions of this part, to make grants to institutions of higher education for the improvement of mathematics and science instruction, including technology and computer use for students and teachers in elementary and secondary schools.

(b) There are authorized to be appropriated $150,000,000 for the purpose of carrying out this title for the fiscal year 1984 and such sums as may be necessary for each of the succeeding fiscal years ending prior to October 1, 1988.

(c)(1) Two-thirds of the amounts appropriated pursuant to subsection (b) of this section for each fiscal year shall be available for grants for mathematics and science centers pursuant to section 202.

(2) One-third of the amount appropriated pursuant to subsection (b) for each fiscal year shall be available for grants for research, evaluation and pilot programs pursuant to secton 203.

MATHEMATICS AND SCIENCE CENTERS

Sec. 202. (a) The Secretary is authorized to make grants to institutions of higher education for the establishment and support of mathematics and science centers. Each such center shall carry out—

(1) educational programs in mathematics, science, technology, and computer use for students and teachers at the elementary and secondary levels;

(2) programs to identify, encourage, and instruct gifted and talented students in the fields of mathematics, science and technology;

(3) programs to identify, encourage, and instruct students from populations traditionally underrepresented in the fields of mathematics, science and technology, including girls and women, minorities, handicapped individuals, individuals with limited-English proficiency, economically disadvantaged students, and migrant students;

(4) programs to train teaching, administrative, and other personnel in instructional methods and materials and in the use of instructional equipment relating to instruction in mathematics, science and technology, including education in the use of computers;

(5) in cooperation with the States, programs to develop, acquire, and disseminate information evaluating instructional meth-

ods, equipment, and materials, including computers and computer software, and other resources or activities relating to instruction in mathematics, science and technology, including education in the use of computers;

(6) in cooperation with States, programs to disseminate innovative methods and materials designed to improve instruction in mathematics, science and technology, including education in the use of computers, and to increase student interest in and access to this instruction, with particular emphasis on those populations traditionally underrepresented in the study of these subjects, including girls and women, minorities, handicapped, limited-English proficient, the economically disadvantaged and migrant students;

(7) programs to share equipment, personnel, and other resources with local educational agencies; and

(8) cooperative programs with business concerns, public agencies (including museums and libraries) and other community institutions and organizations to share equipment, personnel and other resources.

(b) No grant may be made under this section unless the institution of higher education submits an application to the Secretary at such time, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall contain assurances that the mathematics and science centers established with assistance under this section—

(1) will be independent of any college or department of the institution of higher education;

(2) will be operated in cooperation with the appropriate local educational agencies in the community served by the institution of higher education; and

(3) will coordinate its activities with the State educational agency in the State in which the institution of higher education is located.

(c) Prior to approving applications under subsection (b), the Secretary shall establish criteria designed to achieve an equitable distribution of assistance, for the support of mathematics and science centers assisted under this section among the States.

(d) The grants shall be for a period of five fiscal years and shall be reviewed annually to ensure that the requirements of subsection (b) are met.

RESEARCH, PROGRAM EVALUATION, AND PILOT PROGRAMS

SEC. 203. (a)(1) The Secretary is authorized to make grants to institutions of higher education to establish and support four national research institutes.

(2) Each research institute receiving assistance under this subsection shall—

(A) develop innovative instructional methods and materials to improve instruction in mathematics, science, technology and computer use, and to increase student interest in and access to this instruction, with particular emphasis on those populations traditionally underrepresented in the study of these subjects, including girls and women, minorities, handicapped, limited-English proficient, the economically disadvantaged and migrant students;

(B) apply technological advances to improve instruction in mathematics, science and technology, including education in the use of computers; and

(C) in cooperation with mathematics and science centers established under section 202, disseminate information developed pursuant to programs assisted under this section.

(b) The Secretary is authorized to make grants to institutions of higher education to establish and support regional centers for program evaluation. Each regional center receiving assistance under this section shall—

(1) develop methods to evaluate programs established pursuant to this Act, in cooperation with other regional centers;

(2) disseminate information on such methods; and

(3) offer evaluation services to States, local education agencies, and institutions of higher education.

Whenever and evaluation of a local program is conducted by a regional center, the evaluation shall be deemed to comply with the requirements of section 114(a)(6) and section 124(a)(6).

(c) The Secretary is authorized to make grants to institutions of higher education to conduct pilot programs to demonstrate innovation equipment, methods, or materials which will improve instruction in mathematics, science, and technology, including education in the use of computers. Each institution of higher education shall coordinate its activities under this subsection with the national research institutes established pursuant to subsection (a) of this section and with the mathematices and science centers established under section 202.

(d) No grant may be made under this section unless an application is submitted to the Secretary by an institution of higher education at such time and containing or accompanied by such information as the Secretary may reasonably require.

OFFICE OF MATHEMATICS, SCIENCE, TECHNOLOGY, AND COMPUTER USE

SEC. 204 (a) There is established within the Department of Education an Office of Mathematics, Science, Technology, and Computer Use. The office shall be headed by a Director who shall be appointed by and with the advice and consent of the Senate.

(b) The Director shall perform such duties as the Secretary shall prescribe.

(c) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following:

"Director, Office of Mathematics, Science, Technology, and Computer Use. Department of Education.".

REPORTS

SEC. 205. On January 1 of 1985 and each year thereafter, the Secretary shall submit a report to the President and to the Congress on progress in improving the quality of and access to programs of instruction in mathematics, science and technology, including education in the use of computers, at the elementary, secondary, and postsecondary levels, with emphasis on examining progress resulting from programs assisted under this Act. Each such report shall contain—

(1) the number of students receiving instruction in mathematics, science and technology, including education in the use of computers, and their level of instruction;

(2) the achievement level of the students;

(3) the number of teachers trained to teach mathematics, science, technology, and computer use, the status of their certification and the number teaching in these areas at each grade level;

(4) the amount and type of equipment and materials acquired under this Act; and

(5) a description of the cooperative efforts established as a result of assistance furnished under this Act.

TITLE III—NATIONAL SCIENCE FOUNDATION GRANTS, FELLOWSHIP AND AWARDS

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. (a) There are authorized to be appropriated $250,000,000 to carry out section 302 relating to grants to institutions of higher education for the improvement of undergraduate instructional programs and to improve undergraduate instructional equipment, and such sums as may be necessary for each of the succeeding fiscal years ending prior to October 1, 1988.

(b) There are authorized to be appropriated $100,000,000 to carry out the provisions of section 303 relating to graduate fellowships and section 304 relating to awards for training, awards for research, and awards for faculty, and such sums as may be necessary for each of the succeeding fiscal years ending prior to October 1, 1988.

GRANTS TO INSTITUTIONS OF HIGHER EDUCATION

SEC. 302. (a)(1) From 40 percent of the amount appropriated pursuant to section 301(a) for any fiscal year, the Director is authorized to make grants to institutions of higher education for undergraduate instruction in mathematics, science, technology, and computer competence.

(2) Grants awarded under this section may be used for—

(A) the application of state-of-the-art technology to improve undergraduate instructional methods, materials and curricula relating to mathematics, science, technology, and computer competence;

(B) the application of teaching and learning research concepts to improve undergraduate instructional methods, materials and curricula relating to mathematics, science, technology, and computer competence;

(C) the restructuring of undergraduate instructional methods, materials, and curricula relating to mathematics, science, technology, and computer competence to reflect the changing needs of undergraduate students; and

(D) the establishment of collaborative efforts between the institution and local businesses to develop improved programs of instruction in mathematics, science and technology, including education in the use of computers.

(b)(1) From 60 percent of the amount appropriated pursuant to section 301(a) for any fiscal year the Director shall make grants to institutions of higher education for equipment relating to undergraduate instruction in mathematics, science, technology, and computer competence.

(2) Grants under this section may be used for—

(A) the acquisition and installation of instructional equipment and materials relating to instruction in mathematics, science and technology, including education in the use of computers;

(B) the minor remodeling of facilities to accommodate equipment acquisition; and

(C) the establishment of collaborative efforts between the institution and local businesses to support the cooperative use of equipment, personnel, and other resources relating to instruction in mathematics, science and technology, including education in the use of computers.

(c) No grant may be made under this section unless an application is submitted to

the Director at such time, and containing or accompanied by such information as the Director may reasonably require.

GRADUATE FELLOWSHIPS

SEC. 303. (a) From 15 percent of the amount appropriated under section 301(b) for any fiscal year, the Secretary shall carry out the National Science Foundation Graduate Fellowship Program.

(b) Amounts available under subsection (a) of this section shall be in addition to any amounts available pursuant to the National Science Foundation Act of 1950.

AWARDS FOR TRAINING, RESEARCH, AND FACULTY

SEC. 304. (a)(1) From 15 percent of the amount appropriated pursuant to section 301(b) for any fiscal year, the Director shall make grants to institutions of higher education to establish and support training programs for participants in mathematics, science, technology, and computer competence. Training programs assisted under this section shall be designed to provide participants with improved skills as educators in the fields of mathematics, science, technology, and computer competence.

(2) No grant may be made under this subsection unless an application is submitted to the Director at such time, and containing or accompanied by such information as the Director may reasonably require. Each institution of higher education shall include in the application—

(A) procedures for the selection of individuals to participate in the training program supported by this subsection who have demonstrated potential to excel as educators in the field of Mathematics, science, technology, or computer competence; and

(B) assurances that efforts will be made to include members of populations traditionally underrepresented in these fields, including women, minorities, handicapped and economically disadvantaged.

(3) No grant to an institution of higher education may be made in excess of $150,000 in any fiscal year.

(b) (1) From 50 percent of the amount appropriated pursuant to section 301(b) for any fiscal year, the Director shall make awards to individuals who are faculty members of institutions of higher education in the fields of mathematics, science, technology, and engineering in order to permit such faculty members to establish a first research project.

(2) No award may be made under this paragraph unless the faculty member makes an application to the Director at such time, and containing or accompanied by such information as the Director may require. Each such application shall contain an assurance by the faculty member that the faculty member will teach full time undergraduate course of study during the period for which the award is made.

(3) No award may be made under this subsection in excess of $50,000 in any fiscal year.

(4) The Foundation shall include in the program authorized by this subsection members of populations traditionally underrepresented in these fields, including women, minorities, and the handicapped.

(C) (1) From 20 percent of the amount appropriated pursuant to section 301(b) the Director shall make grants to faculty members of institutions of higher education for—

(A) improving teaching skills;

(B) providing experience in new research techniques and advanced research discoveries; and

(C) familiarizing themselves with new instructional methods and materials,

in the areas of mathematics, science, technology, or computer competence.

(2)(A) No award may be made under clause (A) of paragraph (1) of this subsection in excess of $5,000 in any fiscal year. Each such award shall be for summer programs only.

(B) Each award made pursuant to clause (B) of paragraph (1) of this subsection may be made only to applicants whom the Director determines have been isolated from research institutions and centers for at least 6 years at the time of the application. Each such award shall be made for a period of not less than 6 months nor more than 1 year. Each such award shall not exceed the salary paid to the applicant at the time the application is made.

(C) Each award made under clause (C) of paragraph (1) of this subsection shall be for a period of not less than 6 months nor more than 1 year. The amount of the award shall not exceed the salary paid to the applicant at the time the application is made.

(3) No award may be made under this subsection unless an application is submitted to the Director at such time, and containing or accompanied by such information as the Director may reasonably require.

(4) The Foundation shall include in the program authorized by this subsection members of populations traditionally underrepresented in these fields, including women, minorities, and the handicapped.

Mr. KENNEDY. I yield whatever time remains to the minority leader and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF SENATOR METZENBAUM

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Ohio (Mr. METZENBAUM) is recognized for not to exceed 15 minutes, and the Senator has control of 2 hours for other Senators.

(Mr. HECHT assumed the chair.)

Mr. METZENBAUM. Mr. President, I have asked for 2 hours this morning so that I and a group of my colleagues may address themselves to the subject of the internment of Japanese Americans during World War II. To me, that subject calls to mind one of the greatest embarrassments of our Nation. Unfortunately, that embarrassment has truly never been a subject of sufficient debate, acknowledgement, or redress on the part of our Government.

The facts are well known.

During World War II, 120,000 Japanese Americans, 70 percent of whom were American citizens, were suddenly interned, relocated, and made prisoners for the duration of the war. That was so, notwithstanding the fact that not a single instance was ever documented of a Japanese American attempting to aid the enemy. Government claims of military necessity have been demolished by a generation of scholars.

As a consequence of those actions, the Commission on Wartime Relocation and Internment of Civilians was created and charged with reviewing this entire subject. In December 1982, the Commission issued a powerful, moving document entitled "Personal Justice Denied."

Mr. President, this Commission was composed of a very distinguished group of Americans.

Joan Z. Bernstein served as Chair with DANIEL E. LUNGREN as Vice Chair. Former Senator Edward W. Brooke served on the Commission, as did former Congressman Robert F. Drinan and former Supreme Court Justice Arthur Goldberg. The other members included Arthur S. Flemming, Ishmael V. Gromoff, William M. Marutani, and Hugh B. Mitchell.

After that report was published, in a moving and eloquent speech on the Senate floor on February 24, the distinguished junior Senator from Hawaii called upon his colleagues to review the findings of the Commission. I have done just that, Mr. President, and I fully agree with Senator MATSUNAGA that this account of a profound injustice inflicted upon Americans by Americans deserves the widest possible circulation.

Having said that, let me be candid with my colleagues. It embarrassed me and it bothered me that I, as a Member of the U.S. Senate, had not seen fit to speak out on this subject and that one of the two very distinguished Japanese Americans who serve in this body was the person to bring the subject to the attention of the Members of the Senate. In all fairness, it is my understanding that subsequent to his remarks, another colleague of ours, Senator PROXMIRE, added his voice, which is always on the side of fairness and equity, to that colloquy.

To me, however, that was not enough. I believe that the conduct of our Government toward persons who had done no wrong is unquestionably one of the most shameful incidents in the history of our great democracy. I felt it to be important therefore, that I and other Members of the Senate address ourselves to the subject and so asked the leadership to allocate 2 hours to us this morning in order that we might do so.

I want to point out, Mr. President, that some Senators who have indicated to me that they would like to be here are presently involved in impor-

tant committee hearings and have other matters of priority which make it impossible for them to be present. But before the morning concludes, I have no doubt that a number of other Senators will come to the floor to address this issue. Also, I will introduce into the RECORD statements that have been sent to me by Senator PAULA HAWKINS, Senator PAUL LAXALT, Senator ALAN DIXON, and Senator WILLIAM ARMSTRONG.

I think it is important that we discuss the facts.

On February 19, 1942, President Franklin Delano Roosevelt signed Executive Order 9066, which authorized the exclusion for security purposes of any and all persons from designated areas of the country. The result was the removal of approximately 120,000 Japanese Americans from the west coast to relocation centers, mainly in remote areas of the American West.

Let me read, for a moment, part of a story written in the Washington Post, dated Sunday, December 5, 1982, datelined Florin, Calif., by Fred Barbash.

FLORIN, CALIF.—Five months after Pearl Harbor, the U.S. Army posted this notice in the tightly knit Japanese American farming community here: "All persons of Japanese ancestry, both alien and non-alien, will be evacuated from the above area by 12 o'clock noon, PWT, Saturday, May 30, 1942."

The 2,500 Japanese Americans who comprised 70 percent of the population of the Florin area were herded onto trains guarded by soldiers carrying rifles with bayonets attached. They were to be scattered first to converted race tracks serving as "assembling centers," then to "relocation camps" where they would spend most of World War II behind barbed wire in pine and tar paper barracks.

The story goes on to state that:

About 120,000 Japanese Americans, 70 percent of whom were U.S. citizens, were uprooted along the coasts of California, Oregon and Washington and interned in 10 camps in remote areas of California, Arizona, Idaho, Wyoming, Colorado, Utah and Arkansas.

President Roosevelt's administration said they posed a danger to strategic airfields, factories and shipyards on the west coast. Yet not a single incident of a Japanese American attempting to aid the enemy was documented, and government claims of "military necessity" have since been demolished by a generation of scholars.

The U.S. government has never apologized for its actions nor made any redress to the victims, who lost homes, businesses, education and income.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks the entire Washington Post story.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. METZENBAUM. Mr. President, Congress supported and the Supreme Court upheld this policy that amounted to conviction without trial of an entire ethnic group.

Japanese Americans lost their homes, their jobs, and their businesses.

Our Nation was at war with Germany. German Americans did not lose their homes, their jobs, and their businesses. And, of course, they should not have.

We were at war with Italy. Italian Americans did not lose their homes, their jobs, or their businesses. And, of course, they should not have.

But the Japanese Americans were subjected to humiliation and confined by the thousands behind barbed wire and stigmatized without cause.

Why?

There can only be one reason and one answer. Let us call it what it is—purely and simply, it was racism. It was bigotry.

Yes, Mr. President, the Japanese Americans were treated differently—very differently—from their fellow citizens of German and Italian extraction.

In justifying excluding them from the west coast, General DeWitt, the officer in charge of west coast security, wrote that:

The Japanese are an enemy race and while many second- and third-generation Japanese born on U.S. soil, possessed of U.S. citizenship have become "Americanized," the racial strains are undiluted.

How did General DeWitt respond to the fact that there was not one single documented act of espionage, sabotage, or fifth-column activity attributed to any west coast Japanese American? "The very fact" he wrote, "that no sabotage has taken place to date is a disturbing and confirming indication that such action will be taken."

But General DeWitt's comments were mild in comparison with the words of Henry McLemore, a syndicated columnist for the Hearst Newspapers:

I know this is the melting pot of the world and all men are created equal and there must be no such thing as race or creed hatred, but do those things go when a country is fighting for its life? Not in my book. No country has ever won a war because of courtesy and I trust and pray we won't be the first because of the lovely, gracious spirit. . . .

I am for immediate removal of every Japanese on the West Coast to a point deep in the interior. I don't mean a nice part of the interior either. Herd'em up, pack'em off and give'em the inside room in the badlands. Let'em be pinched, hurt, hungry and dead up against it. . .

Personally, I hate the Japanese. And that goes for all of them.

I do not know what is on this man's conscience or, indeed, if the man still lives. But I say that his words and our actions are on my conscience and should be on the conscience of every American.

Let me read further what Columnist Westbrook Pegler had to say:

The Japanese in California should be under armed guard to the last man and woman right now and to hell with *Habeas corpus* until the danger is over.

It is painful, Mr. President, to recall irrationality on the part of a ranking military officer, like General DeWitt, and blind jingoism expressed by allegedly responsible journalists like Henry McLemore and Westbrook Pegler. But it is incumbent upon us to remember and remember well.

It is within our power, as every Member of this Congress knows, to provide to our Japanese American fellow citizens a formal apology and financial restitution. But no amount of dollars can compensate innocent victims for the human sufferings created by this unjust and discriminatory policy.

Let me share with the Senate the memories of some of those who testified before the Commission.

"We stood in line with a tin cup and plate to be fed," one witness recalled." I can still vividly recall my 85-year-old grandmother gravely standing in line with her tin cup and plate."

Of the shoddily constructed buildings in which evacuees were expected to survive a Wyoming winter, another witness said:

"I can remember the foreman's comment when he found cracks in the building. He said 'Well, I guess those japs will be stuffing their underwear in there to keep the wind out'."

What were camp locations like? Consider the testimony of a woman who was sent to the Mindoka camp in Idaho.

We were given a rousing welcome by a dust storm . . . we felt as if we were standing in a gigantic sand-mixing machine as the sixty-mile gale lifted the loose earth up into the sky, obliterating everything. Sand filed our mouths and nostrils and stung our faces and hands like a thousand darting needles. Henry and father pushed on ahead while mother, Sumi and I followed, hanging onto their jackets, banging suitcases into each other. At last we staggered into our room, gasping and blinded. We sat on our suitcases to rest, peeling off our jackets and scarves. The window panes rattled madly, and the dust poured through the cracks like smoke. Now and then when the wind subsided, I saw other evacuees, hanging on to their suitcases, heads bent against the stinging dust. The wind whipped their scarves and towels from their heads and zipped them out of sight.

Other camps were not much better, as noted by a former internee at the Rohwer camp in Arkansas.

When the rains came in Rohwer, we could not leave our quarters. The water stagnated at the front steps . . . the mosquitoes that festered there were horrible, and the authorities never had enough quinine for sickness . . . Rohwer was a living nightmare.

Mr. President, I wish the Senate to recall that these were not people who were criminals. These were not people who had raised a hand or even a thought against their Government. It could have been you, Mr. President, or your family uprooted in the same manner.

Some of us may have forebears who came from England and some who came from France, Germany, Russia,

and Poland; some from South American or Central American countries.

These Americans happened to have forebears who came from Japan. For that reason, the President of the United States, Franklin D. Roosevelt, for whom I have the greatest respect, made a terrible error. He wronged the Japanese Americans. He misjudged them. Why? Why?

These same Japanese Americans who were living a normal life were uprooted and victimized by opportunists who sought to take advantage of a neighbor's misfortune.

Suddenly one day, they were told, "You have to leave."

Mr. President, let me quote to you some of their painful memories.

Our house was in from Garden Grove Boulevard, about 200 yards on a dirt driveway and on the day before the posted evacuation date there was a line up of cars in our driveway extending about another 200 yards in both directions along Garden Grove Boulevard, waiting their turn to come to our house * * *.

What I remember most was my father, who had just purchased a Fordson tractor for about $750 a few months prior to the notice.

Imagine his delight, after a lifetime of farming with nothing but a horse, plow, shovel and his bare hands, to finally be able to use such a device. He finally had begun to achieve some success. A dream was really coming true.

He had much to look forward to. Then came the notice, and his prize tractor was sold for a measley $75.

Here is another story:

Swarms of people came daily to our home to see what they could buy. A grand piano for $50, pieces of furniture, $50 * * * . One man offered $500 for the house.

And yet another:

People who were like vultures swooped down on us going through our belongings offering us a fraction of their value. When we complained to them of the low price they would respond by saying, "you can't take it with you so take it or leave it" * * * . I was trying to sell a recently purchased $150 mangle. One of these people came by and offered me $10.00. When I complained he said he would do me a favor and give me $15.00.

The pain and suffering went far beyond the loss of property.

Let us address ourselves for the moment to how Japanese American children were educated during this period. One individual told the Commission:

I recall sitting in classrooms without books and listening to the instructor talking about technical matters that we could not study in depth. The lack of qualified evacuee teachers, the lack of trained teachers was awful.

And here is how a wartime relocation authority report describes school facilities:

With no exceptions, schools at the centers opened in unpartitioned barracks meant for other purposes and generally bare of furniture. Sometimes the teacher had a desk and chair. More often she had only a chair. In the first few weeks many of the children had no desks or chairs and for the most part were obliged to sit on the floor or stand up all day. Linoleum laying and additional wall installation were accomplished in these makeshift schools sometime after the opening of the school. At some centers cold waves struck before weatherization could be started.

I have been discussing the treatment of the evacuees during their internment. I wish also to take a moment to read to you from the report of the Commission what happened to internees after their release.

I would say to those who have an interest that the entire report is available from the Superintendent of Documents. I quote from page 240:

The end of mass exclusion did not spell the end of hardship for the evacuees. Throughout 1945, evacuees returned to the West Coast, not only from the camps but also from interior states where they had been resettled. For many, leaving the camps was as traumatic as entering them. However unpleasant their lives in camp, it was preferable to an unknown, possibly hostile reception on the West Coast. By January 1945, only one of every six Issei had left. Now they would have to be persuaded to leave. Suicides, especially among elderly bachelors, were reported. Many were frightened, particularly of reintegrating with whites after the segregated life of the camps. Some came to resettlement lacking self-esteem, and perhaps identifying with the stereotypes that had been projected upon them. Some felt shame when they were let out of camp. A great many felt the burden of starting over, at an older age and for a second time. After encouraging everyone to leave and scheduling closing dates for each camp, the WRA finally gave the remaining evacuees train fare to the point of their evacuation, and made them leave.

"Send them back, no longer our problem." It was not our problem when we picked them up, sent them away and interned them. And after the internment was over, after they had been confined in subhuman conditions, we just said "Go back. You are on your own. We couldn't care less."

At an earlier point in my remarks, I talked about the fact that 5 months after Pearl Harbor that the Army had posted a notice in Florin, Calif., indicating that all persons of Japanese ancestry, both alien and nonalien, were to be evacuated on May 30, 1942. And indeed they were—at bayonet point.

The Washington Post article from which I quoted earlier reports upon the facts as the evacuees or the returnees found conditions in Florin when they returned, and I quote:

Others returned to Florin only to find their houses burned by whites. Some of the Japanese community buildings, where personal possessions had been stored, also were burned shortly before the return.

"The Mayhew Church, which had all the evacuee belongings in it—there must have been five pianos in there—was just a wisp of smoke," Sato said. "I guess they heard we were coming back."

Sakakihara said her husband and his parents found that a family living in their home "had been raising chickens inside the house. They had to fumigate and renovate the whole place."

"I came home by bus and walked through the Japanese farms," Sato said. "I must have walked three miles until I came to our farm. It was such a shambles."

As she approached her front door, she heard the voices of squatters who had moved in after the house was abandoned by a family to which she had entrusted it. She stayed instead with a former schoolteacher, only to be petitioned later by anti-Japanese white women asking her to leave.

"My father had always admired Abraham Lincoln," Mary Tsukamoto said. "When he was in the fourth grade in Okinawa, he read about Lincoln in a book, that Lincoln was so great that from a log cabin he became president. So he had a dream that this was America. And often he used to sit us down—brother George, sister Ruth; there were six of us—and lecture to us after supper about life and about values and about Lincoln and how that's why he had so much faith in this country.

"After the evacuation, we visited the Lincoln Memorial in Washington with him. Finally he made it there to pay his respects to Abraham Lincoln. He had tears in his eyes. I wish I had asked him what his thoughts were."

Why did we treat decent human beings in this manner? What logic, what intelligence, what kind of inhumanity could have caused us to segregate and discriminate against 120,000 people merely by reason of their ancestry? How do we justify that to ourselves? Because they looked different?

Japanese Americans felt the worst kind of bigotry and racism of which this Nation is capable. We have racism in our country now. We have bigotry in our country now. But there is a difference. This was Government-authorized racism and bigotry. This was Government segregation. This was Government discrimination.

Yes, indeed, we have problems in our Nation. But our Government as a matter of policy constantly states its opposition to racism and bigotry. We enact laws. Our courts speak out against discrimination.

But in this instance, Mr. President, you had the Government itself setting the policy.

Consider, for example, the security conditions under which these Americans were confined by their own Government. Here is what a 1942 Wartime Relocation Authority investigation of the Manzanar Camp had to say:

The guards have been instructed to shoot anyone who attempts to leave the center without a permit and who refuses to halt when ordered to do so. The guards are armed with guns that are effective at a range of up to 500 yards. I asked Lieutenant Buckner:

This is the author of the report speaking:

If a guard ordered a Japanese who was out of bounds to halt and the Jap did not do so, would the guard actually shoot him? Lieutenant Buckner's reply was: "I only hope the guard would bother to ask him to halt."

He explained that the guards were finding guard service very monotonous and that nothing would suit them better than to have a little excitement such as shooting a Jap.

Personally, I apologize for that designation of Japanese Americans as Japs, but I am reading a quote.

The effect on internees? Particularly the children? The testimony of George Takei tells it all.

I was too young to understand, but I do remember the barbed wire fence from which my parents warned me to stay away. I remember the sight of high guard towers. I remember soldiers carrying rifles, and I remember being afraid.

Think of your own children. All of a sudden there is a notice that they are being interned. The whole family is told to get out and you are put on trains by soldiers with guns with bayonets telling them to move and telling them that they are going to be taken some place of which they never heard. They are interned. And then they see themselves surrounded by barbed wire and high guard towers and soldiers carrying rifles. Is it any wonder that the children were afraid?

Listen to the memories.

On May 16, 1942 at 9:30 a.m. we departed . . . for an unknown destination. To this day, I can remember vividly the plight of the elderly some on stretchers, orphans herded onto the train by caretakers, and especially a young couple with four preschool children. The mother had two frightened toddlers hanging on to her coat. In her arms, she carried two crying babies. The father had diapers and other baby paraphernalia strapped to his back. In his hands he struggled with duffle bag and suitcase. The shades were drawn on the train for our entire trip. Military police patrolled the aisles.

(Mrs. KASSEBAUM in the chair.)

Madam President, so there may be no misunderstanding, our distinguished colleague who represents Hawaii, who was the first to raise this issue in the Chamber, has been here constantly during this entire colloquy. I have not as yet recognized him and have failed willfully to do so. He is my good friend and he knows I would not do that had I not had a special purpose in mind. But I feel so strongly about this subject that it is the obligation of those of us who are not of Japanese American extraction to speak out that I have asked him if he would be good enough to withhold his remarks until a latter part of this colloquy. I think he understands full well my purpose in doing so.

Madam President, I think it important that we address ourselves also to the extraordinary conduct of thousands of Japanese Americans in the service of their Nation during this period.

The Japanese-American community, which was treated so atrociously by our own Government responded by providing to our Armed Forces some of the finest fighting men to serve in World War II.

The 100th Battalion, originally a unit of the Hawaiian National Guard, was known as the Purple Heart Battalion for the extraordinary casualties it suffered in the bitter Italian campaign of 1943 and 1944.

The famous 442d Regimental Combat Team took 9,486 casualties, including 600 killed. The unit received 7 Presidential Distinguished Unit Citations and 18,143 individual decorations, among them a Congressional Medal of Honor. A Purple Heart went to Capt. DANIEL K. INOUYE, now Senator DANIEL K. INOUYE, who lost his arm as a result of his wounds.

DANNY INOUYE enlisted in the 442d in March of 1943 and received a battlefield commission in Italy. In 1944, he was leading a company trying to knock out German machinegun nests on a mountain. As they took the first one, he was hit with a rifle grenade which tore off his arm. Did he stop? He did not. He continued to lead his men in taking the second machinegun nest and was wounded again. For the action, he received the Distinguished Service Cross, the second highest honor bestowed by our Nation. He spent nearly 2 years in the hospital and was discharged as a captain in 1947.

In 1958, DANNY INOUYE was elected to the House of Representatives and became the first Japanese American to ever serve in Congress.

He is not the only Japanese American who serves in this body. The distinguished junior Senator from Hawaii, Senator MATSUNAGA, was in service in his Nation's Armed Forces 6 months before Pearl Harbor. He served his Nation as a distinguished member of our military in North Africa, and in Italy. He was in the second wave in Salerno and he went all the way to Hill 600 at Casino. For his services, he was awarded the Bronze Star, the Purple Heart with oak leaf cluster. He has served in the Congress of the United States and in the Senate for the past 20 years and we all consider it a privilege to serve with him and with Senator INOUYE.

Gen. Joseph Stilwell said about Japanese Americans who served in the military: "They bought an awful hunk of America with their blood . . . those Nisei boys have a place in the American heart now and forever. We cannot allow a single injustice to be done to the Nisei without defeating the purposes for which we fought."

Gen. Mark Clark described the record of the 100th Battalion in the following words:

You were always thinking of your country before yourselves. You have never complained through your long periods on the line. You have written a brilliant chapter in the history of the fighting men in America. You were always ready to close with the enemy and you have always defeated him. The 34th Division is proud of you; the Fifth Army is proud of you, and the whole United States is proud of you.

And so, indeed, we are proud of the Japanese Americans who served in our military and did so with distinction and with great heroism.

But heroism and sacrifice were not enough to protect even the war veterans from the irrational prejudice of too many Americans. A Japanese American veteran gave this account. He said,

Coming home, I was boarding a bus on Olympic Boulevard. A lady sitting in the front row of the bus saw me and said, "Damn Jap." Here I was a proud American soldier, just coming back with my new uniform and new paratrooper boots, with all my campaign medals and awards proudly displayed on my chest, and this bus driver, upon hearing this remark, stopped the bus and said, "Lady, apologize to this American soldier or get off my bus." She got off the bus. Embarrassed by the situation, I turned around to thank the bus driver. He said, "That is OK, Buddy; everything is going to be OK from now on out." Encouraged by his comment, I thanked him, and as I was turning away I noticed the discharge pin on his lapel.

My friends in the Senate, I believe that it is time for us, as a nation, to apologize to that soldier, to his family, and to the many thousands of Japanese Americans who were unjustly deprived during World War II of their liberty, their property, and their American rights. We brought shame and ridicule and humiliation to those Japanese Americans who were interned. But the shame and humiliation are ours as well, because our Nation did not live up to its own beliefs. We cannot undo the wrong that was done to the Japanese Americans, but we can, Madam President, go on record as recognizing that a grievous wrong was committed. And by so doing, we can help to insure that never again will we so dishonor the principles upon which our country was founded.

EXHIBIT 1

[From the Washington Post, Dec. 5, 1982]

JAPANESE AMERICAN INTERNEES RECALL THE UPROOTING OF THEIR OWN

(By Fred Barhash)

FLORIN, CALIF.—Five months after Pearl Harbor, the U.S. Army posted this notice in the tightly knit Japanese American farming community here: "All persons of Japanese ancestry, both alien and non-alien, will be evacuated from the above area by 12 o'clock noon, PWT, Saturday, May 30, 1942."

The 2,500 Japanese Americans who comprised 70 percent of the population of the Florin area were herded onto trains guarded by soldiers carrying rifles with bayonets attached. They were to be scattered first to converted race tracks serving as "assembly centers," then to "relocation camps" where they would spend most of World War II behind barbed wire in pine and tar paper barracks.

INTERNMENT—THE "ENEMY" 40 YEARS AGO

About 120,000 Japanese Americans, 70 percent of whom were U.S. citizens, were uprooted along the coasts of California, Oregon and Washington and interned in 10 camps in remote areas of California, Arizona, Idaho, Wyoming, Colorado, Utah and Arkansas.

President Roosevelt's administration said they posed a danger to strategic airfields, factories and shipyards on the West Coast. Yet not a single incident of a Japanese American attempting to aid the enemy was documented, and government claims of "military necessity" have since been demolished by a generation of scholars.

The U.S. government has never apologized for its actions nor made any redress to the victims, who lost homes, businesses, education and income. But now, after four decades, this may change.

In a report to be released soon, a commission established by Congress is expected to conclude that a grave injustice was done and to recommend a formal apology and payment of as much as $20,000 to each Japanese American internee or his heirs.

The Commission on Wartime Relocation and Internment of Civilians, headed by Washington attorney Joan Z. Bernstein, has heard more than 700 witnesses and reviewed tens of thousands of documents during the last two years in the most complete recounting of the internment of Japanese Americans during World War II.

This series of articles is drawn from those hearings and documents, plus interviews with survivors such as Mary Tsukamoto, 67, who has devoted much of her time to piecing together the story of what happened in one community: Florin, Calif.

"We got up early," she recently remembered about the day her family was taken away from Florin in 1942. "We ate our last breakfast, cleaned our house. Our 5-year-old daughter was hanging on to Uppy, the pet dog she has to leave behind. Grandpa was taking his last long look at the grapevines. Grandma was out in the garden.

"Never once did I say, 'Well, I'm an American citizen, and I protest,' " she added. "In those days, no American would protest to the government. We were at war. We were going to do out best to serve. To be loyal and serve."

Florin, then an area of hardpan farmland nine miles south of Sacramento, had long been something of a refuge from the racial hostility Japanese immigrants encountered elsewhere in America after they first fled economic dislocation in Japan around the turn of the century.

Tsukamoto's father, who had emigrated to San Francisco from Okinawa at age 17, was driven from more fertile areas in Turlock, Calif., by a wave of anti-Japanese sentiment that swept California, often violently, from 1905 onward. She said friends told her father "strawberries were a sure crop" in Florin.

Her husband's father came here in 1892, by way of Hawaii and Vancouver, British Columbia, after working in the tanning industry, coal mines and railroads. He had heard there were jobs for Japanese to help white farmers transform their grain fields around Florin into vineyards. Between the rows, the whites allowed the Japanese to grow strawberries.

Kiyo Sato's father bought land on the fringe of the Florin area in 1930. California law forbade land ownership by Japanese aliens at the time, so he, like others, joined a dummy corporation to buy 30 acres at Mayhew, Calif. By 1918, the San Francisco Chronicle headlined a feature story on the progress here: "Industrious Nipponese Have Made Lower River Region, Once a Waving Tule Field, Into a Vast Garden Empire."

"EVACUATION" OF THE JAPANESE AMERICANS

A government report later described "the typical life" of Florin's Japanese Americans before World War II as "one of contentment and peace. They had come in, simple, ambitious people, to try to reclaim a land which the Causcasians had thought worthless and not worth the trouble to keep. These people recognized, and still admit the land isn't so good, but to them, at that time, and even now, it was something which they could build, with hard work, into something lasting and which they could leave to their children as a heritage, to show that this was indeed 'a land of opportunity.' "

Whites had owned all five stores in Florin in 1915. By 1925, all but one of the stores were owned by Japanese Americans.

Resentful whites set up a dual school system in 1923. "Father registered us in the elementary school," Tsukamoto said, "We were shocked. Every child in that school had a Japanese face. It gave us an awful sinking feeling."

The Japanese American community built its own churches, civic associations, language schools and recreation clubs. But it made every effort to stamp them American. A panoramic photograph of the All-Florin Japanese American picnic in 1935 shows hundreds of Japanese faces gathered around a life-sized portrait of Abraham Lincoln borrowed from a school hallway.

Sato recalled winning a school essay competition on "What It Means To Be an American." She said she "wrote something about how this is my country and though it has its faults, we love it. Such idealism."

Just a few months later, news of the attack on Pearl Harbor arrived as Japanese Americans rehearsed a Christmas pageant in a church building in Florin. Al Tsukamoto, Mary's husband, heard it on the radio and ran to tell the rest.

"There was such a silence," his wife recalled. "Then foreboding. We felt as though our bodies were shrinking. We sensed something terrible was going to happen."

Over the next 48 hours, the FBI arrested and held incommunicado for weeks about a dozen leaders of Florin's Japanese-language schools, clubs and associations. "There was Mr. Tanigawa," Tsukamoto recalled. "He was a big shot in the community, a go-between for marriages. There was Mr. Akiyama. They took him because he was active in the kendo [stylized swordplay]. They use the bamboo stick. The government interpreted that as training for the military. And Mr. Sasaki. Fukuji Sasaki. He was secretary of the Japanese Association."

Life in Florin over the next few months came as close as it ever has in any American community to life in a police state. Homes were searched on the slightest pretext, and frightened families burned anything with Japanese script on it.

In her testimony before the wartime relocation commission, Nellie Sakakihara said the 8 p.m. curfew imposed by the military on West Coast Japanese Americans forced her to drop out of college, which she had been attending in Sacramento at night. White neighbors periodically summoned the sheriff when crisis meetings of Japanese residents ran past the curfew.

Sacramento, where everyone in Florin did most of his shopping and where doctors had their offices, was outside the five-mile restriction on travel. Sato recalled feeling like a fugitive when she was out past curfew on a 14-mile trip to a Salvation Army store to buy old suitcases for the evacuation.

"I remember seeing a cop in the rear-view mirror one day," she said. "My heart was pounding. I made a turn, and he kept going. I had to stop the car to recover."

When the evacuation was ordered, U.S. military officials divided the Florin area into four sectors, assigning the Japanese American residents of each to a different "relocation camp." Late on the night before the evacuation, some hurried across the artificial lines so as to be taken to the same camp as relatives or friends.

They received only 10 days' notice to dispose of farms and pets, pots and pans, cars and refrigerators, to harvest crops and settle debts. Students dropped out of college, and people worked nights in the fields, risking violation of the curfew to pick crops.

Whites went door to door, offering to buy personal belongings and land, which many of the Japanese Americans sold at a fraction of their value. Others, like the Tsukamotos, left their property to be managed by a neighbor. They were allowed to take only what they could carry.

"My father packed," Kiyo Sato remembered. "We had 10 bedrolls, one for each member of the family, according to the regulations. He packed in the bedrolls a hammer, a saw, a roll of wire, an augur, a planer, a bucket, tools for survival, a great big old canvas for shelter. My mother and father made me take my violin."

"The Issei [the original immigrants from Japan] brought seeds," Mary Tsukamoto said. "Imagine that, flower seeds. Who would have thought of something like seeds in those difficult times? But when we got to the assembly center [at Pinedale, Calif.], it was just barracks and dust, not one blade of grass in the whole place.

"They planted those seeds. And when the first green came out by the barracks, everyone came out to see. It was a blue morning glory. They passed out seeds to the other people, and in a couple of months, the place was just covered with flowers. Every day we'd go and walk by the barracks to see how much it had grown."

Mary Tsukamoto remembered with special pain the day when, as a leader of the community, she had to tell the Kurima family that their son, Toyoki, 32, would not be allowed to go with them. He was blind and retarded, ate only Japanese food, understood only the Japanese language and had never been away from his family.

Under the military rules, however, no one requiring institutional care could be sent to the internment camps. Toyoki was taken away instead by a social worker. Within a month, the Kurimas received word that he had died.

Most of these taken away during the war never resettled in the Florin area, now a strip of housing developments, warehouses, fast-food restaurants and shopping centers on land once largely owned by Japanese Americans. Many internees, who had not sold their homes before the evacuation were forced to do so during their internment to pay debts or taxes.

Others returned to Florin only to find their houses burned by whites. Some of the Japanese community buildings, where personal possessions had been stored, also were burned shortly before the return.

"The Mayhew Church, which had all the evacuee belongings in it—there must have been five pianos in there—was just a wisp of

smoke," Sato said. "I guess they heard we were coming back."

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"After the evacuation, we visited the Lincoln Memorial in Washington with him. Finally he made it there to pay his respects to Abraham Lincoln. He had tears in this eyes. I wish I had asked him what his thoughts were."

MEMORIES OF THE "EVACUATION"—12/31/41: AT 12:15 A.M. TWO POLICEMEN CAME INTO OUR BEDROOM

At hearings held by the Commission on Wartime Relocation and Internment of Civilians during the last two years in San Francisco, Los Angeles, Seattle, Washington, New York and Chicago, hundreds of Japanese Americans interned in camps during World War II described their experiences for the first time publicly, creating the most complete record so far of the events 40 years ago.

Here are some excerpts:

Emiko Matsutsuyu, reading from his diary of events before his evacuation for Terminal Island, Calif.: "12/31/41: At 12:15 a.m. New Year's Eve, three plainclothesmen and two policemen came into our bedroom. They were polite but as we lay in bed, they stood at the foot of the bed and were so tall and menacing, it left my youngest sister, 14, with her teeth chattering and knees knocking. They explained they were going through all the houses looking for radios and whatever . . . . Monday, 2/2/42: When I went home for lunch today, a couple of FBI men were going through father's desk drawers. They were reading letters. They were particularly interested in letters dated after Dec. 7, 1941. The Island was swarming with soldiers today. I noted jeeps, scout cars, blitz buggies . . . . It is difficult to concentrate on the job at the office."

Masao Takahashi, describing his arrest and detention as an enemy alien: "On the very day of my eldest daughter's 11th birthday, Feb. 21, 1942, I was roused from my sleep very early in the morning. The FBI, along with four Seattle policemen, searched my house, ransacking closets . . . . I was placed in the Immigration Detention Center . . . . I recall feeling confident that I would be released in time to eat birthday cake with my family that evening. However, when we were stripped naked and thoroughly inspected, I was shaken . . . . After about a month and a half, my family came to the train station when a group of us were transferred to [a Justice Department detention center at] Missoula, Mont. I was allowed a few minutes to walk to the fence and to say goodbye to them. I was at a loss to find comforting words. Boarding the train, I heard my daughters crying out, 'Papa, Papa.' I can still hear the ring of their crying in my ears today."

Ben Takeshita, recalling evacuation from San Mateo, Calif: "As we walked on the sidewalk with all the belongings we could carry, I remember some of our neighbor 'friends' peeking out of their windows from behind the curtains and shades and watching us as we left. I remember feeling very ashamed, as if I were a criminal or a leper. Except for our next-door Chinese friend, no one came out to wish us goodbye or anything."

Alice Okazaki, on getting ready: "I still remember agonizing over which doll I would take . . . . The agony of making that decision has stayed with me all these years."

Elsie Hashimoto: "My father was seriously ill . . . . We were taken to Merced Assembly Center [in California] by bus. Father was taken earlier by ambulance. My dad was denied the privilege of remaining outside in a hospital. The facilities were totally inadequate for the critically ill. I believe he was the first person to pass away in our camps. It was a hot June day; he laid in agony on a straw-filled mattress placed on a canvas cot. He slowly passed away in this horse's stall."

(The following remarks were made earlier while Mr. HECHT was in the chair).

Mr. METZENBAUM. Mr. President, I see the distinguished Senator from Maryland in the Chamber and I yield him such time as he feels he needs.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. MATHIAS. Mr. President, first, I thank the distinguished Senator from Ohio for yielding me this time and for doing it at a most convenient moment.

I thank him for taking the initiative in setting aside a period in which the Senate can think about, discuss, and meditate a little bit on the subject of the internment of Japanese Americans during World War II.

This is a subject that needs some time because it needs to be approached at several different levels of comprehension. Certainly one of the most important levels of comprehension is the amount of human suffering which resulted from the internment.

People were rooted out of their homes, they were denied the opportunity to pursue their jobs, their businesses were closed, their assets were dissipated, their lives were completely disrupted.

This was done out of a nameless kind of fear, a mindless kind of fear, a fear that unhappily had racial overtones, and a fear that we now know had utterly no basis in fact.

Unhappily a large number of the people, who suffered these indignities and injuries, have since died. There is no way to make any retribution to them. There is no way even to let them know that with the fullness of time, the cooling of tempers, that some sanity has returned and that it is now recognized that they were grievously wronged. It is not even possible to give them the satisfaction of knowing that we are sorry.

But, Mr. President, there is another level at which internment of the Japanese should be addressed and that is the level which transcends even the tragic human sorrows of those Americans of Japanese ancestry who were interned during World War II because it goes to the very fabric of the Nation. It goes to the whole concept that the guarantee of liberty and equality and justice is for every American citizen, and when we have denied liberty and equality and justice to Americans of Japanese ancestry we have potentially denied it to every American citizen.

There is no way in which these basic elements of American citizenship can be denied to any American without endangering the right of every other American to the same rights of freedom, equality, and justice, and that really is another level that the Senate should very carefully consider as we remember and recall and regret the interment of Japanese Americans during World War II.

We must remember that if we deny basic constitutional rights to anyone it becomes possible to deny them to everyone.

So perhaps the best monument we can erect to those who suffer these indignities, wrongs is to erect a board, a constitutional board, so that this cannot happen again to any American citizen. That could be the great monument which results from our recollection, our willingness to examine what was obviously a wrong, and our desire to make some retribution for the errors.

It would not be inappropriate, I think, for us to so engrave this experience upon our national memory that it becomes impossible that it should ever be repeated.

Some years ago I walked across the street to the Supreme Court to pay a call on Earl Warren who had retired as Chief Justice of the United States but who still maintained chambers in the Supreme Court building, and I sat down on a sunny afternoon with Chief Justice Warren and we talked about a number of things, among them the internment of Japanese Americans.

As history records Chief Justice Warren, as attorney general of California, had played some role in the internment and he told me on that quiet contemplative day as we sat by a window looking over the lawn of the Capitol that he considered that that was the gravest mistake, the most grievous error, the act that he most regretted in his long and distinguished career of public service.

If a man as big as Earl Warren can make that confession then it seems to me that all of us can make that confession. All of us can admit that even the United States of America can be wrong on occasion, and when she is it is the duty and the privilege and the responsibility of citizens to correct the error and to go forward with new dedication to the pledge of the Constitution.

Mr. President, I once again thank the Senator from Ohio.

Mr. METZENBUAM. I appreciate very much the Senator from Maryland coming to the floor and addressing himself to the subject. Certainly his discussion with Chief Justice Warren is of particular interest and I think it highlights the point.

In order not to impose on the time constraints of my colleagues, I now yield the floor to the distinguished junior Senator from Alaska, Senator MURKOWSKI.

Mr. MURKOWSKI. I thank the Senator from Ohio.

Mr. President, I am indeed privileged to participate with the Senator from Ohio, my distinguished colleague, in this matter.

THE EVACUATION AND ENCAMPMENT OF ALEUTS AND JAPANESE AMERICANS IN ALASKA DURING WORLD WAR II

Mr. President, when I recently received a letter from my distinguished colleague from Ohio concerning his wish to conduct a colloquy on the internment of Japanese Americans and encampment of Aleuts during the Second World War, I was most pleased with his idea and his sincere interest in this problem. I not only "feel an obligation to speak out" on Aleut and Japense encampment, but I feel a strong personal desire to address a problem which this Nation is just beginning to recognize and come to grips with.

We are all aware of the report of the Commission on wartime relocation and internment of civilians which was issued last month. I await the Commission's recommendations with great interest. I, for one, will rely to a great extent upon these recommendations when exploring the advisability of compensation legislation.

Unfortunately, I find the Commission's report to be lacking in one regard. It fails to even mention the plight of those Japanese Americans who were living in Alaska during the war and were relocated outside the State. Approximately 200 Japanese Americans in Alaska suffered the same agony and fate as those in the western portion of the "lower 48" and yet have not even been recognized in the Commission's report.

When this omission came to my attention. I contacted the Commission to inquire as to why Japanese Americans in other Western States were discussed and no mention was made of those in Alaska. They assured me that this had been an unintended oversight and that they planned to address it in a supplemental report later this spring. I stressed the importance of not ignoring the plight of these Japanese Americans. For they were sent to the same camps as those in the "lower 48." Commission officials concurred with my feelings and assured me that their supplemental report would reflect the fact. I plan to follow the Commission's activities in this regard very closely, for I want to be certain that Alaska's Japanese Americans receive the same consideration as all others when it comes to possible compensation or other proposed recommendations. In the meantime, I wholeheartedly welcome this opportunity to draw attention to these forgotten Japanese Alaskans who suffered like all the other Japanese Americans.

Many of these Japanese Americans in Alaska were forced to leave their homes for California and Idaho camps and were never able to return. Their lives were uprooted and forever changed by events over which they had no control or say whatsoever. Death, illness, and lack of funds forced many of these civilians to give up the idea of returning to their former homes in the North after the war.

Some of these Japanese Americans who did survive and were able to return to Alaska now represent some of the pillars of my State's society. With pride and perseverance, they have established themselves as significant contributors to the development of Alaska's economy and future prosperity. I am proud to consider many of these individuals my friends—people like Tatsuda, Sam Taguchi, and Ohashi, to name a few.

I want to bring the plight of Alaska's Japanese Americans to the attention of the Commission and to my colleagues in the Senate. Any resolution of the internment dilemma must take these forgotten people into full account.

The Commission did address the issue of evacuation and encampment of 850 Alaskan Aleuts during World War II. This evacuation was undoubtedly necessary and wise. I also agree that the conditions at the Aleut camps were "deplorable". I personally saw these camps during the early 1940's. Living conditions were worse than what one witnesses in some of the poorest sections of the Third World today. An estimated 10 percent of the evacuated Aleuts died in the southeast Alaska camps, including a number of Native elders and infants.

I was aware and others were, of the spread of tuberculosis and many other diseases at the abandoned canneries and gold mines which became the Aleuts' home for 2 to 3 years. Medical care was inadequate and irregular. For instance, the 83 Aleuts evacuated from Atka to Killisnoo Island had a doctor for only 4 months of their 3-year encampment. In 1942, in an old herring cannery, which was used to house them, they combatted the coldest winter in 50 years. The climate and terrain of the southeast Alaska camps was unlike that of the Aleutians' homeland in the Western Aleutians.

They had a difficult time climatizing themselves and again tuberculosis ran rampant. Schooling for the children was poor or more often, nonexistent. The list of adverse conditions goes on and on.

From the time when the Aleuts were placed in the holds of U.S. ships to the time when they were finally returned to their ransacked homes in 1944 and 1945, these Natives endured great hardships. With the encampment of these people and the loss of their precious icons and other personal property. A vital part of Aleut and American culture was lost, never to be replaced or regained.

Before this year, what happened to the Japanese Americans and Aleuts in Alaska during World War II for the most part remained a story untold. Now, thanks to the research of the Commission and the interest of concerned Americans such as my friend and colleague Mr. METZENBAUM, their suffering is being brought to light.

During the coming months the Commission, the courts, and the Congress will be addressing what needs to be done to redress the wrongs committed to these American civilians. I am grateful to Senator METZENBAUM and heartened that a country as compassionate and as concerned about human rights as America is finally deliberating on what can be done to resolve this blight on our history.

In closing, I thank Senator METZENBAUM for providing me with this opportunity to address an issue of great importance to me and the State of Alaska.

Mr. METZENBAUM. Mr. President, I very much appreciate the comments of the distinguished Senator from Alaska. I am very happy to have him join us in this colloquy today. As is usual, he does indicate a continuing concern for the human rights of people in this Nation.

Mr. MURKOWSKI. I thank Senator METZENBAUM for his accommodation, particularly on his time.

Mr. METZENBAUM. Mr. President, I now yield 10 minutes to the distinguished Senator from Washington (Mr. GORTON).

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. I thank my friend from Ohio.

Mr. President, as the Senator from Ohio and others have pointed out, human rights must be safeguarded without regard to time,

place, or circumstance. A good deal of the attention of the Senate now is focused on protecting and extending human rights in foreign lands. Efforts to attain this goal abroad should not overshadow the same duty owed to all who live within our borders. It is within this context that I wish to frame my comments on the recently published findings of the Commission on Wartime Relocation and Internment of Civilians.

The Commission's report summarizes the facts relating to a scar on the human rights record of this Nation. As the report documents, unsubstantiated fears about a few were used to rationalize the widescale and blatantly racist incarceration of multitudes of loyal Americans and legally admitted aliens. I can find no standard of justice with which to justify the wrongs perpetrated against about 120,000 persons of Japanese birth or descent between 1942 and 1945.

The Presidentially ordered and congressionally sanctioned policy of removal, exclusion, and detention has special meaning for citizens of Washington State. As the State was within the zone of exclusion defined by Executive Order 9066, persons of Japanese ancestry, living particularly in and around Seattle and the Puget Sound area, were forced to move their lives and what little baggage could be carried by hand. Their ordered departure was preceded by little notice and caused great economic and emotional loss.

Immeasurably greater was the Government-run dehumanization process which followed. Families were assigned identification numbers and shipped like cattle to nearby assembly centers; 1 of the 15 such centers, a site in Puyallup, Wash., served as a temporary holding pen for about 7,400 persons during 1942. Basic human needs—such as privacy, nutrition, and health care—were ignored. From these temporary facilities, people were shipped further inland to relocation centers and internment camps, where conditions were no better. The average stay for internees there was about 900 days, which consisted largely of unproductive confinement and personal suffering.

Release from the camps in 1945 meant an unassisted return to a life of emotional stress and economic hardship. The resident Caucasian population singled out and discriminated against returning internees to an even greater degree than had been the case prior to the war. That so many reassembled their lives and regained their livelihoods is a great tribute to the personal strength and cultural values of those who were outrageously deprived of their rights.

In hindsight, the injustices of this period are obvious. The question of redress has been raised and only partially addressed. At the Federal level, the Japanese American Evacuation Claims Act was passed by Congress in 1948. That act gave persons of Japanese ancestry the right to claim compensation individually from the Government for documented property losses which resulted from their evacuation or internment. A total of approximately $37 million was disbursed pursuant to the law. But, as the committee's report states, no attempt has been made to redress the less tangible harm sustained, such as the trauma and deprivation of personal freedoms experienced during relocation and internment. In short, past attempts at redress have been incomplete.

Recognizing this fact, the question of devising and making proper redress recurs today, and is the reason behind the commission's existence. In my view, a satisfactory response to the events of 40 years ago should take three forms. First, better safeguards must be put in place to see that such an unthinking denial of humanity is never repeated in this Nation. Second, an official statement of apology is owed to those personally affected by Executive Order 9066 and to their families—virtually the entire Japanese American community. Finally, tangible redress to complete the effort begun by the Evacuation Claims Act of 1948 is called for.

Picking an appropriate way of making such redress is a difficult task. The Commission stated that the best evidence to substantiate economic losses was long since lost, and I cannot think of any accurate measure of the human suffering endured during this period. While individual monetary compensation is the most popular form of redress among Japanese Americans, even that community is divided on the issue.

Residents of Washington have agreed to erect a memorial on the site of the Puyallup Assembly Center. Artist George Tsutakawa will create this work, which is scheduled to be in place by about September 1 of this year.

While such a memorial is an appropriate symbol, it does not go far enough toward rectifying the injustices of 1942 to 1945. I am concerned, however, about whether monetary payment is the wisest or most feasible next step. First, it would be difficult to secure any meaningful large payment in light of the fiscal problems facing the Federal Government. Second, I am unsure whether the present generation should be forced to pay so directly for the misdeeds of their predecessors.

As a way to stimulate creative thinking on this subject, I suggested 2 years ago that surplus Federal lands be deeded to persons who sustained uncompensated economic losses, personal injuries, or deprivation of liberty during and after their relocation and internment. Federal lands of significant value abound in the West in the former areas of exclusion. Making this kind of transfer would have lasting value for former internees and their families, but would not force an undue hardship on today's taxpayers.

I have advanced this proposal in the past more as a way of encouraging thought on the subject than of suggesting that my idea is the preferable way to discharge our national duty in this matter. I look forward to reviewing the final portion of the Commission's report, and I shall work with others to see that Congress acts on their recommendations.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Madam President, I very much appreciate the comments of concern expressed by my good friend from Washington, who time and again does not hesitate to speak out if he hears, knows, and sees wrongs. So I am very happy that he has seen fit to join us on the floor today.

Madam President, I see in the Chamber the distinguished Senator from Massachusetts, and I yield to Senator KENNEDY at this time.

Mr. KENNEDY. Madam President, I ask unanimous consent that my remarks appear at an appropriate place in the RECORD, not to interrupt any of the other speakers.

The PRESIDING OFFICER (Mrs. KASSEBAUM). Without objection, it is so ordered.

Mr. KENNEDY. Madam President, I commend Senator MATSUNAGA, Senator METZENBAUM, Senator INOUYE, and others for their leadership in providing an opportunity for us in the U.S. Senate to speak to this issue. I think it is entirely appropriate for the Senate to spend time on this issue this morning, because it affects not only the issue of the history of this Nation, but also relates to the kind of society we are and that we should be and that we want to become in the future.

Even today, we see statements and comments and the questioning of certain loyalty and patriotism of individuals in our society, but there have been few other instances where that kind of hysteria played such a dramatic and shameful role in terms of American history.

I thank the Senator from Hawaii and the Senator from Ohio for focusing the attention of the Senate on this particular question.

Madam President, it has been said that "He who cannot remember the past is condemned to repeat it." America at its best is an America that can confront our past and learn from our mistakes.

All Americans should be reminded of the rush to judgment four decades

ago, when thousands of loyal Japanese Americans were relocated from their homes and detained under armed guards at desolate locations during World War II.

That exclusion and detention was unfair and unjustified. It remains a shameful blot on the proud record of our Nation's stand for liberty around the globe during those difficult years. We must firmly learn the lesson of this sad chapter in our history, when the commitment to individual rights and human dignity was abandoned in a stampede of fear and prejudice, cloaked in the mantle of "national security."

The Commission on Wartime Relocation and Internment of Civilians, established by the Congress in 1980, has finished its review of the relocation and internment of 120,000 Japanese American citizens and resident aliens during World War II. The Commission has issued its report and will soon present its recommendations for national action. The Commission determined that the decision to relocate Japanese Americans away from the west coast, and the delay in the decision to end detention, were not justified on military grounds.

The Commission report emphasizes that—

A grave injustice was done to American citizens and resident aliens of Japanese ancestry, who without individual review or any probative evidence against them, were excluded, removed and detained by the United States during World War II.

Even the Supreme Court of the United States, the final guardian of our basic liberties, acquiesced in the detention, on the untenable theory that the Bill of Rights had gone to war. Justice William O. Douglas, who joined the majority opinion in Korematsu which held the evacuation constitutionally permissible, found that the evacuation case "was ever on my conscience."

The role played by racial prejudice in these decisions by our Government is revealed by the fact that Italian Americans and German Americans were not subjected to such indecent treatment.

According to the Commission, there was not a single documented act of espionage or sabotage committed by Japanese American citizens or resident aliens. On the contrary, the bittersweet irony is that thousands of Japanese Americans served in our Armed Forces with exceptional gallantry.

Many, including two of our colleagues, served in the legendary 442d Regimental Combat Team, one of the most decorated American units in the entire war.

It is now clear beyond argument that, as the Commission concluded, the decisions regarding relocation and detention were largely shaped by "race prejudice, war hysteria, and a failure of political leadership."

The proceedings of the Commission, and the accompanying publicized reminiscences, have reminded us of the heavy toll those policies took on the lives of the victims.

For the evacuees, the costs were crushing. Conditions in relocation centers and internment camps were deplorable. American families were forced to live in shabby facilities, in the shadow of armed sentries and watchtowers, and to give up almost all personal privacy in the crowded camps. They felt the personal pain of evacuation from their neighborhoods and the stigma of having their loyalty questioned. Parents suffered the anguish of trying to explain such discrimination to their children.

Nor did the damage end when these families finally were allowed to leave the camps. Businesses had been hastily abandoned. Careers and schooling were interrupted. Dreams were shattered. As a result, the victims endured the financial and psychological costs for many years. To their credit, they have borne their scarring experience with restrained anger and quiet dignity.

We cannot now erase the stain of this tragic mistake. But we can learn from it.

We can reaffirm our commitment to reject future pressures to abandon our commonsense, and our sense of decency.

And we can make amends, to the limited extent possible, to those thousands of loyal Americans who were treated so shabbily by their own Government.

Neither national apology nor material compensation can fully rectify the terrible experience that they were forced to undergo. But America must do right by those it has wronged.

Mr. METZENBAUM. Madam President, I thank the Senator from Massachusetts for joining us in this colloquy and adding his well-respected and effective voice to the strong feelings that many of us in the Senate have. As usual, we can count on him to be with us in this kind of endeavor. I am very grateful to him.

I now yield 5 minutes, or such additional time as he may require, to the Senator from Michigan, in order that he may address this subject.

Mr. LEVIN. I thank my friend from Ohio.

Madam President, on February 19, 1942, while the country was still reeling from the Japanese attack on Pearl Harbor, President Roosevelt signed Executive Order 9066. The order granted certain of the President's military commanders the power to exclude "any and all persons" from designated areas of the country in order to protect the Nation against sabotage, espionage, and fifth column activities. The result of the order was to exclude approximately 120,000 U.S. residents of Japanese descent, many of whom were born on American soil, from the Western States. They were later placed in "relocation centers," where it was thought they would be less of a threat to the national security.

Now, more than 40 years after the internment of Japanese residents, the first in depth review of the actions taken pursuant to Executive Order 9066 has been completed by the Commission on Wartime Relocation and Internment of Civilians. The Commission's report should be carefully studied by every Member of Congress. It serves as a grave reminder of one of the darkest periods in American history and as a factual basis from which the Congress can determine whether to compensate those who were detained during World War II.

The Commission found that there was no "military necessity" for either the initial exclusion or the later detention of resident Japanese Americans from the west coast. According to the Commission, "not a single documented act of espionage, sabotage, or fifth column activity was committed by an American citizen of Japanese ancestry or by a resident Japanese alien on the west coast" during the entire period.

I wonder how many other groups can make that claim. Not a single documented act of espionage, sabotage, or fifth-column activity was committed by an American citizen of Japanese ancestry or by a resident Japanese alien on the west coast during this entire period.

I ask again: I wonder how many other groups can make that claim.

Japanese Americans, both citizens and residents of the United States, were being forced to leave their homes but were powerless to defend themselves against the senseless attack on their loyalty to this country. Without any individualized determination having first been made that they posed some threat to the United States, these people were stripped of their personal possessions, forced to abandon their businesses and professions, and robbed of their individual liberties.

Congress gave its "stamp of approval" to the executive order when it passed, "without serious objection or debate," the act of March 21, 1942, which established criminal sanctions against individuals who failed to comply with restrictions stemming from the order.

In *Hirabayshi* v. *United States*, 320 U.S. 81 (1943), the Supreme Court upheld a curfew order restricting the movement of Japanese residents on the basis that Congress and the executive "acting in cooperation" could constitutionally impose such restrictions.

Undoubtedly, it is easier for others to look back and criticize the actions of decisionmakers than it is to make rational decisions in the face of a wave of fear such as that which swept this country after Japan attacked the United States. But many of the Government officials and political leaders who recommended that the Japanese be excluded from the Western States have themselves since recognized that such a drastic action was both unnecessary and unjust.

A former colleague of mine on the Detroit City Council, Councilwoman Maryann Mahaffey, visited one of those camps in 1945 and wrote about her experiences in October 1981 edition of the Detroit Free Press. Councilwoman Mahaffey wrote as follows:

The two months I spent at Poston Camp II were the most memorable and the most traumatic of my life. Poston was a concentration camp—the largest of the War Relocation Authority camps in which Americans of Japanese ancestry were interned during World War II. It was located east of Parker, Ariz., on the Mojave Indian Reservation.

I volunteered as a recreation worker, in the closing days of the war, to help with the relocation of those who had been interned there for four years. My assignment was to help reassure the evacuees that outsiders cared and to serve as a bridge back to the world from which they had been separated.

With the innocence and the enthusiasm of a dedicated and serious 20-year-old Iowa college senior armed with textbook knowledge of family life, social problems and psychological stress, I felt confident about my mission.

I think I did some good. I think I helped. But I will be forever haunted by what could not be done, by the irreparable damage inflicted on an innocent, helpless and defenseless population.

On July 1, 1945, I was driven in a camp van through the Mojave Indian Reservation, past the barbed wire enclosure, and saw for the first time the primitive, loosely constructed wood barracks that housed the evacuees. I heard the Army M.P. who accompanied us brag about his connivance on obtaining his assignment so he could patrol the camp and display his superiority over the detainees.

I learned that only 10 evacuees were allowed at any one time into the neighboring town of Parker, because of the intense resentment by the permanent residents. Japanese-Americans had been barred from the taverns. A 442d Battalion (the most decorated outfit in American history) combat vet on crutches had been thrown bodily out of the barber shop. Stores were declared off limits and hostility pervaded the atmosphere.

But my most vivid memory is of family life in those barracks. I remember Mrs. Shimonishi telling me about her one room: "On my arrival my husband and I shared a 20-by-24-square-foot room with his parents, a brother-in-law and his wife and another brother-in-law. The army cot mattresses were ticks, filled with hay we were instructed to gather from the pile dumped beside the barracks. We had no room to walk. We lived there for six months with no stove during the deadly cold winter and no privacy and no freedom."

When I arrived three years later conditions weren't much better. Everything you did or said could be heard or seen through those thin, cracked wall boards.

At one point I obtained permission to escort a group of young girls into Parker, their first visit to town in three years. Some had been only four years old when they came to the camp. They saw merchandise and store counters for the first time. They bought their first ice cream cones. They had their first glimpse of cement sidewalks. And they were the objects of cold and suspicious stares by the townspeople. The girls were subdued and quiet. We were nervous for fear our children would be hurt.

I started a teen canteen where regularly the teenagers talked about their fears of the racism they would meet on the outside. But they wanted out. They wanted desperately to be normal American teenagers.

Thirty years later, I met one of those teens. She's now a nurse in Utah with three children. She thanked me for being at the camp in 1945, for we had given her comfort and a haven. It showed, she said, that someone from the outside had accepted her; it imbued her with the faith that there were, after all, some people who would treat her as an equal. Once she told me all of this, she said, she would not talk about it ever again. "I want to forget about it," she said. "It was too painful. I just want to be an American."

In the more than 35 years since that agonizing summer, I have thought often and poignantly about my role, about my country, and about justice. As a mother, as a social worker, as an elected public official, I feel so inadequate, so humble, so full of shame about what our government has done.

Internment camps—concentration camps in reality—I realized then and I am more convinced now, are alien to our democratic philosophy and repugnant in any civilized society. Whether for native Americans, wartime national enemies or political undesirables, the act of arbitrary and wholesale incarceration without cause, without trial and without compassion is wrong and is evil.

The scars left on those families and on those boys and girls will be with them forever. We cannot erase them. But the lessons of the terrible period must not go unheeded. Today, once again, I see dangerous signs of increased social tension. I hear talk of the need for stepped up police surveillance, of movements supporting racial and political suppression. These are fearful portents. Such alien tactics must never again be allowed to undermine our faith in our democratic principles. A free society cannot tolerate concentration camps. I cannot forget. I hope and pray that our country will never repeat that infamous act. I favor redress.

Madam President, we cannot erase the humiliation and deprivation that this internment caused, regardless of what course of action we ultimately adopt, but we must learn from these mistakes so that we cannot repeat them. That is the least that we can do. That is one way of paying this debt, to be certain that we learn from this tragedy so that it can never happen again to others. We must never again in the name of national security inflict injustice on our citizens or residents of this land of the free, and we must find a way legislatively to acknowledge the mistake, the suffering, and the tragedy.

Madam President, I thank my friends from Hawaii and Ohio, and I yield the floor.

Mr. LEAHY. Madam President, the end of the Second World War occurred nearly 40 years ago, and never since that victory over an external enemy have we as a people faced our own internal defeat: The dehumanization and internment of Japanese-American citizens and residents living in California at the outbreak of the war.

The Commission on Wartime Relocation and Internment of Civilians has filed its report after a thorough series of hearings and exhaustive research. It concludes what so many of us have always suspected but have never wanted to confront, that the President's order, on the advice of close civilian and military advisers, was not justified by military necessity and was rooted in racism, ignorance, and hysteria.

There are two major reasons to stand in the Nation's forum this morning and to remember these dreadful events. First, it is useful at a time when the fear of war is strong to understand how easily a deep democratic tradition can be swept aside by mankind's most evil custom—war. Second, it is necessary that we make what amends are possible, even at this late date. Many of the internees are still alive, and to acknowledge our wrongdoing without offering any reparation strikes me as a hollow penance.

The first lesson must never be forgotten. All of our institutions seem to have failed us at once after Pearl Harbor. Our civilian and military intelligence experts were ignored, though they concluded that internment was unnecessary. More than 150 years of experience with implementation of the Bill of Rights was shunted aside, including its most important lesson. That each person stands before our justice system as an individual, not as a member of a suspected class. Our courts, our civil rights leaders, the Congress, and the press all failed to function.

It is difficult—perhaps impossible—four decades later to replicate the fear and hysteria of those desperate days. And it is sobering to note that not only the enemy was capable of discarding the legacies of a humane and civilized history. Today, as we often attempt rational debates about military superiority, first strike capability, a credible deterrent, and survivability, we should think back on the internment events. War can affect our judgment and our moral sensibilities, despite the careful structure of our democratic safeguards and the lessons of the past.

But we can lay small claim to any remorse about this period if we do not act promptly to grant what redress is

still possible. The Japanese Americans in California were removed from their homes, had their careers interrupted or destroyed, were housed in wretched conditions, but most of all were deprived of their liberty without due process of law—without even a forum to assert their loyalty.

No less atrocious was the removal and internment of the Aleuts from Kiska and Attu Islands in June 1942. Though this removal was accomplished for military reasons and not out of fear of disloyalty, the conditions under which these people were maintained were dangerous and inhumane. Their loss has never been addressed by the Nation.

I wish to add my voice to those of my colleagues here and those who have spoken out over the last 40 years in protest of what we did to other Americans in the name of defending democracy. We were morally wrong, even judged by the skewed standards of wartime, and that wrong should be acknowledged and redressed.

The Commission's recommendations on appropriate remedies will be received in June, and will provide a starting point for our deliberations. Since there is little direct precedent in our history for these events, framing the right remedy will require much determination and hard work.

I hope that this morning's proceedings will bring some sense of comfort to the surviving victims of the internment during World War II. And I hope that we in the Congress will take prompt action to demonstrate our remorse in concrete terms after we have the Commission's recommendations in hand.

Mr. METZENBAUM. I note that my good friend, the distinguished Senator from New Jersey, the senior Senator, has come to the floor and I now yield to him 5 minutes.

THE INTERNMENT OF JAPANESE AMERICANS

Mr. BRADLEY. Madam President, in 1980, the 96th Congress established the Commission on Wartime Relocation and Internment of Civilians to study the internment and relocation of Japanese American citizens and resident aliens of Japanese descent during World War II. The Commission's report has been recently released and its conclusions deserve national attention. The Commission stated that:

> A grave injustice was done to American citizens and resident aliens of Japanese ancestry, who without individual review or any probative evidence against them, were excluded, removed and detained by the United States during World War II.

This tragic and shameful episode of our history should be discussed so that all Americans will never forget the gross injustices that occur when fear and prejudice have free reign.

On February 19, 1942, President Roosevelt issued Executive Order 9066 which ordered the relocation of Japanese Americans from the west coast. The Government removed over 120,000 Japanese American citizens and resident aliens of Japanese descent from their homes and relocated them in eastern areas, during World War II. Seventy percent of them were U.S. citizens. None had been convicted of any crime. Many people spent years in degrading internment camps.

The relocation program had drastic effects on the people involved. Japanese Americans had their homes and personal property abandoned, their careers and livelihoods hampered, and their personal and family lives disrupted. But, worst of all, Japanese Americans lost their liberty and civil rights that should have been protected under the laws of the United States. The Commission states that:

> All this was done despite the fact that not a single documented act of espionage, sabotage of fifth column activity was committed by an American citizen of Japanese ancestry or by a resident Japanese alien on the west coast

The Commission's report emphasizes three important factors that led to this tragedy: Widespread racial prejudice toward Japanese Americans both before and during World War II, the fear caused by the early Japanese military victories in the Pacific, and the common belief that ethnic Japanese in Hawaii collaborated with the attack on Pearl Harbor. Shamefully, the Federal Government did not try to refute these falsehoods or attempt to defuse the hatred that was being directed toward Japanese Americans. The Commission concludes that there was never any justification for the relocation and internment policies and that these policies continued beyond any rational time period. To quote the report again:

> By the participants' own accounts, there is no rational explanation for maintaining the exclusion of loyal Japanese ethnics from the west coast for the 18 months after May 1943—except political pressure and fear, . . . certainly there was no justification arising out of military necessity.

Despite the discriminatory policies, Japanese Americans served the United States with honor and distinction during the Second World War. Nisei (American-born citizens of Japanese descent) military units became the most decorated combat units in Europe during World War II. Many other Nisei served bravely in the Pacific Theater in military intelligence. The same people who had been ostracized and set apart because of their alleged anti-American beliefs served this country as bravely as any other Americans.

I urge all my colleagues in the Senate to read the findings of the Commission. I applaud the Commission for its careful and thought-provoking analysis of the relocation and internment policies. Above all, I hope that Americans will remember what happened to their Japanese American brethren. A heightened awareness of such tragic events is essential if we are to avoid a repetition of these shameful acts.

Madam President, as I said, a heightened awareness of such tragic events is essential if we are to avoid a repetition of these shameful acts. The Commission's findings should remind us all that there is a strain of prejudice that remains a part of each person and each nation.

I remember a friend of mine who spent his first 3 years of life in one of those internment camps, who later wrote a book about his experience called "American in Disguise." In traveling to discuss that book, he found himself one evening, an August evening, in the Midwest on a television call-in show in which he laid out in factual terms what had happened to him and his family when, in the middle of the night, they were taken from California inland so that they would not threaten the United States.

Madam President, as he described these facts in clear, unemotional terms, the phones were opened and callers began to express interest in what he said, many not knowing that, indeed, Japanese Americans had been interned; many outraged that this could have happened in America.

And then I suppose it was predictable, along came another strain of calls that forgot that the man who was speaking was an American, callers who alleged that, "If you had not bombed Pearl Harbor, you would not have gotten yourself into an internment camp."

Madam President, that "you" was born in an internment camp. He had nothing to do with Pearl Harbor, and was, in fact, more American, if what we mean by American are inclinations, attitudes, styles, hopes, and aspirations, than anyone who called in.

So, Madam President, I would suggest that this Commission's report should give us a moment of sober pause, a moment of introspection, a moment of commitment that this should never happen again in America, and that the only way we can be assured that it will not happen again is that each of us is vigilant in our own lives and in our relationships to give no countenance and no room for prejudice in America.

Mr. METZENBAUM. Madam President, I thank the Senator from New Jersey for taking the time to come to the floor and express himself on this issue of human rights. I appreciate his remarks.

Mr. ARMSTRONG. Madam President, the Commission on Wartime Relocation and Internment of Civilians has performed an important service to the people of the United States and

the free world in reviewing and reporting on our Government's actions toward Americans of Japanese descent during World War II.

It is appalling to realize that in the early 1940's—after over 160 years' experience with freedom—we in America utilized our self-governmental system to blatantly violate the personal rights and freedoms of thousands of our own citizens.

Nearly 800 years ago, the barons of England forced King John to agree to the Magna Carta and this event in 1215 is generally regarded as the great symbolic beginning of constitutional law. The Magna Carta declared: "No free man shall be taken, or imprisoned, or disseized, or outlawed, or exiled, or in any way destroyed, nor will we go upon him, nor will we send against him, except by the lawful judgment of his peers or by the law of the land."

Yet, in 1941, 726 years after the Magna Carta and a century and a half after our own bill of rights was adopted, we did "go upon" 100,000 Americans of Japanese descent and we "exiled" and "imprisoned" them and "destroyed" their rights. The Government arbitrarily ordered these people out of their homes and businesses and herded them into internment camps. The cost in human terms of this traumatic disruption of individual lives is incalculable as is the economic loss from disrupted businesses and disposal of property under fire-sale stresses.

For anyone who loves freedom, it is painful to admit that in a time of danger we turned our back on the lessons of a 1,000-year struggle to achieve freedom. How could this have happened?

Of course, we were at a moment of great crisis, having just sustained the devastating sneak attack on Pearl Harbor. The crisis atmosphere led to the signing of Executive Order No. 9066 on February 19, 1942, by President Franklin Roosevelt. That fateful action set the United States on the course that led to the forced evacuation of over 100,000 American citizens from their west coast homes, farms, and businesses and their internment in the Rocky Mountain States.

The Commission report traces the execution of the Executive order which gave the military the power to issue orders to civilians and impose sanctions on them for failure to comply. The Congress hurriedly moved to make violation of these orders a criminal offense and our Supreme Court upheld the legality of the orders to impose curfews and carry out the evacuation. One of the report's most disturbing aspects is the extent to which our self-governmental machinery was utilized to carry out these civil rights violations.

From our vantage point today, it is not really possible to appreciate the intense feeling of crisis that pervaded the Nation. The sudden possibility of invasion by a hostile military power resulted in hasty decisions in a climate of fear and suspicion.

However, one of the great lessons to come out of the relocation and internment experience as outlined in the Commission report is to realize that it is all too easy for free people to rationalize and accept human rights violations by our own Government in a time of crisis. Whenever people begin to rationalize and excuse the abridgement of individual rights because of an emergency—no matter how serious—they gravely imperil the free society and its constitutional protections against tyranny.

The rationale that led to Executive Order No. 9066 can be compared to the crisis thinking which led President Hindenburg on June 30, 1933, acting in a perfectly constitutional manner, to surrender the German Republic to Adolf Hitler. The powers given to Hitler on that day put Germany on the road that led inexorably to the disaster of the death camps and World War II.

There is another lesson to be learned from the tragic episode of our country's wartime internment camps. Is it not reasonable to conclude that whenever free people tolerate the idea that human rights violations that happen to others are acceptable for some reason, we begin a conditioning process of our own minds? It is a conditioning that can ultimately lead to a tolerance of the violation of human rights within our own country.

In the 1930's we ignored the anguished pleas of those who were being victimized by the Nazis. In so doing were we not innuring our consciences and dulling the good instincts that would have prevented the roundup and internment of 100,000 of our own people in a time of panic?

Today should we not ask ourselves if we are not once again in the process of ignoring brutal human rights violations that are occurring on an unprecedented scale in the Soviet block nations. I have, over the past few months, participated in hearings both here in Congress and in West Germany where emigres have testified as to the extensive use of forced labor behind the iron curtain. Their testimony has been supported by a recent report from the State Department on forced labor. It is now clear that from the 1930's to the present, the Soviet Union has used the labor camp as a means of methodically getting rid of dissidents and other troublesome people by simply working them to death.

The silence of many of our educational, religious, and political leaders and the media regarding the human rights violations of the leftist regimes throughout the world should be of great concern to Americans. Are we once again in the process of rationalizing our thinking, numbing our consciences, and scabbing over our hearts so that we can comfortably keep our heads in the sand? If we are, the lessons of the Japanese American internment camps will be lost.

Mrs. HAWKINS. Madam President, during World War II, at a time when the United States was enjoying heroic victories in Europe and the Far East, our country witnessed a shameful—and shaming—defeat right here at home: a defeat of justice, reason, and tolerance. Our war with the nation of Japan brought out the worst in us, whipping to a frenzy our most basic fears and frustrations, causing us to commit a most deplorable act of injustice against our fellow Americans. We allowed our Government to incarcerate 120,000 Japanese Americans for no sane reason and without any evidence of a crime or the least suspicion of disloyalty.

Perhaps Japanese Americans is the wrong term to use, for it implies, wrongly, a divided loyalty. These people were Americans—either American citizens or resident aliens who chose to adopt this country as their permanent home. These people were used as scapegoats because they had the misfortune to have emigrated from a country with which the United States was at war and, worse, whose language and customs were neither American nor the familiar Western European. Our punishment of these people was clearly an act of the most appalling racism and deliberate cruelty. But, then, fear and ignorance have always inspired atrocities.

Ironically, many Japanese Americans at that time were enlisted in our Armed Forces, fighting bravely with other Americans in Europe and the Far East. These Americans fulfilled their duty to their adopted country and, united with their fellow Americans, heroically fought a common enemy. My very distinguished colleague, the Senator from Hawaii (Mr. INOUYE) is such a hero. I commend him for his bravery and his deep loyalty.

Madam President, we have repeatedly condemned other nations for violations of human rights. Rightly so. but our own record on human rights is not entirely blameless. The report recently published by the Commission on Wartime Relocation and Internment of Civilians is evidence of that. It is indeed ironic that we bitterly condemn other countries for human rights violations of which we have also been guilty. We seem to have committed the "Do as I say, not as I do" fallacy.

Madam President, acts of racism, injustice, and intolerance are sinfully easy to commit yet painfully difficult to admit. Americans, however, are

known for their strength of spirit. I am confident that we will face the truth, but more is needed. We must resolve in our heart of hearts never to stand by and allow such deplorable acts to occur in our country again.

Mr. DIXON. Madam President, today's solemn activities commemorating the tragic events surrounding the relocation and internment of Japanese Americans during World War II are of vital importance. I am honored to join my colleague, Senator METZENBAUM, and others, in condemning the severe injustices to which more than 100,000 Americans were subjected during that period.

The 96th Congress mandated the formation of the Commission on Wartime Relocation and Internment of Civilans, which recently released its report. The Commission found that some 120,000 Japanese Americans were forcefully abducted, not to protect national security, but rather to satisfy deep prejudices. In the process, the FBI was virtually ignored, even though it had the most relevant intelligence data, and it recommended only a careful surveillance of certain suspected individuals.

These actions literally stripped tens of thousands of Americans of their property as well as their dignity. The entire process was a tragic error, and it is a stain on American values and constitutional liberties. It is important that we recognize this grave injustice, first as a renewed commitment to our fellow citizens of Japanese descent, and second as a reminder that these events should never happen again.

If we cover up past tragedies, we will never learn from them. This dark event must continue to remain in our minds to guide future generations away from repeating past mistakes.

Mr. LAXALT. Madam President, the suffering and tragedy inflicted on people during World War II remains unprecedented. Indeed, no other conflict more dramatically demonstrates the horrors of war or the strengths and weaknesses of mankind.

Although America emerged victorious from the war, our people suffered a great deal of anguish, both mental and physical. For some, the scars remain intact after nearly 40 years.

Some of our people, unfortunately, became victims of the war in a manner unique in American history. I speak of the American citizens of Japanese descent who were detained in "relocation camps" during the war.

These Americans became the unwitting victims of a policy born out of wartime fears and ignorance. The detention of these citizens, executed without consideration of their loyalty to the United States, was unbefitting the overwhelming majority of these devoted citizens.

It is truly witness to the gravity of the world situation in the early 1940's that the most cherished values held by all Americans were compromised at the expense of a segment of our citizenry.

I am sure that this experience has caused many Americans to ask themselves some very difficult questions: Why did this happen? Were our fears justified? Were Americans of Japanese descent unfairly singled out? How can we prevent this from happening again?

In seeking answers to these questions, we can gain a greater understanding of what America should stand for. Indeed, this experience poignantly serves as a lesson to all Americans that the principles upon which this country was founded—liberty, justice, and individual freedom—must be staunchly defended.

The point has been made and holds true now that if we forget the errors of the past, we are likely to repeat them in the future. No matter how distressing our national and international problems may be, we must never lose sight of our ideals, but rather stand together as one Nation.

It is gratifying to see that American history and remain an unquestioned and free part of American society. Their inspiring example instills in each of us the recognition that regardless of adversities, we must remain, first and foremost, Americans.

Mr. PACKWOOD. Madam President, on February 19, 1942, President Roosevelt signed Executive Order 9066, which led to the evacuation and detainment of over 120,000 Japanese American and Aleut citizens and resident aliens in relocation camps situated within the United States. In 1944, the Supreme Court upheld the detention and internment aspects of the order on three separate occasions. Forty years have passed since those events, and the process of understanding what happened and of redressing this injustice has begun. However, it is crucial for the Nation to realize the lesson to be learned from this event; namely, that popular passions erode civil liberties.

For years there have been questions concerning the internment of Japanese Americans during World War II. Now we know the whole story. The Commission on Wartime Relocation and Internment of Citizens has recently issued a report stating that the broad historical causes that shaped the decision were racial prejudice, war hysteria, and failure of political leadership. The exclusion, removal, and detention of these people inflicted tremendous human cost, not only in terms of professional and property loss, but in the loss of personal liberty for thousands of people who knew themselves to be devoted to American causes and ideals.

The injustice of excluding, removing, and detaining loyal American citizens is obvious. I do not believe, however, that this can be considered a totally isolated occurrence in American history. Here, as in other events throughout history, there was a supposed rationale for curbing civil liberties; namely, wartime military necessity. In the 1790's, there was a rationale for Congress passage of the Alien and Sedition Acts, as there was in the 1830's, when President Andrew Jackson violated first amendment rights by trying to prohibit abolitionist tracts into the South. In the 1950's, it was the threat of communism that permitted Senator Joseph McCarthy to usurp civil liberties in the name of national security.

The basic injustice of the wartime relocation of Japanese American and Aleut citizens should serve as an invaluable lesson both as we look back over our Nation's history and as we consider constitutional issues today. Intolerance, in the form of zealous attempts to purge America from perceived moral, social, or political menace, can wreck havoc upon fundamental American civil liberties.

Mr. PELL. Madam President, I would like to join with Senator METZENBAUM and my other colleagues in urging public examination of the recently published findings of the Commission on Wartime Relocation and Internment of Civilians.

The Commission released the first part of an historic assessment of our Government's treatment of ethnic Japanese living on the west coast and Aleutian Islands during World War II. The report's conclusions give rise to concern and warning to all Americans who cherish civil liberties. The freedom of all Americans is threatened whenever the rights of a minority are violated without due process.

The Commission concluded that removal of Japanese Americans and legal residents from their homes and their detention under armed guard was not justified for military reasons. Wartime hysteria ignited long smoldering embers of racial prejudice. The report found that political leaders responsible for protecting the rights of all American citizens neglected to defend ethnic Japanese during the period of internment.

I await the publication later this year of part 2 of the Commission's report, dealing with recommendations to Congress for redressing the injustice borne by Japanese Americans during World War II. I intend to rely heavily on this part of the report for determining the appropriate congressional response to this tragic chapter of American history.

Mr. BINGAMAN. Madam President, I want to commend Senator METZENBAUM for taking the initiative in organizing this colloquy. It was an apt response to Senator MATSUNAGA's

moving report on February 24 on this floor. The internment of over 100,000 people of Japanese ancestry in relocation centers at the start of World War II was a tragic event unique in our history and one from which we must learn. The publication of the findings of the Commission on Wartime Relocation and Internment of Civilians gives us an opportunity to reflect on a past mistake. This is not an easy or comfortable thing to do, but one which we Americans are bound in honor to do.

In looking back at this incident, I find it especially disturbing that the internment lasted so long in view of the lack of evidence substantiating such an action and considering the lack of screening criteria for the individuals to justify the military or security need of such actions. Our Constitution was simply suspended for one group of American citizens, a group whose sons meanwhile were fighting to defend this country. This is an action which should haunt us all.

I hope that an action such as the denial of personal and constitutional rights to these Japanese American citizens and resident aliens will never be repeated. But only by more fully understanding the historical causes and the political atmosphere which led us to such actions can we make sure that a repetition of such an event does not occur.

I want to emphasize the importance of this matter. I realize that nothing we can do or say here today can undo this history. However, I applaud Senator MATSUNAGA and Senator METZENBAUM again for bringing the Commission's report to our full attention. The outpouring of interest which we have seen here today is a sign that we as a nation are willing to learn from our mistakes. It is a sign of maturity and the basis for hope about our future.

Mr. RIEGLE. Madam President, I am pleased to join Senators METZENBAUM and MATSUNAGA, my other colleagues in addressing the painful issue of the internment of Japanese Americans in U.S. camps during World War II.

This regrettable incident is the focus of a recently released report of the U.S. Commission on the Wartime Internment and Relocation of Civilians. That report, the result of an extensive 2-year investigation, describes in detail the tragic effects of Executive Order 9066 on over 100,000 Japanese Americans. That order, asserting that the evacuation of Japanese Americans was a "military necessity" and vital to our national security interests, resulted in the forcible relocation of thousands of innocent Japanese Americans, 70 percent of whom were American citizens, from the west coast to internment camps in desolate areas of the central United States.

Forty years later, with not a single incident of a Japanese American attempting to aid the enemy having been documented, it is clear that the "military necessity" claims of our Government were unfounded. What this incident also makes clear is the ease with which the civil liberties and individual freedoms we enjoy can be usurped. For Japanese Americans, the rampant rumors of a Japanese invasion and war hysteria were enough to establish the guilt of American citizens simply because of their Japanese ancestry.

In his testimony before the Commission in 1981, the late Supreme Court Justice Abe Fortas said of the event:

It is a sad and nationally humiliating story. I believe the mass evacuation of those of Japanese ancestry and their prolonged detention was a tragic error, and I cannot escape the conclusion that racial prejudice was a basic ingredient.

As we await specific Commission recommendations on appropriate reparations to the internment victims, we must focus on the larger issue of usurped freedoms and how to prevent the recurrence of this dark moment in our history. We must insure that, in our haste to protect ourselves from our perceived enemies, we not do ourselves an even greater injustice by trampling those very principles which make this Nation great.

Mr. METZENBAUM. Madam President, at this time, I yield 5 minutes to my very good friend, a man who has brought so much of this to our attention, the Senator from Hawaii (Mr. MATSUNAGA).

Mr. MATSUNAGA. Madam President, I thank the distinguished Senator from Ohio for yielding and for taking the leadership in organizing the special orders for this morning to call to the attention not only of this body but of the Nation the report entitled, appropriately, "Personal Justice Denied." It is, of course, the report of the findings of the Commission on Wartime Relocation and Internment of Civilians in World War II.

As one of only two citizens of Japanese ancestry in the Senate, I suppose I feel a bit more akin to what happened to the 120,000 Americans of Japanese ancestry in World War II who were relocated from the west coast.

As an officer in Uncle Sam's uniform 6 months prior to Pearl Harbor, I was serving in the capacity of acting company commander, commanding a company of infantrymen on one of the islands of Hawaii during the attack on Pearl Harbor. I might relate this funny incident: It was on December 7, Sunday morning, 1941, that with three of my sergeants, I was about to leave the camp on a hunting trip. Molokai has good hunting grounds for deer, I might point out to any interested listener.

It was early Sunday morning and there was this plane flying overhead, apparently an observation plane. I remarked, "By heavens, the maneuvers are getting realistic; look at it. They have the Rising Sun painted on the wings and fuselage."

Within a matter of a few minutes, we could see Pearl Harbor billowing in smoke, about 16 miles away. We had the radio tuned in, and it said, "This is the real McCoy; Pearl Harbor is being attacked by the Japanese."

At that time, no question was raised at all. We were all in Uncle Sam's uniform, regardless of race or ancestry. We fought side by side in dugouts, and no one raised any questions about our ancestry. We were all Americans.

But then, as the Japanese action near Hawaii slackened, and invasion of the Islands became a remote matter, orders were issued by the War Department that all American soldiers of Japanese ancestry must turn in their arms and ammunition and prepare to be sent to God knew where.

Although I was an officer, I too was asked to turn in my arms. I did comply and, within 72 hours, we found ourselves sailing aboard a troopship, a converted freighter called the SS *Maui*, sailing to destination unknown. Because we were stripped of all our arms and ammunition—there were 1,560 of us—we thought we were headed for a concentration camp.

When we landed at Oakland, Calif., we were put aboard a troop train. It was the first time we rode a train; you see, we do not have any passenger trains in Hawaii. But we rode in style in Pullmans. But during the day, we could not peek out. It was an entirely secret move into the hinterland.

When the train finally came to a screeching halt, and we were told we had reached our destination, we looked out of the windows and the first thing we saw was a barbed-wire fence. The pessimists were right, we said; we were headed for a concentration camp.

We soon learned that our destination was Camp McCoy, Wis. The barbed-wire fences held the two prisoners of war whom our men had captured at Waimanalo Bay over on the island of Oahu. These were the two Japanese sailors who had landed at Waimanalo beach by mistake, thinking it was Pearl Harbor. We—1,650 of us—were given wooden guns and our first task was to guard these two prisoners of war.

We petitioned the President of the United States to give us a chance to prove our loyalty and to be sent against the Japanese. Our petition was heeded, but we were organized into a battalion and sent, instead, to North Africa. From there, we were in the second wave of the invasion at Salerno, Italy.

When we fought the enemy beyond all expectations, as the Nisei 100th Infantry Battalion, the War Department decided to organize a new infantry regiment of Japanese Americans and called for volunteers. Within 2 weeks over 10,000 Niseis had volunteered—many from the relocation camps in which they were prisoners. The 442d Infantry Regimental Combat Team was thus born, and the 100th Infantry Battalion, of which I was a member, became its 1st battalion.

It is now part of American history that the 100th battalion, which was nicknamed "The Purple Heart Battalion," and the 442d Regimental Combat Team established themselves as the most decorated combat team in the military history of the United States.

But while we were fighting at the front, many of our family members were still confined in American-style concentration camps.

Madam President, I am heartened by the support of my colleagues here this morning on the Commission's report. There is a thread to our history—a silver lining, if you will—that when we Americans have fallen short in living up to the ideals upon which the Nation was founded, we have had "the saving grace" to recognize our failures without equivocation and to address them. I am led to believe that such will be the case facing this ignoble instance of our history.

Madam President, I have circulated to my colleagues the initial article in an outstanding series that appeared in the Washington Post, December 5 through 9 last year, by writer Fred Barbash. In succinct and human terms, this series has summarized much of the ground covered by the Commission report although it is based upon original reportage undertaken by the newspaper itself. Incredible and unforgettable stories are presented: An internment camp youngster goes over a fence chasing a ball and is shot and killed; a 442d Infantry Regiment soldier in U.S. Army uniform on home leave visits his family behind barbed wire fences in an American relocation camp. It is a sad but absorbing account of a people uprooted and scattered as a matter of official Government policy.

The origins of that policy constitute a dark chapter in our history deserving of the reflection shown on this floor this morning. We have yet to completely exorcise the demons of racial prejudice and fear in our country as was pointed out by the Senator from Ohio. What is most significant about the statements made on the Senate floor this morning is that our Nation's political leaders are taking the lead to rectify a grave error for it is an undeniable fact that political leadership was lacking during that war with respect to justice for Japanese Americans.

There were brave voices raised in opposition but they were not heeded. In early February 1943, FBI Director J. Edgar Hoover analyzed the mass evacuation proposal urged by California officials and the Army Western Defense Command for Attorney General Francis Biddle. He concluded:

> The necessity for mass evacuation is based primarily upon public and political pressure rather than on factual data. Public hysteria and, in some instances, the comments of the press and radio announcers, have resulted in a tremendous amount of pressure being brought to bear on Governor Olson and Earl Warren, attorney general of the State, and on the military authorities.

"Local officials, press, and citizens have started a widespread movement demanding complete evacuation of all Japanese, citizen and alien alike," Director Hoover's memo to Mr. Biddle observed.

Madam President, this movement was successful in interning 120,000 people—70 percent of whom were native-born Americans—despite the complete lack of evidence of any military justification for the undertaking. Whatever reservations the Attorney General may have had, he did not argue to the President that the Constitution prohibited exclusion of Japanese Americans from the west coast simply on the basis of ethnicity, given the facts on the west coast.

Madam President, the personal justice, denied Japanese Americans as a result of the World War II mass evacuation and internment was a violation of the freedoms for which all Americans fought in that war. The group injustice has been recognized by my colleagues here this morning. We await, however, the second installment of the Commission's report in June on the matter of how this injustice now can be rectified.

Madam President, never again should this dark period of our history be repeated. It is for this reason that I feel that the story of the Japanese Americans should be told and retold, that this great country of ours will never again subject any group of Americans to the same indignity and injustice strictly on the basis of ethnicity, as were the Japanese Americans in World War II.

I thank the Senator from Ohio once again. I yield the floor.

Mr. METZENBAUM. Madam President, I know the Senate is scheduled to recess at noon. I yield to the distinguished Senator from New York all of the remaining time, with the exception of 1 minute which I reserve to myself.

Mr. MOYNIHAN. I thank my friend from Ohio.

Madam President, I am honored to be on the floor with my friend and classmate, the Senator from Hawaii (Mr. MATSUNAGA), to whom I shall speak directly as well as for the purposes of the CONGRESSIONAL RECORD. First, I thank Senator METZENBAUM, whose thought this was, that we should address this most important issue today.

The Senator from Hawaii may know that, in my academic career, I have taken a particular interest in American ethnic history. Let me first say to him that I hope he is right when he says the clear injustice done the Japanese Americans in the internment during World War II, and the special treatment given Japanese American soldiers in the armed services of the time, never could happen again. But this is only going to be the case if we have learned the lesson this episode of American history teaches. We could have learned it in the last century and did not.

A similar challenge to the American Constitution arose during the Mexican-American War, when there were elements in the Army that were tremendously concerned about whether Irish Catholics should be enlisted on the ground that they would not fight against a "Catholic power"—Mexico.

The doctrine of General DeWitt, that enthnicity determined loyalty, is a very old idea. It is a consistently wrong one, but also a persistently attractive one.

Madam President, if there is a single fact that emerges from this volume "Personal Justice Denied" it is the truth of Edmund Burke's proposition that:

> The only thing necessary for the triumph of evil is for good men to do nothing.

For this report is a litany of men who have acquired a hallowed state in American national life—of Franklin D. Roosevelt, who would not let these Americans out of concentration camps until his fourth term in the Presidency was guaranteed; of John J. McCloy and Henry Stimson, who thought it a bad idea but would do nothing about it.

Those of us in the political world should take note of this lesson and know that none of us needs to be perfect in order to have been great. Certainly there were imperfections at that time, but they were overcome. We are a better, more tolerant society today, and shall, I hope, continue to improve.

None more nobly represents that tradition in this body than the Junior Senator from Hawaii (Mr. MATSUNAGA). It is an honor to serve with him and to note that the most important response of the Japanese-American community to their internment was, to become, in one generation, the most educated and professionally highest ranking ethnic community in the United States of America. As well as any other, they today define what it means to be an American.

Mr. MATSUNAGA. I thank the Senator.

Mr. MOYNIHAN. I thank my good friend from Ohio.

Mr. METZENBAUM. Madam President, I thank the Senator from New York, who joined us in this colloquy this morning.

I appreciate the remarks of the distinguished Senator from Hawaii, who really is the one who brought up the entire subject to strike at the conscience of all of us in raising this issue.

Madam President, I have sent to the desk a statement by the Senator from Vermont (Mr. LEAHY), and I ask unanimous consent that that statement, as well as the others I have offered previously on behalf of other Senators, be included in the RECORD as if actually delivered on the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Madam President, I ask unanimous consent that such other Members of the Senate who desire to do so may be permitted to include their statements in the RECORD during the remainder of the day and that their statements be included immediately following all those heretofore delivered or heretofore submitted for the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Madam President, I believe that concludes our debate on this subject today.

I appreciate the cooperation of the leadership in making it possible for us to have these 2 hours to engage in this discussion.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. LUGAR). Under the previous order, there will now be a period for the transaction of routine morning business, not to extend past 12 noon, in which Senators may speak for not more than 2 minutes each.

THE GREAT SPANISH ADVENTURE

Mr. MATHIAS. Mr. President, shortly after the recess, the Judiciary Committee will consider S. 500, the Christopher Columbus Quincentenary Jubilee Commission bill. This legislation, first introduced in the 97th Congress, seeks to establish a commission to insure significant observance of the 500th anniversary of the discovery of the New World.

The anniversary observance also has important international dimensions and nowhere are they more obvious than in Spain, the land which made possible the voyages of exploration, the land from which Christopher Columbus embarked and the land whose rich culture nourishes so many nations of the Western Hemisphere.

Last fall a Senate delegation visited Granada in order to initiate contact and cooperation with the various governmental and nongovernmental organizations in Spain that are working to make the 500th anniversary a major cultural event. During that visit, we were welcomed by Ambassador Enrique Perez-Hernandez, then vice president of the Instituto de Cooperacion Iberamericana. In his welcoming speech the Ambassador provided us with fascinating details of the events that preceded the voyages of discovery. More importantly, however, he gave us valuable insight into how the Spanish people view this "great Spanish adventure".

I ask unanimous consent that Ambassador Perez-Hernandez' speech be printed in the RECORD for the pleasure and edification of Members of Congress.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY AMBASSADOR PEREZ-HERNANDEZ

I would like to begin by extending a very warm welcome to our eminent guest from the United States of America on behalf of the National Commission for the Celebration of the 500th Anniversary of the Discovery of America, which I have the honour of presiding over as vice-president.

We are not ten years away from a most important date for Spain and for many of the countries of the Americas. The 12th of October of 1992 will represent the 500 year mark since the discovery of the New World by the three Caravelles of the Spanish Armada, under the command of "Capitán" Cristóbal Colón.

It gives me great pleasure to address you here today in Granada, this beautiful city where, on the 17th of April in 1492 at the gates of Sante Fe, the famous "capitulaciones" which would form the "Carta Magna" of the Discovery were signed.

The venture proposed by Cristóbal Colón, which had been spurned as a dubious enterprise by other countries such as Portugal, France and England, would be wholeheartedly supported by the Spanish Crown, after seven long years of persistence on the part of Colón in Spain.

As our friend Senator Mathias expressed last May in the American Senate after introducing a bill for the establishment of the Christopher Columbus Quincentenary Jubilee Commission: "Clearly what Columbus undertook and accomplished was no mere accident. He had an indomitable will to achieve the impossible in spite of tremendous opposition and unimaginable odds. His belief in himself and his mission was enough to enlist the support of an enlightened Queen Isabella of Spain, and that, in turn, was enough to change the course of history."

In general terminology, the "capitulaciones" were agreements or treaties established beteeen the Monarchy and an individual subject, usually with the purpose of discovering and colonizing new lands.

In the instance of the Capitulaciones of Santa Fe, these were preceded by lengthy, obstacle-ridden negotiations, not only due to the uncertaintly about the results of the undertaking, but also because of Colón's demands that, should his mission succeed, he be named Admiral of all the islands and lands discovered under his command, that he be named Viceroy of these lands and consequently receive ten percent of all the riches and fruits of trade drawn from the new land. Colón was well acquainted with the legal disputes that had arisen out of the trading with India. Finally, he demanded the right to claim one eighth of the cargo capacity of each ship sent to the new lands and hence one eighth of the benefits derived thereof.

Upon signing the "capitulaciones", the Catholic Kings offered Colón total protection. At the same time, four important bylaws were decreed in order to assist the expedition. Colón was also granted two safe-conduct passes bestowing on him the high rank of Special Ambassador of the Catholic Kings, should he meet up with the Great Khan or any other dignitary during his voyage.

One must interpret the "capitulaciones" of Santa Fe as the legal seed of what would later be the Great Spanish Project in the New World. These "capitulaciones" reflected the first application of ideas concerning the possession, government and commerce of the future discoveries and conquests.

Colón's discovery, and the subsequent discovery by Magallanes in 1520 of the Southern Sea—later to be called the Pacific—proved that indeed America was a continent geographically independent of Asia.

However, the adventure of Spain in the New World would represent much more than a sensational find, more than a formidable conquest, and more than the mere possession of new lands and treasures. Above all, it involved a slow, patient, constant and persistent construction of a new society, a new idea of state, a new culture and new institutions which blossomed with the fruit of their activities—a creation unique in the history of mankind. These were the American societies, American states, and American cultures, already structured according to their basic and essential elements long before the hispanic nations attained their Independence.

At this point I would like to draw your attention to the special concept of "state" which existed in Spain at the time of the discovery and during the era of the conquest. The kings were the heads of various political entities—Castilla, Aragón, Valencia, etc.—which were united by right and almost always in fact by the Crown alone. "These Kingdoms" is the expression most commonly used in official documents at that time to designate Spain. Thus it can be deduced that the Spanish concept of the organization of the Americas could not have been that of "colonies". The newly discovered and conquered lands could not be considered property of Spain, but rather represented a continuation of "those kingdoms" with the same status as the "kingdoms" of the Iberian peninsula, and this system of collective Spanish societies united the American nations both among themselves and with the European monarchy through the figure of the King himself.

This peculiarity led to the creation of a new civilization—the consequence of a symbiotic relationship between the indigenous American cultures and the Spanish one with its Greek-Latin-Jewish elements. It was a new society the political and economic elements of Europe were mixed together with those of the indigenous communities, and where racial and cultural hybrids predominated.

The great Spanish adventure was the work of Spaniards—that is, of all the subjects of the Spanish Crown, which at that time included the inhabitants of both the peninsula and the islands. All of them col-

laborated in the creative evolution of the Americas and in the propagation of the Castillian language as the common denominator of the great Hispanic sovereign.

The Catholic Kings took care to ensure that only Spaniards should be sent to the New World, so as to keep the influence pure, and that any small groups of foreigners venturing to America be quickly integrated into the mainstream of the general project.

For all these reasons, and without detracting from the importance of the role of Cristóbal Colón, we must give greater recognition to the multi-secular work of the Spanish people who, as a whole, left an indelible mark on the New World with their blood, their language, their religion, and their culture.

In closing I would like to quote the words of President Ford during the visit of Their Majesties, the King and Queen of Spain, to the United States in June of 1976: "The contributions, we all know in America, of the people of Spain to the new world are to be found throughout our entire country. The Spanish explorers ventured into the unchartered wildernesses of our continent long before independence of the United States. Many, many American towns and cities . . . bear Spanish names. Much of our architecture reflects the distinctive quality of Spanish artistry. Many thousands of American families proudly bear names reflecting their Spanish ancestry. . . . In 1492, Columbus claimed America for a Spanish King and Queen. Today, nearly 500 years later, a King and Queen of Spain have come themselves to America not to claim it but to join with us in affirming the common ideals which make all of us citizens of the western world."

ADMINISTRATION'S NATURAL GAS DECONTROL PROPOSAL

Mr. EXON. Mr. President, it was my privilege to make some remarks recently to the Senate Committee on Energy and Natural Resources with regard to the administration's natural gas decontrol proposal.

I ask unanimous consent that those remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR J. JAMES EXON

Mr. Chairman and Members of the Senate Energy Committee, I appreciate the opportunity to voice my concerns regarding the Administration's proposal to remove all price ceilings on natural gas.

I am not impressed with the President's proposal which, on balance, favors producer interests. Consumer protection offered by the proposal is fleeting and only raises false hopes. The proposal once again confirms the suspicion that the Administration's concept of "free market" means that producers are "free" to do whatever they please.

PRICE CONTROLS

My first concern is with the Administration's plan to completely lift price ceilings on all "old gas." A recent Library of Congress study conducted at my request has indicated that the top 26 major energy producers control nearly all of this category of natural gas. Even with price controls which hold "old gas" below the average market price for other categories of natural gas, major energy producer gross revenues have doubled since 1978 from sales of natural gas.

In 1978, gross revenues from natural gas for these companies was $9.3 billion. In 1981, this figure rose to $17.8 billion.

With "old gas" selling for around $1.50 per Mcf, removing the price ceiling would raise this price to $3 or $4 per Mcf. Reports in the media have suggested that this could result in a windfall to the major oil companies of nearly $40 billion.

Big Oil would once again be the winner, and America's consumers would once again bear the burden of this windfall.

Those consumers hurt the worst would be those who are serviced by pipeline companies which have large supplies of "old gas" under contract. The Administration's proposal would allow producers to break existing contract with the pipelines and charge the higher price.

CONTRACTS

A few weeks ago, FERC Chairman, Charles Butler, reported that producers have been unwilling to renegotiate contracts with pipeline companies despite changing market conditions. The Administration's proposal only encourages producers to further resist renegotiation efforts. Producers would be more inclined to hold out for decontrol to take effect when higher selling prices would be available and producers could walk away from contract obligations to sell gas to the highest bidding pipeline.

The Congress has sought to encourage pipelines and producers to sit down and renegotiate supply and price terms in existing contracts to more accurately reflect current market conditions. These contracts have placed the industry in a straight-jacket which requires both parties to remove. However, if producers are unwilling to voluntarily renegotiate, and the Administration bill further encourages resistance to voluntary efforts, the Congress can only be forced to act on this matter. It had been hoped that the industry would "keep its own house in order," however, results to date appear to be quite disappointing. Although a handful of pipelines have been successful in negotiating with suppliers, the Administration's proposal certainly will not encourage this process.

CONSUMER PROTECTIONS

The Administration's so-called "consumer protection" provisions are temporary and threaten reliable consumer service in many instances.

The proposal would create a new layer of bureaucracy at the FERC, a board which is already dominated by producer-state members, which only serves to delay the pass-through of wellhead price increases charged to pipelines by producers. This delay mechanism is only temporary and would, under the Administration plan, evaporate completely after 1985, leaving absolutely no regulatory review of rates once total price decontrol is implemented.

The proposal throws the entire risk of gas acquisition onto the pipeline. Once again, the producer bears no risk, is insulated from "market signals," and is permitted to extract the highest allowable selling price.

Consumers served by pipelines with large "old gas" supply contracts stand to lose the most under the Administration's plan. As "old gas" supply is depleted and the pipeline's "gas mix" includes more higher cost "new gas," increases in prices for these pipelines would be higher than those pipelines which already utilize higher priced gas in their system. Thus pipelines which have kept cheaper "old gas" in their system would be penalized and may adversely affect service to the customers of these pipelines.

An additional concern about the Administration's "price cap" is that for these same pipelines with "old gas" in their system the "cap" could actually result in higher prices than the Administration contends. Again, as more and more higher cost gas comes into a system which has relied upon cheaper "old gas," average new contract prices or renegotiated prices which would be used as the basis of the Administration's proposed "cap" could actually be higher than current ceiling prices.

CONCLUSION

I would urge the Committee to carefully consider the implications of the Administration's proposal. It is based upon an unwise premise that low oil prices are here to stay. With world oil prices influenced greatly by the "artificial" pricing system of the OPEC cartel, I would question the wisdom of tying domestic gas prices to OPEC's world oil pricing scheme.

The nation's homeowners cannot benefit from total decontrol. Residential users have no alternative when it comes to heating their homes in the winter. Fuel switching is not a reasonable alternative that is available to homeowners. Agriculture is another captive user. Last year, a Library of Congress study conducted at my request indicated that farm production costs could increase by $2.5 billion under a total decontrol plan.

I would urge the Committee and the Senate to reject the Administration's proposal. Any legislation considered must respect the appropriate balance between protecting consumers from unreasonable and artificial price hikes and the need to encourage production to meet consumer demands.

I thank the Committee for its consideration of my remarks. I would ask that the recent Library of Congress study on "Natural Gas Revenues of Major Energy Companies" be included in the record following my remarks.

CONGESSIONAL RESEARCH SERVICE—THE LIBRARY OF CONGRESS

NATURAL GAS REVENUES OF MAJOR ENERGY COMPANIES 1977–81

Natural gas sales provide a significant portion of major energy company revenues from their combined sales of domestic natural gas and crude oil. In 1977 and 1978, prior to the world oil price shock of 1979, gas accounted for over 30 percent of their revenues from sales of domestic natural gas and crude oil. In 1980 and 1981, the gas share of these revenues levelled off at about 22 percent. The importance of domestic natural gas to major energy companies is highlighted, also, by the fact that these companies account for approximately half of the volume of natural gas marketed in the United States and of proven natural gas reserves in the country.

This report presents an analysis of the levels and trends of natural gas revenues of of 26 major U.S. energy companies for the period 1977 through 1981.[1] The companies

[1] The major energy companies are those required to report company financial data to the U.S. Department of Energy, Energy Information Administration (EIA) on Form E1A-28: Financial Reporting System. The companies were chosen by EIA from the top 50 publicly held domestic crude oil producers in 1976, who accounted for at least 1 percent of either production or reserves of oil, coal, or uranium; or one percent of oil production, refining ca-

are those whose corporate financial data are reported to the U.S. Department of Energy, Energy Information Administration for its Financial Reporting System (FRS). The period under review is constrained by the availability of FRS data. Nevertheless, the period extends from the year immediately prior to enactment of the Natural Gas Policy Act of 1978 (NGPA) through most of the period during which NGPA pricing has been in effect, and during the period of sharply rising crude oil prices from 1979 through mid-1981. All of the data discussed herein treat only revenues, production, and reserves for domestic oil and gas operations of the FRS companies.

1. Trends in Natural Gas Revenues of Major U.S. Energy Companies, 1977-81.—Since 1977, the major U.S. energy companies have experienced a more than twofold growth in operating revenues derived from their sales of domestically produced natural gas since 1977. In 1977, the 26 energy companies had gas revenues of about 8.2 billion dollars. Preliminary data for 1981 indicate that their gas revenues had increased to about 17.8 billion dollars, or 2.2 times that of 1977. These data are presented in Table 1.

TABLE 1.—REVENUES FROM THE SALE OF DOMESTIC NATURAL GAS OF MAJOR ENERGY COMPANIES, 1977–81 [1]

[Dollars in millions]

Year	Natural gas revenues	Year-to-year change	Percent change
1977	$8,174		
1978	9,258	$1,084	11.7
1979	11,491	2,233	19.4
1980	13,991	2,500	21.8
1981 [2]	17,782	3,791	27.1

[1] The major energy companies are those selected for inclusion in the Financial Reporting System (FRS) of the U.S. Department of Energy, Energy Information Administration. The companies are: Amerada Hess, American Petrofina, Ashland Oil, Atlantic Richfield, Burlington Northern, Cities Service, Coastal States, Conoco, Exxon, Getty Oil, Gulf Oil Kerr-McGee, Marathon Oil, Mobil, Occidental, Phillips Petroleum, Shell Oil, Standard Oil of California, Standard Oil of Indiana, Standard Oil of Ohio, Sun Company, Superior, Tenneco, Texaco, Union Oil of California, and Union Pacific.

[2] Preliminary data.

Source: U.S. Department of Energy, Energy Information Administration. Office of Economics and Statistics. By telephone communication, March 3, 1983.

Over the entire five-year period, combined gas revenues of the 26 companies increased at an average annual rate of 21.5 percent. In general, however, gas revenues grew at an increasing rate over this period: in 1978, the change in gas revenue was 1.1 billion dollars; in 1979, 2.2 billion dollars; in 1980, 2.5 billion dollars; and, in 1981, 3.8 billion dollars.

This acceleration in the growth of gas revenues reflects the phased decontrol of gas prices allowed by NGPA, and the response of producers away from controlled to decontrolled gas sources. From 1978 through 1981, gas revenues from sales of domestic gas by the 26 major companies grew at an annual rate of 24.3 percent.

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pacity, or petroleum product sales. These companies are: Amerada Hess, American Petrofina, Ashland, Atlantic Richfield, Burlington Northern, Cities Service, Coastal States, Conoco, Exxon, Getty Oil, Gulf Oil, Kerr-McGee, Marathon Oil, Mobil, Occidental, Phillips Petroleum, Shell Oil, Standard Oil of California, Standard Oil of Indiana, Standard Oil of Ohio, Sun Company, Superior, Tenneco, Texaco, Union Oil of California, and Union Pacific.

Source: U.S. Department of Energy. Energy Information Administration, Energy Company Development Patterns in the Post Embargo Era. Volume 1, October 1982, Washington, D.C., p. 99.

2. Share of Natural Gas Revenues in Combined Revenues from Sale of Domestic Oil and Gas of Major Energy Companies, 1977-81—Natural gas revenues of the 26 major energy companies were approximately 30 percent of their combined revenues from sales of domestic crude oil and natural gas in 1977-79. In 1980, this share declined to 23.5 percent, and, in 1981, to 22.5 percent. These data are presented in Table 2.

TABLE 2.—NATURAL GAS SHARE OF COMBINED REVENUES OF DOMESTIC CRUDE OIL AND NATURAL GAS OF MAJOR ENERGY COMPANIES, 1977–81 [1]

[Dollars in millions]

Year	Domestic natural gas revenues		Domestic crude oil revenues [2]		Combined natural gas and crude oil revenues	
	Amount	Percent	Amount	Percent	Amount	Percent
1977	$8,174	30.8	$18,374	69.2	$26,548	100.0
1978	9,258	31.6	20,057	68.4	29,315	100.0
1979	11,491	29.7	27,219	70.3	38,710	100.0
1980	13,991	23.5	45,547	76.5	59,538	100.0
1981	17,782	22.5	67,216	77.5	84,998	100.0

[1] The major energy companies are those selected for inclusion in the Financial Reporting System (FRS) of the U.S. Department of Energy, Energy Information Administration. The companies are: Amerada Hess, American Petrofina, Ashland Oil, Atlantic Richfield, Burlington Northern, Cities Service, Coastal States, Conoco, Exxon, Getty Oil, Gulf Oil Kerr-McGee, Marathon Oil, Mobil, Occidental, Phillips Petroleum, Shell Oil, Standard Oil of California, Standard Oil of Indiana, Standard Oil of Ohio, Sun Company, Superior, Tenneco, Texaco, Union Oil of California, and Union Pacific.

[2] Preliminary data.

Source: U.S. Department of Energy, Energy Information Administration. Office of Economics and Statistics. By telephone communication, March 3, 1983.

Two factors, in particular, explain this decline in the share of natural gas revenues. First, both domestic and world oil prices rose sharply from 1979 through mid-1981. Second, natural gas price controls prior to NGPA and constraints imposed by NGPA restrained the growth of revenues from gas.

Between 1979 and mid-1981, both world and domestic oil prices rose sharply and persistently. The average refiner acquisition cost of imported crude oil was essentially constant in 1977 and 1978 at approximately $14.55 per barrel. In 1979, prices for imported crude rose more than seven dollars per barrel, and, in 1980, by an additional twelve dollars per barrel. In 1981, the increase in imported crude moderated, and the price rose three dollars per barrel. Over the period, 1978 through 1981, therefore, imported oil prices more than doubled, rising at an annual rate of 36.5 percent from $14.57 to $37.05 per barrel.

Over this period, domestic crude oil prices increased as well despite controls on them through January 1981. In 1977 and 1978 national average domestic wellhead prices were in the range of $8.50 to $9.00 per barrel, but rose to $12.64 in 1979, $21.59 in 1980, and $31.77 in 1981. Thus, domestic crude prices increased nearly fourfold in this period at an annual rate of 53.5 percent. The average value of a barrel of domestic crude oil sold by the 26 major companies was generally lower than the national average domestic wellhead price, rising from about $8.30 per barrel in 1977-78 to $29.10 in 1981 at an annual rate of 51.8 percent. These data, published by the Energy Information Administration (EIA) or compiled from EIA data, are presented in Table 3.

These sharp increases in oil prices far exceeded the growth in both national average wellhead prices for natural gas and the average value of natural gas marketed by the 26 major energy companies. The national average wellhead price of gas rose from $0.79 per thousand cubic feet (mcf) in 1977 to $1.98 per mcf in 1981 at an annual rate of 25.8 percent. The average value of natural gas marketed by the 26 companies rose at an annual rate of 25.1 percent from $0.73 per mcf in 1977 to $1.79 per mcf in 1981. These data are also shown in Table 3. That natural gas prices rose more slowly than crude oil prices is a result of the very complex schedule of allowable prices under NGPA, as well as the pricing provisions of long-term contracts entered into by natural gas pipelines to acquire gas.

These trends in prices of both oil and gas explain for the most part why the gas share of total domestic gas and crude oil revenues of the 26 major energy companies fell. Clearly the gas share declined, because domestic oil prices rose twice as fast as natural gas prices. Reinforcing this conclusion is the fact that the volumes of both domestic gas and crude oil were essentially constant throughout the period, with the sole exception of a 15-percent increase in crude oil volume in 1978 (see footnotes to Table 3).

TABLE 3.—VALUE OF DOMESTIC NATURAL GAS AND CRUDE OIL AND IMPORTED CRUDE OIL-NATIONAL AVERAGE AND AVERAGE VALUE OF SALES OF MAJOR ENERGY COMPANIES, 1977–81 [1]

Year	Dollars per thousand cubic feet		Dollars per barrel		
	Domestic natural gas wellhead price	Average value of natural gas of major energy companies [2]	Imported crude oil [3]	National average domestic crude oil price [4]	Average value of crude oil of major energy companies [5]
1977	0.79	0.73	14.53	8.57	8.36
1978	.91	.85	14.57	9.00	8.27
1979	1.18	1.07	21.67	12.64	11.25
1980	1.59	1.39	33.89	21.59	19.02
1981	1.98	1.79	37.05	31.77	[6] 29.10

[1] The major energy companies are those selected for inclusion in the Financial Reporting System (FRS) of the U.S. Department of Energy, Energy Information Administration. The companies are: Amerada Hess, American Petrofina, Ashland Oil, Atlantic Richfield, Burlington Northern, Cities Service, Coastal States, Conoco, Exxon, Getty Oil, Gulf Oil Kerr-McGee, Marathon Oil, Mobil, Occidental, Phillips Petroleum, Shell Oil, Standard Oil of California, Standard Oil of Indiana, Standard Oil of Ohio, Sun Company, Superior, Tenneco, Texaco, Union Oil of California, and Union Pacific.

[2] Computed by dividing total natural gas revenues by total marketed production. The revenue and production data are:

Revenues and production: 1977—$8,174 million, 11.19 billion cubic feet; 1978—9,258 million, 10.87 billion cubic feet; 1979—11,491 million, 10.71 billion cubic feet; 1980—13,991 million, 10.05 billion cubic feet; and 1981—17,782 million, 9.95 billion cubic feet.

[3] The values are the Refiner Acquisition Prices.

[4] The values are the domestic crude oil wellhead prices.

[5] Computed by dividing total crude oil (including lease condensate and natural gas liquids) revenues by total marketed production. The revenue and production data are:

Revenues and production: 1977—$18,374 million, 2,196.7 million barrels; 1978—20,057 million, 2,424.7 million barrels; 1979—27,219 million, 2,419.3 million barrels; 1980—45,547 million, 2,394.5 million barrels; and 1981—67,216 million, 2,310.2 million barrels.

[6] Preliminary data.

Compiled by CRS using as sources: U.S. Department of Energy. Energy Information Administration. Monthly Energy Review, November 1982. U.S Department of Energy. Energy Information Administration. Office of Economics and Statistics. By telephone communication, March 4, 1983.

3. Additional Observations and Caveats.—The data show clearly that gas is a very significant element of the upstream (or resources extraction) operations of major energy companies, most of which are oil companies. Their gas revenues have risen marketly since 1977. Their gas revenues account for more than a fifth of their combined gross revenues from the sale of domestic crude oil and natural gas; even though this share is down from earlier years, it is still significant.

There are, in addition, other indicators of the importance of natural gas in the operations of these 26 companies. They market about half of the domestic natural gas produced in the United States. Also, they con-

trol more than half of the reserves of natural gas in the United States. These data are presented in Table 4.

Three caveats must be stated at this point. First, the data presented in this report refer only to the gross, pre-tax revenues, marketed production, and reserves of domestic gas and oil. International operations are not considered; nor are refining, distribution, or other energy and non-energy business activities of these companies taken into account. In the total picture of the companies' business operations, the revenues derived from production and marketing of natural gas will be a smaller share of total operating revenues.

TABLE 4.—SHARES OF MAJOR ENERGY COMPANIES OF TOTAL MARKETED PRODUCTION AND RESERVES OF DOMESTIC NATURAL GAS, 1977–81[1]

Year	Marketed production—trillion cubic feet		Share of major energy companies (percent)	Reserves[2]—trillion cubic feet		Share of major energy companies (percent)
	Total United States	Major energy companies		Total United States	Major energy companies	
1977	20.03	11.19	55.9	216.0	123.6	57.2
1978	19.97	10.87	54.4	208.9	119.1	57.0
1979	20.47	10.71	52.3	200.3	115.8	57.8
1980	20.38	10.05	49.3	194.9	110.3	56.6
1981	20.37	[3] 9.95	48.8	199.0	[3] 108.4	54.5

[1] The major energy companies are those selected for inclusion in the Financial Reporting System (FRS) of the U.S. Department of Energy, Energy Information Administration. The companies are: Amerada Hess, American Petrofina, Ashland Oil, Atlantic Richfield, Burlington Northern, Cities Service, Coastal States, Conoco, Exxon, Getty Oil, Gulf Oil Kerr-McGee, Marathon Oil, Mobil, Occidental, Phillips Petroleum, Shell Oil, Standard Oil of California, Standard Oil of Indiana, Standard Oil of Ohio, Sun Company, Superior, Tenneco, Texaco, Union Oil of California, and Union Pacific.

[2] Reserves at beginning of year.

[3] Preliminary data.

Source: American Gas Association. Gas Data Book, 1982. U.S. Department of Energy. Energy Information Administration. Energy Company Development Patterns in the Postembargo Era. Volume 2. U.S. Department of Energy. Energy Information Administration. Office of Economics and Statistics. By telephone communication, March 3–4, 1983.

Second, no inference regarding the contribution of gas to the profitability of the 26 companies can be made. The revenue data do not net out costs of production or other expenses related to this segment of company business, largely because natural gas operations cannot be conveniently separated from oil operations. For this reason, companies do not report separate cost data for oil and for gas. Nor are there accepted accounting practices and standards to achieve this separation.

Third, the data are not sufficiently disaggregated to identify the natural gas marketed, or reserves, by NGPA category. Even though the average value of gas marketed by the 26 companies is below the national average wellhead price by approximately 10 percent, this difference points only to the possibility that older, price-controlled gas is held, produced, and marketed to a greater extent by the 26 companies than for all gas producers. Data on the volume of natural gas broken out by NGPA category are not available either for all 26 companies together or for individual companies to permit any firm conclusions to be drawn on this subject.

UNITED NATIONS CONSUMER GUIDELINES

Mr. PRESSLER. Mr. President, I recently wrote to Secretary of State George P. Shultz concerning proposed United Nations consumer protection guidelines.

Given the importance of this topic to American agriculture and to others involved in the U.S. food industry, I ask that a copy of my letter including questions I have posed to the Secretary be printed in the RECORD.

There being no objection, the material ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C. March 10, 1983.

Hon. GEORGE P. SCHULTZ,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: In anticipation of Administration testimony before my Foreign Relations Subcommittee on Arms Control, Oceans, International Operations and Environment, I have prepared the enclosed questions on an area of specific concern to me. I very much would appreciate receiving written answers to these questions by March 25, 1983. I wish to study the matter more closely and ensure that we have an informed discussion prior to the hearings.

My concern relates to the effects—especially on American exports—of the veritable explosion of United Nations regulatory activity. One of my reference points is Ambassador Jeane J. Kirkpatrick's excellent article on "Global Paternalism" in the current issue of Regulation magazine. She clearly demonstrates that increasing numbers of U.N. regulations are being used in an open attempt to unfairly redistribute the wealth of industrialized and agriculturally abundant countries such as ours.

I am concerned especially about one of the new regulatory efforts at the United Nations, the proposed worldwide Consumer Protection Guidelines now pending before the U.N. Economic and Social Council. I am troubled by the effects of this proposal on American exports, particularly agricultural commodities.

I look forward to hearing from you by March 25, and I appreciate your thoughtful consideration of these issues.

Sincerely,

LARRY PRESSLER,
U.S. Senator.

QUESTIONS REGARDING UNITED NATIONS ACTIVITIES

1. What organizations (a) within the United Nations (e.g., Economic and Social Council) and (b) directly or indirectly related to the United Nations (e.g., Food and Agricultural Organization) take action to affect or influence American export policies or practices?

2. For each of the above-described organizations, please list the following, using the most current data available:

(a) Nations considered to be members or participants of the organization;

(b) Amount of contributions of funds of each member nation or participant, together with a calculation of the percentage of total contributions that each such contribution represents;

(c) Number of United States government staff members who are employed to work with or at the organization;

(d) The funds allocated in the United States Budget for our activities associated with each organization.

3. What regulations, guidelines, or other similar actions designed to affect or influence American export policies or practices have been proposed and/or promulgated by each of the above-described organizations since January 1, 1980, and what is or was the position of the United States on each?

4. With respect to each of the matters described in Question 3, what procedures were used to afford potentially affected groups, industries and interested members of Congress an opportunity to make recommendations as to what position the United States should take?

5. With respect to the Draft U.N Guidelines for Consumer Protection now pending before the Economic and Social Council, please answer the following questions separately:

(a) What is the present position of the United States on these Guidelines, and how was that decision arrived at?

(b) What evaluations were made with respect to the effect of the Guidelines, if implemented worldwide, on the export of agricultural commodities?

(c) What groups and members of Congress were given an opportunity to comment on the proposals for national legislation on these Guidelines and what positions did they take on the provisions that might affect or influence American export policy or practices?

(d) What is the basis for singling out "highly refined and expensive food products" for special attention by the world's regulators? See Guideline 7(e).

(e) What specifically is meant by suggesting that all governments should have policies and plans providing for "processing and distribution and should include mechanisms for appropriate activity in the case of seasonal fluctuation in food supply and prices"? See Guideline 7(a).

(f) When are these Guidelines scheduled to be considered by ECOSOC, and is it possible for us to have that consideration postponed if it is scheduled to be within the next six months?

SALUTE TO THE AMERICAN FARMER

Mr. PRESSLER. March 21 has been designated as National Agriculture Day. It is good that we take this day to pay tribute to the American farmer whose importance is often taken for granted.

While the total number of farmers continues to decline, farm production continues to increase. Today, farmers produce enough food and fiber for 78 people and over 76 percent more on the same number of acres as their fathers produced. Due to the great efficiency of the farmer, American consumers have an ample supply of low-priced food to eat. In 1980, the average American ate 1,400 pounds of food and spent only 12.2 percent of disposable income on groceries and 4.4 percent eating outside the home. At the same time, we still had 359 billion pounds of food to export to other nations.

While farmers provide low-priced food to consumers, they also generate a tremendous amount of economic activity. Agriculture supports an estimated 23 million jobs, or more than 22 percent of the entire work force in the United States. These jobs include: Providing goods and services for farm production, 2.3 million; food processing,

1.7 million; manufacturing, 4.8 million; transportation and trade retailing, 7.2 million; and eating establishments, 3.1 million. The sale of agricultural products domestically and abroad accounts for 20 percent of our Nation's gross national product. It is very clear that the health of the farm economy has a direct relationship to the entire U.S. economy.

Many of the problems facing our Nation's economy today can be traced to the falling farm income levels of the last 3 years. Currently, many farmers are in financial trouble because of high interest rates, rising costs of production, and low farm prices. Farmers rely heavily on credit. In 1981, farm debt was $174.5 billion—over 3 times the level in 1970, and high interest rates have a devastating impact on farmers. This can be seen in the number of farm sales and foreclosures. Interest rates have declined for large corporations, but remain high in rural areas where farmers obtain credit. Interest costs must be reduced if the American farmer as we know him is to survive.

With farmers spending over $130 billion annually for goods and services, they are also hit hard by inflation. In the last decade, the average costs of production have increased 153 percent, while farm prices have not keep pace. The rapid increases in production costs have helped cause a great increase in farm debt. Again, inflation must be controlled if the farm economy is to rebound.

Finally, farm prices are at the lowest parity level since the Great Depression. Farm income has declined for 3 consecutive years and it is not predicted to increase in 1983. The devastating impact of the 1980 Soviet grain embargo, in conjunction with record harvests around the world, have depressed farm prices both domestically and abroad. The worldwide recession and strong U.S. dollar have caused farm exports to decline for the first time in a decade. To reverse this trend, the PIK program has been implemented and participation has been very good. We must also aggressively pursue foreign markets which have been lost for several reasons. We must implement programs to compete with other nations' export subsidy programs and fight to regain our share of the Soviet grain market.

Mr. President, I am happy to honor the American farmer today, but believe we must also recognize the great problem the farm economy currently faces. We must address this problem and get the farm economy back on its feet.

NATIONAL SECURITY AND VIOLENT CRIME ACT OF 1983

Mr. HEFLIN. Mr. President, I rise today to sponsor the National Security and Violent Crime Act of 1983.

I would like to thank Senators BIDEN, CHILES, and NUNN, and the other distinguished Senators who played a role in the development of this legislation, for their dynamic leadership and relentless efforts on this proposal.

Many times during my service here in the Senate, I have addressed this body on the problem of crime in the United States. Violent crime has reached epidemic proportions in America and is running rampant in every section and locale in the country. Opinion polls continuously indicate that the American public views crime as one of the Nation's most serious problems.

The American public has grown weary of the seemingly endless newspaper and television reports recounting gruesome details of murder, assault, rape, and muggings. They are tired of virtually being held hostage in their own homes, changing their lifestyles to accommodate the threats of their assailants. They are frustrated by the lack of an effective, coordinated effort on the part of law enforcement officials to combat crime.

In the last Congress, both Houses passed and sent to the President a package of crime-fighting measures. I found the President's pocket veto of this legislation incomprehensible.

Today, we begin anew our efforts for a legislative response to the public's demand for action. This comprehensive package is designed to strengthen our criminal penalties and to end the criminals rule over our streets where they operate with little or no fear of arrest or punishment.

One of the important areas addressed by this legislation is the serious problem of drug trafficking. It is a well-known fact that drug trafficking is a very lucrative crime conducted by well-organized and sophisticated operations. The legislation will create a Cabinet-level office to develop and implement a comprehensive and coordinated narcotics control strategy between the various Government agencies with drug enforcement responsibilities; increase the penalties for drug smuggling activities; and mandate mutual assistance treaties with those countries which serve as havens for drug-trafficking financial operations.

A fundamental element of this crime-fighting effort is the sweeping reform of bail and sentencing laws. These reforms include modification of the Federal bail laws to allow Federal judges to deny bail to defendants determined to be dangerous to the community and the establishment of an additional mandatory sentence for use of a weapon in the commission of a felony.

This package will also make great strides in combating organized crime.

An essential crime-fighting tool of this proposal is the criminal assistance program. It is a known fact that a vast majority of crime is committed at the local level. Therefore, if we are determined to wage an all-out battle against crime, we must attack on all fronts. It is, therefore, proper and necessary for the Federal Government to assist local law enforcement efforts.

This legislation represents a strong and steadfast commitment to address the problem of crime in this country. The American public is demanding strong action and it is our responsibility to respond. With the tools provided in this bill, we can make a serious effort to combat crime and take the fear out of the hearts of the American people.

I would like to urge my colleagues in the Senate to support this vital legislation.

Thank you, Mr. President.

A TRIBUTE TO THE BESSEMER RESERVE MARINES

Mr. HEFLIN. Mr. President, I rise today to pay tribute to a group from my home State which has recently brought honor to Alabama by themselves receiving an unprecedented honor. The particular group which I recognize with my comments here today is the Reserve Marine Unit of Bessemer, Ala.

The unprecedented honor of which I spoke a few moments earlier was their receiving, for the second consecutive year, the prestigious Harry Schmidt Trophy. This award is given annually to the outstanding Reserve Fleet Marine Force and Mobile Expedition Force by the National Reserve Officers Association. Prior to this repeat honor for Bessemer's Marines, no unit had ever been awarded this honor twice in succession.

Although many persons may not even realize that such things as Reserve Marines exist, they form an important part of our armed services. These Marines always operate under the assumption that they could be called out at any moment. The Bessemer battalion remains prepared to be airlifted to any remote corner of the world within 24 hours, should such a need arise.

In case of such situations, the Bessemer battalion, and all Reserve Marines, are constantly training and learning and working, in their continuing effort to reach maximum readiness.

They learn about firearms all the way from M-16 rifles to tank guns. They take classes in advanced warfare

tactics, and train extensively in conventional warfare.

Mr. President, during World War II, it was an honor and privilege for me to serve in the U.S. Marine Corps. Today, I continue to feel a close personal kinship to those who are now marines.

For that reason, my pride in the Bessemer Reserve Marines is doubly strong. They have worked hard to stay prepared, and the honor they recently received certainly indicates their success. They are a group of whom all Alabamians should be proud, and I congratulate them.

OUTSTANDING MIDSOUTH JOURNALIST RETIRES

Mr. SASSER. Mr. President, E. W. Kieckhefer has retired from his position as editor of the editorial page of the Commericial Appeal, the morning newspaper in Memphis, Tenn.

"Kieck," as he is affectionately known, is not a native Memphian, but since 1961, when he took up his pen for the Commercial Appeal, it has been Memphis'—and the Midsouth's—pleasure to call him her son.

A man of wry wit, sober wisdom and unlimited good cheer, "Kieck" has never been one to back away from a cause in which he believes, a battle he knows should be fought. He has never been afraid of unpopular causes or to say what he feels ought to be said. He is not a man to compromise with the truth.

Although he is retiring from active newspapering, and although he is leaving the Midsouth and returning to his home State of Wisconsin, he is not giving up journalism altogether. Instead, he will continue to write, to challenge readers' minds, to present his ideas and ideals with reason, passion, and honesty.

On a personal note, he is my friend. I will miss him, but it is good to know that he will not be far away. His editorials were not always favorable, but they were unfailingly wise.

Mr. President, I ask unanimous consent that the story announcing E. W. Kieckhefer's retirement be printed in its entirety. It is a fitting tribute to a distinguished journalist, to one who reflected honor and credit on the great profession he served so well.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Memphis Commercial Appeal, Feb. 20, 1983]

"KIECK'S" WIT, WISDOM TO BE MISSED—EDITORIALIST PUTS A CAP ON CAREER

"Shucks," he says, "who's afraid of Thomas Wolfe?"

E.W. Kieckhefer is going home again.

Retiring after 47 years as a journalist, 'Kieck' has been a guiding force behind thought and commentary at The Commercial Appeal, as editor of the editorial page since 1978 and as an editorial writer since 1961. His "going-home" pun is like a trademark, the kind of humor fellow journalists will remember about him as much as his often-rumpled appearance and a manner that could have been a model for Nigel Bruce's Dr. Watson.

With one brief interruption, Kieckhefer, 67, has lived in the South for 34 years, including 22 years in Memphis. Now, taking with him an acquired appetite for such things as greens, grits, spoon bread and local politics, he is "defying the elements and the advice of friends" to return to his native Milwaukee, where he began his career as a cub reporter.

His editorials, from the 1940's to now, will be some of Kieckhefer's best legacies—"passionate beliefs expressed with reason, thought and quiet competence," as a former co-worker described Kieckhefer's commentary.

"He is one of the few people on the staff who cannot be replaced . . . because of his knowledge, experience and, I'm not bashful to say, his wisdom," says Michael Grehl, editor of The Commercial Appeal. "He challenges conventional wisdom, and that's what it's all about to me."

Editorial writer David Vincent a frequent sparring partner with Kieck, has no less respect for him because of their differences: "Long before Kieck was ready to retire he was kind of an elder statesman on the editorial staff. He had his own specialities, but his familiarity on a wide range of subjects enabled him to challenge other members of the staff, even on their own specialties, and this pushed them to be more thoughtful and more rigorous in taking their positions."

Not always with success but often with red face and vigor, Kieckhefer has taken what he calls the "common sense" approach to issues. It is the same approach that some of his associates call progressive, liberal or sometimes even socialist. He was against segregation when there were still vestiges of it on his arrival in Memphis in 1960. He was "less than enthusiastic" about school busing, but only because he felt "that all schools should be good. I realized after I had been here for a while that all schools weren't good, and that made me accept it based primarily on the fact that the law and the courts said it had to be done. Those who didn't accept it didn't help the situation."

For years he was in a minority among editorial staff members in the Overton Park expressway debate. "I always disliked the idea of an expressway going through the park . . . When they first proposed it they said it was going to save downtown, a concept I never understood."

At the University of Wisconsin at Madison, Kieck was night editor of the school's daily newspaper, although he was majoring in chemistry and science. He attributes his science background to his early opposition to nuclear fission. "They started out saying, 'It won't be long before energy is so cheap that you won't even need meters on your houses.' I knew they weren't taking into account the problem of disposing of radioactive wastes." He is more optimistic about the future of fusion as the "ultimate in solar energy, the same process that takes place on the sun."

Usually more down to Earth, his opinion has often reflected strong feelings about the pace of change in the South and, specifically in his adopted city: "The one big fault with people in Memphis is that they have not accepted new thoughts and new methods very readily . . . I don't think Memphis knows what it is or where it wants to go. We've never quite decided what Memphis can do better than anybody else."

If "Kieckisms" were collected, they might sometimes borrow from the thoughts of others, but they would include: "I have always looked upon all politicians with suspicion, maybe because I have known so many of them personally"; "I have long felt that the clergy is wrong to blame the people for declining morality. Declining morality reflects the failure of the clergy to do what it says it does"; "I don't believe the world is going to hell in a handbasket as some people used to say. Nobody has a handbasket anymore"; "A good newspaper should not be predictable. It should keep the readers on their toes, being 'conservative' on some things and 'liberal' on others, as the situation seems to justify, not as readers or advocates would like them to be"; "Henry Loeb was the mayor I knew best. He was a colorful, raucous kind of mayor who thought he was a product of Memphis. He wound up what I always thought he was—a small town Arkansas boy."

Kieckhefer's retirement, in name only, becomes official Friday.

"I think he's looking forward to keeping busy," says his wife, the former Virginia Kelley, a registered nurse who retired last year. She and their two sons, Robert Kieckhefer, 37, the Chicago and Illinois bureau chief for United Press International, and Richard Kieckhefer, 36, chairman of the department of the history and literature of religions at Northwestern University, echo the same thoughts about Kieck's biggest pastimes: He is a voracious reader and an incredible talker.

His talent for talking may be an acquired trait. One of his former newspapers prepared caricatures of staff members and labeled his as "quiet almost to the point of shyness," says Mrs. Kieckhefer. "But he certainly isn't shy with strangers. He talks to anybody, on the bus, on the street. When we go to a grocery store and he sees a baby he has to stop and talk to the mommy."

At the Commercial Appeal, Kieck is often difficult to locate. Seldom at his own desk, he may be found anywhere in the building, his feet propped on someone else's desk and the conversation covering anything from the desk-top to 5,000 miles away. It may be no more than an exchange of puns. Like one awful recent one: Two baby chickens watched as the mother hen laid an orange. One chick said to the other: "Look at the orange mama laid!"

"How can anybody write unless he first has talked?" Kieck asks.

In Milwaukee, he will be only an hour and a half from his children and grandchildren in Chicago and Evanston, Ill., and will borrow from his editorial research through the years for several writing projects. "I'm planning a book to help people in the United States get a better understanding of relations between the United States and Canada." He is also planning to do freelance writing—one of the things that first attracted him to journalism against his father's wishes. "My father didn't think much of newspapers and tried to steer me away. He thought reporters were a bunch of drunken bums."

But Kieck had been hooked since high school, as editor of the school's weekly newspaper for three years. At the University of Wisconsin, his dormitory was next to the agriculture campus. While studying chemistry and working as night editor of the daily newspaper, he wrote freelance sto-

ries about agriculture for the Milwaukee Journal.

When he applied for a job at the Journal after graduation in 1936, the editor told him he "didn't want anybody right out of college." Kieck walked down the street and conned his way past a "nice motherly type" secretary into the general manager's office at the Milwaukee Sentinel. The general manager hired him as a copy editor, predicting he wouldn't last two weeks.

Kieck was there for a year before joining United Press Associations (now UPI), which transferred him after a year from Milwaukee to its Chicago bureau, where much of his earliest agricultural reporting revolved around the livestock yards and the International Livestock Exposition.

Kieckhefer joined the Minneapolis Star & Tribune in 1941, but before he wrote his first editorial he was named a Nieman Fellow at Harvard University to study the economics of agriculture in 1942 and 1943.

He returned to the Minneapolis Star & Tribune and worked as farm editor, business editor and editorial writer. One of his earliest editorials in the No. 1 butter state was in favor of then-new oleomargarine. "Soybeans (a major ingredient) were just becoming a big farm crop at the time," Kieck says.

He was twice named winner of the Wallaces' Farmer award for "best editorials in the metropolitan press interpreting farm problems for city readers." Before joining The Commerical Appeal in 1960, Kieckhefer worked as farm editor and editorial writer at The Courier-Journal in Louisville, Ky., from 1948 to 1959, including a term as president of the Newspaper Farm Editors of America. The period also included an effort to form a local unit of The Newspaper Guild. "It was an abortive effort, and it didn't make things very good for us."

In 1958, he was named by the Ford Foundation as a Fund for Adult Education Fellow to help improve understanding of agriculture in the metropolitan media. He then worked for a year as editor of The Daily Plainsman in Huron, S.D., before his move to Memphis. Here he worked as a copy editor, assistant city editor, part-time editorial writer and columnist before he became a full-time editorial writer in 1967.

In 1977, as Food and Farm columnist and editorial writer for The Commercial Appeal, he received the prestigious J. S. Russell Award from the Newspaper Farm Editors of America. The memorial award, named for a former farm editor of the Des Moines Register and Tribune and late cofounder of the organization, honored him for excellence as a journalist who had written farm news and agricultural commentary throughout his career.

Without once becoming a drunken bum, Kieck says he "wouldn't have missed the newspaper business for anything." And it is a matter of pride for him that newspapers "do things better than they used to."

Part of the reason is his own role in it. E. B. Blackburn, former assistant managing editor of The Commercial Appeal and now managing editor of the Rocky Mountain News in Denver, was surprised by news of Kieck's retirement only long enough to respond: "He can't do that. That's a little like the Rock of Gibraltar retiring."

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until 2 p.m. today.

Thereupon, at 12 noon, the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. LUGAR).

SOCIAL SECURITY ACT AMENDMENTS OF 1983

The PRESIDING OFFICER. The clerk will report the unfinished business.

The assistant legislative clerk read as follows:

A bill (H.R. 1900) to assure the solvency of the Social Security Trust Funds, to reform the medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes.

The Senate resumed consideration of the bill.

DOLE AMENDMENT NO. 532 TO MELCHER AMENDMENT NO. 531, AS MODIFIED

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I want to read into the RECORD portions of a brief letter that came to my office on the subject of social security. I think Members are well advised to consider the effect of this so-called social security upon those who pay the social security taxes as well as those who are on the receiving end of social security benefits.

If the Congress chooses to continue to raise social security taxes year after year, as has been the case in the last decade, unwittingly we shall create a generation gap involving a bitterness that will be terribly destructive to social progress.

In that context, Mr. President, I will read a portion of a letter, substituting false names for those in the letter. The letter is undated, but it has recently arrived in my office.

DEAR SENATOR: John Jones no longer lives at the above address. He has moved to Florida. My husband and I have moved here from New York so you are now our Senator.

We received your update on social security in the mail. Mr. Jones who has a $100,000.00 condo in Florida and a summer home in Maine would have been glad to hear you don't intend to reduce his social security benefits. I on the other hand am sick and tired of having my social security tax increased.

As you and your fellow Senator well know the most politically powerful group in this country is the senior citizen. This is a generation that was never taxed by the Federal, State, or local government the way you so freely tax us, their children. You tax us to support a generation that controls 80% of the wealth in this country. You tax us to support a generation that owns more real estate than any other generation, more stocks and more bonds. You tax us to support federal workers whose system has been running a deficit since 1976. You tax us to support double dippers. I am fed up with your taking my money to support other people most of whom are better off than I am.

I intend to be politically active and if you vote to increase my taxes to ensure the John Jones' of this world can continue to spend winters in Florida and summers in Maine, if you continue to tax my generation in ways you never taxed our parents, I will do everything I can to see you defeated.

Mr. President, to be sure, the tone of this letter is intemperate and rude and threatening, but I think that is precisely the kind of sentiment that we shall engender in greater numbers if we continually raise the social security tax which today, as has been pointed out, is the highest tax, the greatest tax borne by most working Americans; that is, more money is deducted from their pay in the form of social security taxes than any taxes they pay to the IRS.

As our colleague from Colorado has pointed out so very well in a dear colleague letter which all of us received recently:

Raising payroll taxes on workers means reducing the real income of those whose income has barely kept pace, or actually fallen behind, rising prices in order to sustain a rate of benefit increase for those whose benefits have increased much faster than the cost of living in recent years.

Mr. President, I conclude by urging my colleagues to give careful consideration to the tax raising aspects of this so-called reform proposal, which is a proposal very short on reform and very long on tax increases.

I do not know where the breaking point is, but I am convinced that we are getting very close to it if this letter and others like it, although not quite as intemperate, that I have received are any indication.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Kansas.

Mr. DOLE. Mr. President, let the Senator from Kansas indicate that it is still my hope that we can, in some way, move along on the social security bill and get away from the withholding issue. It seems to me it is not to anyone's interest to do otherwise, particularly since we have a time set to

fully debate the withholding issue, or redebate the withholding issue.

I had a brief visit with the President this morning, and I must say that he feels strongly about the withholding provision.

I believe he was quite distressed with regard to the American Bankers Association. I think his statement, which was released as a result of that meeting, was a result of that feeling. He closes by saying, "As I said last week, it would be far better if the bankers spent less time lobbying and more time lowering interest rates."

Mr. President, I ask unanimous consent that the statement by the President, dated March 22, 1983, be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE PRESIDENT

One of the most important pieces of legislation to be considered by the Congress this year is being held hostage by a small but highly funded and organized special interest group.

Until a few days ago, it appeared that an omnibus bill to make Social Security solvent and extend supplemental unemployment benefits would be enacted this week. I would have gladly signed this vital measure to relieve legitimate worries about the economic security of so many.

Now, however, a selfish special interest group and its Congressional allies are attempting to make this vital economic security bill a legislative hostage. But let me make absolutely clear that an unrelated rider amendment—based on a campaign of distortion and designed to prove that the banks and other financial institutions can still have their own way in Washington—has no place in the bill pending before the Senate.

We should not accept an amendment designed to prevent the collection of taxes that are already owed on interest and dividends—even if the financial institutions find it inconvenient.

This morning I have strongly urged the leadership of the Senate to take whatever steps may be needed to free the economic security bill from this blatant attempt at legislative hostage taking. The Social Security and unemployment insurance lifeline that extends to millions of Americans across the breadth and width of our land cannot be permitted to be severed by the obstructionist tactics of a Washington lobby and its Congressional friends. As I said last week, it would be far better if the bankers spent less time lobbying and more time lowering interest rates.

Mr. DOLE. Mr. President, I do not think anyone would quarrel with lower interest rates. That leads me to the pending amendment. It requires the banks to lower their prime interest rate to 8-percent interest, to qualify for a 6-month delay in withholding. In addition to qualify for the new money market accounts you would not have to have $2,500, but you could get into the money market accounts with $500. That merely puts the focus where it belongs, on people, rather than bankers.

I would hope if we could dispose of the Melcher amendment either with adoption of the second-degree amendment or with some other parliamentary procedure, that we could finish the social security bill today. That may be somewhat optimistic. The Senator from Kansas has no idea how we are going to dispose of the Melcher amendment.

As I looked over the amendments on social security, there are only about four or five that would require rollcall votes and there is a strong desire by the President of the United States, by the House leadership which already passed the social security bill, and by the Senate leadership, at least on this side, to try to pass the social security bill and go to conference and pass the conference report by Thursday evening.

In order to do that, we have a lot of work to do.

Mr. President, I would think within the next few minutes there would be some move made to resolve the impasse. In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, if we want to move on to social security and do just as the Senator requested, with prompt consideration of my amendment and other amendments without too many rollcalls, we can do that just any time we vote on this issue.

This is not a game we are playing here, to offer an amendment that does not get voted upon. I guess I could vote to table the chairman's amendment, but I hesitate to do that to the chairman of the Finance Committee. I just hate to do that. We could suggest that that amendment be voted upon with a voice vote and be dispensed with. We could suggest that, instead of making a point of order against my amendment, we vote on a motion to waive the budget rules concerning the amendment, pass it, and get on.

Are we to be lambasted here, those of us who feel very seriously, very objectively, and very sincerely that this is a provision that ought to be passed by the Congress and ought to be signed into law by the President so that the Senate can reconsider what, in my judgment, and probably in the judgment of other Senators, was very poor tax policy in the Tax Act of 1982, last summer?

If the House does not like my amendment, they are going to knock it off. But the House must like it or the Senator from Kansas would not be carrying on a filibuster against his own bill. If the President does not like it, he has a chance to veto the bill, but I do not think he is going to veto this bill. That is a good reason for having this very serious provision in this particular bill, because this is one that the President is probably going to sign.

These people who write in to us should not be glibly described as if they do not know what they are talking about, that they are just responding to what a banker told them to do or suggested they do. I never take the letters of my constituents lightly. I take their letters seriously.

We receive letters that say:

This is the first time I have ever written to a Member of Congress, but I want to write to you about this because we think this is too much. We are already paying all of our taxes and here is another withholding tax on savings. The IRS is going to remove a portion of the interest due to us as a 10-percent tax. They are going to use it for up to a year.

Here is a typical letter on that very point:

I have never written an elected official in the past but at this point I feel compelled to express my opinion. I feel that the 10 percent withholding tax on our savings should be repealed because it imposes an unnecessary and unfair burden on savers. The current laws requiring the reporting of interest income are burdensome enough to one's savings institution but they alone should be adequate to assure that interest income is being reported to the Treasury Department.

I know our Government is facing a tremendous problem in financing its operations and withholding from savings accounts seems like a relatively painless way to insure that the inflow of tax revenue is smooth and uninterrupted. However, the approach taken by this new withholding law in effect punishes those who are helping to finance new jobs and capital construction by reducing the amount of return they can receive, having 10 percent of their savings removed and given to the Government.

It goes on to say that they object to it and hope that something will be done.

That is a letter "writ by hand." That does not seem to me to be something generated at the request of a bank, or the request of a savings and loan, or, for that matter, a credit union. For those of us who take this position that something should be done about it, I do not think it serves any good purpose simply to say: "Well, this has been caused by the bankers lobby." Personally, I have never found a bankers lobby that had influence with very many Senators to hold up a process here for consideration of something that they dearly want.

I have observed, over my time in Washington, both in the House and the Senate, that when people really zero in on a point that they think they are being abused on, they do get the attention of Congress, both the House and the Senate. In this instance, I know it has captured my attention. It

has captured, I think, the attention of the vast majority of the Senate. It is because these people write to us, or call us, or buttonhole us, or get us on the telephone and say this is just too much.

I am particularly sympathetic to the elderly who write in and say they depend upon their savings, the interest from their savings, for part of their monthly bills. But I would have to say that I am also very sympathetic to the ordinary wage earner who has withholding out of his paycheck and knows that he is paying all that is due. I am advised by the Treasury Department that 75 percent of those taxpayers pay more than is due and at the end of the year get a refund. So I think it is apparent to that group, when they know that on withholding they are paying a little bit more than they should, it is particularly objectionable to them when they find out that there is going to be money withheld on their savings accounts from the interest that is due them. I can well understand their frustration. They are saying: "If you are after cheaters, why do you not zero in on them?"

As a matter of fact, in discussion with members of the Committee on Finance during the past couple of days, it has been brought to my attention that, even though this provision was locked into the 1982 tax law very quickly, without hearings, some of the members of the Committee on Finance, after the fact of its getting into the bill, went to the Treasury Department and said: "Tell us where you believe there are taxpayers escaping paying their just taxes, their lawful taxes on interest from savings and dividends." They were told that it was impossible or their questions almost disregarded, shoved aside, and the Treasury Department said: "We really can't identify all of those and this procedure will help it."

When they were asked why the 1099 form, that form that every savings institution, or every insurance company, or other such institution must send out to all of the recipients of interest income, or dividend income, was not matched up with the 1040 form, it was very brusquely explained to them that it was not possible.

I think it is perfectly logical to respond to the constituents who are taxpayers and who are saying that this particular provision in law should be either repealed or delayed, either repealed or modified so that it is really zeroing in on those people who escape paying their taxes, rather than burdening everybody. As this constituent letter that I read stated, while it may seem a relatively painless way of securing more revenue that is needed for the Government, why must it become a burden on all, and particularly take away some of the interest income or dividend income from those who use it during the course of the year to pay their bills?

Yes, Mr. President, we can get on with this social security bill any time. We can certainly show some progress around here by getting this amendment in shape to pass and get on with the rest of the amendments; send this bill over to the House and, if the House is so inclined to agree with the amendment, fine. Then we send it to the President and, we hope, and I am confident that, on balance, he is going to sign it.

The question of taxation is a matter between the taxpayers and Congress primarily. I think this was a bad move last summer, this particular provision. That is my judgment. I would have to say that, based on the letters I have received, it is the judgment of the majority of my constituents that it was a bad move. But I think what is extremely important in this issue and should not be ignored, or forgotten, or shoved aside is that taxpayers are very concerned about the methods of paying taxes that involve them directly.

I am going to repeat that, Mr. President. Taxpayers are resigned to having to pay taxes. Who wants them? Nobody wants them. But they are resigned to paying them. They know that Congress must pass tax laws that will raise a sufficient amount of revenue. But taxpayers feel strongly about the method of collection of taxes from them and resent undue, uneeded hardship imposed on them.

I said yesterday in offering the amendment that, while I realize that passage of this amendment would mean $1.1 billion less in this fiscal year for the Treasury, my best judgment is that it is still a very reasonable amendment because we can now have time to review better ways of collecting the revenue and, if it is the judgment of the majority of the Senate after revenue that this is still the best way, we shall go along with that.

I doubt that that will be the case and we shall find a better way. But it is this particular method of collection that is being objected to by taxpayers.

It is a method that imposes on them an unnecessary withholding if they already pay all the taxes due. The IRS says that is 97 percent-plus of all taxpayers. They are not fools, these people who write to us. They do not take pen in hand or pencil in hand and write these letters with the idea that they are somehow being duped or being conned by one of the savings institutions. They are writing to us because they are taxpayers and they think this matter is important.

What they are really saying is that the method of collection of sufficient revenue has not been properly examined and this one must be a very costly method of collecting revenue.

Why would they say that? First, they know there is some cost to the savings institution where they draw their interest from their savings account. They know that. They understand that. And they know who is going to pay that. They are going to pay it. They are going to get less in interest because that savings institution has some cost in collecting the tax; and they know they are going to get less in interest if their practice is to let their interest income accrue to the principal rather than withdrawing it upon payment. If they do withdraw their interest income for living expenses many resent having the 10-percent tax withheld.

If the interest accrues and allowed to compound, as many of them do, at least a portion of it, they know that the early collection of taxes will take some of the money due them on that compounded principal which would generate more interest payments for them.

But they also believe that this is just added paperwork and that, after all, the Form 1099, which reports all the interest income, should be adequate; that if something else needs to be done to close the gap for those who are not paying the taxes they should pay on interest income, then there should be other methods of collecting that, without involving them. It is in their judgment a poor method of collecting taxes, because they are already paying their full taxes.

So, first of all, although my amendment would decrease revenue for this fiscal year by $1.1 billion, which is 0.6 percent of what is projected as a budget deficit, less than 1 percent, I strongly feel that we must find a better way and collect the money and make up the revenue that would be lost. I think that is what our constituents are writing to us about.

That is far removed from just a simple attaching a banking label to any Senator who dares offer an amendment to either repeal it or to delay the implementation of it, in order to look at the method again and reconsider it. Labeling that attempt as just something that represents the banking lobby is not doing justice to the issue involved.

Mr. President, I do want to make progress. I see the chairman of the Budget Committee on the floor now, and I should like to expedite proceedings. The chairman of the Budget Committee desires to make a point of order against my amendment as being outside the budget waiver on the bill. To expedite that, I move, under section 904(b), to waive the relevant section contained in titles III and IV of the Budget Act.

The PRESIDING OFFICER. The motion is debatable.

Mr. MELCHER. Mr. President, while the chairman of the Budget Committee is getting ready to discuss this matter, I point out that, for all the reasons we have been citing for the consideration of this amendment to delay interest withholding and recognizing that it would deplete revenue by $1.1 billion for the remainder of this fiscal year and possibly close to $300 million for the first quarter of the succeeding fiscal year, I believe it is still obvious that there is a strong feeling throughout the country that this matter should be reviewed, thoroughly thought out, and possibly modified to make it a better method for the collection of taxes.

Mr. DOLE. Mr. President, I am sorry that I had to leave the Chamber briefly.

Again I say to the Senator from Montana that he is debating the issue, and I commend him for it. He has indicated many times what I consider to be accurate statements concerning whether you like withholding or not. He has fairly said many times that it is a collection procedure, not a tax; and that debate, or course, is helpful.

Before the Senator from New Mexico speaks, I just want to say that the unemployment implications in this bill are significant. Without going through all the States, if we do not take action this week, it is going to affect about 28,000 people in Alabama, 6,000 in Alaska, 209,000 in California, 14,000 in Colorado, 46,000 in Florida, 48,000 in Massachusetts, 92,000 in Michigan, 89,000 in Illinois, 57,000 in Indiana, 131,000 in New York, 78,000 in Ohio, 99,000 in Pennsylvania, 58,000 in Texas, 38,000 in Wisconsin, and 31,000 in Washington.

So I think it is fair to say that this social security bill does contain an urgently needed extension of the Federal supplemental compensation program that is due to expire at the end of this month. The problem is that we are not scheduled at this time to be in session next week and will not be here at the end of the month.

The FSC program provides extra benefits to the long-term unemployed who have exhausted their right to benefits under the regular State unemployment program (normally 26 weeks) and the Federal-State extended benefit program (13 weeks). Although there are slight differences between the House and Senate bills, both of them would provide $2 billion or more in unemployment relief to the jobless over the next 6 months.

As the Senator from Louisiana said, if you lose, it is a filibuster. If you win, it is informed debate. So I hope we are in a period of informed debate; that eventually right will prevail; that we will not deny unemployment benefits to the jobless while we try to take care of a special interest group, particularly since we have already set a debate, starting April 15, a freestanding debate, with everybody having a chance to modify and otherwise offer amendments, and to debate this whole question of withholding. I certainly would expect the distinguished Senator from Montana to be an active participant.

Someone suggested that we have not had hearings, but I am reminded by staff that we did have hearings, a year ago today. We had hearings on the income tax compliance gap, in the Senate Finance Committee, and we had a discussion of withholding and alternatives to withholding. The Dole-Grassley bill did not contain withholding, but did contain what we thought were tightening procedures, it would require more reporting, and its provisions were enacted as part of the 1982 act. But we were told by IRS at the hearing, very honestly, that it was not enough, and that withholding was also needed.

I read from a statement of Mr. Chapoton, Assistant Treasury Secretary for Tax Policy. This is what he said in reference to our bill:

While improving and extending the information reporting network is clearly desirable, particularly to the extent that U.S. Government and corporate bearer obligations would become subject to reporting, we believe that the tax gap has grown too large for us to continue to take limited incremental steps toward improved taxpayer compliance in the interest and dividend area. For that reason, as you know, Mr. Chairman, the administration has proposed withholding on dividends and interest at source, and we hope the committee will give serious consideration to the desirability and feasibility of instituting withholding with respect to interest and dividends.

Mr. President, there have been a lot of quotations from letters, and I did not bring all the favorable letters—but I did pick up a sample of letters that have been written since the people have begun to understand what the real issue is.

That has been the point that the Senator from Kansas has been trying to make for the past several days. Until the people know what the issue is, how do they know what the answer is? Some may know in advance, but most people would like to have the issue defined.

Here is a letter from New York, from Robert A. Jacobs. He said:

I write you as a student and practitioner of the tax law, concerned with the integrity of our tax system; I am particularly concerned that the recent attack being mounted by our banking community and its grass root constituents on the withholding tax on interest and dividends will weaken our tax system.

At dinner last evening my mother-in-law informed me "that on July 1 they were going to enact a tax on old people who had savings accounts with the banks." When I assured her that there was no new tax that would be levied on her small savings, that she could apply for an exemption that would relieve her from withholding and, in all events, any monies withheld would be credited to her tax liability, she responded by saying "Oh, that's what Hilda is concerned about; she doesn't pay tax on her interest and never has been caught."

I do not know who Hilda is. But that is only one letter. Maybe Hilda will be identified later, particularly if we have withholding.

Here is another one.

I want to apologize for a letter I mailed to you the other day with an article cut out of the paper. After reading more information on it I have come to the conclusion that the small investor will not be hit nearly so hard as the high-income people. It seems like they can find some loopholes to get out of paying their share.

Another letter says:

Thanks for the explanation on withholding. Now that I understand it, please disregard my earlier letter.

Another letter:

On February 1, I wrote you protesting the enactment of the tax on withholding by Congress. However, since reading more about it and the minimal effect it will have for us, we wish to reverse our previous position and support you in upholding the act.

There are a lot of letters. Here is another:

My thanks to the President, you, and Secretary Regan for standing up to the massive lobbying campaign by the bank and savings and loan industries and in their efforts to force Congress to repeal the recently enacted law which requires them to withhold a small amount of interest and dividends earned on investments. There is no doubt about it. Now I doubt even among the most money grabbing bankers if you could find anyone who would endorse that proposal but fair is fair.

So I just suggest that we can all bring a lot of letters to the Chamber, and I would not want to bring all the other letters to the Chamber. If I did, I would not be able to see my colleagues. But I can bring all the favorable letters to the Chamber. The others we can weigh and give you the weight on a daily basis as to how many pounds are coming in.

But another letter from Wichita, Kans.:

As one who pays a considerable amount in the 10 percent withholding on dividends, I urge you to stand firm and see that this deduction is kept on the books. It is a considerable inconvenience to me to pay this withholding and I lose a good deal of interest, but if this is the way to catch tax evaders who fail to report this type of income, I support it.

And so forth.

Another letter says:

I am still applauding your remarks to the members of the American Bankers Association about the interest and dividend withholding provisions,

And so forth.

I cannot remember what I said, but someone else does.

I have a letter from Wilbur J. Cohen, former Secretary of HEW in the Johnson administration, and Arthur S. Flemming, former Secretary

of HEW in the Eisenhower administration that says:

As members and officials in organizations representing senior citizen groups we wish to inform you that we wholeheartedly support your efforts to retain withholding of interest and dividends as provided by existing law. We do not think this is a burden on low income elderly persons or is an unfair requirement for higher income persons. We do not believe that the programs which serve the need of the low-income elderly should be cut back when enforcement of existing tax laws would yield $20 billion in income over the next 5 years. We believe much of the tax on the withholding law is erroneous and unwarranted.

Then a letter from a prominent CPA firm, Seidman & Seidman:

Americans believe that they have a higher degree of tax morality than other peoples of this world which presumably was instilled in us by an higher authority. The fact of the matter is that the great FDR through the system of withholding tax on wages and salaries instilled tax compliance in us.

Absent withholding taxes on wages and salaries the underground economy would swell to unmanageable proportions.

It is sophistry to say that there is little if any underreporting of interest and dividends when government statistics prove that at least 25 billion dollars of this income is not reported for tax purposes.

And he goes to support withholding.

The Senator from Kansas would not say that if the people who have sent in bank postcards against withholding had all the facts they would all come to a different conclusion, but it is pretty hard to persuade this Senator that you can make a valid judgment or objective judgment if you have only heard one side. The only side that most Americans have heard on this is the lobbyist side, those who want to repeal withholding, those who tell you it is a new tax, those who tell you it is going to take away your savings, and believe me, if a report came over the radio that Congress passed a new tax, I assume it would get your attention.

So, Mr. President, I just believe that we should get on with this. Again we can have this debate. It is already scheduled for April 15. We can debate it in a full, free, fair debate. Everyone will be on equal terms. So we can pass the social security bill now. In addition to the urgency for the unemployment provisions there are about 36 million or 37 million social security beneficiaries who want us to pass this package. There are about 116 million people who pay into the system, many of whom want us to pass this package.

It would just seem to me, after working for a year or more on social security and having it passed in the House of Representatives in a timely fashion, that the Senate says, "Well, we cannot do it because we have to deal with the special interest amendment."

We have time for the special interests, and I believe the elderly are a special interest, and I believe the unemployed are special interests. I hope that today we can turn our attention to these special interest groups and try to pass the social security bill by midnight tonight.

Mr. DOMENICI. Mr. President, if the distinguished Senator from Montana had not moved to waive the Budget Act, I would have raised the point of order against the pending amendment. If I had raised the point of order the distinguished Senator could have moved to waive. So we are right back in the same posture of voting on a waiver of the Budget Act under section 311.

If the distinguished Senator from Montana had inquired, his amendment clearly violates section 311 of the Budget Act. For that reason he has moved to waive it.

This amendment violates section 311 because it reduces revenues in the fiscal year 1983, and we are already below the floor set in the budget resolution now in effect. There is no room at all under the budget resolution for a tax reduction, and that is exactly what the amendment does. It reduces revenues by $1.1 billion in fiscal year 1983.

We are talking here about a principle, and I will discuss that in a little more detail. In addition, it is obvious to me that this amendment is merely an interim step toward repeal of the entire withholding and I think that revenue losses will be much larger. With repeal of withholding we would lose about $20 billion in revenues over the next 5 years.

I understand that argument could be made against section 311. I know that the budget resolution that we now have on the books is out of date. I know that fiscal year revenues must be revised very soon to take into account that the economy has not performed quite as well as we thought.

But, Mr. President, as far as policy changes are concerned I do not think there is much chance that our new budget proposal for fiscal years 1983 and 1884 will make room for a tax cut. Quite to the contrary. We are almost certainly going to provide for some tax increases. The President asked for a few billion dollars. On the other end of the spectrum, of course, the House of Representatives is asking for $30 billion. I do not think that is very practical when we are just beginning to see the full blessings of the recovery, but I will challenge anyone to say that the new policy is going to provide for significant tax reductions and, therefore, this procedure that we are talking about is not very relevant.

(Mr. PRESSLER assumed the chair.)

Mr. LONG. Mr. President, will the Senator yield for a question at this point?

Mr. DOMENICI. I would be pleased to yield.

Mr. LONG. Is it not true this very bill here right now is here because of a budget waiver recommended by the Senator's committee, and does not that waiver include a waiver of $2,070,000,000 in spending for unemployment purposes over the Budget Act?

Mr. DOMENICI. The Senator is correct.

Mr. LONG. If we are talking about being wrong, the way the Budget Act was waived we are already wrong. We have a bill here which is already $2 billion over the Budget Act to begin with, and the Senator recommended that waiver.

Mr. DOMENICI. That is correct. I recommended that waiver and it is obvious to this Senator that there is a tremendous distinction between waiving the Budget Act when you have unemployed people in our country who are not going to get their unemployment benefits and we have to do something to make sure that they do. That is a clear emergency.

There is nobody who can tell us that this social security bill itself is not an emergency, coupled with the unemployment compensation that we wanted to extend, but which costs money for which we waived the 1983 budget targets. Nobody can say that is not an emergency. There is no emergency on the Senator from Montana's amendment. Quite to the contrary, the U.S. Senate clearly plans to contemplate it, debate it, and vote on it. Everybody has their procedures. The Budget Committee has its procedures for April 15. It clearly seems to the Senator from New Mexico that as a matter of principle this is precisely what the Budget Act had in mind.

We can take a clear look and say "Do we want every time something like this comes along, that has plenty of time and does not belong on this bill, do we want to waive the Budget Act?"

As I indicated, I would have made a point of order. I did not make one on the basic bill. Quite to the contrary. Consulting with the leadership we provided a mechanism to say we do not want to use the Budget Act in this case because this is an emergency and that worked. Nobody challenged it. We did not shove that down anyone's throat. Anybody could have gotten up and objected to it and forced a vote, and said "We don't want to waive the Budget Act."

We have a different situation here, very different from the standpoint of policy and from the standpoint of procedure. We can vote on withholding another time; we cannot vote on unemployment compensation 2 or 3 weeks from now. It will be too late. I just note that in a small State like New Mexico we are talking about 5,000 people running out of unemployment

compensation if we do not pass this bill. In other States it is many times more than that. That is what makes this situation different from the amendment that the Senator from Montana has here. Twenty-six thousand unemployed in the State of Louisiana will not get their unemployment benefits if this bill is not passed.

One might say, "Well, what about all those people who are being adversely affected by the withholding?" I think I have addressed that. There is already a procedure for taking care of that. We will all have our opportunity to look that one squarely in the face without the unemployed people of the country losing benefits without the social security compromise coming unraveled, and all of the other things that have been said here on the floor.

Mr. LONG. Mr. President, will the Senator yield for a further question?

Mr. DOMENICI. I would be pleased to.

Mr. LONG. In view of the fact we have been informed by the distinguished chairman of the Finance Committee that Treasury proposes by regulations to put the withholding off to make it year-end withholding rather than to make it withholding prior to the end of the year, can the Senator tell me how much revenue the Treasury would lose during the remainder of fiscal year 1983?

Mr. DOMENICI. I am informed that that which the Secretary of the Treasury proposes to do by regulation was already taken into consideration in the basic bill, and that the only change was in NOW accounts which came into existence afterward. This will have some effect on the total revenues, but there is nothing we can do about that in terms of the issue that is before the Senate. If the law provided for that they are free to do that and, as I understand it, the estimates took that into consideration.

Mr. LONG. Can the Senator give us his estimate what difference it makes to start withholding in 1983 rather than 1984?

Mr. DOMENICI. I submitted it for the RECORD a couple of days ago, it is about $1.1 billion for the remainder of fiscal year 1983, I think the Senator knows the numbers with reference to the outyears. Since the Senator from Montana's amendment addresses only a year, the loss is $1.1 billion in revenue using the same CBO estimates and Joint Tax Committee experts on both the original estimates and these.

Mr. LONG. Is this not true, Senator, that the Budget Act with regard to the issue of waiver makes no real distinction between waiver for emergency purposes or waiver because Congress for some other reasons might regard it as good Federal policy?

Mr. DOMENICI. The Senator is absolutely correct.

Mr. LONG. I thank the Senator.

Mr. DOMENICI. I think I made that point, and certainly appreciate his clarifying it for me. I do not intend to indicate that there are levels of waiver considerations or qualities or quantities. It is just clear that this one violates section 311 of the Budget Act, and the Senator has asked for it to be waived. I suggest this is an opportunity for us to avoid the discussions, all the discussions, that have been going on and to do what we ought to do, to say it does not belong on this bill, and the budget provides us with an excellent vehicle to keep it off. Unless the Senator gets a majority of the votes here, he cannot get a waiver, and the provision will not be on this bill. I think that is something that is helpful to everyone here. If we vote against the distinguished Senator in his waiver, we are not voting on the issue. We are voting on whether to reduce the revenue base of the country when we have huge deficits. Everybody says we must in some way get rid of those deficits. I did not find anybody proposing that we get rid of this $20 billion over the next 5 years. I did not hear anybody say "Well, I have a new tax to take its place or I have $20 billion in medicare changes or other cuts to take its place." We are just here dealing with $20 billion as if it does not matter on the deficit side. We just wipe it out and nobody ought to be worried about it. We have received a lot of letters. We have a way of working our will and hopefully before we are through we will provide some way to continue the deficit reduction. But we will have done it thoughtfully, without just wiping away $20 billion over the next 5 years from the omnibus budget bill that reduced deficits and started us on this road to recovery.

Mr. President, there is no doubt in my mind that while there may be various reasons for waiving the Budget Act. We have discussed a couple of them here today. However, the urgency of unemployment compensation, the good fortune of time that we arrived at a social security solution with the fine cooperation of the President, the Speaker and the blue-ribbon Commission, that that occurred at the end of a budget cycle and therefore we have a waiver for that bill, there is no doubt that those are the kinds of things that would be overwhelmingly supported here.

But there is no doubt in my mind that there are not going to be further tax reductions in 1983, and 1984, and 1985. We have to produce a new budget resolution. It will have some new policies. It will talk about all the main issues, everything from defense to taxes. But can anybody really stand up here and say they expect the policy is going to move in the direction of cutting more taxes in the 1983, 1984, 1985, 1986 cycle? That is basically what we are doing here today and that is why I feel confident in opposing the amendment, the motion to waive, and why I think Senators ought to think very carefully before they do it.

You know it almost strikes me that we go through this onerous job of reconciliation on the tax side, we make some tough decisions, and we provide $98 billion over the next few years, we reduce the medicare costs, we reduce some other expenditures in the budget and then, before the ink is dry, we come down and say "Well, as to $20 billion of that $98 billion, we just want to wipe it out and add $20 billion to the deficits."

We ought not be concerned about it.

Some would be saying: "We ought to grant this waiver just like nothing is at stake. Senator MELCHER is right, waive the Budget Act."

I hope I have convinced the Senators that this is an appropriate procedure that the Budget Act prescribed. It ought not be waived cavalierly and it ought not be waived here this afternoon. Quite to the contrary, we ought to get on with the business of passing this bill and, in due course, taking up the issue that is raised in part, not in toto, but in part by the amendment of the distinguished Senator from Montana.

Mr. LONG. Mr. President, I am informed that the Treasury regulations to provide for year-end withholding would cost us $50 million in revenue in fiscal year 1983 and would cost us $200 million in revenue in 1984.

Now, that is the revenue loss because the regulations reduce the amount that we would collect otherwise by that amount. This compares with the Melcher amendment which, in the main, involves whether you collect the money sooner, within the next few months, or whether you collect it after the end of the year when people file their tax returns.

Now, the Treasury, in my judgment just in order to try to reduce the opposition to the withholding, brought out these Treasury regulations which will cost us $250 million in 1983-84 with no further consideration. They just thought it would be a good idea to strengthen their position in trying to put the withholding on interest and dividends into effect. So the Treasury makes that change without budgetary consideration; just does it to increase their strength here in the Congress in trying to maintain the system of withholding on interest and dividends.

They can do that without any process. I have not heard a soul here on the Senate floor protest about the loss of the $250 million by the Treasury changing their regulations to try to pick up some votes in the Congress.

When the Senator proposes a measure that would defer taxes—and most of what is involved in the budget impact is merely deferring the collec-

tion of something from the third quarter of this year over into April of next year—we are told, "Oh, my goodness, that is going to cost us some money." The practical matter of that is most of it is deferral of tax collection to a future point.

Mr. President, I believe we ought to look at some of these things in perspective, rather than to contend that those who agree with one are carrying on a holy crusade and those who disagree with one are bad people engaging in conduct unworthy of Americans.

For example, Mr. President, I heard so much conversation on the Senate floor to the effect that the bankers have done something unworthy of bankers in making their case against withholding. I had little choice but to repair to the Constitution of the United States to see if they had some support for their position. I find the first amendment of the Constitution relevant. That is an amendment that says that Congress shall pass no law prohibiting the exercise of free speech or free press, or the right of people to assemble peaceably.

Let me quote these next words: "And to petition the Government for a redress of grievances."

Now, there is the same amendment which so correctly protects the freedom of speech, freedom of press, and freedom of people to assemble. And there is the right of people to petition the Government for a redress of grievances. They thought enough of the right of people to protest that they actually wrote it right there in the Constitution and sent it out for the States to ratify in the Bill of Rights.

To chastise and scorn people for exercising their rights under the Constitution, Mr. President, is just contrary to American traditions, and we ought to stop that.

Furthermore, we ought to stop pretending that all the righteousness is on our side and all the evil is on the other side. Let me read a proposal out of the 1980 Republican Party platform, which, in my judgment, was sincerely placed there. I just have difficulty believing that those on the other side of the aisle are not as sincere as those on my side of the aisle. Let me read this language:

> We also oppose Carter proposals to impose withholding on dividend and interest income. They would serve as a disincentive to save and invest and create needless paperwork burdens for government, business, industry, and the private citizen.

Mr. President, listen to this vitriolic language: "They would literally rob"—that is not my word, Mr. President, that is the 1980 Republican platform—"They would literally rob the saver of the benefits of interest compounding and automatic dividend reinvestment programs."

Mr. President, we have been told that an article appeared in the Washington Post exposing the improper conduct of the bankers. I had to go get me a copy of that article, because every now and then you find something in the Washington Post that is very thoughtful and well done, and you cannot tell whether it is good or not until you read the article.

So, Mr. President, I went and got this article that the Senator from Kansas (Mr. DOLE), the distinguished chairman of the committee, referred to yesterday.

I wish to congratulate the person who wrote the article on Sunday, March 20, Mr. Paul Taylor. It was worthy of reference by the chairman of the Finance Committee.

Let me just read what the author said on this subject:

> One ad that especially annoyed Dole reads, in large boldface type: "Warning: 10 Percent of the Money You Earn in Interest is Going to Disappear," with the word "Disappear" fading to white.

That ad was held up for us to see yesterday, and I saw it.

> Misleading? Perhaps. But the body of the ad makes it clear that this is a withholding scheme, not a new tax, and that therefore the 10 percent is a payment against taxes that would be owed at year's end.
>
> The ad notes there are exemptions for the poor and elderly, although it objects to the red tape.
>
> A more inflammatory treatment—

This is the writer to whom I complimented for writing in the Washington Post—

> A more inflammatory treatment comes from a sample speech distributed by the ABA to member banks: "Literally, the Government will be picking the taxpayers' pockets."

Now, that is a strong statement, Mr. President. I doubt if I would go as strong as the American Bankers Association.

> "Literally, the Government will be picking the taxpayers' pockets." The Government will be able to "loot your savings account," it says.
>
> That compares with a passage in the 1980 Republican campaign platform, which opposed President Carter's withholding proposal: "They would literally rob the saver of the benefits of interest compounding."

Now, I leave it up to any fair-minded person, who is being the stronger in overstating his case? Would it be the bankers who said that they would pick the saver's pockets or would it be the Republican Convention which said they would rob him?

"Robbing" suggests that someone is breaking and entering feloniously at night or separating one from his wealth at the point of a pistol or a knife.

Mr. President, it is difficult to choose who was the more vitriolic in that regard. I suggest that we stop this thing of the pot calling the kettle black.

Now, Mr. President, to go further, the Senator from Louisiana had lost all interest in the matter some years ago until a majority of the Senate brought in a resolution taking the position that the Congress should under no circumstances engage in withholding on interest and dividends.

That was Senate Concurrent Resolution 92, 96th Congress, 2d session, June 12, 1980. This was reported on July 23, the legislative day of June 12, 1980.

Mr. President, the resolution was reported by Mr. LONG as chairman of the Finance Committee. The RECORD will show Mr. LONG did not sponsor this resolution. He had nothing to do with it. It came from others. Let me just read the resolution.

> Concurrent resolution declaring that the Congress does not favor the withholding of income tax on interest and dividend payments.
>
> *Resolved by the Senate (the House of Representatives concurring),* That it is the sense of the Congress that the enactment of a withholding tax on interest and dividend payments would be detrimental to the economic well-being of the United States.

I confess, Mr. President, the Senator from Louisiana reported that resolution to the Senate. It was not his resolution. Whose resolution was it? The principal sponsor was Mr. CHAFEE. For himself and who? Mr. DOLE, Mr. LUGAR, Mr. GOLDWATER, Mr. DECONCINI, Mr. HATCH, Mr. DURKIN, Mrs. KASSEBAUM, Mr. STAFFORD, and so forth, Mr. President, 60 Senators in all.

I ask unanimous consent that the cosponsors be printed in the RECORD, Mr. President.

There being no objection, the cosponsors were ordered to be printed in the RECORD, as follows:

LIST OF COSPONSORS

Mr. Dole, Mr. Lugar, Mr. Goldwater, Mr. DeConcini, Mr. Hatch, Mr. Durkin, Mrs. Kassebaum, Mr. Stafford, Mr. Tower, Mr. Humphrey, Mr. McClure, Mr. Cochran, Mr. Church, Mr. Helms, Mr. Pressler, Mr. Ford, Mr. Garn, Mr. Randolph, Mr. Danforth, Mr. Hayakawa, Mr. Thurmond, Mr. Pryor, Mr. Zorinsky, Mr. Hatfield, Mr. Mathias, Mr. Wallop, Mr. Young, Mr. Schmitt, Mr. Cohen, Mr. Heinz, Mr. Roth, Mr. Laxalt, Mr. Durenberger, Mr. Baker, Mr. Stevens, Mr. Warner, Mr. Armstrong, Mr. Stone, Mr. Percy, Mr. Glenn, Mr. Leahy, Mr. Morgan, Mr. Nunn, Mr. Bumpers, Mr. McGovern, Mr. Tsongas, Mr. Schweiker, Mr. Hart, Mr. Eagleton, Mr. Boren, Mr. Metzenbaum, Mr. Melcher, Mr. Stewart, Mr. Williams, Mr. Levin, Mr. Gravel, Mr. Nelson, Mr. Riegle, and Mr. Bentsen.

Mr. LONG. Mr. President, that is a majority of the U.S. Senate, ably headed by the ranking member of the Finance Committee, Mr. CHAFEE, for himself and Mr. DOLE, who was at that time the ranking member of the minority side, and who serves with great distinction as chairman of the Committee on Finance at the present time.

Mr. President, here is a statement that I read off the wire, indicating

that President Reagan charges that a compromise on social security legislation is being held hostage by "selfish banking interests and urged Congress to reject efforts to bar withholding taxes on interest and dividends."

I ask unanimous consent that this item be printed in the RECORD, Mr. President.

There being no objection, the news item was ordered to be printed in the RECORD, as follows:

WITHHOLDING

(By Jim Luther)

WASHINGTON.—President Reagan charged today that compromise social security legislation is being held hostage by a "selfish" banking industry and urged Congress to reject efforts to bar withholding taxes on interest and dividends.

"The social security and unemployment insurance lifeline that extends to millions of Americans . . . cannot be permitted to be severed by the obstruction tactics of a Washington lobby and its congrsssional friends," the President said in a written statement issued at the White House.

Because of the fight over the withholding amendment, it appears unlikely Congress will be able to meet its deadline of completing work before Easter on the $185 billion measure to shore up the troubled social security system. Lawmakers plan to recess all next week.

Reagan met with congressional Republicans today and blasted the banking lobby for its tactics, according to Senator ROBERT J. DOLE, R-Kan.

After the meeting, Dole told reporters, "The President, in one of the rare times I have seen him real!y disgusted, threw his glasses down and said he's had it up to his keister with the banking industry for their distortion and outright falsehoods on withholding on interest and dividend income."

Dole, the manager of the social security legislation and the biggest champion of withholding, said Reagan singled out the American Banking Association or its "outright false information."

In his statement, Reagan said he would have "gladly signed" the social security legislation "to relieve legitimate worries about the economic security of so many."

"Now, however, a selfish special interest group and its congressional allies are attempting to make this vital economic security bill a legislative hostage," the President said.

The amendment to repeal withholding—"based on a campaign of distortion and designed to prove that the banks and other financial institutions can still have their own way in Washington—has no place in the bill pending before the Senate," he said.

Mr. LONG. Mr. President, I find myself asking that if one is in error, why must he be so self-righteous when he changes his mind? Why should he not concede that these are matters about which honest people differ? Some people might feel strongly one way, some might feel strongly the other way, and there is a lot to be said for both sides of the argument.

I, for one, Mr. President, am not convinced—with all the mail I have received, 58,000 communications at last count, many thousands of them handwritten—I am not convinced and I cannot believe that the people of Louisiana who sent me those communications are ignorant, stupid, or incapable of knowing what they are talking about. It just seems to this Senator that people are very well informed on the subject. They have been informed by both sides. I cannot believe that they do not know what they are talking about.

Furthemore, Mr. President, when the Senator made reference yesterday to the so-called two-way mirror, this Senator cannot find any basis for getting upset about that. What it appears happened was that a public relations firm, seeking to determine how best to pursue their effort to convince the public, or persuade the public to their point of view, paid people $25 each to sit down and talk about matters. They had someone looking through one of these mirrors where you can see through one way but you cannot see through the other, seeking to observe how people reacted.

Mr. President, there is no claim of right of privacy here. These are people who accepted $25 to sit down and talk about matters of the day. Incidentally, that is good pay to talk about matters. Most people are willing to sit around a cracker barrel and talk about something for nothing, but here they are paying $25 per head to sit down and talk to you, telling you what they think about matters. It seems to me that is a pretty nice proposition. People get my opinion all the time without paying, and I pick other people's minds from time to time without any pay. I see nothing wrong about that technique.

I should think that advertising firms might decide whether to recommend that their clients should put out purple hose rather than brown hose, or green hose rather than white hose. They might pay somebody, and I think that would be a generous thing to do, to pay somebody $25 to sit down and give their opinion. One beautiful lady walks in with purple hose, and then a lovely lady walks in with lavender hose. Then they ask, "Which hose do you think is the more attractive? Which do you think would more attract the customer?"

Chances are, the person interviewed would probably answer the question based on the shape of what was in the hose. But, Mr. President, if they brought in two identical twins, then I think one might get an unbiased opinion as to which hose would be more attractive on a young lady and would be in a better position to suggest to his client which he would recommend.

I find nothing improper about that, Mr. President. It just seems to me to be one of prejudging his own position to say that there is some evil about someone seeking to test public reaction, by paying somebody $25 to talk to them about matters and recording it.

I would be willing to bet if you went out there on the street right now and you asked, "How many people can we find who would be willing for $25 an hour to talk about matters and give their judgment about matters, well understanding that somebody is going to be peeping through a mirror and recording everything they said about the subject? I would think that for $25 an hour you would find a whole horde of people out there on Pennsylvania Avenue right now who would be willing to do something like that.

I think there is no point in someone suggesting anything improper about that matter.

I do think, Mr. President, that those of us who take a position have a responsibility to report to our constituents on what we did about it. Did we prevail? Did we have a vote? Did we win or lose? Did someone filibuster and delay? What happened?

Mr. President, the majority of the Senate indicated that we do think this provision for withholding on interest and dividends ought to be repealed. Having taken that position, Mr. President, as one of the group of more than 50 Senators, this Senator is going to continue to support the repeal effort.

Does the Senator from Montana desire that I yield to him at this point, Mr. President?

Mr. MELCHER. Yes, Mr. President.

Mr. LONG. I will yield for a question, if the Senator desires or otherwise I will yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Does the Senator yield the floor?

Mr. LONG. Does the Senator desire that I yield for a question or that I yield the floor?

Mr. MELCHER. I wanted to ask a few questions, if the Senator will yield.

Mr. LONG. I believe I will just yield the floor, Mr. President.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, I will be happy to yield to the Senator from Montana in a moment. I just want to compliment the senior Senator from Louisiana for upholding the banks, the ABA, and the other powerful lobbying groups. I cannot believe the Senator from Louisiana would defend the tactic of gathering 5 or 10 people together, without telling them that they are being watched through a one-way mirror, simply, because they are getting paid $25. I guess what we need to know is, did the people know they were being watched, and do we know what they were being asked, or what they were being told?

The Senator from Kansas suggests he can almost hear the questions and statements, or mistatements, based on the ads we have seen run by the American Bankers Association.

One is that the 10-percent withholding is a new tax. If you get four people together in a room, and I do not care whether it is a one-way mirror or a two-way mirror (a two-way mirror might not help very much) if you said it was a new tax, and asked "What do you say about this?" they would say "I am against it."

And then throwing more raw meat into the cage, claiming that the law will be taking away savings, or hurting the elderly, you can stimulate people pretty well.

There is no doubt in my mind that these are experts. They demonstrate how good they are. I hope we can get the name of this marketing group because if they can sell this to the Congress and the American people they can probably sell almost any candidate.

Maybe even those running for office want to look up this group. I would just suggest that if these people can market repeal of this law, which is nothing but collection mechanism, they may have a knack for selling candidates.

I do not really think that is the way the bankers in my State would deal with their grievances with the law. I do not believe there is any banker in the State of Kansas who would bring people into a room and peek at them through a mirror while somebody was feeding them some "raw meat," some inflammatory misinformation, in an effort to stimulate a proper response. I do not think that would happen—I am certain that would not happen in the State of Kansas.

I have heard a lot about the Republican platform. I did not realize the Democrats had so much interest in the Republican platform. That is the first time I have heard it mentioned in a couple of years. I am not even certain the Republicans have much interest in the Republican platform. Now we are getting all this bipartisan interest in the Republican platform. But there was a significant difference between the Carter proposal and the proposal that is on the floor today.

The Senator from Montana read with some enthusiasm a reference to the Republican platform. In the first place, the Carter plan required 15-percent withholding, not 10 percent. Second, the broad exemptions for the poor, the elderly, and the small accounts were not available. Third, the broad end-of-the-year withholding rules were generally not available under the Carter proposal. Thus, the proposal criticized by the Republican platform was very different from that of last year.

I am sorry to see the Senator from Louisiana leave. I was just going to read a statement he made on June 30, 1976. I voted with the Senator from Louisiana, he was so persuasive. The Senator from Louisiana said:

> In 1962 the House passed a proposal very similar to what the Senator is proposing here. President Kennedy worked very hard to try to get us to agree to that. I was one who held out against it and would not support it at that time because it seemed to place a very heavy burden on the banks to do all the bookkeeping and handle this. I have had friends who are in the banking business tell me that with these new computers, and they say it confidentially—they are part of a fraternity and want to work together—it is really not much of an administrative problem at all. It would be very easy for the banks to comply with this withholding.
>
> Furthermore, they have perfected the techniques to be used. Here is a situation where literally millions, perhaps 5 million and maybe even more, of taxpayers are successfully avoiding paying their taxes on interest and dividend income to the Government. As the Senator said, it is not a matter of closing a loophole, but this is just a matter of catching tax cheaters. When we let as many as 5 million taxpayers chisel and cheat on the Government it is bad for taxpayers' moral. People feel they can cheat on their taxes and get away with it. So I would hope the amendment would be agreed to.
>
> We have been under pressure to pick up some revenue to pay for the tax cut in the bill. We have had some pretty bitter fights about this. At least for the time being, if the amendment were agreed to, that would make the controversy over the budget item moot because we would have enough revenue where we would not have to argue any further about that for the time being.

He went on to say how this could be administered without any problem and President Kennedy's administration was satisfied.

Mr. President, I do not cite that to disagree with the distinguished Senator from Louisiana. We can all, as he says, stand here and say someone was on this side, someone was on your side. The broader point is that in 1982 we were faced with growing deficits, we were faced with high interest rates, we were faced with a failing stock market. The President of the United States, Ronald Reagan, said, "We have to take some tough action." One of the things he suggested was a $99 million—some say tax increase; this Senator believes it is tax reform. In that package was tax withholding of 10 percent, with a lot of exemptions to take care of elderly and other low-income people. I suggest there is a vast difference between what happened in the Carter administration and now.

It is not popular. The Senator from Kansas agrees it is not popular. I do not quarrel with those opposed to it.

I have said on this floor a half dozen times the very thing the Senator from Louisiana said. Certainly, the people have a right to petition Congress, a right to redress their grievances. I suggest they ought to do it in an appropriate way. They ought to lay out the facts and should not try to deceive the American people. They should not say it is a tax when it is not a tax. That is the quarrel we have had, plus it does bother the Senator from Kansas a little bit, I guess, because it was this Senator who, last year, made the motion to delay withholding for 6 months so the banks could work it out. I now believe that they have used that 6 months, obviously not to work it out but to do it in.

I hope the Senator from New Mexico prevails. It seems to me if we can do this, I have just talked to the chairman of the Ways and Means Committee. He is still very hopeful we can go to conference and finish the social security package this week.

Mr. MELCHER addressed the Chair.

The VICE PRESIDENT. The Senator from Montana.

Mr. MELCHER. Mr. President, very clearly, on introducing the amendment, I based my support of the amendment on considering not only the merits of reconsideration of the withholding provisions, allowing for a timeframe for both the Senate and the House to do that, but I also based it well knowing there would be revenue loss for this fiscal year. That, of course, requires a budget waiver.

We had a budget waiver on the bill. It was adopted unanimously without debate. Although the bill carries with it far more revenue loss than is involved in the revenue loss from my amendment, it was nevertheless routinely accepted by the entire Senate. No debate, a simple statement of the resolution, and unanimous adoption.

To belabor the budget waiver on this amendment is a technicality which those opposed to the amendment will attempt to use to evade voting on the merits of the issue involved in the amendment. A vote on a budget waiver does not change the issue at all on what is involved in the amendment. Being for the amendment implies agreement with the waiver.

There is no way to stretch the imagination or to stretch the record or to alter the record but what a vote against the budget waiver is a vote against the amendment itself. Since it was planned to make a point of order against the amendment for lack of a budget waiver, I offer this motion not to delay consideration of the amendment or the underlying bill but to move on, to make progress, and to do exactly what the Senator from Kansas, the chairman of the Committee on Finance, has indicated we should do, attempt to pass the bill today.

Instead of promptly adopting the waiver by unanimous consent or voice vote, we have had more of the same filibuster, more of the same argument,

hoping that, somehow, the individual Senators will either be confused or be tired of the whole argument and just vote against the budget waiver. My intention is to move as expeditiously as the managers of the bill will allow and get on with the vote, not only on this amendment but to subsequent amendments that will be offered to the bill, and get on with passage.

Reference was made to what the Treasury Department announced on March 2, where, in Treasury News, a press statement quoting the Treasury Department says:

> The Department of the Treasury today announced revisions to the regulations regarding withholding on dividends and interest and on the broadened information reporting rules, to take into account concerns raised by Members of Congress and affected financial institutions.
>
> The announcement states that Treasury will defer the effective date for withholding with respect to original issue discount instruments until January 1, 1984.

I had earlier introduced a sense of the Senate resolution which would put the Senate on record as advising Treasury to delay the withholding procedures until at least October 1. On March 2, the Treasury Department issued this statement and said they needed more time in order to implement withholding on certain instruments—which, by the way, include Treasury notes and bonds they themselves sell. They need more time to institute the tax withholding procedure on Treasury notes and bonds.

Let me ask this: Is this not the very area or rather the two areas—the original issue discount instruments including (a) Treasury bills, (b) other discount instruments where Treasury Department officials state that there is tax loss? Those are the two areas. These are the two areas the Treasury Department and the Joint Committee on Taxation agree have been the two prime areas where there has been a problem collecting the taxes due on interest.

That is where the Treasury has said that, in particular, they want to zero in, because they believe the proper amount of income taxes have not been paid on interest that holders of these bills or other instruments have. Holders of these investments have evaded paying their just taxes in many instances, Treasury officials have asserted.

What is going on here? This is the area in which they said they feel there is a large amount of cheating. They want to close the loophole, close the gap, collect the money. On Treasury's own volition they are going to delay starting withholding until January 1; hence, my amendment is offered to coincide with that. That is the area in which they want to zero in. They feel a lot of money is escaping, a lot of interest payments are escaping reporting, and therefore the taxes are not being paid on them.

By their own admission and by their own volition, under their own regulations, they are delaying the implementation of withholding procedures called for in the tax law of 1982, the very subject we are talking about.

Was there any budget waiver on that? Has anybody taken into consideration the revenue loss involved in that delay? Of course not. There is no budget waiver on that. None is necessary, because it is not before us. Yet, it is a revenue loss.

To be honest about it, in the debate on this particular point, those who are opposed to our amendment should concede what that revenue loss is.

I might point out that the Treasury says they are flexible on the bank float. In other words, they are flexible on how many days the banks or the savings and loans or the credit unions may hold the taxes amounting to 10 percent collected from each customer—how long they can retain that money before turning it over to the Treasury. The Treasury Department officials say they are flexible on that.

The chairman of the Finance Committee has stated that bankers complained about that, so the Treasury very promptly said the institutions can have another 30 days. Or is 45 days adequate? Is there a budget waiver on the revenue loss there? Or is the float time going to be extended even more? Would we even consider the revenue loss there? Of course we should, if we are going to be completely honest and fair and complete about what we are talking about in raising revenue.

I point out that what is being done does cost Treasury money. The 90,000 employees IRS has on the payroll, paid for out of Treasury funds, have work to do in connection with this particular withholding provision in the law.

There were requests for a delay in the areas I have mentioned. The Treasury Department has established the delay. They have established it under their own regulations. They have done so because they cannot get ready before then. In order to get ready for the rest of it, affecting ordinary taxpayers what they are doing is sending out with every tax refund the Form 662-A which I described yesterday. It describes to the individual taxpayer what they are going to start doing in connection with withholding on interest and dividends beginning July 1, if there is no change in the law.

I am advised that 50 million of these are being tucked in the envelopes with the refund checks. We are told by the Senator from Kansas, the chairman of the Finance Committee, that everybody who receives a social security check on April 1 will also have one of these forms inserted into the envelope along with the check. That is another 36 million. Yes, they are busy preparing these forms in order to be able to explain the collection of the taxes withheld. That costs money. There is no budget waiver on those. They have been busy preparing this brochure I have here. It is on a pretty good grade of paper. They probably cost about 6 or 7 cents apiece. The questions and answers in this Treasury Department brochure deal with withholding on interest and dividends. I will read only the last question and the answer.

The question: "Why couldn't the Government simply strengthen the information reporting system in order to accomplish the withholding?"

The answer: "Much nonreporting is due to inadvertence, forgetfulness and failure to keep records. Any attempt to reach this unreported income through information reporting and audit procedures would require millions of telephone calls, letters, and visits, many involving small amounts of tax, which inevitably would have been regarded as "harassment" of taxpayers."

Treasury Department March 2 press release describes the area in which they are going to wait for January 1, which they have identified as an area where they really want to zero in, where they feel there are large amounts of tax due from taxpayers who are evading payment. For Treasury notes and other discount instruments—there is going to be a delay until January 1 to start withholding taxes. But for ordinary taxpayers with savings accounts.

I want to return to that answer in the brochure. The last phrase says that "telephone calls, letters, and visits * * * would have been regarded as harassment of taxpayers." The word "harassment" is in quotation marks.

So, rather than harassing those individuals who they feel constitute the big area in which many tax dollars are escaping, they will delay that to January 1, and they are going to send out these forms to the rest of the taxpayers and start collecting on July 1.

I think that is the answer as to why we are getting the letters we are receiving from constituents complaining. They see through the IRS method of collection of additional taxes.

People feel it is harassment. People feel it is unnecessary. People feel it is just some more redtape. People feel it is just another step by the IRS, and they do not really believe that the cost of doing it really nets out much revenue gain.

I agree. I think in the revenue estimate by Treasury the revenue gain is overestimated. But I use their figures in stating my case. Those figures are—$1.1 billion.

My motion is for a budget waiver on the amendment and hopefully it will

be a favorable vote so we can get on to the real issue of voting on the amendment itself, pass it hopefully, and then get on with the rest of the amendments to the social security bill and final passage.

The VICE PRESIDENT. The majority leader is recognized.

Mr. BAKER. Mr. President, I will not take very long because I agree it is time for this issue to come to a head. But before we vote, I wish to make an effort to establish an historical perspective on where we are now, and how we got here.

I can recall more than a year ago, a year ago last August, in fact when I had the opportunity to meet with President Reagan and my colleague and cohort on the other side of the Capitol, the minority leader, Congressman MICHEL, and a few others. When we were talking about social security at that time it was about minimum benefits. That encounter was one of what has now grown to be a list of several cases in which I was required, according to the dictates of my conscience, to tell the President that I did not think he should do what he had proposed to do in respect to social security and minimum benefits because, as I pointed out then, I thought and I think now that social security is such a politically explosive, and such a devastatingly important political issue that unless we can drain some of the heat and energy out of that issue, Congress will be immobilized and find it impossible, or virtually so, to do the necessary reform to the system as a whole.

At that time I felt that there was the imminent danger that social security would become the No. 1 political football of this century. Perhaps it should. I do not know many issues that affect as many people as social security does, so many people are dependent and have no other recourse to a livelihood and subsistence except for social security. It is a devastatingly important issue. I thought last year and I think now, Mr. President, that on occasion the political system of the United States recognizes in its own unique and perhaps unusual way that some issues are so important that they must not be politicized, that we simply have to rise above the usual and necessary partisan political conflict and address the issue at hand on a bipartisan basis. It is not often that we act in such a manner, but when we do, I think they are the best moments of our political system.

It was in the wake of my conversation with the President and his advisers and in the wake of subsequent developments that the President sought the establishment of a bipartisan commission to consider the social security question. It was an attempt to depoliticize in, an attempt to form a commission modeled after the Water Quality Commission which was chaired by then G. Nelson Rockefeller, that commission produced a series of recommendations which were largely enacted into law and were the result of a bipartisan effort that was widely celebrated and cheered.

The President proposed that he would appoint part of the Social Security Commission, that the Speaker of the House of Representatives would appoint part and I would appoint part. Indeed this was done in collaboration with my friend and colleague, the minority leader of the Senate, and the Speaker invited the minority leader of the House Representatives to participate as well. So the bipartisan Commission on Social Security was constituted, the latest embodiment of an effort to rise above partisan political advantage to address an issue of burning, compelling importance.

And how well I recall reports of that Commission's deliberations about how pessimistic the Members were that any agreement could be reached and how their hopes were buoyed up and then dashed on the rocks of disappointment. But finally, Mr. President, the Social Security Commission produced a result and by near unanimous vote recommended fundamental and important and vital changes in the social security system on a bipartisan basis, and those recommendations were reported to the House of Representatives and to the Senate.

I recall at that time, Mr. President, that many politically seasoned observers remarked at that time, "Well, this is a good recommendation but it will never hold together, the package will fly apart because partisanship will once again emerge and destroy the best efforts of this Commission." But those remarks proved to be false, Mr. President; indeed, the package was enacted by the House of Representatives with no fundamental changes, and that is a tribute to the ability of Republicans and Democrats in the House of Representatives to rise above partisan political advantage and to address a basic need of the Nation.

So now the bill reaches the Senate, and now the challenge rests with us. Are those who predicted that the package will fly apart because of partisan consideration or personal political advantage correct? Or is the Senate going to continue the tradition that was begun by the President, extended by the Speaker of the House of Representatives and by the bipartisan Commission on Social Security, and confirmed by the House of Representatives and laid before the Senate for the final challenge? Are we going to fail to carry out that effort to depoliticize this most important fundamental political issue? That is precisely what we are confronted with at this moment.

The perspective I would propose to suggest to the Senate is this: Against that background, let me suggest that the motion to waive the provisions of the Budget Act made by the distinguished Senator from Montana in layman's terms is the following: Senator MELCHER is saying in so many words, "I ask the permission of the Senate to add an extraneous measure to this bill, this social security package, which was not recommended by the Commission, which makes a fundamental change and probably will blow this package apart. And that I recognize that it is not in order because the Budget Act prohibits it unless the Senate will grant its consent."

That is the perspective. Will the Senate grant its consent for an amendment to be offered to this package that the House of Representatives would not accept, that the Commission did not accept, and which will threaten and endanger the fundamental aspects of a bipartisan effort to cure important defects in the Social Security System?

That is what we are being asked to do, to give consent of the Senate to do what the House of Representatives declined to do, what the Commission declined to do, and what the country does not want done.

Mr. President, I am not here to argue the merits of withholding of interest and dividends. Nor do I think that should be the issue before the Senate because the Senate has decided in its wisdom to schedule a debate on that issue on April 15 this year. I did not take any offense when questions were raised about whether that would actually occur or not, and I agreed, indeed, as I recall, I suggested the possibility of calling up the chosen vehicle and making it the pending business before the Senate so that an interest and dividend withholding amendment could be offered at that time and then to lay aside that measure to resume automatically as the pending business on April 15.

Some asked: Does that mean we cannot offer it to social security? And I said, of course, it does not mean that. But I devoutly wish for a different result. I said then and I say now I hope that will not be done, and I hope the Senate will not now give its consent for that to be done, for the vote we are about to cast is not in favor of or against interest and dividend withholding; the vote we are about to cast is whether the Senate will give its consent to add this extraneous matter to the social security package. That is the question, Mr. President.

The VICE PRESIDENT. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, I move to table the motion to waive the Budget Act——

Mr. MELCHER. Mr. President, will the Senator withhold a minute?

Mr. MOYNIHAN. I withhold without losing my right to the motion I have just made.

Mr. MELCHER. I thank the Senator for doing that. I merely want to emphasize to the Senate that a great number of the amendments that have been accepted, already accepted, do have a budget impact, and points of order were not lodged because it was agreed by the Senate to vote on the issue itself, the issue contained in the amendment.

The same point of order or the same requirement, the same procedure of insisting on a motion for a budget waiver on a particular amendment was not made. And in this case, I just emphasize that what we are voting on is the issue itself. A vote against the budget waiver is a vote against the amendment to delay starting up the withholding of taxes on savings and dividends until January 1.

Mr. MOYNIHAN. Mr. President, I move to table the motion to waive the provisions of the Budget Act.

Mr. BAKER. Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from New York to lay on the table the motion to waive the provisions of the Budget Act. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Wyoming (Mr. SIMPSON) is necessarily absent.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON) and the Senator from Maryland (Mr. SARBANES) are necessarily absent.

The VICE PRESIDENT. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 43, as follows:

[Rollcall Vote No. 38 Leg.]

YEAS—54

Abdnor	Gorton	Moynihan
Andrews	Grassley	Murkowski
Baker	Hart	Packwood
Bentsen	Hatch	Pell
Bingaman	Hatfield	Pressler
Boschwitz	Hawkins	Roth
Chafee	Hecht	Rudman
Chiles	Heinz	Specter
Cochran	Jackson	Stafford
Cohen	Kassebaum	Stennis
D'Amato	Kennedy	Stevens
Danforth	Lautenberg	Thurmond
Dodd	Laxalt	Tower
Dole	Leahy	Trible
Domenici	Lugar	Wallop
Durenberger	Mathias	Warner
Garn	McClure	Weicker
Goldwater	Metzenbaum	Wilson

NAYS—43

Armstrong	Baucus	Biden
Boren	Helms	Nickles
Bradley	Hollings	Nunn
Bumpers	Huddleston	Percy
Burdick	Humphrey	Proxmire
Byrd	Inouye	Pryor
DeConcini	Jepsen	Quayle
Denton	Johnston	Randolph
Dixon	Kasten	Riegle
Eagleton	Levin	Sasser
East	Long	Symms
Exon	Matsunaga	Tsongas
Ford	Mattingly	Zorinsky
Glenn	Melcher	
Heflin	Mitchell	

NOT VOTING—3

Cranston	Sarbanes	Simpson

So the motion to lay on the table the motion of the Senator from Montana to waive the provisions of the Budget Act was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI addressed the Chair.

The VICE PRESIDENT. The Senator from New Mexico.

Mr. DOMENICI. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. DOMENICI. A parliamentary inquiry, Mr. President. Does this amendment violate section 311 of the Budget Act?

The VICE PRESIDENT. It does.

Mr. DOMENICI. Mr. President, I raise the point of order against the amendment under section 311 of the Budget Act.

Mr. MELCHER addressed the Chair.

The VICE PRESIDENT. The Senator from Montana.

Mr. MELCHER. Mr. President, I wish to debate the point of order.

The VICE PRESIDENT. The point of order is not debatable except at the sufferance of the Chair.

Mr. DOMENICI. Has the Chair ruled on the point of order?

The VICE PRESIDENT. The Chair has not ruled. The Senator may be heard.

The Senator from Montana.

Mr. MELCHER. I thank the Chair.

The vote which just occurred, while a procedural vote, is, nevertheless, a vote on the substantive issue. As such, it was a denial on the procedural vote of getting to the final vote on the amendment. The motion for the budget waiver was made by me and was made with full knowledge that a point of order would be raised on the amendment as conflicting with or violating the Budget Act, and I did not receive the waiver. Those waivers are generally granted by unanimous consent and indeed, sometimes not even unanimous consent is asked on a budget waiver. A vote is just taken on the amendment and the amendment is voted up or down. That is the will of the Senate as a result and the budget waiver requirement is ignored.

There are perhaps six—I am advised several—probably six amendments already accepted to this bill that impact the budget and would be subject to a point of order, requiring a waiver of the budget rules.

The usual procedure of the Senate is to vote on the issue and as far as I am concerned, the vote that has just occurred prevents a vote on the issue, making the vote on a procedural motion which is ordinarily granted without debate and sometimes, as we find even with this bill before us now, a waiver from the budget is not even asked for, but amendments have been accepted and are part of the bill now.

Mr. President, I thank the Chair very much for recognizing me. I wish to inform my colleagues in the Senate that I have no intention whatsoever, and I doubt whether anybody else would have any intention, of further taking up the time of the Senate by, for instance, appealing the ruling of the Chair, which the Chair is about to make. I do so with the firm belief that, having taken a vote, procedural or otherwise, which is on the merits of the amendment itself, there is no need to prolong the debate. The vote has been cast, the decision has been made, and the Senate will work its will as it should.

The VICE PRESIDENT. The Chair rules that the point of order is well taken. The amendment falls.

The Senator from Kansas.

Mr. DOLE. Mr. President, first, I wish to thank the Senator from Montana. I indicated for the RECORD earlier that the Senator from Montana has been conducting debate on this issue——

Mr. STENNIS. Mr. President, may we have quiet here? I would like to hear what the Senator has to say and I think others may, too.

The VICE PRESIDENT. The Senate will be in order.

Mr. DOLE. The Senator from Kansas wishes to note for the RECORD that I complimented the Senator from Montana privately. I also wish to do so publicly because he has carried on this debate in a very high-level manner. I am willing now to move very quickly to finish the social security package. I think we can do that. I would appreciate the cooperation of all Senators with amendments.

It is my hope to stay in session as long as we wish tonight or until early morning. I have had a conversation with the chairman of the Committee on Ways and Means. He would still like to go to conference, if possible, tomorrow afternoon or early Thursday and pass this and have it on the President's desk sometime between now and the weekend, or early next week.

I think the pending amendment was the amendment of the distinguished Senator from Pennsylvania. Is that correct?

I would like to make a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DOLE. Is there an amendment pending?

The VICE PRESIDENT. Only the substitute amendment is pending.

AMENDMENT NO. 528

(Purpose: To remove the Social Security Trust Funds from the unified budget)

Mr. HEINZ addressed the Chair.

The VICE PRESIDENT. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I call up my amendment No. 518 and ask for its immediate consideration.

The VICE PRESIDENT. The amendment will be stated.

The bill clerk read as follows:

The Senator from Pennsylvania (Mr. HEINZ) proposes an amendment numbered 528.

Mr. HEINZ. I ask unanimous consent that further reading be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

The amendment is as follows:

At the end of title I, insert the following:

REMOVAL OF SOCIAL SECURITY TRUST FUNDS FROM THE UNIFIED BUDGET

SEC. . Part A of title XI of the Social Security Act is amended by adding at the end thereof the following new section:

"REMOVAL OF SOCIAL SECURITY TRUST FUNDS FROM THE UNIFIED BUDGET

"SEC. 1136. (a)(1) For the fiscal years beginning after September 30, 1984, and ending before October 1, 1988, the President shall, in accordance with the second sentence of section 1104(c) of title 31, United States Code, establish a separate functional category for requests for new budget authority and estimates of outlays for the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplemental Medical Insurance Trust Fund, and a separate category for estimates of revenues for such Trust Funds and estimates of revenues from taxes imposed under sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954. The categories established by the President pursuant to the preceding sentence shall be used in the preparation and submission of the budget under section 1105(a) of title 31, United States Code, for each such fiscal year. The budget submitted under such section for each such fiscal year shall not classify requests for new budget authority and estimates of outlays and revenues for such Trust Funds and estimates of revenues from taxes imposed under sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954 under any functional category other than the categories established by the President pursuant to this paragraph.

"(2) Notwithstanding any other provision of law, any concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974 for a fiscal year beginning after September 30, 1984, and ending before October 1, 1988, shall use the categories established by the President under paragraph (1) in specifying the appropriate levels of new budget authority and budget outlays for the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund and in specifying the recommended level of revenues for such Trust Funds and revenues from taxes imposed under sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954. A concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974 for any such fiscal year shall not classify the appropriate levels of new budget authority and budget outlays for such Trust Funds or the recommended level of revenues for such Trust Funds and revenues from taxes imposed under sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954 under any functional category other than the categories established by the President pursuant to paragraph (1).

"(b)(1) Notwithstanding any othe provision of law, at the time the President submits the budget under section 1105(a) of title 31, United States Code, for any fiscal year beginning after September 30, 1988, and at the times the President submits the supplemental summary and changes in budget authority, outlays, and receipts under section 1106 of such title for any such fiscal year, the President shall transmit to the Congress a separate statement specifying requests for new budget authority and estimates of outlays for the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for such fiscal year and estimates of revenues for such Trust Funds and revenues from taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954 for such fiscal year. The budget for any such fiscal year submitted under section 1105(a) of title 31, United States Code, and any supplemental summary or changes in budget authority, outlays, and receipts submitted under section 1106 of such title for any such fiscal year, shall not contain any requests for new budget authority or any estimates of outlays or revenues for any such Trust Fund for such fiscal year or any estimates of revenues from taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue code of 1954 for such fiscal year.

"(2) Notwithstanding any other provision of law, any concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974 for any fiscal year beginning after September 30, 1988, shall not include in the provisions specifying—

"(A) the appropriate level of total new budget authority and total outlays required under section 301(a)(1) of such Act for such fiscal year;

"(B) the estimates of total new budget authority and total outlays for each major functional category required under section 301(a)(2) of such Act for such fiscal year; or

"(C) the recommended level of Federal revenues required under section 301(a)(4) of such Act for such fiscal year,

any amounts attributable to budget authority and outlays for the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for such fiscal year or any amounts attributable to revenues for any such Trust Fund or revenues from taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954 for such fiscal year.

"(3) Any concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974 for any fiscal year beginning after September 30, 1988, or any amendment thereto or any conference report thereon, shall not contain any specifications or directions described in the second sentence of section 310(a) of such Act which relate to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, or revenues from taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954.

"(c) The budget outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for any fiscal year beginning after September 30, 1988, shall be exempt from any general limitation imposed by statute on budget outlays of the United States, including any limitation on net lending.

"(d)(1) For the fiscal year beginning on October 1, 1988, and the succeeding fiscal years, the President shall, in accordance with the second sentence of section 1104(c) of title 31, United States Code, establish a separate functional category for requests for new budget authority and estimates of outlays for the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund and a separate category for revenues for such Trust Funds and revenues from taxes imposed under sections 1401(b), 3101(b), and 3111(b) of the Internal Revenue Code of 1954. The categories established by the President pursuant to the preceding sentence shall be used in the preparation and submission of the budget under section 1105(a) of title 31, United States Code, for each such fiscal year. The budget submitted under such section for each such fiscal year shall not classify requests for new budget authority and estimates of outlays and revenues for such Trust Funds and estimates of revenues from taxes imposed under sections 1401(b), 3101(b), and 3111(b) of the Internal Revenue Code of 1954 under any functional category other than the categories established by the President pursuant to this paragraph.

"(2) Notwithstanding any other provision of law, any concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974 for a fiscal year beginning after September 30, 1988, shall use the categories established by the President under paragraph (1) in specifying the appropriate levels of new budget authority and budget outlays for the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund and the recommended level of revenues for such Trust Funds and for revenues from taxes imposed under sections 1401(b), 3101(b), and 3111(b) of the Internal Revenue Code of 1954. A concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974 for any such fiscal year shall not classify the appropriate levels of new budget authority and budget outlays for such Trust Funds or the recommended level of revenues for such Trust Funds and revenues from taxes imposed under sections 1401(b), 3101(b), and 3111(b) of the Internal Revenue Code of 1954 under any functional category other

than the categories established by the President pursuant to paragraph (1).

"(e) The provisions of subsections (a)(2), (b)(2), (b)(3), and (d)(2) are enacted by the Congress—

"(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

"(f) For purposes of this section—

"(1) the term 'budget outlays' has the same meaning as in section 3(1) of the Congressional Budget and Impoundment Control Act of 1974;

"(2) the term 'budget authority' has the same meaning as in section 3(2) of such Act; and

"(3) the term 'concurrent resolution on the budget' has the same meaning as in section 3(4) of such Act.".

Mr. HEINZ. Mr. President, this amendment was put into the RECORD by me on Friday. This is the amendment that would remove social security trust funds from the unified budget. On Friday, I spoke at some length on the merits of this amendment. We did not take the amendment up at that time out of fairness to Senator DOMENICI and Senator CHILES who had engagements out of town and have very strong views on the amendment. We wanted to be sure we could fully debate this amendment. I shall not repeat for the Senate all the remarks I made on Friday. I shall simply summarize the arguments I made.

Before I do that, however, I am advised that Senator PERCY and Senator RIEGLE wish to be cosponsors of this amendment. I ask unanimous consent that they be so included.

The PRESIDING OFFICER (Mr. GOLDWATER). Without objection, it is so ordered.

Mr. HEINZ. Mr. President, first, I want to make clear to my colleagues that this amendment would remove the operations of the OASI and DI trust funds from the President's budget, from the concurrent resolution, and from the reconciliation process, effective with fiscal year 1989. In that respect, it tracks the House amendment that is in the House bill, H.R. 1900. Some have suggested that we should separate OASI and DI from the unified budget but leave it in the reconciliation process. Leaving OASI and DI in the reconciliation process might remove it from the budget on paper but it would leave social security in the budget process in fact.

Legislating social security changes as part of the budget reconciliation process is, in my opinion, very unsatisfactory regardless of which piece of paper you use to account for its operations. With social security subject to reconciliation, it seems to me we would still be forced to debate social security changes in the context of the annual effort to reduce budget deficits. And we would be forced to do that this year, next year, and the year after because, as we look at those horrendous budget deficits, they show no signs of disappearing on any horizon that this Senator is able to see.

Furthermore and most importantly, Mr. President, I believe the greatest source of public confusion and public cynicism about social security financing comes from the fact that we have been talking about the financing problem and our tremendous budget deficits in the same breath. How is anyone out there supposed to know that we are not balancing social security on the backs of the elderly, as some say, or not raiding the trust funds to finance the defense budget as some have accused us of trying to do, if we are making all of these judgments at the same time each year as part of the budget process?

I want to be very clear about this, Mr. President: the amendment I am offering would remove social security OASI and DI from reconciliation and require Congress to address the budget and social security as separate issues.

Why do I think we ought to treat social security separately? For one thing, it used to be separate. It was only in 1968 that we combined it with the rest of the Federal budget. It has always been a very distinct kind of Federal program. That is why I think it should be separate now.

What kind of a program is it? Unlike any other kind of program, it is a social insurance program. It is not welfare, it is not even like the medicare program, where the benefits of the medicare program bear no relationship to the amount of contribution. This is a program that is financed by its own worker tax contribution quite apart from the income tax we use to finance most other Federal program. It is judged over a far longer period of time than most other Federal programs in the Federal budget process. The Congress reviews fiscal policy with a 1-year, or a 3-year, or, maybe, on the rarest of occasions, a 5-year horizon. Most changes made in spending or taxes through the budget process take effect within a year or two—usually a year or less—with very little warning to those affected.

On the other hand, the social security program has a horizon that is much longer. This bill looks forward 75 years. We cannot and we do not, in this solvency bill, cut benefits in the program quickly, because those now retired make a lifetime of payments in the expectation of receiving benefits, benefits that we do not want to change quickly, because that would force them to change their retirement plans significantly.

By the same token, those working today in expectation of receiving benefits in 20 or 30 years need adequate, fair warning to adjust their retirement plans. That is why when we change the retirement age, we do it in the next century, some 30 years from now, before it becomes fully effective.

So in this social insurance program, they review this financial status with the help of actuaries not over a 3-year or a 5-year or even a 20-year horizon but over a 75-year period.

To consider social security only in terms of its financial condition in the next year or so forces Congress to make changes on short notice to achieve immediate budget savings and destroys the notion we have tried so hard to create, that social security is a retirement program that younger workers today can count on tomorrow.

Until social security financing is sparated from the annual search for some kind of quick fix in the budget, younger workers are going to be hesitant to plan on social security, to plan on having its benefits, and they will remain cynical about not just the program but also the Congress that proposes to defend it.

Mr. President, there is another danger included in the OASDI cash benefits program, the annual budget process, and that is that the immense size of this program makes it an irresistible target for budget cuts, whether or not those cuts are needed to finance the program.

With $200 billion a year in budget deficits facing us for as far as we can see, absent a good deal of action, and social security accounting for $1 out of every $6 we expect to spend in that budget, sooner or later somebody is going to come along in the search for budget cuts and latch onto social security. Even though we do not think that is going to happen today or next year, mark my words, that is what will happen.

Social security is a tempting target, because, with 35 million beneficiaries and 150 million contributing workers, a very small change in the program can result in substantial revenues or substantial savings in outlays in a very short period.

I have seen on this floor some very small changes made in the last 3 days that, frankly, will result in tens of billons of dollars difference in the next several years on what is in—or, in this case, not in—the social security system. Some of my colleagues did not even know what was happening at the time, I suspect.

Only when social security is out of the unified budget and the annual budget process, can we assure ourselves and the public that changes made in the program are to improve

the financing of the program and to insure its solvency and that they are not there to eliminate our budget deficits.

Mr. President, some of our colleagues are concerned that social security spending will rise uncontrollably in the future, and they feel that only keeping social security in the budget will force Congress to exercise fiscal discipline in this program. In my opinion, social security is an amazingly stable program in the long run. That is contrary to the conventional wisdom, but the statistics belie the conventional wisdom. OASDI outlays are expected to fluctuate, roughly, between 4 percent and 6 percent of GNP over the next 75 years; but 75 years from now, they are expected to be about where they are today—about 5 percent of the gross national product.

It seems to me that having its own dedicated payroll tax clearly identified as such on payroll stubs is the best source of fiscal discipline for this program. I cannot imagine, for the life of me, how mixing this financing with financing of every other program helps Congress control the cost of this program. It seems to me that the more we mix it in, the more difficult it is to control anything. The more apparent the separate financial condition of the program is, the more exacting Congress will be in assuring that it is financed adequately.

If you look back at the last 2 years, 1981 and 1982, I think you will agree with my case. In 1981 and 1982, the Budget Committee came along and said we need $40 billion or $20 billion or $10 billion to make the social security system solvent.

No. 1, not only did we not believe that was enough to make the system solvent—those of us who have a little knowledge of the system—but also, the American public did not believe that those changes had anything to do with social security, just were needed to make the President's budget look a little better.

If we look at the financing for the OASDI program over the next 75 years, I think it is apparent that even though the program is expected to be financed adequately as a result of the measure before us, it will present serious problems of a magnitude we cannot fully realize now to the budget process.

I have a chart behind me, Mr. President. The chart I have here has been prepared on the basis of the bill reported by the House Ways and Means Committee. Unfortunately, that bill, which is far different from the one the House passed and sent us, included a hefty tax increase that we do not have in our bill. We chose to restrict the growth of benefits instead. Nonetheless, the charts show us quite clearly that over the next 30 years the social security system is going to develop some very, very large surpluses, and that sometime after the year 2020, social security will start spending those surpluses as a result of experiencing a number of years of very significant annual deficits.

As I think my colleagues can see on the second chart, OASDI trust fund reserves will begin to grow quite steeply starting in 1990, very steeply indeed, until about the year 2015 or 2020, when they will reach a peak of nearly $3 trillion. In 1983 dollars, not 2020 dollars, $3 trillion in reserves.

What does that mean? What it means is that we are going to be under more temptations than Adam and Eve ever dreamed of to spend those reserves on things on which they should not be spent.

By the time we wake up to that problem and wake up and find that we have created a whole new set of spending programs, about that time we are going to start finding out that we are running huge deficits in the social security programs as we now know we are going to do and as we have provided for, and we will not have the money to pay our social security benefits that we are promising people today.

Mr. President, unless we separate social security from the budget it is absolutely inconceivable to me that we are going to be able to finance social security in any kind of a rational way in the long run, even though spending in this program is expected to be relatively stable in relation to the economy.

Left in the unified budget there does not seem to be anything we are going to be able to do except spend social security surpluses on other programs in the surplus years and cut social security in the deficit years.

Mr. President, that clearly is bad and irresponsible budget policy, and it is irresponsible and destructive social security policy.

So I ask you, Mr. President, what assurance can we provide young workers that retirement benefits are going to be there if we know right now we are going to slash benefits beginning in every year starting in the year 2020? Without some assurance that this program will be treated like the social insurance program that it is, how can we expect young workers who are paying into social security today, nearly 100 million of them, to trust that the benefits that they pay in taxes are going to be there when they retire 30 years from now?

The answer is unless we separate social security as I provided, I do not think we can. The only answer is for this Congress to take strong action to restore public confidence in the social security program before the broad-based public support for this program begins to unravel.

The bill before us, as amended by the Finance Committee, H.R. 1900, is a very good bill in that respect, not that everyone likes everything in it, but it does do the job that we have been saying should be done, namely, to either raise the revenues or slow the growth of benefits so there will be a social security system for young people and their children when they eventually retire.

But if we just leave it at that, if we do not take the second step, if we do not insure that the surpluses we produce from passage of this legislation will be protected we will be back here on this Senate floor—it may be 20 years from now—and we will be saying to ourselves, "I thought those fellows back in 1983 solved the mess, but look at the mess we are in now."

Mr. President, we do not have to be in that kind of mess 20 or 30 years from now. Announcing our intention by the adoption of this amendment today, to treat this program responsibly with an eye to the long-term commitment that underlies it, is the way to address that concern.

So I ask my colleagues to join me in assuring that social security will be treated responsibly by separating it from the unified budget and the annual budget process.

Mr. STENNIS. Mr. President, will the Senator yield briefly to me?

Mr. HEINZ. I am pleased to yield to the Senator from Mississippi.

Mr. STENNIS. Let me commend as well the Senator for a fine explanation here of this highly important amendment. It shows thoroughness, completeness, and represents a lot of work on his part. He has rendered a real service here in preparing and delivering that speech.

I did not get to hear the first part, but I understand this is an unconditional and complete separation from what I call the general budget and sets all of these funds for this particular purpose up in the budget of its own.

Mr. HEINZ. The Senator is correct.

Mr. STENNIS. I do not think the Senator could have chosen a more important subject with reference to the entire matter that we have this year.

Mr. President, I ask unanimous consent that I may be joined as a cosponsor, one of the sponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Again I thank the Senator.

Mr. HEINZ. I thank the Senator from Mississippi for his very kind remarks. I am honored to have him as a cosponsor.

Mr. STENNIS. I thank the Senator.

Did the Senator say it is going to reach a point in the year 2020 or 2030, somewhere in there, of $3 trillion? What were his figures?

Mr. HEINZ. The Senator is correct. According to the analysis of the Ways

and Means Committee bill there will be a surplus that will under their bill approach some $2½ trillion to $3 trillion. We are used to dealing with billion around here. But I say again this is trillion dollars, which is nearly inconceivable, but that amount will take more than twice our current national debt that we all say we are never going to be able to pay off.

Mr. President, if the Senator will permit me, this is the way we can eliminate a very substantial amount of that national debt because social security will be able to absorb it and in that respect such investments will be in the social security system and most welcome rather than in the general funds of the Treasury.

Mr. STENNIS. I was here when it was separated. Very few knew when it happened.

Mr. HEINZ. Not everyone can make that statement.

I thank my good friend from Mississippi.

Mr. RIEGLE. Mr. President, if the Senator has completed, I wish to make a statement.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. RIEGLE. I thank the Chair.

Mr. President, I am pleased to join with my colleague from Pennsylvania, Senator HEINZ, in offering this amendment which would remove social security from the unified Federal budget.

I think it is important to know that Senator HEINZ served in a distinguished way on the Social Security Commission and the Social Security Commission has made this recommendation.

The amendment that he and I and the other cosponsors are offering today is an amendment that had the endorsement of the Social Security Commission, which included other distinguished Senators, including that of the Senator from Kansas, Senator DOLE, and Senator MOYNIHAN.

So we have in behalf of this concept the full endorsement of the National Commission on Social Security, and this particular item was also included in the House-passed bill. So this is not a new issue.

This is an issue that has been looked at at length. It has been debated at length and, as I say, is a recommendation of the President's Commission on Social Security.

The amendment we are offering today would first require that in fiscal year 1984 the three social security trust funds, the old age and survivors, disability, and hospital insurance trust funds, all of which are funded through a separate payroll tax, be included in a separate functional category in the Federal budget. Also included in this separate budget function would be the Federal supplementary medical insurance trust fund which is mostly funded from general revenues. In the fiscal year beginning in 1989, the old age and survivors and disability trust funds, which are payroll financed would be removed entirely from the unified budget, while the hospital insurance and Federal supplementary medical insurance trust fund would be retained in its separate functional category.

As a member of the Budget Committee, I am particularly concerned that any changes that are made in the social security system are considered for reasons relating to social security and not become tied up in the endless debate on other Federal budgetary considerations. As recently as last year the administration endorsed budget included $40 billion in unspecified cuts in social security. The cuts which were recommended at that time had the appearance of helping to reduce the Federal deficit but offered no assurance that social security benefits were not being cut beyond what was necessary to preserve the social security system by itself as a free standing entity.

One need only review the events of the last 2 years to see the justification for this concern. In May 1981, the Reagan administration unveiled a package of massive and unprecedented cuts in social security, whose magnitude went far beyond anything reasonably needed to protect the safety of the social security trust funds. The administration's proposal would have built up substantial reserves in the social security trust funds which would be applied toward helping the administration meet its other objectives in the Federal budget. That same year we saw the reconciliation bill—an arm of the budget process—used as the vehicle for elimination of the minimum social security benefit and making other reductions in the program. Also, last year during consideration of the budget resolution, further attempts were made to enact unspecified cuts of $40 billion out of the social security system. These cuts would have produced budget "room" for other Federal spending categories without any assurances that social security benefits would not be cut beyond what is absolutely necessary to preserve the system's financial integrity.

So I think it is clear what ought to be done here is what the Social Security Commission named by the President has recommended, namely we separate these funds out of the budget, and that we handle them on their own basis.

We are taking the other steps to insure their integrity in terms of new outside public participants on the board and by the financial steps that we are taking to put the system on a sound financial footing from an actuarial point of view. The particular recommendation of the Commission we are now considering is fully in keeping with that set of moves, and I think the best and surest way for us to eliminate the temptation to go in and, as the Senator from Pennsylvania says, try to latch on to those social security reserves in future years as those reserves build up. What we are doing here is to take and move them over into a separate category where we cannot get at them in the budgetary framework and where the financial integrity of social security and the revenue-benefit relationships will be maintained solely in their own right and protected in that fashion.

Mr. President, in addition to concerns what social security should not be part of the political forces which are part of the budget process, we must remove the temptation to use social security trust funds to disguise the extent of the deficit in the rest of the budget. Fluctuations in trust fund balances are cushioned by trust fund reserves, but as long as social security remains a part of the unified budget they also appear to effect the Federal deficit or surplus, which provides misleading information of the annual budget deficit.

Over the past few years, social security has been running an annual deficit and thereby paying benefits out of the reserves in the trust funds. This made it appear that the Federal Government had to engage in new borrowing, when in fact the total deficit created by the shortfall in social security revenues was met by using surpluses from previous years. In addition, in the next few years, after we enact the legislation we are now considering, the social security trust funds should be running a rather large surplus. Under the compromise package it is estimated that by fiscal year 1988 the trust funds will have a surplus of over $14 billion. If social security is included in the deficit totals for that year, it will appear that the Federal Government will have to borrow less to meet the Government-wide shortfall, when in fact, the surplus in the social security trust funds must be kept in reserve for future social security beneficiaries.

Mr. President, finally I would like to make it clear that I do not believe that placing the social security trust funds in a separate functional category, removing it from the unified budget, and removing it from the reconciliation process will solve either the financing problems of the social security system nor problems with the Federal deficit. It was not intended to do that. What it will do is clarify the choices which must be made on both of these vital issues and insure that those decisions are made fairly.

As I say, and I do not think it can be said enough, we had Senators from our body here serving on the Social Security Commission. That Commission was dominated 2 to 1, 10 members

to 5, by appointees of the President himself, and that Commission made this recommendation.

I say to the Senator from Mississippi and others, the Commission itself made this recommendation. The chairman of the Senate Finance Committee was on that group and was party to this recommendation. The House has adopted it in their bill, and it ought to be in here because it provides, I think, every person in this country with certain knowledge that the social security funds are going to be treated in their own right, there will be no tampering and people want that. That is one thing that has come out of this debate as these concerns have arisen out in this country, people who are paying into the social security system day in and day out want that money set aside and they want it kept inviolate and they do not want it left in any fashion where moves can be made to change the social security arrangements in order to try to meet certain other spending priorities within the Federal budget.

There is a need for a clear division here. These are trust funds, and "trust" implies a special fiduciary arrangement, and by separating this out in this fashion we will be in a much better position to protect this money, to see the integrity of the system exists over a longer period of time and, I think, restore the confidence of the American people.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I do not want to take a lot of time but I understand the distinguished Senator from Florida desires to speak on this subject and he will be here shortly. I will take a few minutes though.

I would like to remind the Senate that the blue ribbon panel on social security reform was established to provide the Congress with a set of recommendations to close the funding gap in social security. The Social Security Reform Commission was not established to review Federal budgetary practices. There was such a panel about 15 years ago, the President's Commission on Budget Concepts, and that Commission reviewed the way the Government handled its budgetary duties and found a lot of things wrong.

The Budget Concept Commission decided that the different and competing budgets confused the public and Congress and impeded governmental decisionmaking. It recommended that a single unified budget should be adopted to improve the utility of the budget. This unified budget would include all of the trust funds, including social security.

Mr. President, I bring up that bit of history to illustrate a point. The Commission established to reform social security arrived at a conclusion totally different and at odds with the Commission established to address reform in budgeting. If we were to appoint a similar budget commission today to study budget questions, what might they conclude? Such a commission, consistent with the blue ribbon commission, would probably include the chairman of the House Budget Committee, the chairman of the Senate Budget Committee, and maybe even the Director of the Office of Management and Budget.

What would they say about removing social security from the unified budget? Mr. President, we do not have to speculate about what they might say. Instead we can refer to a letter that I and the other two principals sent to the Social Security Reform Commission. The letter states:

> We strongly recommend that the social security program remain in the unified Federal budget.

The letter explains the reasons behind the recommendation, and I ask unanimous consent that the letter be made a part of the RECORD after my remarks so that the Senators may review the text.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOMENICI. Another member of a commission to review budgetary practices would certainly be the Director of the Congressional Budget Office. Again we do not have to speculate as to what the Director of the Budget Office might say. We have a recent letter and I ask unanimous consent it be made a part of the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. DOMENICI. Dr. Rivlin states at one point in her letter:

> [F]rom the perspective of good budgeting practice, the proposal to remove amounts that represent about one-quarter of all Federal spending is inadvisable . . . It is comprehensiveness, and integrity of the unified budget be maintained.

Finally, a commission might include representatives of the groups affected by the change. What would the largest group of retirees, the American Association of Retired Persons say? Again we do not have to speculate. We need only refer to their written statement:

> On behalf of our more than 13 million members, we urge, in the strongest possible terms, that you not be stampeded into supporting any legislation that would remove social security from the "unified budget."

I ask unanimous consent that letter be made a part of the RECORD also.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. DOMENICI. I do not mean at all to denigrate the action of the Social Security Reform Commission on the budget issue. But this Commission was not established to review budgetary treatment of social security. If it had been established for that purpose it would have been composed of somewhat different members. What these letters show without doubt is that a commission charged with reviewing the role of social security in the budget would have arrived at a decision to leave social security in the unified budget. That was true 15 years ago; it is true today.

Mr. President, the argument that social security will in the future, God willing, and we hope, have some significant reserves and therefore it ought to be taken off budget because of those reserves just does not make any sense.

One would conclude that because it is going to have reserves in a trust fund that we are going to spend trust fund money. What is next? We have a highway trust fund. It has been on the unified budget. We do not spend everything that is in that trust fund every year. It is accounted for. If you want to go look at the account, you can find it.

The next logical thing is: Why do we not take the highway trust fund off budget? What is the next logical thing?

Mr. CHILES. Aviation.

Mr. DOMENICI. The aviation trust fund. Then you can look at the other pensions, including the military and the civilian pensions. Why do we not take them off, and in particular the civilian pension trust fund? That is said to be an annuity and the moneys are supposed to be there; even if they are not, some think they are. We can take it off. Then we can start funding it out of general funds, and we will not even have on the budget what we are funding with general funds.

So, Mr. President, the argument that we are going to have excesses, surpluses in that fund that comes from tax dollars, that spends money into the American economy, that has reserves that have to be invested, that probably all by itself has more economic impact in terms of looking at what happens to the American economy—how much are we taxing for it? How much are we spending as a proportion of the GNP? We are going to say let us take that one that has the most impact—and there is nobody that thinks any other fund has more impact—and we are going to set it over on the side and say it is not part of the American budget.

We cannot really believe that is what will happen if we take it off budget. We are going to be bringing it back on budget every time we look at the effect of Government, taxes, spending, trust funds on the economy of the United States. Why not put it where it belongs? Put it in the unified budget.

The fact that you have reserves does not mean that you can spend trust fund moneys for those items that are in a national budget that are not part of the expenditure of trust fund moneys. They will be accounted for as they have been in the past.

I compliment my friend from Pennsylvania. He has worked very hard on this. He has a genuine concern. I just do not believe that the concern that he expresses that we might at some time be tempted, as he has described here—is sufficient reason to take this important segment of the economy and take it off budget.

Mr. President, it is obvious to my that this amendment violates the Budget Act and, at the appropriate time, I will make a point of order, but I will not do it at this point.

Mr. President, I want to restate some of the reasons I oppose the effort to remove the social security trust funds from the unified Federal budget. Such a move would be bad economic and budgetary policy. It would not contribute $1 to closing the enormous funding gap in the social security program.

I think it is time to examine some of the arguments made in favor of removing social security from the budget. The first argument is that Congress has made changes in the social security program solely to achieve short-term budgetary policy.

This argument is not valid. Recent proposals to change social security have not been made simply to reduce the unified budget deficit. Changes were suggested because trust fund reserves declined to critically low levels. Changes were suggested because they were—and still are—needed to insure that all benefit checks go out come July of this year, and every month thereafter.

A second argument is that social security has somehow suffered by being included in the unified Federal budget. This argument is also invalid. During recent years, the inclusion of social security and medicare within the Federal budget has actually caused deficits to be larger than they otherwise would have been. Since 1969, when social security was first included in the budget, the Federal deficit has been less only four times. In 10 years, social security made the Federal deficit deeper.

The next argument I want to challenge is that social security should be removed from the budget to protect its viability as an intergenerational retirement plan. It is true that social secuity has a long horizon—we look at it in 75-year chunks. However, Congress would need to take all other retirement programs off budget to be consistent. We would need to remove Federal civilian and military retirement, and many smaller programs.

Congress has already given an indication of how it feels about the validity of this argument. Last year, the President proposed to removed the railroad retirement program from the unified Federal budget. Neither the House nor the Senate even considered that proposal. I do not think it would be logical to remove one program and not other similarly situated programs.

Another argument frequently made is that social security should be removed from the budget because it is a trust fund program. Again, all trust funds would need to be removed from the budget to be consistent. That would mean lumping social security and Federal employee retirement into the same category as, for example, the highway trust fund. Removing all trust funds would mean about 35-percent less budget coverage of spending and taxation.

If Congress allows social security to be excluded from the budget on the grounds that it is special, what program will be next? Will we exclude national defense because it is too important to handle on a year-to-year basis? That has already been proposed, and it will be much more difficult to deny if we set a precedent with social security.

Another argument sometimes made for removing social security from the budget is that public understanding of the budget and social security would improve. This is simply not the case. It would, instead, make it appear that Congress wants to hide Federal budget realities from the American people. The media and the public would justifiably accuse Congress of sweeping its problems under the rug.

There exists a great misperception that removing social security from the budget will somehow help resolve the financial problems of the system. Let me lay that myth to rest. Removing social security from the budget does not contribute $1 to social security solvency.

In fact, it may increase the future financial problems of the system by making it more difficult to arrange temporary or permanent infusions of general revenues. This may be a particular problem for medicare, given its bleak financial future.

I want to commend my colleague from Pennsylvania, the chairman of the Committee on Aging, for alerting us about the problems of dealing with the large surpluses expected to build up in the retirement trust funds in the years beyond 1989. It is critical to allow those reserves to accumulate so that we have funds to pay for all benefits when the baby boom generation retires.

We must not be tempted to use these reserves to pay for deficits in defense or welfare or any other Government programs. We must, instead, insure that the reserves are not used to cover the massive deficits we face in the medicare program. We must also insure that these future surpluses do not tempt future Congresses to increase social security benefits for short-term political gains.

These are indeed serious problems, and I am sure my colleague from Pennsylvania will help us find a way to insure that the large reserves do not lead us into temptation.

Mr. President, I recognize that the effort to remove social security from the budget is intended only to help the social security program. Unfortunately, the arguments in favor of removing it are weak.

Social security programs, like all other programs, must be reviewed constantly to assure that they are fulfilling the basic objective of providing a timely and adequate income for our Nation's retirees, survivors, and disabled. Removing social security from the budget process would only make such review much more difficult.

EXHIBIT 1

U.S. SENATE,
COMMITTEE ON THE BUDGET,
Washington D.C., December 2, 1982.

Dr. ALAN GREENSPAN,
Chairman, National Commission on Social Security Reform, Washington, D.C.

DEAR ALAN: As stewards of the federal budget process, we strongly recommend that the social security program remain in the unified federal budget. It would be deceptive and unproductive to remove social security from the budget, as many members of the National Commission on Social Security Reform are suggesting. This option would not contribute one dollar to closing the $150 billion to $200 billion short-term deficit the commission identified in the retirement trust fund. It would merely obscure the problem.

Commission memorandum number 53 explained some of the pros and cons of including social security in the unified federal budget. We would like to add to this memo a few more reasons for keeping social security in the budget.

Social security trust funds involve so much money—over one quarter of all federal outlays—that to omit them from the budget would misrepresent the government's activities and their economic impact.

Inclusion of trust funds in the unified budget allows for a more honest and straightforward budget presentation. The American people are thus able to see clearly how the government spends revenues.

Social securitiy funds may not be used to pay for other government programs or to balance the budget. These funds have always been used to pay benefits and administrative costs for social security only, and will continue to be used only for those purposes. Keeping social security in the budget does not threaten its separate status.

Social security programs, like all other programs, must be reviewed constantly to assure that they are fulfilling the basic objective of providing a timely and adequate income for our nation's retirees, dependents, and disabled; removal of the program from the budget would make such review more difficult.

The public will perceive any changes in the present social security accounting

method as manipulation and an attempt to hide the mandate of the social security financing problem.

The National Commission was established to solve the social security problem, not substantially alter the federal budget process.

We are sympathetic to the desires of the members of the commission to ensure that social security is not used to improve or mask the overall budget picture. There is a simple and honest way to do this. Social security could be displayed within the present unified federal budget as a separate budget function, apart from other income security programs. This would clarify the trust fund nature of the program while retaining its impact within the federal budget. We would be willing to work for such a change in categorization if the commission believes it would increase public understanding of the relationship between social security and the rest of the budget.

We commend the members of the commission for the hard work and bipartisan spirit that they put into this difficult task. We believe that a great deal of this progress will be eroded if the commission recommends a change in how we present social security in the budget but fails to recommend a set of concrete ways to ensure the solvency of the system. As the American public is well aware, taking social security out of the budget does nothing to solve the social security financing problem.

Sincerely,

PETE V. DOMENICI,
Chairman,
Senate Budget Committee.
JAMES R. JONES,
Chairman,
House Budget Committee.
DAVID A. STOCKMAN,
Director,
Office of Management and Budget.

EXHIBIT 2

CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., March 14, 1983.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for my comments on the advisability of removing the Social Security accounts from the budget. From the perspective of good budgeting practice, the proposal to remove accounts that represent about one-quarter of all federal spending is certainly inadvisable. In 1969, when Social Security and other trust funds were combined with other programs into the unified budget on the basis of recommendations by the President's Commission on Budget Concepts, the principal reasons were the need for a comprehensive budget and for a single measure of budgetary balance to ensure sound fiscal practice. Those needs are no less urgent today.

Exclusion of Social Security would confuse public understanding of the government's fiscal impact. The unified budget is consructed to show clearly the flow of cash to and from the federal government. Decisions made on spending programs or on taxation can be easily translated into increases or decreases in the deficit and in the government's need to borrow. This important bottom-line data will be needed no matter how Social Security is posted on the books. Current budgetary practice highlights the borrowing needs of the government in a straightforward and clear manner. By contrast, removing Social Security outlays and receipts from the budget will be confusing. To arrive at the governments's borrowing needs in any fiscal year, budget documents would have to display a "regular budget deficit or surplus" plus a "Social Security deficit or surplus" to arrive at a "total deficit or surplus." To some extent, this confusion already exists because of current off-budget entities, but putting one-quarter of federal activity in the latter category would worsen the situation appreciably. Discussions of "the size of the federal sector" would be similarly confused, since many are familiar with the fact that the federal government's budget is 20 to 25 percent of gross national product (GNP) and seven of those percentage points would disappear with removal of Social Security.

The budget should be as inclusive of federal activities as possible. In order for the Congress to make informed decisions on how to allocate public monies, it is essential that the basic document underlying those decisions include all federal programs, so that comparisions can be made and tradeoffs can be explicit. This argues for a comprehensive budget, indeed one that would incorporate currently off-budget items and a more satisfactory treatment of federal credit and tax expenditures, not one that excludes a major portion of federal activity.

Social Security is, of course, different from most other programs. Because it is the heart of the social insurance system and because it embodies a long-term contract between the people and the government, Social Security benefits should not be treated as an annual discretionary spending option. But inclusion in the unified budget in no way connotes such a disposition. In the long-term, moreover, inclusion of Social Security in the unified budget does force the Congress to ask the right question: How much can the nation's economy afford for social insurance given competing claims on the economy and given the willingness of taxpayers to pay? Making Social Security a separate entity would unnecessarily narrow this question into "How high a level of benefits can payroll taxes support?"—a question that ignores competing claims, alternative tax sources, and the burden of other taxes.

Exclusion of Social Security from the budget would establish a bad precedent. Within recent months, I have read proposals to remove from the budget a number of accounts based on many of the same arguments now advanced for removing Social Security. For example, some have advocated moving off budget all trust funds (on the principle that their revenues, like Social Security's, are dedicated), all federal retirement programs (because they should not be an annual political football), and national defense (because it is too important to be hostage to cyclical problems). Social Security's removal might lend support to such proposals. In the end, we could have a proliferation of federal sub-budgets, completely eroding the usefulness of the budget as an economic and allocative instrument. Moreover, federal trust funds as a whole are projected to be in substantial *surplus* over the next five years and, if these surplus accounts are removed from the budget, the budget that remains will show larger deficits than are currently projected.

The courageous and hard-fought compromise on Social Security involves real changes in the Social Security system and merits greater public confidence in the system's future. It would be unfortunate if the measure to remove Social Security from the unified budget undermined confidence in that compromise.

As the Congress struggles with serious problems in both the social insurance programs and in the overall budget, it is critically important that the clarity, comprehensiveness, and integrity of the unified budget be maintained.

Sincerely,

ALICE M. RIVLIN
Director.

EXHIBIT 3

NATIONAL RETIRED TEACHERS ASSOCIATION, AMERICAN ASSOCIATION OF RETIRED PERSONS,
Washington, D.C. May 13, 1982.

DEAR SENATOR: On behalf of our more than 13 million members, we urge, in the strongest possible terms, that you not be stampeded into supporting any legislation that would remove social security from the "unified budget". Such a move would set the stage for precipitous and drastic short-term benefit cuts or large increases in payroll taxes.

The social security system faces very serious short and long term financial problems which must be addressed and soon. The removal of the social security programs from the unified budget would limit the options available for dealing with those problems.

Given the magnitude of the payroll tax increase legislated in 1977 and the adverse economic impacts which further legislated payroll tax increases would have in the short term, this option is bad public policy and unacceptable.

Short-term reductions in benefits for persons who are already on the rolls (i.e., reductions in cost-of-living adjustments or reductions in underlying benefits) or for persons who are about to come on the rolls (i.e., new beneficiaries) are equally bad and unacceptable. Such reductions would amount to a changing-of-the-rules-of-the-game on people after the game is over and would certainly drive up the incidence of poverty among the elderly very substantially.

By leaving social security's programs where they are—within the unified budget—a far greater number of options are available to provide the system with whatever may be needed to maintain the system's contingency reserve funds at levels sufficient to assure the payment of benefits at levels presently promised.

We know that some have argued that social security should be removed from the unified budget as a means of insulating the system from benefit cuts. The problem with this reasoning, however, is that the system does face serious financial problems. (It is not unreasonable to conclude that social security will need, as the Senate Budget Committee indicated in its Resolution, some $40 billion over the next three years to assure the system's continued ability to pay benefits on time.) We are sure that those who espouse this particular line of reasoning and who are opposed to short-term benefit cuts would not opt for billions more in payroll taxes. But with the system outside the unified budget, there are no other options (other than an annual appropriation subsidy—something unlikely to happen). It would be illogical and inconsistent to argue that the social security system should be removed from the unified budget to prevent reductions in benefits but be included in the budget for the addition of billions in non-payroll tax revenue (i.e., general revenue).

Others, who support removal of the social security programs from the unified budget, argue that the debate over social security has become much too politicized and that removal of the programs from the budget will facilitate the development of a bipartisan consensus solution. Unfortunately, the historical fact is that social security can not be immunized from the political aspects of the legislative process no matter where the social security programs are located for financial and accounting purposes.

The Associations are clearly on record as supporting an automatic infusion of nonpayroll tax revenue into the programs, if needed to maintain the solvency of the system. We adamantly oppose short-term benefit reductions (including reductions in cost-of-living adjustments) and further increases in payroll taxes. We believe that leaving the system within the context of the budget as a whole will provide the National Commission on Social Security Reform, in the first instance, and the Congress and the Administration, in the second instance, the greatest range of options for dealing with the system's serious financial problems.

Finally, since social security is such a large program which levies taxes and makes expenditures of close to $200 billion per year, it can not be ignored if policymakers are to make informed and rational decisions on fiscal and general economic policy matters. We hope the Senate will quickly put aside any consideration of this matter and get on with the task of developing a budget for the nation that is fair and makes sound economic sense.

Sincerely,

CYRIL F. BRICKFIELD,
Executive Director.

Mr. HEINZ. Will the Senator yield?

Mr. DOMENICI. For a question?

Mr. HEINZ. Yes, for a question.

Mr. STENNIS. Mr. President, I would like to ask for the floor at this point for 4 minutes.

The PRESIDING OFFICER. Does the Senator yield the floor?

Mr. DOMENICI. I have the floor and the Senator from Pennsylvania wanted to ask me a question and I yield for that purpose.

Mr. HEINZ. I thank the Senator from New Mexico for yielding.

Mr. President, I wanted to know if he could clarify a point that he made in his presentation. The point that he made that I refer to is that he says that we will be taking social security off budget. Does the Senator suggest that the receipts and the expenditures of this trust fund will be in some way hidden the way offbudget programs are hidden? Is that what the Senator is suggesting?

Mr. DOMENICI. Well, I did not use the word "hidden." Some offbudget items might be hidden to some people; some of the loan programs of our country that are not on budget, people might perceive that they are hidden. But if you want to dig them up, you can dig them up, so there is no conspiracy to hide them. That really was not my point.

My point was that social security is such an important part of Government, and if you have a budget that is supposed to reveal facts about Government, the percent of taxes versus GNP and all of those relationships, then you would not really have a very good picture of what is going on. You would have to pull social security back on for purposes of observation at least—so why go through that kind of an episode?

Mr. HEINZ. Will the Senator yield for a further question?

Mr. DOMENICI. I am pleased to yield.

Mr. HEINZ. Prior to the consolidation of the trust funds in the administrative budget, there was a solution to this problem which the budget in 1968 and in previous years had. Is the Senator suggesting that, prior to 1969, when the budget was displayed, that it was not possible to get a clear idea of the overall macroeconomic impact on the budget? Is that what the Senator is saying?

Mr. DOMENICI. Well, I say to the Senator, as I indicated in my opening remarks, the blue ribbon Commission on Social Security, as I view it, was made up of people appointed by the President because of their position in Congress and in society to know a lot about social security. That is why they were appointed. There was one other commission 15 years ago that had to look at budgeting. And I can rely on them. They operated in the timeframe the Senator is asking me about. They concluded that we had too many budgets and, therefore, social security and all other operations should be on one budget.

My own experience tells me that, but that is the only answer I have to the Senator's question. A commission 15 years ago thought that it should be on a budget.

Mr. HEINZ. If the Senator will yield further: Is he aware that prior to fiscal 1969, the problem of identifying the overall effect of Federal financial receipts, disbursements, and other operations was solved by publishing a consolidated summary of the administrative budget and trust fund budget?

I have here, page 41 of a document entitled, "The Budget of the United States Government for Fiscal Year 1968." I ask unanimous consent that page 41, which sets forth the way in which this was achieved and, as I envisage, might be achieved in the future, be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—BUDGET RÉSUMÉ: ADMINISTRATIVE BUDGET AND TRUST FUND RECEIPTS AND EXPENDITURES

[In billions of dollars]

Description	Administrative budget funds			Trust funds		
	1966 actual	1967 estimate	1968 estimate	1966 actual	1967 estimate	1968 estimate
Receipts:						
Individual income taxes	55.4	62.2	73.2			
Corporation income taxes	30.1	34.4	33.9			
Employment taxes				20.0	26.4	28.4
Excise taxes	9.1	9.3	8.8	3.9	4.5	4.9
Unemployment tax deposits by States				3.1	3.0	3.0
Other receipts	10.7	11.9	11.7	8.6	11.7	12.5
Interfund transactions	−.6	−.8	−.7	−.8	−.7	−.7
Total receipts	104.7	117.0	126.9	34.9	44.9	48.1
Expenditures:						
National defense	57.7	70.2	75.5	.8	1.1	1.4
International affairs and finance	4.2	4.6	4.8	.2	.1	.2
Space research and technology	5.9	5.6	5.3	(1)	(1)	(1)
Agriculture and agricultural resources	3.3	3.0	3.2	1.2	1.4	1.2
Natural resources	3.1	3.2	3.5	.1	.1	.1
Commerce and transportation	3.0	3.5	3.1	3.8	3.7	3.7
Housing and community development	.3	.9	1.0	3.2	3.0	1.0
Health, labor, and welfare	7.6	10.4	11.3	26.4	31.5	37.1
Education	2.8	3.3	2.8	(1)	(1)	(1)
Veterans benefits and services	5.0	6.4	6.1	.6	.8	.6
Interest	12.1	13.5	14.2			
General government	2.5	2.7	2.8	(1)	(1)	(1)
Deposit funds (net)				−.5	−.2	−.1
Allowances for:						
Civilian and military pay increase			1.0			
Possible shortfall in asset sales			.8			
Contingencies		.1	.4			

TABLE 1.—BUDGET RÉSUMÉ: ADMINISTRATIVE BUDGET AND TRUST FUND RECEIPTS AND EXPENDITURES—Continued

[In billions of dollars]

Description	Administrative budget funds			Trust funds		
	1966 actual	1967 estimate	1968 estimate	1966 actual	1967 estimate	1968 estimate
Interfund transactions	−.6	−.8	−.7	−.8	−.7	−.7
Total expenditures	107.0	126.7	135.0	34.9	40.9	44.5
Excess of receipts (+) or expenditures (−)	−2.3	−9.7	−8.1	(1)	+4.0	+3.6

CONSOLIDATED SUMMARY

Description	1966 actual	1967 estimate	1968 estimate
Cash receipts:			
Administrative budget receipts	104.7	117.0	126.9
Trust fund receipts	34.9	44.9	48.1
Intragovernmental and other noncash transactions	−5.1	−7.2	−7.0
Total receipts from the public	134.5	154.7	168.1
Cash expenditures:			
Administrative budget expenditures	107.0	126.7	135.0
Trust expenditures	34.9	40.9	44.5
Intragovernmental and other noncash transactions	−4.0	−6.8	−7.1
Total payments to the public	137.8	160.9	172.4
Excess of receipts from (+) or payments to (−) the public	−3.3	−6.2	−4.3

[1] Less than $50,000,000.

Note.—For explanation of administrative budget and trust funds, see page 170. For details on receipts, see table 13 on pages 64 to 69. For details on expenditures, see table 14 on pages 155 to 168; for further detail, by agency and account, see pages 174 to 391.

Mr. HEINZ. Mr. President, I would further repeat my question to my good friend from New Mexico, whether or not he would agree that the consolidated summary that appears there would, in fact, quite fairly represent the combined fiscal operations fo the Federal Government.

Mr. DOMENICI. I can look at this sheet of paper that he is talking about, the budget of the U.S. Government for 1968, and it looks like it does what it ought to do.

But I am reminded that this Commission reviewing budget concepts completed their work in October 1967. It was ratified in 1969. This material is from 1968.

Mr. HEINZ. Yes; the Senator is correct. That represented the way we budgeted prior to the implementation on the National Commission on Budget Concepts.

Mr. DOMENICI. I would only read the bold black print, from the report of the President's Commission on Budget Concepts. The Commission's major recommendations during this timeframe to which the Senator alludes as being an adequate way to show the budget states in part:

The Commission's most important recommendation is that a unified summary budget statement be used to replace the present three or more competing concepts that are both confusing to the public and Congress and deficient in certain essential characteristics.

So, rather than go back to 1968 and in 2 minutes look at this, I would conclude that the Commission's major recommendation found great fault with this as a part of our budgeting practice.

Mr. HEINZ. I thank the Senator for yielding and for answering those questions. I appreciate them very much.

Mr. DOMENICI. I thank the distinguished Senator from Pennsylvania. I yield the floor.

Mr. STENNIS. Mr. President, I shall not detain the Senate very long now.

I am very much interested in the practical side of the point involved here, Mr. President, because I was here and have a distinct recollection of part of what happened here when the budget was all merged or put together.

This is beyond my special work and I do not have any special knowledge of the subject.

I remember we were working with the Appropriations Committee and the Armed Services Committee somewhere in there, and all of a sudden a big question came up about the merging of the budget. I do not think anyone knew at the time, or many of us did not know at the time, just what had happened. It was in dispute. But at the same time—and I have forgotten what the amount was—a very small black budget showed up, I think less than $1 billion—and I am sure it was—and that was the last black budget we had, by the way. It was part of the workings to change the arrangement of the budget.

I think there would have been a big upheaval about it then, but people were not conscious about the security, the carelessness, and so forth, of the budget money, and how much it meant to them.

Things rocked along and no one objected to having a balanced budget. Things rocked along in that way. Speaking for myself, it was not commonsense as I saw it to be putting all those great volumes of money into the regular live, regular budget when the due date for it was way down the line.

I am glad to see this brought up and straightened out. I am not critical at all of the Senator from New Mexico. He knows of the high regard as well as appreciation that I have for the work he does. But one of the big things that will come out of this bill, if we are able to pass a bill, will be a correction of this situation. When it has $2 trillion or $3 trillion in it, somebody else will have to do the same job of making corrections, changes, and everything else. I do not believe our successors will let that much money lie around and be untouched.

Anyway, as part of being a sound plan, sitting on its own bottom, with the people knowing where their money is, what is happening to it, with none of it being paid out except under the regular social security law, so far as those things are concerned, and they are the ones I have dealt with, they will be a lot better off in their own mind and, actually, they will be better off, too, in the way it will come out.

I hope we can pass this. I believe it is just essential as a step in reform at this time.

I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, I am opposed to this amendment that would take the social security and disability program out of the unified budget.

I have always said, and will continue to say, that we should not cut social security benefits to make up for defi-

cits in the rest of the budget. That is the stated intent of the amendment, and I agree with the goal. However, I do not think this amendment is necessary to achieve that goal, and I think it would have two serious side effects. First, it would destroy our ability to make national fiscal policy. Second, it could lead to greater Presidential power over Federal spending levels.

I would like to explain that.

Our primary concern with social security is to keep the trust fund sound, so that full benefit payments can be assured. But that does not mean that on a month-by-month or a year-by-year basis the trust funds take in just as much as they pay out. During periods of strong economic growth, when most people are employed and paying taxes, the trust funds run a surplus and build up revenues. During recessions, fewer people are paying taxes and more people take early retirement, so that the system draws down revenues. This is fine for balancing the trust fund, because it should even out over time.

However, when we consider fiscal policy, we are concerned with the total impact of the Federal deficit on inflation and on the credit markets. For those purposes, what counts is the total amount of cash the Government puts out in spending, compared to how much it takes back in taxes. If spending exceeds taxes, then fiscal policy is stimulative, whether that spending comes from general revenues or from trust funds. If taxes exceed spending, then fiscal policy is restrictive. Inflationary pressures are restrained, but so are the forces for economic growth and employment.

Now I am not saying that fiscal policy concerns should dictate social security benefits. Certainly they should not. I am saying that we have to know what fiscal policy is. We need some mechanism to add up all spending and all taxes and see how they compare. If we did not call it the unified budget, then we would have to call it something else.

The proposed amendment of the Senator from Pennsylvania says: Notwithstanding any other provision of law, any concurrent resolution on the budget under this title shall not include in the provisions for the appropriate level of total new budget authority and total outlays required, the estimates of total new budget authority and total outlays for each major functional category or for the recommended levels of Federal revenues required under this section, any amounts attributable to budget authority and outlays for the Federal old age and survivors insurance trust fund and the Federal disability insurance trust fund. That says to me when we are considering fiscal policy, "Stick your head in the sand." You cannot find out. You cannot total up how much you are spending.

I guess we will have to walk around the back door. I guess we will have to pass slips of paper in code because we cannot have a total unified budget.

How in the world are we going to ever be able to say that we know something about fiscal policy?

We go back to these arguments about 1967 and 1968. Who in this Congress was concerned about total fiscal policy at that time on anything more than maybe a 1-year basis? We did not look at 5-year numbers; we did not look at 3-year numbers; we did not know or talk much about stimulative policy; we did not talk about macroeconomics. We also were building in the mechanisms for these tremendous deficits that we have been running ever since.

We have been trying to unwind that. One of the ways of unwinding it is to at least provide ourselves with all the information we need to have to make rational decisions which we have to make to determine whether we have a stimulative policy or whether we have a restrictive policy.

My goodness, to say that we are going to have all this money as a surplus in social security, and that it is going to tempt us, I can say to my distinguished friend from Pennsylvania that this is a beautiful argument, but the argument, prior to the time we had these new figures, was just the other way. The argument was that we wanted to take it off budget because if we do not take it off budget we were going to find people trying to cut social security to balance the budget.

Now we are reversing, and now we are saying: "My gosh, we do not want to put it on-budget because we will be tempted to spend all this extra money."

I wonder how many of us really believe there will be all of these surpluses in social security between now and the year 2010. I wish I did.

I wish I believed that we were not going to have to revisit social security again as we have already revisited it since 1978. I am afraid we might well have to, because some things can change.

We know that when we are really talking about what we are seeking here, we are seeking to make ourselves face up to the need for responsible fiscal policy. And remember this: the House has taken medicare off budget and left medicaid on. How in the world are we going to be able to relate policy changes and differences in what we are doing with that kind of situation? That is the temptation. If we are going to take old age and survivors insurance off, why not medicare? Medicare—the fastest-growing program we have in the Federal budget today, the next crisis that is waiting to blow up on us—are we now going to take medicare off budget?

It certainly can be tempting. We can make the same kind of arguments as to why we should take social security off. We do not want to see people affecting medicare policy and the health of old people just because it might be affecting the budget. Certainly, it does. Certainly, we need to know what that effect is.

Are we going to say on medicare we cannot use those totals anywhere, as the Senator from Pennsylvania has said here: "you cannot include that total."

My goodness, Mr. President, I hope that the Senate—that has tried since we have put the Budget Act into place—will be working to put things back on budget. The thrust in the Budget Committee, as my distinguished friend from Michigan knows, by many members of the Budget Committee, is to take some of the items that have managed to get themselves off budget, some of the agricultural credit programs, and say those need to come back and be on-budget, and that we need to be able to count those because that is borrowing authority.

My friend from Colorado is always talking about having items out there that are always drifting around, that are affecting policy, that are affecting what interest rates are going to be, that are affecting how much credit is out there in the market, and that are off budget. But here we are talking about reversing a proposition that the Senate has been working very hard on, to put items back on budget.

We started it with the adoption of the Budget Act. We have tried to continue it, to make these items come into the budget. Now we are going to take this giant—and I say giant—step backward, because we say social security will be off budget. We shall stick our heads in the sand. We will not allow ourselves to look at how much we are taxing, how much we are paying out, how much the Government is taking from people, to add that number with the general revenue tax and with every other tax we have to determine what is going to be the overall effect on the growth of our economy, on the amount of savings that will be available, on the amount of capital that we are trying to create with all of those items.

I think this would be a giant, giant step backward for the Senate and the Congress to take. I certainly hope it is a step that we will not take.

The proposed amendment would prohibit us from counting social security revenues and outlays in the totals revenues and spending we put into the budget resolution. Those totals are the only place where Congress addresses fiscal policy. We have no other mechanism to add up taxes and spending and

see what it does to the economy. The public would not believe us if we published a deficit each year, but did not include huge portions of Federal taxes and spending. It has already become common knowledge that there is about $17 billion a year of off-budget spending that adds to the Federal deficit. All the expert testimony we have had from economists at the Budget Committee tells us that we ought to be putting the remaining items into the unified budget, not taking more things out.

Most people are aware that social security is a trust fund, and it is the largest one. But most people are not aware just how much of the Federal budget is paid on a trust fund basis. A quick look shows at least 13 separate trust funds, involving everything from social security, to highways, to unemployment insurance; to inland waterways, and hazardous substances. Programs funded in this way cost almost $300 billion a year, or more than one-third of the budget.

As Dr. Alice Rivlin, the Director of the Congressional Budget Office, points out in a recent letter, there have recently been proposals to put various of these trust funds off budget. There have been other proposals to make military spending a trust fund, or put it off-budget, to keep it out of the annual political arena. Any time you talk about putting one-third or one-half of Federal spending off-budget you have destroyed our ability to make Federal fiscal policy.

Mr. President, I ask unanimous consent that a copy of Dr. Rivlin's letter appear in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., March 14, 1983.

Hon. PETER V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for my comments on the advisability of removing the Social Security accounts from the budget. From the perspective of good budgeting practice, the proposal to remove accounts that represent about one-quarter of all federal spending is certainly inadvisable. In 1969, when Social Security and other trust funds were combined with other programs into the unified budget on the basis of recommendations by the President's Commission on Budget Concepts, the principal reasons were the need for a comprehensive budget and for a single measure of budgetary balance to insure sound fiscal practice. Those needs are no less urgent today.

Exclusion of Social Security would confuse public understanding of the government's fiscal impact. The unified budget is constructed to show clearly the flow of cash to and from the federal government. Decisions made on spending programs or on taxation can be easily translated into increases or decreases in the deficit and in the government's need to borrow. This important bottom-line data will be needed no matter how Social Security is posted on the books. Current budgetary practice highlights the borrowing needs of the government in a straightforward and clear manner. By contrast, removing Social Security outlays and receipts from the budget would be confusing. To arrive at the government's borrowing needs in any fiscal year, budget documents would have to display a "regular budget deficit or surplus" plus a "Social Security deficit or surplus" to arrive at a "total deficit or surplus." To some extent, this confusion already exists because of current off-budget entities, but putting one-quarter of federal activity in the latter category would worsen the situation appreciably. Discussions of "the size of the federal sector" would be similarly confused, since many are familiar with the fact that the federal government's budget is 20 to 25 percent of gross national product (GNP) and seven of those percentage points would disappear with removal of Social Security.

The budget should be as inclusive of federal activities as possible. In order for the Congress to make informed decisions on how to allocate public monies, it is essential that the basic document underlying those decisions include all federal programs, so that comparisons can be made and tradeoffs can be explicit. This argues for a comprehensive budget, indeed one that would incorporate currently off-budget items and a more satisfactory treatment of federal credit and tax expenditures, not one that excludes a major portion of federal activity.

Social Security is, of course, different from most other programs. Because it is the heart of the social insurance system and because it embodies a long-term contract between the people and the government, Social Security benefits should not be treated as an annual discretionary spending option. But inclusion in the unified budget in no way connotes such a diposition. In the long-term, moreover, inclusion of Social Security in the unified budget does force the Congress to ask the right question: How much can the nation's economy afford for social insurance given competing claims on the economy and given the willingness of taxpayers to pay? Making Social Security a separate entity would unnecessarily narrow this question into "How high a level of benefits can payroll taxes support?"—a question that ignores competing claims, alternative tax sources, and the burden of other taxes.

Exclusion of Social Security from the budget would establish a bad precedent. Within recent months, I have read proposals to remove from the budget a number of accounts based on many of the same arguments now advanced for removing Social Security. For example, some have advocated moving off budget all trust funds (on the principle that their revenues, like Social Security's, are dedicated), all federal retirement programs (because they should not be an annual political football), and national defense (because it is too important to be hostage to cyclical problems). Social Security's removal might lend support to such proposals. In the end, we could have a proliferation of federal sub-budgets, completely eroding the usefulness of the budget as an economic and allocative instrument. Moreover, federal trust funds as a whole are projected to be in substantial surplus over the next five years and, if these surplus accounts are removed from the budget, the budget that remains will show larger deficits than are currently projected.

The courageous and hard-fought compromise on Social Security involves real changes in the Social Security system and merits greater public confidence in the system's future. It would be unfortunate if the measure to remove Social Security from the unified budget undermined confidence in that compromise.

As the Congress struggles with serious problems in both the social insurance programs and in the overall budget, it is critically important that the clarity, comprehensiveness, and integrity of the unified budget be maintained.

Sincerely,

ALICE M. RIVLIN,
Director.

Mr. CHILES. Mr. President, I mentioned a while ago that putting social security off-budget could lead to greater Presidential control over spending. Let me explain that point.

Many people forget that the Budget Act was born in the impoundment crisis of the early 1970's. It is formally titled the "Congressional Budget and Impoundment Control Act of 1974." As someone who was actively involved in the fight against impoundment, I remember the circumstances pretty well. One of President Nixon's main arguments for impoundment authority was that only the President had the ability to judge fiscal policy. Congress passed its various tax and spending bills separately through the course of the year. At no point did we have to add it all up, look at the bottom line, and vote on the deficit. While the Budget Act makes us go through the painful act of voting on deficits, it also lets us tell the country that we have examined all tax and spending proposals, we have examined unemployment, inflation and interest rates, and exercised our constitutional responsibilities for taxing and spending. Now if we begin putting major chuncks of Federal taxes and spending off-budget, we will no longer be able to make that claim. And some President, sooner or later, will make this claim that he has to impound funds in the name of fiscal policy. I think that is a real danger, and opens the door to another constitutional crisis which we should avoid.

Finally, Mr. President, let me speak to the issue of medicare. While this amendment does not put medicare off-budget, the House version does, so it is part of the problem we open up if we adopt this amendment. While medicare is authorized under the Social Security Act, and paid for by a special payroll tax, it is quite different from the retirement system. Benefits are not linked in any way to contributions. Anyone who contributes gets full benefits, no matter how much or how little that contribution is. And those benefits are about to exceed those payments.

The medicare hospital trust fund is facing massive deficits in a very few short years. The system itself will be

out of money sometime in 1987 unless we make some changes. Deficits in the trust fund will continue to grow every year, reaching over $400 billion by 1995. We cannot avoid the fact that medicare costs are projected to double in the next 5 years. The reforms being considered in this bill (H.R. 1900), though very significant, will not take care of that problem. We will have to be looking at a variety of solutions, and some consideration of general revenue financing as well as cost control measures will inevitably be options we will have to consider. That has to be done in the context of the overall unified budget.

The impact of medicare on the Nation's economy is significant. Health care is big business. Medicare alone now accounts for 17 percent of all health care payments in the United States, and medicare alone will soon grow to 1½ or 2 percent of the total GNP. Whatever actions Congress takes in medicare have to be viewed in the overall national economy context, as well as in the context of how those actions will affect 30 million medicare beneficiaries.

The House version of this bill recommends that, after 1988, the hospital insurance trust fund be considered outside the unified budget, but that the supplemental medical insurance portion of medicare (part B) remain on-budget. I understand the rationale for that, since the supplemental medical insurance program is not really a trust fund—in fact it is financed about 75 percent by general revenues right now. But I think it is unwise to separate the two since how we treat one affects the other. I would also like to point out that moving a portion of medicare off-budget also separates it from the medicaid program. Health care spending through medicaid is also a significant portion of the Federal budget—over $21 billion today. From a health policy perspective, medicare and medicaid are closely linked. When we address urgent issues of health care cost containment, both medicare and medicaid must be considered together. Differences in how they are funded are not a controlling factor. If we separate the hospital insurance portion of medicare from medicare part B and from medicaid, we would also open the door to some wild schemes for a back-door route to general revenue financing by simply beginning to transfer responsibility from the off-budget to the on-budget portion.

Mr. RIEGLE. Will the Senator yield?

Mr. CHILES. I yield.

Mr. DOMENICI. Mr. President, I think the Chair had recognized me.

Mr. CHILES. If I still have the floor, I shall yield.

Mr. RIEGLE. I ask the Senator from New Mexico if he will yield for just a question.

Mr. DOMENICI. I shall be pleased to.

Mr. RIEGLE. It seems to me we all serve on the Budget Committee. If this is set apart and it is free standing as the amendment calls for, what is to keep the Budget Committee from nevertheless considering it when we are trying to make macroeconomic judgments as we do, we are certainly free to take a look at it, certainly free to assess what we think we need with all other Federal activities. If it is free standing, it is not as if by separating it, we are taking it totally out of view. It would still be in view. We would be free to consider it. I do not understand why we could not make the same value judgments if it is free standing and separate as if it is in the budget discipline.

Mr. CHILES. I think the Senator from Michigan would not want us to violate the law. The law would say:

> Notwithstanding any other provisions of law any concurrent resolution of the budget considered under this title shall not include any amounts attributable to budget authority and outlays for the Federal old age and survivors insurance trust fund and the Federal disability insurance trust fund.

That just tells me we cannot include that. I certainly would not want to violate the law.

I guess maybe we could go out of the committee room and talk about it. Maybe we could get together over coffee and talk about it.

What a way to run the budget affairs of the United States of America, to say we are taking this major item, one-fourth of the national budget, but we are not going to look at that, we are not going to look at what its effects are; we are not going to include that in determining whether we have a policy that is stimulative or a policy that is restrictive, or what we are doing to the national debt; we just exclude that.

Certainly, I do not think many people would say—well, I hope they would not say—that they are any more concerned about the survival of a sound social security system than the Senator from Florida. I introduced a bill trying to fix the social security system 2 years ago. I did not get any cosponsors at that time, because we had to apply some medicine to the system. Finally, we are getting around to doing it as we get the gun put to our head.

Trying to protect the system does not mean trying to hide it. I think that would be the worst thing to do to protect the system.

Mr. RIEGLE. If the Senator will yield, nobody is talking about hiding it. We are talking about having it stand separate, by itself. The American people want this, the Presidential Commission wants it, we ought to want it.

I am not surprised the Budget Committee does not want to give it up. The Budget Committee, and I am a member of the committee, is reaching in every direction for everything it can get its hands on. The fact of the matter is we can consider this if it is free standing and separate, We can weigh its macroeconomic considerations within the framework of the law. We can weigh all kinds of things now that are outside the Federal budget discipline as we try to make these decisions.

I thank the Senator for yielding.

Mr. CHILES. I thank the Senator and I want to say I have not found the American people saying they want to take a fourth of the Federal budget and exclude it and put a curtain around it and say, do not look at that when you are making your policy, do not look at that when you are trying to determine your overall policy and whether there is going to be sufficient money; just exclude that. I have not found that.

Mr. ARMSTRONG. Will the Senator from Florida yield to me briefly?

The PRESIDING OFFICER. The Senator from New Mexico has the floor.

Mr. ARMSTRONG. I beg the Chair's pardon. Will the Senator from New Mexico yield to me briefly?

Mr. DOMENICI. I would be pleased to yield.

Mr. ARMSTRONG. Mr. President, I just want to congratulate the Senator from Florida on his statement and to associate myself with his remarks, every jot and tittle. He is 100 percent right. This amendment, in my opinion, is a serious mistake for all the reasons he has stated.

I also want to express my full agreement with what the Senator from New Mexico has said. There are few propositions, it seems to me, that are more easily deferred than the adoption of the amendment of the Senator from Pennsylvania. If this is a good idea, it can easily withstand a hearing in the Budget Committee, an airing in a more complete way. I believe the careful study of this amendment will turn up exactly as the Senator from New Mexico and the Senator from Florida have stated.

I do want to clear up one point. That is the recommendation of the National Commission on Social Security Reform. I do not believe the National Commission considered this matter in any great detail. I think I was present on both occasions when it was considered, once for a very few minutes and on the second occasion for a slightly longer period, perhaps 15 or 20 minutes, when there was some discussion on it, some debate. On the first occasion, the indication was that all but two or three members agreed with it. On the next occasion, there was an in-

formal changing of votes, and it is my recollection—and I have not verified my recollection—that several members who had previously indicated their approval of the motion expressed doubts.

So it is not a case where the Commission held hearings on this subject or had extensive consideration. It was considered. I believe it fair to say that a majority approved it but not an overwhelming majority did so.

I think we should be guided by the advice of the Senator from New Mexico and the Senator from Florida.

Mr. DOMENICI. Mr. President, I raise the point of order against the amendment.

Mr. HEINZ. Will the Senator from New Mexico withhold his point of order, which I shall be happy to let him make if I may speak for just a few minutes.

Mr. DOMENICI. I shall be happy to do that. May I make the point of order and ask that the Chair yield to the Senator?

How much time does the Senator desire?

Mr. HEINZ. The Senator from Pennsylvania would like to speak for about 3 minutes. I have no intention of preventing the Senator's making his point of order, but I prefer to make my remarks before the Senator makes his point of order.

Mr. DOMENICI. That is fine. I yield the floor, Mr. President.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I thank the Senator from New Mexico for his forebearance, and I shall not take a great deal of time on the part of my colleagues. I do want to set the record straight on a few things. The Senator from Colorado, who I note is also a member of the Budget Committee, is correct that this was a recommendation of the National Commission on Social Security Reform. It is correct that originally 12 or 13 of the members were for it at the time. When it was finally voted on it was 10 to 5; 2 to 1 is still a substantial margin.

Mr. ARMSTRONG. Have we polled them lately? There may have been more shifts.

Mr. HEINZ. But they may have been in the other direction, I say to my friend.

Mr. ARMSTRONG. Mr. President, would the Senator agree, however, that the consideration of this matter by the National Commission which met, I believe, for approximately 13 days of hearings or of meetings, that it was a relatively brief time on two occasions, perhaps totaling 30 minutes in all? It was not an extended discussion, nor were there outside witnesses heard or anything of that kind.

Mr. HEINZ. I would agree that the formal discussion was about the length the Senator said. The informal discussions were, indeed, quite hot and heavy because I had numerous discussions with the Senator from Colorado and virtually every other member of the Commission, as did the Senator from Colorado, I might add.

Mr. ARMSTRONG. Fair enough, and I appreciate that clarification.

Mr. HEINZ. Second, this subject was analyzed at some length by a variety of people, among them the Director of the Commission, Robert J. Myers, who provided to the members of the Commission on September 8, 1982, memorandum No. 53. I ask unanimous consent, Mr. President, that that memorandum be included in the RECORD at this point.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

SEPTEMBER 8, 1982.

MEMORANDUM NO. 53

To: Members of the National Commission on Social Security Reform.
From: Robert J. Myers, Executive Director.
Subject: Inclusion of Operations of Social Security and Medicare Trust Funds in the Unified Budget.

This memorandum presents the pros and cons with regard to the removal of the operations of the Social Security and Medicare trust funds (OASI, DI, HI, and SMI) from the Unified Budget.[1]

In Fiscal Year 1969, the operations of these four trust funds were included in the Unified Budget for the first time. Before then, the operations were listed separately from other government operations, and thus they did not affect the overall balance of the Federal Budget. The inclusion of the operations of these trust funds in the Budget has been criticized by some persons because of these trust funds in the Budget has been criticized by some persons because of what they believe to be the artificial effect that they may have on the balance of the Budget. For example, in 1969, the excess of income over outgo in the OASDI Trust Funds had the effect of "balancing" the Budget recommended by President (which, otherwise, would have shown a deficit). The 1981 National Commission on Social Security recommended that the operations of these four trust funds should be removed from the Unified Budget.

If such action were taken, it is important to note that any transactions involving payments from the General Fund of the Treasury to these trust funds (such as interest on the invested assets, reimbursement for military service wage credits, or employer OASDI-HI taxes with respect to covered civilian employees or military personnel) would be shown in the Budget as outgo items.

PROS WITH REGARD TO REMOVING OPERATIONS OF TRUST FUNDS FROM THE UNIFIED BUDGET

(1) Benefit, coverage, and financing changes would not have an effect on the Budget. If the operation of the trust funds were outside of the Unified Budget, any changes which were recommended or enacted would be on the basis of program considerations. It could not, therefore, be argued that the underlying purpose was to balance the Budget. For example, any reductions in the rate of growth of benefit outgo could not be said "to balance the Budget on the back of Social Security". Even if the operations of the trust funds were removed from the Unified Budget, persons interested in the total borrowing demands of the Government could still make the desired analysis by adding together such operations with those of the Unified Budget. (It should be noted that, at present, certain significant Federal programs are "off budget".)

(2) Reductions in administrative expenses for program operations would not be made solely for the effect on the Budget. Currently, staff reductions or limitations on personnel levels for the Social Security [and Medicare programs] can be made for budgetary purposes without regard to program requirements. This might be done even if the several trust funds had excesses of income over outgo that could readily meet necessary administrative expenses. If the operations of the trust funds were removed from the Unified Budget, such reductions or limitations on personnel would not affect the Budget, but rather only the operations of the trust funds. It can be argued that the personnel expenditures of the programs should be determined so as to provide high-quality service to the claimants and beneficiaries and so as to assure efficient operations.

(3) A better picture of the effect of payments from the General Fund of the Treasury would result. If the operations of the four trust funds were removed from the Unified Budget, any payments thereto from the General Fund of the Treasury would appear as an outgo item in the Unified Budget. Under the present procedures, such items are of a "wash" nature and do not affect the Budget. At times, this could be very misleading; for example, under a proposal to "bolster" the trust funds by a transfer of very large sums from the General Fund, if this were done, no effect on the Unified Budget would be shown at the time.

(4) Public confidence will not be eroded by the erroneous belief held by some people that Social Security and Medicare taxes are placed in the General Fund of the Treasury and are used for other purposes (such as financing the Marshall Plan, the Korean war, the Vietnam war, or welfare payments). Such persons conclude that the trust funds are now having financial problems because the money was spent for other than program purposes.

CONS WITH REGARD TO REMOVING OPERATIONS OF TRUST FUNDS FROM THE UNIFIED BUDGET

(1) The operation of the four trust funds impact in a major way on private-sector economic activities. Accordingly, the Administration and the Congress should consider these operations within the context of the entire Budget when fiscal policy is formulated. Otherwise, economic policymaking could be confused and hindered.

(2) The operations of the trust funds are too important a part of national domestic policy and governmental expenditures to be operated independently. All governmental programs should be operated under the controls that are now a part of the Budget process. The operations of the four trust funds are such a significant portion of total governmental expenditures that they should not be exempt from the necessary scrutiny which all programs receive under the general budget process.

[1] It does not discuss the question of whether other trust funds (such as the Railroad Retirement Account and the Civil Service Retirement Fund) should be treated similarly.

(3) Inclusion of the operation of the trust funds in the Unified Budget allows for simpler and more straightforward budget presentation. Continuing the operations of the four trust funds in the Unified Budget makes the full scope of Federal financial activities easier to comprehend, especially the proportion of the total spending allocated to each activity—e.g., national defense, health expenditures, and income maintenance.

ROBERT J. MYERS.

Mr. HEINZ. Mr. President, the point has been made by members of the Budget Committee that we should defer consideration of this so the Budget Committee has time to study it. Well, Mr. President, this is not the first time this recommendation has been made. Yes, it was made by the National Commission on Social Security Reform in our report of 1983, but it was also made 2 years before that by the National Commission on Social Security which reported in 1981. Frankly, I do not know that the Budget Committee has ever held a jot or tittle's worth of hearings on this since 1981. I suspect they have not.

Mr. ARMSTRONG. Let us tell them to get on the ball.

Mr. HEINZ. Mr. President, if they are on the ball, they should have been on the ball 2 years ago, not here on the floor.

Mr. President, the Senator from New Mexico has been extremely courteous. I reiterate once again that we are not taking social security off budget. It is not going to be the Federal Financing Bank operating in the dark of who knows where. We are not going to hide it. This particular canary weighs about $225 billion at the present moment.

Now, no one suggests that even Caspar Weinberger can hide the defense budget, which is about the same size. He would like to, I gather. But, Mr. President, nobody's sleight of hand is going to hide the social security program, no matter how big and heavy that hand.

I must say I would find a point made by the Senator from Florida, who I have enormous respect for, to be amusing and ironic, if it was not aimed at this amendment. His point is that the way to keep the hands of the executive branch—and we know that their fingerprints have been around from time to time—the way to keep the hands of the executive branch off of this is to keep it in the budget. I find it immensely ironic that the chairman of the Budget Committee said, when he rose to defend his opposition to this amendment, "And I have here a letter from Dave Stockman who supports the position of the Senator from Florida and the Senator from New Mexico."

Now, the last time I looked, Dave Stockman was in the executive branch. I think he is down at the Executive Office Building. I think he works for the President. I think he has something to do with the executive branch budget process.

Mr. President, I assure my colleagues that one of the reasons Dave Stockman may not like this amendment is that it is not going to be possible for him to, I think the Senator from Florida used the word, "revisit" the social security trust fund.

Mr. President, I hope that is absolutely right; I do not want any Director of the Office of Management and Budget to revisit social security for some other purpose. That is the entire idea behind this amendment.

I think the Senator from New Mexico, frankly, understands the problem we are dealing with here. I know that this is fundamentally a turf issue. I understand that because I am in my committee, and we in the Senate Finance Committee are as jealous of our turf as anybody else, and we go to considerable lengths to protect it. I do not disagree with the motivations of the Senator from New Mexico or any other members of the Budget Committee, and they are numerous, who are on the floor. They are all looking out for their committee and we would all do the same for ours. But in looking out for the turf of one's committee—and we all do it—I think we still have to put the interests of the country ahead of that in this sense: We have to address the issue which I made on Friday and which I made, if the Senator will remember, with the Senator from New Mexico back on July 29, 1982, on which date the Senator and I, to my mind, had a very important colloquy on the balanced budget amendment, which I ask unanimous consent to have printed in the RECORD.

There being no objection the colloquy was ordered to be printed in the RECORD, as follows:

Mr. HEINZ. I commend the Senator from New Mexico on the amendment which he introduced to Senate Joint Resolution 58 and which the Senate passed 97 to 0 on Tuesday. There are a number of details which have to be worked out in the balanced budget amendment, and I think the place to spell these details out is in statute. One major complication to the balanced budget amendment which I would like to see resolved in later legislation is the problem of how to handle social security.

Mr. President, it occurs to me, as I think about how the balanced budget procedure is going to work, that there are going to be some serious consequences for social security financing if the Congress does not enact special provisions for handling this program.

Some have suggested that Senate Joint Resolution 58 needs to be amended to exempt social security from the provisions of the balanced budget amendment. However, in looking over the Senator's amendment and the projected context of the implementing legislation he intends to propose in the future, it is my opinion that Congress will have authority to set up special procedures for social security in statute at a later date.

I would like to take a moment to review the difficulty I see in lumping social security in with other programs in the balanced budget amendment, and ask the Senator from New Mexico if he agrees that his amendment and implementing legislation would assure the hands of the congress will not be tied in responding to these difficulties.

Before he replies let me explain why I think there is going to be a problem. Taking for a moment just the cash benefits part of social security—the old age, survivors and disability insurance programs (OASDI)—we are talking about a program with a 75-year planning horizon. That means that at any particular time, we try to assure that the cash benefits are adequately financed for the next 75 years. This 75-year actuarial balance is a promise of sorts to those now paying tax contributions that there will be funds to pay them benefits when they are retired. Before next summer, the Congress will have to act to correct the long-run imbalance which currently exists in OASDI. When we do, the program will be balanced for the next 75 years, assuming our estimates for the future hold true. The fact that the program will be in balance over the long run does not mean, though, that it will be in balance in each of the next 75 years. Social security is a dynamic program. Constant changes in demographic and economic conditions necessitate the buildup of trust fund reserves in favorable times which can then be spent down in less favorable times. The use of these reserves enables the financing of the system to respond to changing conditions without annual statutory changes in payroll tax rates and benefit levels.

Now the balanced budget amendment is going to establish as the general rule that in each and every year receipts of the U.S. Government should grow no faster than national income, and that outlays should not exceed receipts. At the same time, social security's receipt and outlays will fluctuate depending upon a number of factors such as the relationship between workers and retirees and between wages and prices. In some years social security will have several, indeed many years in a row, of surpluses and in other years it will have many successive years of deficits and have to spend some of its reserves.

Trying to forecast budgets more than a few years ahead has its dangers. None of us can state with impunity what the future will hold. But I think there is one long-run phenomenon which we can all agree is likely to occur and which is going to have tremendous effects on social security's finances. This phenomenon is the aging of the "baby boom" generation. Like a rabbit swallowed by a snake, this generation will advance slowly through the age groups—first swelling the ranks of the workers, and then after about 2015, swelling the ranks of the retirees. Under current law, even with the long run deficit we now have in social security, this demographic pattern will result in annual surpluses most likely beginning in the 1990's. Now we are going to do something to improve the financing of social security—and just about anything we do is, I think, going to have the effect of building up even larger surpluses. I would like to ask the chairman of the Budget Committee if he agrees with this assessment. Does he agree that it is likely that we are going to have to build up surpluses in OASDI during this relatively favorable demographic period?

Mr. DOMENICI. Let me say to my good friend from Pennsylvania, first, I compli-

ment him for bringing the matter to the attention of the Senate. It is tremendously relevant. I would say, based on the work of the actuaries, that I agree with the Senator that this is a reasonable expectation. This is indeed likely to happen.

Mr. HEINZ. I thank my colleague from New Mexico.

The second point I would like to make is that these surpluses on an annual basis are going to appear very large within the context of the Federal budget. If you take just 1 year, the year 2010, for example—what you would find is that under the intermediate forecasts we would expect OASDI to spend under current law about $350 billion in constant 1982 dollars. If the Federal budget is 22 percent of GNP, the Federal budget will be about $1.5 trillion in that time, in 1982 dollars. It could be smaller.

Current estimates indicate that in that year, under present law, OASDI would take in $60 billion more in receipts than it would expend in outlays, adding this to a trust fund of more than $600 billion. If we do any of the things to put the social security system on a sound, long-term basis, frankly those numbers are going to be much larger. The surpluses could run as high as $120 billion to $125 billion a year. It seems to me that if we have annual surpluses this large there will be enormous pressures to spend these surpluses. In the 1960's we had surpluses in social security. My friend from South Carolina was serving in this body in those days and he well remembers that Congress did spend the money, not only in the 1960's but in 1972 we put through a 20-percent increase in social security benefits.

It seems to me not unreasonable to conclude that in a year like 2010 where there will be a lot of money accumulated with the constitutional amendment limiting the growth in receipts, and with outlays kept at the level of receipts there will be a tremendous incentive to use social security surpluses to allow outlays in other programs to expand.

With all programs balanced on the same ledger, it seems to me quite easy—all to easy—for Congress to decide to spent between $50 and $125 billion more each year for 10 or 20 years for nonsocial security programs than they have have in receipts to cover those programs.

Let me ask the Senator from New Mexico, would he agree that this is indeed quite a real possibility?

Mr. DOMENICI. I think there are many of us who have seen what has happened to social security finances in the recent past who are rather anxiously waiting for the day we have these kinds of surpluses in social security. We have not had that kind of phenomenon in a while. Obviously, if we get the kind of reforms that the Senator from Pennsylvania and many others seek, that our President seeks, that the commission he has appointed seeks, we should get those types of surpluses at some point in time. It should be in the time frame the Senator has discussed.

I believe, however, that the Senator is suggesting that there is nothing in the balanced budget amendment to prevent the Congress from increasing spending in one account when receipts to another account increase—as long as total outlays and receipts of the U.S. Government are in balance. That is my understanding also.

Mr. HEINZ. In other words, even though payroll tax revenues are strictly dedicated to the exclusive use of the trust funds, the excess in payroll tax receipts could encourage excess Government spending in other areas. Would the Senator agree with this logic?

Mr. DOMENICI. I believe the Senator may be correct, although it is quite likely that there would be considerable political pressure against digging the Federal Government into that type of hole.

Mr. HEINZ. I appreciate the Senator's comments. I would ask my colleagues to look at the period after 2015. By that time, it is likely that there will be substantial accumulated trust fund reserves on hand to offset the deficits that will begin occurring as the first of the "Baby Boom" generation retires. Again, picking one year 2025 we can see how the balanced budget amendment is going to create problems for social security when it begins to experience these annual deficits. In 2025, OASDI will spend about $450 billion in 1982 dollars—in the context of a Federal budget—if it is still about 22 percent of GNP—or close to $2 trillion. In that 1 year, OASDI will, under current law, have a deficit of over $100 billion and will have, if they have been allowed to accumulate, trust fund reserves of more than $230 billion. If Congress has enacted one of the proposals to reduce benefits by changing the benefit formula in social security, the reserves in the trust funds will be larger, and the deficit in that year will be smaller—perhaps $50 billion or less. Nonetheless, this will be a substantial deficit compared to the fiscal year 1982 OASDI deficit of about $5 billion in the context of a $740 billion Federal budget. Again, I would like to ask the Senator from New Mexico if he would agree that it is reasonable to expect, even with the changes in social security financing we hope to enact this year, that beginning sometime after the year 2010, OASDI is going to run annual deficits as it begins paying retirement benefits to the "Baby Boom" generation.

Mr. DOMENICI. Again, based on the work of the actuaries, I agree with the Senator that is a reasonable expectation.

Mr. HEINZ. When we get to that period of deficits, then, and OASDI has annual receipts lower than its annual outlays, unless we can consider distributions from the trust fund reserves in balancing receipts and outlays, it seems to me we are going to be in a bind. If in 2025 social security receipts are $40 or $50 billion less than outlays, and if the trust funds cannot be used as receipts in this accounting exercise, then we are going to have to cut either social security benefits by $40 or $50 billion, or we are going to have to cut some other programs by those amounts in order to have balanced budgets. Does the Senator from New Mexico agree that these social security deficits are going to make if difficult to balance the budget?

Mr. DOMENICI. Social security deficits that large would certainly complicate the problem of balancing the budget. Our experience in the budget process this year illustrates your point very well.

Mr. HEINZ. And would the Senator agree that it would be unfortunate to have to make cuts in the budget, when, in fact, social security could have built up substantial reserves precisely for the purpose of paying for benefits during these years?

Mr. DOMENICI. I agree with the Senator. Not only would it be unfortunate, but it would also probably create a political furor if that occurred.

Mr. HEINZ. I am concerned, then, that we find some way to assure that the balanced budget amendment does not interfere with the funding mechanism which is already in place for social security. It is my opinion that the Senator from New Mexico's amendment will help in this regard. I think it is important that we discourage future Congresses from using excess Social Security receipts to cover excess outlays elsewhere in the budget. Would the Senator agree that under the provisions of his amendment, the Congress will have the authority to adopt accounting procedures which specify that OASDI and HI outlays and receipts be totaled, and balanced, separately from other U.S. Government outlays and receipts?

Mr. DOMENICI. It is my judgment that my amendment gives Congress the authority to establish through statute accounting procedures to address the problem the Senator has described. I think this is quite feasible. I do not think this would in any way conflict with the intent of either the constitutional amendment or my amendment which the Senate has approved.

Mr. GORTON. Will the Senator yield?

Mr. HEINZ. I will in just a moment.

Now it seems to me another way to handle the problem with social security is to establish a special definition of receipts for use with the social security trust funds. As it stands in years when social security is experiencing surpluses, excess receipts are accumulated in the trust fund accounts and invested in securities. Then later when these "excess receipts" are needed to pay for benefits, the securities are redeemed. Now it is my understanding that on the balanced budget statement, according to the definitions used in the committee report accompanying Senate Joint Resolution 58, social security's "excess receipts" would be matched against outlays in the surplus years—providing the overall Federal budget with a windfall—and could not then be matched against outlays in the deficit years, when social security is actually using them to pay benefits. Now I would like to ask the distinguished chairman of the Budget Committee, whether, as a result of his amendment, the Congress could decide to change this around? Would the Congress have the authority to exclude these "excess receipts" from the definition of receipts in the surplus years and include them in the definition in the deficit years when they are actually being spent?

Mr. DOMENICI. My amendment gives the Congress the authority to decide through legislation on the definitions for terms used in the constitutional amendment. I am confident a way can be found to deal with the potential problem you have described—either through defining receipts as you suggest or through some other accommodation. I am certainly prepared to take a careful look at the Senator's suggestions when we consider implementing legislation.

Mr. HEINZ. I thank the Senator for his reponse because I think we will all be concerned about voting for something that would have a reverse effect, for example, in not allowing us to plan for the future. My understanding of the amendment the Senator from New Mexico has made to the constitutional amendment and based upon his colloquies here on the floor with others, is totally consistent with what he has just said to me.

When the time comes to draft legislation defining these terms, we can take a closer look at how this can actually be accomplished. But I appreciate the Senator's assurance that Congress will have the flexibility to address this problem in statute. I believe, then, that most of my concerns about the problems for social security in the bal-

anced budget amendment can be resolved at a later date through statute.

I thank my colleague from New Mexico who has been extremely responsive. With his improvements in this amendment, I am sure we can solve this problem through the proper enabling legislation.

Mr. DOMENICI. Let me just add again that I think the Senator has served the Senate well in bringing this matter to our attention. I am sure there will be other kinds of trust funds and revolving funds which will come into existence during the life of our Constitution and this amendment. I think the notions we have raised here on the floor will serve well in interpreting the responsibility and the breadth of definitional authority that Congress will have.

Mr. GORTON. Will the Senator yield for a question?

Mr. HEINZ. I yield.

Mr. GORTON. I may have missed some of the nuances in this colloquy, but is either the Senator from Pennsylvania or the Senator from New Mexico asserting that by definitions in enabling legislation Congress could state social security taxes do not constitute receipts or social security benefit payments do not constitute outlays?

Mr. HEINZ. If the Senator will permit me to respond, the problem that we get into with social security is that under any of the alternative methods of dealing with the system that I have seen—and I have seen, in the last 5 months, about as many, as a member of the National Commission on Social Security, as any living human would want to see, and there are many more forming, I am sure, between now and the time we report back to our colleagues. The social security system, because of the way the baby boom moves through, earning on the one hand a lot of money for the social security system before they retire—building up a surplus therefore, before the year 2015, then afterward, if you will, living off that surplus that they necessarily have to build up in the system—if you count social security contributions to that reserve, as you would every other kind of receipt, it causes very serious kinds of problems. The one I referred to in the first instance was that it may cause Congress to overspend.

Mr. GORTON. Why would it make Congress overspend?

Mr. HEINZ. Because of the unified Federal budget. We will have the appearance of running a surplus even though those reserves that we have built up, the so-called surplus in the social security system, will be committed by the legislation to pay benefits in the years after the year 2015 or 2020.

Mr. GORTON. It would be more accurate to say, then, would it not, I ask the Senator from Pennsylvania, that it would allow the Congress to overspend because outlays may equal receipts?

Mr. HEINZ. The Senator is entirely correct, it would allow them. My fear, I say to my good friend, is that it would encourage them.

Mr. GORTON. I would have the same fear.

Mr. HEINZ. That is my fear.

Mr. GORTON. I am not sure how that could be prevented by statute.

Mr. DOMENICI. Mr. President, I shall answer the Senator's very direct question. The Senator's question was whether we were saying that social security taxes or social security payments would not be receipts and outlays.

My answer is I did not say anything that indicated that. Obviously, we have some accounting problems of a severe nature, with huge reserves that are going to be spent later.

All I said was that there are ways and means in terms of accounting, definitions and the like, that can indeed make this workable within the terms of the constitutional amendment.

Mr. GORTON. I thank the Senator from New Mexico. In that respect, I agree with him entirely. I assume he would make the same statement in connection with any other trust fund.

Mr. DOMENICI. The Senator is absolutely correct. In fact, I said at one point, that if this amendment becomes part of the Constitution, we may have some trust funds the Senator and I do not know about yet that will have a similar problem. This colloquy ought to help us with those too. There may be similar situations that we ought to be able to take care of by accounting so they do not prejudice their real purpose or the annual budgets in any way.

Mr. GORTON. The Senator is simply saying that by statutes creating and governing those trust funds, we can see to it that the trust fund is preserved, without automatically violating this constitutional amendment.

Mr. DOMENICI. The Senator is correct.

Mr. HEINZ. The Senator is correct. I would only add that one of the things that seems apparent to this Senator—and his view may be shared, I do not know—is that we have not seen any means, at least in the National Commission or the Finance Committee or the Aging Committee, to do what we do with the rest of the Federal budget, which is put it on a pay-as-you-go basis. We do not know how to do that. The demographics do not permit us a strict pay-as-you-go approach in social security, no matter which assumptions, current law or proposed, one accepts. Therefore, we have to have a method of dealing with the programs which, for good reasons, are not pay-as-you-go programs. I trust that is an answer to the Senator's inquiry.

Mr. GORTON. I thank the Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I think we all remember the balanced budget amendment. The colloquy shows that the Senator from New Mexico was, indeed, sensitive to the very problem I described at these charts. That problem was, "How could you make the balanced budget amendment operate if you had these kinds of deficits operating in the budget from the Social Security Trust Fund?"

Now, I do not wish to put words into the mouth of the Senator from New Mexico, but my reading of our colloquy is that he had some real concern about that issue back last year. And I think, Mr. President, that the real issue is how are we going to address that concern today. I do not know how we can have rational budgeting, how we can control the Federal Government in the proper way, if we insist on keeping the tremendous surpluses and deficits that will cycle through the social security program in the so-called budget deficit. That does not mean that we cannot display a consolidated budget. Indeed, we can. That is what we did in 1968, 1967, and in previous years.

Mr. President, I say to my good friend from New Mexico I have concluded my remarks. I appreciate his courtesy, and I understand he has a little message he wants to deliver to the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I thank the Senator from Pennsylvania for his participation. I think he has contributed immensely.

I have a couple of responses I should like to make, but in the interest of time, I will not do so, other than to respond to one point.

I hope nobody really believes this is a turf battle. Frankly, it is not. I do not see how you could have a budget resolution and a Budget Committee charged with doing what it is supposed to do and take social security and put it off on the side. If that is turf, it is turf in a sense different from coveting it for some purpose to affect it or hover over it or pull it into a committee and do something with it.

What we are talking about is presenting an appropriate picture of the Government versus the economy. In that sense, it is turf.

Likewise, the amendment does not have any effect on the executive branch, as the Senator speaks of, or CBO. It affects our budget resolutions and nothing more. It does not preclude a President, 5 years from now, recommending changes in social security. It just affects the budget resolutions that come before the Senate and the House.

With that, I raise a point of order against the Heinz amendment on the ground that the amendment violates section 306 of the Congressional Budget Act.

Mr. HEINZ. Mr. President, I move to waive the Budget Act.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act.

Mr. RIEGLE. Mr. President, I ask for the yeas and nays.

Mr. DOMENICI. Mr. President, a parliamentary inquiry. What is the issue before the Senate?

The PRESIDING OFFICER. The question before the Senate is the motion to waive the Budget Act.

Mr. RIEGLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. DOMENICI. Mr. President, I move to table the motion to waive the Budget Act, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion

to table the motion to waive the Budget Act. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Nevada (Mr. LAXALT) and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) would vote "nay."

Mr. CRANSTON. I announce that the Senator from Maryland (Mr. SARBANES) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 56, nays 41, as follows:

[Rollcall Vote No. 39 Leg.]

YEAS—56

Abdnor	Goldwater	Nunn
Andrews	Gorton	Packwood
Armstrong	Grassley	Proxmire
Baker	Hatfield	Quayle
Bentsen	Hawkins	Roth
Bingaman	Hecht	Rudman
Boschwitz	Heflin	Simpson
Chafee	Hollings	Stafford
Chiles	Huddleston	Stevens
Cochran	Jepsen	Symms
Cohen	Johnston	Thurmond
D'Amato	Kassebaum	Tower
Denton	Kasten	Trible
Dixon	Lugar	Wallop
Dole	Mathias	Warner
Domenici	Mattingly	Weicker
East	McClure	Wilson
Exon	Murkowski	Zorinsky
Garn	Nickles	

NAYS—41

Baucus	Glenn	Melcher
Biden	Hart	Metzenbaum
Boren	Hatch	Mitchell
Bradley	Heinz	Moynihan
Bumpers	Helms	Pell
Burdick	Humphrey	Pressler
Byrd	Inouye	Pryor
Cranston	Jackson	Randolph
Danforth	Kennedy	Riegle
DeConcini	Lautenberg	Sasser
Dodd	Leahy	Specter
Durenberger	Levin	Stennis
Eagleton	Long	Tsongas
Ford	Matsunaga	

NOT VOTING—3

Laxalt	Percy	Sarbanes

So the motion to table the motion to waive the Budget Act was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. DOMENICI. I move to table that motion.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

Mr. DOMENICI. Mr. President, I raise a point of order against the Heinz amendment on the ground that it violates section 306 of the Budget Act.

The PRESIDING OFFICER. Before the Chair rules, I recognize the Senator from West Virginia.

Mr. BYRD. I thank the Chair.

SENATE SCHEDULE FOR THIS EVENING

Mr. President, I asked for recognition at this point to inquire of the distinguished majority leader, if he will, to indicate what the plans are for the rest of the evening.

Mr. BAKER. Yes, Mr. President, I thank the minority leader.

First, let me say I think we are making good progress on this bill now, and I share with the distinguished manager of the bill on this side the hope that we can finish it yet tonight. Therefore, my first answer to the minority leader is I would expect this to be a reasonably late night because we still have two or three amendments of consequence to deal with.

It is further complicated by the feeling of the leadership on this side that we must do the jobs bill conference report as soon as we receive it. The last information I have from the other body is that they are now debating amendment No. 82 which deals with targeting, and they expect to vote on that amendment at about 6:30 p.m. I am told that is the only amendment that will require extensive debate and, perhaps, the only one that will require a vote.

Based on that they should complete action on the conference report in the House by 7 p.m. or thereabouts. It has already been enrolled, assuming no further changes are made, and it should be in the Senate by 7:30 p.m.

I hope to admit the messenger as soon as he reaches the door of the Senate Chamber, and since it is a privileged matter, I would ask the Chair to lay the conference report before the Senate, which would temporarily displace the social security package.

I do not know how long it will take to finish the conference report on the jobs bill but based on information I am given by the chairman of the committee and others, Senator HATFIELD and others, I would not expect it to take a long time. So I would expect we could finish the jobs conference report by, say, 8:30 tonight, in which case we would go back to social security. That would give us from 8:30 to maybe 10:30 or 11 or maybe 11:30 tonight—I see the chairman of the Finance Committee egging me on for an ever later estimate—I think there is a chance, may I say to my friend, the minority leader, that we can finish both the jobs bill conference report tonight and the social security bill.

It is important to do that if we can because we have still got a conference, perhaps a long conference, on social security. I do not anticipate a long conference, but it will be, even if the best we can do, it is probably going to be Thursday morning before the House can get to the conference report, and if we can beat that I, of course, want to. But the way it looks right now we will be in until 10 or 11 p.m., maybe later, tonight.

We hope we can finish social security tonight, and if we cannot we will go back on it in the morning. We are going to do the jobs bill conference yet tonight, which should not take very long, and the chances now of getting out Wednesday look slim; the chances of getting out on Thursday look good.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico has raised a point of order.

Mr. BYRD. Mr. President, I ask the Chair to recognize me further, and I thank the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. May I say to the distinguished majority leader that we are canvassing this side of the aisle to try to get some indication of how many amendments remain and as to whether or not those who would offer such amendments would be willing to enter into a time agreement. That may not be the desire of the distinguished manager to enter into any time agreement. He may feel that better progress can sometimes be made without a time agreement on amendments.

I understand Mr. LONG has two amendments, Mr. BAUCUS has two amendments, Mr. LEVIN has one amendment, Mr. BOREN has one amendment, Mr. MATSUNAGA has one or two amendments, Mr. BRADLEY may or may not have an amendment, and Mr. DECONCINI may or may not have an amendment.

Mr. RIEGLE. I have an amendment.

Mr. BYRD. And Mr. RIEGLE.

Mr. BAKER. That is very helpful, and I will confer with the distinguished manager of the bill and have something further to say about it. If we can lock in that no other amendments may be in order, it may be much easier to enter into time agreements after we have identified those amendments.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico raises the point of order——

Mr. RIEGLE. May I be heard on the point of order before the ruling is made?

The PRESIDING OFFICER. I have deferred to the Senator from Michigan, and I have waited for a long time.

Mr. RIEGLE. I understand. I asked for a chance——

The PRESIDING OFFICER. The Chair has some rights, too.

A point of order has been raised, and it is not open to debate.

The amendment of the Senator from Pennsylvania would affect the concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974. This is a matter within the jurisdiction of the Budget Committee, and since the amendment is not offered by that

committee, it violates section 306 of the Budget Act, and the point of order is sustained.

SEVERAL SENATORS addressed the Chair.

Mr. DOMENICI. I thank the Chair.

UP AMENDMENT NO. 106

(Purpose: To require separate functional categories in the budget for the Social Security Trust Funds)

Mr. RIEGLE. Mr. President, I have an amendment I send to the desk, and while we have colleagues on the floor I ask first that it be read.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Michigan (Mr. RIEGLE) proposes an unprinted amendment numbered 106.

Mr. RIEGLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title I, insert the following:

SEPARATE FUNCTIONAL CATEGORIES IN THE BUDGET FOR THE SOCIAL SECURITY TRUST FUNDS

SEC. . Part A of title XI of the Social Security Act is amended by adding at the end thereof the following new section:

"SEPARATE FUNCTIONAL CATEGORIES IN THE BUDGET FOR THE SOCIAL SECURITY TRUST FUNDS

"SEC. 1136. (a)(1) For fiscal years beginning after September 30, 1984, the President shall, in accordance with the second sentence of section 1104(c) of title 31, United States Code, establish a separate functional category for requests for new budget authority and estimates of outlays for the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund, and a separate category for estimates of revenues for such Trust Funds and estimates of revenues from taxes imposed under sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954. The categories established by the President pursuant to the preceding sentence shall be used in the preparation and submission of the budget under section 1105(a) of title 31, United States Code, for each fiscal year beginning after September 30, 1984. The budget submitted under such section for each such fiscal year shall not classify requests for new budget authority and estimates of outlays and revenues for such Trust Funds and estimates of revenues from taxes imposed under sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954 under any functional category other than the categories established by the President pursuant to this paragraph.

"(2) Notwithstanding any other provision of law, any concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974 for a fiscal year beginning after September 30, 1984, shall use the categories established by the President under paragraph (1) in specifying the appropriate levels of new budget authority and budget outlays for the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund and in specifying the recommended level of revenues for such Trust Funds and revenues from taxes imposed under sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954. A concurrent resolution on the budget considered under title III of the Congressional Budget Act of 1974 for any such fiscal year shall not classify the appropriate levels of new budget authority and budget outlays for such Trust Funds or the recommended level of revenues for such Trust Funds and revenues from taxes imposed under sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954 under any functional category other than the categories established by the President pursuant to paragraph (1).

"(b) It shall not be in order in the Senate or the House of Representatives to consider any concurrent resolution on the budget under title III of the Congressional Budget Act of 1974 for any fiscal year beginning after September 30, 1983, or any amendment thereto or any conference report thereon if such concurrent resolution, amendment, or conference report contains any specifications or directions described in the second sentence of section 310(a) of such Act which relate to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, or the Federal Hospital Insurance Trust Fund or revenues from taxes imposed under sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954.

"(c) The provisions of subsections (a)(2) and (b) are enacted by the Congress—

"(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

"(d) For purposes of this section—

"(1) the term 'budget outlays' has the same meaning as in section 3(1) of the Congressional Budget and Impoundment Control Act of 1974;

"(2) the term 'budget authority' has the same meaning as in section 3(2) of such Act; and

"(3) the term 'concurrent resolution on the budget' has the same meaning as in section 3(4) of such Act.".

Mr. RIEGLE. Let me just say while we have a good attendance here that I think on an issue of this kind which represents a recommendation from the National Commission on Social Security, which is the proposal that Senator HEINZ and I put forward, and which we have just had a procedural vote upon, when that same recommendation has been adopted within the House bill, that by any reasonable measure of germaneness that issue ought to be one we ought to have a chance to vote on up or down on the merits.

Now I understand the effort by the Budget Committee to prevent that happening. It is very much a turf struggle here, and I say that as a member of the Budget Committee. The Budget Committee wants to retain the authority here, if it can, to keep this matter fully within the budget.

The amendment that I have just sent to the desk would be different in this respect: It would recognize the inclusion of social security within the budget, but it would not allow the Budget Committee to include social security within the reconciliation process. That is the key issue.

I hope—I address this to the Senator from Kansas, the chairman of the Finance Committee and others—if we are going to have mandated changes in social security in the future, they ought not to come from the Budget Committee. They ought to come from the authorizing committee which can bring forward whatever recommendations it wishes to make.

But in the past what has happened is that the legislative committees have been bypassed by means of the reconciliation process, and you have a Budget Committee serving as the master committee of all of the committees of the Senate. It is not a good process, and I think now is the time to break away from it.

So my amendment differs in that respect. It will leave social security in the budget process, although I think it ought to come out. But it would say that social security, that function, would not be included within the reconciliation process. That means the Budget Committee cannot make those recommendations and come here and in effect offer a mandate as to changes that ought to take place here. That responsibility properly ought to reside within the legislative committee of jurisdiction which is Finance and this would respect that division.

So I hope that the chairman could accept this amendment. Otherwise, we are going to have to debate it here for a while and, in due course, I hope to have a vote on it.

I think this is a reasonable compromise. It addresses precisely what the Senators from New Mexico and Florida asked for earlier, and that is inclusion of social security within the budget, but it strikes the reconciliation power, which means that they do not have the power and the Committee on the Budget does not have the power to come in here mandating legislative changes in social security. That would be a responsibility retained for the Finance Committee, where it ought to be.

Unless, in fact, the Budget Committee seeks that legislative power, I would think that those two Senators and any others who voted on that side ought to support this amendment. Because this amendment accomplishes

everything they ask for short of the power to mandate reductions in social security based on the thinking of the Budget Committee.

Mr. CHILES. Will the Senator yield?

Mr. RIEGLE. Yes; I yield.

Mr. CHILES. As I understand the amendment of the Senator, it would not only prevent the reconciliation of social security but it would also prevent any reconciliation of medicare?

Mr. RIEGLE. That is correct.

Mr. CHILES. Well, I think if you really want to look at the next crisis that we have, it is medicare. Medicare is a little different from social security.

Now I think it is interesting to note that the Budget Committee is the great ogre in this, but there is no reconciliation unless this body adopts it. It takes the Senate to decide that there is going to be a reconciliation. It takes the Senate to say we think that now we should instruct committees that they have to make some changes or have to make some savings.

Now, I am not sure that the Finance Committee, when we get to problems on medicare, is not going to want at some time to be instructed that they have to do something. If they are instructed they have to do something, then they go do it. But, if the body, the Senate, has not made instructions to do that, I do not know what we are going to do about medicare. Again it takes this whole body to determine that.

Here we are debating a bill in which we are talking about making the social security system sound—and that is very necessary—and we are going to, while we are doing that, tie our hands behind our back so that we will not be able to have the tools necessary to make medicare sound.

Medicare is not sound today. All of us know that. It is a crisis ready to just explode or to be discovered, concerning what the costs have been and the way the costs have accelerated and the way they continue to accelerate.

Now you are going to say by this nice, little amendment here that the Budget Committee cannot make a recommendation to this body that we should include savings that should be done to perfect or protect medicare. It takes the body to do that, not the Budget Committee.

Maybe it is a good thing not to have that responsibility, not to have to point out what the problems are in that and to bring those problems to the Senate. But I think it would be sort of a bad day for the Senate if we started chopping away at the Budget Act to say you cannot reconcile in medicare, because we all know the problem that is there in that regard.

It would seem to me, if we are going to do something like this, we ought to hold hearings, we ought to determine, through the Committee on Governmental Operations, which is the committee that created the Budget Committee—and that committee is going to hold some hearings on the Budget Act now—we ought to be looking at that before we determine that we want to say that we are going to take away medicare.

CBO says medicare is going to be broke in 1987. Medicare costs are projected to double from $57 billion to $112 billion in the next 5 years—in 5 years those costs are going to double.

What you are going to say in this nice little amendment is: "Budget Committee, don't look at that. We don't want to hear from you on that. Don't have anything to say on that. Don't recommend to the Senate that we do anything about that."

Mr. RIEGLE. If the Senator would yield at that point, that is not what it says. The Budget Committee is free to make a recommendation any time it wants to on this issue. The difference is it is not in a position to mandate legislative changes.

Mr. CHILES. But I say to the Senator from Michigan, the Budget Committee does not mandate, the Senate mandates. It is only when you have a vote, a majority vote, in this Senate, that you have a mandate. The Budget Committee just recommends. That is all it does. It takes a majority of the Members of this Senate to make any reconciliation.

Senator RIEGLE says the reconciliation gives the Budget Committee the right to change social security. All the Budget Committee does is say to the Finance Committee, "Save a certain number of dollars." Again, it is up to the Finance Committee to determine where to save that money. We cannot tell the Finance Committee whether to do it off of social security, off of medicare, or anything else. We just project to them to save a certain number of dollars. It is still up to the Finance Committee to determine whether they are going to save it.

Mr. RIEGLE. If the Senator would yield, he is certainly aware of the fact that if social security is one of the functions that is included in there, then that becomes part of the mandate as to where the savings can come from.

Mr. CHILES. No; it is not binding.

Mr. RIEGLE. What I am suggesting is we take it out of the reconciliation process so there is not any ambiguity about it. Let us treat social security and the trust fund on their own bases. Let us keep those to the side in terms of reconciliation.

The fact of the matter is by including them, you make them targets. That is precisely what you do. And you can obscure it any way you want with whatever kind of language you want. The fact of the matter is that is what happens and people do not want that any more, and the Social Security Commission does not want it any more.

Mr. CHILES. The fact of the matter is I want to face it very directly. I think medicare is going to have to be a target. I think medicare is going to have to be looked at and examined by this Congress and by this Senate to determine what in the heck we are going to do about a program that is going to double in 5 years, a program that is going to go bust in 1987. And if you are going to say to the Budget Committee, "Get out of that act, don't have anything to do with that, don't look at that," then, my goodness, you might as well decide that the Budget Committee better not look at anything.

That is the most drastic problem that is going to face the Congress in the next year. As soon as we finish this one, we better be working on that next one. Because that is the biggest problem we have on the block and the biggest problem we have for those old people out there that are the recipients. How are we going to pay for it, how are we going to continue to try to cover it? And you are going to say, "Don't look at it in the Budget Committee."

Mr. RIEGLE. If the Senator will yield, what I am hearing is the Budget Committee is becoming the committee for the Senate. We are going to make all of these decisions in the Budget Committee. We do not have the legislative jurisdiction in that area.

Mr. CHILES. Will the Senator yield?

Mr. RIEGLE. I will yield in just a minute.

The Budget Committee does not have the legislative authority to delve into these issues. That is a responsibility of another committee in the Senate. As a matter of fact, that is one of the reasons that no member of the Budget Committee were members of the Social Security Commission. The Finance Committee members were named to the Social Security Commission, not the members of the Budget Committee. They were Finance Committee members, as properly they should have been.

The fact of the matter is that this matter should not be included in reconciliation. That is the problem of the last few years, a problem that has to be corrected.

Mr. CHILES. The Senator hears what he wants to hear, but I must say that the Budget Committee is certainly not the committee of primary jurisdiction, but it is the committee that looks at the fiscal condition of the Nation. It looks at the fiscal policy. If you say we will not be able to look at medicare, an area that is doubling in 5 years, an area that is going busted under the CBO in 1987, and to say we are going to exclude that from the province of the Budget Committee, we

are not going to consider that and allow them to make a recommendation to the Senate as to what should be done, to me you might as well do away with the Budget Committee because that is the biggest problem that we have on the block.

We are saying we are taking away from that problem, and we are doing it in a handwritten amendmemt, with no hearings on the amendment, no consideration by the Commission on Medicare, and no consideration by anybody. We are writing that down and we are about to do that at this time of night. I think it would be a tragic, tragic thing, if we do.

I yield the floor.

Mr. RIEGLE. Mr. President, I think now this amendment really sort of strips the debate right down to its essentials. That is that it is clear, I think, to anybody who is following this debate. The earlier arguments that the Budget Committee wanted to be able to keep track of this, for broad macroeconomic policy reasons and considerations, was really not the fundamental argument being advanced by the other side. The fact of the matter is that they want to have jurisdiction over these trust funds under the reconciliation process. It is a far more questionable purpose, disturbing purpose, on the part of the Budget Committee in this particular instance.

This is precisely what the National Commission on Social Security recognized. That is that this issue should not be locked into the reconciliation process coming out of the Budget Committee because what happens is in order to finance other areas of the Federal Government one raid after the other is made upon either social security or the other trust fund activities, whether they be medicare coverage or whether they be the early retirement benefit or what have you.

Systematically, time after time after time, an effort was made to reduce those over the last 2 years and to take that so-called room in the budget and allocate that to other things, because we have not cut the overall budget one dime. The budget is rising every single day, the deficits are rising, the money is being transferred.

The purpose of the recommendation of the Social Security Commission was to set the trust funds aside so that they would not be the target of that kind of manipulation within the budget process.

So what this amendment does—we concede the point, though I do not like to do it—is to leave the trust funds within the budget for any type of macroeconomic analysis that wants to be done, but when it comes to the hard bottom line of reconciliation, the trust funds will be set aside from the reconciliation and treat the Federal budget as an entity without those trust funds being figured in in reconciliation.

I am not surprised that the Budget Committee squawks about that. They want the power, as a matter of fact. Every other legislative committee in the Senate knows that. Everybody has bumped into the Budget Committee at one time or another on issues of this kind.

We are not equipped in the Budget Committee, in my judgment, to make the kind of substantive program decisions that, in a sense, are required when making major alterations in spending in the social security trust fund programs. To come in and, in a sense, lock in those requirements through a reconciliation process is the wrong way to proceed.

The committees of jurisdiction ought to retain that jurisdiction. I am surprised that they are not here fighting harder for it, rather than just surrendering it to one all-powerful committee which is prepared to do all the thinking for all the legislative committees around here. I do not think that has helped the Senate. I think that has ended up getting us into trouble.

We have seen that in social security. That is why we have the recommendation before us from the President's Commission, 10 of whom were selected by the White House and 5 by the opposition party, saying that it is time to take the politics out of social security, to take it out of the budget process, take it out of the reconciliation process, and restore the integrity of this money, to put it into a situation where it is free standing and where it cannot become the subject of budget manipulation or any other kind of manipulation. That is the issue here. It is that simple.

People understand it. Polls have been done that show people think that social security and the trust funds ought to be taken out of the Federal budget, put on a freestanding basis, monitored more closely with outside public participants on the board, which is a recommendation which we also adopted in the package here, in order to see to it that this money is not taken and diverted for other purposes. That is precisely what is happening under reconciliation.

It is time to put a stop to it, if we are going to restore credibility to the social security system and people being able to have faith that the moneys they are going to put into the system will be there when they need to call on it. We need to set this aside and get it out from under the manipulation that takes place in the reconciliation process.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I rise not in support of the Budget Committee on this matter but, rather, in support of the committee of jurisdiction to make changes that might be needed from time to time in the disability program, the social security program, and medicare. Basically it is the Finance Committee that will be affected by this amendment and not the Budget Committee.

All the Budget Committee does with reference to a program like medicare, which is going to be bankrupt soon, is tell the committee of jurisdiction, which has jurisdiction over many programs, that they have to make savings of a certain amount in each of the next 3 years. It is up to them to decide where they make the savings, how they make them, but, indeed, they get the protection of coming to the floor when they make those tough decisions, coming in here with a reconciliation bill, after we have voted to give them direction and the House has voted to give them direction, and we have gone to conference and voted on a conference.

Then the Finance Committee, as the committee of jurisdiction, is the committee that will decide how they will reform it, if they reform it, to save the money prescribed. But they get the benefit of a reconciliation bill in taking these very difficult steps that are necessary.

If we are going to come to the floor and in a piecemeal manner, with a Budget Act that clearly says no bill, resolution, or amendment to any bill, resolution or amendment is in order unless it comes from the Budget Committee, if we want to just throw that away and say we do not want anyone making any tough decisions about medicare or disability insurance, we do not want to give the Finance Committee any opportunity to bring a bill to the floor protected by the Budget Act so you can get it voted on, so you can protect it against nongermane amendments, then vote with the Senator, and we will just piecemeal here decide in advance before the Senate gets to vote on a reconciliation, before Finance gets to look at it and see if they like it, if they want it, if it helps accomplish their purpose, then vote for what the Senator is voting for.

It is not social security, it is disability and medicare. But in the final analysis, it is saying we can instruct the Finance Committee in reconciliation but it will have no binding effect in the areas he has described. I do not believe any Senator wants to do that. I think that is an absolute shambles, no way to handle a Budget Act. We may just as well repeal it as do what he is asking for.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, I have listened to the Senator from Michigan. I agree with some of the points he made. However, after listening to the Senator from New Mexico and the

Senator from Florida (Mr. CHILES), I really believe that we are going to be faced with a crisis in medicare in a couple of years. As I understand the budget process and having been on the committee a couple of years, I do not think the Budget Committee reconciles medicare. As I understand, they give the committee a target figure. The Budget Committee may have medicare in mind when they do that, but there is no specific target for medicare, is that correct? That has not changed.

Mr. DOMENICI. The Senator is absolutely correct.

Mr. DOLE. If, in fact, we are going to start to amend the budget process, then I would like to be a part of it. I have several concerns with the Budget Committee and with the process itself in its relation to the Senate Finance Committee. I would rather amend the budget process in a broader sense than this amendment would provide.

I certainly compliment the distinguished Senator from Michigan. I think he is, in effect, trying to protect our jurisdiction.

As he properly pointed when we wanted to address social security, we took members from the Finance Committee. That is our jurisdiction. Somebody has suggested a Commission on Medicare. I am certain it would go to the Finance Committee, if there are public members.

I hope that I can speed up the process by moving to table the amendment without offending the Senator from Michigan. I certainly have an open mind on what the Senator from Michigan has outlined but I would prefer not to try to resolve it this evening. It is my hope that we can move quickly on this and other amendments and still finish tonight. So I move to lay the amendment on the table.

Mr. DOMENICI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the amendment of the Senator from Michigan on the table. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Illinois (Mr. PERCY) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Missouri, (Mr. EAGLETON) and the Senator from Maryland (Mr. SARBANES) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 68, nays 29, as follows:

[Rollcall Vote No. 40 Leg.]

YEAS—68

Abdnor	Goldwater	Murkowski
Andrews	Gorton	Nickles
Armstrong	Grassley	Nunn
Baker	Hatch	Packwood
Bentsen	Hatfield	Pressler
Bingaman	Hawkins	Proxmire
Boren	Hecht	Pryor
Boschwitz	Heflin	Quayle
Chafee	Heinz	Roth
Chiles	Helms	Rudman
Cochran	Hollings	Simpson
Cohen	Huddleston	Specter
D'Amato	Humphrey	Stafford
Danforth	Jepsen	Stevens
Denton	Johnston	Symms
Dixon	Kassebaum	Thurmond
Dole	Kasten	Tower
Domenici	Laxalt	Trible
Durenberger	Long	Wallop
East	Lugar	Warner
Exon	Mathias	Wilson
Ford	Mattingly	Zorinsky
Garn	McClure	

NAYS—29

Baucus	Hart	Mitchell
Biden	Inouye	Moynihan
Bradley	Jackson	Pell
Bumpers	Kennedy	Randolph
Burdick	Lautenberg	Riegle
Byrd	Leahy	Sasser
Cranston	Levin	Stennis
DeConcini	Matsunaga	Tsongas
Dodd	Melcher	Weicker
Glenn	Metzenbaum	

NOT VOTING—3

Eagleton	Percy	Sarbanes

So the motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. GOLDWATER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 107

(Purpose: To correct the provision relating to child dropout years)

Mr. ARMSTRONG. Mr. President, I have two amendments I should like the Senate to consider, and the first is a technical amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Colorado (Mr. ARMSTRONG) proposes an unprinted amendment numbered 107.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 105, strike out lines 5 through 13, and insert the following:

SEC. 122. (a) Section 215(b)(2)(A) of the Social Security Act is amended to read as follows:

"(2)(A) The number of an individual's benefit computation years equals the number of elapsed years reduced—

"(i) in the case of an individual who in entitled to old-age insurance benefits (except as provided in the second sentence of this subparagraph), or who has died, by 5 years and by any child-care years (as defined in this paragraph), and

"(ii) in the case of an individual who is entitled to disability insurance benefits, by the sum of the number of years equal to one-fifth of such individual's elapsed years (disregarding any resulting fractional part of a year) and any child-care years (as defined in this paragraph) but not by more than the sum of 5 years and any such child-care years.

Clause (ii), once applicable with respect to any individual, shall continue to apply for purposes of determining such individual's primary insurance amount for purposes of any subsequent eligibility for disability or old-age insurance benefits unless prior to the month in which such eligibility begins there occurs a period of at least 12 consecutive months for which he was not entitled to a disability or an old-age insurance benefit. If an individual described in clauses (i) or (ii) is living with a child (of such individual or his or her spouse) under the age of 3 in any calendar year which is included in such individual's computation base years, each such year (up to a combined total not exceeding 2) shall be considered a 'child-care year' if in such year the individual was living with such child substantially throughout the period in which the child was alive and under the age of 3 in such year and the individual had no earnings as described in section 203(f)(5) in such year. The preceding sentence shall apply only to the extent that its application would not result in a lower primary insurance amount. The number of an individual's benefit computation years as determined under this subparagraph shall in no case be less than 2."

Mr. ARMSTRONG. Mr. President, I will take just a few seconds to explain the amendmnt. The amendment has been discussed with the staff.

It simply clears up a provision which already appears in the bill.

Mr. MOYHIHAN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ARMSTRONG. I thank the Chair, and I thank the Senator from New York.

Mr. President, the bill, as it comes from the Finance Committee, provides 2 additional dropout years when computing benefits for a worker who leaves the work force to care for very young children while at home.

I offered this amendment in committee and was pleased that it was adopted. However, when the legislation was drafted following the committee markup, somehow the full import of the intention was not included in the actual drafted language, and therefore this technical amendment is necessary.

As the provision now appears in the Finance Committee bill, it would be operative in only a relatively few cases. The reason is that the child care dropout years provided are applied after selecting the years to be used in determining the person's average earnings instead of before selecting those years, as is done for the regular 5-year dropout applicable to all beneficiaries. The actuarial cost estimates assumed

that it would be fully operative and this is allowed for in the funding of the bill.

This is purely a technical amendment, and unless there is further discussion, I will call for the question on the amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. DOLE. Mr. President, the Senator from Kansas confirms what the distinguished Senator from Colorado has just stated. We did adopt the amendment in the committee. However, it was called to our attention that we need a change in the wording of the amendment to do what the Senator from Colorado intended. That is precisely what the Senator has done.

Under the 1980 disability amendments, up to 3 child care dropout years were provided for persons applying for disability benefits who had years caring for a child under age 3. In order to qualify, however, the person could have no earnings in that year. Child care dropout years are computed after determining regular dropout years in the benefit computation.

The committee amendment contains a provision which allows up to 2 additional dropout years for persons applying for retirement, survivors or disability benefits. The provision would have the same eligibility requirements as under current law in the case of young disabled workers. That is, the wage earner must have had a child under age 3 in his or her care and the wage earner could not have any earnings in that year. As under present law, if after dropping 5 years of low earnings, the wage earner also has extra years of no earnings, he or she may be able to claim 1 or 2 child care drop years.

The amendment would change the computation of child care dropout years so that those dropout years are determined before providing the regular drop years now in the law for all workers. This would insure that women—or men—who stay out of the work force to care for a child actually receive some advantage over present law.

I understand from the social security actuaries that this amendment would not increase the short- or long-range cost of the proposal in the committee bill.

This is a good amendment, and I think it should be accepted.

Mr. MOYNIHAN. Mr. President, the Senator from Colorado is quite correct in his statement.

I will take just a moment to call attention to the amendment he offered on child care years and to remind Senators that there are more than a few provisions in this legislation which liberalize the system and get rid of inequities—in this case, for working women, and particularly older women as well.

This is not just an unalloyed bit of castor oil. There are many positive aspects, and one of them is precisely to be ascribed to the efforts of the Senator from Colorado, for which I express my appreciation.

Mr. ARMSTRONG. I am grateful to the Senator from New York for his observation, particularly his words about my role in presenting this amendment. He is correct. There are throughout this bill a number of provisions which liberalize benefits. I thank him for his observation and for his encouragement in this amendment and the others in which he has had a large hand.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 107) was agreed to.

Mr. ARMSTRONG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 108

Mr. ARMSTRONG. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Colorado (Mr. ARMSTRONG) proposes an unprinted amendment numbered 108.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 125, beginning with line 19, strike out all through page 129, line 23.

Redesignate subsequent sections accordingly.

On page 130, strike out the matter between lines 11 and 12, and insert in lieu thereof the following:

In the case of a taxable year—

Beginning after:	*And before:*	*Percent*
December 31, 1983	*January 1, 1985*	*10.8*
December 31, 1984	*January 1, 1990*	*11.4*
December 31, 1989		*12.4*

Page 131, in the matter between lines 14 and 15, strike out "2.9" in the item relating to 1984 and insert in lieu thereof "2.6".

Mr. ARMSTRONG. Mr. President, I send this amendment to the desk on behalf of myself and the Senators from Georgia (Mr. NUNN and Mr. MATTINGLY), the Senator from Nebraska (Mr. ZORINSKI), and the Senator from Idaho (Mr. SYMMS).

This amendment simply leaves the payroll tax alone. The Commission's recommendations and the proposal which appears before us now as the Senate Finance Committee recommendation increases the already large payroll tax burden on the workers and employers of the country and does so, it seems to me, at a most inopportune time.

During the 1970's, tax maximums quadrupled. They will triple again during the 1980's as the result of legislation already on the books, without taking into account the increase which is called for by this legislation. It seems to me that such an increase on top of that which is already in progress—that is, the twelvefold increase in payroll tax maximums of the 1970's and 1980's—is not only illogical, is not only bad economic policy, but also in its essence is unfair.

Let me say a word first about the possible effects of higher payroll taxes on our overall economic situation, a matter I judge to be of great concern to all Senators, as it is to our constituents, because I think most of us believe that we are just beginning to see an economic recovery which will eventually bring unemployment rates down to some kind of halfway acceptable levels. But if we are going to have that recovery and if people are going to go back to work, I suggest that it does not make sense to increase payroll taxes.

I approach this from a very simple point of view, and it is that if you tax something, you are going to get less of it. The last thing we want to get less of at this critical moment in our history is jobs. We want more jobs.

In 1977, the last time we increased payroll taxes, the Congressional Budget Office estimated that the then tax increase would cost some 500,000 jobs. I do not think it is a coincidence that since that massive payroll tax increase we have seen a growth in the problem of chronic unemployment.

So the first reason I urge my colleagues to support this amendment is that it is bad macroeconomic policy.

Second, I would suggest to you the higher payroll taxes simply are not there. Counting both the employer and employee contribution, the average working man and woman in this country pays more in payroll taxes than they do in Federal income taxes. Think of it. A tax which was originally expected and intended to be a very, very modest small tax has now grown to be larger than the basic Federal income tax for more than half the workers of this country.

One of our colleagues pointed out to me just within the last 15 minutes that when he first went to work he paid $40 the first year he worked in social security taxes, and he estimates that if he went to work in that same job today at today's wages for that same job he would pay $2,200.

That is not a trend that is unknown to working men and women. In fact, many of them feel that this is a serious injustice, and I think they are right.

I am not bold enough tonight to suggest that we roll back the payroll tax

increases of 1977, but I do suggest this is not the moment to further increase the tax as is suggested by this bill.

I wish to also point out to the Senate that higher payroll taxes are highly controversial with the people who pay them, and the tendency of raising taxes in order to finance the deficit in the social security system is precisely to feed the flame of what someone has called an intergenerational time bomb.

I do not perhaps think that is an entirely accurate characterization. It may be an overemotional characterization of the concerns that younger workers have, but I do note that they are more and more reluctant to support the social security system, and one of the things we want to get out of the passage of this bill is a shoring up of public faith and confidence in social security and putting to ease the divisiveness that has characterized this to a large extent.

What is the justice of it? Aside from how anyone feels about it, what is the real bottom-line justice of a payroll tax increase as compared to the benefit increases that we have seen in social security?

Mr. President, I would suggest to you that there is no stronger reason than just fundamental justice not to increase taxes. We all know that the source of support, the principal source of support for social security is payroll taxes. Benefits during recent years under social security have risen very rapidly. As a matter of fact, during the last decade benefits for social security have risen nearly twice as rapidly as the payroll on which the tax is based; that is, the earning capacity of the workers of the country.

As a matter of fact, just to put it in an even clearer perspective, social security benefits have risen about 50 percent faster than the Consumer Price Index, while wages of working men and women have fallen behind the growth of the CPI.

So for all of these reasons and one more which I wish to mention, I urge the adoption of the amendment.

The final reason to some may not be important, but for some of us it has a very great significance, and this is the question of the refundable tax credit which is built into the Finance Committee recommendation. We have had a principle of parity of treatment between employer and employee all these years back to the very beginning of social security. In the bill we violate that principle by providing a refundable tax credit for 1 year of the employee's portion of the payroll tax increase.

Now, that crosses two thresholds that I am reluctant to cross. One is the general fund financing threshold and the other is the parity between employee and employer. If we roll back the suggested tax increase, we avoid the necessity for doing so.

For these reasons, Mr. President, I urge the adoption of the amendment.

The PRESIDING OFFICER (Mr. MATTINGLY). The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, the Senator from Colorado expresses the judgment feeling that many of us have and none of us would in any way wish to do what this bill is doing with respect to payroll taxes if it were not an irony. We must raise 160-plus billion dollars in the next 8 years or our system will be defunct. If we do it we will go into a longer period of surplus which will surprise us but is there.

I fear to report that the amendment before us would cost more than $42 billion in round terms, one-quarter of the additional revenues that we seek, and without which we do not have a secure system, without which, Mr. President, we do not have legislation.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. SYMMS. Mr. President, I am pleased to be a cosponsor of the amendment offered by my colleague from Colorado, Senator ARMSTRONG, to eliminate the payroll tax increases in this bill.

While the payroll tax increases scheduled to go into effect in this bill will provide some relief to the social security system in the form of higher revenues, this relief to the system might prove to be temporary. Slower economic growth as a result of the payroll tax increases might aggravate the system's financial burden.

The increase in the payroll tax rates represents an increase in cost to both the employers and employees. The higher cost to employers is an impediment to business spending on both labor and capital inputs. Faced with the higher tax rate per employee hired, it discourages labor employment. Also, the increase in business costs reduces the available funds for business expansion. As a result, growth in investment is slower with the tax rate increase than without it.

The higher cost to employees provokes the leisure/work tradeoff because it will mean that it will be relatively cheaper to engage in nonwork activity than it is to work. More importantly, it encourages early retirement in the face of lower after-tax incomes relative to generous social security benefits.

The slowdown in capital and labor investment with the tax increase is translated into slower output per manhour. Accordingly, overall economic performance is made worse off by the increase in payroll tax rates.

As far as the social security budget is concerned, the slower economic activity with the tax rate increases implies a lower earnings base along with higher unemployment. Therefore, revenues will be lower while the demand for benefit payments will be higher.

Mr. President, while I sincerely respect the efforts of the chairman of the Senate Finance Committee and the efforts of the President's Commission on Social Security Reform to propose and implement a compromise solution to the solvency problems of the OASDI trust fund, I believe the tax increases proposed in this package will do more harm than good.

As everyone knows, we have severe unemployment in several sectors of our economy. Why we are passing legislation which will make that unemployment situation more severe is beyond me. Payroll taxes are a tax on employment and every time you tax something, you will have less of it.

Surely, the senior citizen community does not want to sacrifice the jobs of others just so that all of them can receive cost-of-living adjustments which actually overcompensate them for the increased living expenses they are incurring.

I would encourage all of my colleagues to join Senator ARMSTRONG in supporting his amendment.

I make one point. The President's own economic adviser, Dr. Feldstein, when he was at MIT, took a look at these recommendations and made the point that it might cost as much as 2 million jobs in the United States to raise payroll taxes at this sensitive time of recovery.

So, whether or not my good friend from New York is right, that it will cost $40 billion out of the future income to the trust fund, I think that is a debatable point. If we trigger more unemployment by excessively increasing payroll taxes, where people simply do not hire people because of this massive cost that it now costs on the front end to hire a new employee for a small business that hires most of the people, we may find out we get less money instead of more money.

We need to get people back to work in this country, and I think there are provisions in the bill that will assure the solvency of the trust fund that are built into this legislation with amendments that the Finance Committee has already adopted and that are part of the legislation.

So I think that is the way that we will take care of the solvency of the trust fund.

I urge my colleagues to support the amendment.

I yield back the floor.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, accelerating the OASDI tax rate increases already scheduled under current law is a key part of the financial solvency package put together at such great effort by the National Commission. Dropping this element out of the

package now, or modifying it in a significant way, could cause the compromise to unravel.

Everyone knows that this entire bill represents a series of measures that no one is particularly happy about. The virtue of the package, however, is that every group shares somewhat in the burden of preserving social security, and no one pays an extravagant price out of proportion to the others. If the payroll tax acceleration is eliminated, it just means that some other group will have to take a bigger hit to meet our financing targets.

In any event, we are not talking about new taxes: The acceleration provisions generate more revenues to the trust funds simply by moving up the effective date of the payroll tax rate increase schedule for 1985 to 1984, and part of the increase scheduled for 1990 to 1988. This does, of course, raise the payroll tax burden: But it does so in a gradual and predictable way, in conjunction with major benefit restraints such as the 6-month COLA delay and expanding coverage of social security.

While the payroll tax rate accelerations do raise $40 billion between now and 1990, a significant portion of that is offset: In 1984 employees will get a dollar-for-dollar credit for the rate acceleration, and employers will be able to deduct the increased employer payroll taxes. So the real impact on employers and employees will be considerably less than the gain to the trust funds.

Mr. JEPSEN. Mr. President, I rise in support of the amendment offered by the distinguished Senator from Colorado, (Mr. ARMSTRONG). His leadership and thoughtful debate on the social security issue has been extremely helpful and appreciated. I believe all Senators owe Senator ARMSTRONG a debt of gratitude for his decision to raise some important issues, despite the controversial nature of some of them.

I have been very concerned about the acceleration of tax increases ever since the Commission indicated that it was seriously considering such a proposal. My colleagues will remember that it was not too long ago that social security taxes were raised, constituting the largest single peacetime tax increase in our Nation's history.

Mr. President, whoever said that if you want to get less of something, tax it, surely had the social security tax in mind when the statement was made. If it is the Senate's intention to retard the recovery, stifle employment, and increase the unemployment rolls, then Senators should support the acceleration of the tax rates for social security for surely this will be the result.

Social security taxes are a tax on work. If you work, you pay the tax. Employers pay the tax and employees pay the tax. Consequently, raising the tax increases the cost of having employees.

In addition, because of the fail-safe provisions in the bill, repeal of the tax increases would not increase the likelihood that social security would be in serious financial difficulty in the latter part of this decade. Some adjustments in the cost-of-living adjustments might be necessary, but even then, those at the lowest end of the income scale would not be affected.

I urge my colleagues to join the Senator from Colorado in his efforts. Otherwise, the economic recovery we are all hoping for might never occur.

Mr. MATTINGLY. Mr. President, I rise to support and cosponsor the amendment offered by the Senator from Colorado (Mr. ARMSTRONG). This amendment will simply strip from the proposal the accelerated payroll tax increases, one of the most onerous provisions of the social security package.

I support the Armstrong amendment for a number of reasons. First of all, higher payroll taxes will mean fewer jobs. Second, higher payroll taxes are not fair, because employer and employee contributions are already so high that the average worker is now paying more in social security taxes than in Federal income taxes. Finally, raising payroll taxes on workers means reducing the real income of those whose income has barely kept pace with rising prices. I urge my colleagues to support the amendment offered by the distinguished Senator from Colorado.

Mr. DOLE. Mr. President, did the Senator from Colorado ask for the yeas and nays?

Mr. ARMSTRONG. I have not, but I am glad to ask for them now. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I shall just take a minute.

If we want a social security package then this amendment has to be defeated.

I do not quarrel with the Senator from Colorado. This is one of the many unpleasant parts of the package.

We have Federal employees circling the Capitol. They do not want to be into the program. We have people who do not want the COLA delay and some who do not want the acceleration of taxes. These are not new taxes but acceleration of existing provisions.

The Senator from Colorado made an outstanding contribution to the Commission. We made a number of changes in our bill through the efforts of the distinguished Senator from Colorado who is not only a member of the Commission but chairman of the Social Security Subcommittee. I would like to know how the Senator would offset the revenue loss of $40 or $42 billion?

Is that a part of the package you are offering?

Mr. ARMSTRONG. Mr. President, if the Senator will yield to me, the information furnished my office indicates that it would be something less than that, but not to quibble over the amount, the Senator knows there is a provision which the Senator from Idaho has referred to in the bill which in effect tailors the cost-of-living adjustments in the future to available revenues.

Now, again, to explore the justice of it, we are projecting at the present time benefit increase cost-of-living adjustment of $259 billion between now and the end of the decade as a result of COLA's. The Commission plan will have a delay savings of only $39 billion.

It is the expectation of my amendment that in the event that the $39 billion in revenue which would be lost as a result of this amendment puts the trust fund in a position where it could not fully meet the COLA the other provision of the bill adopted by the Finance Committee would simply scale back very modestly future COLA increases.

Of course, I recall, as do other Senators, that we have included a hold-harmless provision for those at the lower benefit levels which is by the way one of the most important provisions of the bill so if some additional COLA restraints were required it would be applied only to those who were the best able to withstand such restraint.

Again I point out to the Senator from Kansas and others social security benefits have gone up nearly twice as fast as have the wages and salaries on which payroll taxes are based and at about 50 percent faster than the cost of living.

So if the result were to be some COLA restraint, and I hope it is not, but if it is that would not be unjust or bad policy, in my opinion.

Mr. DOLE. Mr. President, for the reasons stated, I do not quarrel with the Senator. If we could have a perfect package and if he or the Senator from Idaho or someone else could have written the package, we might have avoided any acceleration of taxes, but as a practical matter that does not happen. We did the best we could. The package came out of our committee by a vote of 18 to 1 with this provision. I hope the amendment will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Alabama (Mr. DENTON), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I further announce that, if present and voting, the Senator from Alabama (Mr. DENTON) would vote "yea".

Mr. CRANSTON. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Maryland (Mr. SARBANES), and the Senator from Ohio (Mr. GLENN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 27, nays 67, as follows:

[Rollcall Vote No. 41 Leg.]

YEAS—27

Armstrong	Heflin	McClure
Boren	Helms	Melcher
Boschwitz	Hollings	Nickles
Cochran	Humphrey	Nunn
East	Jepsen	Quayle
Garn	Johnston	Roth
Goldwater	Kassebaum	Symms
Hatch	Kasten	Trible
Hawkins	Mattingly	Zorinsky

NAYS—67

Abdnor	Exon	Packwood
Andrews	Ford	Pell
Baker	Gorton	Pressler
Baucus	Grassley	Proxmire
Bentsen	Hart	Pryor
Biden	Hatfield	Randolph
Bingaman	Hecht	Riegle
Bradley	Heinz	Rudman
Bumpers	Inouye	Sasser
Burdick	Jackson	Simpson
Byrd	Kennedy	Specter
Chafee	Lautenberg	Stafford
Chiles	Laxalt	Stennis
Cohen	Leahy	Stevens
Cranston	Levin	Thurmond
D'Amato	Long	Tower
Danforth	Lugar	Tsongas
DeConcini	Mathias	Wallop
Dixon	Matsunaga	Warner
Dodd	Metzenbaum	Weicker
Dole	Mitchell	Wilson
Domenici	Moynihan	
Durenberger	Murkowski	

NOT VOTING—6

Denton	Glenn	Percy
Eagleton	Huddleston	Sarbanes

So Mr. ARMSTRONG's amendment (UP No. 108) was rejected.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the following Senators be added as cosponsors to my last amendment: Senator HUMPHREY, Senator JEPSEN, and Senator HELMS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, we are moving along rapidly. It is going to take some time, but we are making steady progress.

There is not any set order, but there are Senators who have been waiting 1 day or 2 days, such as Senator HUMPHREY, Senator HAWKINS, Senator BAUCUS, Senator QUAYLE with one amendment which I believe we can agree to, an amendment by Senator MATSUNAGA, and an amendment by Senator LEVIN.

I am not certain, but I think we can have a vote about every 15 or 20 minutes, hopefully.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. HUMPHREY. Mr. President, this Senator would agree to a time agreement of 10 minutes on each side on each amendment and then have an up or down vote, with no point of order being raised against either amendment.

Mr. LONG. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LONG. Will the Senator yield? I would like to explain my position.

Mr. HUMPHREY. I yield.

Mr. LONG. I do not want to agree to a time agreement until we have a chance to check with our minority leader (Mr. BYRD). I personally have no objection to a time agreement.

The PRESIDING OFFICER. The Senator from Florida.

UP AMENDMENT NO. 109

(Purpose: To move up two years the phase-out of the earnings limitation for beneficiaries who have attained retirement age)

Mrs. HAWKINS. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Florida (Mrs. HAWKINS), for herself, Mr. ABDNOR, Mr. ARMSTRONG, Mr. D'AMATO, Mr. DECONCINI, Mr. GARN, Mr. HECHT, Mr. JEPSEN, Mr. NICKLES, Mr. SYMMS, and Mr. THURMOND, proposes an unprinted amendment numbered 109.

Mrs. HAWKINS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 44, beginning with line 14, strike out through line 6 on page 45 and insert in lieu thereof the following:

"(I) $250 for each month in any taxable year ending after 1987 and before 1989;

"(II) $500 for each month in any taxable year ending after 1988 and before 1990;

"(III) $750 for each month in any taxable year ending after 1989, and before 1991;

"(IV) $1,000 for each month in any taxable year ending after 1990 and before 1992; and

"(V) $1,250 for each month in any taxable year ending after 1991 and before 1993.".

On page 48, line 3, strike out "1994" and insert in lieu thereof "1992".

Mrs. HAWKINS. Mr. President, under the legislation before us today significant steps are recommended to resolve the shortrun and longrun problems facing the OASDI trust funds. However, there is one problem left unresolved that we can help correct today. The problem is age discrimination. Under the bill, anyone between 65 and 70 who chooses to start drawing social security is forced by the Federal Government to make the unfair irrevocable concession never to work again full time.

Current law sets a limit now equal to $6,600 as the maximum amount a social security recipient can earn in wages or salary annually without penalty. In Florida, the average per capita income is $7,200, just a little above the limit. Above the limit, social security checks are reduced by $1 for every $2 earned. This direct penalty alone has the same impact as a 50-percent tax on wages earned above the limit. If you earn $2,200 above the limit, then you will have only $1,000 left after your social security check is reduced.

However, the direct penalty is only a part of the disincentives thrown in the way of those wishing to work again. Right now, social security is not taxed, but wages and salary are. Thus, gaining $2,000 in wages and losing $1,000 in social security is not the same thing to the tax men as receiving an extra $1,000. They treat it as receiving an extra $2,000. That means $140 is removed for social security taxes and at least another $200 is taken for Federal income taxes, probably a lot more. Finally, most States, also have income taxes. Most municipalities and counties do, too. So, take out another $60. When the smoke clears, the net amount received for earning that $2,000 is only $600. That is equivalent to a 70-percent tax rate.

The example I have just given is not one covering a wealthy individual. It is for someone in the lowest tax bracket, someone receiving $4,000 in social security and earning $7,000 in wages for example. They probably also qualify for food stamps.

Equivalent tax rates for earning more than the limit are, therefore, even higher than 70 percent for most people caught in this vicious trap. It can even exceed 100 percent. Under current law, it is possible for a senior citizen to receive a bill instead of a check for earning more than the arbitrary limit. Now, how many people are there that will work knowing that the more they do, the worse off they will be?

Even millionaires get a better deal from the Government. They have to face at most a 50-percent tax rate. Uncle Sam lets them keep at least 50 percent of however much they choose to earn. It is probably a lot higher if they have a tax accountant. Why do we penalize the working old more than we tax the rich? I propose that the earnings limit be raised by $3,000 for 5

years in a row beginning in 1988 and lifted entirely in 1983.

Thus, the limit would be approximately $10,000 in 1988, $13,000 in 1989, $16,000 in 1990, $19,000 in 1991, $22,000 in 1992, with no limit afterward. Assuming inflation remains under control during the 1980's, under my amendment most of the elderly penalized by this misguided policy will be unaffected by it by 1989. Few are likely to earn more than $13,000 in wages and salary in that year. By comparison, under the bill the earnings cap would equal about only $7,000, virtually unchanged from today.

Frankly, in my mind the largest criticism that can be made against my amendment is that it is too cautious. Immediate repeal of the earnings penalty is affordable if one believes the persuasive evidence piling up that economic recovery has begun. That evidence suggests that the II-B forecast is too pessimistic and alternative III represents the pathway anticipated by those who believe the end of the Earth is near.

Consider the unemployment figures used. Under II-B, the unemployment rate for 1983 is forecast at 10.7 percent. And under alternative III, the unemployment rate is 11 percent. Under the old way of calculating unemployment, the rate is already 10.4 percent. Under the new way, it is 10.2 percent. Both are well below the averages used for devising the II-B and III forecasts, and the recovery is just beginning.

Consider the economic growth rates assumed. The II-B projection assumes the economy grows in real terms by only 1.4 percent, and the alternative III projection says we will produce less this year than we did last year. Meanwhile, the administration, which by general agreement was considered to be lowballing its economic growth estimates, assumed a growth rate equal to the II-B forecast. Our own Budget Committee will certainly pick a higher, more realistic number.

Analogous comparisons can be made for other economic variables that are important determinants of OASDI income and outgo. The results of such comparisons are the same.

The II-B forecast is already proving to be too pessimistic, and the alternative III projection implausible. Which, come to think of it, is just what we should expect. The Social Security Administration actuaries make four forecasts. Alternative I is optimistic. Alternative II-A is somewhat optimistic. Alternative II-B is somewhat pessimistic. And alternative III is pessimistic. That means if the actuaries were to make only one forecast, take their best shot, so to speak, they would use assumptions more optimistic than those used in II-B but less optimistic than those used in II-A.

That best guess would permit immediate repeal of the earnings test, as the House voted to do in 1977.

The arbitrariness of any earnings penalty law is even more obvious when one considers that it does not apply if you are older than 70. Why 70? Someone who is 71, 81, or even 91 can earn all they want without penalty. But if you are between the ages of 65 and 70, you have to pay the price. Where is the fairness or logic behind such distinctions?

Frankly, any penalty for working if you are over 65 is inconsistent with raising the retirement age as recommended under the bill before us. You cannot, without being inconsistent, claim that life expectancy has grown, so people should work longer, and then support penalizing working after you turn 65.

The earnings penalty, in addition to being unfair, arbitrary, and inconsistent, also contradicts the firmly held belief that social security payments are an earned right. The public thinks social security is just like a private pension plan or an annuity contract. You pay in for a number of years and at an agreed upon age, you start drawing the benefits you contracted for. After you pay in, you receive. That is the deal, with no strings attached. In fact, if private plans included provisions stating that pension benefits or annuity payments stopped or were reduced when you went back to work, Congress would pass a law outlawing them. However, maybe we would not have to. Who would buy such a poor plan?

Mr. President, the earnings penalty did not become law by accident. It passed during a time when Congress felt it best that those who retired should stay retired, making room for the young to take their jobs. However, how many people feel that way today? Would not our ability to improve the math and science skills of our young be improved if we could entice some of our best retired teachers to come back, full time or part time?

The President asked in his State of the Union Address for retired teachers to come forward and teach our children math and science. They certainly will not if they get a bill instead of a check for coming back to the workingplace.

For many elderly, the decision to return to work is not voluntary. They do not return to work out of choice but out of necessity. Many people who retire quickly feel the financial pinch of living on a fixed income when the prices of life supports are rising faster than the inflation rate. Consider these figures. The cost of electricity has gone up 60 percent faster than the CPI over the last 5 years. The cost of housing and heating your home has gone up 12 percent faster. Cost of food has risen 7 percent faster. Bus fare has gone up 50 percent faster. And gasoline has gone up at twice the rate of the CPI. Telephone rates for local calls are expected to go up three times within 3 years. Water and sewer providers are asking for large increases all over the country.

What happens when the elderly get their electricity turned off when they do not pay their electricity bill? I will tell you what happens. They have to pay twice their monthly consumption in cash. Utility companies will not take a check once you have been cut off for missing a payment.

Should we penalize these people for deciding they cannot afford to retire after all? Instead, they have to keep working just to pay for a minuscule roof over their heads, or to make a telephone call since someone is breaking in their front door, or to have water come out of the faucets in the house they have lived in for 45 years while their property taxes have tripled in less than 5 years?

How about penalizing those who incur enormous medical bills when their spouses suffer from a catastrophic illness that medicare does not cover? The average person who is on medicare has to come up with $721 a person annually just to cover the charges for their health costs that are not covered in medicare. Or how about penalizing someone who gets swindled out of their life savings? You can pick up the paper daily in Florida and read of someone who just gave $10,000 or $15,000 of their life savings on some flimflam game that went on in a back parking lot. With a little imagination, I am sure my colleagues will come up with some other examples.

The point is simple. Most people want to retire as soon as possible. They look forward eagerly to the day when they can afford to do so. Unfortunately, inflation or a serious financial mishap forces some of them back into a job. We should not make the last years of their lives such a hardship by what we do in Congress.

I suspect it was for some of the reasons I have outlined today that the administration proposed phasing out the earnings penalty in 1983 when they sent a plan to do so to Congress in May 1981. I commend the Finance Committee for agreeing to eliminate the earnings penalty in 1995 as proposed by this bill.

However, I believe we can do better than wait until 1995. While there are a variety of ways to accelerate the elimination of the penalty, I believe the least controversial way is to increase the 5-year phaseout schedule recommended by the Finance Committee by 2 years. Instead of phasing out the penalty over 5 years beginning in 1990, I propose starting in 1988.

There should be no question we can afford my amendment if we believe

the charts we have been shown and the study we have read prepared by the Social Security Administration. Starting in 1988 under virtually any conceivable economic conditions, OASDI will run a string of annual surpluses well into the 21st century. At year end in 1988, OASDI under the moderately pessimistic II-B forecast will have a checkbook balance of $57 billion according to the Social Security Administration. In 1989, the balance will grow to $89 billion. And the 1990's will be even better; positive cash flow is expected to exceed $400 billion in that decade alone. If the doom and gloom III forecast is used, then the 1988 and 1989 year-end figures are $13 billion and $23 billion. However, even under alternative III, OASDI will start to run annual surpluses in 1988, the year I propose to phase out the earnings test. And they will continue throughout the 1990's and beyond. By comparison, my amendment costs OASDI $800 million in 1988 and $1.3 billion in 1990. That means it costs less than 1 percent of 1 percent of taxable payroll. Even this modest amount is an overstatement if you believe the studies that were presented before comprehensive hearings held by the House Subcommittee on Retirement Income and Employment, during the 96th Congress, 1980.

The studies showed that if the limit were removed people would go back to work, and thereby return up to 85 percent of the cost for repealing the test in the form higher income and social security taxes. This administration campaigned as did many Senators—that together we were going to reward work, and now we have said we are going to penalize you if you are between 65 and 70 and choose to do so. Someday soon, perhaps sooner than we think, for this reason many of us will be called upon to answer why we did not fight to eliminate immediately, instead of starting in 1988 age discrimination against the elderly forced for financial reasons back to work. I wonder how presuasive our answer will be that we decided to look away and wait until 1995 before justice was done.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Florida for offering the amendment. I only wish we could accept it. And I only wish I was as optimistic as even the assumptions cited by the distinguished Senator from Florida. But I think we have to be realistic. This is going to take about $2.3 billion out of the trust fund. When we were finally trying to put all this together in the Senate Finance Committee, we ended up with about four areas we wanted to address, and one was the area just addressed by the Senator from Florida. The other was the so-called bend points, another was increasing the retirement age to 66, and the other was the day care, child care credit just discussed by the distinguished Senator from Colorado (Mr. ARMSTRONG).

Now, it is not that we did not want to do more. It is that we had certain guidelines to follow, and it seemed to us that we had gone about as far as we could go with reference to this particular issue.

We do begin the phaseout in 1990. I would like it to begin immediately. In fact, the Senator from Kansas coauthored, with the Senator from Arizona, the earlier action in this area. I am not certain what year it was now but it was 4 or 5 years ago.

Under the committee bill, the retirement earnings test for people 65 and older will be phased out between 1990 and 1995. Each year the exempt amount of earnings would rise by $3,000 and the test would be completely eliminated in 1995. The phaseout of the retirement test is an important change in social security that I have long endorsed. Under present law there are strong disincentives for older Americans to continue to work. The problem with phasing out the test and, indeed, the problem with this amendment is that it costs money. I must say that a lot of amendments are going to be coming up now. They all cost money. And we are hanging on by a thread. We are trying to keep the package intact and everybody is coming along now with an amendment that is $500 million or $700 million or $2.3 billion.

That may not seem like a lot in the social security package, but we have to raise about $165 billion between now and 1990, and every billion dollars we lose, or $2.3 billion we lose out of the trust fund must be made up somewhere else. We just had an amendment that would have taken $40 billion out of the trust fund.

Mr. MOYNIHAN. Mr. President, may we have order. The manager of the legislation is speaking.

Mr. DOLE. I thank the Senator from New York.

I really believe that if in fact we are going to have these big surpluses, and Congress is going to meet in 1984, 1985, 1986, and 1987, then it would certainly be appropriate for the Senator from Florida to offer the amendment and I would join her in that amendment, assuming we are both here in 1987 or whenever that time comes.

Mr. President, we have thought about taking the amendment. We tried to find out some way we could squeeze it into the package, but it seems to me that finally the botton line is: Can we take it? Do we have the money to take it? The answer is no. Therefore, I would hope we would reject the amendment.

Mr. D'AMATO. Mr. President, I support the amendment offered by the distinguished junior Senator from Florida. Last Congress, I supported Senator GOLDWATER's bill to immediately repeal the so-called retirement test. While I am pleased that this bill contains a phaseout of the retirement test beginning in 1990, I believe we must act to accelerate that phaseout to the earliest date which can be achieved.

Accordingly, I support this amendment to accelerate the phaseout of the retirement test to 1988. If the old age and survivors insurance trust fund were restored to health earlier in the decade, I would support an even earlier repeal. Since, however, the trust fund will begin running a surplus only in 1988, that appears to be the wisest point to begin the phaseout.

Under current law, anyone receiving social security retirement benefits who has not attained 70 years of age has $1 of benefits withheld for every $2 earned above a $6,600 threshold. This provision was intended to encourage people to retire.

It also imposes a great financial penalty on those who choose to continue to work. It is fashionable now to argue against the high marginal tax rates inherent in some aspects of this bill. Rather than following that line of argument, I want to address the practical impact the earnings test has on our aged citizens who are still productive and who desire to continue contributing to society.

The existence of the retirement test has the intended effect—it persuades people to retire. Self-employed individuals, particularly people who own small businesses, face the choice of quitting work so they can receive tax-free social security benefits, or continuing to work, paying both income and self-employment taxes on their income, and having their social security benefits reduced or withheld entirely. In many cases, this forces people to decide to close their businesses.

When a small business closes its doors or a self-employed professional retires from his or her profession, a whole community is affected. In a city, customers or clients can make an adjustment, usually without great inconvenience. In small towns, however, the forced early retirement of people who may be providing vital services to their neighbors can create a much more difficult situation. With luck, someone else will be available to carry on the business or provide the service. More often, the lives of people who depend on that business or those services are seriously disrupted. That is only one

part of the human cost the retirement test imposes.

Many people who are the owners of small businesses or who are self-employed have put their whole lives into their businesses. Those who are most affected by the retirement test are likely to be those who do not derive anything more than a decent living from their business efforts. They are likely to have operated their businesses themselves, with the aid of family members and very few employees. If financial considerations force them to consider early retirement, they form a group which is particularly susceptible to sudden death shortly after retirement, from stroke, heart attack, or other natural causes.

By supporting this amendment, we can end the retirement test 2 years sooner. We can preserve businesses which provide vital services to communities. We can provide the opportunity for productive, creative people to continue to contribute to society. I believe these are worthy goals.

This amendment is estimated to cost $2.3 billion more than the provision presently in the bill, as a result of advancing the phaseout date from 1990 to 1988. In fact, the trust fund is expected to run a $57 billion surplus during those 2 years; so this is an amendment we can well afford.

I commend the junior Senator from Florida for offering this amendment. I urge my colleagues to support this amendment.

● Mr. LEVIN. Mr. President, I reluctantly vote against the amendment offered by the Senator from Florida to accelerate the phaseout of the earnings limitation on social security recipients. Under current law, this limitation is $6,600. Income earned above this amount results in social security benefits being reduced by $1 for every $2 that are earned.

The committee has proposed phasing this limitation out by 1995. The amendment being offered would phase it out by 1993. I believe that we should phase out or raise the earnings limitations so it is at least high enough to allow an individual to earn an income which can supplement their social security benefits, and, thereby provide the necessities of life. But early total removal of the limitations may weaken the solvency of the system.

While I can support the phaseout by 1995 it has been carefully crafted to avoid any additional reduction of social security benefits to pay for it.

We had best leave it that way.●

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, there is nothing I would add to the remarks of the distinguished Senator from Kansas except our appreciation to the Senator from Florida for drawing the attention of the Senate to the fact that it may well be, if fortune smiles, that we could afford this toward the end of the decade. We do not think we can.

As time goes by, if it turns out we can, the amendment can be offered and, as the Senator from Kansas said, he will support it, and I will support it. But for the moment we have very little keel room in this legislation, and a billion here and a billion there, as somebody once said in this Chamber, and pretty soon you are talking about real money. And it is real money we are trying to raise. I would ask Senators on both sides if they could stay with the Finance Committee's measure in this regard. It is made up of small items. If we start taking small items out, we do not know where we will be.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I hope the Senator from Florida and the managers of the bill will let me intervene just for a moment to bring in the conference report on the jobs bill.

Before I do that, however, may I say that I do not intend to call up the conference report now. However, after the Hawkins amendment is disposed of, it is my intention to ask the Senate to turn to the consideration of this measure.

Mr. President, once again, after the Hawkins amendment is dealt with, it is the intention of the leadership to ask the Senate to turn to the consideration of the conference report, which is privileged. It is hoped that it will not take an unduly long time to finish consideration of this measure, and then we will return to the social security package.

I express, once again, our hope that we can finish both the conference report and the social security package tonight.

Mr. President, I yield the floor.

MESSAGE FROM THE HOUSE

At 7:56 p.m., a message from the House of Representatives, delivered by Mr. Gregory, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1718) making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not makework but productive jobs for women and men and to help provide for the indigent and homeless, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 10, 12, 19, 26, 44, 54, 60, 74, 75, 77, 81, and 83 to the bill, and has agreed thereto; it recedes from its disagreement to the amendments of the Senate numbered 1, 2, 9, 16, 21, 22, 27, 28, 64, 71, 76, 79, 88, 89, 90, 91, 92, 97, and 98 to the bill, and has agreed thereto, each with an amendment, in which it requests the concurrence of the Senate, and it insists upon its disagreement to the amendment of the Senate numbered 82 to the bill.

The message also announced that the House has passed the following bill, without amendment:

S. 366. An act to settle certain claims of the Mashantucket Pequot Indians.

The message further announced that pursuant to the provisions of section 1, Public Law 86-420, as amended, the Speaker appoints as members of the U.S. Delegation of the Mexico-United States Interparliamentary Group for the 1st session of the 98th Congress the following Members on the part of the House: Mr. DE LA GARZA, chairman, Mr. YATRON, vice chairman, Mr. KAZEN, Mr. SKELTON, Mr. KOGOVSEK, Mr. ALEXANDER, Mr. BARNES, Mr. LAGOMARSINO, Mr. RUDD, Mr. GOODLING, Mr. DREIER of California, and Mr. BEREUTER.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, in accordance with 22 U.S.C. 1928(a)-1928(b), as amended, appoints the Senator from Delaware (Mr. BIDEN) vice chairman of the Senate delegation to the North Atlantic Assembly during the 98th Congress, the Senator from Rhode Island (Mr. PELL), resigning.

SOCIAL SECURITY ACT AMENDMENTS OF 1983

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The question is on the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. I announce that the Senator from Alabama (Mr. DENTON), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I further announce that, if present and voting, the Senator from Alabama (Mr. DENTON) would vote "nay."

Mr. CRANSTON. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Maryland (Mr. SARBANES) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 44, nays 49, as follows:

[Rollcall Vote No. 42 Leg.]

YEAS—44

Abdnor	Glenn	Mitchell
Armstrong	Hatch	Nickles
Biden	Hawkins	Nunn
Bingaman	Hecht	Pell
Boren	Heflin	Pressler
Boschwitz	Helms	Pryor
Burdick	Hollings	Quayle
Byrd	Humphrey	Randolph
Chiles	Jepsen	Riegle
Cohen	Kasten	Symms
D'Amato	Leahy	Thurmond
DeConcini	Mathias	Trible
East	Mattingly	Warner
Ford	McClure	Zorinsky
Garn	Melcher	

NAYS—49

Andrews	Hart	Packwood
Baker	Hatfield	Proxmire
Baucus	Heinz	Roth
Bradley	Inouye	Rudman
Bumpers	Jackson	Sasser
Chafee	Johnston	Simpson
Cochran	Kassebaum	Specter
Cranston	Kennedy	Stafford
Danforth	Lautenberg	Stennis
Dixon	Laxalt	Stevens
Dodd	Levin	Tower
Dole	Long	Tsongas
Domenici	Lugar	Wallop
Eagleton	Matsunaga	Weicker
Exon	Metzenbaum	Wilson
Gorton	Moynihan	
Grassley	Murkowski	

NOT VOTING—7

Bentsen	Goldwater	Sarbanes
Denton	Huddleston	
Durenberger	Percy	

So Mrs. Hawkins' amendment (UP No. 109) was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I indicated earlier that as soon as we finished this vote we would go to the conference report. The chairman of the committee, the manager of the conference report on this side, needs a little more time to examine the nature of an amendment sent to us on one of the items in disagreement with the House.

I understand Senator DOLE and Senator QUAYLE are prepared to proceed now on another amendment to the social security package which will not require a rollcall vote. I hope the managers will agree to do that while I consult with the chairman of the Appropriations Committee and arrange for us to proceed to the conference report.

UP AMENDMENT NO. 110, AS MODIFIED

(Purpose: To allow dislocated workers to withdraw contributions to IRA's)

Mr. QUAYLE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Indiana (Mr. QUAYLE) proposes an unprinted amendment numbered 110.

Mr. QUAYLE. Mr. President, I ask unanimous consent to withdraw that amendment and submit this amendment, which is a revised amendment, in accordance with an agreement that has been worked out.

The PRESIDING OFFICER. The amendment is so modified. The clerk will report.

The bill clerk read as follows:

The Senator from Indiana (Mr. QUAYLE) proposes an unprinted amendment numbered 110, as modified.

Mr. QUAYLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

At the end of title IV add the following new section:

SPECIAL PROVISIONS FOR DISLOCATED WORKERS WITH RESPECT TO INDIVIDUAL RETIREMENT ACCOUNTS

SEC. 423. (a) Notwithstanding any other provision of the Internal Revenue Code of 1954, a dislocated worker having documentation issued by the Secretary under this section, may withdraw contributions to, and interest on, an individual retirement account established in accordance with the provisions of section 408 of the Internal Revenue Code of 1954, without incurring the tax penalty under section 408(f) of the Internal Revenue Code of 1954.

(b) For purposes of subsection (a), an individual is a dislocated worker if such individual—

(1) has at least twenty quarters of coverage under title II of the Social Security Act; and

(2) has received regular unemployment compensation under State law within the preceding 12-month period, and has exhausted all rights to such compensation in his most recent benefit year.

(c) The Secretary shall provide for the issuance of documentation to individuals identified as dislocated workers.

Mr. QUAYLE. Mr. President, I am sending to the desk an amendment which will permit the long-term unemployed to withdraw their contributions to individual retirement accounts without incurring a tax penalty.

We all know that this Nation faces a large problem of workers who have been and who will continue to be permanently dislocated from their current employment. These workers must gain new skills before they can reenter the productive mainstream of the American economy. It seems to me just a matter of commonsense to let workers withdraw their IRA contributions without penalty when they are faced with the need to make a fundamental change in their working career. There is no sense in having funds locked up in a long-term savings account when the workers' needs are immediate and now. IRA withdrawals are already permitted for the handicapped. This amendment permits withdrawals for those who have, in fact, been handicapped by the changes in our economy.

Mr. President, this amendment is very direct and very simple. It involves the individual retirement accounts and forbears the tax penalty for withdrawal to those who are dislocated workers.

This amendment, I am pleased to report, does have the support of the Treasury. It has been slightly modified, I might point out, from the version that was printed in the RECORD on March 16 in order to achieve a greater administrative simplicity.

Basically what it does is just to allow a withdrawal without penalty from an IRA account for those people who are dislocated workers and seeking employment.

Mr. DOLE. Mr. President, I understand from the Senator from Indiana that the Treasury does support this amendment. As I understand what it permits is if somebody is dislocated they can—it is similar to the situation with respect to the disabled. They can withdraw from the IRA without penalty. Is that the essence of the amendment?

Mr. QUAYLE. That is the essence. That is correct.

Mr. DOLE. Does the Senator have a revenue cost estimate?

Mr. QUAYLE. Obviously in fiscal year 1983 there will not be any because they would not be paying the penalty until the following year, so any kind of revenue loss would not be in fiscal 1983 but in fiscal 1984.

Mr. DOLE. Has the Senator talked to the distinguished Senator from Louisiana about this amendment?

Mr. QUAYLE. We have had from the minority side for a considerable amount of time no opposition. This is really not a noncontroversial amendment. I am going to get to one. So it has been over there with the Senator's staff for clearance, and we have had no objection to it.

Mr. PRYOR. Mr. President, I might say to the distinguished Senator from Indiana, I was filling in for the Senator from Louisiana (Mr. LONG). I wonder if we could have an accommodation until he gives his acceptance or possible disapproval of this, and so I wonder if we might lay this aside temporarily until the Senator from Louisiana returns?

Mr. DOLE. I think that is a good suggestion. I wonder if we might not temporily set this aside until we check with Senator LONG.

You have an amendment that has been cleared with Senator LONG, the one you discussed with him?

Mr. QUAYLE. I have discussed the voucher amendment with Senator LONG, I have not yet had clearance with him. I thought I would wait for clearance.

I was under the impression there would not be any problem with two of

the amendments, but I would be glad to accommodate the minority on this. It has been printed in the RECORD, it has been well established for a couple of days, and I have heard no objection. As a matter of fact, one day we had accommodations we had made in response to a number of people who have seen this and commented on it.

Again, it is just foregoing a penalty on withdrawal from IRA accounts of dislocated workers. I can hardly imagine that that is going to be a hugely controversial issue. We are talking about the Federal supplemental compensation authorization and unemployment compensation. This would certainly be a way, without having any drain on the Treasury, to provide some comfort for people that are dislocated and find themselves in a very unfortunate circumstance.

I will be very surprised if, in fact, there is any opposition. But I would be willing to accommodate the minority in any fashion that the manager of the bill sees fit.

Mr. PRYOR. Mr. President, once again, in regard to the amendment of the Senator from Indiana, I certainly cannot speak for our side on this particular issue. I would like to ask, respectfully, if the Senator from Indiana would temporarily set aside the amendment until our side has had an opportunity to examine the amendment.

Mr. QUAYLE. Mr. President, I ask unanimous consent that this amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 111

(Purpose: To provide that FSC shall not be denied to an individual in training)

Mr. QUAYLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

On page 234, after line 23, insert the following:

TRAINING

SEC. 404. Section 602 of the Federal Supplemental Compensation Act of 1982 is amended by adding at the end thereof the following new subsection:

"(g) The payment of Federal supplemental compensation shall not be denied to any recipient (who submits documentation prescribed by the Secretary) for any week because the recipient is in training or attending an accredited educational institution on a substantially full-time basis, or because of the application of State law to any such recipient relating to the availability for work, the active search for work, or the refusal to accept work on account of such training or attendance, unless the State agency determines that such training or attendance will not improve the opportunities for employment of the recipient.".

Mr. QUAYLE. Mr. President, this amendment deals with the Federal supplemental compensation benefits and allows a different procedure for whether an individual may be available for work.

Under present law, these beneficiaries are disqualified from benefits unless their retraining has been previously approved by the State employment security agency. As a matter of record, these agencies have rarely approved training courses unless the agency has itself arranged for the training.

Under my amendment beneficiaries would not be disqualified from benefits if they took training unless the State agency determined that the training would not improve the beneficiary's prospect of employment.

So we are reversing the process on determining whether an individual would be available for work. The emphasis is to try to get individuals to seek training instead of waiting.

At the request of the Department of Labor, I have included some modifications from my original amendment in order to prevent potential misuse of this provision. First, I have provided that the beneficiary, the person receiving unemployment compensation, must submit appropriate documentation, as will be prescribed by the Secretary, concerning his retraining so that the State agency will have adequate evidence on which to base its determination. Second, I have made the provision applicable only to retraining that is taken on a substantially full-time basis to prevent the possibility of someone being excluded from job search requirements just because he is taking training for 1 hour a week.

With these modifications, I understand that this amendment will be acceptable. Let me summarize. What we are doing is putting the burden on the employment security agency to determine that he is not receiving or she is not receiving adequate training. Right now the procedure is very cumbersome. Individuals find it very difficult at times, because of the administrative hurdles placed before them, to get certified that they are trying to receive training to enhance one's skills and, therefore, enhance one's employability.

I believe this amendment certainly is a step in the right direction. The employment security agency sees that the individuals are taking advantage of it or they do not provide proper certification, then, in fact, they would not be available for work and, therefore, they could not go ahead and seek this training.

Mr. President, I just want to emphasize one point. This amendment goes to what is going to be the second phase of the jobs bill. Later on tonight we are going to be debating the jobs bill. A number of people that supported that, including the Senator from Indiana, did that because it is a short-term solution. It is not a long-term solution. The Federal unemployment compensation is in there. It is a matter of dire necessity for every State, including my own, that we pass that.

But, beyond that, the real jobs legislation is not, first of all, going to mean economic recovery. Second, and this is the challenge that we have, how are we going to train and retrain our surplus labor in this country? How are we going to take those individuals that have been dislocated and displaced and match them up with future jobs? How are we going to take somebody that has been employed for a number of years and develop new skills and, therefore, new opportunities?

What this amendment does is to say: "Look, what we are going to do is encourage training and we are not going to deny benefits to somebody that is seeking proper training and trying to get ahead in life and to move a step forward."

It is not going to be open-ended because there is going to have to be certification. Just like under the GI program, certain certifications that if you were taking courses, to go ahead and you would be eligible for the GI program. This is the same requirement.

Once the individual shows that he or she is receiving training, then they are going to continue to get those unemployment benefits unless the agency determines that it is not going to enhance their employability.

I imagine, in most cases, they would not make that determination and, therefore, there would be a positive incentive and reward for those people to go out and to have training and there would not be a punitive liability or a disadvantage to those individuals where they would say, "Oh, no, you can receive training if you are going to continue to get your unemployment compensation."

Let us face it, if they can go ahead and receive that unemployment compensation and receive that training, they are going to be better off and the Nation is, too. So I hope that there will not be any dissent on this amendment.

It just reverses the present process. It has been printed in the RECORD. It has been discussed at the staff level. It has the administration's support and it should have the support of the entire Senate.

Mr. DOMENICI. Will the Senator yield for a question?

Mr. QUAYLE. I am glad to yield to my distinguished chairman.

Mr. DOMENICI. Mr. President, first, I wish to compliment the Senator for the amendment. I think it is an excellent one.

Who will make the determination as to whether or not the training or retraining enhances one's employability? Let me tell the Senator why I ask that

question. I have a pocket of unemployment attributable to copper mining. I have been down there a couple of times meeting with the working people. They told me that they are attempting to go to school there at the regional university and take the vocational course and that somebody at the State level made the determination that they qualified if they were learning to be a plumber but they did not qualify for unemployment if they were learning to be a carpenter. Will the amendment of the Senator change any burden of proof there?

Mr. QUAYLE. It certainly does. It changes the process, because under the current process your employment security agency sets up all of this criteria and then they have to fall into a certain category.

Under this amendment, the presumption, so to speak—and we will have to wait and see exactly how it will be carried out with the Secretary—the presumption is if they are certified and receive training, they are also certifying that they are going to elevate one's skills. There was a potential abuse we corrected.

Someone would say that maybe they will be able to certify they are only getting 1 hour a week and, therefore, that would not be right. So we put in substantially full-time employment; in other words, it has to be a basically full-time training that they are seeking. Therefore, once the employee or the recipient or beneficiary determines that they are going to enhance their employability, the burden of proof is now on the Department to say, "No, they are not."

Right now the Department can come up with arbitrary standards, as they have done in the Senator's State of New Mexico, and say if you do not do this you do not qualify. It simply reverses the process and reverses the presumption.

Mr. DOMENICI. I compliment the Senator. I ask him if I may be added as a cosponsor.

Mr. QUAYLE. Mr. President, I ask unanimous consent that the Senator from New Mexico (Mr. DOMENICI) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I thank the Senator.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, again, we are waiting for the distinguished Senator from Louisana (Mr. LONG) to come to the floor so he will have a chance to examine the amendment.

As I understand, the amendment has been modified, but it is still hard to determine that somebody is looking for work if they are in a training program.

I do not have any real objection, but I think it can be tightened up some more and we can do that in conference. However, I would want the distinguished Senator from Louisiana to clear the amendment.

The amendment that troubles me is the one the Senator has not offered yet. The more I heard about it, the less enthusiastic I am about the voucher. I would hope the Senator would not press that amendment. It is the same thing we have had hearings on, or essentially the same thing we have had hearings on, in the Finance Committee.

As I understand, there are still a number of questions to be resolved, and I would hope that we might delay that amendment for another time.

Mr. QUAYLE. Will the Senator yield?

Mr. DOLE. The Senator has not offered the amendment yet, but I understand he may do so. I just want to indicate I have no objection to the first two amendments. I feel after discussing the third amendment and learning more about it, I would prefer not to have to address that at this time.

The Senator is certainly at liberty to offer it.

Mr. QUAYLE. Let me tell the Senator that when we started out with the voucher proposal, there were a lot of people we had been working with who expressed the same concerns as the Senator from Kansas, that maybe we should not be doing that at this particular time, or they had certain questions on the amendment.

After working with particularly a number of people in the administration this past week and this week, the Department of Labor, the Department of the Treasury, and OMB have basically signed off on this amendment and they are now supporting it.

I would hope that we might be able to get the chairman of the Finance Committee, which has jurisdiction over this matter, as well as the Labor and Human Resources Committee, to work this out. Maybe as time goes on the Senator from Kansas might like this amendment that I would like to offer later on. It does have the support of the administration. I think it is a good amendment. Nobody really knows how these vouchers are going to work.

This is an extension of the Federal supplemental compensation. This is a good place to offer it. There may be some debate on it, and there may be some questions that we could answer. We have taken a considerable amount of time and contacted a lot of people who had a lot of reservations to begin with. We have made a lot of accommodations on it and believe it is really a good amendment.

Mr. DOLE. As I say, I just happened to focus on it, and it may not be fair to the Senator to say that because I have really not had a chance to examine it.

I would hope, as a matter of fact, that the Senator would not offer it at this time and that we would temporarily set aside the other two amendments until the Senator from Louisiana comes to the floor. I do not see any problem with those two.

Mr. QUAYLE. I appreciate the Senator's comments. The other two amendments were definitely not controversial, and this one should not be too controverisal. It may become a little controversial as we go on. I will certainly accommodate the chairman on that and work with him. I will also work with the ranking minority member as the evening goes on. We have the jobs legislation to pass yet tonight. Maybe by tomorrow we can get this worked out.

UP AMENDMENT NO. 112

I might say I do have an amendment which I believe has been worked out on all sides on section 1122. What I will do is offer that one, which I believe we have everyone signed off on, and then we can set those three aside as they are noncontroversial. Then when the Senator from Louisiana returns, we can perhaps accept those three en bloc.

Mr. DOLE. Mr. President, will the Senator describe the amendment which has been cleared all the way around?

Mr. QUAYLE. The amendment on section 1122 basically provides that on section 1122 hospital construction of over $600,000 they simply submit for review to the section 1122 agency or to the State planning agency. My original preference was to have an actual approval of the submission, but that received strong objections from a number of people.

What we are doing is simply submitting it for review.

I think everybody knows there is a tremendous question on health care costs. This issue is one which has been debated before. It is one that will continue to be controversial.

Under this amendment, which I believe has been worked out to the satisfaction of everybody, it is not going to be that noncontroversial. It is going to be simply amending section 1122 to provide for submission of the construction costs and capital expenditures of hospitals to either the section 1122 agency or the State planning agency.

I believe that amendment has been cleared, from what I have been told. If not, we will have to go back to work a little bit more, or we will just bring it up and debate it later sometime.

Mr. DOLE. The Senator from Kansas certainly has no objection. It may have been cleared at the staff level, but we do have to consult with the distinguished Senator from Louisiana. I do not see any problem at all with the third amendment offered. If it is satisfactory with the Senator, we

will set aside the three amendments and take up another noncontroversial amendment by the Senator from Montana.

UP AMENDMENT NO. 112

(Purpose: To make changes in the provisions of section 1122 of the Social Security Act relating to capital expenditures and planning)

Mr. QUAYLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. WILSON). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Indiana (Mr. QUAYLE) proposes an unprinted amendment numbered 112.

Mr. QUAYLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title III add the following new section:

SECTION 1122 AMENDMENTS

SEC. 308. (a) Section 1122(C) of the Social Security Act is amended by striking out "the Federal Hospital Insurance Trust Fund" and inserting "the general fund in the Treasury".

(b) Sections 1122(g) and 1861(z)(2) of such Act are each amended by striking out "$100,000" and inserting in lieu thereof in each instance "$600,000".

(c) Section 1122 of such Act is amended by adding at the end thereof the following:

"(j) A capital expenditure made by or on behalf of a health care facility shall not be subject to review pursuant to this section if 75 percent of the patients who can reasonably be expected to use the service with respect to which the capital expenditure is made will be individuals enrolled in an eligible organization as defined in section 1876(b), and if the Secretary determines that such capital expenditure is for services and facilities which are needed by such organization in order to operate efficiently and economically and which are not otherwise readily accessible to such organization.".

(c) Section 1861(z)(2) of such Act is amended by inserting "(A)" after "(z)" and by adding at the end thereof the following new subparagraph:

"(B) provides that such plan is submitted to the agency designated under section 1122(b), or if no such agency is designated, to the appropriate health planning agency in the State (but this subparagraph shall not apply in the case of a facility exempt from review under section 1122 by reason of section 1122(j));".

(d) The amendments made by this section shall apply only with respect to cost reporting periods beginning prior to October 1, 1986.

Mr. DOLE. Mr. President, I understand this is the amendment which the Senator from Indiana has just explained.

Mr. QUAYLE. Yes, and I have a further statement.

Mr. President, by the administration's own admission, there is a little more that needs to be done with regard to their medicare prospective payment legislation before it can really begin to make a dent on the rising cost of health care.

I believe that the proposed "pass through" for capital expenditures under the prospective payment proposal will stimulate unnecessary capital expenditures and defeat the cost containment objectives of the proposal. We must act carefully if we are to discourage capital expansion that has not demonstrated it is needed.

Medicare prospective payment offers an alternative to our present cost-based system, which has not provided incentives to hospitals to be efficient. Clearly, changes are needed in the way we pay for health care. While moving forward on a prospective payment system for hospitals is a step in the right direction, we should not take that step without attempting to link prospective payment systems with systems for restraining unnecessary capital expenditures.

As long as capital expenditures are passed through, there is the potential for the pass-through becoming a flood. Passing through capital costs will continue to inflate hospital costs because new capital expenditures will result in increased supply, utilization and cost. It is known that for every dollar invested in capital, it generates a 30-cent increase per annum in operating costs.

Not only does the current proposal allow for the unrestrained flow-thru of capital costs, it in fact will stimulate an already expensive component of health care cost escalation by encouraging hospitals to make new capital expenditures as quickly as possible. The administration is quite clear in stating that capital costs will eventually be included in prospective rates. Combined with the current pass through, it is an open invitation to invest now and build up a base of reimbursable debt before limits are placed on capital costs.

While I strongly support and recognize legitimate needs for capital expenditures, I also believe that a system which passes through new costs without checks and balances will pay for unneeded capital growth in the future. At a time in our Nation when funds are scarce, and in an industry that is volatile in its inflationary spiral, new capital expenditures should not be paid unless they have been carefully reviewed by the State to determine the need for, and affordability of, the proposed expenditures.

For this reason, I intend to offer an amendment to that portion of the social security bill that addresses the medicare prospective payment proposal.

My amendment will do several things: It will require hospitals to submit their 3-year capital expenditure plan to either a designated State planning or section 1122 agency.

My amendment will also raise the threshold in the current 1122 legislation from $100,000 to $600,000—expected expenditures over $600,000 will trigger the need for submission of the capital expenditure plan. In addition, section 1122C is amended to prevent medicare funds from being used to pay for any cost that the State may incur from implementation of 1122, rather the funds would be made available from the general revenues.

It is my feeling that these steps will insure that the States can continue to monitor the capital expenditures planned for their communities, and it is hoped the States will not approve those that are unnecessary.

Mr. President, I ask unanimous consent that the amendment be temporarily set aside with the other two Quayle amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 113

(Purpose: To modify certain provisions relating to the establishment of the Commission of independent experts)

Mr. BAUCUS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana (Mr. BAUCUS) proposes an unprinted amendment numbered 113.

Mr. BAUCUS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 137, line 1, strike out ", at least every five years" and insert in lieu thereof "from time to time, and at least every three years".

On page 137, line 6, strike out "adjustments to be made" and insert in lieu thereof "the need for adjustments".

On page 142, line 15, strike out "Commission of independent experts," and insert in lieu thereof "Prospective Payment Assessment Commission, composed of independent experts".

On page 142, line 17, strike out "to review" and insert in lieu thereof a comma and "which Commission, in addition to carrying out its functions under subsection (d)(4)(D), shall review".

On page 144, line 25, strike out "and" the first place it appears.

On page 145, line 1, strike out the period and insert in lieu thereof a comma and "and individuals having expertise in the research and development of technological and scientific advances in health care.".

On page 145, line 9, strike out "and".

On page 145, line 10, strike out "(iii)" and insert in lieu thereof "(iv)".

On page 145, between lines 9 and 10, insert the following new matter:

"(iii) national organizations representing manufacturers of health care products; and

On page 148, line 15, strike out "and".

On page 148, line 19, strike out the period and insert in lieu thereof a semicolon and "and".

On page 148, between lines 19 and 20, insert the following new matter:

"(iii) adopt procedures allowing any interested party to submit information with respect to medical and surgical procedures and services (including new practices, such as the use of new technologies and treatment modalities), which information the Commission shall consider in making reports and recommendations to the Secretary and the Congress.

Mr. BAUCUS. Mr. President, this is a technical amendment in fact, not in theory. It has been cleared all around. It is a clean amendment.

Essentially, it establishes in the medicare portions of the bill two minor changes in that portion of the bill which deals with the prospective payment assessment commission. In the bill, that commission is established to make sure that the DRG's and the beneficiary payments are adequate, neither excessive nor insufficient.

These two amendments are simple. One is to make sure that the DRG's are reevaluated every 3 years instead of every 5 years, and, second, to make sure the commission can draw on other groups in its membership.

That is what it is. It is clear. I thank the chairman for letting me introduce my amendment.

Mr. DOLE. Mr. President, I can state in this case that the amendment has been cleared. It is technical in nature. I think it is an improvement. I am prepared to accept the amendment. There is no objection on the other side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 113) was agreed to.

Mr. DOLE. I move to reconsider the vote by which the amendment was agreed to.

Mr. BAUCUS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 114

(Purpose: To require appropriations with respect to certain provisions of sections 143, 144, and 145)

Mr. HATFIELD. Mr. President, I send an amendment to the desk on behalf of Senator STENNIS of Mississippi and myself and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the Quayle amendment is laid aside.

The amendment of the Senator from Oregon will be stated.

The assistant legislative clerk read as follows:

The Senator from Oregon (Mr. HATFIELD) for himself and Mr. STENNIS, proposes an unprinted amendment numbered 114.

Mr. HATFIELD. Mr. President, I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 85, line 5, before the period insert ", to the extent provided in advance in appropriation Acts".

On page 85, line 13, before the period insert ", to the extent provided in advance in appropriation Acts".

On page 85, lines 16 through 19, strike out "There are hereby appropriated into such Trust Funds such sums as may be necessary to reimburse such Trust Funds for the amount of currently unnegotiated benefit checks.".

On page 87, lines 4 and 5, strike out "of the enactment of the Social Security Amendments of 1983" and insert "on which funds therefor are appropriated".

On page 87, line 9, strike out "not otherwise appropriated" and insert ", to the extent provided in advance in appropriation Acts".

Mr. HATFIELD. Mr. President, I wish to call the attention of the distinguished chairman of the Committee on Finance as well as other Members of the Senate to three troublesome provisions in the Finance Committee bill. These sections are 143, 144, and 145.

Section 143 of the committee bill appropriates "such sums as may be necessary" into social security trust funds to credit the amount of social security checks drawn on the Treasury but never negotiated. The committee report indicates that this provision would result in a one-time appropriation of about $800 million. Under present law, such uncashed checks benefit the Treasury, not the trust funds. Further, the bill gives the Secretary of the Treasury extremely broad and vague authority to continue to credit unnegotiated Treasury checks to the trust funds. The committee report indicates this would be done regularly.

Sections 144 and 145 provide lump sum appropriations to credit the trust funds with an amount equal to the anticipated costs of military wage credits. Reimbursement to the trust funds is currently provided annually in the general appropriation bill for the Departments of Labor, Health and Human Services, Education, and Related Agencies. The committee provision does not change the formula for calculating these credits, but rather accelerates payment of anticipated credits to the present, so that the trust funds receive a one-time transfer from general revenues estimated in the committee report at $18.4 billion.

I ask the chairman of the committee if he can inform us of the circumstances leading the committee to propose these extraordinary provisions.

Mr. DOLE. Mr. President, I thank the distinguished chairman of the Committee on Appropriations.

The extraordinary circumstances are simply the funding crisis facing the social security system. As the Senator knows, in 1981, the Congress permitted interfund borrowing to enable continued payments from the Federal old age and survivors insurance fund until Congress could work out a more durable solution to the OASI problem. The interfund borrowing authority expired in December 1982. We still face a serious funding shortfall, and the committee has endeavored to find funds for the system to prevent default in the near term. Sections 143 through 145 of our proposal would infuse the trust funds with a total of about $19.2 billion, within 30 days of enactment of the bill.

The system of annual appropriations for the military wage credits has worked well in the past, and will continue to be the vehicle for adjustments to these credits. However, the crisis facing the system led the committee, as well as the Bipartisan Social Security Commission, to recommend a one-time change in the existing system.

Regarding the crediting of uncashed social security checks to the trust funds, this has been a longstanding anomaly in this system. Since the checks are drawn from the trust funds, it is only logical and proper that the trust funds, not the general fund of the Treasury benefit if the checks are not negotiated.

Mr. HATFIELD. Mr. President, I thank the chairman for his remarks. I certainly support the chairman's efforts to insure the solvency of the social security system. While I personally oppose the direct appropriations in sections 143, 144, and 145, and believe that a budget amendment for these funds should be submitted by the President for action by the Appropriations Committees, I understand the importance of immediately assuring our senior citizens that their benefits are secure. Therefore, my amendment does not touch section 145, which will infuse the system with $13.2 billion within 30 days of enactment of this bill. Sections 143 and 144, however, add another $6.6 billion to the trust funds, and there is no reason why these funds could not be provided in the normal manner in my opinion. I wonder if the Senator from Kansas would respond to that observation.

Mr. DOLE. The Senator is correct. With the almost immediate funds the social security system will gain from section 145, there will be no harm in providing the funds made available by sections 143 and 144 in the fiscal year 1983 supplemental appropriation bill. Therefore, I have no objection to the Senator's amendment.

The Finance Committee believes that the Congress should adhere to the conventional authorization/appropriation process whenever possible.

Reluctantly, however, the urgency and high priority of the social security crisis led the committee to recommend the departure from the normal procedure embodied in these sections.

I might say as an aside that I certainly understand, as chairman of a major committee, the importance of playing by the rules. I can assure the distinguished chairman of the Appropriations Committee that we do not intend to depart from the normal procedure. It was done in this instance only because of the urgency of the matter. I urge the adoption of the amendment.

Mr. HATFIELD. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 114) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I shall yield to the Senator from Mississippi if he has some comments.

Mr. STENNIS. I thank the Senator.

First, Mr. President, I want to commend highly the Senator from Oregon, the chairman of our Committee on Appropriations, for the scrupulous and diligent way in which he follows through these special duties that he has to keep the bill clean of legislation and keep other bills in line, and for maintaining that principle for the Appropriations Committee.

I know this was all done in the utmost good faith by the legislative committee. Nevertheless, there just has to be a standard and we have to have someone who will follow it up and see that that standard is maintained. This might be just ordinary moving along and not important to some, but this goes to the very heart of the principles upon which we operate. I am very proud to see him, again and again, maintain this balance of requirements and get results.

I am delighted to support him in all this endeavor and in the amendments, each one of them.

I thank the Senator.

Mr. HATFIELD. I thank the Senator from Mississippi.

Mr. President, the Senator from Mississippi is a valuable member of our committee and has certainly been stalwart in maintaining the integrity of the appropriations process. I have always appreciated his willingness to do battle at times when it is necessary.

I would also like to call the attention of the chairman of the Finance Committee to section 339 of H.R. 1900, as passed by the House of Representatives. This provision establishes a joint study panel on the Social Security Administration (SSA) to determine whether SSA should become an independent agency. The panel is established under the direction of the Committee on Finance and the Committee on Ways and Means, and reports directly to the two chairmen.

While I do not want to take a position on whether such a study is needed, I do oppose the establishment of such a panel. The funding arrangement for the panel is most irregular. Section 339(b)(5) of H.R. 1900 appropriates "such sums as the chairmen of the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate shall jointly certify to the Secretary of the Treasury as necessary."

As the chairman knows, there are long-standing procedures in both Houses for expenditure of funds by congressional committees. In the Senate, these procedures include submission of an annual budget request by committees to the Rules Committee, and eventual adoption of specific funding levels for each committee by the full Senate. These expenses are then appropriated in an appropriation bill for the legislative branch. I see no reason to deviate from this procedure to establish such a panel. If such a study is essential, it can be funded through the normal process.

The Committee on Finance has not included a comparable provision in its amendment, and I would like to ask the chairman if he shares my deep reservations about this section.

Mr. DOLE. I do share the Senator's reservation, and as he pointed out the committee did not include a comparable provision in its bill. The Senate has adopted an amendment by the Senator from Pennsylvania (Mr. HEINZ) which calls for such a study but without the irregular funding arrangements called for in H.R. 1900. I certainly will work in the conference to assure that the House provision is not adopted.

Mr. HATFIELD. Mr. President, I want to thank the Senator for this colloquy because I think it is well to make the record at this point so everyone has a clear understanding of exactly what we are doing and to take the action before the fact so that if we run into problems later, then at least we will have done everything we can to make the system work.

I congratulate the Senator from Kansas for he has really undertaken a monumental task, and I am sure that it is a no-win situation because anybody and everybody can find something to pick at in this type of comprehensive package. Sure, I do not agree with every section of it or every idea expressed in it, but I am going to support the Senator from Kansas right down the line as much as I can because I think he has brought to the floor an important piece of legislation. I did not raise these issues to harass him or to create problems for an already overburdened person, but I do want to thank him for responding to these issues.

Mr. DOLE. If the Senator will yield, I certainly appreciated, as did the Senator from Mississippi, the Senator from Oregon raising these questions. They are real questions that should be dealt with and it is not the intent—as I indicated in the statement—it is only because of the extraordinary circumstances, but it should have been called to our attention by the Senate Finance Committee. For that I apologize, but at least the Senator was alert to it and we have made a record. We do not intend to violate the comity between committees and we will continue to operate in that fashion.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. COCHRAN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, it is my understanding that we were going to move on to the jobs bill, but I have now learned that they are not quite prepared to do that. There are a number of amendments that we would like to take up on the social security package in the meantime. I know the distinguished Senator from Michigan has an amendment, the Senator from Montana has two amendments, the Senator from New Hampshire has an amendment, the Senator from South Dakota (Mr. PRESSLER) has an amendment, the Senator from North Carolina (Mr. HELMS) has an amendment, the Senator from Kansas will have an amendment later, Senator LONG has two amendments.

I hope that would just about take care of most amendments. If there are Members within earshot, we might be able to squeeze in one more amendment while we are working out the final details on the jobs bill. It is still our hope that we could forge ahead this evening. It is still early. We would like to go to conference tomorrow afternoon on social security and bring the package back tomorrow night and finish up. That is probably not going to happen.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 115

(Purpose: To provide for the establishment of individual retirement security accounts)

Mr. HELMS. Mr. President, I have an unprinted amendment at the desk which I call up.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Indiana will continue to be set aside.

The amendment of the Senator from North Carolina will be stated.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an unprinted amendment numbered 115.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . (a)(1) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable against tax) is amended by inserting after section 44G the following new section:

"SEC. 44H. CONTRIBUTIONS TO INDIVIDUAL RETIREMENT SECURITY ACCOUNT.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 20 percent of the amounts contributed by the taxpayer to an individual retirement security account of the taxpayer during the taxable year.

"(b) LIMITATION.—The amount of any contributions taken into account under subsection (a) shall not exceed the amount of taxes paid by the taxpayer to the Federal Old Age and Survivors Insurance Trust Fund under section 3101 for the taxable year.

"(c) INDIVIDUAL RETIREMENT SECURITY ACCOUNT.—For purposes of this section, "the term 'individual retirement security account' shall have the meaning given to such term by section 130(c)(1).".

(2)(A) Subsection (b) of section 6401 of such Code (relating to excessive credit is treated as overpayments) is amended—

(i) by striking out "and 43 (relating to earned income credit)," and inserting in lieu thereof "43 (relating to earned income credit), and 44H (relating to contributions to individual retirement security account),", and

(ii) by striking out "39 and 43" and inserting in lieu thereof "39, 43, and 44H".

(B) Paragraph (2) of section 55(f) of such Code (defining regular tax) is amended by striking out "39 and 43" and inserting in lieu thereof "39, 43, and 44H".

(3) In prescribing the forms by which any individual liable for any tax imposed by subtitle A of the Internal Revenue Code of 1954 shall make a return for taxable years beginning after December 31, 1983, the Secretary of the Treasury shall ensure that any such individual who is eligible for a credit under section 44H of such Code may claim the credit allowable under such section on any such form.

(4) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting before the item relating to section 45 the following new item:

"Sec. 44H. Contributions to individual retirement security account.".

(5) The amendments made by this section shall apply to taxable years beginning after December 31, 1983.

(b)(1) Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 130 as section 131 and by inserting after section 129 the following new section:

"SEC. 130. INCOME FROM INDIVIDUAL RETIREMENT SECURITY ACCOUNT.

"(a) IN GENERAL.—Gross income does not include income which—

"(1) accrues on amounts contributed to an individual retirement security account, and

"(2)(A) remains in such account until the taxpayer attains age 62, or

"(B) is withdrawn from such account before the taxpayer attains age 62 for the purchase of life insurance, health insurance, or disability insurance for the taxpayer.

"(b) ACCOUNT EXEMPT FROM TAX.—Any individual retirement security account is exempt from taxation under this subtitle.

"(c) DEFINITIONS.—For purposes of this section—

"(1) INDIVIDUAL RETIREMENT SECURITY ACCOUNT.—The term 'individual retirement security account' means an account—

"(A) which is established by the taxpayer with a qualified fiduciary;

"(B) which by written agreement or applicable law provides that—

"(i) amounts may be withdrawn therefrom before the taxpayer attains age 62 only for the purposes specified in subsection (a)(2)(D), and

"(ii) the interest of the taxpayer in the balance of his account is not forfeitable; and

"(C) to which the taxpayer makes contributions, in order to ensure the taxpayer an adequate retirement income upon attaining age 62.

"(2) QUALIFIED FIDUCIARY.—The term 'qualified fiduciary' means a bank or other person who demonstates to the satisfaction of the Secretary that the manner in which he will administer the account will be consistent with the requirements of this section. An account shall not be disqualified under this paragraph merely because a person other than the fiduciary so administering the account may be granted, in the instrument creating the account, the power to control the investment of the account funds either by directing investments (including reinvestments, disposals, and exchanges) or by disapproving proposed investments (including reinvestments, disposals, and exchanges).".

(2) The amendments made by this section shall apply to taxable years beginning after December 31, 1983.

(c) Section 215 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(d)(1) For purposes of determining old-age and survivors insurance benefits based upon the wages and self-employment income of an individual with respect to whom contributions are made to an individual security retirement account, such primary insurance amount shall be reduced by an amount that bears the same ratio to such primary insurance amount (as determined without regard to this subsection) as the IRSA offset amount determined with respect to such individual bears to the present value of the OASI annuity amount determined with respect to such individual.

"(2) For purposes of this subsection—

"(A) The term 'individual retirement security account' shall have the meaning given to such term in section 130(c)(1) of the Internal Revenue Code of 1954.

"(B) The term 'IRSA offset amount' means, with respect to an individual described in paragraph (1), an amount equal to the sum of amounts—

"(i) contributed by such individual to the individual retirement security account established with respect to such individual, and

"(ii) taken into account for purposes of determing a credit allowed to such individual under section 44H of the Internal Revenue Code of 1954,

(compounded, for the period beginning with the date on which the return in which such credit was claimed was required to be filed and ending with the date on which such individual retires, by the social security yield rate determined with respect to such individual);

"(C)(i) The term 'present value of OAST benefit annuity amount' means an amount that would, if invested at a rate of interest equal to the rate of interest payable on United States Treasury bills at the beginning of the period of entitlement determined with respect to the wages and self-employment income of an individual, produced by the end of such period of entitlement, an amount equal to the amount of benefits which would be payable under section 202 on the basis of such wages and self-employment income (but for the application of paragraph (1)) for such period of entitlement.

"(ii) In determining the amount of benefits which would be payable for the period of entitlement determined with respect to the wages and self-employment income of an individual, the rate of the cost-of-living increase under subsection (i) for the cost-of-living computation quarter immediately preceding the beginning of such period of entitlement shall be assumed to apply to each base quarter in such period of entitlement.

"(D) The term 'period of entitlement' means, with respect to the wages and self-employment income of an individual described in paragraph (1), the period beginning with the date on which such individual retires and ending with the date on which such individual would attain the expectation of life (determined in accordance with the official life table and in accordance with the applicable provisions of this Act as in effect on the first day of such period).

"(E) The term 'social security yield rate' means, with respect to an individual described in paragraph (1), the rate of yield that, if earned on the OAST tax amount determined with respect to such individual, for the period beginning with the date on which such taxes were paid and ending with the date on which such individual retires, would produce an amount equal to the present value of the OASI benefit annuity amount determined with respect to such individual.

"(F) The term 'OASI tax amount' means with respect to an individual described in paragraph (1), the amount of taxes paid to the Federal Old-Age and Survivors Insurance Trust Fund with respect to such individual under sections 3101(a), 3111(a), and 1401(a) of the Internal Revenue Code of 1954 during the 80 highest quarters of coverage for such individual.

"(G) The term 'cost-of-living computation quarter' shall have the meaning given to such term in subsection (i)(1)(B).

"(H) The term 'base quarter' shall have the meaning given to such term in subsection (i)(1)(A).

"(I) The term 'quarter of coverage' shall have the meaning given to such term in subsection 213(a)(2).

"(J) The term 'official life table' means the life table for total persons in the United States that is prepared decennially by the National Center for Health Statistics for the 3-year period centering around the year of the decennial population census.".

Mr. HELMS. Mr. President, at the outset, let me pay my genuine respects to the distinguished Senator from Kansas, the chairman of the Finance Committee, and the members of the committee for the long and arduous work they have done in connection with this piece of legislation.

In particular, Senator DOLE, while carrying an enormous load in other legislative matters, has devoted an unbelievable amount of time to this bill, which is about to be concluded tonight.

Senator DOLE has said many times that the bill now before the Senate is not satisfactory to everybody. I hope I may be able to make a suggestion that will offer material improvement, particularly regarding the young people just entering the work force but important for all citizens participating in social security.

Mr. President, millions of Americans have waited patiently for Congress to come up with a plan to rescue social security. They watched as a 15-member, blue ribbon commission studied social security's funding problems and then offered a solution that fell pitifully short of its mark. While the panel's plan might or might not have bridged the $200 billion short-term deficit, it provided little relief for social security's whopping $2 trillion long-range debt.

Then Americans looked on as Members of Congress debated solutions to the system's long-term funding crisis. Members of the House recommended we solve the problem by making working men and women stay in the work force beyond the present retirement age. Still others suggested we reduce future benefits to our senior citizens or enact standby tax increases in excess of those contained in the bill before us now.

Mr. President, these patchwork efforts just will not work. Fundamental problems with social security remain unsolved. They cannot be patched. We will be deceiving ourselves—and the American people—if we do not face up to the seriousness of the social security crisis and offer something better than the reform bill now before us.

Population growth patterns show that fewer than two workers will be supporting each retired person early in the next century. Is there any wonder so many Americans have so little confidence in social security? A recent Washington Post-ABC News poll revealed that 66 percent of workers under 45—and 70 percent of those under 30—believe social security will not even exist when they retire.

I, for one, believe Americans deserve more than the present bankrupt retirement system, which is subject to the whims of politicians. That is precisely why I am offering this amendment—to provide working men and women a supplement to the present system. It would establish a new kind of private savings plan which I call an individual retirement security account (IRSA). Unlike social security, which is not really a retirement insurance and savings program at all, these new accounts would allow each working American to save and invest for his or her own retirement security. For the first time ever, there would actually be a trust fund.

Mr. President, I propose these accounts be set up in banks, savings and loans, and other lending institutions approved under the Treasury regulations. The capital pool created in the private sector by these accounts would provide an enormous stimulus to our economy. These IRSA's would encourage savings and investment, create jobs, help lower interest rates, and in the process restore strength and vitality to our economy.

Some Senators perhaps are thinking that IRSA accounts sound quite a bit like the present IRA accounts. Well, they are very similar. There are some important differences, however. Instead of the income tax deductions allowed individuals who set up IRA's, my amendment provides a tax credit to encourage IRSA's. The tax credit would equal 20 percent of the amount an individual invests in an IRSA, subject to a limit of 20 percent of the individual's payroll tax liability for that year.

There would be no limit on the amount that could be deposited in IRSA's. Interest, dividends, and capital gains accumulated in the IRSA's would be tax exempt, and annuities and withdrawals from it upon retirement anytime after age 62 would be tax free. Funds held in an IRSA account could be used tax free by a worker before age 62 to acquire life insurance, health insurance, or disability insurance. The individual could participate with his fiduciary in managing the IRSA as a fully funded individual retirement program.

Mr. President, I ask unanimous consent that a table be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

ESTIMATED IRSA PARTICIPATION AND INVESTMENT

[Dollar amounts in billions]

Year	Participation rate in IRSA's	Amount invested
1984	0.01	$0.894
1985	.03	3.072
1986	.07	7.802
1987	.10	12.050
1988	.13	16.926
1989	.16	22.432
1990	.19	31.037
1991	.24	42.288
1992	.30	57.000
1993	.38	77.900
Total		271.401

Mr. HELMS. Mr. President, the preceding table reflects the huge amounts of money that will be invested in the private sector at various rates of IRSA participation.

For example, let us assume that 1 percent of social security participants set up IRSA accounts in 1984; $894 million would be left in the economy for the creation of jobs and so forth.

If you will look down the table, 10 percent participation in 1987 would result in $12 billion left in the private sector. Go all the way down to 1993 and the total amount of money with 38 percent of the work force participating would be $271,401 million invested in the private sector.

For those who do not have a calculator handy the total amount invested over the next decade would be in excess of $271 billion, which is one whale of a lot of money.

Mr. President, sooner or later, a plan such as the one I am proposing is going to be made mandatory in this country because as fewer and fewer workers support more and more retirees the system we now have will simply fold under the financial strain.

My plan, however, is completely voluntary, and I simply want to offer these IRSA's to the working men and women of this country as a supplement to social security.

Let me emphasize they certainly are not mandatory and more importantly they do not take one penny away from the payroll taxes so vital to the present beneficiaries.

Mr. DOLE. Mr. President, as I have indicated earlier, and I cannot remember which day—we have been on this bill sort of off and on—the distinguished Senator from North Carolina, Senator HELMS, was kind enough to come before our committee and discuss what I consider to be a very innovative idea and then he discussed it later in the Chamber when he offered his proposal, and now this is the so-called IRSA part of his total package. As the Senator pointed out earlier about 11 of the 20 provisions in the Senator's bill have now become a part of the package before the Senate. So there is more than 50 percent of what the Senator was trying to achieve in

the package. The ERISA concept would provide some additional capital for the private sector. There is some question as to how many people will contribute to an IRSA if it will reduce their social security benefits.

As I understand the statement just made by the Senator from North Carolina it is intended to be supplemental.

Mr. HELMS. That is correct.

Mr. DOLE. Whether or not that would have any reduction the Senator from Kansas is not certain from a cursory reading of the amendment.

The problem that concerns the Senator from Kansas is whether or not there is any revenue impact, and we have not had an opportunity with the joint committee to make any revenue estimates. Maybe the Senator from North Carolina has some estimate.

Mr. HELMS. I do. If the Senator will yield, I perhaps moved too rapidly in putting too much in the RECORD, but it depends on how you look at it.

I choose to look at it from the standpoint of what this will generate in the private sector of our economy.

To answer the Senator's question, for fiscal 1984 it would cost $179 million. That is assuming 1-percent participation.

Mr. DOLE. That would be a credit, as I understand, against taxes, so it would be a loss to general revenues, if there is 1-percent participation. If participation were higher, say, the loss would be greater, but on the other hand the benefits that might offset a greater portion of that loss.

Mr. HELMS. Yes.

Mr. DOLE. Again, I do not know how far the Senator from North Carolina wishes to press the amendment. I would hope that he would permit us to continue to explore the possibility. It makes a great deal of sense, and the Senator from Idaho, I might add, has somewhat similar provisions that he has discussed and what we have done in that case, which we can also do in this case if it would satisfy the Senator from North Carolina, is to ask the Treasury Department and the Social Security Administration to take a look at this new concept and give us some definitive response within 6 to 9 months to determine whether or not this might be a good supplemental program because, as pointed out by the Senator before our committee and again in the Chamber tonight, this will provide opportunities not now available to those who will be retiring down the road.

I do not know whether the Senator wishes to have a vote on the amendment tonight or whether we can accommodate him in some other way.

Mr. HELMS. I want to work with the Senator from Kansas in any possible way.

Let me just say for the RECORD that whereas our calculations are that it will cost $179 million in 1984 with that 1-percent-assumed participation, the total of $894 million left in the private sector would, I think, more than offset that in terms of generating jobs.

Mr. DOLE. Mr. President, if the Senator will yield, I think the strength of the idea is that it would cause people to take more of an interest in their own retirement.

Mr. HELMS. The Senator is correct.

Mr. DOLE. I assume that more responsibility and more concern are probably the underlying bases for the amendment.

Again, I am not prepared to accept the amendment. I am certainly willing to work with the distinguished Senator from North Carolina. It is a good idea. If we could have some time I am willing to request the Treasury and any other appropriate agency to take a look at title I of the Senator's amendment and to give us some response as far as costs, what they think what percent of people might use it, what the impact might be on retirement, might be on individuals, and how it mixes with the private pension plans as well as the social security program and any other thing that the Senator thinks we might want to include in that request, and we are certainly most willing to do that.

Mr. HELMS. I think that is a good idea and I express my appreciation to the Senator from Kansas.

Let me make this suggestion: that his staff, and mine, and perhaps the staff of Senator SYMMS, because he is also interested in it, consider the production of a package of a number of things and submit them to the Senator. Then he can proceed with the Treasury Department. We can eliminate what is not workable, and pick it up from there. With that understanding, I would see no point in having a rollcall. I would rather work with the Senator because I know of his interest in trying to free this incentive for a private retirement system.

Mr. DOLE. I might say to the Senator there is a great deal of interest in our committee and pretty widespread in the Senate on both sides of the aisle in trying to beef up the IRA program, and this is another aspect you might consider. Our problem is where we find the revenue to offset the loss if we do that. But the Senator from Kansas is willing to do whatever he can because it is a good idea and it should be explored.

Mr. HELMS. All right.

Mr. DOLE. And it will be explored.

Mr. HELMS. Mr. President, I thank the Senator from Kansas. He is always thoughtful and always helpful, and I think we might be onto something, as the saying goes. Let us work in that direction.

With that in mind and with that understanding, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. DOLE. I thank the Senator from North Carolina.

UP AMENDMENT NO. 116

(Purpose: To index the base amount for the taxation of social security benefits)

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Indiana is temporarily set aside. The clerk will report.

The bill clerk read as follows:

The Senator from New Hampshire (Mr. HUMPHREY) proposes an unprinted amendment numbered 116.

Mr. HUMPHREY. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 59, strike out lines 4 through 14, and insert in lieu thereof the following:

"(c) BASE AMOUNT.—For purposes of this section—

"(1) IN GENERAL.—The term 'base amount' means—

"(A) except as otherwise provided in this paragraph, $25,000,

"(B) $32,000, in the case of a joint return, and

"(C) zero, in the case of a taxpayer who—

"(i) is married at the close of the taxable year (within the meaning of section 143) but does not file a joint return for such year, and

"(ii) does not live apart from his spouse at all times during the taxable year.

"(2) INDEXING ADJUSTMENT.—

"(A) IN GENERAL.—The base amount which applies for any calendar year beginning after December 31, 1984, shall be the amount determined under paragraph (1), adjusted by the appropriate index factor for such year.

"(B) INDEX FACTOR.—For purposes of subparagraph (A), the index adjustment factor for any calendar year shall be equal to the wage adjustment for such year.

"(C) WAGE ADJUSTMENT DEFINED.—For purposes of this paragraph, the 'wage adjustment' for any calendar year is the percentage (if any) by which—

"(i) the average of the total wages for the preceding calendar year, exceeds

"(ii) such average for 1983.

"(D) DETERMINATION OF AVERAGE OF TOTAL WAGES.—For purposes of subparagraph (C), the average of the total wages for any calendar year shall be the average determined—

"(i) for the 12-month period ending on September 30 of such calendar year, and

"(ii) in the same manner as such average is determined for purposes of section 215(b)(3)(A)(ii) of the Social Security Act.".

Mr. HUMPHREY. Mr. President, as my colleagues know, the social security bill before the Senate contains a provision taxing social security benefits. The Finance Committee has constructed a system of thresholds above which beneficiaries will find their social security benefits, half of the benefits, subject to taxation. Those thresholds chosen by the Finance

Committee are $25,000 for a single taxpayer or $32,000 on a joint return.

Completely divorced from the issue of the equity of taxing social security benefits is the matter of the thresholds themselves. This Senator has serious doubts at these relatively low levels of $25,000 to $32,000 that they represent an equitable threshold but even apart from that contention, Mr. President, I know a good number of my colleagues share the concern that because these thresholds are not indexed to inflation, in the language of the bill, that over a period of years, as inflation occurs, as undoubtedly it will, although we hope very much it will be at negligible levels, social security recipients and more and more recipients will be boosted above the thresholds and find their social security benefits subject to this taxation.

Mr. President, I have constructed a table which I have distributed to my colleagues showing the effect of inflation on the thresholds. This table makes a very modest assumption that inflation will average 4 percent per year over the next 10 years. I think we will count ourselves lucky if inflation remains that low over that span of time. But just basing it on the conservative projection of inflation at 4 percent per year, the $25,000 threshold for single taxpayers is reduced to $16,892 over a 10-year period. That is expressed in 1984 dollars. So it will go from $25,000 to $16,892 expressed in 1984 dollars, and the $32,000 joint income go—joint return threshold will be reduced in value—to $21,622 in 1984 dollars.

This is a very substantial erosion obviously of the value of the threshold, and the upshot will be, of course, that many, many more social security beneficiaries will find their benefits taxed than anticipated by the Finance Committee.

We see the social security equivalent of bracket creep at work in the chart which I have constructed.

I know the Finance Committee will object to the amendment on the grounds that it would cost the Treasury some billions of dollars, I believe the figure the committee cites is about $4 billion if the Senate adopts the Humphrey amendment to index these thresholds.

I suggest to my colleagues that whether the figure of lost revenue is $4 billion or some other figure, higher or lower, those are ill-gotten dollars because they will be gained through, you might say, bracket creep in the social security system.

There are many who consider the taxation that occurs through raising of taxes, that occurs through bracket creep, to be a dishonest form of raising taxes and many say if Congress wants to raise greater tax revenues, it ought to have the courage to increase tax rates or tax increases directly and not permit bracket creep to work secretly, silently, and viciously. That is a great argument and that is why the Congress adopted indexation of the tax rates, IRS tax rates, for 1985, and that is why the President, including many others, including the chairman of the Finance Committee, I believe, are committed absolutely to retaining tax indexation as part of the President's tax package.

I wholeheartedly support them in that, and it is only fair to agree if we want to raise taxes we ought to have the courage to do it up front and in a straightforward fashion.

Likewise we should not seek to raise taxes through taxation of the social security benefits through the means of bracket creep and that is precisely what will occur if the Senate does not by some means or other index the tax on social security benefits. That is what the Senator from New Hampshire wants to do is to index the amounts so they will retain the value assigned to them by the Finance Committee in 1983.

Without indexation, as I have pointed out, the value of this threshold will steadily decline and more and more taxpayers of modest means, not well-to-do by any stretch of the imagination, but more and more taxpayers of modest means, will find their social security benefits subject to taxation.

Mr. President, I believe the amendment speaks for itself. It is simple, it is clear, it is a matter of fairness and equity, and a matter of doing things up front and straightforwardly, and I would urge my colleagues to adopt the amendment, and I will ask for the yeas and nays at this point, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HUMPHREY. I will relinquish the floor at this point, Mr. President.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, I want to thank the Senator from New Hampshire for bringing up this amendment. I just hope it does not pass. I know precisely what the amendment does. It is something we considered in the Commission, but as with all these other great ideas floating around, they cost a great deal of money. This one costs about $6 billion between now and 1989 and I understand about $4.2 billion every year thereafter.

Mr. HUMPHREY. Will the Senator from Kansas yield for a question at that point?

Mr. DOLE. Yes.

Mr. HUMPHREY. Let me back up. Is it not correct that the Senator from Kansas, along with the President, supports retaining indexation of the IRS tax brackets?

Mr. DOLE. Yes; I view that a little differently. Yes; I strongly support indexing.

Mr. HUMPHREY. Yes; I am glad to hear that and I find my understanding reconfirmed.

Does not the Senator from Kansas agree that any—the Senator from Kansas contends this amendment will result in a loss of revenue but is that revenue to be lost, is that not ill-gotten revenue in that it results from bracket creep with respect to these thresholds?

Mr. DOLE. You mean we lose revenue?

Mr. HUMPHREY. Yes; the committee contends in its opposition to this amendment that we will lose some billions of dollars in revenue and I do not count that is so, that revenue lost is ill-gotten revenue because it is derived from the bracket creep.

Mr. DOLE. Let me say to the Senator from New Hampshire so far as indexing the Tax Code the Senator from Kansas and the Senator from Colorado and the Senator from New Hampshire, and I hope the majority of the Senate, will do all we can to retain indexing starting in 1985. But again I do not see that as parallel to this.

Second, if, in fact we find that inflation is based on the Senator's "Dear Colleague" letter, and I do not quarrel with that, if it moves that quickly, we can adjust the threshold for inflation, and we can do it without risk to the trust funds.

Again, it is a matter we discussed. It is not a matter we did not think of in the Commission. In fact, as I recall, maybe the Senator from Kansas raised it in the Commission hearings, and other Senators did also. So when we got all finished up and added up how much revenue we were going to have between now and 1999 and how much we were going to need, we did not have any more room. And whether it is $6 billion in the next 5 years and then $4.2 billion a year, I think it is a matter of some concern.

That does not suggest if we have more money in the trust fund we could not index the thresholds. Very honestly, there are some, this Senator not included, who believe there should not be any thresholds, that you should tax the benefits period. That is not the view of the Senator from Kansas.

So again I am sympathetic with the amendment. But if we index the threshold we will have to make payroll taxes or cut benefits to make up the difference. So I think we have a choice. If we want to index the threshold, which is probably maybe a good idea down the road, but I do not believe it is a good idea now, then we have to be prepared.

I hope the Senator would be willing to offer another amendment which would either raise taxes or cut benefits

to pay for it, because we really are in a tight bind.

I do not quarrel with the Senator from New Hampshire. I think it is a great idea—do not misunderstand me—but we are just not prepared to do anything about it because we are out of money.

Mr. HUMPHREY. If the Senator would yield, of course he is aware, in the event the trust fund falls below a certain floor, that a mechanism comes into play that will reduce COLA's cost-of-living allowances, for beneficiaries while holding safe lower income, that is social security benefits with a lower range of values. So it is not absolutely correct to say that passage of this amendment is going to result in some kind of crisis because that COLA mechanism will come into play.

Mr. DOLE. I say to the Senator, he is correct. But I would also say when we adopted these fail-safe provisions, we were under the impression in our committee there would not be indexing of the threshold. Had we provided indexing of the threshold, we might have provided another fail-safe mechanism. The fact that we index the rate structure does not mean that we index every fixed dollar amount in the Tax Code.

I know the Senator wants a vote on this amendment. I hope we can persuade him not to have a vote. He is certainly entitled to a vote. It is an idea that deserves consideration and I appreciate the Senator offering it. I only wish we could accept it.

Mr. HUMPHREY. Mr. President, to conclude, briefly, let me state that I am perfectly willing to stack the vote or to handle it in whatever way it is convenient to my colleagues.

I find myself, unfortunately, in disagreement with the Senator from Kansas. Any revenue loss attributed to this amendment would be revenue dishonestly gained in the view of this Senator because it will result from bracket creep. It will result from more and more taxpayers of modest income finding their social security benefits taxed.

As I pointed out, my table shows that with a 4-percent rate of inflation, which is modest, the $25,000 threshold would fall in value to $16,892 over 10 years, expressed in 1984 dollars; the $32,000 threshold will fall to $21,622. So more people will find their benefits taxed. Tax revenues will rise, of course, because of that, but those will be ill-gotten gains and not straightforwardly secured type of revenues. So it is a simple matter of equity, especially in light of the taxation of IRS tax brackets which should apply the same mechanism to these thresholds.

Mr. President, if the leadership wishes, I would be happy to stack the vote.

Mr. BAKER. Mr. President, if the Senator would yield to me, I think we are ready to vote. I believe that after this vote we will indeed be ready to go to the jobs conference report.

So if the Senator from New Hampshire wishes to vote, I have no objection to doing it at this time. I appreciate his offer, however.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment of the Senator from New Hampshire (Mr. HUMPHREY). The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Alabama (Mr. DENTON), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I further announce that, if present and voting, the Senator from Alabama (Mr. DENTON) would vote "nay."

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 22, nays 74, as follows:

[Rollcall Vote No. 43 Leg.]

YEAS—22

Abdnor	Garn	Nickles
Armstrong	Hatch	Roth
Biden	Hawkins	Rudman
Boschwitz	Heflin	Symms
Bradley	Helms	Trible
D'Amato	Humphrey	Wilson
DeConcini	Mattingly	
East	McClure	

NAYS—74

Andrews	Hart	Murkowski
Baker	Hatfield	Nunn
Baucus	Hecht	Packwood
Bentsen	Heinz	Pell
Bingaman	Hollings	Pressler
Boren	Huddleston	Proxmire
Bumpers	Inouye	Pryor
Burdick	Jackson	Quayle
Byrd	Jepsen	Randolph
Chafee	Johnston	Riegle
Chiles	Kassebaum	Sarbanes
Cochran	Kasten	Sasser
Cohen	Kennedy	Simpson
Danforth	Lautenberg	Specter
Dixon	Laxalt	Stafford
Dodd	Leahy	Stennis
Dole	Levin	Stevens
Domenici	Long	Thurmond
Durenberger	Lugar	Tower
Eagleton	Mathias	Tsongas
Exon	Matsunaga	Wallop
Ford	Melcher	Warner
Glenn	Metzenbaum	Weicker
Gorton	Mitchell	Zorinsky
Grassley	Moynihan	

NOT VOTING—4

Cranston	Goldwater
Denton	Percy

So Mr. HUMPHREY's amendment (UP No. 116) was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENTS NOS. 110 AND 112

The PRESIDING OFFICER. The Senator from Indiana.

Mr. QUAYLE. Mr. President, under a unanimous-consent agreement, there are three Quayle amendments that have been temporarily laid aside pending the return of the Senator from Louisiana to try to get his agreement. He has returned. We have an agreement on two of the three amendments. I ask unanimous consent that the first and third Quayle amendments, one dealing with IRA and one dealing with section 1122, be considered en bloc.

The PRESIDING OFFICER (Mr. JEPSEN). Is there objection?

Mr. DOLE. Mr. President, as I understand, that is the IRA amendment and the medicare amendment.

Mr. QUAYLE. The Senator is correct.

The PRESIDING OFFICER. Is there objection?

Without objection it is so ordered.

Mr. QUAYLE. I move adoption of the amendments en bloc.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments (UP No. 110 and UP No. 112) were agreed to en bloc.

Mr. QUAYLE. I move to reconsider the vote by which the amendments were agreed to en bloc.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I yield to the distinguished Senator from Kansas.

Mr. DOLE. Mr. President, there have been some questions by Senators on the two amendments adopted. They were discussed earlier. They were laid aside temporarily so they could be checked with the distinguished Senator from Louisiana. He had the conversation with the distinguished Senator from Indiana and two of the three were cleared. There is still one pending.

Mr. President, I ask unanimous consent to have the following materials printed in the RECORD: A list of members of the National Commission on Social Security Reform and a brief statement of their past accomplishments, a brief summary of the activities of the Commission, a supplementary statement on the long-range financing of the social security program which was made jointly by eight other members of the Commission and this Senator, the supplemental views of this Senator and Congressman CONABLE, and a list of the staff members of the Commission.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

APPOINTED BY THE PRESIDENT

Alan Greenspan, Chairman—Chairman and President, Townsend-Greenspan and Company, New York, NY. Dr. Greenspan is a distinguished economist and a former Chairman of the Council of Economic Advisers (under President Ford).

Robert A. Beck—Chairman of the Board and Chief Executive Officer, Prudential Insurance Company of America, Newark, NJ. (the largest insurance company in the country). Mr. Beck has played an important role in developing the position on the Social Security program of the Business Roundtable and other important business groups.

Mary Falvey Fuller—Management Consultant, San Francisco, CA. (Ms. Fuller was a member of the 1979 Advisory Council on Social Security).

Alexander B. Trowbridge—President, National Association of Manufacturers, Washington, DC. Mr. Trowbridge was Secretary of Commerce under President Johnson.

Joe D. Waggonner, Jr.—Consultant, Bossier Bank and Trust Company, Bossier City, LA. Mr. Waggonner was a Member of Congress from Louisiana in the 87th to 95th Congresses and was active in Social Security legislation, as a member of the Committee on Ways and Means.

APPOINTED BY THE MAJORITY LEADER OF THE SENATE, IN CONSULTATION WITH MINORITY LEADER

William Armstrong—Senator from Colorado and Chairman of the Subcommittee on Social Security, Committee on Finance.

Robert Dole—Senator from Kansas and Chairman of the Committee on Finance.

John Heinz—Senator from Pennsylvania and Chairman of the Special Committee on Aging and a member of the Committee on Finance.

Lane Kirkland—President, American Federation of Labor-Congress of Industrial Organizations. Mr. Kirkland has, for many years played an active role in the development of Labor's position on Social Security.

Daniel Patrick Moynihan—Senator from New York and Ranking Minority Member of the Subcommittee on Social Security, Committee on Finance.

APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, IN CONSULTATION WITH THE MINORITY LEADER

William Archer—Representative from Texas and Ranking Minority Member of the Subcommittee on Social Security, Committee on Ways and Means.

Robert M. Ball—Visiting Scholar, Center for the Study of Social Policy, Washington, DC. Mr. Ball was Commissioner of Social Security in 1962-73 and held various positions with the Social Security Administration during the preceding 25 years.

Barber Conable—Representative from New York and Ranking Minority Member of the Committee on Ways and Means.

Martha E. Keys—Director of Educational Programs, The Association of Former Members of Congress, Washington, D.C. Ms. Keys was a Member of Congress from Kansas, in the 94th and 95th Congresses and, as a Member of the Committee on Ways and Means, was active in Social Security legislation. Assistant Secretary of Health and Human Services, 1980-81.

Claude D. Pepper—Representative from Florida and currently Chairman of the Committee on Rules. Previously, he was Chairman of the House Select Committee on Aging and formerly was a Senator from Florida.

SUMMARY OF ACTIVITIES OF COMMISSION

On December 16, 1981, President Reagan promulgated Executive Order 12335, which established the National Commission on Social Security Reform. The National Commission was created as a result of the continuing deterioration of the financial position of the Old-Age and Survivors Insurance Trust Fund, the inability of the President and the Congress to agree to a solution, and the concern about eroding public confidence in the Social Security system.

The Executive Order provided that the National Commission should:

". . . review relevant analyses of the current and long-term financial condition of the Social Security trust funds; identify problems that may threaten the long-term solvency of such funds; analyze potential solutions to such problems that will both assure the financial integrity of the Social Security System and the provision of appropriate benefits; and provide appropriate recommendations to the Secretary of Health and Human Services, the President, and the Congress."

In carrying out its mandate, the National Commission met ten times, on approximately a monthly basis. Because of the brevity of the time in which to complete its work, the National Commission held no public hearings. However, it reviewed the results of the many hearings, studies, and reports of other public bodies, including Congress, the 1979 Advisory Council on Social Security, and the 1981 National Commission on Social Security. The National Commission on Social Security Reform sought the advice of a number of experts and thoroughly examined a wide variety of alternative approaches.

The Commission agreed that there was a financing problem for the Old-Age, Survivors, and Disability Insurance program for both the short run, 1983-89 (as measured using pessimistic economic assumptions) and the long range, 1983-2056 (as measured by an intermediate cost estimate) and that action should be taken to strengthen the financial status of the program. The Commission recognized that, under the intermediate cost estimate, the financial status of the OASDI program in the 1990's and early 2000's will be favorable (i.e., income will significantly exceed outgo). The Commission also recognized that, under the intermediate cost estimate, the financial status of the Hospital Insurance program becomes increasingly unfavorable from 1990 until the end of the period for which the estimates are made.

The Commission studied a large number of options that would solve the financing problems of the Social Security program, both short-range and long-range. These are summarized in some 55 pages of its report.

The Commission was able to reach a consensus for meeting the short-range and long-range financial requirements, by a vote of 12 to 3.

The members of the Commission voting in favor of the "consensus" package agreed to a single set of proposals to meet the short-range deficit. They further agreed that the long-range deficit should be reduced to approximately zero. The single set of recommendations would meet about two-thirds of the long-range financial requirements. Seven of the 12 members agreed that the remaining one-third of the long-range financial requirements should be met by a deferred, gradual increase in the normal retirement age, while the other 5 members agreed to an increase in the contribution rates in 2010 of slightly less than ½ percent of covered earnings on the employer and the same amount on the employee, with the employee's share of the increase to be offset by a refundable income-tax credit.

A more complete description and rationale for the solution of the long-range financing problem supported by the Senator from Kansas is presented in the next section. The second following section gives an overall statement of the achievements of the Commission, as developed jointly by Congressman Conable, a member of the Commission and the Senator from Kansas.

STATEMENT ON MEETING THE LONG-RANGE FINANCING REQUIREMENTS BY COMMISSIONERS ARCHER, BECK, CONABLE, DOLE, FULLER, GREENSPAN, HEINZ, AND TROWBRIDGE [1]

The recommendations made in the "consensus" package fail to meet the long-range goal of providing additional financing equivalent of 1.8 percent of taxable payroll. The shortfall is an estimated .58 percent of taxable payroll. We believe that this should be derived by a delayed, slowly phased-in increase in the "normal" retirement age (the age at which unreduced retirement benefits are available to insured workers, spouses, and widow(er)s—which is age 65 under present law).

The major reasons for this proposal are:

(1) Americans are living longer.

(2) Older workers will be in a greater demand in future years.

(3) The disability benefits program can be improved to provide cash benefits and medicare to those between age 62 and the higher normal retirement age who, for reasons of health, are unable to continue working.

(4) Because the ratio of workers to beneficiaries is projected to decline after the turn of the century, younger generations are expected to pay significantly increased taxes to support the system in the 21st century. An increase in the normal retirement age will lessen the increase.

(5) Given sufficient notice, coming generations of beneficiaries can adjust to a later retirement age just as earlier generations adjusted to age 65.

Although we believe that greater action in this direction may be desirable, we are suggesting only enough change to produce approximately the needed .58 percent of taxable payroll. The recommended change would apply only to the normal retirement age. Early-retirement benefits would continue to be available beginning at age 62 for insured workers and spouses and at age 60 for widows and widowers, but the actuarial reduction factors would be larger. The minimum age for eligibility for medicare benefits would continue to be the "normal" retirement age for OASDI benefits. Disability benefits are now available under somewhat less stringent definitions for those aged 60-64. However, because some workers, particularly those in physically demanding employment, may not benefit from improvements in mortality and be able to work longer, we assume that the disability benefits program will be improved prior to the implementation of this recommendation to take into account the special problems of those between age 62 and the normal retirement age who are unable to extend their working careers for health reasons.

Under our proposal, the normal retirement age would be gradually increased—one

[1] Source: Report of the National Commission on Social Security Reform, January 1983.

month each year—to age 66 in 2015, beginning the phase-in with those who attain age 62 in 2000. Beginning with those who attain age 62 in 2012, the normal retirement age would be automatically adjusted (on a phased-in basis) so that the ratio of the retirement-life expectancy to the potential working-lifetime (from age 20 to the "normal" retirement age) remains the same over the years as it was in 1990. The estimated long-range savings of this proposal is 0.65 percent of taxable payroll.

ADDITIONAL VIEWS OF SENATOR ROBERT J. DOLE AND CONGRESSMAN BARBER B. CONABLE, JR.

When the National Commission of Social Security Reform was created on December 16, 1981, few people had real confidence in what the commission could accomplish. And little wonder. For the better part of a year, social security had been embroiled in political controversy. The system moved closer to insolvency as proposals for financial reform were subjected to partisan political attack. The 15 selected as commission members, moreover, embodied widely divergent views. At least to outsiders, these members probably seemed incapable of reaching any true bi-partisan consensus.

In the last several days, the commission accomplished what some said was impossible. With the cooperation and approval of President Reagan and House Speaker O'Neill, the commission forged a consensus reform package with broad bipartisan support. As detailed earlier in this report, the package is designed to close the short-term deficit identified by the commission, and go a long way toward closing the long-range deficit. It requires concessions from all of the parties who have a stake in social security—current and future beneficiaries, taxpayers, and government employees who do not now contribute to the system. While no one member is happy with every specific recommendation, the important fact is that a consensus was reached on how to save the system. The bipartisan reform package, which we plan to introduce into the Senate with Senators Heinz, Moynihan, and others, and into the House, merits speedy Congressional action.

Agreeing on the essential provisions of a social security solution was by no means the only accomplishment of the commission. It should be noted that the commission reached unanimous agreement on the size of the short- and long-term deficits in the social security cash benefit programs (old-age and survivors insurance and disability insurance). That is, in concrete dollar terms, the commission quantified the seriousness and the urgency of the financing problem. In our judgment, $150-$200 billion is the amount required to keep the system (excluding medicare) solvent through 1990. Over the very long term, the next 75 years, the needs of the system amount to about $25 billion a year (in 1983 dollar terms) over and above currently scheduled tax income. Only a year ago, partisan lines were drawn between those who did and did not believe there was any financing problem at all before the year 2000.

In addition, the National Commission provided a valuable forum for the diverse views on social security. With the able leadership of Chairman Alan Greenspan and with the expert assistance of Executive Director Robert Myers, members of both political parties were able to work together in studying the social security financing problem and options for financial reform. The interests of the elderly, organized labor and business, and the general taxpayer were all well represented. In recent weeks, we engaged in intensive negotiations which were, to a large extent, absent of the political partisanship that so seriously damaged efforts for responsible reform in 1981.

Finally, we believe the commission's recommendations are significant in that they narrowed the range of realistic options for closing the deficits. Realistic options were not judged to include, nor was there any support for, proposals to reduce or eliminate benefits for people now on the rolls. Options under consideration involved restraining the growth of benefits in future years and providing additional financing through some form of revenue increase. Current and future beneficiaries should be reassured by the unanimously held view that social security is an important and vital program that must be preserved.

With these accomplishments under our belts, we in Congress are in a strong position to hammer out the details of legislation in the early months of the 98th Congress. The expiration of interfund borrowing and the likely inability of the retirement program to pay full benefits in July make prompt action essential.

The financing problem

While the commission report accurately reflects the size of the social security financing problem, perspective may be provided by some additional facts. Most importantly, without prompt Congressional action, the social security retirement program will not be able to pay benefits on time beginning in July. In fact, were it not for "interfund borrowing," authorized by Congress in 1981 to permit the reserves of each social security trust fund (old age and survivors insurance, disability insurance, and hospital insurance) to be used to help pay benefits from another, the retirement program would have stopped meeting its monthly payments on time two months ago. With the authority for interfund borrowing now expired (as of December 31, 1982), July is when all of the money borrowed from the other two trust funds—$17.5 billion in total—finally runs out.

Reauthorizing interfund borrowing can not help the retirement program for long. The retirement program is so large—accounting for 73 percent of all social security spending—and its borrowing demands are so heavy, the rest of the system could be insolvent before the year is out. The Social Security Board of Trustees, the Congressional Budget Office, and a wide variety of private actuaries and economists all agree that additional trust fund revenues must be provided or savings must be achieved if the social security system is to remain solvent through the remainder of this decade.

While it is the short-term financing problem that is immediately pressing, the long-term financing problem is equally serious, if not more so. The Social Security Board of Trustees reports that the combination of the baby-boom generation retiring and gradually lengthening lifespans will lead to a dramatic increase in the cost of social security—about 55 percent between 2005 and 2035 alone. In the year 2035, when the young people of today are beginning to retire, the actuaries expect that the elderly population will account for 21 percent of the overall population (as compared to 11 percent today), and the typical 65 year old will have a life expectancy of 17 years (as compared to 14.5 years today). The effect will be to decrease the ratio of taxpayers to beneficiaries from just over 3:1 today to 2:1, helping to generate the anormous long-term deficits we now foresee.

According to the social security actuaries, the long-term deficit in the non-medicare social security programs is 1.8 percent of taxable payroll. This is the figure adopted by the National Commission. To translate, it means that over the next 75 years, the actuaries project that benefits will outstrip payroll tax income, in dollar terms, by about $25 billion per year, or $2 trillion in total (expressed in 1983 dollar terms). Including medicare, the long-term deficit has been estimated at 7.01 percent of taxable payroll, or nearly $8 trillion in total.

How much does the system need?

How much the system needs in additional financing depends on how we expect the economy to perform in the years ahead and how much of a "safety margin" is accumulated in reserves. Each set of forecasts provides a different view of the needs of the system, as illustrated in the table below.

ADDITIONAL RESOURCES REQUIRED IN THE NEAR-TERM TO BRING OASDI RESERVES UP TO CERTAIN LEVEL [1]

[In billions]

	Additional resources required [2]		
	CBO	1982 trustees' intermediate (II-B)	1982 trustees' pessimistic assumptions
Percent of 1 year's expenditures desired at beginning of 1990:			
9 percent (1 mo)	56.6	62	187
13 percent	68.7	70	195
15 percent	74.7	74	200
20 percent	89.9	88	216
30 percent	120.1	113	246
50 percent (6 mo)	180.7	163	303

[1] Table includes the effects of the Tax Equity and Fiscal Responsibility Act of 1982. Target reserve levels are attained in even annual increments.
[2] CBO estimates and trustees' estimates are not directly comparable because CBO numbers include added interest on larger trust fund balances, while trustees' numbers do not.

The commission settled on $150-$200 billion as the amount required in the years 1983-89 to ensure the solvency of the system through 1990. This is roughly consistent with achieving a reserve ratio (reserves relative to annual outgo) of 15 percent by 1990, under the 1982 Board of Trustees' pessimistic assumptions.

Several points are worth noting in this regard. First, planning for a low growth decade is prudent in light of the experience during the 1970s. (The pessimistic assumptions in the 1982 Board of Trustees Report project the economy will perform much like in the past 5 years.) The failure to anticipate, both in 1972 and 1977, that prices would grow more rapidly than wages, and therefore benefits would grow more rapidly than tax income, is why we are in the situation we are in today. Second, a reserve ratio of 15 percent is not, in and of itself, a "goal". At this level, reserves would be lower than at any point in history. Accumulating considerably larger reserves is desirable, although this would be difficult to do very quickly. We believe we express the views of all members of the commission when we say that it is our hope that the economy will perform better than we assumed when we made our estimates and that a larger reserve cushion will accumulate. Finally, if the medicare program were under consideration as well, the reserve needs of the system would be considerably higher.

Not a new problem

Given the partisan debate that raged over social security in 1981, some people may have lost sight of the fact that the financing crisis is *not* a new problem. Trust fund reserves have been on a down-hill course for years. As the table below indicates, prior to 1970, there were always reserves on hand capable of financing a year's worth of benefits or more—that is, reserves equal to 100 percent or more of annual outgo. By 1976, reserves had fallen to 57 percent of outgo, and today, the combined reserves of the system stand at about 15 percent of annual outgo, only 8 weeks worth of benefits. The situation is even worse, at least today, when medicare is excluded.

HISTORICAL OASDHI RESERVE RATIOS, 1950–83

[Assets at the beginning of each year as a percent of outgo during the year]

Calendar year	Trust funds				
	OASI and DI combined	OASI	DI	HI	OASDHI
1950	1,156	1,156	.....	.....	1,156
1955	405	405	.....	.....	405
1960	186	180	304	.....	186
1965	110	109	121	.....	110
1970	103	101	126	47	95
1971	99	94	140	54	93
1972	93	88	140	47	87
1973	80	75	125	40	76
1974	73	68	110	69	73
1975	66	63	92	79	69
1976	57	54	71	77	60
1977	47	47	48	66	50
1978	37	39	26	57	40
1979	30	30	30	54	34
1980	25	23	35	52	29
1981	18	18	21	45	23
1982	15	15	17	53	22
1983 [1]	11	8	11	39	16

[1] Estimated using trustees intermediate, (II–B) assumptions

Source: 1982 OASDI and HI trustees' reports.

HISTORICAL LEVELS OF OASDHI TRUST FUND ASSETS, NUMBER OF MONTHS' WORTH OF BENEFITS ON HAND

Calendar year	Number of months' worth of expenditures on hand at beginning of year		
	OASDI	HI	OASDHI
1950	138.7	.....	138.7
1960	22.3	.....	22.3
1965	13.2	.....	13.2
1970	12.4	5.6	11.5
1975	8.0	9.4	8.3
1980	2.9	6.2	3.5
1982	1.8	6.3	2.6

Among other public groups to report in the last 5 to 10 years, the social security advisory councils of 1975 and 1979, an expert consultant panel of actuaries and economists, reporting in 1976, and President Carter's Commission on Pension Policy and the National Commission on Social Security, both reporting in 1981, all underscored the seriousness of the short- and long-term financing problem. Social security's financing problem dates to the early 1970s and even earlier, when Congress increased benefits and expanded eligibility without facing up to the cost of doing so.

The time for action is now

There is no denying that we have a big job ahead of us in Congress. We face many difficult decisions as to the details of the legislation, and the adequacy of the measures proposed. The balance of the long-term deficit will also have to be addressed. In our view, a balanced solution to this problem will involve bringing the cost of social security into line with the ability of our working population to finance the system. The tax burden is already heavy, and the confidence of young people critically low. As reflected in the additional views, a majority of commission members recommends increasing the retirement age, for people retiring in another 20 or 30 years, as an equitable way of reducing long-range costs.

The American people—the 36 million people receiving benefits as well as the 116 million working people who support the system—deserve more than another "quick fix" that holds the system together until the next crisis comes along. They deserve the speedy consideration of this bi-partisan package of recommendations. Confidence in the long-term viability of social security will only be restored by enacting measures that put the system back on a sound financial footing and do so without imposing an unrealistic tax burden on present and future workers.

Within a matter of weeks, the House Ways and Means Committee and the Senate Finance Committee will begin the task of weighing the options and then drafting social security financing legislation. We feel confident that the essential elements of the reform package we now recommend, as endorsed by President Reagan, Speaker O'Neill, Majority Leader Baker and others, will be adopted by the Congress and enacted into law by May. Moving quickly to shore up the nation's largest domestic program is in all of our interests.

STAFF OF THE COMMISSION

Finally, in connection with the role of the staff of the Commission, the Senator from Kansas would, at this time, like to pay special tribute to Robert J. Myers, the Executive Director. Mr. Myers has been associated with the social security program from its very beginning in 1934. He was Chief Actuary of the Social Security Administration from 1949–1970, and Deputy Commissioner in 1981 prior to becoming Executive Director of the Commission.

Mr. Myers' extensive knowledge of social security was invaluable to the work of the Commission and contributed to its success in completing its assignment. The Senator from Kansas is pleased that Mr. Myers is continuing his service to social security by currently serving as a consultant to the Committee on Finance.

The Senator from Kansas also wishes to take this opportunity to express his appreciation to the professional staff of the Commission for their part in this great and successful endeavor. The staff labored long and excellently in providing the members with data and with comprehensive explanations of the complex issues involved and the possible methods of solving the financing problems.

The staff members were as follows:[1]

Executive Director: Robert J. Myers.

Professional staff: Nancy J. Altman, Merton C. Bernstein, E. Annette Coates, Suzanne B. Dilk, Renato A. DiPentima, Susan A. Dower, Elizabeth T. Duskin, Timothy J. Kelley, Eric R. Kingson, Edward F. Moore, Virginia P. Reno, Bruce D. Schobel, and Carolyn L. Weaver.

Support staff: Laurie A. Brown, Ercell C. Campbell, Elisabeth J. Darling, Wanda G. Moody, Edward E. Mosley, Tracey A. O'Donnell, Isabel R. Paurowski, Carol J. Upperman, and Doris C. Washington.

[1] Some of these individuals were on the staff for only part of the duration of the Commission, and some were part-time employees.

Mr. BENTSEN. Mr. President, I think that it is important to bring to the attention of my colleagues that the provision of the social security reform legislation which raises the retirement age to 66 will widen the gap between when airline pilots retire and when they are eligible to receive their social security benefits. Airline pilots are the only group in private industry that Federal regulations require to retire by the age of 60. The Federal Aviation Administration established this regulation in order to protect the safety of the American public, and I hope that my colleagues will bear this situation in mind as we are debating the social security reform measure before the Senate today.

Mr. JEPSEN. Would the distinguished chairman of the Finance Committee yield to me for a few questions about the self-employment section of the bill?

Mr. DOLE. I would be happy to do that.

Mr. JEPSEN. As the manager of the bill knows, there are many farmers who are very concerned about the increase in the self-employment tax. What with farm prices so low and interest payments so high, I have been contacted by many farmers who are worried that the proposed increase could put them out of business. Could the chairman just take a minute and briefly explain the increase and how the tax credit will work to offset some of the tax rate increase.

Mr. DOLE. Under the bill reported by the Finance Committee, the OASDI and HI taxes paid by the self-employed would be conformed to the combined rates already paid by employers and employees. This means that OASDI rates for the self-employed will rise from 75 percent of the employer-employee rate, and HI rates for the self-employed will rise from 50 percent of the employer-employee rate. The result of this will be in 1984, to increase the combined OASDHI rate paid by the self-employed from 9.35 percent to 14 percent.

I would add that conforming the OASDI self-employed rates to the combined employer-employee rate was a major part of the bipartisan agreement set forth by the National Commission. In conforming the HI rate to the combined employer-employee rate, the Finance Committee was following the lead of the House-passed bill. The main difference in our bill is the amount of the credit against the self-employed taxes that we allow: Our credit is more generous in each year and goes further in offsetting the effect of the self-employment tax rate increases.

Mr. JEPSEN. Now, could you give us some idea of what the actual increase would mean for an individual farmer who has a net farm income of $15,000?

By this, I mean, could you tell us what the social security taxes would have been under current law, under the House-passed version of the bill, and under the Senate-passed version?

Mr. DOLE. Yes, and I think that comparison speaks well for our version of this legislation. Under current law, a self-employed individual with self-employment income of $15,000 in 1984 would pay $1,478 in self-employment taxes and $1,801 in income tax. Under the House-passed bill—which provides a 2.1-percent credit against self-employment tax in 1984—the net tax increase for that individual would be $307 in 1984. But under the Finance Committee bill, the net increase would be only $187. That is a significant difference, $120, and it results from the fact that the Finance Committee provided a 2.9-percent credit for the self-employed in 1984.

Mr. JEPSEN. Now this tax credit, unlike the tax credit employees will get in 1984, it will continue, is that correct Senator? Can I have the assurance of the distinguished chairman that he will work in conference to make sure that the Senate's version of the tax credit is the one which is finally adopted?

Mr. DOLE. The Senator is correct. We have provided a permanent credit against self-employment taxes, defined as a percentage of self-employment income subject to those taxes. The credit amount does vary: 2.9 percent in 1984, 2.5 percent in 1985, 2.2 percent in 1986, 2.1 percent between 1987 and 1989, and 2.3 percent in 1990 and after.

I can assure the Senator that the members of the Finance Committee were very much concerned about the problems these higher tax rates cause for the self-employed. This package does call on everyone to sacrifice a bit, but we did not feel the self-employed should be asked to give up more than their share. I am confident that our Senate conferees will share that view, if our version is adopted here, and will work with me to preserve the Senate's position in conference.

Mr. JEPSEN. Suppose a farmer had no net farm income during the tax year, something that is all too common nowadays, would the farmer have to pay any social security tax?

Mr. DOLE. No; the farmer would not have to pay any social security tax.

Mr. JEPSEN. A number of farmers have indicated to me that because of the tax break an employer gets with regard to his portion of the social security tax, there is a strong incentive in this bill for farmers to incorporate and operate their farms as corporations rather than as self-employed businessmen and women. Could the chairman comment on this. Is it your opinion that the proposal with regard to the self-employed constitutes a strong incentive to incorporate?

Mr. DOLE. It may be true that farmers who pay taxes in the upper brackets—where the deduction for the employer's share becomes most meaningful—there may be some reason to prefer corporate status. With regard to lower and moderate income farmers, this should not be much of a problem. In fact, the reason both the House bill and our bill adopted the SECA credit approach was to equalize the tax relief among different income groups, which the deduction proposed by the National Commission would not have done. In any event, I would say to the Senator, if there is such an incentive it already exists under present law: I do not know that there would be many situations where the increase in self-employment taxes per se would provide a strong additional incentive to incororate. Certainly that is not the intention of our committee, nor was it the intention of the National Commission.

Mr. JEPSEN. What about the tax break an employer receives relative to his portion of the social security tax. Does that not have a tendency to discriminate against the self-employed businessman because he cannot take advantage of that tax break?

Mr. DOLE. As the Senator may know, the original proposal by the National Commission was to allow the self-employed a deduction for half of the social security taxes they pay, to be taken for income tax purposes. We, like the House, have provided a credit instead of a deduction that is more equitable and more generous to the self-employed. Therefore, I would not agree that the Finance Committee bill, in this regard, is less generous to the self-employed than it is to employers. After all, employers do not get the credit against social security tax that we have provided for the self-employed.

Mr. JEPSEN. I appreciate the responses of the distinguished chairman of the Finance Committee. I believe his answers will help many farmers have a better understanding of what this proposal will mean for them so they can plan accordingly.

Mr. GRASSLEY. Mr. President, I take this opportunity to comment on a small and perhaps little noticed provision of the social security bill. The provision, which embodies a bill I introduced earlier this year, disallows social security benefits to incarcerated felons. My thanks go to Chairman DOLE of the Senate Finance Committee for his efforts to incorporate my bill in the finance committee package.

Section 123 of S. 1 places limitations on social security payments to prisoners by making inmates of penal institutions ineligible for social security benefits. It should be noted that an individual's right to the benefits would be restored upon parole, pardon, or completion of the sentence. Furthermore, benefits for any eligible dependents would continue to be paid. It is not my intent to take such dependents off of social security's role, and place them on welfare roles.

This measure is an extension of legislation adopted by the 96th Congress which tightened up eligibility requirements for prisoners receiving disability insurance. However, it goes a step or two further by eliminating the loophole whereby incarcerated felons could receive disability insurance if they were enrolled in a rehabilitation program; and also by halting retirement payments to prisoners.

The basic goal in adopting such a law is not to generate revenues. While we cannot become so accustomed to talking about billions of dollars that we forget to pick up a million or two when given the opportunity, the thrust of this provision is to restore confidence in the social security system. Such public confidence is sorely lacking among today's workers and retirees. I am sure all of my colleagues have heard comments from their constituents maligning the fact that prisoners are receiving social security benefits. Such a discovery does not set well with Americans who are already paying hard-earned dollars though their taxes for the support of such prisoners. It is inconceivable that Congress can consider increasing taxes, or can consider slowing the growth in benefits for future retirees, without addressing such an obvious inequity in the current system.

The inclusion of this change will send a much-needed signal to Americans that Congress is serious about preserving the integrity of social security. One issue that has surfaced again and again throughout the consideration of social security reforms is the lack of public confidence in social security. We can begin to restore such confidence and a sense of fairness with provisions such as this.

Again, I thank the chairman for his assistance in seeing this provision included in the final Finance Committee report. Our efforts to eliminate similar aberrations in the social security system should not stop here. We should continue in this vein to halt the draining of scarce social security funds to such unintended recipients.

● Mr. PACKWOOD. I would like to ask clarification of a point raised by S. 1, the social security bill. Section 150 of S. 1 adds to the Internal Revenue Code new sections 3121(r)(1)(B) and 3306(v)(1)(B) which include in the definition of wages for social security and unemployment tax purposes any employer contribution to a cafeteria plan which includes a qualified cash or deferred arrangement to the extent the employee had the right to choose cash, property, or other benefits which would be wages for those pur-

poses. I understand this to mean that, if a cafeteria plan does not include a qualified cash or deferred arrangement, employees who elect benefits such as day-care assistance, which are not otherwise subject to social security tax or unemployment tax, will not be subject to those taxes solely because they could have chosen cash, property, or other benefits that would have been subject to those taxes.

Mr. DOLE. That is also my understanding of the intent and meaning of these provisions.

Mr. DURENBERGER. Regarding these same provisions mentioned by Senator PACKWOOD, I understand that a cafeteria plan will not be considered to include a cash or deferred arrangement unless the cafeteria plan contains provisions whereby contributions to the plan may be applied to provide benefits under the cash or deferred arrangement or vice-versa. In other words, these provisions will not apply solely because an employer offers a cafeteria plan with cash as one of the benefits and also offers a separate qualified cash or deferred arrangement.

Mr. DOLE. That is also my understanding of the meaning and intent of these provisions.●

EMERGENCY JOBS APPROPRIATIONS 1983—CONFERENCE REPORT

Mr. BAKER. Mr. President, at long last, I am prepared to ask the Chair to lay before the Senate and I do now ask the Chair to lay before the Senate a conference report on H.R. 1718.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1718) making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of March 21, 1983.)

The PRESIDING OFFICER. Is there debate on the conference report?

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. STENNIS. Mr. President, will the Chair maintain order? This is a highly important matter.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BAKER. Mr. President, will the Senator yield to me for a moment?

Mr. HATFIELD. Yes, I am happy to yield.

ORDER FOR RECESS UNTIL 9:00 A.M. TOMORROW

Mr. BAKER. Mr. President, I have just conferred with the distinguished chairman of the Committee on Finance. I wish to announce to the Senate that when we finish this conference report, we shall have been in session much longer than 14 hours today. That is a long, long time. I propose that we finish this conference report and then go out for the evening, what is left of it.

Before I yield the floor, Mr. President, I ask unanimous consent that when the Senate completes its business tonight, it stand in recess until the hour of 9 a.m. tomorrow.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. McCLURE. Reserving the right to object—and I do not object—might I inquire of the majority leader what that does to committees that have business sessions tomorrow and under the standing rule would have to terminate at 11 a.m. unless we have permission?

Mr. BAKER. Mr. President, let me do this. As far as I am concerned, I am willing to do what we did the other day. Since that is an unusually early hour, Mr. President, I also ask unanimous consent that all committees have until 2 p.m. tomorrow in which to meet.

Mr. President, I have to withdraw that request.

Mr. President, I will make a request in that respect in a few moments.

Mr. DOLE. Will the Senator yield?

Mr. BAKER. Yes.

Mr. DOLE. I am wondering when we do go out if we might lay down one of the amendments of the distinguished Senator from Montana (Mr. BAUCUS) so that will be pending.

Mr. BAKER. Mr. President, before we go out tonight, I will ask the Senate to go back to this bill so we can lay down an amendment.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oregon.

The Chair will advise the Senate staff members, all people in this Chamber who are not Senators, if they are not in their seats, we will vacate the Chamber.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

EMERGENCY JOBS APPROPRIATIONS 1983—CONFERENCE REPORT

The Senate resumed consideration of the conference report.

Mr. BAKER. Mr. President, if I may have the attention of the managers of this matter, I am advised that there is at least one requirement for a rollcall vote on the adoption of the conference report. I gather from the fact that nobody has been speaking on that subject that we are close to voting on it.

I ask for the yeas and nays on the conference report, Mr. President.

The PRESIDING OFFICER. Is there a sufficient? There is a sufficient second.

The yeas and nays were ordered.

BUDGET ACT WAIVER

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. I think this unanimous-consent agreement has been cleared on both sides of the aisle. Mr. President, I ask unanimous consent, pursuant to section 904 of the Budget Act of 1974, that section 311 of the Budget Act be waived for consideration of the conference report on H.R. 1718 and the amendments in disagreement thereto.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

Mr. HATFIELD. Mr. President, the conference agreement on H.R. 1718, the urgent supplemental jobs bill, provides for a total of $15.5 billion in new budget authority for fiscal year 1983. Of that amount, $10.9 billion is for urgent supplementals requested by the administration for the Commodity Credit Corporation, for the Small Business Administration, and for the unemployment compensation trust fund. The remaining amount, $4.6 billion, is for the jobs portion of the bill.

Mr. President, I believe that this is a commendable result, and I certainly urge the adoption of the conference report. The agreement on the jobs title represents an equitable balance between the $4 billion level passed by the Senate and the $4.9 billion passed by the House. Most of the interests of Senators have been accommodated within the constraints necessary to achieve Presidential approval of this measure, and after conversations with Mr. Stockman earlier today I am confident that the bill will be signed by the President. That will mean replenishment of funds necessary to make loans to States for payment of unemployment compensation benefits and a new Federal jobs initiative to create productive jobs and relieve unemploy-

ment resulting in capital assets of lasting value to the Nation.

Mr. President, I yield to the ranking member of our committee, the Senator from Mississippi (Mr. STENNIS).

Mr. STENNIS. Mr. President, I thank the Senator. There has been a great deal of work done on this report after it left the House of Representatives tonight. The ball was carried by the Senator from Oregon, as usual, in a very fine way. I commend him highly and thank him formally for what he has done. He has played a great role in this major bill, and I agree wholeheartedly with the recommendations that he is about to make, which I think are very important, indeed. It is a good conference report.

● Mr. BOSCHWITZ. Mr. President, I rise to compliment the Appropriations Committee, the Senate, and the House, for their efforts to responsively and creatively address the issue of a 10.4-percent national unemployment rate.

We have put together a multifaceted approach that does more than pour Federal dollars into new construction projects. The bill targets dollars to areas hardest hit by unemployment and it makes an honest effort to address the issue of long-term structural unemployment versus recession-related unemployment. Making such a distinction is not easy because being unemployed is painful no matter what the cause.

I have felt for many months that the Federal Government's past approach to lowering unemployment was ineffective and one-dimensional. Public works, countercyclical jobs programs, arrived too late and hung around too long—provided unneeded stimulus during the peak of the recovery, and nothing at all during the lowest points.

This time we are offering relief at the beginning of the recovery and projects included in this bill were chosen specifically because they could either be started up rapidly or are already underway.

By concentrating the funding on the block grant programs we are letting local officials target the money to the areas most in need.

But this bill does more than this. It also increases funding for retraining and education programs. When this current recession is over and the jobs lost because of it have been regained, we will still be left with the issue of structural unemployment. This is why retraining programs are so important. Senator QUAYLE has shown outstanding leadership in this area and I applaud his efforts.

Minnesota's unemployment rate hit 10.4 percent in January, up from 9.3 percent in December and 8.6 percent in November. While the Nation's average has stabilized or declined slightly, unemployment has been climbing steadily in Minnesota. And what we needed to do was vividly brought home to me in January when I went up to Minnesota's Iron Range with our Governor for a town meeting on jobs.

Unemployment on the Range is over 20 percent, with pockets of the area experiencing two or three times that rate. They need some assistance.

Mr. President, this bill will not solve all the problems of the unemployed, nor will it create "full" employment. However, it is a responsible and humanitarian bill and I support it.●

NATIONAL CENTER FOR TOXICOLOGICAL RESEARCH

Mr. PRYOR. Mr. President, I want to thank the conferees on behalf of the Senate, for their efforts to retain $17 million in funding for the National Center for Toxicological Research (NCTR), which was included in the Senate version of the jobs bill but reduced to $875,000 during the House-Senate conference.

Although I am disappointed that such a large portion of the funding was deleted, I believe the action of the conference committee represents an important step in the effort to secure necessary funding for this valuable research arm of the Food and Drug Administration (FDA).

As the Senate recognized, there is a need for increased Federal assistance for NCTR. I am hopeful that we can provide this funding in the FDA budget for fiscal year 1984. I am certainly eager to assist in any way in identification and development of information which will demonstrate the value to the Nation of such funding.

I am hopeful that this matter can receive priority attention from the Appropriations Committee during its deliberations. I would certainly appreciate any consideration the distinguished chairman of the Appropriations Subcommittee on Agriculture could provide this very worthwhile program.

Mr. COCHRAN. Mr. President, I appreciate the comments of the distinguished Senator from Arkansas concerning the funding of this important research center. He is correct that the Appropriations Subcommittee of Agriculture feels that this is an important undertaking. The Senate version of the jobs bill did, in fact, contain $17 million for the National Center for Toxicological Research. I assure my colleagues that our subcommittee will give close consideration to further funding for the construction of the center in the context of the fiscal year 1984 cycle, and beyond. While 1984 will be a difficult budget year, especially for construction projects, we will nevertheless give careful scrutiny to this important activity. I appreciate very much Senator PRYOR's interest in this project.

● Mr. WILSON. I would like to engage in a colloquy with the distinguished chairman of the Transportation Subcommittee from North Dakota, Senator ANDREWS, to clarify the intent of a provision agreed to by the conferees. The $2.3 million designated for the cable car rehabilitation program in San Francisco is meant to supplement the $12.5 million which the city is already expecting to receive from UMTA in fiscal year 1983. Further, receipt of the $2.3 million in fiscal year 1983 does not preclude San Francisco from applying to UMTA for additional fiscal year 1983 section 3 discretionary funds to carry out the full amount promised by the "Letter of Intent" issued for the program to accelerate their transit improvement program even more.

In sum, the amount of funds the cable car rehabilitation program is eligible for is not increased by the conference agreement over the amount negotiated last year between the city and UMTA; their receipt of the funds is simply accelerated.

Let me also say here, that I share my colleague's concern that the required local match for the program is not in any way diminished by early receipt of these funds. The city has assured me that their local contribution remains enthusiastically committed.

Does my statement echo the understanding of the distinguished Senator from North Dakota?

Mr. ANDREWS. The Senator from California is correct in his interpretation of the conference report with regard to the San Francisco provision.●

Mr. HUDDLESTON. Mr. President, I urge adoption of the conference report on H.R. 1718, the appropriations job bill.

While there are indications that the economy is beginning to recover from the severe recession of the last year and a half, millions of U.S. citizens remain out of work.

We must do everything we possibly can to stimulate the creation of jobs; and we must provide food and other humanitarian aid to jobless workers and other citizens in need.

As the ranking Democrat on the Committee on Agriculture, Nutrition, and Forestry, I am particularly pleased that, under the conference report, H.R. 1718 addresses the nutritional needs of our citizens suffering from the effects of the recession. The bill also provides funds for important rural community facility, and flood prevention projects, and for reforestation activities; and it restores the borrowing authority of the Commodity Credit Corporation.

NUTRITIONAL FUNDING

In additional funding, $100 million will be made available for the special supplemental food program for women, infants, and children (WIC) for fiscal year 1983. States will receive

additional allocations of funds for this fiscal year so that they may increase their caseloads beyond the current levels; $75 million in additional funding will be made available for section 32 surplus removal operations involving perishable agricultural commodities. The additional money will be used to acquire and distribute surplus agricultural commodities in areas of high unemployment. The commodities will be made available for use at cooperative emergency feeding facilities for indigent persons. The new section 32 funds will be accounted for separately, and be in addition to existing funds held in reserve to support the price of perishable commodities. Also, the Secretary of Agriculture will be required to purchase domestically produced fresh and processed fishery products with section 32 funds and distribute these products to eligible recipient agencies.

Under the bill, the Secretary of Agriculture will also distribute surplus agricultural commodities to the needy, making available Government-owned surplus commodities—including dairy products, rice, soybeans, and honey—at no cost, to eligible recipient agencies; $50 million in funds will be made available to the States for storage and distribution costs, of which not less than $10 million will be made available for paying the actual costs incurred—by charitable institutions, food banks, hunger centers, soup kitchens, and similar nonprofit organizations providing nutrition assistance—in addressing situations of emergency and distress through the provisions of food to needy persons, including low-income and unemployed persons.

RURAL PROGRAMS

The bill provides additional funding for the Farmers Home Administration water and waste disposal facility loan and grant programs. The Farmers Home Administration, through its water and waste disposal facility programs, provides rural areas with safe drinking water and sanitary waste disposal systems. There is a pressing demand for these programs and the backlog of applications is extensive.

The bill provides for a significant increase in the funding of soil conservation service watershed and flood prevention operations.

Under the watershed program, SCS enters into cooperative efforts with local sponsors, State, and other public agencies to install planned works of improvement in approved watershed projects. Such works of improvement reduce erosion, flood water, and sediment damage.

Flood prevention operations include planning and installing works of improvement for flood prevention and for the conservation, development, use, and disposal of water. They can also include the development of recreational facilities and the improvement of fish and wildlife habitat.

The bill provides for a modest increase in funding for the resource conservation and development program. The RC&D program is designed to assist locally sponsored resource conservation and development projects that conduct programs of land conservation in areas where acceleration of present conservation activities is needed and where projects add economic opportunites for the people.

The bill also provides for an increase in funding for the Forest Service reforestation program. These funds are used to reforest national forest system lands, improve timber growth, and protect valuable timber resources.

OTHER DEPARTMENT OF AGRICULTURE PROGRAMS

The bill provides $5.7 billion to reimburse the commodity credit corporation for estimated fiscal year 1983 losses. This supplemental funding is necessary to continue the operation of important farm and agricultural export programs without interruption. With this funding, the Corporation will be able to carry out commodity loan programs, make reserve storage payments, and continue export market development activities. With farm prices and income at disastrously low levels, we must make every effort to assist farmers to cope with the adverse financial conditions they face. This supplemental funding will insure that the existing programs are allowed to continue without interruption.

The bill also provides $3 million for the repair and maintenance of Agricultural Research Service facilities. Research is a key component of any program for sustained growth in our agricultural production capability, and we must insure that, even in this time of budget austerity, our facilities are properly maintained.

CONCLUSION

Mr. President, today's double-digit unemployment figures are simply unacceptable. There will be no so-called recovery until people are able to return to work.

This legislation will foster increased employment and provide food and other humanitarian aid to the jobless and others in need.

I urge my colleagues to join me in voting to adopt the conference report.

Mr. DOLE. Mr. President, the Senator from Kansas commends members of the Senate and House Appropriations Committees on their speedy resolution of the conference on H.R. 1718 yesterday. I thank the distinguished Senator from Oregon, the chairman of the committee, for the good work he has done on behalf of the emergency food assistance provisions contained in H.R. 1718, which were adopted by the conference committee in the form of a Hatfield substitute. The provision concerning the distribution of surplus agricultural commodities to needy people within our society was patterned after S. 17, the Domestic Commodity Distribution and Food Assistance Act of 1983, which was introduced by this Senator along with many of the same colleagues who sponsored the Hatfield amendment.

Although I would have preferred to see this kind of commodity distribution program authorized for a longer period than 6 months, still, it is a start, and will provide a temporary implementation stucture to provide surplus agricultural commodities to food banks, soup kitchens, and other nonprofit charitable organizations that assist needy individuals and families who have been suffering from the extreme effects of the current, prolonged economic recession. These eligible recipient agencies should receive priority consideration in the distribution of these surplus agricultural commodities from the Commodity Credit Corporation.

EVOLUTION OF THIS CONCEPT

Mr. President, since it was introduced on the first legislative day of the 98th Congress, S. 17 has undergone many changes. The jobs bill conference report before us contains yet another version of this same concept. The Senator from Kansas thinks that it is appropriate that some form of emergency food assistance be enacted in the context of this recession relief package. I appreciate the efforts of those who have been involved in keeping this concept alive in the jobs bill.

While S. 17 and its companion bill in the House await further congressional action in order to authorize a more lengthy and detailed commodity distribution program, what is included in the jobs bill is a necessary beginning. As soon as the President signs this bill, the program can go into effect, providing emergency food assistance to eligible recipient agencies who can utilize agricultural surpluses in feeding low-income and unemployed individuals who are in need of food. In the meantime, since this program has only been authorized through the end of this fiscal year, we can work on getting an authorization through the Congress that will continue and perhaps improve upon the structure that will be in place as a result of the jobs bill.

SUPPLEMENTAL NUTRITION EFFORT

Mr. President, this Senator has been concerned from the start with the increasing frequency of reports that the lines in soup kitchens across this country are growing—that individuals who would previously never have been required to seek this kind of help now find themselves in a position of last resort due to the general state of the economy and the increase in unemployment. We all hope this recession is now turning around, and that people will be able to go back to work soon, but temporary emergency situations

often require temporary solutions. This legislation is supposed to provide this kind of assistance. For whatever reasons, there are a lot of people out there who are not being reached or satisfied by the existing nutrition program structure. This commodity distribution program is intended to complement existing nutrition programs, because some kind of emergency food assistance seems appropriate in these difficult economic times.

FUNDING FOR FOOD ASSISTANCE

Mr. President, the compromise food assistance provisions contained in H.R. 1718, as a result of yesterday's conference, contains $50 million to be spent on intrastate distribution and storage, with at least $10 million to go to local food banks and other charitable organizations for distribution and storage at that level. Distribution of these commodities from the Department of Agriculture to the States, as well as initial processing into products suitable for home or institutional use, would be paid for by the Commodity Credit Corporation.

In addition to the emergency commodity distribution program, H.R. 1718 contains $100 million for the special supplemental program for women, infants and children (WIC). This Senator thinks that this is a very worthwhile investment in the nutritional well-being of this very vulnerable part of our low-income population. As my colleagues are aware, this Senator has always been very supportive of the WIC program—in fact, there has traditionally been strong bipartisan support for this program in the Congress. I cannot think of a more worthwhile nutrition program that deserves this additional funding—there has never been a time in its history when the program was able to cover all of the potential eligible population. Currently, only about one-third of the women, infants, and children who could be served are being reached by the benefits of this program.

COMMODITIES AVAILABLE

Mr. President, one part of the original S. 17 that has been retained intact is the section which expands the category of "bonus" commodities to include products other than wheat, rice, corn, soybeans, and whatever else the Secretary of Agriculture declares to be in surplus. Previously, only dairy products, like cheese and butter, were available on this basis. However, as of yesterday, the President has announced that the Department of Agriculture is already taking steps to expand the availability of other types of commodities, like rice, cornmeal, and nonfat dry milk. And I congratulate the President for taking this action without waiting for this bill to pass.

CONCLUDING REMARKS

Mr. President, although this Senator would have preferred that the emergency food assistance provisions in this bill be extended beyond a 6-month period, I also realize that the Appropriations Committees would have been setting a precedent by allowing the implementation of a more permanent new program by this route. I respect the judgment of the conferees on this question, and plan to follow through with the S. 17 initiative at the first opportunity in order to conclude the proper authorization process.

It has seemed to this Senator that a program of this nature is a commonsense approach to fulfilling two needs—we are getting rid of agricultural surpluses at the same time that we are providing food to needy Americans. To those of us in our country who will not tolerate the reality that, in this land of great agricultural abundance, there can be people who have been suffering from hunger and malnutrition, this provides a temporary solution to certain problems that exist. Agricultural surpluses are now at the point where they are overloading our capacity to store them through the Commodity Credit Corporation, and it seems only sensible that we should make them available as food to those who need this kind of assistance in our local communities.

Again, I thank the distinguished chairman of the committee, Mr. HATFIELD, for following through and supporting this initiative from the beginning. I also thank the distinguished chairman of the Agriculture Appropriations Subcommittee for his assistance. I also appreciate the efforts of the Senator from Kentucky (Mr. HUDDLESTON), who is also the ranking member of the Agriculture Committee—he was fortunate to be able to carry through on his good work in the Appropriations Committee. The Senator from North Dakota (Mr. ANDREWS), has also been very active in this effort.

It is the hope of this Senator that the food assistance provided for in this legislation will soon be in place to reach those who are in need and will benefit from the emergency food provisions of this bill.

Mr. HELMS. Regarding the commodity distribution program contained in title II of the conference bill, do I understand that the program, that is title II, is effective only for fiscal year 1983, thereby ending September 30, 1983?

Mr. HATFIELD. The Senator is correct. While the original Senate version had an authorizing provision for both fiscal years 1983 and 1984—and an appropriation through March 1984—the conference report contains both program provisions and an appropriation that are effective only through the end of the present fiscal year. The program is meant to be a temporary program designed to meet current needs, as the title so indicates. The only exception is that if any of the food security wheat reserve is used for purposes of this act, it shall be replenished by December 31, 1983.

Mr. HELMS. One concern which was voiced in our committee was that the program be targeted especially at food banks, soup kitchens, and other nonprofit entities serving needy persons. Is this adequately emphasized in the conference report?

Mr. HATFIELD. Yes; I believe so. It was the conferees' intention to target the assistance provided in title II to those organizations—such as food banks, soup kitchens, and similar organizations—that provide food assistance to the needy. To carry out this intent, the conference report specifies that $10 million of the $50 million appropriation is to be made available for paying the actual costs incurred by charitable institutions, food banks, hunger centers, soup kitchens, and similar nonprofit organizations providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons. However, such payments shall not exceed 5 per centum of the value of the commodities distributed by any such agency. The remainder of the appropriation would be available only for the costs of the States in storing and distributing commodities to these "emergency relief" organizations.

Mr. HELMS. Is there sufficient flexibility for the Secretary of Agriculture to determine what types of other organizations, if any, should be made eligible recipient agencies?

Mr. HATFIELD. Yes. There is discretion for the Secretary of Agriculture to define what other agencies, if any, may be designated for receipt of commodities under this new program. The types of organizations listed in the Senate amendment are the kinds of organizations that the Secretary could designate and approve as eligible recipient agencies. However, it should be pointed out that unless these organizations meet the Secretary's criteria of providing nutrition assistance to needy persons, the funds provided to States could not be used to cover the costs of storing and distributing commodities to these organizations.

I ask unanimous consent that the definition of "eligible recipient agencies" be printed in the RECORD at this point.

There being no objection, the definition was ordered to be printed in the RECORD, as follows:

Public or nonprofit organizations that administer—

(1) activities and projects, including those operated by charitable institutions and food banks, providing nutrition assistance to re-

lieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons;

(2) school lunch programs, summer camps for children, and other child nutrition programs providing food service;

(3) nutrition projects operating under the Older Americans Act of 1965, including congregate nutrition sites and providers of home delivered meals;

(4) activities and projects that are supported under section 4 of the Agriculture and Consumer Protection Act of 1973;

(5) activities of charitable institutions, including hospitals and retirement homes, to the extent that needy persons are served, or

(6) disaster relief programs;

and that have been designated by the appropriate State agency, or by the Secretary, and approved by the Secretary for participation in the program established under this Act.

Mr. HELMS. I do not mean to labor the point, but let me understand one further point. The Secretary of Agriculture currently operates—at his discretion—a bonus commodity distribution program in connection with the school lunch program in which a broad variety of commodities are furnished to participating schools. The Senator from South Dakota, Senator PRESSLER, sponsored an amendment during earlier consideration, similar to the thrust of the Agriculture Committee's language, to insure that this new authority does not detract from or supersede the existing bonus program for the schools. Obviously, if all schools were automatically included, the appropriation would be rapidly depleted in providing transportation and storage costs for commodities furnished to schools, thus limiting this program's assistance to food banks and other agencies serving the needy. Inasmuch as schools and States already are bearing these costs under the current program, it would be highly duplicative to establish Federal funding for such expenses. I want to be certain that it is clear that we are helping the "emergency relief" agencies rather than providing new (albeit Federal) funding for old expenses now borne by the States and schools themselves.

Mr. HATFIELD. I would reassure the Senator that the funding provided in the bill is designed to aid the emergency relief organizations such as soup kitchens, food banks, and the like, not to detract from or supersede the existing commodity distribution provided for schools and other institutions.

Mr. HELMS. One last area of concern. The legislation, S. 17, reported from the Senate Agriculture Committee and that adopted on the Senate floor as an amendment to this jobs bill contained language to permit the Secretary of Agriculture sufficient flexibility to respond to possible substitution or displacement impact in the providing of commodities. I think we are all concerned that this program supplement not supplant existing food purchases. I am concerned that this language was omitted in the conference report.

Mr. HATFIELD. While the specific language was omitted, it is not the purpose of this legislation to disrupt commercial sales of commodities or products thereof. The Secretary would have sufficient authority to establish program criteria to preclude any such circumstances without additional statutory language.

Mr. HELMS. I thank the distinguished Senator. Again, let me commend the chairman of the Appropriations Committee for expediting this legislation. Let me also commend Senator DOLE for his leadership in our committee for initiating this approach and for working with both committees to see these efforts come to fruition.

Mr. President, I am pleased that the chairman of the Appropriations Committee has been so accommodating in expediting this legislation. It is timely and will definitely complement the existing commodity distribution begun by the President for surplus dairy products. Indeed, the President announced yesterday his intention to expand this distribution, and Secretary John Block today announced the details of that plan. Under the new proposal, corn meal, rice, and nonfat dry milk that are in surplus will be made available for wider distribution.

The purpose of the commodity distribution section of the bill, like the parent bill, S. 17, is to establish an effective program to increase the amount of commodities owned by the Commodity Credit Corporation that are distributed for domestic nutrition purposes, particularly to emergency relief organizations providing assistance to needy persons.

The cornerstone of the program is to use existing surpluses as supplemental food assistance for needy persons during the current economically distressed period and for other nutrition programs historically assisted through commodity donations.

At the same time, I would emphasize that this is a temporary program to utilize only those commodities that are in temporary surplus. I am afraid that there is the widespread misperception that USDA has surpluses in many commodities. With the advent of the payment-in-kind program and, hopefully, initiation of increased export market development activities, few commodities are anticipated to be in surplus. It should not be the policy of the Federal Government to encourage the acquisition of surpluses that will dampen farm prices or to establish an expectation that such surpluses will be available in future years for distribution to eligible recipient agencies.

The program is intended to build upon existing, discretionary authority which the Secretary has been exercising in attempting to reduce the amount of commodities held by the CCC.

Commodities acquired by the Commodity Credit Corporation that the Secretary determines are in excess of other needs, and thus eligible for distribution under the new program, are typically in a form suitable for bulk storage. Some commodities are stored in the form the farmer produces them—that is, unprocessed grains. Dairy products are delivered to the CCC in forms suitable for bulk storage—for example, cans of butter, 40-pound wheels of hard cheddar cheese, and 10-pound bags of nonfat dry milk. These commodities cannot be distributed for domestic consumption without some degree of processing or packaging.

According to the Department of Agriculture, the costs of processing or packaging dairy products—the major bonus commodity donated up to this point—into forms suitable for donation have averaged about 12.5 cents per pound. Some examples of the processing of dairy products include the processing and packaging of cheddar cheese into smaller packages of processed cheese, and the processing and packaging of nonfat dry milk into smaller packages of instantized nonfat dry milk which can be mixed with water for immediate use.

To the extent that the commodities are to be used by institutions, the commodities are to be furnished in forms suitable for institutional use. At the option of those organizations that provide food assistance to needy persons, the Department will be required to process or package such commodities into units suitable for home use.

The Commodity Credit Corporation will bear the costs only of this initial processing—that is, converting the commodities into some initial stage of product; for instance, wheat into flour. There is no requirement for the Department to pay any of the costs for end-product processing—that is; any subsequent processing into forms beyond such initial processing as is customary by the Department.

The final version of the bill provides that some Federal money will be available for the distribution of commodities to emergency relief organizations, as discussed earlier with Senator HATFIELD. I think we are very much agreed on the outstanding job that has been done by volunteer organizations such as food banks, soup kitchens, and other church, and private initiatives to assist in feeding low-income individuals.

At the same time, it is important to note that this new funding anticipates responsible accounting by these organizations. The Federal financial liability is to be limited to storage and

direct distribution costs—such as transportation—by States, and should not include extraneous or incidental costs associated with the distribution of these commodities. Considerable discussion in our committee indicated that the States should be responsible to contribute some effort on their own. Indeed, the success of the ongoing surplus dairy distribution bears witness to the credible job which has been done by all participating agencies, without Federal financial assistance. We are concerned, however, that Federal funding, though temporary and limited to emergency relief organizations, not result in an increase in State bureaucracies.

The Secretary would obviously have the same authority to develop criteria for costs by emergency relief organizations which are eligible for reimbursement. These costs should be only those that can be documented and that are directly related to the new program. Inasmuch as this is a new program, the Secretary should exercise caution that other expenses or unrelated expenses not be attributed to the new program, thereby increasing Federal costs beyond the intent of this legislation.

Of course, the Secretary would still have the oversight responsibility to insure that agencies do not request, and USDA does not furnish, commodities in excess of those that can be consumed without waste—the same standard that applies in existing commodity distribution programs.

I emphasize these precautions only because of the concerns expressed before our committee that this program be effectively and efficiently operated. We do not want to find ourselves with another program in which waste, fraud, and abuse are used to describe the program after it is underway.

I think we all recognize the potential that this program can have, if properly supervised, for providing assistance during these difficult economic times. Based on the recent actions of the President and Secretary Block, I feel certain that they will do everything in their power to insure the success of this new program.

As noted by others during this and earlier discussions of the issue, this program is intended to supplement existing nutrition programs and existing commodity distribution programs, not to supersede them. It is important that this program be implemented smoothly, and without disrupting existing efforts.

Again, I want to commend both Senators HATFIELD and DOLE for their efforts. I think this legislation, coupled with the President's announced plan, will achieve the objectives which had been sought—an increase in distribution of commodities which are in excess of expected needs.

Mr. DOMENICI. Mr. President, the Senate is now considering the conference report accompanying H.R. 1718, the Emergency Expenditures To Meet National Needs Act.

I ask unanimous consent that a table showing the relationship of the conference report on H.R. 1718 to the second budget resolution for fiscal year 1983 be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EMERGENCY JOBS SUPPLEMENTAL (H.R. 1718)
CONFERENCE

[In billions of dollars]

	Fiscal year 1983	
	Budget authority	Outlays
Title I, meeting our economic problems with essential and productive jobs	4.6	1.6
Title II, Temporary Emergency Food Assistance Act of 1983	0.1	(1)
Title III, supplemental appropriations	10.9	5.5
Total, gross cost of bill	15.6	7.1
Deduct offsetting receipts and other amounts already included in current budget level	−10.7	−5.3
Net cost of bill	4.8	1.8
Current level prior to this bill	831.3	780.0
Net cost of this bill	4.8	1.8
Total current level	836.2	781.8
Second budget resolution	822.4	769.8
Amount exceeding second budget resolution	+13.8	+12.0

[1] Note: Details may not add to totals due to rounding.

● Mr. ABDNOR. Mr. President, I wish to clarify one point with the distinguished subcommittee chairman for the Interior and Related Agencies Subcommittee, Senator MCCLURE of Idaho. As I understand the conference agreement reached on Monday, the House and Senate conferees agreed to provide up to $200,000 to the State of South Dakota for the rehabilitation of the McNenny Fish Hatchery in South Dakota prior to the Fish and Wildlife Service transferring the responsibility for operation and maintenance of the hatchery to the State. Is that correct, I ask the Chairman?

Mr. MCCLURE. That is correct.

Mr. ABDNOR. Now that the House has insisted on its own targeting formula and has agreed to include funds provided to the Fish and Wildlife Service under the terms of that targeting procedure, may I ask for the Chairman's judgment as to the impact that will have on the availability of funds for the McNenny Fish Hatchery?

Mr. MCCLURE. Mr. President, I appreciate the concerns expressed by my good friend from South Dakota. He will remember that I tried to help him maintain Federal operation at McNenny against the wishes of the House. As I understand the provisions of the House targeting language, the Secretary will receive 25 percent of the funds appropriated, or $5 million, to be spent according to existing law. I shall urge the Secretary to respect the language agreed to by House and Senate conferees and provide up to $200,000 to the State for repair work at McNenny out of the $5 million he has available for expenditure according to existing law. Chairman Yates and I agreed to this provision on Monday, and I think that our priority projects, as mentioned in the conference report, have not changed since that time.

Mr. ABDNOR. Mr. President, I thank the Senator for that clarification and appreciate his interest and support.●

Mr. STEVENS. Mr. President, I ask unanimous consent that my comments appear as read in the permanemt RECORD following passage of the comference report to H.R. 1718.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I rise in support of H.R. 1718 and urge that the Senate concur in the conference report on this important measure. This bill will bring an increase in Federal expenditures in many parts of our country that are experiencing extraordinary high rates of unemployment, and I hope the Senate will pass this important legislation.

As my colleagues are aware, the bill contains an amendment which my colleague from Mississippi, Mr. COCHRAN, and I added to modify the effect of section 32 surplus commodity purchase program of the Agriculture Adjustment Act of 1935. This modification will bring fishery products within the scope of agricultural purchase programs, and it is an important step to bring equity to the fishing industry.

If this program is to bring fishing product purchases to a level which will be significant in reducing our surpluses, it must be tailored to meet the fishing industry's needs. I anticipate a procedure which will achieve the goal of guaranteeing a safe and wholesome product yet one which is modified to the practicalities that affect our fishery processing industry. In that regard, I feel that a statistical sampling scheme for processed fishery products can work. I feel that it is possible to achieve the safety and wholesomencss requirements of the Department of Agriculture through a statistical sampling scheme that would not require onsight inspection by the Department of Agriculture.

Mr. President, I feel that the amendment as adopted will provide a tremendous benefit to our fishing industry and also will be of great benefit to the recipients of these food distribution programs. Seafood is largely recognized as a product with great potential to improve the nutritional composition of the American diet. Recent studies which describe the positive benefits of seafood in diet confirm longheld beliefs that the introduction of seafood

products can have an important role in reducing blood cholesterol levels and improving the overall nutritional balance. I feel that the addition of fishery products into this program will have an important effect by improving the diet of those who are the recipients of the commodity distribution program.

Mr. HATFIELD. Mr. President, during consideration of this measure on the House floor, a number of statements were made regarding specific water projects under the jurisdiction of the Energy and Water Development Subcommittee. In an effort to clarify the legislative record, let me indicate that no water projects were earmarked within the bill, H.R. 1718, or the conference report. It was clearly the intent of the conferees to avoid any earmarking.

Unilateral statements from the House floor should not be interpreted to convey an intent on the part of the conferees to earmark funding or give priority to any specific water project. The allocation of funds to individual projects should be based on need and immediate impact on employment under general guidelines contained in the applicable committee reports.

The PRESIDING OFFICER. Is there any further debate on the conference committee report? If not, the yeas and nays are ordered. The clerk will call the roll.

Mr. BAKER. Mr. President, even though there is no debate on a rollcall, Senators should know there is a high likelihood of one or two more rollcall votes tonight.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Alabama (Mr. DENTON), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I further announce that, if present and voting, the Senator from Alabama (Mr. DENTON) and the Senator from Illinois (Mr. PERCY) would each vote "yea".

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 82, nays 15, as follows:

[Rollcall Vote No. 44 Leg.]

YEAS—82

Abdnor	Cohen	Hart
Andrews	Cranston	Hatfield
Baker	D'Amato	Hawkins
Baucus	Danforth	Hecht
Bentsen	DeConcini	Heflin
Biden	Dixon	Heinz
Bingaman	Dodd	Hollings
Boren	Dole	Huddleston
Boschwitz	Domenici	Inouye
Bradley	Durenberger	Jackson
Bumpers	Eagleton	Jepsen
Burdick	Exon	Johnston
Byrd	Ford	Kassebaum
Chafee	Glenn	Kasten
Chiles	Gorton	Kennedy
Cochran	Grassley	Lautenberg
Laxalt	Packwood	Stafford
Leahy	Pell	Stennis
Levin	Pressler	Stevens
Long	Proxmire	Thurmond
Lugar	Pryor	Trible
Mathias	Quayle	Tsongas
Matsunaga	Randolph	Wallop
Melcher	Riegle	Warner
Metzenbaum	Sarbanes	Weicker
Mitchell	Sasser	Wilson
Moynihan	Simpson	
Nunn	Specter	

NAYS—15

Armstrong	Humphrey	Roth
East	Mattingly	Rudman
Garn	McClure	Symms
Hatch	Murkowski	Tower
Helms	Nickles	Zorinsky

NOT VOTING—3

Denton	Goldwater	Percy

So the conference report on H.R. 1718 was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. STENNIS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS IN DISAGREEMENT

Mr. HATFIELD. Mr. President, will the Chair state the amendments in disagreement?

The PRESIDING OFFICER. The clerk will state the amendments in disagreement.

The bill clerk read as follows:

The House recedes and concurs with amendment to Senate amendments numbered 1, 2, 9, 16, 21, 22, 27, 28, 64, 71, 76, 79, 88, 89, 90, 91, 92, 97, and 98.

The amendments in disagreement follow:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken, and insert:

It is the sense of the Congress that the continued economic recession has resulted in nearly fourteen million unemployed Americans, including those no longer searching for work, rivaling the actual numbers of unemployed during the Great Depression. Other millions work only part-time due to the lack of full-time gainful employment. The annual cost of unemployment compensation has reached the staggering total of $32,000,000,000. The hardships occasioned by the recession have been much more severe in terms of duration of unemployment and reduced percentage of unemployed receiving jobless benefits than in previous recessions.

Actual filings of business related bankruptcies for the year ending June 30, 1982, reached a total of seventy-seven thousand as compared with a prior year figure of sixty-six thousand. Business failures are up 49 per centum compared to one year ago. Delinquencies are many times greater. The American farmers are more than $215,000,000,000 in debt. Hundreds of thousands of farmers are faced with bankruptcy.

It is essential that interest rates, which have been reduced following a General Accounting Office investigation of the Federal Reserve System at the request of the Committee on Appropriations on April 26, 1982, continue at present or lower rates with due regard for controlling inflation so as not to have an opposite effect of driving interest rates upward for business, industrial and agricultural recovery.

Under these circumstances, the Congress finds that a program to provide for neglected needs of the Nation which results in productive jobs, and to provide humanitarian assistance to the indigent and homeless, to be very strongly in the national interest.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 2 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken, and insert:

REDUCING AND STABILIZING INTEREST RATES

It is the sense of the Congress that the Board of Governors of the Federal Reserve and the Federal Open Market Committee with due regard for controlling inflation so as not to have an opposite effect of driving interest rates upward should continue such actions as are necessary to achieve and maintain a level of interest rates low enough to generate significant economic growth and thereby reduce the current intolerable level of unemployment as they have since the Committee on Appropriations on April 26, 1982 obtained an investigation of the Federal Reserve System by the General Accounting Office.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 9 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken, and insert:

To provide for labor-intensive capital improvements, the Secretary of Transportation shall make capital grants to the National Railroad Passenger Corporation of $80,000,000, to remain available until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 16 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken, and insert:

: *Provided further*, That of the new budget authority provided under this heading up to $500,000,000 shall be available until September 30, 1985, for activities authorized by section 105(a)(8) of the Housing and Community Development Act of 1974, as amended: *Provided further*, That the 10 per centum limitation on the amount of funds for public service activities contained in such section 105(a)(8) shall not apply to the funds provided under the immediately preceding proviso: *Provided further*, That notwithstanding the limitation of $60,000,000 contained in section 107(a) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5307(a)), one per centum of the new budget authority provided for local community development programs in this Act shall be set-aside for the special discretionary fund for grants to Indian tribes as authorized under section 107(b) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5307(b))

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 21 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken, and insert:

DEVELOPING PARKS AND RECREATION AREAS

An additional amount of $50,000,000 to remain available until expended, is appropriated for "Salaries and expenses", Small

Business Administration to be available only for grants for resources development programs pursuant to Section 21(a)(1) of the Small Business Act; notwithstanding any other provision of law including any contained herein, such sum shall be allocated to each State, the District of Columbia, and the Commonwealth of Puerto Rico on the basis of the average of the number of unemployed individuals who reside in each such area as compared to the total number of unemployed individuals in all of the States, the District of Columbia and Puerto Rico during the fourth quarter of calendar year 1982; upon receipt of a certification, which the Administrator deems appropriate, from the Governor of any State or Puerto Rico or the Mayor of the District of Columbia, the grant to that area may be made immediately, and an expedited review and approval of any rules, regulations or procedures is hereby authorized and shall be completed by April 15, 1983.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 22 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken, and insert:

There is appropriated for expenses necessary for the "Urban Parks and Recreation Fund" for rehabilitation grants and repairs, under the provisions of the Urban Park and Recreation Recovery Act of 1978 (title 10 of Public Law 95-625), $40,000,000: *Provided,* That such funds shall be available only for grants for which: (1) obligations are entered into before October 1, 1983, (2) work will be in progress before January 1, 1984, and (3) all Federal funds will be outlayed before September 30, 1984.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 27 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: $40,000,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 28 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken, and insert:

To restore, repair, and provide forest roads, trails, and other existing facilities which are part of the real wealth of this country, there is appropriated an additional amount of $25,000,000, to remain available for obligation until September 30, 1984, for the "National Forest System".

In order to provide jobs, to improve the growth rate of existing forested land inventories, and to decrease the number of deforested acres of Forest Service lands, there is appropriated an additional $35,000,000 for "National Forest System", Forest Service.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 64 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken, and insert:

To expand the availability of essential health care services for the disadvantaged and unemployed, including those in rural towns and villages, an additional $70,000,000 for "Health Services", Department of Health and Human Services, for carrying out titles III and XIX of the Public Health Service Act with respect to community and migrant health centers: *Provided,* That $5,000,000 shall be for the provision of home health services at such centers and $5,000,000 shall be for carrying out section 339 of the Public Health Service Act relating to home health care services and training: *Provided further,* That each center may apply up to 20 per centum of these funds provided to the center for the purchase (at rates not exceeding those prevailing under the applicable State plan approved under title XIX of the Social Security Act) of inpatient hospital services for delivery and post partum care to pregnant women and infants who have no other source of payment for the care.

INCREASING MATERNAL AND CHILD HEALTH SERVICES

(HEALTH SERVICES)

To increase the availability of essential health services for disadvantaged children and mothers, an additional $105,000,000 for "Health Services", Department of Health and Human Services, for maternal and child health grants under title V of the Social Security Act: *Provided,* That such funds shall be allocated as provided for under section 502(b) of the Act: *Provided further,* That no grant shall be made to a State unless such State offers assurances satisfactory to the Secretary that it will use such amounts in addition to rather than in lieu of existing Federal or State funds currently available for these purposes.

CENTERS FOR DISEASE CONTROL

PREVENTIVE HEALTH SERVICES

For an additional amount for "Preventive Health Services", $15,560,000, which shall remain available until expended and shall be for construction and renovation of facilities.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 71 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: $25,000,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 76 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

STUDENT FINANCIAL ASSISTANCE

For an additional amount for "Student Financial Assistance", $50,000,000 to remain available until September 30, 1984 for carrying out part C of title IV of the Higher Education Act of 1965, relating to the College Work Study Program: *Provided,* That notwithstanding subsections (a), (b), (c), and (e) of section 442 of the Higher Education Act of 1965, and section 11 of Public Law 97-301, the Secretary shall allot the sums appropriated pursuant to section 441(b) of the Higher Education Act of 1965 for fiscal year 1983 among the States so that each State's allotment bears the same ratio to the total amount appropriated as that State's allotment in fiscal year 1981 bears to the total amount appropriated pursuant to section 441(b) for the fiscal year 1981.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 79 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Notwithstanding 15 U.S.C. 713c-2, the Secretary of Agriculture shall purchase domestically produced fresh and processed fishery products from funds appropriated under 7 U.S.C. 612c, and distribute to eligible recipient agencies.

Resolved, That the House recede form its disagreement to the amendment of the Senate numbered 88 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

ADMINISTRATION FOR NATIVE AMERICANS

SEC. 103. During fiscal year 1983, general administration of programs authorized under the Native American Programs Act shall remain in the Department of Health and Human Services and shall not be transferred to the Bureau of Indian Affairs and the Secretary of Health and Human Services shall continue to administer the financial assistance grants funded under that Act through the Administration for Native Americans: *Provided,* That this provision shall not prohibit interagency funding agreements between the Administration for Native Americans and other agencies of the Federal Government for the development and implementation of specific grants or projects.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 89 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

NATIONAL WEATHER SERVICE

SEC. 104. Since the Administration has proposed to sell the weather (METSAT) and land (LANDSAT) satellite systems;

Since there are concerns about possible commercialization of the National Weather Service;

Since our country should provide weather service information for the protection of life and property;

Since our Nation's economy—its agriculture, aviation, ocean shipping and construction—is heavily affected by weather and our ability to forecast and disseminate vital information about its behavior: Now, therefore,

It is the sense of the Congress that a reliable and comprehensive national weather information system responsive to the needs of national security; agriculture, transportation and other affected sectors; and individual citizens must be maintained through a strong central National Weather Service that can work closely with the private sector, other Federal and State government agencies, and the weather services of other nations.

Further, the Nation's civil operational remote sensing satellites (METSAT and LANDSAT) shall remain under the National Oceanic and Atmospheric Administration. No effort shall be made to dismantle, transfer, lease or sell any portion of these systems without prior congressional approval.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 90 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number proposed in said amendment, insert: 105.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 91 to the aforesaid bills, and concur therein with an amendment as follows:

In lieu of the section number proposed in said amendment, insert: 106.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 92 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

TITLE II—TEMPORARY EMERGENCY FOOD ASSISTANCE ACT OF 1983

SEC. 201. This title may be cited as the "Temporary Emergency Food Assistance Act of 1983", and is hereinafter in this title referred to as "the Act".

AVAILABILITY OF CCC COMMODITIES

SEC. 202. (a) Notwithstanding any other provision of law, commodities acquired by the Commodity Credit Corporation that are in excess of quantities needed for the fiscal year to carry out a payment-in-kind acreage diversion program, maintain U.S. share of world markets, and meet international market development and food aid commitments, shall be made available by the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") without charge or credit in such fiscal year for use by eligible recipient agencies. Upon request, commodities provided by the CCC shall be provided in a form suitable for individual household or institutional use.

(b) Notwithstanding any other provision of law, if wheat stocks acquired by the Commodity Credit Corporation are not available for the purposes of this Act, up to 300,000 metric tons of wheat designated under section 302(b)(1) of the Food Security Wheat Reserve Act of 1980 shall be used for the purposes of this Act. Any amount of wheat used from the Food Security Wheat Reserve under this Act shall be replenished by an equivalent quantity of wheat under the provisions of section 302(b) of the Food Security Wheat Reserve Act of 1980 as soon as practicable, but before December 31, 1983.

PROCESSING AGREEMENTS

SEC. 203. Whenever a commodity is made available without charge or credit under any nutrition program administered by the Secretary, the Secretary shall encourage consumption thereof through agreements with private companies under which the commodity is reprocessed into end-food products for use by eligible recipient agencies, with the expense of the reprocessing to be borne by the recipient agencies.

AUTHORIZATION AND APPROPRIATIONS

SEC. 204. (a) There is appropriated for the period ending September 30, 1983, $50,000,000 for the Secretary to make available to the States for storage and distribution costs, of which not less than $10,000,000 shall be made available for paying the actual costs incurred by charitable institutions, food banks, hunger centers, soup kitchens, and similar nonprofit organizations providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons, provided that in no case shall such payments exceed five per centum of the value of commodities distributed by any such agency. The value of the commodities made available under this Act and the funds of the Corporation used to pay the costs of initial processing, packaging (including forms suitable for home use), and delivering commodities to the States shall not be charged against this appropriation.

RELATIONSHIPS TO FOOD STAMPS

SEC. 205. Section 4(b) of the Food Stamp Act of 1977 shall not apply with respect to the distribution of commodities under this Act.

COMMODITIES NOT INCOME

SEC. 206. Notwithstanding any other provision of law, commodities distributed under this Act shall not be considered income or resources for any purposes under any Federal, State, or local law.

PENALTIES

SEC. 207. Section 4(c) of the Agriculture and Consumer Protection Act of 1973 is amended by—

(1) striking out "or section 709" and inserting in lieu thereof "section 709"; and

(2) inserting after "(7 U.S.C. 1446a-1)" the phrase "or the Emergency Food Assistance Act of 1983".

PROHIBITION AGAINST CERTAIN STATE CHARGES

SEC. 208. Whenever a commodity is made available without charge or credit under any nutrition program administered by the Secretary for distribution within the States to eligible recipient agencies, the State may not charge recipient agencies any amount that is in excess of the State's direct costs of storing and transporting the commodities to recipient agencies minus any amount the Secretary provides the State for the costs of storing and transporting such commodities.

COMMODITY SUPPLEMENTAL FOOD PROGRAM ADMINISTRATIVE EXPENSES

SEC. 209. Notwithstanding any other provision of law, administrative expenses for the Commodity Supplemental Food Program, on commodities donated by CCC during fiscal year 1983, shall be paid from CCC funds and shall be fifteen percentum of the book value of the commodities donated.

REGULATIONS

SEC. 210. The Secretary shall issue regulations within 30 days to implement this Act.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 97 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: $200,000,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 98 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

For an additional amount for "Reimbursement for net realized losses", $5,707,457,000.

Resolved, That the House insist on its disagreement to the amendment of the Senate numbered 82 to the aforesaid bill.

Mr. HATFIELD. Mr. President, I ask unanimous consent, and this has been cleared on both sides of the aisle, that the amendments reported in disagreement, with the exception of amendment No. 82, which is the targeting amendment, be considered en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

Mr. HEINZ. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HEINZ. Will that prevent an amendment to be offered to amendment No. 28?

Mr. HATFIELD. Eighty-two?

Mr. HEINZ. No. Twenty-eight.

Mr. HATFIELD. Yes. I wish the Chair would answer.

Mr. HEINZ. If those amendments are considered en bloc, would an amendment to No. 28 be in order or not?

The PRESIDING OFFICER. If the amendments are considered en bloc and agreed to en bloc, then no amendment would be in order.

Mr. HEINZ. Mr. President, I must reluctantly object to the request of the chairman of the Appropriations Committee.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the amendments reported in disagreement with the exception of No. 28 and No. 82 be considered en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

Mr. METZENBAUM. Mr. President, reserving the right to object, will the manager of the bill be good enough to note what this has to do with the dollar amounts in each of those amendments? Would he be good enough to advise us as to whether there were any significant changes from the Senate figures that relate to these particular amendments? By "significant," I mean more than some compromise plus amount.

Mr. HATFIELD. Is the Senator asking for numerical figures involved in No. 28?

Mr. METZENBAUM. No. I am asking for the dollar amount and I am asking whether or not there are any significant or very substantial changes in the figures that the Senate had in its bill in connection with each of the amendments other than 28 and 82?

Mr. HATFIELD. There were no really significant dollar amounts included in 28. The Senate version was $90 million.

Mr. METZENBAUM. I cannot hear the Senator.

Mr. STENNIS. Mr. President, let us have order if we are ever going to get through.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HATFIELD. I would say to the Senator from Ohio that there were not significant dollar differences. These are typical of most of those compromises that are reached in the Congress. For instance on the No. 26 the Senator from Pennsylvania has asked that there be an exemption from the adoption en bloc, unanimous-consent request, the separated $90 million, the conference came out with $60 million so what we were doing was striking differences between the House version and the Senate version.

Out of the 20 of the so-called en bloc amendments, 7 of them constituted only language; 12 of them constituted changes or modifications in dollar amounts.

Mr. METZENBAUM. All of them are lesser amendments than the figure the Senate had set?

Mr. HATFIELD. No, it would have been a compromise position between the Senate and the House. Sometimes the House was higher and the Senate lower, sometimes the Senate was higher and the House was lower.

Mr. METZENBAUM. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the request amendments be considered en bloc with the exception of 28 and 82?

Without objection, it is so ordered.

Mr. HATFIELD. Now, Mr. President, I ask unanimous consent—what is the pending amendment?

The PRESIDING OFFICER. The pending question is agreeing to amendments en bloc, with the exception of amendments 28 and 82.

Mr. HATFIELD. Will the Chair lay before the Senate the amendment in question?

The PRESIDING OFFICER. The Chair advises the Senator from Oregon there has been no motion to agree to the amendment en bloc with the exception of 28 and 82.

Mr. HATFIELD. I so move.

The PRESIDING OFFICER. The question is on agreeing to the amendments in disagreement en bloc with the exception of amendments 28 and 82.

The amendments in disagreement, with the exception of amendments 28 and 82 agreed to en bloc are as follows:

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will report the amendment in disagreement No. 28.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 28 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken, and insert:

To restore, repair, and provide forest roads, trails, and other existing facilities which are part of the real wealth of this country, there is appropriated an additional amount of $25,000,000, to remain available for Obligation until September 30, 1984, for the "National Forest System".

In order to provide jobs, to improve the growth rate of existing forested land inventories, and to decrease the number of deforested acres of Forest Service lands, there is appropriated an additional $35,000,000 for "National Forest System", Forest Service.

The PRESIDING OFFICER. The Senator from Pennsylvania.

UP AMENDMENT NO. 117

Mr. HEINZ. Mr. President, I move the Senate concur in the amendment of the House to the amendment of the Senate No. 28 with the following amendment which I send to the desk and ask the clerk to report.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania (Mr. HEINZ) proposes an unprinted amendment numbered 117:

At the end of the matter proposed to be inserted, insert the following new matter:

"With respect to installments for quarters beginning after March 31, 1983, subsection (b) of section 6702 of title 31, United States Code, is amended by striking out 'the end of the quarter' and inserting in lieu thereof 'the beginning of the quarter'.".

Mr. HEINZ. Mr. President——

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. HEINZ. Mr. President, I would like to, if I may, just be heard on this amendment.

Mr. President, what I am proposing to do is to amend the conference report to, in effect, insist on the Senate position that we accelerate from the end of each fiscal quarter to the beginning in the payment of general revenue sharing. I am not going to take a lot of time to discuss this with my colleagues. This is a Senate position that was adopted by a vote of 73 to 21, better than 3 to 1.

Now, it is this Senator's view that there are a lot of things in this jobs bill that ought to be subject to the Truth in Language Act, and if they were they would properly not be in this bill as jobs to be created within the next 12 months. We will be lucky if one-third of the $4.6 billion in so-called jobs measures in this bill is spent for job-creating purposes in the next 12 months.

If we adopt this amendment, which will have the effect of moving $1.15 billion in revenue-sharing payments by not quite 90 days, what we will be doing is giving the conferees a chance to knock off some of that 1986 and 1985 and even some of that fiscal 1984 money and put some money up front where it will really do some people some good.

I must say, Mr. President, I offer this amendment, let me say, without going any further on behalf of myself and Senator SPECTER who was a conferee on this bill with the House. Senator SPECTER waged a very hard and aggressive fight in the conference committee, and for all we know the House of Representatives might have taken it except I am told the Senate conferees, by a vote of 9 to 2 the other way, voted to drop the amendment.

Now, Mr. President, I think conferees have a responsibility to stick up for the Senate position, either that or we ought to send different conferees maybe.

The fact is that when the Senate votes by 3 to 1 in favor of something, we do not expect the Senate conferees to vote 1 to 3 the other way.

So I, Mr. President, hope my colleagues will give the conferees—they have got to go back to work anyway on targeting, we are not through, and I hope the conferees will take this opportunity to go back and complete their work.

I would be happy to yield to the Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank my distinguished colleague from Pennsylvania, and I supplement his comments.

The amendment which Senator HEINZ put forth when the jobs bill was considered would advance, as he has outlined, $1.15 billion. It is not an additional authorization, and it is not an additional expenditure. It simply provides it will be spent before the end of the last quarter.

So it had the effect of moving up by perhaps as much as 90 days the last quarter of expenditures on revenue sharing so that instead of an administration making the expenditure on October 31 so that it will be handled as an outlay after November 1, the expenditure can be made as early as July 1, 1983, and thereby put this very significant sum of money into the pipeline on revenue sharing. It is absolutely, positively, not any additional expenditure at all. It is only a question of timing. But it may look better on the books for the administration not to have the outlay in fiscal year 1983 by delaying it until the last day of the fiscal year, so the outlay occurs on the books in the 1984 fiscal year after October 1.

I would only amend one statement which Senator HEINZ made when he said that the Senate conferees did not fight very hard. It was a case of Gaston and Gaston. It was not even a case of Gaston and Alphonse. When the conference was in session the chairman of the House committee said "We yield to the Senate position," and was then interrupted by the chairman of the Senate committee, saying "Oh, no, you cannot yield to our position. We insist on yielding to your position." And there we were with a vote of 72 to 21, which is a very authoritative showing of the sentiment of the U.S. Senate, and the Senate conferees insisted on yielding after the House had said that they insisted on yielding, which might defy the logic of negotiations.

Had there been a determined battle even with the 72-to-21 vote, and it appeared that we were at loggerheads over that issue, perhaps there could be some theoretical justification for

yielding under some extraordinary circumstances. But that was not the case. And it was at that juncture that I suggested that there was a duty on the part of the Senate conferees to assert the Senate's position and I did have one supporter among the 11 Senators who were present and, as Senator HEINZ has outlined, the vote was 9 to 2.

Senator HEINZ and I discussed this matter, and we think it is an appropriate matter the Senate ought to insist on for two very important reasons: One substantive. This $1.15 billion ought to be put in the pipeline and do some good on jobs and not as a bookkeeping entry, where we can put Americans to work. Second, what may be even a more important position for this body, as a signal that conferees ought to represent their principals. That is a rule that even lawyers follow in this country under such extraordinary circumstances, that when conferees go to conference that there should be a battle for the position asserted by the body, because if the conferees can back down on a 3-to-1 vote in a context where the other body says "we defer" then anything is possible.

Mr. CHILES. Will the Senator yield?

Mr. HEINZ. May I just say to my good friend and colleague from Pennsylvania he, I know, waged a very able battle against what turned out to be surprisingly long odds on the Senate side and, Mr. President, I just offer the motion I did for myself and Senator SPECTER, and indeed I thank him for his encouragement in coming forward.

I would ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, I really say this with no trace of egotism, but I believe I can safely say there is not another Member of this Chamber who today who earlier came to the cause of general revenue sharing than I did. In 1967, the first bill I introduced in the Senate was on general revenue sharing. The bill that first passed the Congress was cosponsored by the late Senator Humphrey and me as the principal sponsors of that bill. I have been an unfailing and unswerving supporter of revenue sharing. Indeed, I supported the amendment offered by the Senator from Pennsylvania.

But, Mr. President, this is not the time and this is not the place to add over a billion dollars to this conference report. I have no quarrel with the remarks of either Senator from Pennsylvania on the merits of this matter, nor the desirability of the outcome. But the responsibility of conferees, Mr. President, in my view, is to produce a bill that the Senate will approve and that will pass. And it early on became obvious, I think, to the conferees, and everybody else just about, that this bill was too fat.

Now I can argue at length that you ought not to score revenue sharing as an appropriation against the budget, but I would not win that argument because I do not do the scoring. I would not be the man who advised the President of the United States on whether he ought to sign or veto this measure.

But the fact of the matter is we had an important piece of legislation that in the view of this body had to be passed and the conferees in my judgment acted wisely and well in finding the one item that could really make a difference.

Now, I will support the acceleration of revenue sharing on some bases. I believe the President of the United States has the authority to do that without any further and additional legislation. I do not predict that he will do that but I hope he will do that and I have urged him to do that.

The subcommittee of the Finance Committee, under the chairmanship of Senator DURENBERGER, has already conducted hearings on this matter. It is not going to die tonight, the question of accelerating payments of revenue sharing in the fourth quarter installment of revenue sharing. Indeed, there is a real possibility it will recur.

It is with reluctance, Mr. President, that I must urge the Senate not support the amendment of this item in disagreement dealing with the first item that I ever presented to this body of the U.S. Senate.

Mr. HATFIELD. Mr. President, I really do not want to continue this discussion too long, except I think I have the responsibility to the Senate to report on what has been described as an act of arrogance, abuse of power, and all the other kinds of obvious conclusions you would have to draw from the description of the conference committee. I would reject that analysis and those charges, that indictment that I have had issued against me, and only say to you that, as the majority leader has indicated, I had information given to me after the action of the Senate before we got to conference directly from the White House that this bill would not be signed into law.

I want a jobs bill. I felt my responsibility to the body of the Senate was to come out with something from the conference that we could conceivably expect to be signed by the President. And when we began to look at the various programs and the various places where we could cut in order to reduce the total size of this particular jobs bill—and I indicated on the floor of the Senate that I had a heavy, heavy expectation that this would be the reaction of the President—I fought against that adoption. I lost on that. But I also had, as I say, that responsibility to bring something back here that would pass the Senate and be signed by the President.

I want to assure the Senate that there is no effort on my part to enter into any kind of conspiracy, no effort on my part to take an abuse of power that has been given to a conferee as chairman of the committee. And I would not only say that as against that particular incident in the conference, but I would ask my colleagues on the committee if there was any other instances of my chairmanship of that committee where this kind of indictment would be leveled against one who has struggled very hard to give every Senator his rights on that committee, even at times when he had to delay the full proceedings of the committee for a Senator to arrive to engage in the pursuit of his rights.

I have to say that I am somewhat appalled and somewhat disappointed—somewhat injured, I suppose—to feel that a member of the committee, especially, would issue that kind of indictment as to the conduct of the conference.

But I only wanted to say that as a report to the Senate body to refute this kind of impression that has been left by the Senator from Pennsylvania.

Mr. STENNIS. Will the Senator yield?

Mr. CHILES. Will the Senator yield?

Mr. HATFIELD. I yield first to the Senator from Mississippi and then to the Senator from Florida.

Mr. STENNIS. Mr. President, the Senator from Oregon has spoken well. I was sitting right by him. There is no dispute between gentlemen Members, not accusing anyone of anything.

I was looking right in the face of all these conferees for the House. Just as soon as it was announced which amendment was being called up or which item, you could see it plainly written on their faces that they just were not interested and were not going to take it.

Now, I am no magician, but I have been looking at them a long time and watching for that first expression that comes on their faces. I knew it was as dead as Hector. I did not know why. The Senator from Oregon told me just then that he got the word from the White House, from what he just said, or someone from the White House.

So that is the way it happened. That is the only thing involved here. I was kind of halfway for the amendment myself, but I knew, as I said, it was dead.

May I repeat what Senator Carl Hayden said here once, a longtime Member. Someone charged into him pretty hard because they did not bring his amendment back. He said, "Well, the House wouldn't take it." The other Senator said, "Why won't they

take it?" He said, "They didn't say." [Laughter.]

So sometimes they just do not say, but you can read it on their faces.

I thank the Senator.

Mr. CHILES. Will the distinguished chairman of the committee yield?

Mr. HATFIELD. I yield to the Senator from Florida.

Mr. CHILES. Mr. President, I think a remark was made earlier that this particular amendment would not cost any money but it would simply accelerate a payment. My understanding is that we are talking about really making five payments in 1 year and four payments thereafter. So any way you add that up, somehow you get another quarter in there. So there is no way you can say it does not actually cost some money. It is sort of the reverse of what we are doing by slowing down the COLA for 6 months and thereafter we make savings because we have done that. Here, when we pay this out, we actually have spent some extra money, have we not?

Mr. HATFIELD. The Senator is correct. There are five payments in 1983 under this amendment and four in 1984 and from there to eternity.

Mr. CHILES. So we are not really talking about whether we are going to give you the money earlier in the quarter and take it up the next time.

Mr. HATFIELD. It will add that amount of money to the deficit in 1983.

(Mr. PRESSLER assumed the chair.)

Mr. HEINZ. Will the Senator from Oregon yield for a question?

Mr. HATFIELD. Yes.

Mr. HEINZ. The Senator from Oregon suggested that he had received a message from the White House, the import of which was that the increase in revenue sharing moneys, or the acceleration of it, have it as you will, was on its face objectionable.

Now, my understanding—and maybe I am wrong—is that there is no objection by the President or by the White House per se to the acceleration of revenue sharing. What they were objecting to, as I understand it, was having a jobs bill that was more than the amount of money that they agreed to spend.

Obviously, if you took the revenue sharing amendment and did not choose to treat the acceleration and did not reduce the budget authority in some of these other programs that are spending out in 1984, 1985, or 1986, you could draw a veto. But is it not the case that the objection of the While House was to an aggregate amount of money as opposed to this amendment?

Mr. HATFIELD. I would say to the Senator that there was a meeting in the majority leader's office in which we sat down and went over the Senate version of the jobs bill. It was reputed to be $5.1 billion, including the $1.1 billion revenue sharing which was an unacceptable—that is title I—which was an unacceptable level. We indicated there were various ways we could go. With the counsel of the representatives of the White House, the first thing recommended to be deleted was revenue sharing, not only on the matter of getting down the total package, but on the amount that was going to be put against the deficit as well. That was part of the process.

Later, after that meeting, a later communication was that it would be vetoed if it were going to include that as part of the overall amount of money.

Mr. HEINZ. Just to be a little clearer, can I ask if they had left the $1.1 billion in revenue sharing in there, beause the vast majority of the members of the Senate Appropriations Committee, the conferees, were in favor of it, and you had reduced other parts of the jobs bill would it have been threatened with a veto under those circumstances, as long as it had been in the neighborhood of $4.6 billion?

Mr. HATFIELD. I think it was, because they asked for a reduction in all the other areas of the bill of about $500 million. They made two recommendations, to take the $1.1 billion out, and out of the other part of title I to reduce that by another half a billion dollars. If the Senator is alluding to the possibility that we could have reduced the total jobs title by $2 billion, which would have been $1.1 or approximately $1.6 billion and $500 million they asked in addition to the $1.1 billion, we would have dismantled the rest of title I in trying to reduce that by $1.1 billion plus the $500 million.

Mr. HEINZ. I understand that.

Mr. HATFIELD. That information was given to the conferees at the time. By the way, I want to make that part of the record, too. This so-called description that was given of that action which was totally distorted was the fact that when that first effort was made on the part of the House conferees to recede, I interrupted that action in order to delay that action, in order for them to have the full benefit of the information I was trying to get out to all parties. Then they themselves made it very clear that under those circumstances they did not want to recede. I think that ought to be part of the record, too.

Mr. HEINZ. I thank the Senator from Oregon for yielding.

Mr. HATFIELD. I just yielded for a question.

Mr. HEINZ. I thank the Senator. I appreciate it. I think he has made this very clear.

Mr. HATFIELD. Mr. President, I make a point of order against the amendment on the basis of violating section 311 of the Budget Act.

The PRESIDING OFFICER. The amendment of the Senator from Pennsylvania, by moving up to the beginning of the quarter payments due to the States at the end of the quarter, has the effect of increasing outlays for the current fiscal year and, as such, violates section 311 of the Budget Act.

Mr. SPECTER. Mr. President, this figure was included in the bill when it passed the Senate. How can a point of order lie against the inclusion of this figure now when this same figure was included in the jobs bill which had already passed the Senate?

The PRESIDING OFFICER. The amendment before the Senate must stand on its own merits, regardless of whether similar langauge was agreed to when the bill was considered by the Senate.

Mr. HEINZ. Mr. President, obviously, the alternatives available at this point are twofold. One would have been for me to move away from the Budget Act. I did not do it at the time. I did it once today and that was not very successful. The other alternative is simply to appeal the ruling of the Chair, which I would never do lightly. I am somewhat torn on the matter, but it seems to me that the principle here, which is whether the conferees had deserted the Senate position willy-nilly, is probably worth fighting for.

I yield to the Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I am at a loss under our budget rules to understand how there can be a violation of the rules relating to budgeting when the motion which is being made here simply seeks to reinstate what the Senate had already voted for. I do think that the central issues here have been substantially obscured by the nature of the argument. When the distinguished Senator from Florida advances the contention that there would be a double payment in some quarters, I think that is not factually correct. There was no suggestion that there be an advance in any subsequent quarters but only in the fourth quarter. When the distinguished chairman of the Appropriations Committee sought to divert the argument with a series of characterizations which he places in my mouth about him, I have to diagree, and forcibly disagree.

I know what an indictment is, and there was no indictment of anybody. The recitation that I made was a factual recitation, and that recitation of facts is unchallenged, that the House had commenced to recede when the Senate conferees interrupted and insisted on receding. There was no characterization by me of any arrogance. That is a comment by the Senator from Oregon. There was no characterization by me of an abuse of power, no characterization of a conspiracy, and no indictment of any sort whatsoever.

Merely a recitation of the facts and whatever they be, so be it.

When the distinguished Senator from Mississippi says that he is familiar with conference reports where one house receded but did not say, that simply is not the fact here. They did say.

The distinguished chairman of the Appropriations Committee is accurate when he recites that the House chose to recede when he had presented his contentions that the bill might not be passed, but they made that choice, obviously, because the House did recede in this situation. But the factual presentation which I made is exact and meticulous to the last syllable, the last decimal point. Whatever those facts, so be it. I think the conclusion is that on the merits there was no admission that the money ought to be put into the pipeline.

As a matter of principle, the arguments of the chairman of the Appropriations Committee were made during the course of the presentation of this amendment, as he said this evening. He made the contention at that time that this bill would be vetoed if that additional sum was put into it. On that basis, this body voted 72 to 21 to include this amendment to advance these funds. That having been done, that is the judgment of this body and it ought to have been asserted at the conference, in my judgment.

Mr. HEINZ. Mr. President, I still have the floor.

Mr. President, I simply want to say that I have been reflecting on the ruling of the Chair. It is my considered judgment that when we vote on something in this body and we sent it to conference, and we come back here without it, irrespective of the technicalities involved, somehow the thought flies in the face of logic, although it does not fly in the face of the interpretation of the rules, that something that was acted upon and was appropriate to be acted upon in the first instance should suddenly now be determined to fall on a point of order. Therefore, I appeal the ruling of the Chair.

The PRESIDING OFFICER. The question is on an appeal of the ruling of the Chair.

Mr. HEINZ. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HATFIELD. Mr. President, I move to table the appeal and I ask for the yeas and nays.

Mr. METZENBAUM. Will the Senator withhold?

Mr. HATFIELD. I withhold.

Mr. METZENBAUM. Mr. President.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. METZENBAUM. Is my understanding correct that the Chair ruled that the motion was out of order by reason of section 311 of the Budget Act?

The PRESIDING OFFICER. The Senator is correct.

Mr. METZENBAUM. A further parliamentary inquiry:

Has the Congress completed action on the concurrent resolution on the budget before it to be reported under section 310(a) for this fiscal year?

The PRESIDING OFFICER. Congress has completed action on the concurrent resolution.

Mr. METZENBAUM. It has completed action?

The PRESIDING OFFICER. For this year and 1983, the Senator is correct.

Mr. METZENBAUM. It has completed action?

The PRESIDING OFFICER. The Senator is correct.

Mr. METZENBAUM. I thank the Chair.

Mr. HATFIELD. Now, Mr. President, I move to table the appeal. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the appeal from the ruling of the Chair. The yeas and nays have been ordered. The clerk will call the roll.

Mr. BAKER. Mr. President, there may still be one more vote tonight. I am not sure. I ask the Senators not to leave.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Alabama (Mr. DENTON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. PACKWOOD), the Senator from Illinois (Mr. PERCY), the Senator from Vermont (Mr. STAFFORD), and the Senator from Idaho (Mr. SYMMS) are necessarily absent.

I further announce that, if present and voting, the Senator from Alabama (Mr. DENTON) and the Senator from Idaho (Mr. SYMMS) would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 62, nays 32 as follows:

[Rollcall Vote No. 45 Leg.]

YEAS—62

Abdnor	Armstrong	Baucus
Andrews	Baker	Bentsen
Boren	Hatfield	Nunn
Boschwitz	Hawkins	Pell
Bumpers	Hecht	Pressler
Chafee	Helms	Proxmire
Chiles	Hollings	Quayle
Cochran	Inouye	Roth
Cohen	Jepsen	Rudman
Danforth	Johnston	Simpson
DeConcini	Kassebaum	Stennis
Dixon	Kasten	Stevens
Dole	Laxalt	Thurmond
Domenici	Long	Tower
Eagleton	Lugar	Trible
Exon	Mathias	Wallop
Garn	Matsunaga	Warner
Gorton	Mattingly	Weicker
Grassley	McClure	Wilson
Hart	Murkowski	Zorinsky
Hatch	Nickles	

NAYS—32

Biden	Glenn	Metzenbaum
Bingaman	Heflin	Mitchell
Bradley	Heinz	Moynihan
Burdick	Huddleston	Pryor
Byrd	Humphrey	Randolph
Cranston	Jackson	Riegle
D'Amato	Kennedy	Sarbanes
Dodd	Lautenberg	Sasser
Durenberger	Leahy	Specter
East	Levin	Tsongas
Ford	Melcher	

NOT VOTING—6

Denton	Packwood	Stafford
Goldwater	Percy	Symms

So the motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. STENNIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FORD. Mr. President, may we have order? I could not hear the distinguished Senator from Oregon.

The PRESIDING OFFICER. The Senate will be in order.

AMENDMENT NO. 82

Mr. HATFIELD. Mr. President, I move that we adopt amendment No. 82.

The PRESIDING OFFICER. The amendment has been adopted.

The clerk will report the remaining amendment in disagreement.

The legislative clerk read as follows:

The House insists upon disagreement to Senate amendment numbered 82.

Mr. HATFIELD. Mr. President, I ask unanimous consent that it be in order for the Senate to recede from its amendment No. 82 with an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 118

Mr. HATFIELD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Oregon (Mr. HATFIELD) proposes an unprinted amendment numbered 118.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter striken and inserted by said amendment, insert the following:

SEC. 101. (a)(1) Notwithstanding any other provision of law, 75 per centum of the funds appropriated or otherwise made available in this title for each account listed in subsection (a)(5) shall be made available for projects and activities in civil jurisdictions with high unemployment, or in labor surplus areas, or in political units or in pockets of poverty that are currently or should meet the criteria to be eligible under the Urban Development Action Grant program administered by the Department of Housing and Urban Development.

(2) for purposes of this subsection, a "civil jurisdiction" is—

(A) a city of 50,000 or more population on the basis of the most recently available Bureau of the Census estimates; or

(B) a town or township in the State of New Jersey, New York, Michigan or Pennsylvania of 50,000 or more population and which possesses powers and functions similar to those of cities; or

(C) a county, except those counties which contain any type of civil jurisdictions defined in paragraphs (A) or (B) of this subsection; or

(D) a "balance of county" consisting of a county less any component cities and townships identified in paragraphs (A) or (B) of this subsection; or

(E) a county equivalent which is a town in the State of Massachusetts, Rhode Island, and Connecticut.

(3) For purposes of this subsection, a "civil jurisdiction with a high level of unemployment" is a civil jurisdiction that has been so classified by the Assistant Secretary for Employment and Training, United States Department of Labor. The Assistant Secretary shall classify a civil jurisdiction as having high unemployment whenever, as determined by the Bureau of Labor Statistics using the latest comparable data available from Departmental, State or local sources, the civil jurisdiction has had an average unadjusted unemployment rate over the previous twelve months of not less than ninety percent of the unadjusted average unemployment rate for all states during the same period. The Assistant Secretary, upon petition submitted by the appropriate State agency, may classify a civil jurisdiction as having high unemployment whenever the civil jurisdiction has experienced or is about to experience a sudden economic dislocation resulting in job loss that is significant both in terms of the number of jobs eliminated and the effect upon the employment rate of the area. The Assistant Secretary shall publish a list of civil jurisdictions with high unemployment, together with geographic descriptions thereof, as soon as practicable, but not later than 30 days after the date of enactment of this Act. This list shall be updated on a monthly basis thereafter, by adding civil jurisdictions that the Assistant Secretary of Labor deems to meet the above criteria.

(4) In classifying civil jurisdictions with high unemployment, the Assistant Secretary, in order to include those individuals actually unemployed, should consider modification of the criteria which counts as fully employed persons who worked at all as paid employees in their own business, profession or farm, or who worked fifteen hours or more in an enterprise operated by a member of the family.

(5) The provisions of this subsection shall apply only to funds appropriated or otherwise made available in this title to:

GSA—Repairing Federal Buildings
Mass Transit Grants
Amtrak Grants
Repairing VA Hospitals
Economic Development Administration
SBA Business loan and investment fund
SBA Natural Resources Development
Repairing Urban Parks
Improving and Maintaining National Parks
Preserving National Forests
Fish and Wildlife Facilities
Rural Water and Waste Disposal Grants
Resource Conservation and Development
Soil Conservation Service Activities
Family Housing for the Military
School Facilities

Provided, That Corps of Engineers funds shall also be subject to the provisions of this subsection to the extent practicable.

(6) For projects encompassing a civil jurisdiction with high unemployment labor surplus areas, or political units or pockets of poverty that are currently or should meet the criteria to be eligible under the Urban Development Action Grant program administered by the Department of Housing and Urban Development, as defined in subsection (a)(1), (a)(2), and (a)(3), and a non-eligible area, such project shall be eligible for funds under this subsection.

(b)(1) Notwithstanding any other provision of law, and subject to the provisions of subsection (b)(5), the head of each Federal agency to which funds are appropriated or otherwise made available under this title, with respect to any program distributed according to a formula grant by State, shall allot the funds as follows:

(A) One-third of such sums for each such program shall be allotted among the States on the basis of the relative number of unemployed individuals who reside in each State as compared to the total number of unemployed individuals in all of the States.

(B) One-sixth of such sums for each program shall be allotted among "long-term unemployment States", to be allotted among "long-term unemployment States" on the basis of the relative number of unemployed individuals who reside in each "long-term unemployment State" as compared to the total number of unemployed individuals in all "long-term unemployment States".

(C) One-half of such sums for each such program shall be allocated among the States on the basis of the provisions of law authorizing each such program.

(2) States receiving allotment of funds under this subsection shall to the extent practicable utilize such funds in areas of the State where unemployment is highest and has been high for the longest period of time and for authorized purposes which have the greatest immediate employment impact.

(3) For purposes of this subsection:

(A) The term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

(B) The number of unemployed individuals who reside in each State, as well as the total number of unemployed individuals in all of the States, shall be determined by the Bureau of Labor Statistics of the Department of Labor for the month of January 1983.

(C) The term "long-term unemployment State" means any State in which the average unadjusted unemployment rate was equal to or above the unemployment rate of 9.4 percent for the period of June 1982, through November 1982.

(4) Notwithstanding any other provision of law, and subject to the provisions of subsection (b)(5), the head of each Federal agency to which funds are appropriated or otherwise made available under this title, with respect to any program distributed according to a formula grant to political subdivisions of the States, shall allot the funds or other authority provided by this title first, among the States in the manner specified in section (b)(1) and second, among the political subdivisions of that State, to the extent practicable under subsection (b)(2), in accordance with the allocation factors contained in the provision of law authorizing each such program.

(5) The provisions of subsection (b)(1) or (b)(4) as the case may be, of this subsection shall apply to funds appropriated, or otherwise made available, under this title to—

Community Development Grants;
Social Services Block Grants;
Community Services Block Grant;
Library Services and Construction Act;
Rebuilding Aviation Infrastructure.

(c) The head of each Federal agency to which funds are appropriated otherwise made available under this title, or States, or political subdivisions of States, which receive allotment of funds under this title shall to the extent practicable utilize such funds in a manner which maximizes immediate creation of new employment opportunities to individuals who were unemployed at least fifteen of the twenty-six weeks immediately preceding the date of enactment of this Act. It is the intent of the Congress that funds appropriated or otherwise made available under this title be obligated and disbursed as rapidly as possible so as to quickly assist the unemployed and the needy as well as minimize future year budgetary outlays.

(d) Funds or authority to be made available for projects and activities in civil jurisdictions or States with high unemployment, labor surplus areas, or political units or pockets of poverty that are currently or should meet the criterion to be eligible under the Urban Development Action Grant program administered by the Department of Housing and Urban Development, or to State or sub-State jurisdictions, in accordance with this section, but which cannot be rapidly or efficiently utilized shall be identified in a report transmitted to Congress by the Office of Management and Budget not later than thirty days following enactment of this Act. Not later than ten days following transmittal of such report, such funds shall be reallocated on the basis of the provisions of law authorizing each such program.

Mr. HATFIELD. Mr. President, let me briefly outline amendment 82, which is the targeting amendment.

As Senators will recall from reading the RECORD this morning, which printed the full conference report—it was the only way we could get the conference report distributed. We got it to the printer at midnight last night. We wanted to get it out to the membership as quickly as possible. The conference committee ended up with a targeting amendment. It was a combination of a Senate-passed position with which we went to conference.

We created, in effect, a two-part target. We took the modified House version and merged it with the Senate version. We had, in effect, two targeting procedures with two set of programs.

In the activity of the conference, what we did was to modify considerably the House portion of that new targeting formula. When the House went back today to present the conference report, the original author of the House position, Mr. EDGAR of Pennsylvania, took the floor to oppose the conference committee recommendation and, through a record vote, was able to amend that amendment and put it back to us in a different form to which we had agreed in conference.

What we have done here was to try to restore again the basic concept to which we had agreed in conference—namely, putting together the Senate and the House positions.

We have been in conference with most of the parties in the Senate Chamber who have been involved in the targeting question from early on. I see the Senator from New York (Mr. D'AMATO), the Senator from Indiana (Mr. QUAYLE), the Senator from South Dakota (Mr. ABDNOR), the Senator from Pennsylvania (Mr. SPECTER), the Senator from West Virginia (Mr. BYRD), the Senator from Mississippi (Mr. STENNIS), the Senator from Louisiana (Mr. JOHNSTON). That is not an exclusive list, but those are some of the Members who have participated very much in this issue.

What we have done is to show them what we are attempting to do in this amendment to the House amendment, and what best represents the position is that each person has reviewed it and signed off, so to speak, in proposing this substitute.

We have been in discussion with Mr. EDGAR, on the House side, who says that the Speaker supports his position.

Mr. EDGAR says that this amendment is now satisfactory, as we have suggested it to the body here tonight.

So this is the best we could do under the circumstances in trying to retain some part of the Senate position.

Basically, the House position is to spread a part of the targeting through 8,500 political jurisdictions. We had attempted to restrict the targeting to 50 State jurisdictions. So some raised questions—such as the Senator from Texas, who had high pockets of unemployment within his State which did not overall qualify for the targeting formula. In this particular type of House provision, we now cover 8,500 jurisdictions which are counties, cities, and so forth.

If I go much further, I might confuse myself, so I am going to suggest that that is the extent of my explanation, unless there are questions.

Mr. WEICKER. Mr. President, I would like to direct an inquiry to the distinguished manager regarding the manner in which the formula for distribution of funds under the amendment would affect appropriations for impact aid construction projects. As you know, the conferees agreed upon an overall level of $60,000,000 earmarking funds for local schools—$25 million—Federal schools—$10 million—and Indian schools—$25 million.

These funds were provided with assurance that they could be spent quickly by the Department because of the longstanding list of priority projects which have received approval and have been ranked in order of need, but for which sufficient funds have not been made available.

My concern, very frankly, is twofold. First, the amendment would appear to override the earmarks provided by the conference report and, second, disregard the priority list of projects. For example, we have set aside $25 million for Indian schools. Unemployment on Indian reservations is high and chronic. Yet, Indian reservations do not appear to qualify as civil jurisdictions under the amendment—nor, is it my understanding that they qualify under UDAG criteria.

Mr. HATFIELD. I thank my colleague, the chairman of the Labor, Health and Human Services, and Education Subcommittee. I understand his concern regarding the applicability of this amendment to impact aid. However, I would point out to the Senator that his concerns are adequately addressed by section (b)(4) of my amendment. First, since funds are intended to be quickly dispersed in order to create jobs, the Director of OMB is required to make a determination as to whether the funds appropriated can be quickly expended under the targeting provisions. However, if, as in the case of impact aid, it is not possible to expend the funds quickly under the targeting formula, the funds shall be allocated under existing law in accordance with the priority list. Second, with respect to the earmarks for Indian and other schools, it is not the intent of the amendment to override these provisions of the conference report. Thus, $25 million must be available for Indian schools, $25 million for local schools, and $10 million for Federal schools.

Mr. WEICKER. I thank the Senator for his clarification.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. HATFIELD. I yield.

Mr. BAKER. I thank the Senator for yielding.

Mr. President, I have worked with the chairman of the Appropriations Committee, and I fully support his proposal. I believe he has done the best that can be done under the circumstances, and he has proposed a remarkably good piece of legislation to return to the House for their further consideration.

Mr. STENNIS. Mr. President, I fully support the position outlined by the chairman.

SEVERAL SENATORS. Vote. Vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (UP No. 118) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SENATOR NUNN ON MILITARY STRATEGY

Mr. BYRD. Mr. President, the administration-proposed defense plan is the object of increasing concern among many Members of this body, among many thoughtful Senators who have over the years proved their support for an adequate national defense. Their concern is that the forces embodied in the 5-year plan will not do the job laid out by the administration. Some are worried that America cannot deliver on its commitments. Others are worried that even the forces requested will never materialize over the next 5 years because they are unrealistically underpriced.

One of the most thoughtful and respected Members of this body, the distinguished Senator from Georgia (Mr. NUNN) has recently delivered an address on the problems of implementing the Reagan defense program. He finds a fundamental mismatch between the forces available and the forces which would be needed to achieve the Reagan military strategy. As a result, he argues for a series of changes in our military strategy. He emphasizes the need for more credible conventional forces and more equitable burden-sharing arrangements with our allies.

I commend the address, entitled "The Need to Reshape Military Strategy," to my colleagues and ask unanimous consent that it be inserted in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE NEED TO RESHAPE MILITARY STRATEGY

I am honored to present the first David Abshire Lecture on the subject of military strategy. Dave himself has contributed much in this area with his expertise, his vision and his wisdom.

The Georgetown Study Group on Strategy, which Congressman Dick Cheney and I have co-chaired for the past two years, has attempted to rethink U.S. military strategy. With superb support from Dave Abshire, Joe Jordan, Mike Moodie, Jim Woolsey and

others from the Center, this group has met many times to study, analyze and critique, and we are now beginning to reach conclusions.

Some of the points I will make today have been discussed in our strategy group, but I want to make it clear that I speak only for myself, and my views do not represent the group's views. I heard a definition of strategy as I was putting these thoughts together that I think will give you due warning about what will follow. It has been said that military strategy is the art of looking for danger, finding it everywhere, diagnosing it inaccurately, and prescribing the wrong remedy. With that caveat I will proceed, but I will proceed only by telling you that I am not so presumptuous as to call my own ideas a grand strategy or even a comprehensive military strategy. I do offer these thoughts as a catalyst for our Georgetown stud group report. I hope that report will stimulate a meaningful national dialog.

Although the threats facing the United States have changed, our fundamental national security objectives have remained constant since the late 1940s. There are:

1. Protecting the American homeland;
2. Preventing Soviet domination of the Eurasian land mass;
3. Ensuring our access to overseas resources and foreign markets.

THE PERSPECTIVE

In the aftermath of World War II, the U.S. clearly possessed the most potent military and economic capability on the globe. In the 1950s and 1960s, the U.S. enjoyed a nuclear advantage, and the threat of escalation to nuclear weapons remained credible. During this period, our nation attempted to field conventional forces capable of coping simultaneously with major conflicts in Europe and Asia while holding sufficient military forces in reserve to handle a smaller contingency elsewhere. This was often labeled the 2½ war strategy.

In the wake of the Vietnam War, the Sino-Soviet split and the emerging relationship between the U.S. and the People's Republic of China, our military strategy was adjusted to one of being perpared to fight one war in Europe or Asia, while also being able to fight a small war elsewhere. This was sometimes oversimplified by calling it a 1½ war strategy.

During the 1970s, America was confronted with significant changes: (1) the advent of nuclear parity, (2) greater American dependence on foreign resources and foreign trade, and (3) vastly improved Soviet conventional military forces.

Since 1979, the announced purposes of U.S. military strategy have been substantially inflated, reversing the trend in the post-Vietnam era. Starting with President Carter's commitment to protect U.S. interests in the Persian Gulf, we have asked our military forces to take on new and demanding tasks in addition to traditional U.S. military obligations in Europe and the Far East.

Secretary of Defense Weinberger has testified that this Administration's "long-term goal is to be able to meet the demands of worldwide war, including concurrent reinforcement of Europe, deployment to Southwest Asia and the Pacific, and support for other areas . . ." Some would say that this amounts to a 3½ war strategy.

THE STRATEGY-RESOURCES MISMATCH

Despite these expanding obligations, U.S. force levels have remained essentially static. The inevitable result has been a widening gap between forces on hand and forces needed to achieve our military strategy. The Joint Chiefs of Staff in 1982 recommended force levels that could cost up to $750 billion more than the $1.6 trillion requested in the Administration's Five-Year Defense Plan.

In short, our military strategy far exceeds our present capability and projected resources. General David Jones, former Chairman of the Joint Chiefs, recently stated, "The mismatch between strategy and the forces to carry it out . . . is greater now than it was before because we are trying to do everything." As Army Chief of Staff General Edward C. Meyer has stated, "We are accepting tremendous risks with the size of the forces that we have, to do what we have pledged to do."

A huge increase in force levels would be needed to provide any reasonable assurance that the U.S. could carry out the military strategy now in the posture statement. But these additional forces would cost many billions more than we can expect to allocate to defense spending. We will be fortunate in the current economic circumstances to maintain real growth in defense spending of between five and seven percent per year.

OUR CHOICES

This obviously poses a serious dilemma.

A sound military strategy must be predicated on a calculated relationship between ends and means. Based on this definition, there would appear to be three alternatives: (1) alter our global national security objectives, (2) increase the resources for defense, or (3) change our military strategy.

Are we prepared as a nation to redefine our vital interests and, therefore, our military objectives? Do we write off Europe, or the Persian Gulf, or Northeast Asia?

If we are not so inclined—and I submit that we are not—are the Congress and the American people prepared to increase greatly the military budget over the current Reagan plan? The answer to this is obvious.

If we cannot afford to give up our national security objectives and we are not willing to spend huge additional funds for defense, then we are left with the third alternative: change our military strategy.

KEY REALITIES

In determining a realistic and sound military strategy and in allocating our finite resources, we must begin with certain realities.

UNDERSTANDABLE STRATEGY

First, any new strategy must be comprehensible and convincing to the American people and their elected representatives. It must be understandable and clearly related to what this nation wants to protect and to the means available to do so.

NUCLEAR WEAPONS—CONVENTIONAL WAR

Second, the threat of nuclear responses to non-nuclear aggression is becoming less credible. There is a growing aversion to nuclear weapons in the Western world which is beginning to be reflected in the various peace and freeze movements.

Certainly, there are some unilateral disarmers in the freeze movement, but there are also many sincere people who are searching for a defense and arms control policy entailing less nuclear risk. To them, I say frankly—we must place the conventional horse before the nuclear cart. Nuclear parity means that we can neither tolerate serious deficiencies in our nuclear deterrent nor continue to tolerate longstanding deficiencies in our conventional forces.

The bottom line is that even with the modernization of our nuclear forces, the nuclear "crutch" on which we have leaned for so long is no longer sufficient to compensate for conventional weaknesses. The conventional leg of NATO's defenses must come out of its cast. We must prepare our conventional forces to deter and defeat conventional aggression.

ALLIANCE STRATEGY

Third, any new U.S. strategy must be based on a partnership with our allies. Indeed, no discussion of U.S. military strategy can ignore America's historic and continuing dependence on powerful allies as a means of fulfilling our own national security objectives. Today, the United States enjoys in Europe and Asia a network of allies whose combined economic power and potential military power exceeds our own, although none devotes as much of its national wealth to defense as the United States. As Tom Callaghan has stated, "The Alliance must pool its enormous industrial and technological resources, eliminate all unnecessary duplication of defense efforts, and share the financial burdens and economic benefits."

HARD CHOICES

Fourth, hard choices are unavoidable. We lack the budgetary and manpower resources to do everything we now wish to do simultaneously. Two years ago the Reagan Administration announced a program to: modernize most of our strategic nuclear forces, increase and modernize our conventional force structure, build a 600-ship Navy, and improve readiness, sustainability and military pay across the board. It is now obvious that the Reagan program cannot be fully implemented.

NEEDED—A VIABLE CONVENTIONAL STRATEGY

With these dilemmas, questions and realities in mind, I believe that our principal military challenge is the development of a military strategy and military forces that deny the Soviet Union any prospect of achieving its objectives through conventional aggression.

While maintaining a nuclear deterrent, such a strategy would provide a much broader firebreak between conventional and nuclear war.

Such a strategy would confront the Soviets, rather than ourselves, with the grim choice of being denied the fruits of military success or assuming the terrible risk of crossing the nuclear threshold.

Such a strategy would counter attempted Soviet conventional aggression in a manner that would leave the Soviet empire and the Soviet military establishment in a far weaker position at the end of hostilities.

Such a strategy would not have NATO occupy the Soviet Union. As the late Field Marshall Montgomery remarked, "There are only two ageless principles of war—don't invade Russia and don't invade China."

SOVIET WEAKNESSES

In developing a viable conventional strategy, we must focus on Soviet weaknesses and Western strengths.

In wartime, Soviet force planners would confront a number of inherent weaknesses, including the tenuous land lines of communication connecting European Russia with Soviet forces in the Far East, the unreliability of their Warsaw Pact allies, and the lack of easy Soviet naval access to the high seas. We should establish a set of new military goals that would exploit these weaknesses.

KEEPING RUSSIAN FORCES IN RUSSIA

First and foremost, I suggest a broad military goal that I would label "Keeping Russian Forces In Russia."

We have looked at the huge Soviet land mass as an asset to the Russians. It can also be converted into a serious liability for them. Across this huge land area, the Soviets have tenuous lines of communication and limited access to the sea. They have potential adversaries on most of their borders.

We should let the Soviets know that if they invade Europe or the Persian Gulf, we would seek to tie down their forces in the Far East and in other areas of the Soviet Union. We would not seek to accomplish this through direct assault on these forces but rather through destruction of their lines of communication. I am under no illusions that this will be an easy task, but every step we take to add to our own capability for this mission greatly increases deterrence, both militarily and psychologically.

While I do not believe the West should count on the Chinese opening a second front if the Soviets invade Western Europe, I do believe the Soviets would think long and hard if they believe that their Far East forces could be isolated.

NO SANCTUARY IN EASTERN EUROPE

Our military capabilities also should send an unmistakable message that Eastern Europe will not be a sanctuary if the Soviets invade Western Europe. Eastern Europe is a potential Achilles heel for them.

It should be made clear to the Soviets that, in the event of European war, violence will not be confined to Western Europe—that their forces in or passing through Eastern Europe will be subjected to attacks ranging from deep aerial strikes to commando and partisan raids.

To wage war against NATO, the Soviets must move massive forces and supplies from Western Russia across Eastern Europe including Poland and Czechoslovakia, countries whose peoples have long resented—and occasionally resisted—membership in the Soviet empire. In a war we should not permit Moscow to count upon their continued, even if enforced, loyalty. In the 1950s, we trained and fielded special stay-behind forces dedicated to disrupting Soviet military activity in occupied territory and to promoting indigenous popular resistance. This concept should be revived; the very recreation of such forces would strengthen deterrence by putting the Soviet Union on notice that it could not expect a free ride in Easten Europe in the event of an invasion of Western Europe.

DENY RUSSIAN USE OF THE SEA

Another element of keeping the Russians in Russia would depend on our Navy.

In peacetime, the Navy plays a vital role in the nuclear deterrent and operations in support of American interests overseas.

In wartime, the primary goal of our naval forces should be to deny Russia use of the sea.

This has been described as "gaining sea control" or "defending the sea lines of communication." I would put it more directly and simply as "sinking the Soviet fleet and bottling up the remnants." I would include the Russian merchant marine and fishing fleet which operate in concert with the Soviet Navy.

By sinking and blocking this fleet we would gain sea control, protect the lines of communication and also, at war's end, leave no viable opposing navy to threaten us, whatever the outcome on land. This task is no longer a matter of battle force against battle force in a World War II manner, but primarily our submarines and aircraft operating against enemy submarines, land-based air, and surface ships.

As part of this task, our naval forces, assisted by land-based air, should have the mission of controlling the choke points that limit Russian access to the sea. The best way to keep the Soviet Navy in its proper place is to keep it bottled up in the Norwegian, Baltic and Black Seas and the Sea of Japan.

Even if we have to repaint some Air Force planes Navy blue and gold, we must insist that our naval strategy be based on full utilization of land-based air.

I do not believe that we should take on Soviet naval power through massive employment of our carrier-based air power directly against heavily defended ports and naval installations in the Soviet homeland.

ENHANCE WESTERN STRENGTHS

We must also design our strategy to take advantage of our military strengths. The U.S. and its allies possess marked advantages over the Soviet Union in ocean access, tactical airpower, anti-submarine warfare capabilities, the training of our military manpower, and advanced technologies such as precision-guided munitions, micro-electronics and cruise missiles.

If properly exploited, our technological advantages can be in no small measure offset the Soviet Union's longstanding superiority in numbers. By properly exploited, I mean utilizing our technological know-how not just to improve weapon performance but also to enhance cost-effectiveness, operability, maintainability and reliability.

One area in which our technological prowess can be brought to bear is our tactical air power. U.S. tactical air power has long enjoyed advantages both in quality and in pilot skills. We should dedicate ourselves to the goal of achieving tactical air superiority in any theater of operations deemed vital to the U.S. within a few days after the outbreak of hostilities.

By providing improved conventional munitions for delivery from standoff ranges as a top procurement priority, we can apply our technological genius to multiply dramatically the military effectiveness of our existing aircraft. We must also maintain our advantages in tactical intelligence and command and control.

GUARD—RESERVE

This stepped up tactical air capability should be accomplished primarily through the Guard and Reserve forces. The Guard and Reserves in all four services have demonstrated repeatedly that it is possible to maintain a degree of readiness and combat skills equivalent to or even superior to that of their active duty counterparts.

If we truly want to increase U.S. defense capabilities within reasonable budget resources, we should also plan to increase the role of our reserve forces in many other areas. Countries as disparate as Israel, Sweden, and the Netherlands have shown what is possible to do with properly trained and properly equipped reserve forces.

Integrated active and reserve forces could yield the United States a less costly, yet more combat-effective, force structure characterized by larger, readier reserves. The time has come to stop parroting the virtues of the total force concept and make it a reality. Truly ready reserve forces are perhaps the best defense bargain available.

FORMIDABLE TASKS

I have outlined a number of changed military tasks for U.S. forces. When implemented, these new capabilities would greatly enhance NATO's ability to carry out its longstanding doctrine of forward defense.

The imperative question must now be posed. If U.S. forces are to undertake these new tasks and continue to provide an effective nuclear deterrent, what should be the role of our allies?

Before getting into a discussion about Europe, I must add that the Japanese clearly must be consulted with respect to their announced goal of defending the air lanes and the sea lanes within 1,000 miles of their homeland. Clearly, that is something we should expect from our Japanese allies, and that is something their own Prime Ministers have announced as their goal.

RETHINKING EUROPE'S FORWARD DEFENSE

We clearly must rethink NATO's present doctrine of forward defense. The political desirability of conceding as little European territory as possible to an invader is not at issue. What is at issue is whether that object is properly served by the current organization, disposition and operational doctrine of NATO forces dedicated to Europe's forward defense. I do not believe that it is.

A large gap exists in NATO's ability to implement the sacred principle of forward defense. NATO is thus confronted with a choice: either to drop the concept of forward defense as part of NATO's doctrine; or to convert forward defense from a theory into a reality by reallocating the NATO defense burden.

U.S. ground forces are and must remain a vital part of the defense of Europe. To properly implement the new Army-Air Force doctrine of Airland Battle, our forces must emphasize maneuverability and flexibility, lighter reinforcements, special operations forces, communications and second echelon attack.

The Allies, however, must increasingly provide the basic ingredients for Europe's initial forward defense, including heavy ground forces, more effective utilization of their vast pool of trained reserves and the possible employment of barrier defenses. In short, if U.S. forces in Europe are to assume the primary responsibility for disrupting and destroying Soviet second echelon forces, European units must assume the primary responsibility for holding the first echelon in check.

In my judgment, the United States should take steps over time, in close consultation with our allies, to make these shifts. If the Europeans do not adjust, military gaps which presently exist will quickly become even more pronounced.

If it is politically essential that forward defense remain a key part of NATO's strategy, it is no less politically essential that our European allies explain to their citizens why they are not providing the forces to implement the forward defense of their territory.

PERSIAN GULF

Each of the changes I have proposed would provide U.S. forces more flexibility to meet contingencies outside Europe including the Persian Gulf while still contributing to the defense of Europe.

We should, however, take a closer look at the Rapid Deployment Force: its purpose, its size, its composition and its command arrangements. When this is done, I believe we will find that the RDF should be built

mainly around the Navy, Marine and light Army forces which already have long experience and training for just such purposes.

We should not plan to slug it out tank for tank with Soviet forces in areas along the Soviet periphery. We must structure our forces for tasks that are achievable. This means emphasizing light, strategically mobile reaction forces designed to beat the Russians to the vital ground and thereby confront them with the choice of backing off or firing the first shot in a war between two nuclear-armed states. We should also strongly emphasize tactical air and other military capabilities designed to isolate Soviet field forces by severing their lines of communication.

ARMS CONTROL

Let me close by saying that arms control must be an inseparable component of any military strategy in the last quarter of the 20th Century.

Our arms control efforts must, like our military strategy, reflect certain realities.

We must recognize that a coalition military strategy demands a coalition arms control strategy. Our arms control efforts must enjoy the confidence of our allies as well as our own citizens. We must develop a bi-partisan approach to arms control that has some hope of continuity beyond one administration.

I have suggested a number of proposals in the last several years toward these goals. They include creation of a bi-partisan commission to oversee our arms control efforts, improving hot line communications between the US and the USSR; regular visits and exchanges between US and Soviet defense and military leaders; establishment of a U.S. and Soviet manned crisis control center to help prevent an accidental nuclear war; the Cohen-Nunn guaranteed build-down proposal in which both sides would eliminate two warheads for each new one added; and a proposal to reduce significantly battlefield nuclear systems in NATO. In regard to battlefield nuclear weapons, the increasing obsolescence of many of them and the continuing absence of any persuasive doctrine for their use make certain battlefield systems prime candidates for a unilateral reduction. Such a reduction would signal our good faith bargaining position and present to the Soviets a challenge to reciprocate—or to explain to the European public why they refuse.

CONCLUSION: A RESHAPED STRATEGY NEEDED NOW

In conclusion, the U.S. political, economic and military margin for error has diminshed significantly since World War II. Our principal adversary is stronger but so are our allies. We now face the need to reshape our military strategy. In so doing, we need to engage our minds as well as our pocketoooks. More money for defense is a necessity; but spending more money without a clear sense of ultimate purpose or priority will not result in a sound strategy or an adequate security.

I have recommended today a few concepts for military strategy that places a premium on out-thinking the potential aggressor:

1. that seeks to apply our strengths against his weaknesses, not our weaknesses against his strengths;

2. that requires a greater contribution by the Allies, and substantially greater cooperation among us all;

3. that includes fully exploiting our technological advantages including tactical air and improved munitions;

4. that makes better use of our Reserve and National Guard; and

5. a strategy that in particular seeks to avoid depending on nuclear weapons to deter conventional attack.

In an era of nuclear parity, defense and deterrence are inseparable. The ability, actual or perceived, to wage war successfully is the best means of avoiding the necessity to wage it at all. This should be the driving force behind our objectives, our goals and our strategy. As George C. Marshall observed—"If man does find the solution for world peace it will be the most revolutionary reversal of his record we have ever known."

In a nuclear age our task is clear but awesome—we must reverse the record of history.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 35. Joint resolution designating the week beginning March 20, 1983, as "National Mental Health Counselors Week"; and

S.J. Res. 65. Joint resolution designating March 21, 1983, as Afghanistan Day."

The message also announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 1149. An act to designate certain national forest system and other lands in the State of Oregon for inclusion in the National Wilderness Preservation System, and for other purposes; and

H.J. Res. 175. Joint resolution to authorize and request the President to proclaim May 1983 as "National Amateur Baseball Month."

ENROLLED JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 35. Joint resolution designating the week beginning March 20, 1983, as "National Mental Health Counselors Week"; and

S.J. Res. 65. Joint resolution designating March 21, 1983, as "Afghanistan Day."

The enrolled joint resolutions were subsequently signed by the President pro tempore (Mr. THURMOND).

At 7:56 p.m., a message from the House of Representatives, delivered by Mr. Gregory, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1718) making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 10, 12, 19, 26, 44, 54, 60, 74, 75, 77, 81, and 83 to the bill, and has agreed thereto; it recedes from its disagreement to the amendments of the Senate numbered 1, 2, 9, 16, 21, 22, 27, 28, 64, 71, 76, 79, 88, 89, 90, 91, 92, 97, and 98 to the bill, and has agreed thereto, each with an amendment, in which it requests the concurrence of the Senate, and it insists upon its disagreement to the amendment of the Senate numbered 82 to the bill.

The message also announced that the House has passed the following bill, without amendment:

S. 366. An Act to settle certain claims of the Mashantucket Pequot Indians.

The message further announced that pursuant to the provisions of section 1, Public Law 86-420, as amended, the Speaker appoints as members of the U.S. Delegation of the Mexico-United States Interparliamentary Group for the 1st session of the 98th Congress the following Members on the part of the House: Mr. DE LA GARZA, chairman, Mr. YATRON, vice chairman, Mr. KAZEN, Mr. SKELTON, Mr. KOGOVSEK, Mr. ALEXANDER, Mr. BARNES, Mr. LAGOMARSINO, Mr. RUDD, Mr. GOODLING, Mr. DREIER of California, and Mr. BEREUTER.

ENROLLED BILL SIGNED

At 8:12 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the Speaker has signed the following enrolled bill:

H.R. 1936. An act to amend title 37, United States Code, to extend certain expiring enlistment and reenlistment bonuses for the Armed Forces.

The enrolled bill was subsequently signed by the President pro tempore (Mr. THURMOND).

HOUSE MEASURES REFERRED

The following bill and joint resolution were read the first and second times by unanimous consent, and referred as follows:

H.R. 1149. An act to designate certain national forest system and other lands in the State of Oregon for inclusion in the National Wilderness Preservation System, and for other purposes; to the Committee on Energy and Natural Resources.

H.J. Res. 175. Joint resolution to authorize and request the President to proclaim May 1983 as "National Amateur Baseball Month"; to the Committee on the Judiciary.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary reported that on today, March 22, 1983, he had presented to the President of the United States the following enrolled joint resolutions:

S.J. Res. 35. Joint resolution designating the week beginning March 20, 1983, as "National Mental Health Counselors Week"; and

S.J. Res. 65. Joint resolution designating March 21, 1983, as "Afghanistan Day."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TOWER, from the Committee on Armed Services, with an amendment in the nature of a substitute and an amendment to the title:

S. 653: A bill to amend chapter 104, title 10, United States Code, to establish the Foundation for the Advancement of Military Medicine, and for other purposes.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 11: A joint resolution entitled "National Safety in the Workplace Week."

S.J. Res. 31: A joint resolution to authorize and request the President to designate April 23, 1983, as "Army Reserve Day."

S.J. Res. 36: A joint resolution designating April 29, 1983, as "National Nursing Home Residents Day."

S.J. Res. 43: A joint resolution to declare Baltic Freedom Day.

S.J. Res. 58: A joint resolution to authorize and request the President to designate May 25, 1983, as "Missing Children Day."

By Mr. HATCH, from the Committee on Labor and Human Resources:

Special report entitled "Legislative Review Activity of the Committee on Labor and Human Resources" (Rept. No. 98-30).

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

Special report entitled "First Monetary Policy Report for 1983" (Rept. No. 98-31).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation:

Conrad Fredin, of Minnesota, to be a member of the Advisory Board of the St. Lawrence Seaway Development Corporation; and

Terrence M. Scanlon, of the District of Columbia, to be a Commissioner of the Consumer Product Safety Commission for a term expiring October 26, 1989.

(The above nominations were reported from the Committee on Commerce, Science, and Transportation, with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. PACKWOOD. Mr. President, for the Committee on Commerce, Science, and Transportation, I also report favorably nomination lists in the Coast Guard which have previously been printed in their entirety in the CONGRESSIONAL RECORDS of January 25, February 16, and March 9, 1983, and, to save the expense of reprinting them on the Executive Calendar, I ask unanimous consent that these nomination lists lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. HATCH, from the Committee on Labor and Human Resources:

Mr. HATCH. Mr. President, for the Committee on Labor and Human Resources, I report favorably a nomination list in the Public Health Service which was printed in full in the CONGRESSIONAL RECORD of February 14, 1983, and, to save the expense of reprinting them on the Executive Calendar, I ask unanimous consent that these nominations lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. TOWER, from the Committee on Armed Services:

John H. Sherick, of Virginia, to be Inspector General, Department of Defense.

Mr. TOWER. Mr. President, from the Committee on Armed Services, I report favorably the following nominations: Col. Willard L. Wallace, U.S. Army Reserve, to be brigadier general; Brig. Gen. William C. Groeniger III and Brig. Gen. John J. Salesses, U.S. Marine Corps Reserve, to be major generals; and Col. Richard P. Trotter, U.S. Marine Corps Reserve, to be brigadier general. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, in addition, in the Air Force there are 2,253 appointments to the grade of captain and below—list begins with Craig R. Abbott. Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of March 15, 1983, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. KENNEDY:

S. 874. A bill to provide for a program for the improvement of instruction in mathematics and science, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. MATHIAS (for himself, Mr. THURMOND, Mr. HEFLIN, and Mr. WARNER):

S. 875. A bill to amend title 18 of the United States Code to strengthen the laws against the counterfeiting of trademarks, and for other purposes; to the Committee on the Judiciary.

By Mr. BENTSEN:

S. 876. A bill entitled the "Science Education Improvement Act of 1983"; to the Committee on Finance.

By Mr. HOLLINGS (for himself and Mr. MITCHELL):

S. 877. A bill to require the National Weather Service to report routinely on the levels of acid content found in precipitation and dry deposition throughout the United States, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HEFLIN:

S. 878. A bill to authorize and direct the Secretary of the Army to correct certain erosion problems along the banks of the Warrior River near Moundville, Ala.; to the Committee on Environment and Public Works.

By Mr. CHAFEE:

S. 879. A bill to authorize depository institutions to engage in securities activities; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PRESSLER:

S. 880. A bill to amend the Communications Act of 1934 to provide equity to daytime radio broadcasters; to the Committee on Commerce, Science, and Transportation.

By Mr. HOLLINGS:

S. 881. A bill to amend the Federal Food, Drug, and Cosmetic Act to eliminate certain requirements with respect to colored oleomargarine; to the Committee on Labor and Human Resources.

By Mr. PELL (for himself and Mr. STAFFORD):

S. 882. A bill to establish an art bank; to the Committee on Labor and Human Resources.

By Mr. McCLURE (for himself, Mr. WARNER, Mr. LAXALT, Mr. HECHT, Mr. SYMMS, and Mr. WALLOP):

S. 883. A bill to amend the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) to expedite exploration and development of geothermal resources; to the Committee on Energy and Natural Resources.

By Mr. DURENBERGER (for himself and Mr. BOSCHWITZ):

S. 884. A bill to provide for the use and distribution of funds awarded the Red Lake Band of Chippewa Indians in docket numbered 15-72 of the U.S. Court of Claims; to the Select Committee on Indian Affairs.

S. 885. A bill to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation, to remove clouds from the titles to certain lands, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. FORD:

S. 886. A bill to designate the Alben Barkley National Historic Site; to the Committee on Energy and Natural Resources.

By Mr. INOUYE:

S.J. Res. 66. A joint resolution to authorize and request the President to designate May 6, 1983, as "National Nurse Recognition Day"; to the Committee on the Judiciary.

By Mr. HEFLIN:

S.J. Res. 67. A joint resolution to designate the week of September 25, 1983, through October 1, 1983, as "National Respiratory Therapy Week"; to the Committee on the Judiciary.

By Mr. SPECTER (for himself, Mr. CRANSTON, Mr. JEPSEN, Mr. DECONCINI, Mr. PELL, Mr. SASSER, Mr. CHILES, Mr. BOSCHWITZ, Mr. MATSUNAGA, Mr. KENNEDY, Mr. TSONGAS, Mr. RANDOLPH, Mr. RIEGLE, Mr. MELCHER, Mr. HEFLIN, Mr. MOYNIHAN, Mr. BUMPERS, Mr. GRASSLEY, Mr. PRESSLER, Mr. HEINZ, Mr. SARBANES, Mr. HOLLINGS, and Mr. PRYOR):

S.J. Res. 68. A joint resolution to authorize and request the President to designate July 16, 1983, as "National Atomic Veterans' Day"; to the Committee on the Judiciary.

By Mr. PRESSLER:

S.J. Res. 69. A joint resolution to provide for the establishment of a cooperative effort between the U.S. Government and the U.S. Soccer Federation in bringing the World Cup to the United States in 1986; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KENNEDY:

S. 874. A bill to provide for a program for the improvement of instruction in mathematics and science, and for other purposes; to the Committee on Labor and Human Resources.

(The remarks of Mr. KENNEDY on this legislation appear earlier in today's RECORD.)

By Mr. MATHIAS (for himself, Mr. THURMOND, Mr. HEFLIN, and Mr. WARNER):

S. 875. A bill to amend title 18 of the United States Code to strengthen the laws against the counterfeiting of trademarks, and for other purposes; to the Committee on the Judiciary.

TRADEMARK COUNTERFEITING ACT OF 1983

● Mr. MATHIAS. Mr. President, today Senators THURMOND, HEFLIN, WARNER, and I would like to reintroduce our trademark counterfeiting bill. If enacted, the bill would help end trademark counterfeiting, a practice that costs U.S. businesses billions of dollars annually.

Commercial counterfeiting is a widespread and often dangerous business. It has extended beyond high-fashion items such as designer jeans and Cartier watches into lifesaving drugs, automobile brake drums, and helicopter rotors. NASA has even found counterfeit transistors in vehicles destined for outer space.

I held hearings on last year's trademark counterfeiting bill, and several witnesses offered suggestions for improving the bill. This year's version of the bill incorporates these suggestions and provides additional safeguards. We have built a solid legislative record on this issue, and we should now move quickly, by strengthening criminal penalties and enhancing the private remedies, to end this unfair and sometimes deadly practice.

The bill we introduce today would establish criminal penalties of up to $250,000 and 5 years imprisonment for trafficking in counterfeit goods. These severe criminal penalties and the likelihood of private action should provide an effective deterrent to would-be counterfeiters. It should also provide relief to their victims. There is also a provision in our bill that would apply to what I refer to as Federal statute trademarks. These include, but are not limited to, the identifying marks of groups such as the Veterans of Foreign Wars, Boy Scouts of America, and Big Brothers of America. It is important that we protect the good name of these and other groups that make such a valuable contribution to our society.

We urge our colleagues to join us in cosponsoring this important legislation. The size and scope of the counterfeiting problem grows daily—it affects virtually every aspect of our lives. Only firm congressional action will slow the growth of this burgeoning industry, which preys on consumers and businesses around the world.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 875

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Trademark Counterfeiting Act of 1983".

SEC. 2. (a) Title 18, United States Code, is amended by inserting after section 2319 the following:

"§ 2320. Criminal trafficking in counterfeit marks

"(a) Whoever in the foreign or domestic commerce of the United States traffics or attempts to traffic in a counterfeit mark with intent to deceive or defraud, or to assist in deceiving or defrauding, directly or indirectly, any other person, shall, if such offender is an individual, be fined not more than $250,000 or imprisoned for not more than five years, or both, or, if such offender is a corporation, be fined not more than $1,000,000.

"(b) As used in this section—

"(1) 'counterfeit mark' means a spurious mark that is identical with or substantially indistinguishable from—

"(A) a genuine mark registered on the principal register in the United States Patent and Trademark Office, and that is used or is intended to be used on or in connection with goods or services for which the genuine mark is so registered and is in use; or

"(B) a genuine mark that is specifically protected by federal statute; and

"(2) 'traffic' means to—

"(A) transfer, assign, or dispose of, to another, for value; or

"(B) advertise, promote, or offer to so transfer, assign, or dispose of; or

"(C) receive, possess, transport, or exercise control of, with intent to so transfer, assign, or dispose of; or

"(D) assist another in doing any of the above.

"(c) In determining the existence of a defendant's intent to deceive or defraud, the trier of fact shall consider, among other pertinent factors, the likelihood that the goods or services on or in connection with which the counterfeit mark is used or intended to be used will be mistaken for goods or services for which the genuine mark is registered and is in use.

"(d)(1) An action seeking civil remedies for violation of this section may be brought, without regard to the amount in controversy, in any district court of the United States in the district in which the defendant resides, is found, has an agent, or transacts business, or in which the counterfeit mark is found, by an owner, or the designee of an owner, of a mark registered on the prinicipal register in the United States Patent and Trademark Office, or of a mark protected by any of the statutes listed in subsection (c)(1)(B) herein, whose business or property is injured by reason of a violation of this section involving trafficking in a counterfeit of such owner's mark. Upon establishing said violation by a preponderance of the evidence, such civil claimant shall recover—

"(A) either treble claimant's damages or treble defendant's profits, whichever is greater, and

"(B) the costs of investigating the violation and prosecuting the suit, including reasonable investigator's and attorney's fees.

In assessing defendant's profits, the claimant shall be required to prove defendant's sales only; defendant must prove all elements of cost or deduction claimed therefrom.

"(2) The court, on a motion promptly made, may in its discretion award prejudgment interest on the monetary recovery awarded under subsection (d)(1) of this section, at an annual interest rate established under section 6621 of the Internal Revenue Code of 1954, commencing on the date of the service of the civil claimant's pleadings which set forth the claim for monetary recovery and ending on the date such judgment is awarded or for such shorter time as the court deems appropriate.

"(3) A final judgment or decree rendered in favor of the United States in any criminal proceeding brought by the United States under this section shall estop the defendant from denying the essential allegations of the criminal offense in any civil proceeding brought by any civil claimant pursuant to this section.

"(e) In any civil proceeding brought under this section the district courts of the United States shall have jurisdiction to prevent and restrain trafficking in counterfeit marks by issuing appropriate orders, including, in appropriate circumstances, ex parte orders without notice for the seizure of such counterfeit marks and materials as described in subsection (f) herein, pursuant to, and subject to the requirements of, the Federal Rules of Civil Procedure. Any provisional or equitable remedy that would be available in a comparable civil action commenced under

the Act entitled 'An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes,' approved July 5, 1946 (60 Stat. 427; 15 U.S.C. 1127), may, to the same extent and upon a comparable showing, be made available to any party in an action commenced under this section, subject to the conditions and requirements imposed by the Federal Rules of Civil Procedure.

"(f) If, in any action brought under this section, the court determines that a mark is counterfeit, the court may order the destruction of all such marks, all means of making such marks, and all goods, articles or other matter bearing such marks, which are in the possession or control of the court or any party to the action; or, after obliteration of the counterfeit mark, the court may order the disposal of the aforesaid materials to the United States, a civil claimant, an eleemosynary institution, or any appropriate private person other than the person from whom the materials were obtained.

"(g) Nothing in this section shall supersede any provision of Federal, State, or other law imposing criminal penalties or affording civil remedies in addition to those provided for in this section, except that no civil claimant who recovers treble damages or treble profits pursuant to this section shall also be entitled to corresponding recovery under any other Federal, State or other law in connection with the same underlying occurrences or transactions.".

(b) The table of sections for title 18, United States Code, is amended by adding after the item relating to section 2319 the following:

"2320. Criminal trafficking in counterfeit marks.".●

By Mr. BENTSEN:

S. 876. A bill entitled the "Science Education Improvement Act of 1983"; to the Committee on Finance.

SCIENCE EDUCATION IMPROVEMENT ACT OF 1983

● Mr. BENTSEN. Mr. President, I am introducing legislation today designed to attack a critical failing in our Nation's technology base. We are hearing and reading an enormous amount of news about the state of U.S. technology. It is an important issue because our prospects for job growth are tied directly to our ability to capture new markets abroad with new and better products. And technology, especially microelectronic technology, is the brightest hope both for these new products and to improve existing products.

There has been a wave of concern with the prospect that U.S. firms cannot successfully capture foreign markets for new products. The focus of this concern has been the rigid and uncompetitive nontariff barriers which Japan and our European trading partners have erected to protect their less efficient domestic firms. These nontariff barriers have popularly come to be called industrial policy and comprise anything from quotas to buy-Japanese admonishments by that Government, to elaborate domestic subsidies. The sharply rising use of such policies in virtually all Third World and advanced economies poses a great danger to world trade and prosperity. Those policies, indeed, are directly responsible for the growing awareness here in the Congress that perhaps our Nation's trade policies should be altered; that we are forcing our exporters to compete on an uneven field of trade with government-backed competitors virtually across the board.

Especially in Japan, these policies reach far into corporate activities, including basic R&D decisions. R&D grants and other subsidies are being used to spark the rapid development of new high-technology products in areas as diverse as fiber optics and ceramics. The intent of these foreign government planners is to spotlight and subsidize many promising areas of basic R&D, in the hope that even one or two pan out and become major commercial winners.

It is asking a lot for our own firms to compete with such a system. And that is a subject I addressed on detail on March 1 when introducing S. 632. It is clear that we cannot ask our firms to compete in world markets with one hand tied behind their back. Yet, that is precisely what they are doing because of the deterioration in our Nation's technical base.

A SAGGING TECHNICAL BASE

A critical component of this Nation's drive to compete effectively in emerging high-technology fields is an adequate pool of technically oriented labor. We do not have an adequate pool of such labor now and the outlook is even grimmer. For example, Japan now graduates some 25 percent—4,000—more electrical engineers than we do despite having only one-half our population. While there is robust demand for engineering courses by college students, many students are shut out because of faculty shortages. Indeed, over 10 percent of all engineering faculty slots sit vacant as increasingly scarce faculty are bid away by private firms frantic to beat our engineering shortage. The same bidding process has gutted our engineering graduate schools, as well—severely limiting the pipeline of new Ph.D.s' able to fill those vacant faculty positions.

Compounding this dismal situation is the inadequate state of equipment used to teach engineering students. It is not at all uncommon for students to encounter vacuum tube technology or to simply have no equipment at all for use in many labs. One analysis projects an equipment shortage alone of almost $1 billion nationwide in our engineering schools.

As you may recall, Mr. President, I introduced legislation last May to deal with both the engineering faculty crisis and the teaching equipment shortages. One bill, the Scientific and Technical Equipment Act, expanded the existing charitable-donation tax-deduction provision to include equipment donated for teaching purposes to engineering and vocational education schools. Another bill, the Scientific Research and Education Act of 1982, attacked the faculty shortage issue head on by expanding the 25 percent R&D tax credit to cover contributions to engineering schools for faculty salary supplementation by private firms.

I will be introducing versions of these two bills again shortly. They will certainly ease the engineering school crunch. But there is an even more dangerous crunch in education which needs addressing, as well: the inadequate technical education being provided at elementary and secondary schools across our Nation.

POOR TECHNICAL EDUCATION

The typical high school student here spends only a fraction of the time spent by students in the Soviet Union or Japan in math and science. For all students—not just those selected for university education—in the Soviet Union, East Germany, and Japan, according to the National Academy of Sciences (NAS), specific courses in geography, physics, biology, math, and chemistry begin in the sixth grade. Their curriculum lasts from 4 to 6 years and yields classroom time in these areas which is three times greater than received by the most science-oriented U.S. students. And precious few of our students ever take the full offerings in science in high school. They should. According to an analysis for the National Academy of Sciences by Stanford Prof. Emeritus Paul Hurd, more than one-half of our high school students graduate with only bare courses in biology and algebra. Less than one-third study chemistry at all, and only one in six studies high school physics or trigonometry; 42 percent of our high school students tested recently did not know that 30 is 50 percent of 60. And, in science achievement tests for 14-year-olds, the United States ranked 15th, while Japan ranked 1st. And mathematics achievement scores on the SAT tests for college-bound students have fallen steadily to 467 out of 800 in 1981–1982, from 488 a decade earlier.

This dismal performance has its roots in our pronounced shortages of certified elementary and secondary math and science teachers.

TEACHER SHORTAGES

The NAS found that 28 States had math teacher shortages in 1980. Just 1 year later, the number had leaped to 43 States; 22 percent of all high school math teaching slots are vacant. The shortage is equally severe in the sciences. In 1982, some 40 States reported shortages of physics teachers and 39 States reported shortages of chemistry teachers in a study completed for the

Iowa Department of Public Information. Right now, Los Angeles is looking for 500 math teachers and 350 science teachers. They will be lucky to fill one-half of these slots.

The teacher shortage has had a predictable result: only one-third of the Nation's 16,000 school districts require more than 1 year of high school math and science for graduation. Seven States require no math. In effect, the shortage of State-certified elementary and secondary teachers in math and science is so overwhelming that school districts have been forced to cut classroom time to the bare bones.

The crux of the problem is the few number of technically trained college graduates we are producing who are interested in teaching careers. The number of college bachelor-degree graduates in mathematics education fell to less than 800 in 1981 from over 2,200 in 1971. They enter a very tight market where the soaring demand for technically trained men and women has pushed private-sector salaries for college graduates in science well above teaching salaries. The National Academy of Sciences estimates that math and science teachers in elementary and secondary schools earn barely 60 percent of the salaries being pulled down by people in the private business sector with training in math, computer science, and science. In my State of Texas, for example, teachers' base salaries range from $11,000 to $16,000. Yet, average bachelor-degree graduates last spring won salaries in the private sector ranging from $16,500 for biology, to $21,000 for chemistry, to $23,760 for the other physical and earth sciences. And the disparity increases enormously with experience.

This disparity has diminished the attractiveness to students in college of teaching math and science in elementary and secondary schools and aggravated the teacher shortage. Between 1971 and 1980, according to the National Science Teachers Association, the number of new teachers for secondary level math has fallen 77 percent. The number of new science teachers being trained over the same period fell 65 percent. Almost five times more science and math teachers left teaching for higher paying private sector jobs than left for retirement. And 1 in 4 current math and science teachers plans to leave soon for a better paying job.

Maryland's 21 teacher's colleges graduated only 8 math teachers last spring. Only 32 of the 1982 graduates from the entire New York college system planned to teach secondary school math. Only one in New Hampshire had similar plans. Southwest Texas State has only 17 prospective chemistry or biology teachers enrolled. And Texas A&M has only 90. The University of Texas Science Education Center reported only 18 students planning to teach secondary science, none in physics or chemistry. Kentucky's 23 colleges and universities graduated only 50 high school math teachers in 1981. The Florida Department of Education estimates that its colleges and universities will graduate only 20 math teachers annually, while 325 are needed by school systems across the State. Even more distressing, only 55 percent of such college graduates actually take up teaching, according to the National Science Teachers Association.

This shrinking pipeline is not news to school administrators. It is just more of the same bad news which has forced them not only to roll back offerings, but to use teachers without regular certification in science or math. In fact, an amazing 50 percent of our elementary and secondary math and science teachers do not meet State certification standards for these subjects. On the west coast, 84 percent of all math and science teachers hired in 1981–82 were not State certified. In-service training is insufficient, as well. Fully 79 percent of our current science teachers have not completed at least a 10-hour professional course within the last decade. And over two-thirds of them have never had a computer course.

THE SCIENCE EDUCATION IMPROVEMENT ACT

The science and math crunch in our elementary and secondary schools must be vigorously attacked. Without a shot in the arm now, the situation will continue eroding as the pipeline of new teachers shrinks further, and more and more uncertified teachers are used to fill the gap.

A first step must be to increase the incentive for college graduates to teach math and science and for more existing teachers to become certified in those subjects. The only meaningful approach must involve a financial incentive to teachers to improve the ability of school districts to attract and hold qualified teachers. This approach has been adopted already at the State and local levels as concerned school administrators grapple with the crisis in technical teaching. Houston is now offering bonuses of $2,000 and more to teachers with critical skills, such as math and science—a meaningful incentive in light of the average $19,000 earned by teachers nationwide last year. New math teachers in Oklahoma City receive $500 bonuses plus $100 for each credit hour they teach. Florida is analyzing proposals to spend $500,000 to recruit out-of-State math and science teachers and reimburse or forgive tuition costs for college students majoring in math or science teaching. The Richmond, Va., school system offers new science teachers a $1,500 bonus.

These bonus plans will produce some additional qualified math and science teachers. But the major result, I am afraid, will be to generate competition for the relatively scarce number of such teachers nationwide. The solution is to expand the pool rather than to shuffle the few certified teachers available from school system to school system.

Since the key problem is the lack of State-certified math and science teachers, I am proposing that Congress create a one-time bonus for teachers to gain such certification. The bonus will be in the form of a $1,000 tax credit, and can be claimed in either calendar year 1984, 1985, 1986, or 1987, since it normally takes 4 years to complete college and gain certification.

My bill, the Science Education Improvement Act, will go a long way, I believe, toward easing the elementary and secondary science and math crunch. It will encourage teachers in other subjects to become reoriented toward scarce math and science curriculums. It will provide a genuine incentive for those uncertified math and science teachers now to gain such certification. And, it will encourage college students and graduates to focus on math and science curriculums, as well.

Let me hasten to add, Mr. President, that I acknowledge the existence of teacher shortages in other than math and science. For example, in my State of Texas, substantial shortages exist for foreign language teachers. For that reason, my legislation permits the Secretary of Education and the Secretary of the Treasury to designate areas beyond math and science as eligible for this teacher certification credit. The Secretary of Education will develop any such recommendations with the active counsel of State and local teachers, school officials, and members of State and National education asspciations.

Mr. President, I ask unanimous consent for my bill, the Science Education Improvement Act of 1983, to appear at this point in my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 876

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Science Education Improvement Act of 1983".

SECTION 1. TITLE.

This Act may be cited as the "Science Education Improvement Act".

SEC. 2. CREDIT FOR CERTIFIED INSTRUCTORS IN CERTAIN SUBJECTS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable against tax) is amended by inserting after section 44G the following new section:

"SEC. 44H. CERTIFIED INSTRUCTOR CREDIT.

"(a) IN GENERAL.—In the case of certified instructor, there shall be allowed as a credit

against the tax imposed by this chapter for the taxable year an amount equal to $1,000.

"(b) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed by subsection (a) for any taxable year shall not exceed the amount of the tax imposed by this chapter for such taxable year reduced by the sum of the credits allowable for such taxable year under a section of this part having a lower number or letter designation than this section, other than the credits allowable by sections 31, 39, and 43.

"(c) CERTIFIED INSTRUCTOR DEFINED.—For purposes of this section—

"(1) IN GENERAL.—The term 'certified instructor' means an individual who—

"(A) is a full-time instructor at the close of the taxable year at any public or private elementary school or secondary school located in any state which is described in section 170(c)(2),

"(B) is certified during such taxable year to teach—

"(i) mathematics,

"(ii) any physical science, or

"(iii) any other subject taught in public elementary or secondary schools throughout the United States for which the Secretary, in consultation with the Secretary of Education, determines there is a substantial shortage of certified instructors at any time during such taxable year, and

"(C) devoted at least 50 percent of the time working at such school to teaching any subject described in subparagraph (B) which such individual is certified to teach.

"(2) CERTIFICATION.—An individual shall be treated as being certified during the taxable year to teach a subject only if such individual—

"(A) meets the requirements imposed during the taxable year on instructors of such subject by the State where the school at which such individual is employed is located, and

"(B) did not meet such requirements (or similar requirements imposed by any other State in which such individual resided) for the 2 taxable years preceding such taxable year.".

(b) DETERMINATION OF SUBSTANTIAL SHORTAGE OF INSTRUCTORS.—

(1) IN GENERAL.—In determining whether a substantial shortage of certified instructors in any subject exists for purposes of section 44H of the Internal Revenue Code of 1954, the Secretary of the Treasury and the Secretary of Education shall consult with the advisory committee described in paragraph (2) at least once during every calendar year in which such section is in effect.

(2) ADVISORY COMMITTEE.—The Secretary of Education shall establish by regulations an advisory committee which shall inform the Secretary of Education and the Secretary of the Treasury of any substantial shortage in the number of certified instructors in any subject taught in public elementary or secondary schools throughout the United States. Such advisory committee shall be established, and the members thereof appointed by the Secretary of Education, and composed entirely of State and local school administrators, instructors for elementary and secondary schools located throughout the United States, and members of groups such as State and National education associations which represent such instructors and administrators.

(c) CONFORMING AMENDMENTS.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 44G the following new item:

"SEC. 44H. CERTIFIED INSTRUCTOR CREDIT.".

(2) Section 6096(b) of such Code (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by striking out "and 44G" and inserting in lieu thereof "44G, and 44H".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply to taxable years beginning after December 31, 1983, and before January 1, 1988.●

By Mr. HOLLINGS (for himself and Mr. MITCHELL):

S. 877. A bill to require the National Weather Service to report routinely on the levels of acid content found in precipitation and dry deposition throughout the United States, and for other purposes; to the Committee on Commerce, Science, and Transportation.

ACID DEPOSITION REPORTING ACT OF 1983

Mr. HOLLINGS. Mr. President, on behalf of myself and Senator GEORGE J. MITCHELL of Maine, I am introducing the Acid Deposition Reporting Act of 1983. This legislation calls upon the National Weather Service in the National Oceanic and Atmospheric Administration (NOAA) to begin including the acid content found in precipitation, as well as the dry deposition level where that information is available, in the routine weather forecasts for local weather conditions. It also provides for the collection of data where it is not presently available, so that by the year 1987, we will have full coverage of the United States.

We know that acid rain and acid deposition is causing an estimated $5 billion worth of damage in this Nation on an annual basis. And we have estimates that range as high as $25 billion worth of losses just to our crops and fisheries alone that could occur between now and the year 2000.

The New England area has been extremely hard hit by damage caused by acid rain. But one fact we have not really focused on is that where New England is now, other parts of the country may well follow. In my own State of South Carolina we have witnessed a ten-fold increase in the amount of acid content in our rain, from 1955 to 1975. And since 1972, the amount of acid found in our air has doubled. In fact, according to a recent United States-Canadian scientific report released by the Canadian Government last month, the area of the country with the greatest growth in sulfur dioxide emissions outside of the Midwest is the Southeast. The Environmental Protection Agency has estimated that in addition to the New England region, portions of the South, Southeast, and mountain areas in the West are highly sensitive to acid deposition. Many of these areas are already receiving rainfall considered very acidic relative to normal rain.

In addition, the Office of Technology Assessment has identified 27 States in the Eastern part of the Nation alone that it estimates contains areas sensitive to acid rain. And in this 27-State area, 55 percent of the lakes and 42 percent of the stream miles are believed to be either at risk, or already altered by, acid deposition. And to top all of this, as if it were necessary, the National Oceanic and Atmospheric Administration released information last summer showing traces of man-made acid rain ranging all the way from Alaska to Bermuda.

If we in this Congress think that this is a problem that is only the concern of a handful of Members from New England, I believe we are mistaken. The New England delegations deserve to be heard on this problem, for it is a real one—I have been to New England and have witnessed it. I saw it over a year ago when I was in Maine with Senator MITCHELL, and was talking about it then. And in 1981, when the administration reduced the research funds in NOAA for the study of long-range transport of acid rain, which will help yield an answer to the exact chemistry in the atmosphere that creates this hazard, we restored the funds in appropriations. Yet the administration continues to deny that this is a real problem in this country, and has turned aside the concerns of our strong ally to the North, Canada. This is being done in the face of a growing body of evidence that not only are we sustaining billions of dollars of economic loss, but that acid deposition is also a potentially serious hazard to human health.

I believe we can turn the administration around, and find the votes necessary to begin addressing this problem, with this short piece of legislation I am introducing today. The answer lies with the American people. And I believe that once they know the potential hazard they are facing, and once they begin to understand the changes in the acid content that are occurring silently all around them in many parts of our Nation, then I believe we will see some action to deal with this problem in a responsible manner.

By having the National Weather Service begin providing this information with their routine weather information, we will begin to be educated. We will understand what pH levels mean, and begin to look to New England to see what has happened there, and is continuing to happen. No one wants that to occur in his or her own area. No one wants the threat posed to health or the economic losses. I believe this legislation can begin to make the difference, and urge all my colleagues who are concerned about acid deposition and the potential harm it holds for their States, as well as the damage we have already sustained, to join in cosponsoring the Acid Deposition Reporting Act.

Mr. President, I ask unanimous consent that the bill be reprinted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 877

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Acid Deposition Reporting Act of 1983".

FINDINGS AND PURPOSES

SEC. 2. (a) FINDINGS.—The Congress finds and declares that—

(1) sulfur dioxide and nitrogen oxide emissions transform chemically in the atmosphere to produce acid precipitation and dry deposition of acid;

(2) acid deposition in the form of both precipitation and dry deposition is causing an estimated $5 billion worth of damage and economic loss to the nation's economy;

(3) it has been estimated that the total cost to the United States for damages to crops and fisheries caused by acid deposition from now to the end of the century may amount to $15 billion to $25 billion;

(4) in addition to the New England region, it is estimated by the Environmental Protection Agency that portions of the South, Southeast, and mountain areas of the West are highly sensitive to acid deposition, and many of these areas are presently receiving rainfall considered very acidic relative to normal rain;

(5) it has been estimated by the Office of Technology Assessement that 27 States in the Eastern United States alone contain areas sensitive to acid rain, encompassing 245,000 square miles, 17,000 lakes, and 117,000 miles of streams, and 55 percent of these lakes and 42 percent of these stream miles are estimated to be either at risk from, or already altered by, acid depositon;

(6) according to scientific reports from the National Oceanic and Atmospheric Administration in the Department of Commerce, traces of man-made acid rain have been confirmed ranging from Alaska to Bermuda;

(7) the position of the U.S. Government in refusing to acknowledge the serious nature of the acid deposition problem has led to deepening conflicts with one of the nation's closest allies, Canada; and

(8) serious concern is being expressed that acid deposition, which already causes serious economic damage in some regions of the nation, is also a potential serious hazard to human health.

(b) PURPOSES.—The Congress declares that the purposes of this Act are to—

(1) disseminate information to the public throughout the United States concerning the changes occurring in the acid content of precipitation and the acid content found in dry deposition by including, in the routine weather information provided by the National Weather Service of the National Oceanic and Atmospheric Administration in the Department of Commerce, reports on the acid content found in both precipitation and dry deposition; and

(2) provide for the collection of the data necessary to provide the reports required under paragraph (1) in those geographic areas where such data are not presently available.

ACID DEPOSITION REPORTS

SEC. 3. (a) The National Weather Service of the National Oceanic and Atmospheric Administration (hereinafter referred to as "NOAA") in the Department of Commerce shall issue periodic reports describing the acid content in both precipitation and dry deposition throughout the United States.

(b) Such reports shall be issued by Weather Service Forecast Offices and Weather Service Offices in the National Weather Service, or through such other facilities or means as the Assistant Administrator of the National Weather Service shall direct, for those areas of the United States where such information is presently available, within 90 days of the enactment of this Act.

(c) Such reports shall be issued on a daily basis as a part of the local weather information made available by the National Weather Service for the purpose of informing the public of local weather conditions.

(d) Such reports shall be issued throughout the United States no later than the end of calendar year 1987, with a priority being given to those geographic areas where sensitivity to damage from acid deposition is estimated to be highest, and credible scientific evidence indicates that acid deposition is presently causing damage, or has been increasing and is approaching a level where damage may occur.

(e) The Administrator of NOAA is authorized to reimburse other public or private entities, including but not limited to, Federal agencies; State and local governments; universities, colleges, and research institutions; and private corporations and individuals, for the cost of collecting the data necessary for the preparation of the reports, and transferring such data to the National Weather Service, in those geographic areas where the National Weather Service or other division of NOAA does not presently collect such data: *Provided* that where other Federal agencies presently collect such data in the course of carrying out their statutory missions, the Administator of NOAA is authorized to reimburse such Federal agencies only for any costs incurred in transferring such data to the National Weather Service.

REPORT TO THE CONGRESS

SEC. 4. The Administrator of NOAA shall report to the Congress, on an annual basis, on the implementation of this Act, no later than 90 days after the close of the previous calendar year, beginning in 1985.

(a) The report to the Congress shall include a complete description of the acid content found in both precipitation and dry deposition in those geographic areas for which the appropriate data and information is available.

(b) For those geographic areas where either incomplete or no data or information has been available during the previous calendar year, the report to the Congress shall include a description of the steps being taken to provide the reports pursuant to Section 3 of this Act.

RULES AND REGULATIONS

SEC. 5. The Administrator of NOAA shall promulgate, pursuant to section 553 of title 5, United States Code, after notice and opportunity for participation by relevant Federal agencies, State agencies, local governments, regional organizations, and other interested parties, both public and private, such rules and regulations as may be necessary to carry out the provisions of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 6. (a) There are authorized to be appropriated to the Administrator of NOAA, for the purposes of carrying out Section 3(e), Section 4, and Section 5 of this Act, not to exceed $1,500,000 for each of the fiscal years 1984, 1985, 1986, and 1987, such sums to remain available until expended.

(b) There are authorized to be appropriated to the Assistant Administrator of the National Weather Service in NOAA, for the purposes of carrying out Section 3 of this Act, not to exceed $1,000,000 for each of the fiscal years 1984, 1985, 1986, and 1987, such sums to remain available until expended.

By Mr. HEFLIN:

S. 878. A bill to authorize and direct the Secretary of the Army to correct certain erosion problems along the banks of the Warrior River near Moundville, Ala.; to the Committee on Environment and Public Works.

MOUND STATE PARK EROSION CORRECTION ACT OF 1983

Mr. HEFLIN. Mr. President, I am today introducing a bill to authorize the Secretary of the Army to correct erosion problems which have developed along the banks of the Warrior River and are posing a threat to the preservation of the Mound State Park. This authorization is vital to the preservation of an integral segment of our Nation's history. The Mound State Park harbors a wealth of history that is invaluable to Alabama and to our Nation. This park contains numerous Indian burial mounds and relic which have provided tremendous insight into the customs and folklore of the American Indian.

Presently this park is being threatened by the erosion of the banks of the Warrior River which runs adjacent to the Indian mounds. The deterioration of this property must be stopped to insure the safekeeping of this historical landmark.

A Corps of Engineers on-site inspection in 1980 revealed that 2,400 feet of riverbank needed to be protected in order to prevent a loss of cultural resources. The erosion of this shoreline has caused the loss of cultural resources and this loss is anticipated to continue to increase in magnitude as it approaches the Indian mounds. For these reasons, I am introducing this legislation which would insure the preservation of this invaluable historical resource.

Having visited this park, I can personally attest to its historical value and significance. It would be a tragedy to sit idle while this landmark is threatened by erosion from the Warrior River. This bill would initiate the necessary steps to insure that this historical site is preserved for generations to come.

By Mr. CHAFEE:

S. 879. A bill to authorize depository institutions to engage in securities activities; to the Committee on Banking, Housing, and Urban Affairs.

BANKING REFORM ACT OF 1983

● Mr. CHAFEE. Mr. President, today I am introducing the Banking Reform Act of 1983. This bill would make two

key changes in banking laws. First, it would permit depository institutions to sponsor and sell shares in mutual funds, including money market mutual funds; and second, authorize banks to underwrite municipal revenue bonds.

This bill is identical to an amendment I offered to the Garn-St Germain Depository Institutions Act of 1982.

I subsequently withdrew the amendment, with assurances that the issue of mutual fund and revenue bond powers would be a first priority of the Senate Banking Committee this year. It is my hope that the Banking Committee will consider this proposal shortly.

Specifically, the bill would authorize the establishment of bank securities affiliates, which would be permitted to organize, sponsor, operate, control, underwrite, and distribute shares in investment companies, including mutual funds; and underwrite and deal in municipal revenue bonds.

In addition, a bank securities affiliate could engage in any securities-related activity in which a bank can currently engage.

My bill would also expressly authorize the formation of savings association securities affiliates and credit union securities affiliates which would be authorized to operate, sponsor, advise, and distribute shares in investment companies. These affiliates would be generally analogous to bank securities affiliates but would be affiliated with savings and loan associations, mutual savings banks, and credit unions.

The bill makes certain distinctions first, between different sized institutions; and second, between different categories of depository institutions.

These distinctions are intended to recognize the needs of smaller institutions and to provide equally for separation of new securities activities from the existing activities of such institutions.

I will discuss these powers separately. Let me begin with mutual fund powers, which would have the greater and more direct impact on the retail banking consumer.

The mutual fund provision is based on a bill which I introduced almost 2 years ago in response to the dramatic changes that were then and are now sweeping the financial world.

Mr. President, these changes and innovations have been well documented before Congress. But, one need not have followed congressional hearings to know of the incursions into the banking world by nondepository institutions.

The daily newspapers are replete with articles describing new combinations and bank-like services being offered by nonbanking institutions. This nonbank competition is no longer restricted to traditional financial institutions. Securities firms and insurance companies are now joined by Sears, J. C. Penney, Kroeger, Baldwin, to name a few, in competing with banking institutions. Department stores, grocery chains, piano manufacturers can engage in all kinds of banking-like activities. It would seem banking institutions are the only ones that cannot. Competition from nonbanks has served the consumer well—and I endorse the creativity and competition this activity reflects.

But, at the same time, to allow this competition, while continuing to preclude depository institutions themselves from effectively competing in providing financial services, is both unnecessary, from a safety and soundness viewpoint, and grossly unfair.

Mr. President, while mutual fund powers is a significant proposal, it is by no means radical. The mutual fund provision has been before the Congress for many years. In fact, it was passed by the Senate before. The powers it would grant differ only in degree from those banks have now. Banks presently act as investment advisers to investment companies—including money market mutual funds. They manage employee benefit plans, and individual retirement accounts. They can invest individual agency accounts and invest trust, guardianship, and estate accounts individually and collectively. But, what they cannot do is to take the individual agency accounts and invest them collectively. This means that a bank can take a small investment and acting as agent invest it for the investor in low denomination instruments. But, it cannot, for example, take one investor's money and that of other customers and pool the funds to purchase say, a $100,000 instrument, which pays significantly higher yields than that which one investor's money could obtain by itself. This means that the small investor is denied not only these higher yields, but also the diversification and, therefore, safety that pooled investments would provide.

My proposal would benefit the small investor by making available from depository institutions, investment services that were previously available only to the wealthy. Money market and other mutual funds will become more widely and conveniently available.

Some would argue that the need for mutual fund powers has been eliminated by the market rate account Congress authorized last year, but I believe the need for mutual fund powers is now greater than ever.

True, there has been a tremendous response to the deposit account. It has provided higher returns to banking consumers and to an extent enabled depository institutions to recapture lost customers. But that is only part of the picture. Some of the popularity of the funds is attributable to the fact that at least initially some institutions offered high interest rates as a loss leader. Moreover, much of the funds in the new accounts comes from existing banking accounts, not the money market mutual funds. The deposit account was designed to compete with money market funds, but brokers are now directing money out of money market mutual funds and into other kinds of mutual funds that are more attractive in a declining interest rate market.

Banks and thrifts generally cannot offer these services, and the market rate account does little to enable them to respond to these changing conditions.

My bill would authorize all mutual fund activities for depository institutions and thereby allow them the flexibility to compete under varying interest rates.

Now, let me turn to the revenue bond underwriting portion of my bill.

The bill would allow banks to underwrite municipal revenue bonds. Like mutual fund powers, I view this as an important but hardly a radical extension of existing bank authority as banks are currently authorized to underwrite general obligation bonds, and, indeed, some kinds of revenue bonds as well.

When the limitation on underwriting was first enacted half a century ago, general obligation bonds were the predominant kind of bond issues. Now, however, revenue bonds account for over 70 percent of municipal bond issues. But, the arbitrary and anachronistic restraint on bank activity in this area remains.

In my view, authority for bank underwriting in this area is a logical extension of current bank securities activities. Like mutual fund powers, it can only result in increased competition, which in this case may result in lower costs. Clearly, such an effect can only benefit the public.

It has been argued that mutual fund and revenue bond underwriting powers for depository institutions would breach the separation of banking and commerce. First, this separation was never absolute. As I noted, some securities powers were permitted to banks even at the time the line of distinction was first drawn, and many others have been permitted over the years. And, I would add that these powers are certainly no greater a breach than, for example, the export trading company powers, which I cosponsored, and which were enacted last year. In any case, I believe the prohibitions on mutual fund and revenue bond activites have largely been outpaced by events and have continuing utility now in view of the changes taking place in the financial world.

Mr. President, my bill reflects many of the sugestions made during the extensive hearings the Senate Banking Committee held on these issues last Congress.

I believe it accommodates all of the substantive concerns that were raised during the hearings and in the detailed discussions with industry and agency representatives over the past 2 years. Because the amendment now would place these activities in a separate holding company subsidiary, the proposal insures equality of regulation and taxation. This separation of the deposit-taking and securities functions also insures the integrity of insured deposits. Significantly, too, the proposal enables all depository institutions to engage in mutual fund activities.

I would welcome consideration of financial services powers additional to mutual fund and revenue bond authority. If further powers were authorized, it might then be appropriate to require existing securities powers as well as the new powers be conducted out of the separate securities affiliate.

I expect there will also be other views on how to accomplish the more modest changes that I am introducing today, and I welcome constructive amendments or approaches. But, I urge my colleagues to take up such proposals now, as existing banking law is being rapidly outpaced by events.

Enactment of these securities powers would be a small but significant change that would bring our banking law in line with reality and benefit banking institutions and the public alike.

I intend to work closely with the Banking Committee chairman to help him to make this issue a priority of the Banking Committee this year.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 879

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AMENDMENTS TO THE BANKING ACT OF 1933

SECTION 1. (a) Section 20 of the Banking Act of 1933 (12 U.S.C. 377) is amended by inserting after the first paragraph the following:

"Notwithstanding any other provision of this section, a member bank may be affiliated in any manner described in subsection (b) of section 2 with a bank securities affiliate as defined in section 2(j) of the Bank Holding Compajy Act of 1956 (12 U.S.C. 1841(j)), subject to section 16 and the limitations contained in section 4(c)(15) of the Bank Holding Company Act of 1956.".

(b) Section 16 of the Banking Act of 1933 (12 U.S.C. 24 (Seventh)) is amended by adding at the end thereof the following: "Notwithstanding any other provision of this paragraph, any eligible association may acquire capital stock of any bank securities affiliate as defined in section 2(j) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(j)). An eligible association is any bank that has assets of less than $100,000,000 and that is not controlled by a bank holding company, as such terms are defined in section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a)). An association shall cease to be an eligible association one year after (A) its assets exceed $100,000,000 at the end of three consecutive fiscal quarters, or (B) a bank holding company acquires control of such association. The term 'eligible association' also includes a bank which is organized solely to do business with other banks and their officers, directors, or employees; is owned primarily by the banks with which it does business, none of which owns more than 5 per centum of any class of its voting securities; and does not do business with the general public.".

(c) Section 32 of the Banking Act of 1933 (12 U.S.C. 78) is amended by adding at the end of the first paragraph the following: "Notwithstanding any other provision of this section, an officer, director, or employee of any member bank may serve at the same time as an officer, director or employee of any of its bank securities affiliates. The term 'bank securities affiliate' shall have the meaning ascribed to it in section 2(j) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(j)).".

AMENDMENTS TO THE BANK HOLDING COMPANY ACT OF 1956

SEC. 2. (a) Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended by adding at the end thereof the following:

"(j) The term 'bank securities affiliate' means any corporation that (1) is engaged in the United States in one or more of the activities authorized pursuant to section 4(c)(15) of this Act, and (2) is a broker or dealer within the meaning of section 3(a)(4) or (5) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4) or (5)), or an investment adviser within the meaning of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(11)). A corporation engaged in any such activities shall be deemed to be a bank securities affiliate only so long as it is owned or controlled by a bank holding company or by an eligible association as defined in section 16 of the Banking Act of 1933 (12 U.S.C. 24 (Seventh)).".

(b) Section 4(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)) is amended by adding at the end thereof the following:

"(15) shares of any bank securities affiliate engaged in activities in accordance with the limitations contained in this paragraph. A bank securities affiliate may—

"(A) conduct any securities or securities-related activity that a bank is not prohibited from conducting;

"(B) deal in and underwrite obligations issued or guaranteed by or on behalf of a State or any political subdivision thereof or any agency or instrumentality of either of the foregoing (except industrial development bonds as defined in section 103(b)(2) of the Internal Revenue Code of 1954);

"(C) organize, sponsor, operate, control or render investment advice to an investment company, as such term is defined in section 3 of the Investment Company Act of 1940, including a company which would be an investment company except for the provisions of section 3(c)(1) of such Act;

"(D) underwrite, distribute, and sell securities of an investment company, as such term is defined in section 3 of the Investment Company Act 1940, including a company which would be an investment company except for the provisions of section 3(c)(1) of such Act.".

(c) Section 5(c) of the Bank Holding Company Act (12 U.S.C. 1844(c)) is amended to read as follows:

"(c) The Board from time to time may require reports of a bank holding company under oath to keep the Board informed as to whether such holding company has complied with the provisions of this chapter and such regulations and orders issued thereunder. The Board may further require separate reports from subsidiaries of bank holding companies consisting of (1) for companies subject to the reporting requirements of section 17(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78q(a)), the same information required to be submitted to the Securities and Exchange Commission under such section (and the rules and regulations thereunder) at the same time such information is so submitted; and (2) for all other companies, the same information as would be required to be submitted under section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) (and the rules and regulations thereunder) by companies subject to the reporting requirements of such Act which are engaged in the same or similar lines of business, not more frequently than quarterly. The Board may make examinations of each bank holding company and each subsidiary thereof, the cost of which shall be assessed against, and paid by, such holding company, except that an examination of a nonbank subsidiary of a bank holding company shall be limited to operations of such subsidiary affecting the affairs of any subsidiary bank of such bank holding company. Notwithstanding any other provision of this section, such examinations or reporting requirements shall not be so limited if the Board makes a finding that the financial condition of the subsidiary is likely to have a materially adverse effect on the safety and soundness of the bank subsidiary. The Board shall, as far as possible, use the reports of examinations made by the Comptroller of the Currency, the Federal Deposit Insurance Corporation or the appropriate State supervisory or regulatory authority for purposes of this section.".

AMENDMENT TO THE FEDERAL RESERVE ACT

SEC. 3. (a) The Federal Reserve Act is amended by inserting after section 23A the following:

"SEC. 23B. (a) A member bank and its subsidiaries may engage in any of the following transactions, only on terms and under circumstances, including credit standards, substantially the same as, or at least as favorable to such bank or its subsidiary is, those prevailing at the time for comparable transactions with or involving other nonaffiliated companies or, in the absence of comparable transactions, those that in good faith would be offered to, or would apply to nonaffiliated companies:

"(1) any covered transaction, as defined in section 23A, with an affiliate;

"(2) a sale of securities or other assets, including assets subject to an agreement to repurchase, to an affiliate;

"(3) a payment of money or furnishing of services to an affiliate, under a contract, a lease, or otherwise;

"(4) any transaction in which an affiliate acts as an agent or broker or receives a fee for its services to the bank or to any other person; or

"(5) any transaction or series of transactions with a third party (A) if an affiliate

has a financial interest in the third party, or (B) if an affiliate is a participant in such transaction or series of transactions.

For the purpose of this subsection, any transaction by a member bank with any person shall be deemed to be a transaction with an affiliate of such bank to the extent that the proceeds of the transaction are used for the benefit of, or transferred to, such affiliate.

"(b) A member bank and the affiliates of such bank shall not publish any advertisement suggesting that the bank shall in any way be responsible for the obligations of its affiliates.

"(c) A member bank and any subsidiary of such bank—

"(1) shall not purchase as fiduciary any securities or other assets from any affiliate unless such purchase is permitted under the instrument creating the fiduciary relationship, by court order, or by local law; and

"(2) whether acting as principal or fiduciary, shall not knowingly purchase or otherwise acquire, during the existence of any underwriting or selling syndicate, any security a principal underwriter of which is a bank securities affiliate of such bank; except that this prohibition shall not apply where the securities to be purchased have been approved by a majority of the directors of the bank who are not officers or employees of the bank or any affiliate thereof (or, if there are no such directors, a majority of the directors of the company owning such bank who are not officers or employees of such company, of the bank, or of any affiliate thereof).

For the purpose of this paragraph, the term 'security' means a 'security' as defined in section 3(a)(10) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(10)); and the term 'principal underwriter' means any underwriter who, in connection with a primary firm commitment distribution of securities, (A) is in privity of contract with the issuer or an affiliated person of the issuer; (B) acting alone or in concert with one or more persons, initiates or directs the formation of an underwriting syndicate; or (C) is allowed a rate of gross commission, spread, or other profit greater than the rate allowed another underwriter participating in the distribution.

"(d) For the purpose of this section—

"(1) the term 'affiliate' means a bank securities affiliate, as defined in section 2(j) of the Bank Holding Company Act of 1956; and

"(2) the terms 'bank', 'subsidiary', 'person', and 'security' (other than security as used in subsection (c)) have the same meanings given to them in section 23A.".

(b) Section 18(j) of the Federal Deposit Insurance Act (12 U.S.. 1828(j)) is amended—

(1) by inserting "and section 23B" after "section 23A" each place it appears in paragraph (1); and

(2) by inserting ", 23B," after "23A" in paragraph (3)(A).

AMENDMENT TO THE FEDERAL DEPOSIT INSURANCE ACT

SEC. 4. Section 8(b)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1818(b)(3)) is amended by inserting the following clause after the second comma in such subsection: "to the extent that such subsidiary shall engage in any action which may affect the safety and soundness of any bank which is directly or indirectly owned or controlled by such bank holding company or otherwise violate any banking law, rule, regulation or order,".

AMENDMENTS TO THE INVESTMENT COMPANY ACT OF 1940

SEC. 5. (a) Section 17(f)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a-17(f)(1)) is amended by inserting after "unit investment trusts" the following: ", except that it shall be unlawful for a registered management company which is organized, sponsored, operated or controlled by, or which receives investment advice from, any bank securities affiliate, as defined in section 2(j) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(j)), to place and maintain its securities and similar investments in the custody of a bank which is affiliated with such bank securities affiliate".

(b) Section 26(a)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a-26(a)(1)) is amended by inserting after "so published)" the following: ", except that it shall be unlawful for such trust indenture, agreement of custodianship, or other instrument to designate as trustee or custodian any bank which is affiliated with a bank securities affiliate, as defined in section 2(j) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(j)), which organizes, sponsors, operates or controls such registered unit investment trust".

(c) Section 27(c)(2) of the Investment Company Act of 1940 (15 U.S.C. 80a-27(c)(2)) is amended by inserting after "trust indentures of unit investment trusts" the following: ", except that it shall be unlawful to deposit such proceeds with any bank which is affiliated with a bank securities affiliate, as defined in section 2(j) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(j)), which organizes, sponsors, operates, controls or renders investment advice to such registered investment company.".

AMENDMENT TO BANK HOLDING COMPANY ACT AMENDMENTS OF 1970

SEC. 6. Section 106(b)(1) of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1972(1)) is amended by striking out "A bank shall not" at the beginning of such subsection and inserting in lieu thereof the following: "No bank or any subsidiary of a bank holding company shall".

AMENDMENT TO THE HOME OWNERS' LOAN ACT OF 1933

SEC. 7. Section 5(c)(1) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)(1)) is amended by adding at the end thereof the following:

"(S) SECURITIES AFFILIATES.—Any eligible association may acquire capital stock of any savings association securities affiliate, as defined in section 408(a)(1)(K) of the National Housing Act (12 U.S.C. 1730(a)(1)(K)). An 'eligible association' is any stock association or stock savings bank that has assets of less than $100,000,000 and that is not controlled by a savings and loan holding company or any mutual association or mutual savings bank that has assets of less than $100,000,000, as such terms are defined in section 408(a)(1) of the National Housing Act (12 U.S.C. 1730a(a)(1)). An association or savings bank shall cease to be an eligible association one year after (i) its assets exceed $100,000,000 at the end of three consecutive fiscal quarters, or (ii) a savings and loan holding company acquires control of such association or savings bank. Any association which is not an eligible association may acquire and hold not more than 5 per centum of any class of voting securities of a savings association securities affiliate.".

AMENDMENTS TO THE NATIONAL HOUSING ACT

SEC. 8. (a) Section 408(a)(1) of the National Housing Act (12 U.S.C. 1730a(a)(1)) is amended—

(1) by striking out "and" at the end of subparagraph (I);

(2) by striking out the period at the end of subparagraph (J) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following:

"(K) 'Savings association securities affiliate' means any corporation that (i) is engaged in the United States in one or more of the activities described in section 408(c)(3) of this Act, and (ii) is a broker or dealer within the meaning of section 3 (a)(4) and (5) of the securities Exchange Act of 1934 (15 U.S.C. 78c (a)(4) and (5)), or an investment adviser within the meaning of section 202 (a)(11) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2 (a)(11)). A corporation engaged in any such activities shall be deemed to be a savings association securities affiliate only so long as it is directly controlled by one or more eligible associations as defined in section 5(c)(1)(R) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)(1)(R)), by other associations meeting the requirements of the last sentence of such section, or by an insured institution that would meet such definition if it were federally chartered.".

(b) Section 408(b) of the National Housing Act (12 U.S.C. 1730a(b)) is amended by adding at the end thereof the following:

"(7) The Corporation may require separate reports from subsidiaries of holding companies consisting of (A) for companies subject to the reporting requirements of section 17 of the Securities Exchange Act of 1934 (15 U.S.C. 78c), the same information required to be submitted to the Securities and Exchange Commission under such section (and the rules and regulations thereunder) at the same time such information is so submitted; and (B) for all other companies, the same information as would be required to be submitted under section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) (and the rules and regulations thereunder) by companies subject to the reporting requirements of such Act which are engaged in the same or similar lines of business, not more frequently than quarterly. An examination of a subsidiary of a holding company, other than an insured institution, shall be limited to operations of such subsidiary affecting the affairs of any insured institution of such holding company. Notwithstanding any other provision of this subsection, such examinations or reporting requirements shall not be so limited if the Corporation makes a finding that the financial condition of the subsidiary is likely to have a materially adverse effect on the safety and soundness of the insured institution. The Corporation shall, as far as possible, use the reports of examinations made by the appropriate State supervisory or regulatory authority for purposes of this paragraph.".

(c) Section 408(c)(2) of the National Housing Act (12 U.S.C. 1730a(c)(2)) is amended—

(1) by striking "or" at the end of clause (F);

(2) by redesignating clause (F) as clause (G); and

(3) by inserting after clause (E) the following: ", (F) acquiring and holding shares of any savings association securities affiliate engaged in activities in accordance with the

limitations contained in paragraph (3) of this subsection, or".

(d) Section 408(c) of the National Housing Act (12 U.S.C. 1730a(c)) is amended by adding at the end thereof the following:

"(3) Without limitation of any other authority provided under this Act, a savings association securities affiliate may—

"(A) conduct any securities or securities-related activity that a savings association is not prohibited from conducting;

"(B) organize, sponsor, operate, control, or render investment advice to an investment company, as such term is defined in section 3 of the Investment Company Act of 1940; and

"(C) underwrite, distribute, or sell securities of any investment company.".

(e) Section 408(d)(1) of the National Housing Act (12 U.S.C. 1730a(d)(1)) is amended by inserting "or a savings association securities affiliate" immediately after "corporation".

(f) Section 408 of the National Housing Act (12 U.S.C. 1752a) is amended by adding at the end thereof the following:

"(o) Not later than 30 days after the date of enactment of this subsection, the Corporation shall prescribe regulations governing transactions between insured institutions and their savings association securities affiliates. Such regulations shall contain provisions identical, to the extent appropriate, to sections 23A and 23B of the Federal Reserve Act.".

AMENDMENTS TO THE FEDERAL CREDIT UNION ACT

SEC. 9. (a) Title I of the Federal Credit Union Act is amended by adding at the end thereof the following:

"SECURITIES AFFILIATES

"SEC. 128. (a) An eligible credit union may acquire capital stock of any credit union securities affiliate, as defined in subsection (b). An 'eligible credit union' is any credit union that has assets of less than $100,000,000. A credit union shall cease to be an eligible credit union one year after its assets exceed $100,000,000 at the end of three consecutive fiscal quarters. Any credit union which is not an eligible credit union may acquire and hold not more than 5 per centum of any class of voting securities of a credit union securities affiliate.

"(b) The term 'credit union securities affiliate' means any corporation that (1) is engaged in the United States in one or more of the activities described in subsection (c), and (2) is a broker or dealer within the meaning of section 3(a), (4) and (5) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a), (4) and (5)), or an investment adviser within the meaning of section 202(a)(11) the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(11)). A corporation engaged in any such activities shall be deemed to be a credit union securities affiliate only so long as it is owned or controlled by one or more eligible credit unions or by other credit unions meeting the requirements of the last sentence of subsection (a).

"(c)(1) A credit union securities affiliate may—

"(A) conduct any securities or securities-related activity that a credit union is not prohibited from conducting;

"(B) organize, sponsor, operate, control, and render investment advice to an investment company, as such term is defined in section 3 of the Investment Company Act of 1940; and

"(C) underwrite, distribute, and sell securities of an investment company, as such term is defined in section 3 of the Investment Company Act 1940.

"(d) Not later than 30 days after the date of enactment of this section, the Board shall prescribe regulations governing transactions between credit unions and their credit union securities affiliates. Such regulations shall contain provisions identical, to the extent appropriate, to sections 23A and 23B of the Federal Reserve Act.

"(e) The Board may require separate reports from credit union securities affiliates consisting of (1) for companies subject to the reporting requirements of section 17 of the Securities Exchange Act of 1934 (15 U.S.C. 78q), the same information required to be submitted to the Securities and Exchange Commission under such section (and the rules and regulations thereunder) at the same time such information is so submitted; and (2) for all other companies, the same information as would be required to be submitted under section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) and the rules and regulations thereunder by companies subject to the reporting requirements of such Act which are engaged in the same or similar lines of business, not more frequently than quarterly. An examination of a subsidiary of a credit union shall be limited to operations of such subsidiary affecting the affairs of the credit union. Notwithstanding any other provision of this subsection, such examinations or reporting requirements shall not be so limited if the Board makes a finding that the financial condition of the subsidiary is likely to have a materially adverse effect on the safety and soundness of the credit union.".

(b) Section 107(7) of such Act (12 U.S.C. 1757(7)) is amended by striking out "and (L)" and inserting in lieu thereof "(L) in securities of a credit union securities affiliate as provided in section 128; and (M)".●

By Mr. HOLLINGS:

S. 881. A bill to amend the Federal Food, Drug, and Cosmetic Act to eliminate certain requirements with respect to colored oleomargarine; to the Committee on Labor and Human Resources.

MARGARINE LABELING REQUIREMENTS

● Mr. HOLLINGS. Mr. President, today I am introducing a proposal to simplify the Food, Drug and Cosmetic Act by improving requirements for the labeling and notification of margarine. This proposal is a technical adjustment in the act that would bring section 407 of the Food, Drug and Cosmetic Act into line with the policies developed by the Food and Drug Administration in recent years, and to make the enforcement and compliance with the notification requirement easier.

This legislation is not going to promote margarine, to mandate the use of margarine, or to cause any decrease in consumer protection. Instead, it will enhance consumer protection by modernizing the overly complicated and special requirements for margarine in section 407 of the act.

The bill I am introducing amends section 407 in three respects. First, in recent years the Food and Drug Administration has sought to remove the requirements for labeling the product name on the inner wrapper and make the FDA's regular requirements for inner unit labeling also applicable to margarine. The FDA has permitted omission of the ingredients provided a disclaimer statement appears on the inner wrapper and on the outer carton. My proposed legislation would repeal that requirement and leave it up to the FDA to regulate the labeling of margarine inner wrappers. Of course, the Food and Drug Administration will continue to have the authority to determine what, if anything, is necessary for consumer information and protection on margarine inner unit wrappers or on the subunits of any packaged foods.

Second, this legislation would remove the requirement that the product name of margarine on the outer package be in type as large as any other on the package. Through its regulatory process, the FDA can determine what should be labeled and how. All other foods are covered by the requirements in section 403 that packaged foods label the product name truthfully and conspicuously. Thus, this legislation seeks to bring margarine into line with the labeling requirements of other foods.

Third, the bill I am proposing would remove the requirement in section 407 which imposes a "double notice" on public eating places serving colored margarine. Present law requires that an eating place post a sign on the wall or make a statement in the menu identifying each serving of margarine by appropriate labeling or by a triangular shape. The FDA has given a low priority to the enforcement of this provision and takes the position that menus, labeling, or other customer notification regarding margarine use can more effectively be enforced by State and local inspection agencies. Food service establishment inspections are conducted by these levels of government now and thus their handling of this responsibility is more cost effective. This legislation will remove the notification process to be followed in restaurants possessing colored margarine and leave enforcement to the State and local inspection agencies.

Mr. President, when section 407 of the Food, Drug and Cosmetic Act was enacted in 1950, it was intended to establish protection for consumers at a time when margarine was entering a new period in its history. However, the status of margarine is significantly different now from what it was when section 407 was enacted some 33 years ago. Margarine has become the leading table spread, used by most American families.

This legislation will not diminish consumer protection. On the contrary, it will provide better consumer protection by making the law easier to comply with and will simplify the

burden on our expanding and important eating-out industry through useful regulatory reform. It extends no special treatment to margarine, it simply removes unnecessary restrictions which have become obsolete and often unenforced.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 881

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (b) of section 407 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 347) is amended—

(1) by inserting "and" after the comma at the end of clause (2);

(2) by striking out "(A) the word 'oleomargarine' or 'margarine' in type or lettering at least as large as any other type or lettering on such label, and (B)" in clause (3);

(3) by striking out the comma and "and" at the end of clause (3) and inserting in lieu thereof a period; and

(4) by striking out clause (4).

(b) Subsections (c) and (d) of such section are repealed.

(c) Subsection (e) of such section is redesignated as subsection (c).●

By Mr. PELL (for himself and Mr. STAFFORD):

S. 882. A bill to establish an Art Bank; to the Committee on Labor and Human Resources.

NATIONAL ART BANK

● Mr. PELL. Mr. President, today I am introducing legislation to establish a National Art Bank.

The purpose of the Art Bank is twofold. First it will beautify public places by displaying works of art and second, it will help American artists through its ability to purchase their work.

I believe that our Government's efforts to support the arts and our artists in particular could be complemented and strengthened through the creation and development of a National Art Bank.

The bill that I am introducing today would establish such an Art Bank within the National Endowment for the Arts. The bank would be headed by a director, who would be appointed by the chairman of the Endowment and who would report directly to the chairman with respect to the activities of the Art Bank.

The director of the Art Bank would from time to time appoint small ad hoc juries of artists and experts in the visual arts to view slides of artwork submitted by artists. Visits to artist's studios and art galleries would also be necessary in order to select works for the bank. With the assistance and guidance of these juries, the director would select works and purchase them at fair market value. The selection would be based primarily on the quality of the work; however, the need to encourage unknown artists from all sections of the United States would also be considered an important factor.

The director would also require those artists who receive fellowships in the visual arts from the National Endowment for the arts to donate one of their own works to the Art Bank. This work can be of the artists' own choosing.

These works together would constitute the Art Bank collection and would be made available to public and private facilities for display.

All Federal facilities could borrow works from the Art Bank. The General Services Administration would supervise loans to executive departments and agencies, the Architect of the Capitol would supervise loans to the Congress, and the Director of the Administrative Office of the U.S. Courts would supervise loans to Federal court buildings and facilities. Museums could also receive works on loan and free of charge from the Art Bank.

The Art Bank director would also be encouraged to sponsor exhibitions of Art Bank holdings, and to help State and local governments and nonprofit institutions set up their own Art Banks.

Public auctions could be held from time to time in order to reduce long-standing inventories and to allow regular renewal of the Art Bank collection. Through such sales, as well as rental fees, the Art Bank would be able to recover a substantial part of its investment.

The bill provides for a 3-year authorization of $1.5 million in fiscal year 1984, $2 million in fiscal year 1985, and $3 million in fiscal year 1986. Not more than $200,000 each year could be used for the cost of administering the program.

Mr. President, I believe that the establishment of a National Art Bank within the National Endowment for the Arts would be a most effective way at modest cost to assist the artists in our country. Ours is a nation with many fine professional artists who do not find adequate support or opportunities for exhibition before the public. Yet the work of these often overlooked Americans constitutes one of the most previous assets that we are able to pass from one generation to the next.

If the purpose of a government of the people, by the people, and for the people, is to foster the fullest realization of all the human qualities of its citizens, then that government must clearly nurture the arts. John Adams said "I must study politics and war, that my sons may have the liberty to study mathematics and philosophy * * * to give their children the right to study painting, poetry, and music."

During a recession period, artists are just as vulnerable to the economic downturn as are steel workers and auto workers. Artists in fact were assisted during the 1930's by the Government's Works Projects Administration. They were sustained and nurtured and were able to keep right on working through the Depression. This momentum ultimately produced the uniquely American abstract expressionist style in the 1950's. Whatever the original goal may have been for the WPA, it turned out to have a very beneficial influence on the arts.

The Art Bank would bring our artists today, not only the reward and recognition they deserve, but also the means for exposure. Art is not art unless it is seen. The Art Bank will become the vehicle by which high quality art will be brought into our daily lives. It will serve as the intermediary, the agency to select the art and then to arrange its presentation to the public.

Even with the cost limitations set forth in my bill, it will be possible to inaugurate this special program by reaching artists across the country and by bringing their work to a large cross-section of the American public. The public facilities within which the Art Bank collection can be displayed will become lively attractive places. Our Federal Government will be providing crucial support for our working American artists while at the same time enhancing the everyday environment for millions of people.

It is my hope that hearings on my proposal can be held in 1983. In the meantime, I would certainly welcome any suggestions or comments from my colleagues and the administration, as well as from artists, art dealers, collectors and the general public.●

By Mr. McCLURE (for himself, Mr. WARNER, Mr. LAXALT, Mr. HECHT, Mr. SYMMS, and Mr. WALLOP):

S. 883. A bill to amend the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) to expedite exploration and development of geothermal resources; to the Committee on Energy and Natural Resources.

GEOTHERMAL STEAM ACT AMENDMENTS OF 1983

● Mr. McCLURE. Mr. President, today I am joined by Senators WARNER, LAXALT, HECHT, SYMMS, and WALLOP in introducing the Geothermal Steam Act Amendments of 1983.

Many of my colleagues may recall that on June 13, 1979, I introduced the first proposal ever in the Congress for omnibus geothermal development legislation. That legislation, introduced as S. 1330 in the 96th Congress, included proposals in a number of areas to support geothermal development, including reform of geothermal leasing under the Geothermal Steam Act of 1970. Most of the nonleasing proposals in that bill were enacted in one form

or another in the Energy Security Act of 1980 and in separate tax legislation.

The leasing reform proposals were considered by the Energy and Natural Resources Committee and passed separately by the Senate on June 24, 1980. The House also passed companion legislation on geothermal leasing reform in the 96th Congress, but we were unable to fashion a final compromise in informal negotiations with the House Interior and Insular Affairs Committee before the end of that Congress. Despite our efforts to bridge the differences of opinion among ENR Committee members with respect to what is needed to provide adequate protection for the nationally significant geothermal features of Yellowstone Park, the committee did not report a geothermal leasing bill during the 97th Congress.

The bill I am introducing today would reform the definition of a known geothermal resources area (KGRA) to clarify the competitive interest test, and rationalize better the competitive and noncompetitive leasing procedures dependent on the KGRA definition. The bill provides that the Secretary of the Interior may offer under alternative bidding systems up to 5 percent of the offerings in any year. The bill also provides an important recognition for the first time of the distinction between electric and nonelectric use of our geothermal resources in the area of royalties and certain leasing procedures. The bill would extend the lease duration for as long as there is commercial production. Current law provides for a lease term of 40 years with a preference right to an additional 40 years. The bill also increases the existing acreage limitation, which has become an impediment for some developers, to the higher limit of 51,200 acres passed by the Senate and House in the 96th Congress. It also provides for a discretionary increase in the per State acreage limitation to 115,200 acres in 1990. The bill includes a diligence provision which requires an exploration plan within 5 years, and drilling within 4 years after the plan. The bill also reforms a series of provisions in existing law to reflect the experience of a decade under the original Geothermal Steam Act.

One of the issues that has been most difficult for this Senator, and indeed the Energy and Natural Resources Committee is the question of Federal geothermal leasing in the vicinity of so-called nationally significant thermal features in a few of our national parks, most particularly Old Faithful Geyser at Yellowstone. I am still basically convinced that existing statutory authority if prudently and responsibly administered can provide the necessary protection for Old Faithful. I do not believe the creation of buffer zones around national parks in which various activities are proscribed altogether is either necessary or warranted, and I will continue to resist that notion. I recognize, though, that certain members of the ENR Committee have a particular representational responsibility to protect Old Faithful and Yellowstone Park, and I support them in discharging their, and our, responsibility in that regard. The bill, therefore, contains language which has been carefully crafted to provide a balance between assurance of protections to the national treasures in Yellowstone Park and care not to restrict unduly the search for valuable, publicly owned geothermal resources. It prevents the issuance of leases in the Island Park KGRA until the Secretary of the Interior has completed a study to determine whether any thermal geological connection exists between the Island Park KGRA and the thermal features of Yellowstone Park. This study shall be completed within 2 years after the date of enactment. Thereafter, the Secretary may issue leases in the Island Park KGRA if he determines that a valuable geothermal resource exists, if development of the resource will not adversely affect the thermal features of Yellowstone Park, and that such leasing will be consistent with his duty to protect the thermal features of the park. It further provides that the costs of monitoring or operational procedures determined by the Secretary to be necessary shall be born by the lessee. Overall, I believe this is a workable and acceptable compromise.

Mr. President, I believe we must not lose sight of the potential continuing energy supply which the geothermal resources in the Nation's Federal lands represent. We have championed geothermal development generally over the past 5 years, and rightly so. We cannot stop now when geothermal resources offer an attractive, economic, and secure alternative to imported oil. I should also note that the bill introduced earlier by Senator JACKSON includes many of the same concepts as my bill, thus giving us again a bipartisan basis for legislating on the issue. We can provide the support necessary to insure that those important geothermal resources are developed and available in the decades ahead. I ask unanimous consent that a copy of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 883

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) is amended as follows:

SECTION 1. This Act may be cited as the "Geothermal Steam Act Amendments of 1983".

SEC. 2. Whenever an amendment or repeal contained in this Act is expressed in terms of amendment to, or repeal of, a section or other provision of "the Act," such reference shall be considered a reference to an amendment to, or repeal of, a provision of the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.; Public Law 91-581).

SEC. 3. Section 2(e) of the Act is amended to read as follows:

"(e) 'known geothermal resource area' means an area in which there is substantial physical evidence including but not limited to the geology or a discovery on such lands, which would, in the opinion of the Secretary, engender a belief in persons experienced in the subject matter that the prospects for extraction of geothermal resources for the primary purpose of generating electricity in commercial quantities warrant substantial expenditures for that purpose.".

SEC. 4. Section 3(2) of the Act is amended to read as follows: "(2) in any lands administered by another Federal agency or department, including public, withdrawn, or acquired lands.".

SEC. 5. Section 4 of the Act is amended—

(a) by deleting the first two sentences, and inserting in lieu thereof the following:

SEC. 4. (a) If lands to be leased under this Act are within any known geothermal resource area, they shall be leased to the highest responsible qualified bidder by competitive bidding. Any lands so offered and receiving no bids shall be declassified and leased to the first qualified applicant: *Provided,* That the Secretary's authority to reclassify such lands as a known geothermal resource area at a later date on the basis of new evidence shall not be affected. The Secretary may offer not to exceed 5 per centum of all lands offered for sale in any year on a basis other than cash bonus bidding, employing these bidding systems set forth in section 8(a)(1) of the Outer Continental Shelf Lands Act, as amended (45 U.S.C. 1335). The provisions shall expire on December 31, 1987."

"(b) If the lands to be leased are not within any known geothermal resource area, the qualified person first making application for the lease shall be entitled to a lease of such lands without competitive bidding, provided the lands applied for are not designated a known geothermal resource area within one year of the application being filed and before a lease is issued. If an application is rejected due to a known geothermal resource area designation of the lands within one year of the application being filed, the applicant shall have the opportunity to match the highest competitive bid for the parcel when offered, provided the applicant submits a bona fide bid at the sale. However, the applicant or lessee responsible for the exploration resulting in the designation of lands as a known geothermal resource area shall be entitled to noncompetitive leases for all lands in the known geothermal resource area for which the applicant or lessee had first filing applications on file prior to the approval of any plan of exploration or notice of intent to conduct geophysical exploration.".

(b) by inserting "(c)" before the word "Notwithstanding" at the beginning of the next sentence; and

(c) by redesignating subsections "(a)" through "(f)" as paragraphs "(1)" through "(6)".

SEC. 6. Section 5(a) of the Act is amended to read as follows:

"(a) a royalty of not less than 10 per centum or more than 15 per centum in the

case of electrical generation, or of not less than 5 per centum or more than 10 per centum in the case of nonelectrical utilization, of the amount or value, as utilized, of steam, heat, or other form of energy derived from production under the lease and sold or utilized by the lessee or reasonably susceptible to sale or utilization by the lessee. The Secretary may defer royalty payments for nonelectric geothermal developments when it is deemed to be in the public interest, for municipal, cooperative, or other political subdivision lessees where legal limitations on front-end financing otherwise would prohibit or significantly deter development.".

SEC. 7. (c) Section 6(a) of the Act is amended to read as follows:

"(a) Geothermal leases shall be for a primary term of ten years. If geothermal resources are produced or utilized in commercial quantities within this term, or any administrative extension thereof as provided pursuant to subsection (c), such lease shall continue for so long thereafter as geothermal resources are produced or utilized in commercial quantities.".

(b) Section 6(b) of the Act is deleted, section 6(c) is redesignated 6(b) and is revised to read as follows:

"(b) Any lease for land on which, or for which under an approved cooperative or unit plan of development or operation, actual drilling operations are commenced prior to the end of its primary term, or any administrative extension thereof as provided in subsection (c), and are being diligently prosecuted at that time shall be extended for five years and so long thereafter as geothermal resources are produced or utilized in commercial quantities.".

(c) Section 6(d) of the Act is redesignated 6(c) and amended to read as follows:

"(c) For purposes of subsection (a) of this section, production or utilization of geothermal resources in commercial quantities shall be deemed to include the completion of one or more producing or producible wells and either a bona fide sale for delivery to a facility or facilities installed or to be installed not later than fifteen years of the commencement date of the lease, or in the case of utilization by the lessee, proof of commitment to construct such utilization facilities. However, in the event construction of the facility or facilities has not been possible due to administrative delays beyond the control of the lessee or due to the demonstrated marginal economics of such a facility or facilities, and substantial investment in development of the lease has been made, the Secretary shall upon petition by the lessee, grant extensions totalling not more than 15 years beyond the expiration date of the primary lease: *Provided*, That the lessee be required to submit annual reports detailing bona fide efforts to resolve the administrative delays or to bring the facility or facilities into economic production.".

SEC. 8. Section 7 of the Act is amended to read as follows:

"SEC. 7. (a) A geothermal lease shall embrace a reasonably compact area of not more than two thousand five hundred and sixty acres, except where a departure therefrom is occasioned by an irregular subdivision or subdivisions. No person, association, or corporation, except as otherwise provided in this Act, shall take, hold, own, or control at any one time, any direct or indirect interest in Federal geothermal leases in any one State exceeding fifty-one thousand two hundred acres.

"(b) At any time after twenty years from the effective date of the Geothermal Steam Act of 1970, the Secretary, after public hearings, may increase this maximum holding in any one State by regulation, not to exceed one hundred fifteen thousand two hundred acres.

"(c) Any leases which contain a well shown to be capable of commercial production and any lease operated under an approved operating, drilling, or development contract as authorized under section 18 of this Act shall be excepted in determining holdings or control under this section.".

SEC. 9. Section 8(a) of the Act is amended to read as follows:

"SEC. 8. (a) The Secretary may adjust the terms and conditions, except as otherwise provided herein, of any geothermal lease issued under this Act at not less than twenty-year intervals beginning twenty years after the date production is commenced, as determined by the Secretary. Each geothermal lease issued under this Act shall provide for such readjustment. The Secretary shall give notification of any proposed readjustment of terms and conditions, and, unless the lessee files with the Secretary objection to the proposed terms or relinquishes the lease within thirty days after receipt of such notice, the lessee shall conclusively be deemed to have agreed with such terms and conditions. If the lessee files objections, and no agreement can be reached between sixty days, the lease may be reliquished by the lessee, or following appropriate judicial proceedings, canceled by the Secretary.".

SEC. 10. Section 15(b) of the Act is amended to read as follows:

"(b) The Secretary shall consult with the head of any other Federal agency or department with respect to lands under its jurisdiction to determine appropriate terms or conditions prior to issuing leases for such lands. However, as to acquired lands of other Federal agencies or departments, the Secretary shall not issue leases on those lands without the consent of the head of that agency or department. The head of the Federal agency or department which administers any land which is subject to a geothermal lease or which is available for geothermal leasing, shall, in making land use decisions regarding such land or adjacent lands, consider their potential for geothermal resource development.".

SEC. 11. Section 15 of the Act is amended by adding a new subsection (f) to read as follows:

"(f)(1) The Secretary shall not issue any geothermal lease pursuant to this Act in the Island Park Known Geothermal Resource Area adjacent to Yellowstone National Park until the requirements of paragraph (2) have been met.

"(2) Within two years from the date of enactment of this Act, the Secretary is authorized and directed to complete a study to determine whether any thermal geological connection exists between the Island Park KGRA and the thermal features of Yellowstone National Park. In addition, the study shall include an evaluation of and recommendation for monitoring techniques and operating procedures which may be employed in conjunction with any geothermal leasing in the Island Park KGRA, to protect the thermal features of Yellowstone National Park. The study shall be conducted by the United States Geological Survey in consultation with the National Academy of Sciences and the National Park Service. Upon completion of the study, which shall include the findings and recommendations of the Geological Survey and comments by the National Academy of Sciences and the National Park Service, it shall be transmitted forthwith to the Senate Committee on Energy and Natural Resources and the House Committee on Interior and Insular Affairs and made available to the public;

"(3) Sixty days (not counting days on which the House of Representatives or Senate was adjourned for more than three days) after receipt of the study required by paragraph (2), by the appropriate Committees the Secretary may issue geothermal leases in the Island Park KGRA, if he determines that: (A) a valuable geothermal resource exists; (B) development of the potential geothermal resource will not adversely affect the thermal features of Yellowstone National Park; and (C) after considering the finding and recommendations of the study, that such leasing will be consistent with the Secretary's duty to protect the thermal features of the park. Costs of any monitoring or operational procedures determined by the Secretary to be necessary shall be borne by the lessee or lessees;

"(4) Effective October 1, 1983, there are hereby authorized such sums as may be necessary to carry out the study provided for in paragraph (2).".

SEC. 12. Section 23 of the Act is amended by adding after subsection (b) the following:

"(c) Where the Secretary finds it in the public interest, the Secretary is authorized, subject to section 15(c), to issue permits for the use of geothermal resources in lands administered by him for any noncommercial application without requiring a lease or compensation therefor. No such free use permit may be issued for the purpose of generating electricity in any amount.

"(d) In any case in which the Federal interest in any geothermal energy research and development facility, pilot plant, or demonstration facility which utilizes geothermal resources from lands subject to the provisions of this Act is transferred to any person, corporation, municipality, or agency, the Secretary is authorized, notwithstanding any other provision of this Act, to issue at no cost, a permit allowing necessary surface use and utilization of geothermal resources sufficient, in the Secretary's opinion, for the continued operation of such plant or facility for the operating life of the project.

"(e) The head of each Federal agency may develop for the use or benefit of such agency any geothermal energy resource within lands under its jurisdiction. The head of such agency shall determine in writing, with the concurrence of the Department of the Interior, that such utilization is in the public interest, and will not deter commercial development which might otherwise be more beneficial to the public if the lands were offered for leasing under this Act.".

SEC. 13. Section 24 of the Act is amended by designating the existing text as subsection (a) and adding the following:

"(b) The Secretary shall establish requirements for diligent operations which shall require that a plan of operations for exploration shall be filed within five years of the issuance of a lease. The diligence requirements shall also provide that drilling shall commence no later than four years after approval of such plan. The Secretary may provide for the aggregation of diligence requirements on lease tracts within a geothermal prospect. The running time of the diligence requirements established in this subsection shall be suspended for periods of unreasonable delay caused by a lessee's inabil-

ity to obtain State or Federal permits (with the exception of permits issued by the Department of the Interior) through no fault of his own.".

SEC. 14. A new section is added to the Act as follows:

"SEC. 28. For purposes of section 4(d)(3) of the Wilderness Act of 1964 (16 U.S.C. 1131 et seq.), this Act, as amended, shall be deemed a law pertaining to mineral leasing.".

SEC. 15. The Act is further amended by making the following technical changes:

(a) Section 2(c) of the Act is amended by striking out "steam and associated geothermal" and by inserting after "brines" in the first place it appears, the following: "geopressured water, magma, and hot rock formations".

(b) Section 2(d) of the Act is amended by striking out "steam" in both places it appears and inserting in lieu thereof "resources".

(c) Section 3 of the Act is amended by striking out "steam and associated geothermal" in both places it appears.

(d) Section 5(d) of the Act is amended by striking out "steam and byproduct" and inserting in lieu thereof "resources".

(e) Section 6(a) of the Act is amended by striking out "steam is" in both places it appears and inserting in lieu thereof "resources are".

(f) Section 6(b) of the Act is amended by striking out "steam is" and inserting in lieu thereof "geothermal resources are".

(g) Section 6(c) of the Act is amended by striking out "steam is" in the first place it appears and inserting in lieu thereof "resources are," and by striking out "steam is" in the second place it appears and inserting in lieu thereof "geothermal resources are".

(h) Sections 6 (d) and (e) of the Act are amended by striking out "steam" in each place it appears and inserting in lieu thereof "resources".

(i) Section 6(f) of the Act is amended by striking out "steam and associated geothermal".

(j) Section 8 of the Act is amended by striking out "steam is" in both places it appears and inserting in lieu thereof "resources are".

(k) Section 9 of the Act is amended by striking out "steam" and inserting in lieu thereof "resources".

(l) Section 19 of the Act is amended by striking out "steam" and inserting in lieu thereof "resources".

(m) Section 23 of the Act is amended by striking out "steam and associated geothermal" in both places it appears.

(n) Section 25 of the Act is amended by striking out "steam and associated geothermal".

(o) Section 26 of the Act is amended by striking out "steam and associated geothermal".

(p) Section 27 of the Act is amended by striking out "steam and associated geothermal" in the three places it appears.●

By Mr. DURENBERGER (for himself and Mr. BOSCHWITZ):

S. 884. A bill to provide for the use and distribution of funds awarded the Red Lake Band of Chippewa Indians in docket numbered 15-72 of the U.S. Court of Claims; to the Select Committee on Indian Affairs.

RED LAKE BAND OF CHIPPEWA INDIANS

● Mr. DURENBERGER. Mr. President, the members of the Red Lake Band of Chippewas were awarded $600,000 by the Court of Claims on February 6, 1981, as compensation for damage to timber caused by the National Guard during the Korean war. It has now been over 2 years since entry of the judgment. The tribal members have not received their per capita payments, nor has the tribal government received its share of the judgment.

This afternoon I am introducing legislation ordering distribution of that judgement.

The legislation is necessary because the Department of the Interior failed to submit a distribution plan to Congress within 180 days as mandated by Public Law 94-134. It is doubly important as a result of enactment of Public Law 97-458 which would grant the Secretary of the Interior yet another year to submit a distribution plan. The bill we introduce this morning does contain the mechanism necessary to define the use and distribution of these funds and it is my hope that it can be quickly passed.

The legislation earmarks 80 percent of the funds for distribution amongst the tribal members and 20 percent for use by the tribal government. The plan for use of the tribal government funds would require approval by the Secretary of the Interior.

As you know, the economic climate on Indian reservations is particularly poor. Speedy approval and passage of this bill would enable the Secretary of the Interior to begin the process of distribution to individuals who badly need these funds. This, in turn, would improve the economic condition of those individuals and the surrounding business community. Enactment of this legislation would signal our intention to honor our commitments to native American citizens.

I ask unanimous consent that the bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 884

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any provision of the Act of October 19, 1973 (87 Stat. 466; 25 U.S.C. 1401, et. seq.), or any other law, regulation, or plan promulgated pursuant thereto, the funds appropriated with respect to the judgment awarded the Red Lake Band of Chippewa Indians in docket numbered 15-72 of the United States Court of Claims (less attorney fees and litigation expenses), including all interest and investment income accrued thereon, shall be distributed and used as follows:

(1) Eighty per centum of such funds shall be distributed by the Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") in the form of per capita payments (in sums as equal as possible) to all enrolled members of the Red Lake Band of Chippewa Indians who are living on the date of enactment of this Act.

(2) Twenty per centum of such funds, including any interest or income accrued thereon, shall be—

(A) held in trust and invested by the Secretary for the benefit of the members of the Red Lake Band of Chippewa Indians, and

(B) distributed from such trust, subject to the approval of the Secretary, to the governing body of such tribe for the purpose of making expenditures to meet common tribal needs or educational requirements.

SEC. 3. (a) Any payment of a per capita share of funds to which a living, competent adult is entitled under this Act shall be paid directly to such adult.

(b) Any per capita share of funds to which a deceased individual is entitled under this Act shall be paid, and the beneficiaries thereof determined, under regulations prescribed by the Secretary.

(c) Any per capita share of funds to which a legally incompetent individual or an individual under eighteen years of age is entitled under this Act shall be paid in accordance with such procedures (including the establishment of trusts) as the Secretary determines to be necessary to protect the interests of such individual.

SEC. 4. None of the funds distributed under this Act shall be—

(1) subject to Federal, State, or local income taxes, or

(2) Considered income or resources in determining either eligibility for, or the amount of assistance under, Federal, State, or local programs.●

By Mr. FORD:

S. 886. A bill to designate the Alben Barkley National Historic Site; to the Committee on Energy and Natural Resources.

ALBEN BARKLEY NATIONAL HISTORICAL SITE

Mr. FORD. Mr. President, today I am submitting to the Senate a bill to designate the Alben Barkley Home, known as Angles, as a National Historic Site.

The Angles has the distinction of having been built by one of the Midwest's most prominent 19th century citizens, Q. Q. Quigley, and was also the residence most commonly associated with one of Kentucky's best known and best loved politicians, Alben Barkley (1877-1956), U.S. Senator, Senate majority leader, and Vice President under Harry S. Truman (1949-52). Its architecture combines early and mid-19th century features harmoniously.

The house was constructed around 1853 by Quigley, and named the Angles because of the manner whereby the three tracts of land on which the house is located came together at sharp angles.

Barkley was born near the small town of Lowes, Ky., in Graves County in his grandfather's log cabin. He came from a family of farmers, people of modest means and during most of Alben's early life his family lived on small farms his father rented.

In 1898, he moved to Paducah where he became a clerk in a law office. After he had saved sufficient funds he enrolled in the University of Virginia's law school. He was admitted to the

Kentucky Bar around 1902 and thereupon returned to Paducah where he began the practice of law.

Barkley's political career began in 1905 when he was elected prosecuting attorney for McCracken County, an office he held until 1908 when he was elected McCracken County judge. Continuing his rise on the political ladder, Barkley was elected Representative to the U.S. Congress in 1913, where he remained until 1927, and was then elected to the U.S. Senate. While in the upper House he served as majority leader from 1936 to 1947 and minority leader from 1947 to 1949. During his congressional career, he became closely identified with the policies of President Franklin D. Roosevelt and as majority leader, was responsible for their successful passage.

In 1949, President Harry S. Truman tapped Barkley as his running mate in Truman's successful bid for the Presidency. Barkley had a long and glorious career as one of the most powerful men in politics and is one of Kentucky's best known national figures.

Barkley and his wife, Dorothy, whom he married in 1903, bought the Angles in 1937. Barkley wrote in his autobiography that as a young man in Paducah, he had often admired the impressive house and had dreamed of someday owning it. Upon his retirement in 1952, he returned to the Angles.

In 1954, he described the place as follows:

I like to claim that I live in what I call "the original ranch house" in our section of the country, for Angles is a large structure, originally containing 11 rooms, all built on one floor.

Though it has brick walls, some 14 or 15 inches thick, the house was in deplorable condition when we bought it, as it had not been used as a regular residence for at least 25 years. It had no electricity or plumbing and a few closets. The water supply was a large enclosed cistern on the porch. But the old place was built soundly, and gradually we made it into a lovely and immensely livable home. It is furnished almost entirely with antiques, but you do not have to be afraid to sit on any of the chairs or sleep in any of the beds, for, although old, they are solid.

One thing you will not find at Angles is any sign saying "Private Property" or "Keep Off". Nor is there any gate barring my driveway. If my neighbors or visitors from anywhere want to drop in and see my place, they are always welcome. That has always been a rule at Angles.

While living there, the Barkleys went to great lengths to preserve the original flavor of the house while contributing several interesting features of their own. The property remains in the family, although both local and statewide interest has been expressed in preserving and making this landmark open to the public. The house has been placed on the National Register of Historic Places.

In 1954, at the age of 76, Kentucky Democratic leaders persuaded Barkley to seek a fifth term. He won the election beating the incumbent Republican Senator, John Sherman Cooper. Barkley died while giving a speech in Lexington, Va., in 1956.

The Angles, besides being architecturally beautiful, contains antiques and momentos which are of great value and interest to every historian.

Included in these items is a hand carved teakwood desk and chair used by Alben Barkley while serving as Vice President.

The furniture is originally from the Philippines. Some of the other items of value include a library which contains many books from Presidents Franklin Roosevelt and Truman, many portraits of Barkley and his wife, his top hat and suit worn during the Truman inauguration and a bust of FDR presented to him by the President. Also a 1930 brass tea set from the U.S.S.R. and a collection of over 150 canes collected by Alben Barkley during his years in public office.

A wealth of knowledge is contained in this house which has not changed since the Vice President died in 1956. I urge that this opportunity to preserve a part of America's history not be wasted and that this landmark be protected for the benefit, education, and inspiration of present and future generations.

Mr. President, a recent article in the Paducah Sun described in detail the current plight of the former Vice-President's home and noted that unless some action is forthcoming, both the Barkley home and its contents are destined soon for the auctioneer's block.

This adds a degree of urgency if the home and its contents are to be preserved for the enjoyment and edification of future generations.

Mr. President, I ask unanimous consent that the article be placed in the RECORD, and also that the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Paducah Sun, Mar. 13, 1983]

"ANGLES" MAY BECOME A HOUSE DIVIDED: EX-HOME OF ALBEN BARKLEY APPEARS DESTINED TO FALL VICTIM OF AUCTIONEER'S GAVEL

(By Bill Bartleman)

The memorabilia is only a fraction of what fills the hallways, rooms, closets and cabinets of the Paducah home known as "The Angles."

The home and contents document the life of the late Alben W. Barkley, who began a political career in 1909 as McCracken County attorney, rose to majority leader in the U.S. Senate in 1937 and to the nation's second-highest office, vice president, in 1949.

"The Angles," Barkley's Paducah home from 1936 until he died in 1956, and its contents will soon be separated.

David Barkley, son of the late vice president who now owns the home, is facing financial obligations which must be met this fall. Since his only wealth lies in the house and contents, he must sell them to meet the financial obligations.

Barkley said he plans to ship the antique furnishings and historic memorabilia to a large auction house on the East Coast to be sold at a public auction.

Barkley also plans to sell "The Angles" and about 10 acres, which he said has a value of about $300,000.

David Barkley has dedicated much of his life to preserving his father's momentoes. He says he can now only dream of finding a way to keep them all together as a lasting memory of his father, the most famous politician in Kentucky's history.

He speaks sadly when he talks of selling the contents and the house.

"Of course I want to keep all of this together," he said in an interview Saturday. "It just breaks my heart at what I have to do. I had hoped to die in this house, and in this bed.

Barkley said that together, the historic memorabilia and house have "personality and meaning," which he says will be lost when everything is sold "and scattered all over the place".

He said he would like for the items to be sold in Paducah, but said they will have a higher value to antique dealers and historians on the East Coast.

"I don't plan to sell anything locally," he said. "If I let one person come in and buy something, I'll have to let others come in, and I don't know the real value of some of this stuff.

"If anybody around here wants to buy something, they'll have to go to Washington or New York or wherever the auction is held," he said.

Both Barkley and his daughter, Dorothy, who lives with him, say they see very little chance that someone or some group will come up with a plan to keep the collection together.

The last hope, Barkley said, was for the federal government to purchase it and turn it into a "bush league Mt. Vernon," which was the home of George Washington.

A bill to designate "The Angles" as a national historic site made it through the U.S. Senate last year, but was killed in the House when U.S. Rep. Carroll Hubbard of Mayfield objected to the potential cost, which was about $700,000, including the contents and renovation.

Hubbard said he would reintroduce the bill this year with a lower cost. However, it hasn't been introduced yet.

Barkley said an appraiser from a large auction house recently visited "The Angles" and viewed the contents. "They say that it ($700,000) was a fair price," Barkley said. "I expect to get at least that when I sell everything."

Barkley is bitter when he talks of the failure of the plan to turn it into a national tourist attraction.

He said most people, even those in Paducah, don't realize the historical value of the home and its contents.

"It all went down because of one speech in the House," he said, an obvious reference to a speech made by Hubbard, in which he objected to the potential cost. The bill died after Hubbard delivered that speech.

Barkley said that if more people were aware of the historic value, there would have been more support in the community for turning it into a historic attraction, simi-

lar to what has been done with the homes of other famous national figures.

Barkley's daughter is willing to give people an opportunity to tour the home. While she said she will not be able to give tours to individuals, she will give them to any groups which contact her in advance to make arrangements.

"The Angles" was given its name because it sits at the juncture of three tracks of land, according to Barkley.

He said the home was built in about 1853 by Quintus Q. Quigley, a prominent attorney who drew up the city's first charter.

Barkley said he recalls his parents telling him that soon after they married in 1903, they would "hire a buggy" and drive out to the House and "dream of owning it someday."

He said to travel from the city "out Blandville Road" was a major trip in the early 1900s.

Ironically, Barkley said the same fate that will result in him selling it later this year allowed his father to buy it in 1937.

"The woman who owned it was having some financial problems, and wanted to sell it to someone who would keep it up," Barkley said. "So, my father made arrangements and got a long-term mortgage, and he was able to buy it."

Barkley said he hopes that the next owner also wants to keep it up.

"So many old houses have been turned into hamburger stands; I don't want to see that happen here," he said. "There aren't many homes left like this one."

S. 886

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) That in order to preserve for the benefit, education, and inspiration of present and future generations certain historically significant properties associated with the life of Alben Barkley, the Secretary of the Interior is authorized to acquire by donation, purchase with donated or appropriated funds, or exchange, the lands and buildings thereon known as "Angles," comprising approximately thirteen acres located near Paducah, Kentucky.

(b) It is the express intent of the Congress that the Secretary should substantially complete the acquisition program authorized by this Act within one year after the date of enactment of this Act.

(c) Upon the acquisition of the aforesaid property, the Secretary shall establish the same as the Alben Barkley National Historic Site by publication of a notice and boundary map in the Federal Register. The Secretary shall administer the site in accordance with the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and the Act of August 21, 1935 (49 Stat. 666), as amended.

SEC. 2. Effective October 1, 1982, there are authorized to be appropriated from the land and water conservation fund not to exceed $700,000 for the acquisition of lands and interests therein.

By Mr. INOUYE:

S.J. Res. 66. Joint resolution to authorize and request the President to designate May 6, 1983, as "National Nurse Recognition Day"; to the Committee on the Judiciary.

NATIONAL NURSE RECOGNITION DAY

● Mr. INOUYE. Mr. President, today it gives me a great deal of pleasure to introduce a Senate joint resolution to honor our Nation's professional nurses. These dedicated and compassionate individuals have contributed far more to our Nation's welfare than we have ever given them credit for. Their services touch the lives of every one of us.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 66

Whereas, nurses constitute the largest single health care group in the country; and

Whereas, nurses are the ones who are always there—providing care in our nation's hospitals 24 hours a day, seven days a week—and in community clinics, schools, nursing homes, industry, physician's offices, and patient's homes; and

Whereas, nurses play a curcial role in health education and disease and injury prevention; and

Whereas, nursing support of patients and families is essential to rehabilitation and restoration of health; and

Whereas, nursing requires a high level of scientific knowledge, specialized skill, empathy and compassion; and

Whereas, nurses provide cost-effective, quality and underutilized services: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating May 6, 1983, as "National Nurse Recognition Day", and calling upon the people of the United States to observe the day with appropriate programs, ceremonies, and activities.●

By Mr. HEFLIN:

S.J. Res. 67. Joint resolution to designate the week of September 25, 1983, through October 1, 1983, as "National Respiratory Therapy Week"; to the Committee on the Judiciary

NATIONAL RESPIRATORY THERAPY WEEK

Mr. HEFLIN. Mr. President, today I am introducing a joint resolution which designates the week of September 25 through October 1, 1983, as National Respiratory Therapy Week.

I am honored to have the opportunity to introduce this legislation, for it is a means of expressing our sincere appreciation for and recognition of the thousands of Americans who work to help those unfortunate people who suffer from various respiratory ailments.

Some 80,000 respiratory therapy practitioners across the Nation are currently making significant contributions to the ever-important health care field.

Respiratory therapy practitioners are involved in the treatment, control, and evaluation of, and care for, patients suffering from serious deficiencies of the cardiopulmonary system. A variety of clinical conditions and diseases are treated by respiratory therapists, including asthma, emphysema, chronic bronchitis, pneumonia, black and brown lung, trauma, drowning, infant respiratory distress syndrome, and cystic fibrosis.

These practitioners deliver care to the distressed with great dedication, diligence, and professionalism. Until the past few years, the field of respiratory therapy centered exclusively in the hospital, and on the treatment of acutely ill patients. In a hospital-based setting, respiratory therapy practitioners were usually found in the intensive care unit, operating and maintaining oxygen ventilators and other similar life-sustaining equipment.

Technological developments in recent years have increased the scope, complexity, and demands of the profession. Today, in addition to their hospital-based work, respiratory therapy practitioners have broadened the delivery of care into both the outpatient and the home-care setting. They now provide treatment for both acute and chronic care patients, on a 24-hour-a-day, 7-day-a-week basis.

My home State, Alabama, has been blessed for many years with excellent facilities and professionals in the various health care fields. Our hospitals and medical schools are among the best, and the best-known, in the world.

An important part of the reason for this fine reputation has been the outstanding work done by the some 2,000 respiratory therapists in the State. They are recognized, both by their professional peers and by knowledgeable observers outside the health care field, as a crucial component of the health care delivery team.

Mr. President, my purpose in introducing this resolution is to increase public awareness of an appreciation for these hard working contributiors to the health care field. These individuals and the work they do are far too important for us to allow them to go unnoticed.

I urge all of my colleagues to support this joint resolution, and invite all to join me as a cosponsor of the measure.

Mr. President, I ask unanimous consent that the text of the joint resolution designating "National Respiratory Therapy Week" be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 67

Whereas respiratory therapy is recognized as a highly technological and progressive segment of the health care delivery system in the United States;

Whereas there are over eighty thousand respiratory therapy practitioners in the Nation who are making an important contribution to the delivery of quality health care;

Whereas respiratory therapy is an integral part of critical care and general medicine;

Whereas respiratory therapists are involved with therapeutic and life-sustaining cardiopulmonary care to patients suffering from lung and associated heart disorders; and

Whereas in recent years the field of respiratory therapy has expanded to include postoperative pulmonary care, education, research, pulmonary testing, pulmonary rehabilitation, and neonatal-pediatric specialties: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 25, 1983, through October 1, 1983, is designated as "National Respiratory Therapy Week" and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the week with appropriate programs, ceremonies, and activities.

By Mr. SPECTER (for himself, Mr. CRANSTON, Mr. JEPSEN, Mr. DECONCINI, Mr. PELL, Mr. SASSER, Mr. CHILES, Mr. BOSCHWITZ, Mr. MATSUNAGA, Mr. KENNEDY, Mr. TSONGAS, Mr. RANDOLPH, Mr. RIEGLE, Mr. MELCHER, Mr. HEFLIN, Mr. MOYNIHAN, Mr. BUMPERS, Mr. GRASSLEY, Mr. PRESSLER, Mr. HEINZ, Mr. SARBANES, Mr. HOLLINGS, and Mr. PRYOR):

S.J. Res. 68. Joint resolution to authorize and request the President to designate July 16, 1983, as "National Atomic Veterans' Day"; to the Committee on the Judiciary.

NATIONAL ATOMIC VETERANS' DAY

Mr. SPECTER. Mr. President, I rise today to introduce with Senator CRANSTON, Senator JEPSEN, Senator DECONCINI, and others a joint resolution to designate July 16, 1983, as "National Atomic Veterans' Day." This joint resolution enjoys the bipartisan cosponsorship of 22 of my distinguished Senate colleagues.

Beginning in 1945, and continuing until 1963, the United States detonated some 235 nuclear weapons in atmospheric tests conducted in the Pacific and the American Southwest. The Department of Defense has estimated that approximately 250,000 American servicemen and women witnessed and participated in these tests, or served in the occupation forces in Hiroshima and Nagasaki immediately following World War II.

Nuclear weapons testing was heaviest during the mid-1950's. At many tests, 3,000 to 4,000 troops were positioned near detonation sites. At other tests, units were marched or helicoptered to ground zero soon after the explosion and run through simulated combat maneuvers to test their psychological and military response to the blast. In some instances, volunteer service personnel were placed in open trenches as close as 2,000 yards from ground zero and, at one test, six volunteers stood at ground zero under an airburst some 20,000 feet above them.

There is no question that many patriotic individuals were exposed to radiation resulting from nuclear weapon detonations. Having served their country, these veterans returned to civilian life not realizing the potential gravity of the consequences of exposure. Now, 20 and 30 years later, we are beginning to see unusually high incidences of cancer and other radiation-related degenerative diseases among these veterans. A study of approximately 3,000 veterans of one 1957 test in Nevada, "Shot Smoky," conducted by the Center for Disease Control, identified 11 cases of leukemia. This finding was about three times the expected normal rate. Additionally, a very rare form of bone marrow disease, polycythemia vera (PV), was discovered at an alarmingly high incidence rate of 10 times the expected normal rate among the "Smoky" participants.

Over the past 2 years, more attention and concern for the plight of these men has surfaced. One very positive result has been the announcement by both the Senate and House Veterans' Affairs Committees that hearings for these atomic veterans and their offspring will be held on April 6 in the Senate and May 24 in the House of Representatives. Recognizing the patriotism and dedication demonstrated by the atomic veterans, it is imperative that the U.S. Government make every effort to resolve the issues arising from the problems caused by the exposure of the atomic veterans to ionizing radiation.

The dilemma faced by the atomic veteran arises from the nature of radiation injury. The illnesses induced by radiation often take years, even decades, to become apparent. When they do arise they are often indistinguishable from the same diseases induced by other causes. Moreover, there is no scientific consensus as to the relationship between the level of radiation exposure and subsequent health problems.

Many veterans of nuclear weapons testing have asserted a causal connection between their cancer or other illness and inservice exposure to radiation. Many of the atomic veterans have sought medical care and compensation from the Veterans' Administration, but have found it difficult to demonstrate a causal relationship between radiation exposure and injury. Aside from the problems arising from the nature of radiation illness, Government action has resulted in the absence of some needed evidence.

The Government did not take precise measurements of the radiation doses received by test participants. Many were not given film badges for measuring radiation exposures. For those few who were issued badges, the badges only recorded gamma-ray exposure. No measurements were taken of exposure to radiation from neutrons, alpha, and beta rays.

Until a limited study of leukemia among one test group, begun by the Center for Disease Control in 1977, the Government made no effort to conduct medical follow-up to test participants and their offspring.

The Government did not maintain systematic records of those exposed. Of the personnel records that were maintained, many were destroyed as a result of a 1977 fire in a military warehouse in St. Louis.

In addition, the Feres doctrine dictates that the military is exempt from liability to servicemen for injuries that occur in the course of their service. Also, the Veterans' Administration is virtually unique among Federal agencies in that its decisions are not subject to judicial review.

For the reasons I have just cited, atomic veterans have encountered difficulty in resolving issues related to their exposure to ionizing radiation. Were we merely debating the analytical question of possible adverse health effects associated with ionizing radiation in a purely academic forum, we could perhaps afford to wait. But this problem is not theoretical. Atomic veterans are today the living embodiment of a technology which may be sapping them of their vitality and longevity, and further, a technology which may have tampered with the gene pool of future generations.

By issuing a proclamation for "National Atomic Veterans Day," we will not be able to reverse the possible ill-effects associated with exposure to ionizing radiation during atmospheric nuclear testing. Instead, this proclamation will enable more Americans to hear the story of these patriotic men and women who fought the Cold War for the security of the country they loved so dearly. A proclamation for "National Atomic Veterans Day" will remind our atomic veterans that our Nation has not forgotten their contribution toward the security and freedom we too easily take for granted. Many still carry a bitter reminder of their service.

Mr. President, July 16, 1983, marks the 38th anniversary of "Trinity," the first detonation of an atomic weapon. My colleagues and I therefore believe that it is appropriate to have that day declared "National Atomic Veterans Day" in recognition of the importance of resolving issues related to the exposure of these veterans to ionizing radiation. I urge my fellow Senators to join us in honoring these courageous men and women.

IN SUPPORT OF ATOMIC VETERANS DAY

● Mr. JEPSEN. Mr. President, July 16 will mark the 38th anniversary of the first atomic bomb in 1945. That act has irrevocably changed the character of war, as well as the course of inter-

national relations. The terrible effects of nuclear weapons are a shadow that now hangs over us all.

In 1945, the effects of nuclear explosions were much less clearly understood than is the case now. As a result many of our service people on occupation duty in Hiroshima and Nagasaki may have been exposed to higher levels of background radiation than would be considered safe today. Moreover, from 1945 through 1963, hundreds of atmospheric tests were conducted during which members of our Armed Forces were located in very close proximity to the explosions.

Mr. President, we should reflect for a moment on the experiences that these service people had to endure in performing their duties. Nothing could prepare one for witnessing an atomic explosion at close range. We can only imagine the fear and anxiety that these veterans must have felt in confronting this unknown.

The contribution of this patriotic group of veterans has gone unrecognized for much too long. If only by virtue of the unique sacrifices they made in the service of their country, they should have been honored by a special day long ago. But our failure to address the more serious question of the effects of exposure to ionizing radiation represents an even greater breach of faith. There is a very real possibility that these veterans and their children may have been adversely affected by exposure to radiation in the course of their duties in the Armed Forces.

The information that is available is incomplete. We cannot prejudge the issue. But the fact is that only recently have the Veterans' Administration and the Defense Nuclear Agency begun to study the issue in a systematic manner. A great deal of controversy remains over the accuracy of the Department of Defense records and the methodology to be used to judge compensation claims under current Veterans' Administration rules.

Mr. President, this is an aging group of veterans. If in fact there are cases of veterans suffering from radiation exposure 20 or 30 years in the past, the side effects are affecting their lives now. We cannot delay the resolution of this issue any longer.

It is my understanding that the Veterans' Affairs Committee will be holding hearings soon on this pressing issue. Further efforts are needed to develop an equitable methodology for paying affected veterans some small compensation for their enormous sacrifice for their country.

Finally, we must make a greater effort to locate veterans who may have participated in the occupation of Nagasaki and Hiroshima and the atmospheric tests after the war. The National Association of Atomic Veterans, headquartered in Burlington, Iowa, has devoted a great deal of effort to search for these participants. They should be assisted by Federal agencies wherever possible.

As chairman of the Senate Armed Services Manpower and Personnel Subcommittee, I am concerned with adequate manning of our All-Volunteer Force. Our success in recruiting and retaining the numbers and quality of people we need is directly related to how well we keep our commitments to those who have served before them.

Although resolution of the issue of radiation exposure will not be easy, we must begin the effort with all deliberate speed. I urge my colleagues to cosponsor and support the resolution offered by my distinguished colleague from Pennsylvania.●

By Mr. PRESSLER:

S.J. Res. 69. A joint resolution to provide for the establishment of a cooperative effort between the U.S. Government and the U.S. Soccer Federation in bringing the World Cup to the United States in 1986; to the Committee on Commerce, Science, and Transportation.

WORLD CUP SOCCER IN THE UNITED STATES

Mr. PRESSLER. Mr. President, I am today introducing a joint resolution expressing congressional support for the efforts of the U.S. Soccer Federation to host the 1986 Soccer World Cup. In addition, it calls on the President to designate the Secretary of Commerce as the administration's official representative to assist the USSF in its bid to bring one of the world's greatest sporting events to America.

As a result of the unexpected withdrawal in October 1982, of Colombia, the previously designated host country, the Federation Internationale de Football Associations (FIFA) has reopened the bidding to host the 1986 World Cup games. Four national soccer federations responded immediately—Brazil, Mexico, Canada, and the United States. By all press accounts, it appeared that Brazil was the front runner—until early March of this year when it withdrew its bid.

That brings us to today, Mr. President, with the United States one of the three remaining applicants. The U.S. Soccer Federation's proposal was filed with FIFA on March 11. It is an excellent presentation, complete with proposed sites. Its most important point, and one that needs to be emphasized, is that given the unusually short time for preparations, the United States is the only country that can stage the 1986 Soccer World Cup without major capital expenditures and building programs. Communications, transportation, hotels, and stadia are already in place.

Mr. President, the World Cup games are not just important sporting events—they are a major tourist attraction for the host country. Bringing the games to the United States will not only serve as a tremendous impetus to the continued growth of soccer here, but it will also bring millions of dollars in tourist trade. As chairman of the Senate Subcommittee on Business, Trade and Tourism, I am well aware of how important this event is in creating jobs and stimulating our economy. Because of the many foreign tourists this event will attract, it will be helpful in narrowing our trade deficit and will generate millions of tax dollars from foreign sources.

The 1982 games in Spain, for example, generated $20 million in gate receipts, $20 million in TV receipts, and $18 million in ancillary rights. The USSF's conservative estimate of gate receipts for 1986 is $33 million, with a high figure of $45 million.

Both the Mexican and Canadian Governments are actively supporting their soccer federations' bids. Mexican officials continue to proclaim that their financial distress will not adversehy affect their ability to host World Cup. The Canadian Federal Government, meanwhile, recently announced its official support for efforts to bring the cup to Canada—and authorized a $50 million budget to back it up.

The USSF is not seeking Federal funds to sustain its efforts. It does, however, need the active cooperation and support of the government—to meet FIFA requirements regarding visas, customs regulations, and international exchange rates, to mention a few of the items that require a Federal role. The President has already expressed his support for this event. I commend him for his foresight in this matter. A letter from President Reagan to Mr. Gene Edwards, president of the U.S. Soccer Federation, is being appended to the USSF's formal application.

Mr. President, FIFA officials are planning a trip to the United States sometime in mid-April. They will be visiting a number of the proposed sites and meeting with those officials and businessmen who are spearheading the U.S. bid. All of this is preparatory to a final FIFA decision on May 20. Therefore, I urge my colleagues to join me now in a strong expression of congressional support to bring the World Cup games here—and to express our willingness to assist the USSF in its efforts. In fact, Mr. President, I am hopeful that, together with the Secretary of Commerce, we can meet with FIFA officials while they are here in Washington to tell them firsthand of our commitment as embodied in this resolution.

ADDITIONAL COSPONSORS

S. 32

At the request of Mr. MATHIAS, the name of the Senator from Alabama

(Mr. HEFLIN) was added as a cosponsor of S. 32, a bill to amend title 17 of the United States Code with respect to rental, lease, or lending of sound recordings.

S. 57

At the request of Mr. SPECTER, the name of the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 57, a bill to amend title 18 of the United States Code relating to the sexual exploitation of children.

S. 127

At the request of Mr. MATHIAS, the name of the Senator from Montana (Mr. MELCHER) was added as a cosponsor of S. 127, a bill to revise the first section of the Clayton Act to expand the scope of the antitrust laws, and for other purposes.

S. 152

At the request of Mr. JEPSEN, the names of the Senator from Illinois (Mr. DIXON), the Senator from Oklahoma (Mr. BOREN), and the Senator from South Dakota (Mr. ABDNOR) were added as cosponsors of S. 152, a bill to amend the Internal Revenue Code of 1954 to provide an investment tax credit for certain soil and water conservation expenditures.

S. 212

At the request of Mr. PRESSLER, the names of the Senator from Alaska (Mr. STEVENS), the Senator from Iowa (Mr. Jepsen), and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 212, a bill to authorize funds for the U.S. Travel and Tourism Administration.

S. 314

At the request of Mr. GOLDWATER, the name of the Senator from Florida (Mrs. HAWKINS) was added as a cosponsor of S. 314, a bill to encourage in-flight emergency care aboard aircraft by requiring the placement of emergency equipment, supplies, and drugs aboard aircraft and by relieving appropriate persons of liability for the provision and use of such emergency equipment, supplies, and drugs.

S. 467

At the request of Mr. JEPSEN, the names of the Senator from Colorado (Mr. ARMSTRONG), and the Senator from Louisiana (Mr. JOHNSTON) were added as cosponsors of S. 467, a bill to establish U.S. governmental policy with regard to respect for human life.

S. 480

At the request of Mr. PRESSLER, the name of the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 480, a bill relating to the transfer of civil land remote sensing space satellite systems and meteorological satellite systems to the private sector.

S. 530

At the request of Mr. STAFFORD, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 530, a bill to provide for a program of financial assistance to States in order to strengthen instruction in mathematics, science, computer education, foreign languages, and vocational education, and for other purposes.

S. 553

At the request of Mr. HART, the name of the Senator from Hawaii (Mr. MATSUNAGA) was added as a cosponsor of S. 553, a bill to authorize a national program of improving the quality of education.

S. 618

At the request of Mr. PERCY, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 618, a bill to revise certain Federal training and economic development programs to create jobs and develop skills in renewable energy and energy conservation industries, and for other purposes.

S. 653

At the request of Mr. JACKSON, the names of the Senator from South Carolina (Mr. THURMOND), the Senator from Iowa (Mr. JEPSEN), the Senator from Nebraska (Mr. EXON), the Senator from Michigan (Mr. LEVIN), and the Senator from Massachusetts (Mr. KENNEDY), were added as cosponsors of S. 653, a bill to amend chapter 104, title 10, United States Code, to establish the Foundation for the Advancement of Military Medicine, and for other purposes.

At the request of Mr. MCCLURE, the name of the Senator from Hawaii (Mr. INOUYE), was added as a cosponsor of S. 671, a bill to authorize a national program to encourage dam safety.

S. 841

At the request of Mr. ZORINSKY, the name of the Senator from Montana (Mr. BAUCUS), was added as a cosponsor of S. 841, a bill to amend the Commodity Credit Corporation Charter Act to require the Commodity Credit Corporation to pay rates for the storage of grain on farms which is no less than the rates the Corporation pays for storage of grain in commercial storage facilities.

S. 842

At the request of Mr. WEICKER, the name of the Senator from Illinois (Mr. DIXON) was added as a cosponsor of S. 842, to amend the Internal Revenue Code of 1954 to provide tax incentives for the issuance of small business participating debentures.

S. 872

At the request of Mr. LUGAR, the names of the Senator from Texas (Mr. TOWER), the Senator from Kansas (Mr. DOLE), and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of S. 872, a bill to establish an Ocean and Coastal Resources Management Fund from which Coastal States shall receive grants, and for other purposes.

SENATE JOINT RESOLUTION 45

At the request of Mr. BURDICK, the names of the Senator from Alabama (Mr. HEFLIN), and the Senator from Utah (Mr. HATCH) were added as cosponsors of Senate Joint Resolution 45, a joint resolution designating November 20 through 26, 1983, as "National Family Week."

SENATE JOINT RESOLUTION 62

At the request of Mr. MATHIAS, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of Senate Joint Resolution 62, a joint resolution to provide for the designation of the week beginning on May 15, 1983, as "National Parkinson's Disease Week."

SENATE CONCURRENT RESOLUTION 11

At the request of Mr. MITCHELL, the names of the Senator from Texas (Mr. BENTSEN), the Senator from Maine (Mr. COHEN), and the Senator from Pennsylvania (Mr. HEINZ) were added as cosponsors of Senate Concurrent Resolution 11, a concurrent resolution expressing the sense of the Congress concerning the obligations of the Government of the Soviet Union under international law with respect to human rights.

SENATE CONCURRENT RESOLUTION 14

At the request of Mr. LUGAR, the names of the Senator from North Carolina (Mr. HELMS), and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of Senate Concurrent Resolution 14, a concurrent resolution in commemoration of the bicentennial of the birth of Simon Bolivar, hero of the independence of the Americas.

SENATE RESOLUTION 90

At the request of Mr. MATHIAS, the names of the Senator from Illinois (Mr. PERCY), and the Senator from Nebraska (Mr. ZORINSKY) were added as cosponsors of Senate Resolution 90, a resolution expressing the sense of the Senate that the Soviet Government should immediately release Anatoly Shcharansky and allow him to emigrate.

AMENDMENT NO. 528

At the request of Mr. HEINZ, the names of the Senator from Illinois (Mr. PERCY), the Senator from Michigan (Mr. RIEGLE), and the Senator from Mississippi (Mr. STENNIS) were added as cosponsors of amendment No. 528 proposed to H.R. 1900, a bill to assure the solvency of the social security trust funds, to reform the medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes.

AMENDMENTS SUBMITTED FOR PRINTING

SOCIAL SECURITY ACT AMENDMENTS

AMENDMENT NO. 534

(Ordered to be printed.)

Mr. QUAYLE proposed an amendment to the amendment (No. 516 in the nature of a substitute) proposed by Mr. DOLE to the bill (H.R. 1900) to assure the solvency of the social security trust funds to reform the medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes.

AMENDMENT NO. 535

(Ordered to be printed.)

Mr. BAUCUS (for himself, Mr. QUAYLE, Mr. NUNN, Mr. SASSER, Mr. GORTON, Mr. PRYOR, Mr. ABDNOR, and Mr. HUDDLESTON) proposed an amendment to the amendment (No. 516 in the nature of a substitute) proposed by Mr. DOLE to the bill H.R. 1900, supra.

AMENDMENT NO. 536

(Ordered to be printed and to lie on the table.)

Mr. MATSUNAGA submitted an amendment intended to be proposed by him to the amendment (No. 516 in the nature of a substitute) proposed by Mr. DOLE to the bill H.R. 1900, supra.

NOTICES OF HEARINGS

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. STAFFORD. Mr. President, the Committee on Environment and Public Works will conduct 3 days of hearings into the issue of infrastructure/jobs. The hearings will occur April 11, 12, and 18. In each case the hearing will begin at 10 a.m. Each hearing will occur in SD-406 of the Dirksen Senate Office Building.

The bills that will be evaluated are:

S. 23, introduced by Senator MOYNIHAN and others.

S. 532, introduced by Senator DOMENICI and others.

S. 724, introduced by Senator RANDOLPH and myself.

The proposal Senator RANDOLPH and I have made, S. 724, contains five important initiatives. These are:

A $5 billion-a-year program of matching grants to the States for construction and renovation of infrastructure projects.

A $225 million-a-year program for economic development in rural areas.

A standby public investment program for use at times of recession.

A one-shot effort to renovate historic buildings and sites.

A $3 billion-a-year program of jobs for our young people, putting them to work weatherizing homes, sprucing up urban parks, removing architectural barriers to the handicapped, while also creating a Young Adults Conservation Corps.

We hope these hearings will enable the committee to move forward soon to report a public investment/jobs bill to the Senate, follow-on legislation to H.R. 1718.

In the course of these hearings, I hope those witnesses discussing S. 724 will focus on questions such as the following:

First. The need for the spending levels and time-periods proposed in each of the bill's titles.

Second. An analysis of the allocation or distribution formula utilized in each title.

Third. The need for an assured funding mechanism, possibly through a form of dedicated revenues, for title I and/or title V.

Fourth. A discussion of the specific types of work to be covered by the various titles of S. 724.

Fifth. A discussion of the degree to which any of the titles should be broadened or targeted more carefully.

Sixth. A discussion of which titles are most cost-effective in meeting national needs, and how that cost-effectiveness might be augmented.

Seventh. A discussion of how Congress should mesh the bill with existing Federal investment programs.

Eighth. To what degree should the State programs under title I become self-sustaining?

Ninth. A discussion of whether the title I standards for a State program and the targeting provisions of title II are adequate.

Tenth. Are the provisions involving women and minorities—(section 103(a)(1)(F)) and the pass-through provision for the cities (section 103(a)(1)(H)) adequate?

Eleventh. Is there a need for a needs inventory? Can one be effective? To what degree should the Federal Government assign priorities?

Twelfth. A discussion of the eligibility requirements and the trigger in the title III program.

Thirteenth. How can this bill create an incentive for new projects, rather than simply substituting a Federal project for one using non-Federal money?

Fourteenth. A discussion of whether the various types of activities under title V are sufficiently broad, and whether the ages covered are the ones to be targeted.

Fifteenth. A discussion of the title V eligibility requirements for young Americans.

Persons wishing to testify, or who wish to have material included with the committee's hearing record, should contact the committee's assistant staff director, Hal Brayman, at 202/224-7866.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, March 22, 1983, in order to consider and act on the following bills:

S. , the Thurmond-Heflin bankruptcy bill;

S. 443, Bankruptcy Court Reorganization Act of 1983;

S. 445, Omnibus Bankruptcy Improvements Act of 1983;

S. 54, Bankruptcy Courts Reform Act of 1983;

S. 333, Consumer Bankruptcy Improvements Act of 1983;

S. 549, Shopping Center Transit Bankruptcy Protections Improvements Act of 1983;

S. 492, to amend the Bankruptcy Act regarding executory contracts, and for other purposes; or on any other bankruptcy court reform measures that may be placed on the agenda.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, March 23, at 9:30 a.m., to hold a hearing on management of the Department of Defense.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, March 22, to hold a confirmation hearing on Joseph Sherick to be Inspector General of the Department of Defense, and to consider S. 653 and an original bill, the Military Justice Act of 1983.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. BAKER. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, March 24, at 10 a.m., to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE BUDGET

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on the Budget of the Select Committee on Intelligence be authorized to meet during the session of the Senate on Friday, March 25, in a closed session.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AGRICULTURAL CREDIT AND RURAL ELECTRIFICATION

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Agricultural Credit and Rural Electrification of the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Wednesday, March 23, at 9:30 a.m., to hold a hearing on farm credit needs and reauthorization levels for FmHA loan programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE MORAL HAZARD OF IMF LENDING

● Mr. HUMPHREY. Mr. President, earlier this month, the Heritage Foundation sponsored a conference here in Washington entitled "The Future of the International Monetary Fund, the World Bank, and International Lending." Distinguished economists of the Western world delivered lectures and submitted papers examining the role of these multilateral institutions and questioning how legitimate a role they play in our debt-laden world

One of the distinguished conference participants, Dr. Roland Vaubel of the Institute of World Economics in Kiel, West Germany, submitted a most enlightening piece of work entitled, "The Moral Hazard of IMF Lending." The term "moral hazard" is used by Dr. Vaubel in the same context we apply it in conventional insurance and risk theory. Inasmuch as we do not permit the owner of a $50,000 home to insure it for half a million, lest we reduce the incentive for him to care for the property, so should we heed Dr. Vaubel's warning that "cheap IMF lending is likely to generate moral hazard by reducing the incentive not to become needy." In his paper, Dr. Vaubel examines six popular arguments in support of IMF lending and proceeds to discredit them in what I find to be a most convincing manner.

In a few weeks, Mr. President, we will be asked to approve the contribution of an additional $8.5 billion to this process. Before this monumental decision comes to pass, I would urge my colleagues and their staff members involved with the IMF to read and ponder carefully Dr. Vaubel's fine paper.

Mr. President, I ask that Dr. Vaubel's paper be printed in the RECORD.

The material follows:

THE MORAL HAZARD OF IMF LENDING

(By Roland Vaubel)

Two farmers meet. "I've just insured myself against fire and hail" says one. "I can see your point about fire" replies the other, but how do you make hail?"

"In principle, countries always have the ability to pay debts service . . . If the creditor adopts a policy of offering new aid whenever a debtor threatens to default, debtors are likely to increase their threats of default in order to gain more assistance." (Wilson Schmidt, 1965).

I. THE MORAL HAZARD HYPOTHESIS

On February 11, 1983, the Interim Committee of the Board of Governors of the International Monetary Fund (IMF) decided to raise total member quotas from SDR 61.1 billion to SDR 90 billion, i.e., by more than 47 per cent. The increase is to become effective at the beginning of 1984; normally the next quinquennial adjustment of quotas would have been due in 1985 (the last was in November 1980).

On January 18, 1983, the Ministers and Governors of the Group of Ten and Switzerland decided to increase the aggregate credit commitments under the General Arrangements to Borrow (GAB) from SDR 6.4 billion to SDR 17.0 billion, i.e., by about 166 per cent. They agreed that in the future the GAB would also be available for conditional financing by the IMF when "the Fund was faced with an inadequacy of resources arising from an exceptional situation associated with requests from countries with balance of payments problems of a character or of aggregate size that could pose a threat to the stability of the international monetary system".

Finally, since last summer the Bank for International Settlements (BIS) has provided special "bridging loans" for Hungary, Mexico, Brazil, Argentina and Yugoslavia. Venezuela is expected to be the next applicant.

Are these startling increases in official international lending (or "liquidity") necessary? Are they dangerous?

When the par-value system of Bretton Woods finally collapsed in 1973, many observers expected the demise of the IMF, at least of its lending operations. In fact, as can be seen from Table 1 [not printed], international liquidity made available by the IMF more than doubled from 1970 to 1975 in real terms (using the U.S. GDP deflator); from 1975 to 1982, it increased by another 58 per cent (in real terms). Even relative to world exports, IMF international liquidity was 35 per cent larger in 1982 than in 1970, and four and a half times larger than in 1960. Is this an instance of Parkinson's Law? Is the IMF growing though the need for its lending is diminishing, just as the British Admiralty augmented its administrative personnel by more than three quarters from 1914 to 1928, though the number of large combat ships diminished from 62 to 20 and total crew personnel declined by almost a third?

Faced with the threat of decline in 1973, the IMF grasped the opportunity provided by the two oil price shocks. At first it was mainly low-conditionality lending which expanded, but by about 1981 higher-conditionality lending had reattained its 1970 share. While the subsidisation of SDR use was gradually reduced by raising its interest rate toward market levels, those countries which were most likely to request assistance from the Fund, i.e., the developing countries, could increasingly obtain subsidies from the newly created Oil Facility Subsidy Account, Supplementary Financing Facility Subsidy Account and the Trust Fund.

Loans in the credit tranches and under the compensatory financing and buffer stock financing facilities are also available at periodic rates of charge that are concessionary when compared with market rates of interest.[1] Standby credits beyond 200 percent of quota and extended facility credits beyond 140 percent of quota can be obtained at periodic charges that are linked to the yield on certain U.S. government securities.[2] For SDR drawings a weighted average of treasury bill rates applies. For the typical IMF borrower these "market" rates of interest include a subsidy because they do not allow for the fact that he represents a higher risk.[3] The Fund has also terminated its practice of raising its periodic charges with the relative size of the loan.[4]

At first glance, the increase in IMF international liquidity and in subsidized lending to marginal borrowers which points toward leniency may seem to contradict the growing emphasis on stringent conditionality. However, the economic theory of bureaucracy would predict precisely this: a bureaucracy which wants to maximize its budget and its staff will always demand more money, more decision-making power and more subsidies for its product.[5]

With the advent of widespread floating, the Fund's justification of its own lending operations has shifted from the goal of exchange-rate maintenance to that of "facilitating balance of payments adjustment" and, most recently, to the prevention of debt crises and bank failures. This is where the interests of the Fund and of bankers meet. The politician faces an alliance of official and private "experts" who all tell him that more IMF international liquidity is needed. Not surprisingly, the potential borrowers in the less developed part of our world do not object to this view, and UNCTAD, the Brandt Commission and the other advocates of the less developed countries push it on every occasion. Is a debt crisis imminent?

Table 2 [not printed] shows that the external debt of the non-OPEC developing countries (excluding borrowing from the IMF) has been growing fairly steadily in real terms (using the U.S. GDP deflator). The compound average rate of change has been about 11 percent per annum, with a somewhat slower rate since 1979 but an estimated acceleration in 1982. Table 2 also shows that debt to the capital market and notably to banks has been growing faster than total debt in almost every year, and that its real rate of growth has accelerated in 1982. In that year, new international bond issues by the non-OPEC developing countries have been large by historical standards, but not relative to the size of the market. New gross Eurocurrency credits to non-OPEC developing countries have declined somewhat, but not relative to total Eurocurrency credits. The only significant change is reported by the Bank for International Settlements: in the first three quarters of 1982 the change in external claims of Eurobanks on non-OPEC developing coun-

[1] Gold (1979, p. 9); IMF Annual Report, 1982, p. 117.

[2] Gold (1979, p. 26).

[3] According to Gold (1979, p. 10), "the Fund has no power to levy different charges for the use of its resources under the same policy."

[4] Gold (1979, p. 10).

[5] Gold (1979, p. 10) states quite frankly that "the necessity to levy charges that meet the cost of borrowing (under the temporary Fund policies) is one reason why the Fund prefers quotas and subscriptions that are adequate to satisfy the needs of members."

tries at constant exchange rates has been only half as large as in 1979–81, but with the exception of the third quarter it has still been positive.

Apart from the size of external debt, or its rate of growth, various other indicators have been used to predict a debt crisis, notably debt/GNP ratios and debt service/export ratios. The relevance of these indicators is quite doubtful. Does an increase in any of these ratios signal that debt servicing has become more difficult, or, on the contrary, that the borrower is considered increasingly creditworthy by the lenders? The ultimate criterion of whether debt servicing has become more difficult or not is whether the borrower's rate of return exceeds the interest he has to pay. The answer to this question cannot be gained from inspection of some macroeconomic aggregates or relatives. It depends on the use of the funds.

Another method is to proceed by extrapolation. In the 1970s, external public debt had to be rescheduled in one to four cases each year. In 1981 and 1982, this number rose to 11 and 18, respectively (excluding Poland which is not a member of the IMF). If Wilson Schmidt was right that "countries always have the ability to pay debt service". (see page 1), either by raising taxes or by selling public property, these reschedulings indicate a liquidity problem but not a solvency problem.[6] It would also follow that they indicate an unwillingness, but not inability to repay.[7]

To reschedule is to invite demands for further rescheduling. This is the second point Wilson Schmidt was making. The argument can be extended. If the IMF steps in and extends subsidized loans to member countries that threaten to default (incidentally, few of them low-income developing countries), it encourages both further threats of default and further bank lending to borrowers which have proved to be not creditworthy. Like any no-fault insurance, the Fund is bound to generate an avoidable moral hazard. Since debt service obligations are not enforced for international public debt, the temptation to default or to threaten default is much larger for international public debtors than for domestic private debtors. Since the foreign creditors of governments will be correspondingly more impressed by such threats, it is all the more important that third parties, like the IMF, do not aggravate the moral hazard by rewarding demands for rescheduling.

Table 3 [not printed] shows that 18 of the 21 IMF member countries which rescheduled their debts in 1980–82 received new IMF credits under standby or extended arrangements during this period. Taking a longer view, Table 3 reveals that 30 out of (on average) 114 IMF members accounted for all cases of debt rescheduling (R) in 1960–82, and that 14 member countries accounted for more than 80 per cent of the (country) years for which debt was rescheduled (R+(R)). If debt rescheduling were necessitated by random accidents, such an outcome would be extremely improbable.[8] However, the outcome is consistent with Wilson Schmidt's hypothesis that rescheduling begets further rescheduling for the same debtors.

Even without rescheduling the prospect of cheap IMF lending is likely to generate moral hazard by reducing the incentive not to become needy; for it pays to pass the international means test regardless of whether the assistance is conditional or not.[9] Table 3 shows that 42 out of 114 countries account for 78 per cent of all years for which a member country received a standby or extended credit from the IMF (A+(A)). Once more, this is not the result we would expect if unfavorable random disturbances were the cause of the credit requests. It implies that the IMF has not achieved durable adjustment in the recipient countries.[10] Instead, the Fund has become a recurrent, in some cases an almost permanent, provider of aid. A number of developing countries have come to rely and depend on the Fund's cheap credits—the outcome predicted by the moral hazard hypothesis.

In view of these shortcomings and dangers of IMF lending, it seems appropriate to raise the more fundamental question whether IMF lending can be justified on welfare-theoretic grounds at all. As John Williamson noted in 1980, "unfortunately, there does not as yet exist any systematic, critical appraisal of Fund programs written from a middle-of-the-profession position" (p. 270). In the following, I shall assume that a middle-of-the-profession position is defined by Williamson's basic assumption that "the least-cost way of satisfying a budget constraint is to let the market decide how it is to be done, except where there are specific reasons for believing that there are divergences between private and social costs and benefits" (Williamson, forthcoming).

II. WHY IMF LENDING?

1. The Exchange-Rate Argument

Under the exchange rate system of Bretton Woods, IMF lending was supposed to be necessary to maintain par values through foreign exchange interventions. However, this argument did not remain unchallenged. It was pointed out that, even under a fixed exchange rate system, "the need for employing foreign-exchange reserves . . . may be reduced almost to zero if the central bank conducts its monetary policy with (sufficent) flexibility . . ." (Egon Sohmen, 1969, p. 219). After all, (non-sterilized) foreign exchange interventions are not the only instrument of monetary policy that can be used to attain exchange rate targets. Indeed, in comparison with open market operations, they have the important disadvantage of interfering with the money-supply policies of at least one foreign central bank. Since currency depreciation can always be avoided through a sufficiently restrictive (usually disinflationary) monetary policy, exchange crises are, from a technical point of view, always the fault of the country's monetary authorities. To extent subsidized loans to such monetary authorities for the purpose of exchange rate maintenance is both unnecessary and harmful because it creates severe moral hazard.

Those who do not consider the exchange-rate argument invalid at least are forced to conclude that the transition to widespread floating has reduced the need for IMF lending. As the London Economist wrote in 1976 (under the headline "Do we need an IMF?"), "the IMF did its best to resist the change to floating. Now that it has had to be accepted, why is the IMF still bent on credit creation?" (Jan. 17, 1976, p. 82).

To repeat, the most dramatic increase in IMF international liquidity creation occurred in the 1970s.

2. The Gradual Adjustment Argument

According to the Fund, "its concern should be with both the financing of temporary payments imbalances and the adjustment of unsustainable ones . . . in the medium term" (Annual Report, 1982, p. 73).

It suggests, therefore, that "the global demand for reserves may be expected to grow in some relationship—not necessarily a proportional one—to world trade and to countries' payments imbalances" (Annual Report, 1982, p. 71).

The underlying assumptions are that

—"payments imbalances" are often the result of real disturbances in the goods market which are not caused by the economic policies of the borrowing government, and that

—gradual adjustment to such real disturbances is often more efficient than shock treatment.

Both assumptions will be accepted for the sake of argument.[11] However, there remain two crucial questions.

In the first place, it is not possible to use the size of current account deficits as a yardstick of the need for international liquidity. As has been mentioned, large net capital imports should signal a high marginal productivity of capital and, consequently, a high degree of creditworthiness for the recipient country. Whether a current account deficit is sustainable or not cannot be determined by looking at its absolute or relative size. Since current account deficits depend on the extent of IMF lending, they are not even exogenous to what they are supposed to determine. If the Fund's criterion were accepted, the IMF could demonstrate an increased demand for international liquidity by increasing its supply of subsidized loans. IMF lending cannot be the cause of a need for it.

Second and more important, the question has to be asked why countries that have been hit by unfavorable real disturbances should not finance temporary deficits or spread real adjustment by borrowing in the international capital market. As Sohmen has pointed out, "a country can thus gain access to voluntarily supplied private funds

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[6] For the view that "few of the developing country debt crises have involved solvency crises" see also Aliber (1980, p. 13).

[7] If this conclusion is not accepted, the following consideration applies: "Persistent inability to service external debt implies that the capital has been used wastefully, as otherwise incomes in the recipient countries would have increased by more than the cost of capital." (Peter Bauer, 1974).

[8] The significance level could be determined with a Chi-Square test for the equality of multinomial distributions.

[9] In contrast, Williamson (1980, p. 274) claims that "The Fund's conditions no doubt should be, and are, tough enough to avoid the problem of moral hazard."

[10] The opposite impression is generated by Donovan (1982). However, his study merely demonstrates that during the period of IMF assistance the recipient countries attained a larger reduction of their current account deficits, their inflation rates and their consumption relative to GDP than the other non-oil developing countries. Since the recipient countries were in deep trouble, they would probably have put more emphasis on corrective policies even if they had not received IMF loans conditional on such policies.

[11] However, even leading Fund Officials admit that "the issue, usually referred to as the choice between a 'shock' versus a 'gradual' approach to the adjustment process has not been conclusively resolved . . . because it is not at all obvious that a gradual adjustment is preferable to a rapid one in all circumstances" (Gold, 1979, p. 39). John Williamson believes that "the Fund has (at least up to now) been overdisposed toward shock treatment" (1980, p. 274). This is also the view of the Brandt Commission (1980, p. 216). By contrast, the Group of Thirty regrets that "the oil facility had even slowed down adjustment in the sense that it made money too easily available" (1981, p. 39).

without any need for 'international liquidity' . . . One major advantage of (this method) is that every country . . . would borrow funds at the opportunity cost of lending in the rest of the world . . ." (1969, p. 221).

Another advantage would be that such borrowing, unlike borrowing from the IMF, would not entail money creation in the capital exporting country.

The Brandt Commission (1980, pp. 212 f.) rejects the view that the market can play a key role in financing deficits. It gives four reasons:

—Private financing "is very imperfectly subject to international monitoring let alone control, and is easily affected by crises of confidence";

—"It is not easily accessible to the poorer developing countries";

—"It tends, because of its terms, to exacerbate the problem of servicing and refinancing debt";

—"There are growing doubts as to the continuing availability of adequate private bank financing in the future".

Similarly, Fred Bergsten (1981, p. 29) asserts that "we cannot rely exclusively on private markets. Some borrowers will face serious constraints on their access to private markets, and we must assure that official financing is available in adequate amounts to support required adjustment programs and maintain financial stability while adjustment is taking place."

Finally, Robert Heller (1980, p. 268) proposes a division of labor between the Fund and private lenders: "The important distinction between the banks and the IMF is that while countries are likely to rely on commercial bank financing on a continuing basis, their use for IMF resources is likely to be temporary."

The objections advanced by the Brandt Commission are inconsistent with Williamson's middle-of-the-profession assumption that, as a rule, "the least-cost way of satisfying a budget constraint is to let the market decide how it is to be done". For the Brandt Commission, the market is inherently inferior to government action; it is unstable and in need of control by governments. Both the Brandt Commission and Bergsten start from a self-defined target for international lending to developing countries, the target being: much more than now. They reject the market solution because they do not expect it to yield their predetermined preferred result. They are unwilling to use the market as a search process. They are unwilling to let individuals decide. No welfare-theoretic reason is given for the assumption of market failure or for a division of labor between markets and governments in this field.

3. The Insurance Argument

According to Williamson, the Fund "provides insurance against a class of risks which would not seem well suited to a private market" (1980, p. 273).

According to Cline (1982, p. 144), international risk sharing should be extended to increases in debt servicing needs that are caused by interest rate fluctuations.

A special case of the insurance argument is the widespread view that the IMF acts a lender of last resort and is needed to prevent the international banking system from collapsing.[12]

There is no reason for a country to go to the IMF if it can borrow on equal or better terms in the market. Thus, in order to be able to lend, the IMF has to subsidize its loans.[13] In the extreme case, the Fund lends to countries which the market does not consider creditworthy. It issures member governments against the market's judgement.

One way of trying to justify such a system is to consider the subisdy part of IMF loans as the only relevent insurance benefit. However, in an insurance, contributions would differ according to risk. As Table 3 has shown, the frequency of borrowing (standby and extended) differs considerably among IMF member countries. IMF lending is not an actuarily fair insurance. It is biased in favor of the main borrowers (mostly developing countries). It provides a net subsidy to them. This net subsidy is a form of program aid. Would the recipients of the net sudsidy also chose to insure with the IMF if they could use this aid as they liked (or for any of a number of different programs approved by the donor countries)? Does IMF lending create a needless distortion of the recipients' preferences?

The IMF is not a lender of last resort. Very often countries lend from the Fund without having exhausted their borrowing capacity in the international capital market. To the extent that the Fund offers subsidized loans, one should expect that it acts as a lender of first resort.[14]

Does the world need a lender of last resort to prevent the international banking system from collapsing? Peter Kenen, an advocate of debt rescheduling, has argued that "defaults by developing countries, even if widespread, would not seriously threaten the stability of the international financial system, loose talk to that effect not withstanding. Some banks and other private lenders would be hurt. A few might be wounded mortally. But there is little justification for the fear thet defaults could wreck the Eurocurrency market or would do grave damage to national financial system" (1977, p. 54).

The Group of Thirty (1982a, p. 42) reports the results of an opinion poll among 111 international banker: 56 per cent disagreed with the view that "there is a need for a supranational organisation (e.g., IMF, BIS or a new institution) to assume the role of lender of last resort for the international banking system". Only 39 per cent agreed. The reason is that the national monetary authorities are expected to act as lenders of last resort for the commerical banks in their jurisdiction and for the latters' foreign affiliates.

There is a widespread fear that the Great Depression could repeat itself, and that bank failures would be the trigger. However, bank failures do not lead to depression if the monetary authorities prevent the money supply from being affected. To prevent a depression it is not necessary to prevent default by augmenting the IMF's lending potential. What is necessary is an announcement by the national monetary authorities that, in case of bank failures, the monetary base will be increased (say, through open market operations) so as to stabilize monetary expansion. The Fed's failure to maintain the U.S. money supply in the face of a banking crisis was the cause of the Great Depression.[15]

4. The Externality Argument

It is sometimes argued that subsidized credits for balance of payments financing, or specifically for debt service financing, are needed to prevent the recipient countries from adopting protectionist measures, restrictions of convertibility, or other beggar-thy-neighbor policies. According to a Keynesian variant of this argument, IMF leading is also a welcome instrument of maintaining the developing countries' demand for imports from the industrialised countries. The general idea is that the recipient countries must be bribed so that they do not impose negative externalities on the donor countries.

An institution that tries to buy international "social peace" by giving in to blackmail on a permanent basis behaves in a myopic way because it encourages further threats and ultimately aggravates international discord. Strategic behavior requires resistence to repetitive blackmail—the more so as restrictions of international transactions would harm the threatening countries as well. That the level of aggregate demand in the donor countries can be raised by spending public money[16] abroad rather than at home cannot even be shown in a Keynesian framework as long as the domestic sector of the donor countries suffer from excess capacity as well.

5. The Conditionality Argument

According to a widely accepted view, the IMF ought to extend subsidized loans to its members to induce them to adopt the required adjustment policies. The subsidies serve not only as a bait; they are also supposed to be justified by the fact that the acceptance of the policy conditions reduces lending risk both for the Fund and for private lenders. However, it is still difficult to see why the Fund should lend at a lower interest rate than private lenders—given the agreement on the adjustment measures to be taken.

The conditionality argument immediately raises the question why countries are supposed to face an insufficient incentive to adopt the necessary policies on their own. After all, the extent to which, and the terms on which, a country can borrow in the market will crucially depend on the policies which it is expected to follow. As Irving Friedman (1981, p. 241) has put it, "private bank 'conditionality' is unavoidable". The question has been answered in several ways.

A. The Superior Information Argument

Most observers seem to believe that the Fund knows better than private lenders whether a country is creditworthy. IMF officials like to report the fear that bank lending may be available too easily so that adjustment is postponed.[17] It is doubtful whether this view is correct. If it is true that creditworthiness depends on specific rates of return (and willingness to repay) rather than merely on the set of broad macroeconomic variables that figure prominently in the Fund's adjustment programs,

[12] See, for example, Neu (1979, p. 242); Gold (1979, p. 38); Group of Thirty (1982a, p. 42; 1982b, pp. 26 f.).

[13] This is not denied by Williamson (1980, p. 273).

[14] This is also the view of Neu (1979, p. 246).

[15] See the classic by Friedman, Schwartz (1963, Ch. 7).

[16] In the case of liquidity creation through IMF drawings the donor countries give up part of their seigniorage. To finance their expenditure, the governments of the donor countries have to raise taxes (thus reducing the supply of savings) and/or borrow more in the capital market. In both ways, they crowd out private lending—also lending to the developing countries.

[17] See, e.g., Witteveen (1976, pp. 253 f.) Gold (1979, p. 39), IMF (1981, p. 39). Not surprisingly, bankers like Friedman (1981, p. 250) do not share this fear.

bankers—not (macro-)economists—are likely to be at a comparative advantage. Moreover, there are reasons to criticize some of the typical IMF policy conditions, notably the emphasis on devaluation (which is bound to aggravate inflation) [18] and the recommendation of coercive incomes policies.

The Fund is probably at an advantage to the extent that it possesses confidential information. However, this raises the obvious question why the Fund does not disclose all information that is relevant for the evaluation of creditworthiness.[19] To say that the member countries would not agree is no answer. After all, knowledge is generally recognized as a public good.

The public good aspect rules out the withholding of information by governmental bureaucracies, but it does not necessarily justify the collection, analysis and dissemination of such information. As is witnessed by the foundation of the new Institute of International Finance in Washington, the collection of information can be efficiently arranged by private voluntary associations if the number of beneficiaries is small. Fratianni and Pattison (1982) have even suggested that international economic organisations are unlikely to provide reliable forecasts about the effects of the policies of their member countries:

"Why do governments purchase these forecasts? We venture one hypothesis. Each country has a say in what the forecast is concerning the country's performance. These forecasts need not be good in a statistical sense, but may be useful politically. A policymaker may desire public release of false or misleading information in order to pursue certain stabilisation policies despite the fact that private economic agents may efficiently assess all of the information available in the market" (p. 259).

Nevertheless, assume for the sake of argument that the Fund possesses superior information, or at least that private lenders believe this. Does it follow that the IMF should extend subsidized loans to some of its members? Would it not be sufficient for the Fund to act as a (paid?) agent of private lenders in providing information about the required adjustment policies? [20] Why IMF lending?

Williamson (1980) believes that the IMF should lend to enhance the credibility of the information it provides: "There do . . . seem to be some advantages in a position to put up a fair bit of money directly, rather than simply giving a seal of approval that, with luck, will induce the private market to resume lending" (p. 274).

An analogous argument is sometimes made in favor of foreign-exchange intervention. It is logically impeccable but dangerous in practice. How much public money is a government permitted to spend or commit in order to persuade the public of its views? Is government propaganda good economics?

Moreover, the same degree of credibility could be attained with much smaller amounts—if the Fund were not committing the money of taxpayers in the creditor countries but part of the salary of those IMF officials who confer the "seal of approval."

B. The Coherence Argument

According to Williamson (1980, p. 274), "commercial banks are not well suited to fulfill the role of negotiating necessary policy changes with sovereign governments . . . partly because optimal competitive strategies for individual banks may not add up to coherent pressure for rational policies . . ."

The incoherence problem is well known from multilateral debt reschedulings. An individual creditor does not want to concede grace periods or commit additional funds unless the debtor promises not to use the resulting leeway to repay other creditors. However, this problem has often been solved: the creditors either combine in consortia ("clubs"), or individual creditors make their offers conditional upon the conclusion of similar contracts with other creditors. [21] It is conceivable that the creditors could ask the Fund to act as their coordinating agent in such negotiations. But this does not mean that the Fund itself ought to lend.

C. The Enforcement Argument

The IMF is probably in a better position to enforce policy conditions attached to international loans and, indeed, to enforce repayment itself. This is because the IMF, as an intergovernmental organization, can impose sanctions that are not at the disposal of private banks. However, to argue that, for this reason, the IMF should co-finance all stabilization loans is like suggesting that to enforce private domestic contracts the government of the country ought to be a party to each of them. The IMF is well advised to use its sanctions to enforce international loan contracts but it need not lend.

D. The Bogeyman Argument

It is frequently argued that the IMF should offer stabilisation loans because it is the ideal bogeyman to be blamed for unpopular policy changes. Politicians and voters in the borrowing countries would not be willing to accept policy conditions from private bankers ("the gnomes of Zurich") or even from particular foreign governments. Only "an international body with no direct interests other than maintaining order in the international financial system" (Neu) can "apply policies of conditionality without giving intolerable offense to its members" (Gold) and "without a dangerous fanning of nationalistic flames" (Williamson).[22]

It is on an open question whether aid should be given so as to minimize the humiliation for the recipient, thus weakening the incentive for self held ("the Samaritan's dilemma"). With regard to commercial lending, the situation is different. The lenders will pay attention to the borrower's susceptibilities if they can gain money by doing so. If the borrower prefers policy conditions formulated by the IMF, lenders are likely to entrust the Fund with this task. Once more, it does not follow that the Fund should lend.

6. The Argument From Capital-Market Imperfection

Finally, according to an altogether different argument, the case for IMF lending may be based on the assumption of capital market imperfection. Capital markets are said to be inefficient because lenders charge a higher interest rate (or are unwilling to lend) if the borrower cannot offer adequate collateral. This is, for example, why the provision or guarantee of student loans is usually considered a proper task of government. However if Wilson Schmidt and Robert Aliber were right that IMF debtors do not suffer from insolvency, the argument is not relevant.

[18] It is also paradoxical in view of the Fund's long-standing preference for fixed exchange rates.

[19] Suggestions that the Fund should make more of its information available to private banks have come from Michael Blumenthal, Arthur Burns, Robert Heller, Henry Wallich and many bankers.

[20] There are several instances in which private banks made their loans conditional on prior acceptance of an IMF stabilisation program (see, e.g., Friedman, 1981, pp. 250–254, and Group of Thirty, 1982b, pp. 54 ff.). The Group of Thirty favors this practice (p. 15) but reports that bankers do not regard the borrower's acceptance of an IMF program as a "decisive influence on their decision" (1981, p. 41). The bank loans to Peru in 1976 are usually cited as a proof that banks cannot formulate and monitor a stabilisation program on their own (e.g., O'Brien, 1982, p. 139). However, many of the Fund's standby or extended arrangements have had to be interrupted as well.

[21] See, for example, Friedman (1981, pp. 257, 261, 263).

[22] Neu (1979, p. 240), Gold (1979, p. 20), Williamson (1980, p. 274).

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Witteveen, H. Johannes (1976), "The IMF and the International Banking Community", Revue de la Banque, Vol. 40, May, pp. 251-258.●

DISCLOSURE OF HEALTH AND SAFETY DATA

● Mr. STAFFORD. Mr. President, during the last Congress the Senate Committee on Agriculture reported several proposed amendments to the Federal Insecticide, Fungicide, and Rodenticide Act, some of which I opposed.

One of the amendments which I considered unsound was a proposal to prohibit the disclosure of health and safety data used to register a pesticide to foreign nationals or to any person who would remove the data from the United States. It seemed to me that such data should be available to any person who might be endangered by the pesticide. Therefore, I introduced an amendment to strike the committee proposal and retain existing law.

Over the years, I have grown accustomed to mail opposing or supporting proposals with which I am associated. But I must say it was with considerable surprise that I received a letter from afar concerning the disclosure of health and safety data. This illustrates, Mr. President, that what we do here affects not only our own citizens but those thousands of miles from this country. It also reflects the deep concern which others have over the outcome of this debate.

Mr. President, I ask that this letter be printed in the RECORD.

The letter follows:

CENTRAL LABORATORY,
M.P. PRADUSHAN NIWARAN MANDAL,
Bhopal, January 22, 1983.

Shri Senator ROBERT T. STAFFORD,
U.S. Senate,
Washington, D.C., U.S.A.

DEAR STAFFORD, We are concerned about the Senate proposal in Senate Bill 2620 that foreign nationals not be permitted to have access to the laboratory safety data that the EPA is using to justify that pesticides sold in the U.S.A. and abroad are relatively safe to use.

Health and environmental information relating to the safety of a pesticide product should be available to consumers using the products regardless of where they are sold.

I wish, you will put your sincere efforts in this respect for a better global environment.

Thanking you,

Yours faithfully,

DR. B. J. PRASAD,
Scientist, Central Laboratory.●

SOVIET CHEATING

● Mr. EAST. Mr. President, at a time when many well-meaning Americans call for our Government to halt the nuclear arms race, we must not forget that the Soviet Union during the past decade has spent for military forces at least $500 billion more than the United States and that Russia has engaged in the most massive arms buildup in history while the United States has for 15 years done virtually nothing to improve its aging strategic systems. Unfortunately, too, the rulers of the Soviet Union feel no moral obligation to abide by any agreement they enter. Repeated Soviet cheating on arms control agreements cannot be ignored.

I ask that an alarming article by Rowland Evans and Robert Novak entitled "Soviet Cheating," which appeared in the March 16, 1983, Washington Post be printed in the RECORD.

The article follows:

SOVIET CHEATING

(By Rowland Evans and Robert Novak)

Convinced that the latest Soviet missile test was an out-and-out violation of the SALT II treaty, middle-level administration officials agreed behind closed doors that President Reagan should break precedent and take the violation directly and publicly to the Kremlin. If Secretary of State George Shultz and Defense Secretary Caspar Weinberger go along, this tough decision would be posed for Reagan: whether to junk cumbersome verification procedures that always have thwarted the United States in the past and, instead challenge the Soviet Union publicly to prove that it did not in fact violate SALT II. If he accepts that recommendation, Reagan would in effect only be completing the thought he uttered Feb. 23, when he told reporters that the Feb. 8 Soviet missile test "comes the closest to indicating that it is a violation."

Ever since the first SALT treaty, in 1971, any suspected violation has simply been handed over to a U.S.-Soviet commission for investigation. "That consigns the issue to months and months of futile palaver," one high administration official told us. The Feb. 8 test of a "new" intercontinental missile, he said, is "too serious for routine handling."

Gathered at the extraordinary March 8 session were officials just under the top level from the National Security Council, State Department, Pentagon, Central Intelligence Agency and Arms Control and Disarmament Agency (ACDA). The meeting was co-chaired by Adm. Jonathan Howe, head of the State Department's Political-Military Bureau, and Assistant Secretary of Defense Richard Perle.

Howe first suggested that—despite strong evidence presented by the CIA that the Soviet test was an outright violation of SALT II—the United States should take its case to the U.S.-Soviet commission as usual. Disagreement came from Dr. Manfred Eimer, confirmed by the Senate only the day before as chief of ACDA's Verification and Intelligence Division. He argued that the strength of the evidence and the peril to the nuclear balance of continuing Soviet testing required an immediate response. Indeed, Eimer argued that the Feb. 8 test, together with an earlier Soviet test firing last October, raised the strong possibility of "multiple" violations. But while it might be hard to prove the "multiple" charge, he said, there was irrefutable evidence of at least a single violation.

The exact violation in last month's test is still a closely held secret, but it concerns the SALT II ban on more than a single "new" intercontinental missile; the Soviets appear to have tested two "new" missiles—the first in October, the second last month.

If true, that points to runaway Soviet gains in the profoundly important intercontinental missile competition while the United States scrupulously adheres to the unratified SALT II ban. The middle-level officials who want the president to take the Feb. 8 test to the Soviets frontally—and, if necessary, publicly—concluded that the United States cannot continue taking such awesome risks. It is now up to Ronald Reagan to reach a similar conclusion.●

IN RECOGNITION OF SCHOOL IMPROVEMENT

● Mr. HEINZ. Mr. President, over the past few years, critics have been too quick to malign our Nation's public school system. We have, during that time demanded that our schools do better, that our teachers teach better and that our students achieve more. In Government, we have chastized those who work in education for not having produced better results with the Federal funds we send to our schools.

Yet, we have ignored signs indicating marked improvements in elementary and secondary education. Positive strides have been made through the work of professional educators and their associations, such as the International Reading Association. For example, reading comprehensive scores have risen dramatically and the gap between white and black students, and urban and rural students, has been reduced as well. While more work is needed, we must recognize the efforts of those who have worked to produce educational gains.

In recognition of the hard work done by this Nation's educators to better prepare our children for the chal-

lenges posed by the future, I would like inserted in the RECORD this article, "Schools' Improvement Goes Unrewarded" by Fred M. Hechinger of the New York Times of December 28, 1982. It should serve as an inspiration to all who are responsible for the monumental strides being made in the quality of public school education.

The article follows:

SCHOOL'S IMPROVEMENT GOES UNREWARDED

(By Fred M. Hechinger)

The indicators of the public school's academic achievement have risen dramatically in 1982, but the public still thinks the public schools are failing. The year about to end may well have been the schools' most successful in several decades, but at the same time, they face severe cutbacks in financial support from all sources—local, state and Federal.

The colleges, which have doubled their enrollments in the last 15 years and opened the doors to greater numbers of women and minorities than in any previous period, are reporting the first signs of economic barriers that may block the way to deserving but indigent candidates.

Such contradictory trends alarm many observers who, in recent years, have been exhorting the schools to toughen their standards and promising that such self-improvement would insure strong new public support. It now appears that even though the schools in many places have kept their side of the bargain, the rewards are lagging. In New York City, for example, fiscal austerity threatens to hit schools harder than other public services. In higher education nationwide, the elite colleges recently reported a reduction by more than a third in the number of students from low-income families in the last two years.

Harold L. Hodgkinson, a widely respected educational researcher, has published a list of impressive gains in educational quality in the December issue of the Phi Delta Kappan, a journal of education. He describes the 1970's as a period of "deep depression" in the people's faith in public institutions, but hopes the schools' improved performance will rebuild public confidence in them.

Mr. Hodgkinson, now a senior fellow at the Institute for Educational Leadership, was director of the National Institute of Education in the Ford Administration. His assessment of the schools' recent success points to the following indicators:

Since 1980, students' reading scores have showed significant increases in Atlanta, Boston, Chicago, Houston, Minneapolis, New Orleans, Newark, Philadelphia, New York City and other places. Other standardized tests also show that current elementary school children do better than their counterparts who were similarly tested in 1960.

Gaps in performance between blacks and whites, between formerly lower-achieving pupils in the Southwest and the East and West Coasts, and between rural and urban youngsters have narrowed considerably.

In 1970, only 58,000 high school students took advanced placement tests to show they have completed college-level work; in 1981, the number had more than doubled to 134,000.

Project Headstart, President Johnson's effort to give preschool children from poor homes the educational and psychological advantages routinely enjoyed by middle-class youngsters, has produced measurable results. The first Headstart group is now of high-school age, and a comparison with a control group of non-Headstart youngsters with comparable backgrounds shows significant differences. Headstart graduates who are now high school sophomores score one grade level higher in reading and mathematics. Only 19 percent of the Headstart group are in classes for slow learners, compared with 39 percent in the non-Headstart group. The $6,000 per child invested in Headstart, Mr. Hodgkinson says, may be saving $15,000 per child in subsequent remedial services.

Last year, the eight-member American team of high school students placed first among teams from 27 nations competing in the 22d international Mathematics Olympiad.

While there's no simple answer why the public schools have registered substantial improvements, experts cite a number of contributing factors. Outspoken and well-documented criticism of lagging efforts and low achievements put the schools and teachers on notice that more was expected of them. Stress on the basic skills became fashionable again at the very time when new research in the teaching of reading, writing and mathematics made it possible to teach more effectively.

"Rediscovery of the importance of strong leadership led to the appointment of able superintendents and principals. Many teachers worked harder at improving their skills by volunteering for attendance in after-school teacher centers, many of them originally subsidized by the government. Parents and community leaders concentrated on the improvement of school discipline and attendance. The ideological rhetoric that used to downgrade academic standards and requirements has given way to concern over educational performance. Many pupils, worried about their future at a time of recession, are giving their studies a higher priority.

"In view of such measurable progress, many observers are dismayed over the slow and often still hostile response from the public, and particularly from government at all levels, to the schools' needs. The elimination of many specific Federal aid programs originally earmarked to improve the education of disadvantaged youngsters, and the submersion of such dollars into the grab bag of general aid or block grants, is seen not only as a retreat from equal opportunity but as a new threat to educational quality.

"No real solutions have been found to the critical shortage of mathematics and science teachers as business and industry gobble up the available talent at higher salaries. Mr. Hodgkinson sees hope in a renewed interest shown by industry in support of the public schools, and there have indeed been some favorable signs, as in the more than 200 adopt-a-school programs in which corporations provide financial and personnel aid.

"Still, the chances are slim that recent gains can be maintained and built into a long-term educational revival, or that access to higher education can remain open without regard to economic status, unless public and legislative attitudes catch up with the new and promising educational realities before the gains are eroded and the system goes into full-scale retreat."●

THE NEED FOR PRIVATE INDUSTRY RESEARCH CONSORTIA

● Mr. CHAFEE. Mr. President, there is a growing concern that the United States is not devoting sufficient resources to basic research in microelectronics. The concern is warranted, according to industry experts.

An article in the Electronic News of February 28 quoted Mr. George E. Pake, group vice president of the Xerox Research Center who criticized basically weak university-level semiconductor processing and computer system architecture and software programs. He noted that our universities "produce only about 200 computer science Ph.D's annually—about the number just one major corporation recently stated it needs to hire each year."

U.S. technological leadership depends on vigorous research and development by corporations, universities, and Government. Hearings in the Finance Committee's Subcommittee on Pensions, Savings and Investment Policy, which I chaired in January, demonstrated to me that this leadership is being threatened, and that creative, perhaps unorthodox steps should be taken.

One of these creative efforts is the Microelectronics & Computer Technology Corporation (MCC) which has recently been formed by 11 companies, led by Control Data Corp., with an initial blessing from the Justice Department.

The success of MCC will depend on able leadership, but it will also require that Congress clarify the antitrust laws to open the way for an aggressive program of joint research.

The leadership of MCC, I am pleased to say, is in good hands, having been entrusted to former retired Adm. B. R. Inman, with whom many of us in the Senate and House have had the pleasure of working in his capacity as Deputy Director of the Central Intelligence Agency. But now Congress must do its part to clear the way for the success of this private sector initiative. This would be accomplished by passage of S. 737, introduced by Senator MATHIAS and several other Senators, including myself, on March 9. The bill would simply establish a set of guidelines or rules relating to joint R&D ventures which, if followed, would provide a prima facie protection from challenge on antitrust grounds.

Passage of S. 737 would also encourage more companies to join MCC, and spur the promotion of more such consortia. Articles such as that in Electronic News to which I have referred demonstrate the need. Congress should promptly respond to that need.

I ask that the article referred to be printed in the RECORD.

The article follows:

[From the Electronic News, Feb. 28, 1983]

PRESS FOR CAMPUS, INDUSTRY R&D HIKE AS JAPAN ISSCC PAPERS SOAR

(By Richard Bambrick)

NEW YORK.—A call for immediate action to step up basic microelectronics research at the academic and company level by the keynoter of the International Solid State Circuits Conference was given an air of urgency last week as the number of Japanese papers read at the annual semiconductor forum approached parity for the first time with those from U.S. companies.

Speaking to a packed auditorium of research and development semiconductor engineers, Xerox Research Center group vice-president George E. Pake termed "basically weak" university-level semiconductor processing and computer system architecture and software programs. "They lack the expensive modern equipment and are short on trained faculty," he said.

Dr. Pake's criticism comes at a time when fledgling cooperative R&D ventures such as the Semiconductor Research Cooperative (SRC) and the Microelectronics & Computer Technology Corp. (MCC) are being cast as last-ditch hopes for the U.S. semiconductor industry to compete with the concentrated MITI-sponsored Japanese development programs which spawned 41 of the 97 papers at the ISSCC, including five of six at the 256K dynamic RAM session.

As U.S. universities are faced with a broad obsolescence of engineering instrumentation, few are attempting to put processing capabilities into place, said Dr. Pake. At the same time, engineering faculties remain understaffed as the diminishing number of trained engineers seek industrial salaries.

"The shortage of trained people bids up industrial salaries at a time when university resources have been seriously eroded by inflation. Our universities produce only about 200 computer science Ph.D.'s annually—about the number just one major corporation recently stated it needs to hire each year," Dr. Pake said.

The problem is bing addressed currently on several levels, explained the Xerox research executive, including the creation of industry-university joint research programs; industrial consortia to support university research, such as the RC; and a multicompany research venture, the MCC.

The MCC, Dr. Pake said, "can add to the knowledge and technology base, at least for the member companies that own and operate MCC."

Dr. Pake's keynote presentation came as a prelude to a central panel discussion later in the evening on joint R&D programs which he chaired, and which included Undersecretary of Defense for R&D Richard DeLauer, IBM vice-president for technical personnel development Erich Bloch, Control Data Corp. executive vice-president for technology and planning Jack Lacey; Intel chairman Gordon Moore, Advanced Micro Devices chairman Jerry Sanders, and Jim Meindl, electrical engineering director for Stanford University's Stanford Electronics Lab.

INDUSTRY PROPELLANT

In a prepared introduction of the panel members, and of the programs to be discussed, Dr. Pake said "It is hoped that these major steps will provide the industry propellant necessary to insure U.S. leadership in the international electronics and computer marketplace. The time it will take for the efforts to be felt is a key factor. Success may also involve newer and more effective programs for R&D, such as changes in workforce attitudes, increased savings to provide capital, lower inflation, and other economic forces."

Although the panel members were unanimous in recognizing a need for joint R&D to maintain a competitive edge over Japanese and European companies, there is nonetheless a noted reluctance to open up proprietary laboratory development programs to competitors where a manufacturable product is involved.

"Participation in joint R&D may be good for your country, but it may not necessarily be good for your company," said Intel chairman Gordon Moore.

Dr. Moore said that although joint R&D efforts sound attractive in eliminating duplication and inefficiency, a company must be careful not to depend upon such efforts. "It has been demonstrated repeatedly in the U.S. and Europe that the incorporation of excellent R&D work into products, even within a single company, is far from automatic.

"I think we're naive in thinking that the sponsors will get much benefit out of the cooperative R&D ventures," Dr. Moore said.

SORELY LACKING

Nonetheless, Dr. Moore acknowledged that the research laboratory activity that prevailed at every company in the early days of the semiconductor industry is sorely lacking now. "Many of those (early labs) have atrophied, and relatively few new ones have been added," he said.

Intel is participating in the SRC program but, although invited, the company has made no commitment to MCC. Dr. Moore last week said neither he nor Intel vice-chairman Bob Noyce were available to participate in the MCC inaugural last year. Since that time, however, Intel has made no move to join the combine.

Another MCC hold-out has been IBM, which, like Intel, is a member of SRC supporting industry-university research. Sharing information with competitors is a different matter, however, although IBM vice-president Erich Bloch noted last week "Cooperative R&D is a concept whose time has come.

"You have to be selective," Mr. Bloch said about deciding which programs to back. Although IBM supports the SRC, Mr. Bloch said of the MCC "We didn't think we had the wherewithal to join both . . . We can't belong to everything."

When it was pointed out that a company such as Advanced Micro Devices, with considerably less wherewithal than IBM, is a sponsor of both programs, Mr. Bloch said simply, "That's a decision that every company has had to make."

Ironically, a major fear of large companies in joint R&D participation was captured—albeit, as a quip—by AMD chairman Jerry Sanders, who remarked "In the early days of my company, we were prepared to share everybodys' research . . . The problem was, they weren't very cooperative."

Mr. Sanders noted, however, the company has since expended considerable resources in development projects. Despite this, AMD and its domestic competitors cannot support the necessary R&D individually.

"No U.S. company can outspend the concentrated efforts of the Japanese companies," the AMD chairman said,

Exacerbating the current situation of R&D shortfall, Mr. Sanders claimed, has been the reported strategy of Japanese companies to target certain market segments, undermining profit margins in those key segments, thereby inhibiting the income of U.S. semiconductor companies.

"The situation is compelling companies to undertake fewer R&D projects, with shorter pay-back periods," Mr. Sanders said.

A serious example of such undetermining was brought to the fore by Undersecretary DeLauer, who remarked, "Jerry's company (AMD) is in the 64K RAM business; well, get the hell out of it. Nippon Electric has just advertised it is going to sell 64K dynamic RAMs for $2.50 in 1985, and $3 next year."

The information, he said, came across his desk in a confidential weekly government report, and that it pertains to sales "not to the U.S., but to the Soviet Union."

The Department of Defense is an ardent supporter of joint industry-university research and development, Mr. DeLauer said, claiming that support is evidenced in VHSIC funding and the recent creation of the so-called "Nth generation system program."

Nonetheless, Mr. DeLauer said last Wednesday he had spent much of that morning trying to justify additional VHSIC spending to a Congressional budget committee. He did not say if a decision on increased spending had been made.

Meanwhile, Mr. DeLauer said the Defense Department is supporting MCC. "We're going to try to set it up so the Department of Defense can indeed provide funding for MCC," he said.

Control Data Corp.'s Mr. Lacey, whose company inaugurated MCC, said the joint effort is necessary because at present the microelectronics and computer industries are suffering from needless R&D effort duplication. "For every corporation to rediscover what others have already learned represents waste of the most pernicious sort," he said.

Finally, the academic community was represented on the ISSCC panel by Stanford Electonics Lab's Mr. Meindl, who said that while the universities have long played a research role, there is little development at the academic level. Nonetheless, he said the potential of added financial support from industry is promising.

"Financial and technical support of these laboratories at unprecedented levels by several cooperating corporations is a promising recent development," Mr. Meindl said.●

THE RETIREMENT OF LEONARD PANAGGIO

● Mr. PELL. Mr. President, Rhode Island recently lost the services through retirement of Leonard Panaggio, a particularly wonderful booster, supporter, and amateur historian.

Leonard Panaggio and I are the same age and have known each other for many years and in this course of this time I have had an opportunity to see all the good he has done for his State and his native city of Newport. His industriousness and conscentiousness were of immense help to our whole community.

I am sad to see him retire, but he certainly deserves as many wonderful years as possible in our community to which he has contributed so much.

In this regard, I ask that the article from the Providence Sunday Journal

dated March 20, 1983, be printed in the RECORD.

The article follows:

RHODE ISLAND'S CHIEF BOOSTER TO STEP DOWN

(By S. Robert Chiappinelli)

PROVIDENCE.—When the Arab oil embargo of 1973 lengthened gas lines and shortened vacations, Leonard J. Pannaggio, state director of tourist promotion, countered with an advertisement that boasted: "Rhode Island—Four gallons long. Three gallons wide."

That upbeat approach was typical of Panaggio, who combines a belief in people's abiding desire to vacation with a love for his native state.

Panaggio is 64. His dark hair is thinning and graying, but his laughter still billows like the spinnaker of an America's Cup yacht. Tomorrow he will glide out of the poster-perfect world of sailboats and sunsets, shorelines and seagulls he has known for the last 31 years.

"I'm resigned that nobody's going to beat a path to my door," Panaggio said of retirement. "Once you're gone, you're gone."

As a boy Panaggio delivered papers to Navy ships docked in Newport and hung around the historical society and the old Newport Herald newspaper. As a man, he explores Rhode Island on leisurely Sundays, searching out the byways and backwaters of the tiny state he trumpets around the nation.

Panaggio started his own weekly newspaper in high school. He printed the Portsmouth Gazette and the Middletown News in a freezing rented room and still remembers the sound of the ink cracking on the roller.

After World War II service he began the Newport Topic, a weekly newspaper he sold after 17 weeks. Then he moved into tourist promotion, first with the fledgling Old Sturbridge Village in 1948 and then in 1952 with the Rhode Island Development Council—now the state Department of Economic Development.

Panaggio was told then that only 55 percent of the state's hotel rooms had showers or baths or both, and that if you excluded the Biltmore's 500 rooms the percentage dropped to 35. The only hotel in Warwick was the former Buttonwoods Inn. Now room capacity in Warwick is more than 1,200. There were 25 Rhode Island golf courses then; there are 49 now.

He sent a release to out-of-state newspapers that first year. One returned it with a note: "You are a July-August area. Not interested in this."

"That's when we came up with the idea of Rhode Island Heritage Month," Panaggio said of the month that features May breakfasts, Rhode Island Independence Day and Memorial Day events.

He also concentrated on late summer and fall fishing tournaments. The Atlantic Tuna Tournament began in Galilee in 1953 and became a big attraction for many years.

Other things fell into place.

Chain hotels began building here in the 1960s. State campgrounds were developed to the point where Panaggio says Burlingame, with 755 sites, is the largest state-owned family campground in New England.

There have been many components: the Newport Bridge, the resumption of the America's Cup races in 1958, the Newport Jazz and Folk festivals in the '50s and '60s, Block Island Race Week in 1965. But in Panaggio's eyes the biggest boost was the restoration of the Newport mansions.

"To me that was the big turning point," he said. "That's our Grand Canyon." For its 1981-82 fiscal year, the Preservation Society of Newport Country attracted 835,000 people who paid $2,120,343 to tour the mansions.

"We think we have gone from $18 million in 1952 to an estimated $450 to $500 million," Panaggio said of tourism around the state.

He estimates six million people come to Rhode Island for vacations or day trips each year, although there is no formula for computing that. "One thing that has never been done in the state has been a true survey of the industry," Panaggio said. Expense has prevented that. His office tracks attendance at beaches, mansions and other attractions.

"We are getting them from all states" as well as foreign countries, he said. Predictably, nearby states such as Connecticut, Massachusetts and New York head the list, but samplings have indicated many visitors from the Midwest, Florida, California, Texas, Maryland, Pennsylvania, New Jersey and North Carolina.

Panaggio skirts credit-taking, nothing that his state office cooperated but most development came through the private sector.

Often Panaggio's world is a long way from the brick factories and cramped quarters many Rhode Islanders know, The America's Cup, for instance, will pit boats from Canada, Australia, Italy, England, France and the U.S. Two Australian tour officials were in Newport two years ago confirming reservations for visitors from that country.

Panaggio estimates the cup races will bring $50 million to Rhode Island. He notes that summer rents in Newport range up to $1,000 a month for small places, and the syndicates rent huge estates, spend countless thousands on docking and maintenance fees and attract thousands of visitors. Panaggio will continue as press officer for the cup races this summer.

His wife, Monique, is public relations director of the Preservation Society of Newport County. They met in Casablanca, where Panaggio was stationed with the Air Force. Her father was a colonel with the French Army.

Both the Panaggio children grew up hearing of the wonders of the state and both live in Rhode Island. Len is co-manager of the Mooring Restaurant in Newport, and Madeleine is a teacher in Middletown who also works as a hostess at her brother's restaurant.

In retirement, Panaggio plans to combine travel and activities with the society of American Travel Writers, the Rhode Island Press Association and the American Friends of Lafeyette, and international organization of which he is president.

He hopes to continue promoting Rhode Island to anyone who will listen, of course.

"The only thing I'm glad for at this point is the alarm clock," Panaggio said. "I don't have to set it anymore."●

SECTION 504 OF THE REHABILITATION ACT

● Mr. WEICKER. Mr. President, I wish to advise you and our colleagues of an administration decision of great importance to disabled Americans. Yesterday I received the following letter from Vice President GEORGE BUSH.

THE VICE PRESIDENT,
Washington, D.C., March 21, 1983.

Hon. LOWELL WEICKER,
Chairman, Subcommittee on the Handicapped, Committee on Labor and Human Resources, Washington, D.C.

DEAR LOWELL: In view of your Subcommittee's concerns with possible modifications to the Section 504 coordination guidelines under the Rehabilitation Act of 1973, I am writing to advise you that the Department of Justice and the Presidential Task Force on Regulatory Relief have concluded their review and have decided not to issue a revised set of coordinated guidelines.

This decision brings to a close a lengthy regulatory review process during which the Administration examined the existing regulatory structure under Section 504, studied recent judicial precedents and talked extensively with Members of Congress and of the handicapped community. Especially important were the personal views and experience of those most directly affected by these regulations. The comments of handicapped individuals, as well as their families, provided an invaluable insight into the impact of the 504 guidelines.

A full evaluation of all the information brought to bear on this subject prompted the conclusion that extensive change of the existing 504 coordination regulations was not required, and that with respect to those few areas where clarification might be desirable, the courts are currently providing usefull guidance and can be expected to continue to do so in the future. In these circumstances, the Administration has decided not to proceed with its planned issuance of a revised set of proposed coordination guidelines.

I would like to thank you for your personal participation in this regulatory review process. Your commitment to equal opportunity for disabled citizens to achieve their full potential as independent, productive citizens is fully shared by this Administration and has the strong personal support of both the President and me. I hope you will continue to keep me informed of any developments in this area of such vital importance to our nation.

Sincerely,

GEORGE BUSH.

Mr. President, this letter comes as a great relief to disabled Americans and all who advocate for their cause. Section 504 of the Rehabilitation Act is a cornerstone in the construction of equal rights for the disabled. It is a cornerstone to be built upon, and I can assure my colleagues that the Subcommittee on the Handicapped intends to continue to do just that.●

NEW PRODUCTION REACTOR AT INEL

● Mr. McCLURE. Mr. President, I do not think it is any secret that I am very interested in the proposal to build a new production reactor to help supply the needs of our weapons program, and that I feel strongly that the benefits of locating the new reactor at the site of the Idaho Nuclear Engineering Laboratory, near Idaho Falls, Idaho, are clear and compelling. What is perhaps not so well known or understood is the depth of the interest, un-

derstanding, and support for this project which the people of southeastern Idaho have.

Last week, I presented the Secretary of Energy, Don Hodel, with petitions signed by some 1,600 people from the southeastern part of the State expressing their support for the project's being located in Idaho. These petitions are still coming into my office.

Recently, I was presented with copies of 60 letters from the students of the Gethsemane Christian School in Idaho Falls, Idaho. With a single exception, these students have concluded after studying the issue that they too, support placement of this new nuclear facility in Idaho.

I have selected a representative group of these student's letters, and I ask that they be printed in the RECORD. I certainly feel that these students are to be commended for having taken the time and initiative to study and form opinions about an issue of such great interest and importance to their community and their Nation.

The letters follow:

BLACKFOOT, IDAHO,
January 20, 1983.

Hon. DONALD P. HODEL,
Secretary, Department of Energy,
Washington, D.C.

DEAR SIR: I am writing to you about the plans for the reactor in Idaho. I am of the opinion that it should not be done. I feel that the tax payers are paying enough taxes to other things and do not need to take on any more.

Sincerely,

LORI FUNK.

IDAHO FALLS, IDAHO,
January 20, 1983.

Hon. DONALD P. HODEL,
Secretary, Department of Energy,
Washington, D.C.

DEAR MR. SECRETARY: Mr. Secretary, I am a Junior at Gethsemane Christian School. I am writing to tell you that I think the NPR is a project that Idaho can use. The NPR will provide us with the energy that we will need in the future and it will give the people who are unemployed a job. It will bring more people to Idaho, so it will give the businesses more business. I also think that if we get a reactor in Idaho and if people see what good it did, then perhaps people will cease to be afraid of it. I believe it will help us in many ways.

Thank you for taking time to read this letter.

Thanks again,

HOPE LYNN TAYLOR.

IDAHO FALLS, IDAHO,
January 15, 1983.

Hon. DONALD P. HODEL,
Secretary of Department of Energy,
Washington, D.C.

DEAR SIR: I am writing regarding the reactor coming to Idaho Falls. I know the main reason for this reactor is to produce tritium for nuclear weapons, but if built in Idaho, the NPR would also produce electricity. I think this would save more money and give more jobs to the unemployed.

Sincerely,

TODD WOOD.

IDAHO FALLS, IDAHO,
January 16, 1983.

CHAMBER OF COMMERCE,
525 Yellowstone Avenue,
Idaho Falls, Idaho.

DEAR SIR: I would like very much to state my feelings about the nuclear reactor which is going to be constructed in one of the three locations selected by the Department of Energy. I would like the reactor to be built in Idaho. The vast area of land would be an ideal location for the nuclear reactor. The economy of Idaho needs the job opportunities provided by the nuclear reactor.

Sincerely,

KRISTIE A. GROTHAUS.

IDAHO FALLS, IDAHO,
January 14, 1983.

CHAMBER OF COMMERCE,
525 Yellowstone Avenue,
Idaho Falls, Idaho.

DEAR GENTLEMEN: I am a seventh grade student at Gethsemane Christian School located at 2345 Broadway here in Idaho Falls, Idaho.

I am forwarding this letter for a school project concerning the Breeder Reactor, coming to this area, that I am very much in favor of, instead of South Carolina on the Savannah River.

I personally feel that one of the reasons that the Breeder Reactor should be located here is because of the job opportunity that it would provide for the community, and it will also help to stabilize the electricity shortage.

Yours sincerely,

SHAWANNA D. WARREN.

IDAHO FALLS, IDAHO,
January 20, 1983.

Hon. DONALD P. HODEL,
Secretary, Department of Energy,
Washington, D.C.

DEAR SIR: I am writing to express my ideas about the Breeder Reactor II.

I support locating the Breeder Reactor at Idaho National Engineering Laboratory West of Idaho Falls.

There are over 5,000 highly qualified nuclear engineers presently working at the site. There are also excellent support facilities avaialble.

Locating the Reactor at I.N.E.L. would create thousand of new jobs for people to build it. Then there would be about 400 permanent jobs for people to operate it.

There is already available transportation and housing for the workers in the surrounding cities.

I would appreciate your support for locating the Breeder Reactor in Southeastern Idaho.

Sincerely,

JON PRIGGE.●

NEGOTIATIONS IN EL SALVADOR

● Mr. HELMS. Mr. President, the other day I came across a letter to the editor of the Charlotte (N.C.) Observer in which Mr. Nat Hamrick of Rutterfordton, N.C., discussed in a most erudite fashion some of the current problems in U.S. policy regarding El Salvador. He noted that the U.S. is imposing policies upon that country that we would never dare attempt in our own country.

Mr. President, Mr. Hamrick also discussed the senselessness of demanding that the current Government of El Salvador negotiate with the guerrillas who are conducting a reign of terror there. Even if an agreement could be reached, he contends, there would be the same scenario that existed in Nicaragua some years back. In that country, less than 3 years ago, the Sandinistas promised to hold elections in 6 months. To date there have been no elections. Instead, 20 percent of the population has fled the country, and thousands are in political prisons.

Mr. President, Mr. Hamrick concludes by reminding us of the grave consequences if we fail in El Salvador. Where, asks Mr. Hamrick, will 20 million Salvadorans go? The answer to that is simple—across our southern border into the United States.

Mr. President, I ask that the letter to the editor be printed in the RECORD at the conclusion of my remarks.

The letter follows:

OBSERVER'S SALVADOR EDITORIAL "NAIVE"

As a long-time observer and frequent business traveler in Central America, I read with sad concern The Observer's March 2 editorial ("U.S. Dilemma: What To Do In El Salvador?") and Ernest Conine's March 2 column ("U.S. Policy Drifts As Central American Situation Worsens") on the Central American regional problem.

Both the naive editorial and Conine's statistic-filled column draw dangerous conclusions, which, if acted upon by the U.S. government, will certainly result in unspeakable suffering and bloodshed in Central America and serious violence to the security of the United States.

First, you neglect a few geographic and demographic facts. The Central American isthmus, beginning at the southern border of Mexico and stretching to the northern frontier of Colombia, is at all points nearer Charlotte than are Denver or Albuquerque.

With less area than the Southeastern United States and considerably fewer inhabitants, diverse in topography and ethnic makeup, it is definitely not in Southeast Asia. With the exception of small areas in Guatemala and El Salvador, it is not overcrowded. Nicaragua is slightly larger than North Carolina, with less than half our population. Honduras is slightly smaller with about half the population, and Guatemala has about the same population and area as the Old North State.

Central American countries have traditionally fed themselves and exported a considerable agricultural surplus. Now, thanks to the "enlightened socialist reform" being exported from Cuba and Nicaragua at gunpoint, that is past.

Land reform, in the abstract a marvelous idea and I understand a tremendous success in Taiwan and Japan, in the Western hemisphere is an unmitigated failure. The Mexican land confiscation program, Eijido policy, which began in the 1920s and continues today with a vengeance, finally passed 1916 production levels in the late '50s and has since stagnated, compounding that nation's desperate situation. The Sandinista Communists in Nicaragua have confiscated over 60 percent of the farm land of that country and production has fallen by more than half in less than three years.

The Salvadoran land reform conjured up by those fantastic Ivy League farmers of

Foggy Bottom, if attempted in North Carolina, would guarantee instant revolution. Imagine the reaction of N.C. farmers if a foreign government coerced our government into confiscating all land holdings of over 200 acres with a promise to pay in the distant future, and, at the same time, all banks and exports were taken over by that government.

This naive insanity has practically destroyed the Salvadoran economy in less than two years. Harvest of crops like cotton and sugar, which can only be profitably cultivated on large tracts of land, are at half their former levels. Salvador now imports food.

You also state that the United States should encourage the government of El Salvador to negotiate with the communist rebels—rebels who maintain their propaganda radio station and command post inside Sandinista Communist Nicaragua. These communist rebels, drawn from all over the underground terrorist and Marxist world, refused to vote in the last election and threatened Salvadoran citizens who did with death.

What right does the elitist U.S. State Department have to force negotiations with these common criminals? And who are you proposing the Salvadoran government should negotiate with? The Cubans, the Bulgarian advisors? Why not go directly to Andropov?

And suppose you succeed in reaching an accord with these communist psychopaths. These are the blood brothers and, in many cases, the same people who agreed in Nicaragua less than three years ago to hold elections in six months. There have been no elections. Instead 20 percent of the population of Nicaragua has fled the country. Over 1% are in political prisons.

These "honorable gentlemen" openly state that they intend to create "a union of Central American Socialist Republics," and hold classes at their universities on the organization of inter-city terrorist squads. Is Mexico next? Or the Latin ghettos of the Southwest United States?

The Nicaraguan experience and the history of communist victory all over the world is a sad travail of blood, poverty and refugees. If we allow our State Department to assist in propelling El Salvador into this mournful parade, where will 20 percent of five million Salvadorans go? And what of Guatemala? Will these refugees be welcome in tottering Mexico, or will they continue to flood into the United States?

Then what of poor, abused Mexico? With luck, 20 percent of 100 million hungry Mexicans may take up residence on the banks of the Potomac. That sort of bread line might finally convince Washington that there is no domino theory. The fallen dominoes will then be a fact.●

VICTORY FOR HANDICAPPED RIGHTS

● Mr. MITCHELL. Mr. President, an article in this morning's Washington Post reveals that the administration has abandoned its effort to weaken civil rights regulations for the handicapped under section 504 of the Rehabilitation Act of 1973. Mr. President, I am pleased at this decision and commend advocates for the handicapped on their victory.

Nearly 10 years ago, Congress passed the Rehabilitation Act with the intention of helping handicapped individuals lead more independent lives and to prohibit the recipients of Federal financial assistance from discriminating against them or denying them benefits. In so doing, Congress codified a bill of rights for disabled people. It declared emphatically that they were to have equal access to the benefits of society which others commonly enjoy.

April 28, 1983, will mark the sixth anniversary of the regulations promulgated under section 504. Unfortunately, these and other regulations affecting the handicapped were targeted by the administration as being ripe for reform. Last year, the Department of Justice, which is responsible for issuing civil rights guidelines for all Federal agencies for compliance with title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, and section 504 of the Rehabilitation Act of 1973, drafted proposed changes to the 504 regulations with the intent of reducing the discrimination prohibitions affecting the recipients of Federal financial assistance. Those changes were never published, but they were widely circulated, prompting strong opposition from a number of civil rights advocates.

I am gratified that the administration has finally recognized the legitimacy of existing regulations under section 504. They are designed to insure civil rights for the handicapped in education, employment, physical accessibility, and a broad range of other areas. In short, they give disabled Americans the opportunity to participate fully in the activities of everyday life, participation with all of the rights and responsibilities attendant to it.

While the courts have played and will continue to play an active role in the dispute over handicapped issues, I am relieved that this subject has been removed from the administration's agenda for regulatory reform.

Mr. President, the gains realized by the handicapped in recent years have been hard fought. Now is not the time to back away from such progress. Rather, it is time to reaffirm the rights of the handicapped to insure they can be productive members of society and have the fullest opportunity to lead independent lives.●

PEOPLE VOTE NO ON NUCLEAR FREEZE RESOLUTION

● Mr. HELMS. Mr. President, 2 or 3 weeks ago, the county commissioners in Surry County, N.C., voted in favor of a nuclear freeze resolution. Following that vote, the Mount Airy News, the daily newspaper in that county, decided to see if the people agreed with the commissioners. Believing that the commissioners were misinformed, or ignorant on the issue, Barbara Case Summerlin, editor of the newspaper, conducted a poll on the question.

Mr. President, when the vote was tallied, the people had voted 10 to 1 against the nuclear freeze resolution. I think it is important to note that there was no partisan aspect involved in this decision of the people. In fact, the distinguished editor of the Mount Airy News, Mrs. Summerlin, pointed out that Surry County is a heavily Democratic county having only one elected Republican official. The people voted on the basis of the facts, once they had an opportunity to hear both sides of the issue.

Mr. President, I congratulate Mrs. Summerlin for having the courage and integrity to face this issue. If there were more editors of her talent and caliber, we would be a better informed nation.

Mr. President, the people in Surry County did not vote in favor of nuclear conflict—they wish to achieve peace without armed conflict. To do this, they understand that the Soviets must be deterred from starting a war. History shows that the best way to avoid war is to be able to fight one. Forces that cannot win cannot deter war.

Mr. President, that we in the Congress are doing a poor job of explaining the real issue at stake in the so-called freeze movement. As editor Summerlin points out, this is an issue that crosses party lines in rural America. The Reagan administration goal of peace through strength is of such vital importance that I believe the people in the United States of America have a right to know and understand what is really at stake. The Mount Airy News had the courage to stand up for a strong national defense. And when the "freeze" issue was explained to the people, they voted overwhelmingly against a nuclear freeze resolution.

Mr. President, I ask that the Mount Airy editorial be printed in the RECORD.

The editorial follows:

COMMISSIONERS ERRED ON FREEZE ISSUE

Ask 1,000 different people for their opinion on national defense and none is likely to say they favor nuclear war. Most would agree that a peaceful solution is the ideal one to U.S.-Soviet hostilities. But since the nuclear arms issue is not a matter of simply accepting or rejecting atomic warfare, we greatly resent Monday's passage of a nuclear freeze resolution by the Surry Board of Commissioners.

While individuals have the right to formulate their own opinion about a nuclear freeze, it is not appropriate for five county officials to take a pro-nuclear freeze position on behalf of Surry's nearly 60,000 residents.

The commissioners have responsibility for supervising local policies and setting the tax rate, but they lack the right and the authority to make a sweeping statement on complex matters like the arms race.

In no way do we wish to suggest that opposing a nuclear freeze is akin to favoring nuclear conflict—war, nuclear or not, has

never been a viable way to settle disagreements between countries.

But there is so much privileged and confidential information about the nuclear arms issue—known only to the president and top defense and military people—that prevents the average person from forming an absolute opinion on what America's defense posture.

The same goes for the commissioners.

So when faced with the prospect of relying on the position of Defense Secretary Caspar Weinberger—or that of Robert Merritt, Paul Hodges and other local pro-freeze advocates—we must cast our lot with "insiders" who say we must maintain a vigorous defense to offset gains by the Soviets. Since 1974, the Russians have out-produced the U.S. in both conventional and nuclear weapons, according to Weinberger.

If the U.S. froze its nuclear weapons, it would be taking the nice and honorable course of action.

The problem is, the Russian government is not nice and honorable. As was noted in a past editorial, the Russians are an aggressive super-power with a 60-year legacy of infiltration, subversion and rolling over weaker nations.

So at this point in time, it doesn't seem sensible for the U.S. to let down its guard and become pacifist with the Communists.

It would seem the Soviets, on the other hand, would love a U.S. freeze on nuclear weapons. Who is to say they are not power-hungry enough to try to take advantage of the situation? It would also behoove them to become involved in anti-nuclear movement in our country to try to bring this about.

The U.S. simply cannot allow the Soviet to wield a mighty weapon—total nuclear superiority—over the world. How could we ever be sure the Russians would conform to any bilateral freeze?

The most important job of government IS defense; protecting our interests and our borders from those who are not as democratic as we. Is it logical to abandon our position in the nuclear arms race, which is probably the same as abandoning our defense?

We would like to hear from our readers on their opinion on this issue, which our government now is grappling for ways to deal with. Please consider filling out the questionnaire below and returning it to us, so we can pass the results on to our elected officials. (You do not have to include your name and address). Remember, we are not asking whether or not you are against nuclear war, but how you think we should deal with the problem.

CIRCLE YOUR ANSWER

1. Do you approve of the county commissioners' passage of a nuclear freeze resolution? Yes or no.
2. Do you favor a nuclear freeze? Yes or no.
3. Do you favor increased defense spending? Yes or no.
4. Can you suggest an alternative to either extremes? Yes or no.

Name and address.●

DEATH OF ASHTON PHELPS OF NEW ORLEANS

● Mr. JOHNSTON. Mr. President, it was with great sadness that I learned this morning of the death of one of Louisiana's most respected and admired citizens, Mr. Ashton Phelps of New Orleans.

Mr. Phelps was chairman of the board of the Times-Picayune Publishing Co., and had been active in the publication of Louisiana's largest newspaper, the Times-Picayune for nearly 25 years.

He joined the newspaper company in 1950, leaving a successful law practice because, he said later:

I thought the challenge was much broader in running a newspaper than representing individual clients. I felt it was vital to the progress of the city.

Like his father and grandfather before him, whose management of the newspaper dates back to 1914, Ashton Phelps' stewardship of the Times-Picayune was distinguished by a remarkable devotion to his community.

As a newspaperman, Ashton Phelps was dedicated to the education and enlightment of the public, and to this task applied the very standards of journalism.

But he also believed that the newspaper could be, and should be a powerful force for the growth of the New Orleans region, and for the social and cultural advancement of its people.

His lifelong commitment to those ideals will leave a profound and lasting mark on the city of New Orleans and on the generations of its citizens whose lives have been enriched by the devoted service of this extraordinary man.

We mourn his passing and extend our prayers and condolences to his family.●

ORDER FOR CONVENING OF THE SENATE AT 10 A.M. TOMORROW

Mr. BAKER. Mr. President, it is now 20 minutes to 12, and we have an order to convene at 9 in the morning. I ask unanimous consent that the order be changed to 10 a.m. tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, there will be no more rollcall votes tonight.

Mr. President, before the Senate returns to the consideration of the social security bill——

The PRESIDING OFFICER. The Senate will be in order. The staff will cease conversations.

The majority leader.

ORDER FOR COMMITTEES TO MEET TOMORROW

Mr. BAKER. Mr. President, earlier tonight, I asked unanimous consent for committees to be permitted to meet tomorrow until 2 p.m. I withdrew the request, and now I have cleared on both sides the request I am about to put.

With the exception of the Foreign Relations Committee, I ask unanimous consent that all committees may be permitted to meet until 2 p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask the Chair to lay before the Senate the social security bill and at that time we will have an amendment laid down and it will be the intention of the leadership to ask the Senate to go out.

SOCIAL SECURITY ACT AMENDMENTS OF 1983

The PRESIDING OFFICER. The clerk will state the pending business.

The bill clerk read as follows:

A bill (H.R. 1900) to assure the solvency of the social security trust funds, to reform the medicare reimbursement of hospitals, to extend the federal supplemental compensation program, and for other purposes.

The Senate resumed consideration of the bill.

UP AMENDMENT NO. 111

(PRINTED AMENDMENT NO. 534)

The PRESIDING OFFICER. The question is on the amendment of the Senator from Indiana.

Mr. DOLE. Mr. President, that is one amendment of the Senator from Indiana that has not been agreed to by the distinguished Senator from Louisiana.

So I ask unanimous consent that it be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, let me state for Members who still may be here that the Senator from Kansas had a discussion with the chairman of the Ways and Means Committee. We are already in the process of sort of preliminary conference. We have most of the documents. We finished certain sections in the bill. We are starting at the staff level already to more or less go through some of the conference material. It is our hope that we can have the cooperation of Senators tomorrow morning and be in conference by 3 or 4 p.m. tomorrow afternoon and bring the bill back here tomorrow. It will not be a long conference, I do not believe.

So I hope Members will not feel compelled to tell us everything they know about their amendments, and we would be very happy to try and expedite the process in the morning so we could finish the bill by 1 or 2 p.m.

The PRESIDING OFFICER. The Senator from Montana is recognized.

UP AMENDMENT NO. 119

(Subsequently numbered amendment No. 535.)

(Purpose: To provide a credit against the Old-Age, Survivors, and Disability Insurance Tax to small business employers for 1984)

Mr. BAUCUS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Montana (Mr. BAUCUS for himself, Mr. QUAYLE, Mr. NUNN, Mr. SASSER, Mr. GORTON, Mr. PRYOR, Mr. ABDNOR, and Mr. HUDDLESTON) proposes an unprinted amendment numbered 119.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 68 of the matter proposed to be inserted, beginning with line 19, strike out all through page 71, line 9, and insert in lieu thereof the following:

SEC. . ACCELERATION OF INCREASES IN FICA TAXES; 1984 TAX CREDITS.

(a) ACCELERATION OF INCREASES IN FICA TAXES.—

(1) TAX ON EMPLOYEES.—Subsection (a) of section 3101 of the Internal Revenue Code of 1954 (relating to rate of tax on employees for old-age, survivors, and disability insurance) is amended by striking out paragraphs (1) through (7) and inserting in lieu thereof the following:

"In cases of wages received during:	The rate shall be:
1984, 1985, 1986, or 1987.	5.7 percent
1988 or 1989	6.06 percent
1990 or thereafter	6.2 percent.".

(2) EMPLOYER TAX.—Subsection (a) of section 3111 of such Code is amended by striking out paragraphs (1) through (7) and inserting in lieu thereof the following:

"In cases of wages received during:	The rate shall be:
1984, 1985, 1986, or 1987.	5.7 percent
1988 or 1989	6.06 percent
1990 or thereafter	6.2 percent.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to remuneration paid after December 31, 1983.

(b) 1984 TAX CREDITS.—

(1) IN GENERAL.—Chapter 25 of such Code is amended by adding at the end thereof the following new section:

"SEC. 3510. CREDITS FOR INCREASED SOCIAL SECURITY TAXES AND RAILROAD RETIREMENT TIER 1 EMPLOYEE TAXES IMPOSED DURING 1984.

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by section 3101(a) on wages received during 1984 an amount equal to 3/10 of 1 percent of the wages so received.

"(b) TIME CREDIT ALLOWED.—The credit under subsection (a) shall be taken into account in determining the amount of the tax deducted under section 3102(a).

"(c) WAGES.—For purposes of this subsection, the term 'wages' has the meaning given to such term by section 3121(a).

"(d) APPLICATION TO AGREEMENTS UNDER SECTION 218 OF THE SOCIAL SECURITY ACT.—For purposes of determining amounts equivalent to the tax imposed by section 3101(a) with respect to remuneration which—

"(1) is covered by an agreement under section 218 of the Social Security Act, and

"(2) is paid during 1984,

the credit allowed by subsection (a) shall be taken into account. A similar rule shall also apply in the case of an agreement under section 3121(l).

"(e) CREDIT AGAINST RAILROAD RETIREMENT EMPLOYEE AND EMPLOYEE REPRESENTATIVE TAXES.—

"(1) IN GENERAL.—There shall be allowed as a credit against the taxes imposed by sections 3201(a) and 3211(a) on compensation paid during 1984 and subject to such taxes an amount equal to 3/10 of 1 percent of such compensation.

"(2) TIME CREDIT ALLOWED.—The credit under paragraph (1) shall be taken into account in determining the amount of the tax deducted under section 3202(a) (or the amount of the tax under section 3211(a)).

"(3) COMPENSATION.—For purposes of this subsection, the term 'compensation' has the meaning given to such term by section 3231(e).

"(f) SMALL BUSINESS CREDIT AGAINST FICA TAXES.—

"(1) IN GENERAL.—In the case of a qualified small business, there shall be allowed as a credit against the tax imposed by section 3111 (a) with respect to wages paid during 1984 with respect to employment an amount equal to 0.3 percent of such wages.

"(2) LIMITATION.—The aggregate amount of the credit allowable to any qualified small business under paragraph (1) shall not exceed $500.

"(3) QUALIFIED SMALL BUSINESS.—

"(A) IN GENERAL.—The term 'qualified small business' means an employer who employs no more than 50 employees in employment at any time during 1984.

"(B) AGGREGATION OF EMPLOYEES.—In determining the number of employees of an employer for purposes of subparagraph (A), all employees of—

"(i) any trade or business (whether or not incorporated) which is under common control with such employer (within the meaning of section 52(b)), or

"(ii) any member of any controlled groups of corporations of which such employer is a member,

during any period of 1984, shall be treated as being employed by such employer during such period. The Secretary shall prescribe regulations which provide attribution rules that take into account, in addition to the persons and entities described in the preceding sentence, employers who employ employees through partnerships, joint ventures, and corporations.

"(C) CONTROLLED GROUPS OF CORPORATIONS.—For purposes of this paragraph, the term 'controlled group of corporations' has the meaning given to such term by section 1563(a), except that—

"(i) 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears in section 1563(a)(1), and

"(ii) the determination shall be made without regard to subsections (a)(4) and (e)(3)(C) of section 1563.

"(4) TIME CREDIT ALLOWED.—The credit allowable under paragraph (1) shall be taken into account in determining the amount of any deposit or payment of the tax imposed by section 3111(a) which the employer is required to make to the Secretary with respect to any period.

"(5) DEFINITIONS.—For purposes of this subsection—

"(A) WAGES.—The term 'wages' has the meaning given to such term by subsections (a) and (t) of section 3121.

"(B) EMPLOYMENT.—The term 'employment' has the meaning given to such term by section 3121(b).

"(6) RETURNS.—Any return of the tax imposed by section 3111(a) made with respect to wages paid in 1984 shall include a statement which identifies the maximum number of employees employed by the employer at any time during the period to which such return relates.

"(g) COORDINATION WITH SECTION 6413(c).—For . . .

Mr. BAUCUS. Mr. President, this is the employer credit amendment which I have discussed by "Dear Colleague" letter to various Members of the Senate already. I will discuss this amendment further tomorrow.

Let me just say at this moment this is an amendment which I think Members could agree to. It does not break the National Commission package. It is a modest amendment. It is an equitable amendment. It is a small business amendment. I think that when Members examine it and examine it closely they will agree it should be passed.

Mr. President, it is my understanding my amendment will be the pending business tomorrow.

Therefore, Mr. President, I yield the floor.

RECESS UNTIL 10 A.M. TOMORROW

Mr. BAKER. Mr. President, if no other Senator is seeking recognition and if the minority leader has no further business to transact, I now move that the Senate stand in recess until the hour of 10 a.m. tomorrow.

The motion was agreed to; and at 11:43 p.m., the Senate recessed until tomorrow, Wednesday, March 23, 1983, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate March 22, 1983:

DEPARTMENT OF ENERGY

Theodore J. Garrish, of Virginia, to be General Counsel of the Department of Energy, vice R. Tenney Johnson, resigned.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. Donn A. Starry, [redacted] (age 57), U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. John D. Bruen, [redacted] U.S. Army.

IN THE NAVY

The following-named commanders of the Line of the Navy for Promotion to the permanent grade of captain, pursuant to title 10, United States Code, section 624, subject to qualifications therefore as provided by law:

UNRESTRICTED LINE OFFICER

To be captain

Abbey. Donald Lewis
Ahern, David Gaynor
Ahlborn, Edward Richard, Jr.
Allen, John E.
Anson, Robert, Jr.
Avery, Donald William, Jr.
Bailey, James Lindsey
Bailey, Larry Weldon
Balinkwhite, Linda Joan
Ballard, Don Eugene
Barney, William Clifford
Barthold, Todd Alan
Batzel, Thomas Joseph
Baumhofer, William James
Bean, Charles Dunbar
Bell, Denis Joseph William
Bell, Merlin Gene
Bennitt, Brent Martin
Berg, John Stoddard
Berry, Russell Elliott, Jr.
Blakeley, William Robert
Bonds, John Bledsoe
Boston, Michael Rhodes
Branch, Allen Drue
Brittingham, Edward Michael
Brown, Carroll Dean
Brown, David Charles
Browne, Herbert A., II
Brun, Charles Robert
Buescher, Stephen Meredith
Bustamante, Charles Joseph
Calhoun, Ronald Joel
Campbell, Guy Reeder, III
Canady, Paul Allen
Carl, Lester William
Cash, Roy, Jr.
Cassiman, Paul Arthur
Chapman, Austin Eugene
Chappell, Stephen Francis
Clark, Hiram Ward, Jr.
Coady, Philip James, Jr.
Colavito, Thomas Joseph
Coleman, Jon Suber
Colucci, Anthony Robert
Conley, Dennis Ronald
Coshow, George Horace, II
Coulter, William Laurence
Crooks, Richard Alan
Curtis, Richard Bradford
Dalton, Gerard Holbrook
Dalton, Henry Frederick
Dannheim, William Taylor
Davis, Eugene Berkeley
Davis, Henry Hooper, Jr.
Decarli, Wiley Paul
Dekshenieks, Vidvuds
Denault, Donald Raymond
Denning, William James, III
Deutermann, Peter Thomas
Dougherty, Robert Joseph
Earner, William Anthony, Jr.
Efird, William Alexander
Ellis, Winford Gerald
Emery, George Williams
Evans, Irvin Christopher, Jr.
Ferguson, Thomas Edward
Fiori, Mario Peter
Fister, George Rodwell
Fitzgerald, James Richard
Flanagan, William John, Jr.
Fontana, James David
Franz, Rodney Crane
Frazer, Paul David
Freibert, Ralph William
French. John C., Jr.
Frick, Frederick Mark
Fritz, Thomas Wayne
Froehlich, Edward William Jr.
Gaines, George L.
Gaston, Mack Charles
Gautier, James Berry
Gaylord, Reginald F., Jr.
Gerwe, Franklin Henry, Jr.
Ghrer, Grady Francis
Gill, Russell Carter
Gilroy, Vincent J., Jr.
Giorgio, Frank Arthur, Jr.
Glasier, Peter Keith
Glover, Jimmy Neal
Glover, William Ferguson
Goodloe, Robert Vannerson, Jr.
Gormly, Robert Anthony
Graef, Peter John
Graham, Ian Keith
Graham, Walter Harry
Granuzzo, Andrew Aloysius
Griffith, Douglas Kent
Grubb, Robert George
Gubbins, Philip Stanley
Habermeyer, Howard W., Jr.
Hadley, Allan William
Hahn, Willian Dillon
Hanley, James Joseph
Harken, Jerry Lynn
Harris, Arthur Charles, III
Hartman, Richard Henry
Heilig, John
Hendon, Jerry Edwin
Hillis, Robert J.
Hilton, Francis Warren, Jr.
Hogan, James Joseph, III
Hoivik, Thomas Harry
Home, Thomas Timings, Jr.
Huchting, George Arthur
Hughes, William Charles, Jr.
Huling, John McKee, Jr.
Huss, Jerry Francis
Itkin, Richard Ivan
Jackson, Virgil Frank, Jr.
Jacobs, Philip Henley
Jenkinson, William Raymond
Johnson, Richard Leroy
Johnson, Willian Spencer
Johston, Thomas Franklyn
Jones, Dennis Alan
Jordan, James Francis
Jordan, John Franklin, Jr.
Kaiser, David Gordon
Karr, Kenneth Richard
Kelley, William Emanuel
Kiem, Robert Lang
King, George Leonard, Jr.
Knutson, Rodney Allen
Koch, Dean Henry
Koczur, Daniel Joseph
Kramer, Lawrence Joseph
Krekich, Alexander Joseph
Krotz, Charles Kit
Labyak, Peter Stephen
Lachata, Donald Martin
Lagassa, Robert Edward
Landers, Michael Francis
Leeke, Howard Warfield, Jr.
Lewis, Jerry Allen
Lewis, Lyle Eugene, Jr.
Lindell, Colen Richard
Livingston, Donald Joseph
Logan, Carl Flack
Long, Herman James, Jr.
Love, George Paul, III
Loy, Michael Howard
Lugo, Frank John
Lundy, George Willis, Jr.
Maier, Robert Alex
Marsden, Phillip Scherrer
Martin, Ronald Weldon
Martin, Walter Potts
Mathis, William Walter
Mays, Michael Everett
McAuley, John Anthony, Jr.
McCann, William Robert, Jr.
McCleary, Joseph Raymond
McCormick, James Thomas
McCrory, Donald Lee
McDevitt, Michael Allen
McDonald, John Joseph, Jr.
McGrath, John Michael
McGuire, Thomas Patrick
McHenry, John Walter
McKearn, Michael Clark
McKechnie, Thomas William
McKenna, Richard Bernard
McKenna, Russell Edmund, Jr.
McMillan, John Hammack
McWhinney, John Loren
Merz, Vincent Paul
Meyers, John Moberg
Miller, George Morey, III
Miller, John Michael
Millikin, Stephen Thomas
Mitchell, Robert Marvin
Mitchell, William J.
Monash, Richard Frank
Mooberry, William James
More, Alan Robert
Mullins, Willice Ralph, II
Musick, George Meredith, III
Mustian, Jonathan David
Naldrett, William John
Nash, Michael Arthur
O'Brien, Terence James
O'Brien, Thomas Joseph Jr.
O'Connor, Michael Bernard, Jr.
O'Keefe, Cornelius Francis
Olson, Donald Milton
O'Shea, Donald James
Pafias, James Ellis
Palmer, Jerry Dale
Parchen, William Robert
Parent, Donn Valentine
Park, John Prentiss
Parkhurst, Nigel Ernest
Patterson, Bernard Leo, III
Pesce, Victor Louis
Paneuf, Joseph Theodore, Jr.
Picotte, Leonard Francis
Pieno, John Anthony, Jr.
Plummer, Galen Robert
Porter, John Dudly
Porter, Richard Thilo
Raebel, Dale Virgil
Ranson, William M.
Reber, Peter Michael
Redd, John Scott
Robertson, Thomas James
Rohm, Fredric William
Rooney, Philip James
Roy, James Codori
Ruck, Merrill Wythe
Ruff, John Crawford
Ruliffson, James Howard
Sadler, Georgia Clark
Salmon, Harry Paul, Jr.
Santamaria, Donald Frank
Schery, Ferdinand Michael
Schrader, John Yale, Jr.
Schwab, James Alexander
Scott, Jon Paul
Seaquist, Larry Ray
Secades, Vincent Cecil
Shapard, James Richard, III
Sharer, Don Allen
Sharpe, Joseph Daniel, Jr.
Sharpe, Raymond Alexander, J.
Sheehan, John Wilfred, Jr.
Sheridan, Thomas Russell
Shillingsburg, John William
Skrzypek, John Anthony
Slater, Thomas Stafford

Smith, Robert Seward
Smyth, Gregory Stephen
Snyder, Donald Marshall
Soverel, Peter Wolcott
Stacy, Edward Gerhard
Stokes, Richmond Bruce
Stoddard, Howard Sanford
Stone, Thomas Edward
Sullivan, Joseph Cornelius
Sullivan, Kenneth David
Sullivan, Michael Edward
Tahaney, Hubert Francis, Jr.
Tate, James Andrew
Taylor, Wade Hampton, III
Testa, Ronald Fred
Testwuide, Robert Louis, Jr.
Thomassy, Louis Edward, Jr.
Tillotson, Frank Lee
Tobin, Paul Edward, Jr.
Toft, Richard Joseph
Turnbuli, James Laverne
Turner, James Richard
Tward, Clement Robert
Vanarsdall, Clyde James, III
Vanbrackle, Vernon Lamar, Jr.
Vanhoften, Scott Adrianus
Vernallis, Samuel Larry
Walters, Ronald Francis
Walther, Arthur Ernest
Warn, Jon Christian
Watkins, Donald Edward
Weniger, Marvin Joseph
Wernsman, Robert Lee
West, Walter David, III
Whalen, Frank Richard
Wilknson, John Glenn, Jr.
Willandt, Theodore August
Wilmot, Louise Currie
Wilson, Torrence Bement, III
Winters, Curtis John
Wise, Aubrey Lavoid
Wolf, Rexford Elwood
Wright, Donald Jay
Wright, Malcom Sturtevant
Yonov, Serge A.
Zabrocki, Alan Dale

ENGINEERING DUTY OFFICER

To be captain

Anderson, Richard Gleen
Calvano, Charles Natale
Clark, Arthur
Clark, Arthur Doron
Cohen, Steven Robert
Coyle, Michael Thomas
Donegan, John Joseph, Jr.
Edward, L. Vernon, Jr.
Fantin, Jonnie Ronald
Goodman, Donald M.
Howard, James Willoughby
Johnson, Alan Joseph
Johnson, Charles Edward
Kane, David Charles
Kinnear, Richard James
Maclin, Charles Sidney
Mulholland, Lyle Jerry
Schafer, Carl Edward, II
Schroeder, Arthur Frederick
Segrist, Edward Lewis, Jr.
Simpson, Michael Grant
Woodruff, Robert Bruce

AERONAUTICAL ENGINEERING DUTY OFFICER
AERONAUTICAL ENGINEERING

To be captain

Adams, John Robert
Andrews, James Randolph
Burcham, Devirda Houston, III
Chrans, Larry J.
Elberfeld, Lawrence George
Hagy, James Henry Dixon, Jr.
Hood, John Moody, Jr.
Iverson, Michael Martin
Key, Wilson Denver
Riley, David Richard
Ryan, Bruce Anthony

AERONAUTICAL ENGINEERING DUTY OFFICER
AVIATION MAINTENANCE

To be captain

Colvin, Clarence Earl
Oatway, William Hanlon, III
O'Connor, Thomas Robert
Wiggins, William Frederick

SPECIAL DUTY OFFICER CRYPTOLOGY

To be captain

Currie, Daniel Lee, Jr.
Ehret, Howard Charles
Gates, Jonathan Hubert
Malloy, Charles Joseph, Jr.
Moody, William Brooks Blais
Olson, David Edward
Patterson, Jeffrey Spear

SPECIAL DUTY OFFICER INTELLIGENCE

To be captain

Agnew, James Robert
Billingsley, Christopher
Buckley, Thomas Daniel
Covington, William Ellerbe
Ellsworth, Thomas Burpee, Jr.
Frost, John Allen
Idleberg, Norman
Juengling, Robert George
Life, Richard Aaron
Poellnitz, Walter Durand, III
Trafton, Robert Truman

SPECIAL DUTY OFFICER PUBLIC AFFAIRS

To be captain

Bennett, Richard Allan
Coupe, Jay, Jr.
Martin, John A.
Resweber, Owen Joseph, Jr.

SPECIAL DUTY OFFICER GEOPHYSICS

To be captain

Hammer, John Levering, III
Hoffman, Carl Walter
Honhart, David Crosby
Jensen, Jack James
Wright, Julian Maynard, Jr.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of colonel, under provisions of title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

Ainsley, William S., III, xxx-...
Allega, Alfred J., xxx-...
Arick, John C., xxx-...
Austin, Lowell E., Jr., xxx-...
Baggette, John C., xxx-...
Barnum, Harvey C., Jr., xxx-...
Bartels, William C., xxx-...
Barton, Thomas Y., Jr., xxx-...
Beyma, Dennis C., xxx-...
Blot, Harold W., xxx-...
Brandon, James R., III, xxx-...
Bridgham, William T., Jr., xxx-...
Brown, Gene A., xxx-...
Butler, John M., Jr., xxx-...
Campbell, Thomas E., xxx-...
Carlon, Kenneth C., xxx-...
Carroll, John J., xxx-...
Castagnetti, Gene E., xxx-...
Cazares, Alfred F., Jr., xxx-...
Christmas, George R., xxx-...
Christy, Donald E., xxx-...
Cluff, Michael L., xxx-...
Conley, William J., xxx-...
Currie, Herbert L., xxx-...
Davis, Donald E., xxx-...
Douglas, Franics H., xxx-...
Draude,Thomas V., xxx-...
Edwards, Roy T., xxx-...
Ehlert, Norman E., xxx-...
Falkenbach, Robert W., xxx-...
Focht, George A., xxx-...
Furleigh, James R., xxx-...
Gadwill, Robert J., xxx-...
Gage, William R., xxx-...
Garten, Ronald C., xxx-...
Gaucher, Edmond D., Jr., xxx-...
Green, Robert R., xxx-...
Grosz, Nicholas H., Jr., xxx-...
Guy, John W., xxx-...
Hamilton, Francis X., Jr., xxx-...
Hancock, David, xxx-...
Hayes, Leonard C., xxx-...
Herney, Richard D., xxx-...
Hemphill, Frederick H., Jr., xxx-...
Hesser, William A., xxx-...
Hicks, James B., Jr., xxx-...
Howell, Jefferson D., Jr., xxx-...
James, Jack C., xxx-...
Jones, Patrick J., xxx-...
Jordan, Kenneth D., xxx-...
Kelbaugh, John R., xxx-...
Keller, Gerald J., xxx-...
Kirchner, Francis J., xxx-...
Kline, Joseph F., xxx-...
Korman, Robert C., xxx-...
Lecornu, John, xxx-...
Livingston, James E., xxx-...
Lochner, Richard E., xxx-...
Lucci, Michael J., xxx-...
Marcantel, William E., xxx-...
Marks, David E., xxx-...
Marsh, Dianne L., xxx-...
Mastrion, Robert J., xxx-...
McDonald, John C., xxx-...
McDonald, Lawrence J., xxx-...
McGowan, Michael J., xxx-...
McPherson, Richard G., xxx-...
Mertes, Lynn, xxx-...
Metzger, Thomas H., xxx-...
Mikkelson, John L., xxx-...
Mitchell, Neil F., xxx-...
Moore, Alfred H., xxx-...
Moore, Allen R., xxx-...
Moore, Brian D., xxx-...
Myatt, James M., xxx-...
Oberndorfer, Gerald J., xxx-...
Ogline, Fred E., xxx-...
Pappas, Robert L., xxx-...
Parker, Gary W., xxx-...
Pastino, Carmen N., xxx-...
Payne, John K., xxx-...
Ponsford, Reginald G., III, xxx-...
Pratt, Stanley G., xxx-...
Price, Donald L., xxx-...
Pritchett, Sara J., xxx-...
Reed, Lawrence E., xxx-...
Rich, Michael E., xxx-...
Riley, Edward F., xxx-...
Roesch, Maurice A., III, xxx-...
Romero, Joseph M., xxx-...
Ross, Dale C., xxx-...
Sheehan, John J., xxx-...
Spivey, John W., xxx-...
Stringer, J. K., Jr., xxx-...
Sweetser, Warren E., III, xxx-...
Tiebout, Robert A., xxx-...
Torrey, Philip H., III, xxx-...
Turner, Samuel D., Jr., xxx-...
Underwood, Joseph E., xxx-...
Vargas, Jay R., xxx-...
Vermilyea, Clyde L., xxx-...
Waddell, Bill D., xxx-...
Watt, Lewis C., xxx-...
Weber, Dwight D., xxx-...
Wehrung, Malcolm W., xxx-...
Williams, Thomas, Jr., xxx-...
Wilson, Robert J., xxx-...
Wright, Regan R., xxx-...
Zimmerle, Harvey L., xxx-...

EXTENSIONS OF REMARKS

NATIONAL PRAYER BREAKFAST

HON. ARLAN STANGELAND
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. STANGELAND. Mr. Speaker, I would like to insert in the CONGRESSIONAL RECORD, the transcript of the National Prayer Breakfast which was held on February 3.

NATIONAL PRAYER BREAKFAST, FEBRUARY 3, 1983, INTERNATIONAL BALLROOM, WASHINGTON HILTON HOTEL, WASHINGTON, D.C.

(Participants: President Ronald Reagan; Representative Arlan Stangeland, Co-Chairman; Representative Charles Whitley, Co-Chairman; Senator Harold Hughes; Secretary General Alejandro Orfila, Organization of American States; Senator David Durenberger; Edwin Meese III, Counsellor to the President; Dr. and Mrs. Derq Howlett, Shelton College, New Jersey; Representative Marjorie Holt; Governor William Winter of Mississippi; General John Vessey, Jr., Chairman, Joint Chiefs of Staff; Representative William Gray III; Dr. Billy Graham)

Senator HAROLD HUGHES, former Senator from Iowa. We thank you now for the bounty of the earth which you have given us this morning to eat, and we ask you blessing upon it in the name of Jesus Christ, Amen.

(The Campbell University Choir then sang.)

Representative STANGELAND. Good morning and welcome. I am Arlan Stangeland, Co-Chairman of this event, this 31st Annual National Prayer Breakfast. My other Co-Chairman is to my left, the Honorable Congressman Charles Whitley of North Carolina.

At this time I would like to call on His Excellency, Alejandro Orfila, Secretary General of the Organization of American States, for the opening prayer. I would like to recognize at this time Mrs. Orfila with His Excellency.

Secretary General ORFILA. Let us pray. We bow our heads in prayer in Your kind presence, O Lord, men and women from the nations of mankind, created free and equal in Your image and likeness, brothers and sisters whose lives do not always reflect the noble dignity of man.

Our imperfections lead us again and again into discord and strife. We recognize that conflict between individuals and nations arises from denial of love and from the absence of compassion. Where there is conflict, oppression and exploitation soon follow.

We ask your pardon, Almighty Father, for our doubts and fears, our failures and hesitation in the face of evil and injustice. Yet, Your truth continues to inspire us with a dream of a better world, a world perfected by a spirit of universal justice and lasting peace.

The prophet said that without vision the people perish. We have a vision, to enlarge human freedom and the solidarity of mankind.

Human freedom and solidarity, as a political ideal, leads to democracy, for this is government for the people and by the people; as a humanitarian expression, it inspires us to embrace the cause of human rights. Unless the rights of every human being are protected, the rights of none are secure; as a principle of social peace and social justice, solidarity binds labor and capital in a common cause for domestic well-being; as the foundation for world harmony, human freedom and solidarity promote mutual respect and equality of treatment for every nation.

This is our dream, O Lord, of a world that shatters barriers of hatred, self-pride and ignorance which undermine the unity of mankind; that builds a new city of man on the brotherhood of all peoples and of all nations; that moves toward the future along the difficult path of true dialogue, a dialogue in which all seek to listen and every human being and every nation are open to the other, all accept and respect the differences found in the human condition but also recognize the things mankind shares in common, all pursue the good of humanity, not through conflict, but through cooperation and consensus.

We will not fulfill this dream overnight, Almighty Father, but help us to begin now, to respond with boundless spirit to the outcries from the developing nations for a greater and more just share of the riches and bounty of nature, to help the inter-American family of nations to move forward as a universal symbol of neighbors determined to live in friendship and harmony, and to search for peace, not from time to time, but in our every waking and living moment.

We are grateful, O Lord, for this opportunity to praise Your goodness, and we thank the people of the United States for helping us through this National Prayer Breakfast of the Congress, to express mankind's total dependence upon You. In doing so, they provide a model for men and women everywhere who cherish Your truth and Your peace.

Finally, O Lord, we pray for the President and Mrs. Reagan, and leaders and people of this generous and magnificent country, the United States of America, which has given beyond its bounty and its substance to feed the hungry, to cure the sick, to house the homeless, and to forge peace across this planet. We ask you to bless them and all of those who, each in their own way, seek to praise Your creation and Your goodness. Amen.

Representative STANGELAND. Please be seated and enjoy your breakfast.

(Breakfast.)

Representative STANGELAND. If I could have your attention, please? Could I have your attention, please?

We are going to begin our program this morning, but please continue eating. First of all, the choir this morning came from Campbell University, Buies Creek, North Carolina. This group under the direction of Dr. Paul Yoder has in the past received many national honors, and I'm sure all of us agree they were highly deserved. I know you all want to join with me in expressing our appreciation to the choir for their outstanding performance this morning. (Applause.)

At this time I'd like to call upon the Honorable Senator, David Durenberger, of Minnesota to give the welcome and statement from the U.S. Senate, and I'd like to also at this time, then, recognize Mrs. Durenberger as well. (Applause.)

Senator DURENBERGER. Mr. President, Mrs. Reagan, sisters and brothers, and to some of you, de colores, my message today is my personal message—four years with the United States Senate Prayer Breakfast. It is that our faith in God brings us together to open at least once each week in a phrase that I think will be understood by our President and by our main speaker today—to open our individual windows of vulnerability, a vulnerability that comes only with the cognizance that the offices that we hold do not endow us with omniscience, much as our constitutents might presume that to be the case; vulnerability that comes with the acknowledgement that to be a good Senator or a good President or a good leader of any institution in a society such as ours, one must first be a good father or mother, a good husband or wife, and a good neighbor.

So the value of vulnerability is in reducing the ego to realistic and manageable proportions. And in recognizing, as our President did in his moving example to us two years ago, of the footsteps in the sand, and I quote his allegory, "During your times of trials and suffering, when you see only one set of footprints, it was then that I carried you."

To acknowledge that loving means giving and a family does not exist without sharing, that parenting is a responsibility best expressed as follows: "The real measure of success as a parent is something you cannot spend, it is the way your child describes you when talking to a friend."

And so, each Wednesday morning these Senators spend an hour together with the power of the spirit of God moving them, we shove open our individual windows of vulnerability. And sometimes the windows close quickly under the pressure of our daily schedules, the pressure of our staff, and the pressure to perform an act of political courage into the gale of contrary public opinion. But each Wednesday opening makes it that much more difficult to close our little windows of vulnerability.

And every so often we experience the wisdom of Sir Kenneth Clark in his moment of vision when he said, "Most errors of judgment arise from an absence of love, a lack of fine perception, and an inability to withstand the pressure and prejudices of time."

Or as Russell Long has taught us, from the message from the former Chaplain of the Senate, Peter Marshall, "God help us to stand for something lest we fall for everything."

The story is told that during World War I a chaplain stopped on a road in France after a bloody battle to minister to a dying soldier, who looked up, recognized the symbol of the religion, and said, "But Father, I

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

don't belong to your church." To which the chaplain responded, "That may be true, young man, but you do belong to my God."

It is through that sense of belonging that in the Senate Prayer Breakfast we have come to appreciate our own vulnerability as a means of acknowledging our deep faith in God, our hopes for ourselves, and our dependence on our love for others.

As we gather this morning from all corners of the world, may the spirit of the Lord move us to open our individual windows to the strength of His love. That is our greeting to you this day. (Applause.)

Representative STANGELAND. For the Old Testament reading I'd like to call on the Honorable Edwin Meese III, Counsellor to the President, and recognize as well at this time Mrs. Meese. (Applause.)

Counsellor MEESE. Mr. President, Mrs. Reagan, ladies and gentlemen: The Old Testament has many passages that remind us of the power and glory of God, and which describe what our relationship to God ought to be. One of these is Psalm 24.

"The earth belongs to God. Everything in all the world is His. He is the one who pushed the oceans back, to let dry land appear. Who may climb the mountain of the Lord and enter where He lives? Who may stand before the Lord? Only those with pure hands and hearts, who do not practice dishonesty and lying. They will receive God's own goodness as their blessing from Him, planted in their lives by God himself, their Savior. These are the ones who are allowed to stand before the Lord and worship the God of Jacob.

"Open up, O ancient gates, and let the King of Glory in. Who is the King of Glory? The Lord, strong and mighty, invincible in battle. Yes, open wide the gates and let the King of Glory in. Who is this King of Glory? The commander of all of Heaven's armies."

May this passage help us as we look forward to this breakfast this morning. (Applause.)

Representative STANGELAND. We will now be favored with a vocal solo by Mrs Beatrice Howlett.

Dr. HOWLETT. I'd like to announce the song for this morning. It's such a wonderful honor for us to perform on this wonderful occasion, to the glory of God. A beautiful song, written by Dr. Lyun Joon Kim. Mr. Kim is with us this morning, educator and composer who both founded and is Chancellor of Han Yang University in Seoul, Korea. The title of the song is "The Cross." (Applause.)

(The vocal solo followed.)

Representative STANGELAND. And now to bring us a welcome and a statement of purpose for the United States House of Representatives, the Co-Chairman of this event, the Honorable Charles Whitley, U.S. Representative from North Carolina.

Representative WHITLEY. I bring you greetings in the name of Christ from the House Prayer Breakfast Group, and it occurred to me that you might be interested in a few of the details about who we are and what we are, and what our meetings consist of.

For 40 years now we have had weekly meetings in the House of Members of Congress, in the morning, for a prayer breakfast assembly. We have always maintained an atmosphere of prayer, meditation, and fellowship in Christ. We meet each Thursday morning at eight o'clock. Attendance is limited to Members and former Members of Congress, our House Chaplain, and often a visiting member of a legislative body of another nation.

Our international guests are always called upon to share with us information about groups similar to ours back in their home countries. We are careful to avoid any spirit of partisanship by rotating our offices with a Democrat president one year and a Republican the next, and our typical Thursday morning meeting begins with the regarding of a verse of scripture, followed by a prayer and a hymn. Our unofficial chaplain then reports on Members or former Members of the House who have sickness or bereavement in their families.

The centerpiece of our program is a 20-minute presentation by one of our own members, again a Democrat one week, a Republican the next. And typically the speaker shares with us information on his personal background, the basis of his professional and political career, and almost always some intimate details about the influence of religion in his life.

This is followed by a brief period of questions and answers and comment, and it's significant to me that everyone I know who is regular in his attendance at our breakfast agrees that it's by far the highlight of our week, and of all of the things that we're involved in, the meetings of our committees and debates on the House Floor and informal conferences with people in the Executive Branch of government or caucuses, or whatever our activities of the week consist of, that this is the highlight of the week. And it's the thing—and I think Dave Durenberger put it very well when he said that it opens the windows of our vulnerability, and it gives us an opportunity to share real fellowship with each other without the restraints of partisan differences, without the restraints of differences of opinion on various issues.

And it's significant, I think, that a large number of former Members of Congress, when they have occasion to come back to Washington on business, and when they're here on Thursday mornings at the time of our Prayer Breakfast, they come and join us, and say that it's something that they always look forward to.

I think it's significant also that as we meet in the Capitol building on Thursday morning, as we meet here this morning, that other groups, thousands of groups throughout our Nation and throughout the world, are meeting in similar prayer breakfast groups and assemblies, and sharing with each other fellowship in Christ.

We invite all of you to pray with us as you meet in these similar groups throughout the world, and to pray for us, just as we ourselves pray that in all of our deliberations we may be led by the Spirit of Christ.

You know, it might be a little difficult to describe in concrete words all of the things that you derive and the benefits that you receive from this type of fellowship, but I think maybe I could describe it in this way. I don't believe I have ever looked at a Member of Congress, or encountered him in the hallway—or here—or in any other place, when I have heard that Member of Congress and heard his or her personal testimony at the Prayer Breakfast, that I felt the same way about that person again.

Those who regularly attend these meetings develop a sense of fellowship that's a little different from any sense of fellowship that we derive from our other experience.

I am reminded of the story about the rather ignorant old lady, and she had a grandson who had reached that stage that he was a little on the impudent side, and he was teasing her a little bit, and he asked her after she got home from church what the sermon was about and she couldn't remember; and what the scripture was, and she couldn't remember that. And he said, well, grandmother, why do you go to church? And she answered him this way, said, son, take that basket and go down to the spring and bring me back some water. So without thinking the lad took the basket and he went down to the spring and he dipped it in the water, and of course the water ran through the basket. And so he came back and said, grandmother, that basket won't hold water, and she said, that's right. But it's cleaner for the water having been through it. (Laughter.)

And I think all of our lives are enriched by the experience of fellowship in Christ. (Applause.)

Representative STANGELAND. To bring us the New Testament reading I am pleased to call on the Honorable Margie Holt, United States Representative from Maryland, and recognize with her this morning Mr. Holt. (Applause.)

Representative HOLT. Thank you. Mr. President, Mrs. Reagan, ladies and gentlemen, the New Testament reading is taken from Paul's letter to the Ephesians.

"May God, our Father, and the Lord Jesus Christ give you grace and peace. Let us give thanks to the God and Father of our Lord Jesus Christ, for in our union with Christ God has greatly blessed us with every spiritual gift in the heavenly world. Before the world was made God had already chosen us to be His in Christ so that we would be holy and without fault before Him. Because of his love God had already decided that through Jesus Christ he would bring us to himself as his Son. This was His pleasure and purpose. Let us praise God for His glorious grace, for the free gift He gave us in His dear Son, for by the death of Christ we are set free and our sins are forgiven. How great is the grace of God which He gave to us in such large measure. In all His wisdom and insight God did what He had purposed and made known to us, the secret plan He had already decided to complete by means of Christ. God's plan, which He will complete when the time is right, is to bring all creation together, everything in heaven and on earth, with Christ as head. For all things are done according to God's plan and decision and God chose us to be His own people in union with Christ because of His own purpose, based on what He had decided from the very beginning. Let us then, who were the first to hope in Christ, praise God's glory." (Applause.)

Representative STANGELAND. For the purpose of offering a prayer for national leaders, I am pleased to call on the Honorable William Winter, Governor of the State of Mississippi. Accompanying him is Mrs. Winter. (Applause.)

Governor WINTER. Will you join me in this prayer for our country and its leadership?

Oh, Lord, we thank Thee for the opportunity of living in this good land, in these days of change and challenge. Will You give us the courage and the vision to use this time to make this, our country, a better place, where the success of our joining together will not be measured by individual victories but by our common achievements, where compassion will always temper our triumphs and honor will attend our defeats, where integrity will be placed before advantage, and the search for truth will always be our ultimate goal, where the most privileged

of our citizenry will live without dominating, and the most deprived will live without fear of domination, and where all of us may have the grace and the understanding that comes from knowing Thee. Amen.

Representative STANGELAND. I am very pleased at this time to present to you the gentleman who will bring our message this morning. He is General John Vessey, Jr., Chairman of the Joint Chiefs of Staff, and accompanying him this morning is Mrs. Vessey. General Vessey. (Applause.)

General VESSEY. Mr. President, Mrs. Reagan, friends, and to borrow from Archbishop Sheen's greeting of a few years ago, "Fellow sinners":

What a great occasion this is. Over 3,000 people here, 120 different nations represented, the entire range of our own political spectrum, people with widely divergent views on what to do about the federal budget, defense spending, social programs, nuclear weapons, and almost any other issue of the day.

We are here together acknowledging our own human frailty, our lack of omniscience, and our dependence on God. Even more important, this diverse group is here together to ask God's help, not just for ourselves, but for each other and our fellowmen, as we wrestle in the days ahead with the world's problems, the nation's problems, and our own personal problems.

The power of God is surely here. It will touch us all, and we will surely be helped.

Many of you are probably wondering why in the world a soldier is standing here behind the podium, and I want you to know that I have pondered that same question a lot myself in the last few days. We have had a few soldiers and even some generals who have been great orators. In fact, General MacArthur's words in your program is one indication of that fact. But most of us are awful at it. (Laughter.)

I myself have three basic speeches. One is on tank maintenance (Laughter; applause), one is on helicopter maintenance (Laughter), and the third one is on reenlistment (Laughter).

Last weekend the seriousness of the task I have accepted for today began to weigh heavily on me and my thoughts kept turning to some of the truly great speakers I had heard at these breakfasts, Archbishop Sheen, Senator Hughes, Congressman Guy Vander Jagt, to mention a few. And I thought the best solution might be to go back and get a record of Mr. Vander Jagt's speech of a few years back and just play it here today.

On Sunday the Old Testament lesson was from Jeremiah, and Jeremiah was writing about a problem somewhat similar to mine. Jeremiah had written, "Now, the word of the Lord came to me saying, I appointed you a prophet to the nations. Then I said, oh, Lord God, behold I do not know how to speak, for I am only a youth"—that part's not similar (Laughter)—"but the Lord said to me, do not say, I am only a youth, for to all whom I send you shall go, and whatever I command you shall speak. Be not afraid of them, for I am with you to deliver you, says the Lord. Then the Lord put forth His hand and touched my mouth, and the Lord said to me, behold, I have put words in your mouth."

I reread the passage from Jeremiah a couple of times Sunday, after the Redskin game, and then the message seemed quite clear to me, and the message was, "Give them the reenlistment speech," (Laughter; applause).

I want to talk reenlistment, reenlistment in the army of the Lord. I know this talk goes to our forces overseas and to our ships at sea, and all those members of the armed services know that the fellow in my job represents all the armed services. So, if it suits you, please substitute Navy, Marine Corps, Air Force, or Coast Guard, for Army.

Does God have an army? Sure he does. The Biblical references to God's army or the host of the Lord are so frequent that we needn't spend much time on that point. Joshua was accosted by a captain in the Lord's host, the writer of Chronicles judges David's arms by the standard of the army of the Lord. Luke speaks of the mulitude of the Heavenly Host. The Psalmist in today's Old Testament lesson tells us that the King of Glory is the Lord mighty in battle, the Lord of the armies. Paul told Timothy to be a loyal soldier in Christ's army.

Now, how does a person join in the Lord's army? What sort of mental and physical examinations must we take? How do we sign up? The qualifications are simple. We can look in the Bible at the enlistment of Levi and we can understand how the process works. Jesus saw Levi sitting at his desk in the tax office and said to Levi, "Follow me." And the Gospel of Mark tells us that Levi got up and followed Him.

The enlistment qualifications became clear when Jesus answered those who criticized him for enlisting Levi. Jesus said, "I did not come to invite the righteous, but to invite the sinners."

Those of you who have been in national service in the military of your own countries know that there is a great difference between military life and civilian life. You don't work for the Army, the Navy, the Air Force, or the Marine Corps, you serve in it. Once you're in, you're in for all of it.

The same is true in God's army. You're in for all of it and the action starts immediately. The point is best illustrated by Jesus' conversation with some potential recruits on the road to Jerusalem. Jesus said to a man, "Follow me," and the man replied, "Let me go bury my father first." But Jesus told him, "leave the dead to bury their own dead. You must come away and preach the Kingdom of God."

Another man said to him, "I am going to follow you, Lord, but first let me bid farewell to my people at home." But Jesus told him, "Any one who puts his hand to the plow and then looks behind him is useless for the Kingdom of God."

So I tell you, when you're in God's army, you've got to be ready for action and be ready right now.

Now, what about the pay? It doesn't seem reasonable to ask men and women to sign up in anybody's armed forces these days without some display of the pay system. The pay table for God's army is prominently displayed and easy to read. St. Paul lays it on by saying, "Now that you are employed by God, you owe no duty to sin, and you reap the fruit of being righteous, while at the end of the road there is life evermore. Sin pays its servants. The wage is death. But God gives to those who serve Him. His free gift is eternal life through Jesus Christ, our Lord."

Simple, isn't it? Same pay for everybody, privates, captains, generals, even cabinet officers, congressmen, and presidents. No budgetary problems either, Mr. President. (Laughter.) Never varies, it's not tied to the CPI. And even if it were the entire cost of the annuity has already been paid by the Lord Himself. (Applause.)

The Secretary of Defense and I have spent the past few days on Capitol Hill introducing the 1984 defense budget to the Senate and the House Armed Services Committee. About $94 billion of that budget will be used to buy equipment and supplies to be used by the men and women of the Armed Forces to defend the nation. The equipment includes the entire range of military hardware, all the way from what we formerly called steel helmets, which are no longer made of steel, to nuclear-powered submarines.

Needless to say, many of the questions about the defense budget concern equipment procurement. Are we buying good equipment for our people? Is it simple enough to operate easily and at the same time can it do the intended job? Does it cost too much? Have we tested it adequately? Do we know it will work as intended? Good questions, because much of the spirit and morale and effectiveness of the armed forces is tied to confidence in the equipment.

Now, what about God's army? What sort of equipment is issued to the soldiers? Again we go to the Bible for the answer—and incidentally, God's army isn't strangled with paperwork; only one field manual. (Laughter; applause.)

The Bible has the administrative instructions, the training instructions, and the operations orders. And the equipment table is in St. Paul's letter to Ephesus, and it tells us, "We're up against the unseen power that controls this dark world, and spiritual agents from every headquarters of evil. Therefore, you must wear the whole armor of God, that you may be able to resist evil in its day of power, and that even when you have fought to a standstill, you may still stand your ground. Take your stand then, with truth as your breastplate, the gospel of peace firmly on your feet, salvation as your helmet, and in your hand the sword of the Spirit, the Word of God. Above all, be sure to take faith as your shield, for it can quench anything and every burning missile the enemy hurls at you."

Now, that equipment has withstood a 2000-year operational and reliability test that would dazzle even the General Accounting Office or the House Armed Services Procurement Subcommittee. (Laughter.)

What are the standards of service in God's army? Is there some sort of code to guide new recruits? Yes, there is, and of course it's in the basic field manual, too. And it's in Second Peter. And it says, "You must do your utmost from your side and see that your faith carries with it real goodness of life. Your goodness must be accompanied by knowledge, your knowledge by self-control, your self-control by the ability to endure, your endurance tour must always be accompanied by a real trust in God, that in turn must have in it the quality of brotherliness. And your brotherliness must lead to genuine love."

On the face of it, that seems like a good guide to action for a new recruit. But will it and the equipment stand up in the battlefields of this century?

Now, we could look at a lot of examples, I think, in this century, but I'd like to go back exactly 40 years, because today is the 3rd of February. In fact, 40 years and about 8 hours ago the troopship S.S. Dorchester was nearing Greenland with 900 souls aboard. It included about 600 U.S. servicemen, mostly soldiers. She was hit by a torpedo from the

German submarine U-456 as she neared Greenland. She began to sink rapidly.

There were four U.S. Army chaplains aboard, Alex Goode, a Jewish rabbi; Clark Poling, a Dutch Reformed pastor; George Fox, a Methodist minister, and John Washington, a Catholic priest. The four had bunked together during the trip. When the torpedo hit they went to the deck together and worked together. They prayed together with the men. They helped rig rafts and passed out life rafts from the stowage box. When the rafts and the box were gone, they gave up their own. The ship sank in 20 minutes. A lot of the 229 survivors remembered seeing the chaplains standing on the heaving, squall-tossed deck as the ship sank. Their arms were linked and they were praying.

Today the Chapel of the Four Chaplains stands in Philadelphia. Its first chaplain, Clark Poling's father, gave it its theme. Unity without uniformity, a theme which certainly fits this breakfast group in this great country of ours, and it certainly fits God's army; unity without uniformity.

The Dorchester sank 40 years ago. Maybe the equipment and code fit that situation, but a lot has changed since then. Man has been to the moon, we have supersonic jet airplanes, we've got intercontinental ballistic missiles and nuclear weapons. If we use that old equipment I outlined, how will the battle come out? Will it work today?

Again, the field manual gives us the promise of victory and I would just use one set of the words that gives us those promises. And I'd like to read from Paul's Letter to the Romans.

"In the face of all this, what is there left to say? If God is for us, who can be against us? He who did not shield his own son but gave him up for us all, can we not trust such a God to give us with him everything else that we need? Who would dare to accuse us, whom God has chosen? The Judge himself has declared us free from sin. Who is in a position to condemn? Only Christ, and Christ died for us, Christ rose for us, Christ reigns in power for us. Christ prays for us. Can anything separate us from the love of Christ? Can trouble, pain, or persecution? Can lack of clothes and food? Danger to life and limb, the threat of force of arms? Indeed, some of us know the truth of the ancient test, "For Thy sake we are killed all the day long. We were counted as sheep for the slaughter." No, in all these things we win an overwhelming victory through him who has proved his love for us. I have become absolutely convinced that neither death nor life, neither messenger of heaven nor monarch of earth, neither what happens today nor what may happen tomorrow, neither a power from on high nor a power from below, nor anything else in God's whole world has any power to separate us from the love of God in Jesus Christ, our Lord."

The U.S. Army has a catchy recruiting slogan that says, "Be all that you can be—in the Army." The slogan fits God's army better than the U.S. Army. And I say to you, be all that you can be in God's army. Enlist, or reenlist today. Thank you. (Applause.)

Representative STANGELAND. Thank you General Vessey, for that most inspiring message. I think the audience's reaction tells you that it was extremely well-taken and very much appreciated.

We're going to depart just momentarily from the printed program that you have on your table to call on another gentleman. The gentleman is Joe Gibbs, Coach of the Washington Redskins. And just briefly, by way of explanation, so that you don't think that we might have our priorities a little mixed up just because this town is really excited and practically on its ear over this great team and its great coach.

Something happened in the playoffs that was an inspiration to many of us. We saw, after the Dallas game, and again after the Miami game, television cameras in the locker room of the winning team where Coach Gibbs and his assistant coaches and the players, the first act was to kneel down and thank God. And what an inspiration I think that is to the young people of this country and other countries, that saw that. (Applause.) To all sports fans, here's a man who leads a team of strong young giants, but all recognize that we ought to continually thank God for the blessings that are ours.

So at this time I'd like to call on Coach Gibbs for an inspirational prayer.

Mr. GIBBS. May we pray. Our Father, we just want to take this short moment, pause, to say thanks to You. There is so much to be thankful for. We thank You for the abilities that are in this room, for all the talents that You've given each one of us, and we just say thanks for that. We say thank You for this country, where only a man's own vision limits what he can achieve.

But, most of all, Father, we want to thank You for Your great gift, Your son, Jesus Christ, who after man chose to sin, You sent to earth to provide a way for us to get back to You, Your Son who lived the perfect life, that died on the Cross, and then arose and now sits at Your right hand, and is our way to gain fellowship again with You.

We would hope that each one in this room and throughout this world will realize the most important victory in this world, and the most important thing we can achieve is a proper relationship with You.

Father, we hope that You will give us strength now to go throughout this next year to make the correct decisions and take a stand for You in everything we do.

In Thy Name we pray; Amen. (Applause.)

Representative STANGELAND. At this time it is with a great deal of pleasure, and it is, indeed, a very high honor to be allowed to call on the President of the United States, Ronald Reagan, for a few remarks, and to welcome his lovely wife and our lovely First Lady to this breakfast, Nancy Reagan. (Applause.)

The PRESIDENT. Thank you very much. Thank you. Thank you all very much, all our friends and distinguished guests here at the head table, and all of you very distinguished people.

General Vessey, I'm terribly tempted to call for a vote right now on the defense budget. (Laughter; applause.)

Nancy and I are delighted to be with you here this morning. You know, on the way over, I remembered something that happened a long time ago when teachers could talk about things like religion in the classroom.

And a very lovely teacher was talking to her class of young boys, and she asked, "How many of you would like to go to heaven?" And all the hands instantly shot into the air at once, except one, and she was astounded and she said, "Charlie, you mean you don't want to go to heaven?" And he said, "Sure, I want to go to heaven, but not with that bunch." (Laughter.)

Maybe there's a little bit of Charlie in each of us. (Laughter.) But somehow, I don't think that wanting to go to heaven, but only on our terms, and certainly not with that other bunch, is quite what God had in mind.

The prayer that I sometimes think we don't often use enough, and one that I learned a few years ago, and only after I had gotten into the business that I'm in, is one of asking forgiveness for the resentment and the bitterness that we sometimes feel towards someone, whether it's in business dealings or in government, or whatever we're doing, and forgetting that we are brothers and sisters and that each of them is loved equally by God as much as we feel that He loves us.

I'm so thankful that there will always be one day in the year when people all over our land can sit down as neighbors and friends and remind ourselves of what our real task is. This task was spelled out in the Old and the New Testaments.

Jesus was asked, "Master, which is the great commandment in the Law?" And he replied, "Thou shalt love the Lord, thy God, with all thy heart and with all thy soul and with all thy mind. This is the first and great Commandment. The second is like unto it. Thou shalt love thy neighbor as thyself. On these two Commandments hang all the law and the prophets."

Can we resolve to reach, learn, and try to heed the greatest message ever written, God's Word and the Holy Bible? Inside its pages lie all the answers to all the problems that man has ever known.

Now, I am assuming a new position, but I should warn our friends in the loyal opposition, this new job won't require me to leave the White House. (Applause.) With the greatest enthusiasm I have agreed to serve as Honorary Chairman for the Year of the Bible. (Applause.)

When we think how many people in the world are imprisoned or tortured, harassed for even possessing a Bible or trying to read one, something that maybe we should realize now, and take advantage of what we can do so easily.

In its lessons and the great wealth of its words we find comfort, strength, wisdom, and hope, And when we find ourselves feeling a little like Charlie, we might remember something that Abraham Lincoln said over a hundred years ago, "We have forgotten the gracious hand that preserved us in peace and multiplied and enriched and strengthened us. And we have vainly imagined in the deceitfulness of our hearts that all these blessings were produced by some superior wisdom and virtue of our own. We have become too proud to pray to the God that made us."

Well, isn't it time for us to say, "We're not too proud to pray."

We face great challenges in this country, but we've faced great challenges before and conquered them. What carried us through was a willingness to seek power and protection from One much greater than ourselves, to turn back to Him, and to trust in His mercy. Without His help, America will not go forward.

I have a very special old Bible. And alongside a verse in the Second Book of Chronicles there are some words, handwritten, very faded by now. And believe me, the person who wrote those words was an authority. Her name was Nellie Wilson Reagan. She was my mother. And she wrote about that verse, "A most wonderful verse for the healing of the nations."

Now, the verse that she had marked reads, "If my people which are called by my name

shall humble themselves and pray and seek my face and turn from their wicked ways, then will I hear from heaven, and will heal their land."

I know that at times all of us—I do—feel that perhaps in our prayer we ask for too much. And then there are those other times when we feel that something isn't important enough to bother God with it. Maybe we should let him decide those things.

The war correspondent Margaret Higgins, who received the Pulitzer Prize for International Reporting because of her coverage of the Korean War, among all her writings had an account one day of the Fifth Company of Marines who were part of an 18,000-man force that was in combat with 100,000 of the enemy. And she described an incident that took place early, just after dawn, on a very cold morning. It was 42 degrees below zero, and the weary Marines, half frozen, stood by their dirty, mud-covered trucks, eating their breakfast from tin cans.

She saw one huge Marine who was eating cold beans with a trench knife. His clothes were frozen stiff as a board, his face was covered with a heavy beard, and crusted with mud. And one of the little group of war correspondents who were on hand went up to him and said, "If I were God and could grant you anything you wished, what would you most like?" And the Marine stood there for a moment looking down at the cold tin of beans then he raised his head and said, "Give me tomorrow."

Now, I would like to sign a proclamation which will make 1983 the Year of the Bible. And I want to thank Senator Bill Armstrong and Representative Carlos Moorhead, and all those inside and outside of Congress who assisted them and made this all possible.

Thank you and God bless you, and I'm going down and sign the proclamation. (Applause.)

Representative STANGELAND. At this time I'd like to call on the Honorable Charles Whitley to lead us in a closing song.

Representative WHITLEY. Will you all join with me as we sing together that great hymn, "Amazing Grace." You will find the words as an insert to your program, and I would ask that at the conclusion of this hymn that everyone remain standing for our closing prayer by the Honorable William Gray, Congressman from Pennsylvania, and our benediction by Dr. Billy Graham. Let us all stand.

(The hymn followed.)

Representative GRAY. Let us join hands, one with another. And I saw a great multitude of men and women of all colors, looking into one another's eyes, not with fear but with love. And I said, what is this place? And a voice responded by saying, this is the Kingdom of God. And I said, where will I find it? The voice responded by saying, in your heart. And I responded by saying, when will I find this kingdom of love? And the voice said, when you all learn to love one another.

Gracious Father, some of your children have gathered together to break bread and to enjoy the fellowship with each other. We come from many states, we come from many nations, but we are Your children. We come from all walks of life, but we are Your children.

Gracious Father, we ask You to help us to work for the day when our prayers become a reality, to work for the day when we take our swords and turn them into ploughshares and our spears into pruning hooks, and study war no more, work for the day when a person's color, creed, or sex will not be an impediment to achieving all the potential and possibilities that You have placed in them.

Help us, O Lord, to love one another as Jesus loved us. Help us, dear Lord, to love mercy, to do justly, and walk humbly before You. Amen.

Dr. GRAHAM. President Reagan, Mrs. Reagan, it's been my privilege to be at most all the prayer breakfasts since the very beginning, and during the first 15 years I gave the message 12 times here, and so I know how General Vessey felt. But I do not recall a prayer breakfast in which there has been such a great spirit as we have had this morning, and I want to take this personal opportunity to thank God and all those who have arranged this program, and what has been said and done here today, in giving honor and glory to the Lord Jesus Christ. Shall we pray?

And now unto Him who loved us and washed us from our sins in His own blood, and has made us kings and priests unto God the Father, to Him be the glory and the dominion and the majesty forever and ever, Amen. (Applause.)●

WALTER AND DORIS MARSHALL DAY

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. WILLIAMS of Montana. Mr. Speaker, Friday, March 18, 1983, was Walter and Doris Marshall Day in Montana. It is a well-deserved recognition. Walter and Doris have significantly improved the lives of thousands of Montanans. Their energetic and enthusiastic activity in education, the arts, civic and business affairs, veterans affairs, and politics has benefited the State of Montana and its citizens for more than half a century.

I am better for my friendship with the Marshalls, and I join Montana's citizens in thanking Walter and Doris for their untiring public work.●

TRIBUTE TO CARDINAL JOSEPH BERNARDIN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. BIAGGI. Mr. Speaker, the Italian American community, of this Nation of which I am proud to be a member was elated by the decision of the Holy Father Pope John Paul II to elevate Archbishop Joseph Bernardin of Chicago to be the first Italian American Cardinal in the Catholic Church.

Cardinal Bernardin, the son of immigrant parents from northern Italy, has enjoyed a meteoric career in the priesthood. It took Cardinal Bernardin just over 30 years to reach the pinnacle of his career. For the past 11 years he has presided over the Diocese of Cincinnati and since August 25, 1982, he has been Archbishop of the Diocese of Chicago.

Cardinal Bernardin has earned a reputation of being accessible and responsive to the many and varied needs of his many parishioners in the various districts under his jurisdiction. The Archdioceses of Cincinnati and Chicago are comprised of many different ethnic groups and Cardinal Bernardin has established an effective rapport with all these groups.

The Italian American community basks in the accomplishment of Cardinal Bernardin and is grateful to the Holy Father for recognizing the enormous talent which characterizes Cardinal Bernardin.

At this point in the RECORD I wish to insert two articles about the new Cardinal from the February 1983 edition of L' Agenda, the National Italian American News.

THE FIRST ITALIAN-AMERICAN CARDINAL: JOSEPH BERNARDIN

Yet another milestone in Italian-American history has been passed with the elevation of Archbishop Joseph Bernardin to Cardinal at the election of Pope John Paul II, for while descended Catholics are the majority in this country, not once before has the Church recognized our preponderance by making an Italian-American a Cardinal.

Bernardin has headed the populous Dioceses of Cincinnati and Chicago where he has won the affection of all Polish, Italian and Irish Catholics districts as a level headed but compassionate captain of the Church.

It is supremely ironic that the first non-Italian pope in the modern history of the Church has selected the first Italian-American cardinal of the Church in North America.

Bernardin has eschewed the expensive custom of transporting large bodies of his archdiocese to his elevation; instead, he has taken to Rome only his more immediate family, citing Chicago's unemployment as a reason. This gesture reveals that the Archbishop's accession has made a humble man even more pleasantly humble.

Bernardin's ancestors came from Northern Italy, immigrants in a country which greeted Italians with jobs but also bigotry. No free rides were expected, and certainly none were proferred. But struggle in the Cardinal-elect's family and by the Archbishop himself has paid off most handsomely. A glaring and bitter irony of the Catholic Church in America has been the slow assimilation of Italian co-religionists into its ranks. Curiously, the Church, until extremely recently, has been more Irish than Catholic, leading many Italians to more receptive Protestant arms. Polish Catholic John Paul II has brought the American Catholic much further into reflecting its popular composition.

L'Agenda congratulates Cardinal Joseph Bernardin and wishes him the best of luck and success.

HIS EMINENCE JOSEPH CARDINAL BERNARDIN, ARCHBISHOP OF CHICAGO

Cardinal-designate Joseph Louis Bernardin, pastor, administrator, teacher, communicator and seventh Archbishop of Chicago, was born April 2, 1928, to Joseph and Maria

(Simion) Bernardin in Columbia, South Carolina.

While deeply involved in pastoral and administrative duties in the Diocese of Charleston, then the archdioceses of Atlanta, Cincinnati, and Chicago, the Cardinal also helped guide the Church in the United States from several national and international posts. They included leadership positions with the National Conference of Catholic Bishops in Washington, D.C. and with the Permanent Council for the World Synod of Bishops, Vatican City.

The Cardinal received his bachelor's degree in philosophy at St. Mary Seminary in Baltimore in 1948 and his master's degree in education at the Catholic University of America in 1952.

Joseph L. Bernardin was ordained a priest at St. Joseph Church, Columbia South Carolina on April 26, 1952. He served in parish posts from that year to 1954.

He was Vice Chancellor of the Diocese of Charleston from 1954 to 1956, then Chancellor from 1956-66, Vicar General and Diocesan Consultor 1962-66 and Administrator of the Charleston Diocese from September 1964 to February, 1965.

Pope Paul VI appointed Father Bernardin Auxiliary Bishop of Atlanta, Georgia on March 9, 1966. Exactly 14 years after his ordination. Father Bernardin was ordained to the episcopacy in the Cathedral of St. John the Baptist in Charleston, S.C., on April 26, 1966.

From 1966 to 1968, then—Bishop Bernardin served the Archdiocese of Atlanta as Vicar General and Rector of the Cathedral of Christ the King.

He was appointed Archbishop of Cincinnati on Nov. 21, 1972 and was installed as Archbishop at the Cathedral of St. Peter in Chains in Cincinnati on Dec. 19, 1972.

His appointment as Archbishop of Chicago by Pope John Paul II was announced on Saturday, July 10, 1982.

Archbishop Bernardin was installed as Archbishop of Chicago on Wednesday, August 25, 1982, at Holy Name Cathedral in Chicago.

On January 5th, 1983, Archbishop Bernardin was named to membership in the Sacred College of Cardinals. He received the symbolic red biretta in a consistory held at the Vatican on Feb. 2, 1983.●

PERSONAL EXPLANATION

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. BARNES. Mr. Speaker, I was not able to be present yesterday during proceedings on H.R. 1149, the Oregon Wilderness bill, and take this opportunity to indicate how I would have voted.

Rollcall No. 34, the rule for consideration of the bill, "aye." Rollcall No. 35, the Denny Smith substitute, "no." Rollcall No. 36, the Young of Alaska substitute, "No." Rollcall No. 37, the Walker amendment, "no". On Rollcall No. 38, final passage, I was paired in favor and would have voted "aye."●

CONGRESSIONAL SALUTE TO HON. T. EMMET BAUER OF OAKLAND, N.J., ESTEEMED MAYOR, OUTSTANDING COMMUNITY LEADER, AND GREAT AMERICAN

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. ROE. Mr. Speaker, on Friday, March 25, the residents of Oakland, my congressional district, and State of New Jersey will join together in testimony to a distinguished citizen, esteemed mayor, and good friend—Hon. T. Emmet Bauer of Oakland, N.J.—whose standards of excellence throughout his lifetime and over three decades in outstanding public service to the Borough of Oakland is applauded by all of us.

Mr. Speaker, I know that you and our colleagues here in the Congress will want to join with me in deep appreciation of all of his good works and share great pride in the success of his achievements with his good wife Edith; daughters, Barbara and Carla; sons-in-law, Ernest Bivona and Mark DeWitt, respectively; and grandchildren, Ellen and Daniel Bivona, Christine and Jill DeWitt.

Mr. Speaker, there is much that can be said of Mayor Bauer and his lifetime of accomplishments in service to people. His sincerity of purpose and personal commitment to others have been warmly captured in the salute prepared by the people of Oakland and, with your permission, I would like to insert at this point in our historic journal of Congress this testimonial that will be particularly cited by his friends on March 25, as follows:

OAKLAND'S SALUTE TO MAYOR T. EMMET BAUER

For over three decades of his life, Oakland's Mayor T. Emmet Bauer had given of himself in service to our community. His achievements are many, and no measure can be placed upon the vitality, energy and dedication of this one man whose leadership has brought many benefits to Oakland. Marking 35 years of public service is but another milestone in a continuing public career. He deserves to be saluted.

Bauer was one of two sons born to Hugo and Margaret Callahan Bauer. His youth was spent in Passaic, New Jersey. He attended local schools there and then went on to New Jersey Law School, now Rutgers University, where he received an LL.B. degree. When he married Edith Jessen, she was fully aware of his vigorous sense of purpose, and she has been steadfast in her support of him throughout his years of community activities. His employer at the time was related to the Demarests, one of Oakland's first families. A resident of Oakland, the employer required a residence less remote from New York City. He convinced his young employee that the house in Oakland which he, himself, had designed and built would be the perfect home for the young Bauers. And so it was that on a blustery, cold winter night in 1945, Bauer and his wife Edith, inspecting the house by flashlight, decided to make 29 Grove Street in Oakland, New Jersey, their home.

In 1947, Bauer ran for Oakland Council as a Democrat, partly because there was no Democratic party in Oakland at that time and because it piqued his sense of challenge to be seeking office against all odds. Surprised but delighted, he became one of the first Democrats to have ever won an election in Oakland.

Throughout the fifties, he turned his attention to the Oakland school system. Those were the years of accelerated town growth. Like many other towns across the nation, the post-World War II baby boom was swelling school enrollment. A distinguishing quality of being drawn to wherever the fire is the hottest redirected his attention. He was elected and served for six years on the Board of Education, followed by an equal number of years on the Ramapo Regional High School Board. During these years, he served five years on the Board of Zoning Adjustment.

Elected Mayor in 1964, he discovered he loved the job, loved meeting the people for whom he had a profound respect. At town meetings, he found the citizens to be sharp, talented, hilarious and congenial. Complaints and problems were met with a quick but positive attitude. He adopted a hard-working, but no less exciting pace. Able to handle many a stormy meeting with a strong hand, he allowed no self-interest group to manage him. Scrupulously fair in dealing with all of the townspeople, he has made himself available to them at any hour. His wife can best attest to that availability by pointing to interrupted dinners too numerous to count.

Since 1964, Bauer has served four terms as Mayor. The past two have been consecutive four-year terms. Because election campaigns are never routine, Bauer did have an occasional upset, but he has had many more victories. Never one to put a party label above his desire for good government, he gave spice to his campaigns by moving from being a Democrat to a Republican. Those who appreciated working with him learned to adapt to his fluid style and accepted his leadership regardless of party.

As Mayor, Bauer says "you can never anticipate what kind of challenge the day will hold". Both off-the-record and on-the-record, he is clear and pointed on the issues. He has maintained the same unflinching stamina and outspokenness since he first became Mayor. He and Edith are now retired. He was executive of a national insurance firm, she a school teacher. His energies now have been turned to being a full-time Mayor of Oakland.

The Bauers are proud of their two daughters, Barbara and Carla, both married with young children of their own. The elder, Barbara, is married to Ernest Bivona. They reside in Towaco, New Jersey, with their two children Ellen and Daniel. Barbara is a former high school teacher. Carla is married to Mark DeWitt. With their children, Christine and Jill, they reside in Bloomingdale, New Jersey. Beckoned to a public career like her father, Carla is a former Bloomingdale Councilwoman, and a current member and former Chairwoman of the local Planning Board.

Neither Bauer nor his wife have sought the relative calm that are the just rewards of retirement. Both are involved and genuinely interested in the welfare of Oakland. Bauer puts in long days either roaming the

Borough limits or at the Borough hall. He attends to the many ministries of Mayor, whether performing marriage ceremonies, visiting townspeople that can't get out to meet with him, or unraveling bureaucratic red tape when it stands in the way of still another benefit for the town. He is a ready participator in the day-to-day town events. A sought-after master of ceremonies, his gift of wit and good-humored deviltry add zest to any occasion. At Council meetings, he tempers impatience for getting on with the job by smoothing away controversy with deliberation and diplomacy.

Mayor Bauer's genuine love for Oakland has mainly prompted his ventures into public life. March 25th, 1983 shall be remembered as an evening in which the townspeople of Oakland payed tribute to the mark of the man and showed their appreciation by publicly saying "Thank you, T. Emmet Bauer, for all the years and all the hard work. In saluting you, we know we can continue to depend upon your leadership, your dedication and your service to Oakland in the years ahead".

Mr. Speaker, Yes, our community, State, and Nation has indeed been enriched by the quality of Emmet Bauer's leadership and the wealth of his wisdom and caring as the elected chief executive officer of the Borough of Oakland of our great sovereign State of New Jersey. He has truly inspired and enriched the lives of many of our people in his lifetime endeavors. I am pleased to join with the people of the Borough of Oakland in this tribute to their esteemed mayor and seek this national recognition of his contribution to the American way of life and the American dream through his compassion and benevolence for his fellowman and an exemplary record of good works in public service on their behalf.

We do indeed salute a beloved mayor and great American—Hon. T. Emmet Bauer of Oakland, N.J.●

SOUTH MOLUCCAN INDEPENDENCE

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. HUGHES. Mr. Speaker, as you know, the domination of one culture or people by another is a fundamental violation of human rights that arouses deep concern in this body and across our great Nation. I believe that we must be constantly alert to world events, watchful and dedicated in our efforts to further the cause of freedom.

Recently, I reviewed an article which I am sure will be of great interest to my colleagues, concerning events in the Republic of South Molucca. As you know, the South Moluccan people live in the islands located near New Guinea and the Philippines. The South Moluccan Islands were forcibly annexed by the Indonesian Government 33 years ago. South Moluccan people are still seeking their independence.

Mr. Speaker, I recommend this enlightening article, which is reprinted here in its entirety:

[From the Washington Times, Thursday, Dec. 16, 1982]

SOUTH MOLUCCANS STILL THERE

(By Margaretha Hatu-Syauta)

The issue is the self-determination of the South Moluccas, an island nation of 2 million people that was forcibly incorporated into Indonesia 32 years ago. It is an issue that will not go away and in which the United States has an increasingly important stake. The conflict entered Western consciousness through hijackings committed some years ago in the Netherlands in the name of South Moluccan independence. Now, disavowing such tactics and intent on a peaceful resolution, the South Moluccan people are asking for justice and are saying: We are still entitled to independence.

The South Moluccan people inhabit a chain of islands west of New Guinea and south of the Philippines. Ethnically, racially, religiously, linguistically and culturally, the South Moluccans are distinct from the Javans and Sumatrans who dominate Indonesia. The Dutch, who ruled the East Indies as a colonial power for 350 years, gave the South Moluccas a measure of autonomy in 1947.

When the Javanese took power in Jakarta, they began a war of domination that ended in 1950 with more than 20,000 soldiers killed and the South Moluccas a subject state within Indonesia.

It is a measure of the cynicism of world politics today that the South Moluccan quest for self-determination seems quixotic.

Heretofore, the Western alliance has stayed away from this issue because of Indonesia's importance as an oil producer and a non-communist nation. Yet the leverage of international oil has diminished, especially in Indonesia's case because of internal corruption and falling production. And in the long run, the centrifugal pressures in the Indonesian empire are a greater threat to the stability and concomitant Western orientation of the Javanese than any external pressure for South Moluccan independence might be now.

This is a natural opportunity for the United States to promote simultaneously its interests in international stability and the ideals of its founders. The many independence movements in the world do not go away with neglect or repression. Most fester, and flame again when the power of central government subjugation weakens. By supporting South Moluccan independence, the United States can accomplish several significant and mutually reinforcing objectives:

It can reaffirm its commitment to the fundamental and universal ideals of political self-determination, and limit the Soviet Union's self-serving and fraudulent arrogation of that concern;

It can establish a peaceful, juridical means of resolving such disputes, which otherwise are apt to endanger Western interests for years to come;

It can begin what probably will be a long-term endeavor of the West—saving the Indonesians in spite of themselves, and doing so in a constructive way;

It can help elevate the institutional level of collective international behavior;

It can assure simple justice for the South Moluccans, a democratic, Christian people who are natural allies of the West, and whose cause and case has been deferred too long.●

SEARCH WARRANT PROTECTION IN THE FIELD

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. DANNEMEYER. Mr. Speaker, today I introduce a bill designed to insure equal protection from unreasonable and warrantless searches for farmworkers, farmers, and other outdoor operators and to prevent the continued, warrantless invasion of American fields.

The fourth amendment of the Constitution guarantees the right of all citizens to conduct their business secure from arbitrary and unrestrained searches. However, if you are a farmer, fieldworker, or other outdoor operator, do not count on that provision to protect you in your legitimate business activity. At any time, an immigration officer may enter your field, disrupt your work, and question you or your workers as to their right to be or to remain in the United States. This cannot happen in factory areas closed to the public. But it can happen in so-called open fields. It is this double standard of search and seizure that has caused serious harm and damage to people and property that this amendment seeks to end.

The problem is not with any Federal statute. The problem is not with case law. The problem is with Immigration Service policy which states:

> There is considerable case law holding that the fourth amendment does not apply to entry onto so-called open fields by a law enforcement officer in the performance of his official duties.

I had hoped for an administrative remedy to this problem. Discussions last year with the Immigration Service did not resolve the warrantless and destructive invasion of strawberry fields in southern California. In the 97th Congress, I introduced H.R. 6506, to require consent or a warrant before entering open fields.

I am not the only voice in this issue. Last year, my bill was cosponsored by 7 Democrats and 12 Republicans representing States from California to Louisiana, from Oregon to Michigan. Mr. EDWARDS offered this measure as an amendment when the House Judiciary Committee considered H.R. 6514. The amendment was narrowly defeated, 11 to 14. Additional and bipartisan Members of the House cosigned a statement in support of this amendment. Today, I am pleased to be again joined by a strong, bipartisan coalition of 14 Members of Congress who support this measure.

When a single bill draws such a broad, bipartisan, multiregional coalition of Members, there must be some reason for Members to strongly support this measure. Nevertheless, permit me to address two major questions about this bill.

First, will the bill impede immigration law enforcement in rural areas?

Second, is this bill a departure from current law?

This bill will not impede law enforcement in rural areas. Concern focuses on the time necessary to obtain a warrant and the claimed difficulty in serving a warrant in an open fields situation.

With regard to obtaining a warrant, it is claimed that the agent would be required to drive considerable distance from the field to a magistrate, specify the precise location and ownership of the property, and then return to serve the warrant.

As a matter of fact, the process can be foreshortened as my office discovered in conversation with various U.S attorney's offices in California. The process basically calls for a Government agent to establish probable cause before a Federal magistrate, after having gained clearance by the U.S. attorney's office. However, there are ways to expedite that process that do not involve driving from rural areas to the city and personal appearances by the agent who would serve the warrant.

I am advised that an agent may telephone the U.S. attorney's office for clearance in seeking a Federal magistrate's approval. The agent need not leave a field position. Further, if the situation calls for it, the agent may telephone the magistrate, who records the request and renders a decision over the phone.

The information required in the request for a warrant is not the detail alleged by some. Names of suspected undocumented aliens, the precise location of the property, as in a title search, and the name of the property owner are not required. What is required is probable cause and a reasonable description of the property's location.

The purpose of my bill is not to make it harder to enforce the law. But it is the purpose to insure that farmers and fieldworkers are treated as other business people and workers.

The second issue raised is the likelihood of aliens absconding from their open field locations due to delays in obtaining a warrant and the potential for early warning.

First, it is interesting to note that the INS search manual provides for the use of warrants in open field. The manual states:

> The following are some instances in which an immigration officer (could enter) private lands more than 25 miles from an external boundary: (1) his purpose is to serve a warrant of arrest * * * on an alien who he has reason to believe is there.

It should also be noted that the bill would not prevent hot pursuit. Neither would it prevent the apprehension of an individual about whom the agent has definite information that he is in violation of law and is likely to abscond before an arrest warrant can be obtained.

Finally, this Member rejects the premise that the farms of America are havens for illegal labor. The fundamental right to privacy is not to be equated with the desire to conceal crime. The view that the sole purpose of farmworkers is to leave rather than work the fields, when Government agents arrive, and that growers are willing to risk constant disruption of their harvest is just not correct.

This requirement to obtain consent or a warrant will not create a free zone for illegal labor. But it will prevent what we have now: A free zone for the arbitrary enforcement of the law. It will prevent the kind of illegal and warrantless entry by the Border Patrol that occurred on the West farm in 1981. The farm was posted and entrances were chained. The Border Patrol was told to obtain a warrant before entering. They refused, chased workers around, destroyed crops, caused a loss of some $200,000, and caused legal workers to refuse to return to work. There is no compensation for the damage. The case is before the Ninth Circuit Court of Appeals.

The second issue concerns whether the bill is a departure from current law. The Border Patrol bases its authority to enter open fields without warrant on Hester against U.S., a 1922 case in which Mr. Justice Holmes found that the "special protection accorded by the fourth amendment to the people . . . is not extended to the open fields."

This case involved the seizure of moonshine in an open field that was not posted or fenced. The Border Patrol has applied Hester without regard to fencing or posting of open fields. But, as the Congressional Research Service has noted—

> The analysis now used by the court looks to reasonable or legitimate expectation of privacy and dates from a 1967 case, Katz against U.S. * * *."

Neither Federal statute nor case law establishes the right to enter open fields without warrant to determine the alien status of workers. Hester does not grant this authority. Hester stands for the unamazing proposition that illegal activity in plain view is not protected by the fourth amendment. However, a farmer who excludes the public from his fields has a reasonable expectation of privacy there, and is thus entitled to protection of the fourth amendment in such fields because they are commercial premises closed to the public. The posted fields of a farmer or other outdoor operator are not the open fields of Hester.

As Judge Keith of the Sixth Circuit Court of Appeals noted in a dissenting opinion in U.S. against Oliver, "courts have consistently held that the open fields exception is not applicable where the warrantless search was conducted in an area where the public was excluded." Even gates, though, do not stop the governmental invasion of fields under the mask of Hester. Florida law enforcement officers decided to "cross a dike, ram through one gate and cut the chain lock on another, cut or cross posted fences.* * *" In this case, Florida against Brady, the court found an expectation of privacy was implied in an open field secured from the public.

The final argument for this bill lies in the Immigration Reform and Control Act of 1983, H.R. 1510. When a bill places criminal penalties on employers, as H.R. 1510 does, a complementary standard of enforcement is called for. Rather than weakening the thrust of the bill, my bill is a natural and rightful corollary to the new penalties in the bill.

This is not an abstract, constitutional issue. The power to enter property without warrant in this instance is a harsh and punitive reality for too many field operators. In considering this bill, I urge my colleagues to consider these questions:

Should a farmer have to give up his fourth amendment protections because he farms?

Should a farmer or other outdoor operator be subject to arbitrary and warrantless invasions of his labor?

Should farmers and workers have to put up walls in order to be reasonably free from arbitrary and unrestrained searches?

Let me conclude by quoting Justice Brandeis on the Fourth Amendment:

> The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feelings and of his intellect. . . . They sought to protect Americans in their beliefs, their thoughts. . . . They conferred, as against the Government, the right to be let alone—the most comprehensive of all rights and the right most valued by civilized men.

At this point, Mr. Speaker, I insert the text of this bill in the RECORD.●

FRIENDS OF RALPH T. GRANT WOMEN'S AUXILIARY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. RODINO. Mr. Speaker, on March 27 the Friends of Ralph T. Grant Women's Auxiliary will sponsor

the first annual Palm Sunday Breakfast in Newark.

This is a new organization which was established to promote and encourage City Council President Grant and his work on behalf of the people of the community. The breakfast will be the group's first event, and I am honored to lend my support to their activities.

Ralph Grant was first elected to the council in 1978 and has served as president since 1982. A veteran of the civil rights movement, Reverend Grant worked with the late Dr. Martin Luther King in the 1950's and 1960's. His contribution to the community of Newark extends beyond his work on the council. He serves as commissioner of the Newark Economic Development Corp. and is a member of the board of trustees of Renaissance Newark, Inc.

The guest speaker at the Palm Sunday breakfast will be Spencer Christian, the "Eyewitness News" sportscaster for WABC-TV in New York and the former host of "Spencer's World" on WBAL-TV in Baltimore. The program will also feature musical selections by Lillette Jenkins from the cast of "One Mo' Time." She will join University High School senior Donna Terry in singing the "Star Spangled Banner" and "Lift Every Voice and Sing."

I am certain that this event will be a promising beginning for an excellent organization, and I look forward to the group's continued efforts in support of City Council President Grant.●

HOUSING AND THE BUDGET

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. WILLIAMS of Montana. Mr. Speaker, the Federal Government has a traditional commitment to housing. The Department of Housing and Urban Development administers low-income rental assistance programs which help low-income families, the elderly, and Indian peoples to obtain affordable and decent housing. These programs are generally referred to as assisted housing programs. The Federal Government also supports homeownership by providing Government-insured and Government-subsidized loans through agencies such as the Farmers Home Administration, the Federal Housing Administration, and the Government National Mortgage Association. These programs are referred to as mortgage programs.

The Reagan administration has consistently attempted to reduce or end funding for both assisted housing and mortgage programs. The administration has continued to oppose any new authority for these programs, and has canceled many projects already in the pipeline. The assisted housing programs have been threatened with extinction, as the administration suggested ending public housing operating subsidies and providing instead, direct cash payments, known as housing vouchers to individuals.

Congress, in turn, has not accepted the administration's housing cuts, although many housing programs have lost funding in recent years. For example, total new budget authority for all HUD-assisted housing programs under the administration's fiscal year 1984 budget request would drop from an estimated level of $10.7 billion in 1983, after rescissions, the $4.1 billion in 1984. This represents a drastic drop from fiscal year 1932, when budget authority was set at $20.1 billion. The House budget resolution assumes funding of $13.1 billion in budget authority for fiscal year 1984 for low-income assisted housing projects administered by HUD.

How do these figures translate into actual families helped? The President's budget would allow assistance for 90,000 new households in fiscal year 1984. But it would cancel previously scheduled help for approximately 27,000 households. Therefore, the net number of additional households to be assisted under the administration's fiscal year 1984 budget would be about 63,000. The House budget resolution, on the other hand, would provide funding to assist approximately 152,000 new households. The House resolution also includes public housing operating subsidies at the adequate level of $1.55 billion.

The House budget resolution also assumes funding of $1.3 billion in budget authority in fiscal year 1984 for a new multifamily construction stimulus program. This program is included in H.R. 1, the comprehensive housing authorization bill, of which I am a cosponsor. H.R. 1 is currently pending before the House Banking Committee's Subcommittee on Housing and Community Development. Moneys under this program would be provided to State and local governments and could be used as capital grants, loans, interest reduction payments or other forms of assistance to reduce the cost of rental projects. It is estimated that the additional funding of $1.3 billion could assist between 60,000 and 100,000 housing units, of which at least 20 percent woud be occupied by low-income families.

One of the largest Federal mortgage programs is the mortgage insurance fund, administered by the Federal Housing Administration. The Reagan fiscal year 1984 budget requests a commitment limit of $39.8 billion for this program. The House budget resolution, instead, requests that this fund be frozen at the fiscal year 1983 level—$45.9 billion. The resolution also assumes enactment in fiscal year 1983 of the $760 million emergency mortgage foreclosure relief program proposed by the House Banking Committee. This program would assist an estimated 100,000 unemployed homeowners, helping them to avert foreclosure on their conventional mortgages.

The administration has proposed severe cuts in rural housing programs. In rural America, less than one-third of the Nation's people live in over one-half of the Nation's substandard housing. In other words, in rural America about 10 million people are living in about 2 million substandard housing units. For all rural housing loan programs, the administration has requested a fiscal year 1984 level of $1.2 billion. The House budget resolution recommends a level of $3.35 billion. In fiscal year 1979, rural housing loan programs were funded at a level of $4.2 billion. The administration has proposed cutting total spending for the popular section 502 homeownership program, administered by the Farmers Home Administration, from $2.3 billion to $280 million. The House budget resolution proposes instead, a level of $2.1 billion.●

TRIBUTE TO CHARLES R. ALLEN, CITY ADMINISTRATOR, CITY OF SAN CARLOS, CALIF.

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. LANTOS. Mr. Speaker, Charles R. Allen has been an exceptionally dedicated and distinguished city administrator in San Carlos, Calif., for 20 years. He is retiring in April of this year at the culmination of his achievements, leaving behind a list of innovations and achievements for the community he served that has earned him its admiration, gratitude, and friendship. I am proud and happy to have known Bob Allen and to be able to share this special occasion and tribute to him.

Bob Allen's dedication and capacities were demonstrated in his earlier achievements. As a U.S. Air Force major and bombardier pilot, he was shot down in combat over Berlin, Germany, where he remained a prisoner of war for 11 months.

His interest in the public welfare determined his career choice. After graduation from the University of Denver in architecture and planning, he worked in Pasadena, Colorado Springs, and Atlanta, participating in the planning process. This led him to public administration as city manager in Glendora, Calif., and chief administrative officer in Baldwin Park, Calif., prior to taking his position with San Carlos in 1963.

During his tenure as city administrator of San Carlos, Bob Allen was able to introduce new services and innovative concepts while simultaneously decreasing the number of city employees, at a time when increases were the rule. With his knowledge of good business management, he was able to cut the city tax rate by consolidating city departments, eliminating excess administrative personnel, and within tight budget controls increasing salaries for competent administrators and giving them commensurate responsibilities. With innovative financing he brought about a new civic center, city hall, police department and communications facility.

Through a cooperative arrangement with San Mateo County he secured the construction of a county library facility adjacent to city hall and he courageously effected the consolidation of fire services into a south county fire authority.

He foresaw the growing needs of senior citizens and contributed greatly to the creation of a magnificent senior citizens center in San Carlos.

He was instrumental in upgrading the city's industrial area, developing the Western Hills area, and setting up a joint wastewater treatment with other communities.

One could go on and on with his government and community involvements, including the United Way, Kiwanis Club, Criminal Justice Council, Carlmont YMCA, special needs program for handicapped children, and the YMCA's whole earth juvenile diversion program, among others.

Bob Allen's family has been an integral part of his life and achievements. Born in Jacksonville, Fla., October 8, 1920, where some family members still remain, he has been married to Gerry for 40 years. They have a son, Bill, and two daughters, Janelle and Susan, and several grandchildren.

In closing, I feel that no one in a professional capacity has done more in the county of San Mateo to further the principles of high quality and responsible government than Bob Allen. He leaves public service on April 15, 1983, with an enduring record and our lasting gratitude.●

BLAMING RESEARCH FOR THE AGRICULTURAL POLICY MESS?

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. BROWN of California. Mr. Speaker, agricultural policy in this country needs serious overhaul. At this very moment, we are faced with a fundamental political conflict among the concerns of those responsible for producing our food and fiber, those engaged in foreign trade and development, and those dependent upon domestic nutrition programs. Resolving these difficulties will require clear and bold thinking. What the current administration has given us in its budget proposals, is confusion and lack of rational purpose.

Nothing can be more essential to resolving our problems than research on ways to lower the cost of producing food and fiber. Our difficulty now is not with the level of production, but with the relentlessly increasing costs of essential inputs. Plant breeding research has the potential to slow or reverse this trend; improved genetic materials are probably the most cost-effective agricultural inputs available. Yet basic and applied plant research is seriously underfunded in the current administration budget. Worse, the research program is not guided by rational policies concerning the appropriate role of the many public and private institutions involved. Indeed, research is being blamed for the problems caused by past failure to achieve a sensible food and farm policy. This situation is described in an article which recently appeared in the Christian Science Monitor; I commend this piece to my colleagues.

[From the Christian Science Monitor, Mar. 14, 1983]

CROP RESEARCH FACES CUTBACKS FOR BEING TOO SUCCESSFUL

(By Jonathan Harsch)

HOUSTON.—Agricultural research's own success is creating problems that may have a long-term impact on the ability of the United States to help feed an increasingly hungry world.

The US Department of Agriculture (USDA) forecasts an explosion in world food needs over the next 20 years. Yet outside the USDA, many federal officials are more worried that immense farm surpluses will continue to drahn the US Treasury.

Today's surpluses and higher farm productivity are the results of past research breakthroughs. One possible response is to control surpluses by cutting government funds for agricultural research. This approach is proposed in the Reagan administration's 1984 budget, which cuts agricultural research spending from 1983's $707 million to $704 million for '84. Crop production research funding is singled out for the largest cutbacks.

The amount cut may be small compared with the total agricultural research budget. But these cuts come at a time when many US experts are calling for increased agricultural research, which ultimately can help farmers worldwide meet future demand.

Outlining research aims for the next six years, USDA Agricultural Research Service administrator Terry B. Kinney Jr. says research is being redirected to "help ease the surpluses."

Yet even as spending cuts are being felt in USDA offices throughout the country, the department continues to warn that tremendous productivity advances are needed to meet expected world food demands. According to the just released Agricultural Research Service Program Plan, "World food production must double in the next 40 years to meet projected demands."

Population pressures may escalate world food needs faster than currently forecast. But the Agricultural Research Service report warns that "even with low-demand projections, the required rates of productivity translate into dramatic numbers—275 bushels per acre of corn by the year 2000 and 385 bushels per acre by the year 2050. Such yields equal or exceed the highest experimental yields ever produced and are about three times as high as average farm yields [110 bushels of corn per acre in 1981]."

The expected need for major productivity gains is centering interest on genetic engineering research in particular. Many experts argue that this area offers the best route to increased productivity.

Among the possibilities offered by genetic engineering:

A perennial corn plant that combines improved nutrition with greater pest and drought resistance, while producing its own nitrogen fertilizer. Such a plant could also cut soil erosion by eliminating annual planting.

Dwarf nut and fruit trees that mature quickly and reduce acreage needs by a factor of four while making harvesting a ground-level operation.

Rich fields of food, fodder, and fiber crops irrigated with salt water.

Unlocking the full potential of many familiar and unfamiliar plants may depend on molecular biologists learning to remove a specific beneficial gene from one plant or animal and "splice" it into the cell of a crop-producing plant.

Such biotechnology advances are still in their earliest stages. But their time-saving and space-saving advantages could give classical plant breeders "a new high-technology tool in a 10,000-year-old process." This is the promise outlined in "Genetic Engineering of Plants," one of a series of reports on agricultural issues produced by the California Agricultural Lands Project (CALP), a nonprofit group based in San Francisco.

Texas A&M University geneticist Elexis Bashaw agrees that cell-to-cell gene switching opens up tremendous possibilities. Working with an interdisciplinary team of researchers at the Texas Agricultural Experiment Station, Dr. Bashaw has seen 12 years invested in developing a more digestible type of Bermuda grass, which improves cattle weight gain by 20 percent. With new technology, he says, the traditional plant selection and breeding process could be speeded up dramatically.

But along with the CALP study and with other experts, Bashaw warns that geneticists still have a tremendous amount to learn about the basic mechanics of plants before major advances can be put to use commercially.

The CALP study warns that a shortage of federal funds for basic agricultural research is creating serious problems. After quoting a number of experts who criticize USDA funding levels, the study concludes that "the federal government is not yet financially committed to basic plant science and molecular biology."

One researcher familiar with a Congressional Office of Technology Assessment report being prepared on USDA support for genetic engineering says the report will show that the USDA's own research teams "haven't availed themselves of the latest technology." So instead of advances in agricultural technology being freely shared between university researchers and then with the farm sector as in the past, the latest de-

velopments may come instead from private labs in the US, Europe, and Japan.

In this case, the congressional report is expected to warn, advances may be slowed down and may be exploited for commercial profit to repay private industry's investment.

Anne Holiday Schauer, associate chief of the USDA's Competitive Grants Research Organization, says federal funding should be vastly increased because "we know so little about how the genes are organized in a plant that it will take a massive amount of work just to know how useful biotechnology will be."

Although current US food surpluses create political pressure to cut research funds, she says, "the research that we are contracting for now is to provide what we will need in 10 to 15 years when we don't anticipate a glut."●

STATEMENT IN EXPLANATION OF THE EMPLOYMENT ACT OF 1983

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. CONABLE. Mr. Speaker, Mr. CAMPBELL and I recently introduced H.R. 2149. H.R. 2149 is the legislative text of the administration's "Employment Act of 1983." The following is a narrative description of this legislation. It should be helpful in understanding H.R. 2149.

The narrative follows:

STATEMENT IN EXPLANATION OF THE EMPLOYMENT ACT OF 1983

The Employment Act of 1983 includes some initiatives designed to address the Nation's unemployment problem. The bill would:

Extend a modified Federal Supplemental Compensation (FSC) program through the end of FY 1983 and tighten FSC eligibility;

Establish a related job voucher program that allows FSC recipients to receive the equivalent of their benefits in the form of weekly vouchers to be given to new employers who hire them;

Permit the states to use up to two percent of the State unemployment compensation tax receipts to provide assistance to displaced workers in the form of retraining and relocation; and

Establish a youth opportunity wage during the summer months for persons under the age of 22.

TITLE I: MODIFICATION OF THE FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM

FSC modification

Subtitle A of title VI of the Tax Equity and Fiscal Responsibility Act of 1982 (Pub. L. 97-248) enacted the Federal Supplemental Compensation Act of 1982. The Federal Supplemental Compensation program was extended by section 544 of the Surface Transportation Assistance Act of 1982 (Pub. L. 97-424). The Employment Act of 1983 provides for a modified Federal Supplemental Compensation program for an additional six months, through September 30, 1983.

Eligibility for benefits under the extension would be revised to reflect the third-tier character of FSC—following on regular benefits and extended benefits. Administration of the proposed legislation would be simplified by reducing the five different State-wide benefit levels under the present FSC program to three. To reflect the third-tier concept of FSC, individuals must have had employment in their base period of at least 30 weeks of work, or the equivalent in wages, in order to qualify for benefits under the revised FSC program. For extended benefits it is 20 weeks of work or the equivalent in wages. Finally, claimants would be ineligible if they became unemployed for any reason other than being separated for lack of work or physical disability. This will make ineligible those leaving work voluntarily or who were discharged for any other reason.

Claimants' weekly benefit amounts will be the same as their weekly benefit amounts under the current Federal Supplemental Compensation program. The maximum amount payable to a claimant during the period of modification (the period of the revised program from April 1 to September 30, 1983) will be the lesser of sixty-five percent of the total amount of regular compensation payable during the most recent unemployment benefit period or a multiple of the weekly benefit amount. That multiple will be calculated in accordance with unemployment levels in that State. A higher level of unemployment within a State would result in a claimant receiving a greater maximum amount of benefits. When unemployment levels in a State change, the State would move from one unemployment period to another unemployment period. Such movement would change the maximum amount of a claimant's potential entitlement.

Finally, individual claimants who move from the State in which their claim for unemployment compensation arose, and file interstate claims in another State during their FSC period shall have their maximum amount payable reduced if the second State is in a lower unemployment period than the State from which they came.

A "high unemployment period" (up to 16 weeks of FSC payable) would begin in a State when that State had an insured unemployment rate of 6.0 percent or higher. The period would end after the insured unemployment rate in that State dropped below 6.0 percent. An "intermediate unemployment period" (up to 12 weeks of FSC payable) would begin in a State when that State had an insured unemployment rate of 4.5 percent but less than 6.0 percent. That period would end when the State met the trigger rates for either a high or low unemployment period. A "low unemployment period" (up to 8 weeks of FSC payable) shall begin with the first week in which the State is not in a period of high or intermediate unemployment and end with the week preceding the week in which a State begins a period of high or intermediate unemployment. Notwithstanding a State meeting the trigger requirement for unemployment, periods will last for a minimum of four weeks.

We estimate that for the period of modification 400,000 claimants will be affected by the changed requirements at a cost of approximately $550 million less than a straight extension of the current program.

Job voucher system

The bill also permits a claimant eligible for FSC and an individual who would have become eligible for FSC from September 30, 1983 to March 31, 1984, if FSC were in effect, to elect to use entitlement to Federal supplemental compensation in the form of a voucher redeemable by an employer who hires the individual. Individual elections to use the voucher system will be permitted for the period from May 1, 1983 to March 31, 1984.

The employer who hires the individual will be entitled to a voucher for each week he employes the claimant for at least 32 hours. The employer will not be permitted to claim a voucher for individuals related to the employer. The definition of a 'related individual' is provided in the Internal Revenue Code. A voucher will also be denied if the employer employed the individual in the base period of his most recent unemployment benefit year.

The voucher amount would be one-half of the individual's weekly benefit amount for a week of total unemployment. The maximum number of vouchers to which an employer will be entitled with respect to any individual is determined by a mathematical formula which utilizes the claimant's weekly benefit amount and the duration of that claimant's entitlement to compensation. The employer's claim for a voucher must be presented to the State agency and must contain a verification by the employer that the individual was employed by the employer, that the hours of employment met the basic criteria of the voucher program, and that the employer is not ineligible. The State must also determine that the other criteria of the law have been met and thereby certify the voucher.

If a claimant elects to use the voucher system and is laid off by an employer for a reason which does not disqualify the claimant under State law, the claimant would be entitled during the period of modification to any remaining Federal supplemental compensation. The claimant would also be protected in leaving employment for which the voucher is claimed due to a subsequent reduction in hours or wages.

Any employer who misuses a voucher will be ineligible for any further vouchers and liable to repay the value of any vouchers he was not entitled to receive. The employer would further be subject to prosecution under the fraud provisions of Federal law.

The voucher credits may be used by employers first to satisfy their State unemployment tax liability, second to satisfy their Federal unemployment tax liability, or third against any Federal income tax liability. In the event an employer has vouchers in excess of these tax liabilities in any one year, they may be carried forward for up to 15 years to satisfy first Federal unemployment tax liability and second Federal income tax liability. The vouchers may also be carried back against Federal income tax liability for up to three years. The tax credit is non-refundable. If the employer uses the voucher credit to satisfy any of these tax liabilities, that employer will not be entitled to a targeted jobs tax credit for wages paid to that employee during the same period a voucher is claimed.

We estimate that 700,000 individuals will use the job voucher system.

TITLE II: YOUTH OPPORTUNITY WAGE AND COVERAGE

Under current law, the basic Federal minimum wage of $3.35 an hour exists for most American workers. The purpose of title II is to provide an incentive for employers to expand job opportunities for young people during the period from May 1 through September 30 each year by permitting them to pay a wage that is less than the basic wage rate that is required by existing Federal law.

Specifically, this provision would amend the Fair Labor Standards Act to permit an

employer to employ a youth under 22 years of age from May 1 through September 30 at a wage of either 75 percent of the otherwise applicable minimum wage or $2.50 per hour, whichever is less. The provision also states than any references in other Federal laws to the Federal minimum wage under section 6(a)(1) shall be interpreted to refer to this subsection with respect to this type of youth employment. The provision also states that the subsection shall not be applicable to any person who has been employed by the employer at any time during the 90-day period before May 1. This is to provide protection for young workers who are already employed by a particular employer. The provision also states that no employer shall discharge or discriminate against an employee of such employer who is ineligible for the wage established by this subsection on the basis of such ineligibility. This is designed to protect older workers from possible displacement by the youth eligible for the youth opportunity wage. A discriminatory discharge violation shall be deemed a violation of section 15(a)(3) of the Fair Labor Standards Act (FLSA) and thus these violations would be enforceable with the remedies under the FLSA. The provision would also exclude from Federal and State unemployment compensation coverage the employment of such individuals and their wages.

TITLE III: USE OF STATE UNEMPLOYMENT FUNDS FOR RETRAINING AND RELOCATION ASSISTANCE

The bill would permit the use of workers eligible for unemployment compensation under State law. Job search allowances and relocation allowances may also be furnished to workers.

The amount of funds a State may use for retraining and relocation assistance in a year shall not exceed two percent of the total receipts from employers to the state's unemployment fund in the preceding calendar year. Funds granted to a State for the administration of State and Federal unemployment compensation laws may not be used for the costs of administering the retraining and relocation assistance programs, nor may State unemployment funds be used for administrative costs.

This proposal provides a means whereby States can encourage individuals who have been permanently separated from their jobs to obtain retraining. States could tailor their assistance to the specific needs of long-term, structurally unemployed.

If all States took advantage of this provision, we estimate the total amount of funds available would be $374 million based on estimated tax receipts for fiscal year 1984.

TITLE IV: ADDITIONAL PROVISIONS

The bill would amend the Job Training Partnership Act to provide that individuals who receive wages pursuant to programs under the Job Training and Partnership Act or the Comprehensive Employment and Training Act who have not attained age 22 by May 1 shall, for the period from May 1 through September 30, be paid the minimum wage established in section 6(g) of the Fair Labor Standards Act or the minumum wage under State or local law.

The Bill would provide for technical and conforming amendments to the Social Security Act and the Internal Revenue Code.●

COATS WELCOMES FOURTH DISTRICT STUDENT PROGRAM

HON. DAN COATS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1883

● Mr. COATS. Mr. Speaker, it is my privilege to welcome the following members of the Fourth District congressional student program from Indiana to Washington, D.C., this week:

Jalene Anderson, Fort Wayne Christian High School; Barbara Andrew, Wayne High School; Andrew Barker, East Noble High School; Jack Birch, West Noble High School; Julianne Bawman, Norwell High School; Kim Bradtmueller, Heritage High School; David Brown, Southern Wells High School; Melinda Clouse, Central Noble High School; Greg Crowell, Blackhawk Christian High School; Lynette Fields, Huntington North High School; David Fischer, Homestead High School; Robert Fork, Bishop Dwenger High School; Tony Frey, Bellmont High School; Charlotte Gerig, Woodlan High School; Peter M. Hazelton, Bluffton High School; Henry J. Hendric II, Prairie Heights High School; Marcia M. Heyman, Dekalb High School; Shauna Holt, Northrop High School; Cheryl Jackway, Garrett High School; Bruce A. Jobe, Jay County High School; Jeffrey Kochlinger, Concordia Lutheran High School; Devona Lahrman, South Adams High School; Thomas Lantz, Fremont High School; Tammy J. Litmer, Adams Central High School; Laura Manns, Churubusco High School; Marty L. Manuel, Witco High School; Julie Marple, Angola High School; Erika McCord, Harding High School; Kevin Mowan, Bishop Luers High School; Darlene Muraski, Eastside High School; Pamela Sue Pickering, Snider High School; Wayne E. Propsy, Lakeland High School; Joel S. Reed, New Haven High School; Sheri Roberts, Huntington Catholic High School; Thomas C. Roberts, South Side High School; Brenda Sue Smith, Hamilton Community High School; Carol Tonn, Elmhurst High School; David Walton, Grace Christian High School; Myron Weber, Leo High School; Suzanne Western, Columbia City Joint High School; Janette Williams, Northside High School; Dawn Wilson, Westview High School; and Mr. and Mrs. Ivan Beyeler of Fort Wayne as sponsors.

These students have been chosen to take part in the program by a nonpartisan board of directors. One student is chosen out of many applicants from each high school in my district. I wish to congratulate these students and applaud their enthusiasm and spirit.

During this week they will have the opportunity to see Government in action by observing many aspects of the democratic process.

My special thanks to Senators RICHARD LUGAR and DAN QUAYLE for taking time to meet with these students. I also wish to thank my fellow colleagues in the House, minority whip TRENT LOTT, Representatives PAT ROBERTS, PHIL GRAMM, STEPHEN SOLARZ, BILL NELSON, WES WATKINS, and BOBBI FIEDLER, who have graciously taken time from their schedules to meet and speak with these students.

Mr. Speaker, I believe that this congressional student program allows these fine young men and women the opportunity to discover Washington both at work and at leisure. They will be able to see the wonderful sites in and around this great city as well as observe the activities of those men and women who serve this country. I hope that this exposure will encourage them to actively participate in the Government in the future.

Again, Mr. Speaker, it is my pleasure to welcome these students.●

STUDENT ASSISTANCE IMPROVEMENT AMENDMENTS OF 1981

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. ERLENBORN. Mr. Speaker, today I am introducing the Student Assistance Improvement Amendments of 1983. This legislation, transmitted to Congress earlier last week by the administration, proposes a major restructuring and simplification of existing Federal student aid programs.

The central concept in this legislation is that students should make a larger contribution toward meeting the cost of their education. To this end, the legislation would require a self-help contribution from each recipient of grant aid amounting to $800 or 40 percent of the cost of education, whichever is higher.

The legislation also embraces the philosophy that the Federal Government should not give grants to students unless the student has already made a contribution toward their own education. Existing research demonstrates conclusively that some students are currently contributing more toward meeting educational costs than the administration is proposing, while others are contributing nothing.

According to analyses prepared by the administration the changes proposed in this legislation would result in an increased focusing of grant aid on low-income students. The percentage of grant aid going to families with incomes below $12,000 would increase from 74 to 82 percent. This refocusing of aid would help restore the program to its original purpose, opening the

doors of higher education to low income students.

The most commonly voiced concern regarding this proposal heard since announcement of the fiscal year 1984 budget is that the self-help requirement is too high. Some students have stated that there are no summer jobs in their areas and that their families would be unable to help them with any shortfall.

Under the proposal, students could use guaranteed student loans, national direct student loans, and college work-study to meet the self-help requirement. In most instances students should not have difficulty in meeting this requirement. A guaranteed student loan of $2,500 by itself, for instance, would meet the self-help requirement for students attending an institution with a cost of education of $6,000.

The administration bill also proposes extending the present guaranteed student loan need analysis to all students. As you will recall, Mr. Speaker, the House of Representatives enacted an identical provision in the Omnibus Budget Reconciliation Act in 1981. When that historic act was considered in conference, the need analysis was applied only to those borrowers with adjusted family gross incomes above $30,000. Enacting remaining need now would not only save the Government money in future years, but would also remove the arbitrary effect of the $30,000 threshold.

The administration is to be complimented on sending Congress a substantive, thought-provoking proposal. In reviewing all of the provisions included in this legislation, however, I found several provisions that raise concerns that Congress may want to address as it considers this bill:

First. All institutions may not be able to take full advantage of the 57 percent increase in college work-study funding. Although the administration bill waives the institutional share and provides for flexibility in the funding formula, many institutions have expressed doubts as to whether a sufficient number of work-study jobs can be found on their campuses.

Second. Some college presidents have suggested that students at their institutions may have trouble meeting the self-help requirement. Elias Blake of Clark College, for example, has suggested that students at this institution have great difficulty in obtaining guaranteed student loans. Other students, particularly those arriving on campus in need of special tutoring or remedial study, may not have the time to hold a college work-study job.

Third. The imposition of a 40 percent self-help requirement could discourage some low-income students from attending the institution of their choice or any institution at all. This concern was raised by Dr. Jackson Hall of Pikeville College before the Subcommittee on Postsecondary Eduation. Hall suggested that the self-help requirement could directly lead to many of the students presently at Pikeville College, attending lower cost schools.

Fourth. The doubling of the loan origination fees for graduate and professional students may undermine the efforts of Congress to improve science and math education Representatives of graduate schools have already told Congress that they feel an increase in the current $5,000 annual limit is needed. Doubling the loan origination fee would lower net loan proceeds by $250.

Fifth. A final concern relates to the overall stability of student financial aid programs. The annual legislative and regulatory changes in these programs made in the past few years have convinced many students and their families that aid available one year may not be available the next. The result of this uncertainty is that students decide to attend lower cost institutions which in some cases are not best suited to their educational aspirations.

Despite these concerns, I believe that this legislation merits close scrutiny by the House. I believe that hearings and close study of the administration bill may lead to resolution of some or all of the concerns I have raised. I also believe that the two principal features of the legislation—explicit recognition of a self-help requirement and consolidation of student aid programs—should serve as guideposts to Congress as it begins work on the reauthorization of the Higher Education Act later this year.●

CHARTING AMERICA'S DEFENSE

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. MURTHA. Mr. Speaker, a couple years ago I said that we were starting a 5-year period of decisions on America's military that would shape the future of the world for decades to come.

Nothing has happened to change my mind.

The House of Representatives is beginning a debate on the President's budget request. Indications are there will be a real budget increase in defense in the 5-percent range; down from the request by President Reagan. In a budget that will approximate $245 billion, we do have flexibility in making cuts without reducing effectiveness.

In these comments, I want to note that there are some other factors to take into consideration in our deliberations.

For one thing, I sense great public concern about the size of the defense budget. The area I represent has always stood for a strong defense, and continues to. But when we face a higher budget deficit, and when so many social programs have been cut, the people in the 12th Congressional District of Pennsylvania are saying they want to see that same scrutiny brought to the defense budget.

Inefficiency, waste, cost overruns—those are the kinds of concerns I hear from citizens throughout the country. Congress has to be diligent in making certain such waste does not inflate the defense budget.

For a second thing, whatever budget cuts we make must be real cuts. It has become increasingly popular to make what are known as horizontal cuts. Basically, that means we reduce spending this year by spreading out a purchase. The effect of this, though, is often counterproductive. Let us examine the M-1 tank. Presently, the hardware cost in producing 60 of the tanks per month is $1.9 million per tank. By reducing our purchases to 40 a month, the cost per tank goes up to $3 million per tank. In addition, by going down to the 40 per month, we would close one of the plants and lose our "surge capacity" in case of an outbreak of hostilities. Thus, this is not a real reduction in spending. The cuts we make must truly save money.

We must also remember that the budget debate is not really a debate about numbers. It is about America's defense strength. While cost is important, it is more important to spend the money wisely and lay out a defense program that will accomplish our national military goals. We all want a defense second to none. But that will not be accomplished by throwing defense dollars at problems; it will be accomplished by spending the dollars wisely to create a strong, efficient military.

I hope that in the months ahead our debates will focus on the key questions of what future decision to make about the MX missile? How to solve continuing problems with military manpower and talent? How to close the gap in conventional weapons strength? And how to set a firm defense plan for the years ahead so our program does not suffer from stops and starts and changes in attitude? Those are the kinds of issues our debate needs to address.

From my military background and observation of history, plus years of hearings on the Defense Appropriations Subcommittee, my basic outlook remains the same: The surest way to avoid war is to make sure we are strong enough militarily that no potential adversary will miscalculate that this country lacks the willingness

to defend itself and its allies. But the sophistication, technology, and destructiveness of today's weapons, all make those decisions tougher and more crucial than they have been at any time in history. In addition, the opponents of freedom and democracy are stronger than at any time in history, and we must not slacken from our responsibility to lead the free world.

The defense debate will not disappear; in fact, it will grow more intense. And well it should. If the decisions today are incorrect, not only America, but the entire free world will be vulnerable.●

CHILD CARE INFORMATION AND REFERRAL SERVICES ACT

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Ms. MIKULSKI. Mr. Speaker, I am pleased today to be joined by my colleagues, Ms. FERRARO, Mrs. SCHROEDER, Mrs. KENNELLY, Ms. OAKAR, Mr. CONABLE, Mrs. BOGGS, Mrs. COLLINS, Mr. PERKINS, and Mr. GEORGE MILLER, in introducing the Child Care Information and Referral Services Act. This legislation is part of the Women's Economic Act and is sponsored in the Senate by Mr. GARY HART.

Finding child care can be extremely difficult. Changes in family structures and in employment schedules make that job even harder. There are more single parents who work and more two-parent families where both parents work. Quality child care is becoming scarcer and scarcer. When families have nontraditional needs for child care—like care for infants, or care during night shifts—finding child care is a real struggle.

Information and referral clearinghouses will be one-stop shops where parents can find out about child care services in their communities.

This legislation sets up an $8 million Federal grant program to fund new or improve existing information and referral clearinghouses. These clearinghouses will work with parents and with providers to help families find affordable, convenient, and appropriate care for their children, and to help providers operate at full capacity. The result is a match of families' needs which providers supply.

In addition to making efficient use of scarce resources, the information and referral clearinghouses will have other benefits. The most important of these is the information about child care supply and demand the clearinghouses will generate. Because there are presently few facts about the availability of child care services in specific communities, this data base will lay important groundwork for future advocacy efforts.

The clearinghouses may also become centers for other child care-related activity. Potential services include offering technical assistance and training to providers to increase services or upgrade existing services; providing feedback from users to providers regarding quality of services; coordinating activities of advocacy groups, agencies dealing with child and family issues, child care providers and families; and working with the business community to set up employer-assisted dependent care programs.

The use of computers to collect data on child care will integrate the new technology with the social services, with machines working to serve human needs.

The Child Care Information and Referral Services Act is a future-oriented initiative designed to facilitate resource efficiency in the present and to encourage resource upgrading and expansion in the future. I urge my colleagues to support this legislation.●

REHABILITATION ACT OF 1973

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. MURPHY. Mr. Speaker, I would like to advise my colleagues that I have introduced legislation to extend the Rehabilitation Act of 1973, as amended. Title I of this act, the State grants program, remains the Federal Government's primary employment program for disabled Americans. It insures that a wide range of rehabilitation services are available to persons with substantial handicaps to employment but who have the potential to become gainfully employed. The act's programs have become a model of coordinated and comprehensive efforts interrelating basic services with research, training, independent living and competitive job placement programs. Furthermore, this act protects the civil rights of disabled Americans through its antidiscrimination provisions.

There can be no argument that the Rehabilitation Act of 1973, as amended, should be extended. This piece of legislation has the admirable distinction of generating more revenue than is expended in its implementation. No other human service funds are spent in such a cost-effective manner to help people live more self-sufficient and independent lives. Although apparent, it is difficult to measure the self-esteem resulting from participation in the programs provided by this act. The tangible benefits to this country's economic health, however, can and have been measured—in terms of increased earning capacity and decreased reliance on public assistance. Persons who would otherwise remain dependent upon Federal handouts are becoming productive, taxpaying and more independent.

The Rehabilitation Services Administration's latest report to Congress estimates that for every $1 spent on vocational rehabilitation, there is a return in excess of $10. The most recent data available from RSA shows that in the first year after case closure, persons rehabilitated in fiscal year 1981 paid $211.5 million more in income, payroll and State taxes than they would have paid without rehabilitation. Another $68.9 million was saved as a result of decreased dependency on public support payments and institutional care. In just 1 year, the benefits to government was $280.4 million. In 4 years, the entire cost to government of those rehabilitations would be returned.

It only makes sense to fully support a program that has a 63-year track record of successful return on the Federal dollar. Presently, however, the Council of State Administrators of Vocational Rehabilitation estimate that only 1 in 20 disabled individuals eligible for rehabilitation services can be accepted into vocational rehabilitation programs because of monetary limitations—people who could work if rehabilitation services were provided.

Congress has consistently given bipartisan support to the Rehabilitation Act. In the past 2 years we have rejected a proposal to put the program into a block grant and continued to increase its funding rather than reduce it by as much as 30 percent, as the administration proposed. Nevertheless, we must recognize that current funding levels do not come close to answering the need. That the number of disabled individuals served and rehabilitated has steadily decreased over the past 7 years does not reflect problems within the act itself, but rather the erosion of its funding base due to inflation as well as sharp reductions in SSI and SSDI funds for vocational rehabilitation. In addition, Congress has made rehabilitation of the severely disabled a priority the last two times it has renewed this legislation. This mandate should continue to be supported because, although it is more costly to serve the severely disabled, this group is more dependent on public support and less likely to find employment without rehabilitation services than are the nonseverely disabled. However, it costs 2 to 2½ times more money to rehabilitate the severely disabled. Consequently, adequate funding levels need to be provided to implement the law as Congress intended.

The Rehabilitation Act Extension of 1983 does much to rectify this legislative intent/funding discrepancy by: One, making permanent the authori-

zation of appropriations for the basic State grants program; two, increasing the authorization of State grants appropriations for the next 4 years at a rate calculated to restore the fiscal year 1979 purchasing power of the program by fiscal year 1987; three, setting each annual increase for the State grants program after fiscal year 1987 at the level of increase in the Consumer Price Index for each previous year; and four, extending authorization of appropriations for all other programs under the act for the next 3 fiscal years at "such sums as may be necessary."

Fiscal year 1979 had been used as the point of reference because, from 1975 to 1979, the downward trend in overall service provision resulted primarily from the gradual shift in resources to more severely disabled clients; during this period there was actually a yearly increase in the number of severely disabled clients served. However, since 1979, the drop in both severely and nonseverely disabled cases shows a clear decline in the ability of the States to serve eligible clients. At the very least, our objective should be to get back to the point where that decline began.

Congress has responded to the needs of unemployed able-bodied Americans by the swift passage of public jobs legislation. However, within our society is a segment of the population experiencing an unemployment rate of not just 10 percent or even 20 percent—but more than 50 percent. The way to begin to address this debilitating problem is to extend and strengthen the Rehabilitation Act of 1973, as amended.

Our country cannot afford to lose the productive potential of millions of disabled Americans who eagerly seek the opportunity to work and become taxpayers, nor can we overlook the human aspects of their individual self-fulfillment. I ask my colleagues' support for H.R. 2177, the Rehabilitation Act Extension of 1983.

Mr. Speaker, the following is the text of my legislation:

H.R. 2177

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION. 1. This Act may be cited as the "Rehabilitation Act Extension of 1983".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR VOCATIONAL REHABILITATION SERVICES

SEC. 2. (a)(1) Section 100(b)(1) of the Rehabilitation Act of 1973 (hereinafter in this Act referred to as "the Act") is amended by inserting at the end thereof the following: "There is further authorized to be appropriated for such purpose $1,037,800,000 for fiscal year 1984, $1,141,100,000 for fiscal year 1985, $1,254,600,000 for fiscal year 1986, $1,379,400,000 for fiscal year 1987, and the amount determined under subsection (c) for each succeeding fiscal year.".

(2) Section 100(b)(2) of the Act is amended—

(A) in the first sentence by striking out "and" immediately before "$60,000,000" and by inserting immediately before the period at the end of such sentence ", and such sums as may be necessary for each of the fiscal years 1984, 1985, and 1986"; and

(B) by striking out all of the second sentence.

(3) Section 100(c)(2) is amended—

(A) in subparagraph (A) by striking out "If" and inserting in lieu thereof "Beginning with fiscal year 1987, if"; and

(B) in subparagraph (B) by striking out "If" and inserting in lieu thereof "Beginning with fiscal year 1987, if".

(b) Section 112(a) of the Act is amended by inserting "and no less than $3,500,000 for fiscal year 1984 and each of the two succeeding fiscal years," after "fiscal years,".

(c) Section 121(D) of the Act is amended by striking out "1982" and inserting in lieu thereof "1986".

EXTENSION OF AUTHORIZATION OF APPROPRIATES FOR RESEARCH AND TRAINING

SEC. 3. (a) Section 201(a)(1) of the Act is amended by striking out "and" immediately after "1979," and by inserting immediately before the semicolon at the end thereof the following: ", and for fiscal year 1984, and for each of the two succeeding fiscal years".

(b) Section 201(a)(2) of the Act is amended by striking out "and" after "1981," and by inserting immediately before the period the following: ", and such sums as may be necessary for each of the fiscal years 1984, 1985, and 1986".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR SUPPLEMENTARY SERVICES AND FACILITIES

SEC. 4. (a) Section 301(a) of the Act is amended by striking out "1982" and inserting in lieu thereof "1986" and by striking out "1983" and inserting in lieu thereof "1987".

(b) Section 302(a) of the Act is amended by striking out "1982" and inserting in lieu thereof "1986".

(c)(1) Section 304 of the Act is amended by redesignating the second subsection (d) as subsection (e).

(2) Section 304(e) of the Act (as so redesignated) is amended—

(A) by striking out in the first sentence "and" after "1981," and by inserting immediately before the period the following: ", and such sums as may be necessary for fiscal years 1984, 1985, and 1986"; and

(B) by striking out the second sentence.

(d) Section 305(g) of the Act is amended by striking out "the fiscal year ending September 30, 1979, and for the three succeeding fiscal years" and inserting in lieu thereof "fiscal year 1984, and for the two succeeding fiscal years".

(e) Section 310(a) of the Act is amended by striking out "1982" and inserting in lieu thereof "1986".

(f) Section 313(e) of the Act is amended by striking out "1982" and inserting in lieu thereof "1986".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SEC. 5. Section 502(i) of the Act is amended by striking out "1982" and inserting in lieu thereof "1986".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR EMPLOYMENT OPPORTUNITIES FOR HANDICAPPED INDIVIDUALS

SEC. 6. (a) Section 617 of the Act is amended by striking out "and" after "1981," and by inserting immediately before the period the following: ", and such sums as may be necessary for each of the fiscal years 1984, 1985, and 1986".

(b) Section 623 of the Act is amended by striking out "1982" and inserting in lieu thereof "1986".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR COMPREHENSIVE SERVICES FOR INDEPENDENT LIVING

SEC. 7. Section 731 of part E of the Act is amended by inserting immediately before the period "and for each succeeding fiscal year ending before October 1, 1986".

EFFECTIVE DATE

SEC. 8. This Act shall take effect October 1, 1983.●

THE 50TH ANNIVERSARY OF THE CIVILIAN CONSERVATION CORPS

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. CLINGER. Mr. Speaker, I would like to take this opportunity to recognize the outstanding achievements of the Civilian Conservation Corps (CCC) and congratulate the alumni, on the occasion of the CCC's 50th anniversary.

The CCC was authorized in 1933, and at its peak, there were 452 park camps all across the Nation, with 90,000 men establishing and improving the parks of our country. The proof of the program's success and accomplishments are still very evident today. It has been said, that the CCC sent the State park movement forward 50 years.

The CCC carried out a conservation and recreation agenda unparalleled in our Nation's history. Trails, reclamation, bridges, recreational facilites, and so forth, were completed by the CCC in State parks all over the Nation. Thus encouraged, States that owned no State parks developed entirely new park systems. Importantly, projects were thoughtfully designed, and carried out by CCC enrollees who grew more skillful with experience.

I think there is very good reason to recognize the CCC on the program's 50th anniversary. We will not forget the miles of roads built, the trails, the telephone lines, the fire prevention work, the corrective planting, or scores of other CCC installations. The CCC period provided young men an opportunity to learn trades through apprenticeship and experience. As their understanding of the fields, streams and forests grew, a spirit of American conservation grew along with them.●

OAKLAND PRESS CALLS FREEZE AN OBSTACLE TO ARMS REDUCTIONS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. BROOMFIELD. Mr. Speaker, the Oakland Press, a prominent newspaper in my congressional district, has joined those voices pointing out the fallacies of House Joint Resolution 13, the so-called nuclear freeze resolution.

In a recent editorial, Press Editor Neil J. Munro, argues that passage of the freeze resolution "would send an unfortunate signal to the Soviet Union."

A freeze, the Press contends, would "tend to create an international political climate in which the final holocaust would be more, not less, likely to occur."

Commonsense, the editorial concludes, dictates that we lay aside the freeze and concentrate on negotiating a verifiable, balanced mutual weapons reduction.

As the sponsor of a substitute to House Joint Resolution 13, calling for just such mutual reductions before a freeze is put in place, I commend the Press editorial to the Members of the House.

[From the Oakland Press, Mar. 11, 1983]

A NUKE-FREEZE RESOLUTION WOULD DEFEAT ITS PURPOSE

(By Neil Munro)

Sometime next week the U.S. House of Representatives will vote on a resolution to freeze nuclear arms testing, production and deployment.

And there is a very good chance the bill will pass. It has been there before and only lost by two votes. Now there are 26 more Democrats in the House, some of whom may be presumed to be "pro-freeze," in contrast to their defeated GOP rivals.

The problem is that passage of the bill by the House would send an unfortunate signal to the Soviet Union. Why, the Kremlin would ask itself, should we be in any hurry to negotiate arms reduction with an administation whose support on military matters is so obviously eroding?

One negotiates from strength, part of which includes the willingness and ability to step up armaments if cutback talks fail.

A successful vote on the freeze resolution would cast serious doubt on our willingness.

The resolution also would have to pass the Senate to become official and, even then, it would not be binding on President Reagan.

But a good deal of damage would have been done to U.S. credibility in our current arms reduction talks with the Soviets in Europe.

Paul Nitze, our chief negotiator there, says a freeze resolution would leave us with "virtually no bargaining leverage with the Soviets."

Now there is no doubt that congressional proponents of a freeze sincerely share a univeral concern over the horrors of nuclear war. Their proposal, however, is counterproductive. It would tend to create an international political climate in which the final holocaust would be more, not less, likely to occur.

If a freeze actually were imposed politically in this country, it would interfere both with our ability to deter war with the Soviets by continuing to arm to match their current strength and to deter it at a lesser, but balanced level through arms reductions.

The intent of freeze supporters is that the Soviets would also comply, or no dice.

The problem, however, is that there is no evidence the Kremlin takes such things seriously.

The Soviets are using chemical warfare in Asia in defiance of existing treaties. And they installed an additional 40 missiles in Europe after announcing they were "freezing" deployment.

So what would a freeze treaty mean to them, if anything?

Even assuming they were as good as their word, it would take as long to negotiate a truly verifiable mutual weapons freeze as it would to negotiate a verifiable, balanced, mutual reduction.

Common sense says, let's go for the latter.

And a freeze resolution would only make that more difficult, perhaps even impossible.●

THE LEE HOSPITAL LIFELINE

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. MURTHA. Mr. Speaker, I had the opportunity recently to talk with Lanny Stinson, Lifeline coordinator for Lee Hospital in Johnstown, Pa.

The Lee Hospital Lifeline provides an emergency response system for citizens living within their homes. It makes sure that if medical problems arise for these citizens, they can reach the hospital and emergency treatment they may need quickly and efficiently.

I have written to the appropriate committee chairman urging inclusion of this service in medicare reimbursement. I want to bring it to the attention of the Members of Congress, so that persons not familiar with it can join me in working for some way to provide assistance for this valuable assistance.

Mr. Stinson has recently sent me several letters from persons using this system. Their words are more eloquent than mine in describing this system. Let me mention a few of them.

A woman from Johnstown wrote:

I am so glad I have my life line in, I feel much safer now. As I do fall a lot and being by myself, I don't feel alone; with the life line it's a great help for me. I am not all alone. Now I can get help quick if and when I need it. I wish all lonely people had one that have a great need. I can't say enough good about it.

Another Johnstown woman wrote:

As a Lifeline subscriber, I would like you to know that since the service has been installed in my home I feel a greater sense of security and well-being. It has played a major role in helping me maintain my independence. It has given me and my family peace of mind knowing I can get necessary medical help immediately.

A daughter in the Johnstown area wrote this about her mother's experience with Lifeline:

I am an only child, and there is no other family in the area so I would not have been able to leave mom alone while I worked, etc. without Lifeline. In November, she had a more extensive CVA (stroke) and fell at the bedside—I had already left for work and my 12-year-old son was going to school—mom pushed the Lifeline emergency button and help was summoned immediately.

Let me mention one more letter which reads:

Since I live alone and have a bad case of angina, I was so sure it was an "institution" for me! With a little outside help and "Lifeline" I am able to stay home. You have no idea what that means to a 75 year old.

I cannot produce more meaningful testimony than that. This project obviously is invaluable in providing peace of mind and independence, and in literally saving lives. It deserves medicare support or some other way of helping people to benefit from it.

It should be part of Congress' medical care agenda in 1983.●

THE AGRICULTURE BUDGET AND THE FUTURE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. BROWN of California. Mr. Speaker, the labor and capital that American farmers invest in their land are yielding, in the 1980's, rapidly diminishing returns. Pressed by the high cost of land, equipment, and supplies and high interest rates on one hand, and low prices for farm products on the other, many farmers balance on the brink of insolvency, or go over it. Consumers, too, feel the effects. Although food is plentiful, prices are rising and times are hard. Millions of Americans must depend on public welfare to provide an adequate diet. In response to these problems, the budget submitted by the President for fiscal year 1984 treats agriculture rather badly.

Before I begin to explain where I find fault with the proposals of the administration, I want to comment its commitment to improvements in the basic and long-range research programs. These proposed expenditures are essential investments in the future of American agriculture, which should not be neglected in the press of immediate problems. As the participants in last summer's Winrock Conference reported:

Annual rates of return on research expenditures in agriculture range from 35 to 50 percent, well above the returns on other public investments

and a clear indication that we are seriously underinvesting in this national resource.

The Agricultural Research Service is scheduled to receive a modest increase this year, with new funds targeted for basic research in plant and animal genetic engineering. The competitive grants program administered by the Cooperative State Research Service will also be expanded by about 25 percent, with funds to conduct basic research in plant sciences and nutrition. For the first time, funds for animal science research are provided. These competitive funds provide essential support for basic science within the USDA's research programs. I hope that this program will continue to increase.

One area that could be profitably addressed by the competitive grants program is the study of environmental stress on crop plants. Much attention has been devoted to increasing plants' potential to produce under ideal environmental conditions. Many scientists now believe that we could make greater gains in the future by studying how to make plants yield more when less than optimum conditions prevail, that is, when drought, salinity, cold, heat, lack of nutrients, or pests affect the crops. Up to now, USDA's limited research in this area has been scattered among a number of programs. A significant effort, funded through competitive grants, could well produce very valuable results.

This leads to one further point about research. In general, our efforts in the past have been to increase production by increasing inputs of energy, water, and chemicals, while reducing inputs of labor and land. Today, we see farmers suffering from high input costs at the same time that large commodity surpluses are causing problems for the Federal Government. Both the direct costs of fertilizer, chemicals, water, energy, and equipment and the indirect, external costs of the environmental and health effects of soil erosion, salinization, and chemical contamination are increasing. The scientific, technical, and managerial challenge for the eighties and beyond is to bring these costs under control. In my view, there is an opportunity now to help solve these problems by finding ways to substitute for some of the costly inputs presently applied, others which are both less expensive and less demanding of scarce resources. Advances in genetics promise that, in the near future, farmers will be able to reduce fertilizer, pesticides, and water use because of improved growth response, stress tolerance, and resistance of plants and animals themselves. We may, in effect, substitute genes for chemicals and energy. Moreover, these improvements in efficiency will be achieved in an environmentally benign fashion. Before this possibility can be realized, much research and development will be needed, a great deal of it very risky and expensive.

USDA is doing far too little in advanced areas of applied genetic research. The Department and the States still support a great deal of routine plant breeding that could easily be carried out by commercial seed companies. I urge the USDA to study its priorities carefully and to consider whether it might redirect some of its efforts toward the kinds of high-risk research this administration says that it will support.

The Cooperative State Research Service (CSRS) budget has been significantly reduced, largely through elimination of funds for several special research programs, and for research authorized by specific acts of Congress. One of these, the Native Latex Commercialization and Economic Development Act of 1978, is intended to provide research for alternative domestic sources of natural rubber, an essential strategic material for which the United States now depends 100 percent on foreign suppliers. Similarly, the alcohol fuels research program funds are eliminated. These cuts seem to me to be extremely ill-advised, given our desire to make this country more self-reliant in strategic materials and energy.

Among the special research grants being cut is soil erosion in the Pacific Northwest. This money represents a major part of the funding for the STEEP program, which has been widely hailed as an important model of cooperation between the Federal Government and the States to support interdisciplinary research aimed at solving difficult practical problems. This program is halfway through an estimated 15-year effort. To eliminate these funds now is a tragic mistake. Similarly, I find inexplicable the elimination of the integrated pest management consortium, another example of the kind of collaborative effort needed to deal with complex problems in agriculture. I am even more disturbed when I note the near doubling in Federal administrative costs for the Cooperative State Research Service. A sharp rise in bureaucratic expenses while vital research programs are being cut calls into question the priorities being established by CSRS. We should examine very closely whether USDA is using such funds efficiently.

I am pleased to note that in USDA's departmental administration, the Agricultural Research Service, and the National Agricultural Library, more funds are provided for information management. Making information easily available to users inside and outside USDA is a goal I have long supported. I also am pleased to see greater funding for the programs of the Statistical Reporting Service and the Economic Research Service. The proposals for new natural resource data systems and for the electronic dissemination of agricultural research statistics are particularly welcome.

The administration has again requested funding for acquisition of Landsat data by several USDA programs. These data will improve national and worldwide crop forecasts, which are essential to effective marketing of U.S. commodities. The National Oceanic and Atmospheric Administration cannot provide this information without these passthrough funds. I hope my colleagues will support this request.

While some parts of Cooperative Extension are being funded at current levels, a number of programs under section 3(d) of the Smith-Lever Act are not receiving any support. Programs such as urban gardening, which helps to narrow the gap between urban consumers and rural producers, deserve to be continued. The proposed termination of the extension programs in pesticide impact assessment and farm safety also concerns me greatly.

The detection, surveillance, and control activities of the Animal and Plant Health Inspection Service (APHIS) are our chief defense against invasion by foreign plant and animal pests, and I hope that the Congress will see fit to revoke the ill-advised cuts in the program. My colleagues are aware now, if they were not before, that occurrences such as the Medfly outbreak are serious matters; there are other potential insect and pathogen invaders whose threat to agriculture and to public health is far greater than the Medfly. These threats could well become real if APHIS is forced to shortcut its activities.

In the conservation programs of USDA, we see reductions in direct services to farmers and communities in many areas. Severe cuts in the agricultural conservation program come at a time when these incentives are essential to encourage farmers to deal with soil erosion. One bright spot in the picture is the inclusion of funds for salinity control in the Colorado River. This is a program of major significance to water users in the arid Southwest, and an important point in our relations with Mexico.

Proposed further cuts in watershed and rural pollution control programs can only hurt efforts to protect rural resources. Overall support for small community and rural development is down 25 percent; the increases in interest subsidies and the block grants program will probably not make up for the losses.

Today, when the slowing down of the world trade, is worsening the commodity surplus situation here in the United States, strong programs to support marketing of U.S. crops abroad are essential. This budget contains sig-

nificant increases for the Foreign Agriculture Service. I have already noted the importance of funds for Landsat data for these programs. At the same time, I note with regret that funds for agricultural development abroad are not similarly increased. I fear that despite some valuable initiatives in this area, the administration is not yet committed to the idea that assisting the development of a strong agricultural sector in other countries, especially in the Third World, actually leads to increases in demand for imported food. Raising incomes in these nations through greater productivity is as beneficial to our farmers as it is to theirs.

One and one-half billion dollars have been cut from food and nutrition programs. These reductions cannot help but aggravate the problems of those already suffering from the current economic situation. The inconsistencies are painful—farmers distributing surplus produce to the unemployed and lines of urban poor waiting to receive handouts of cheese. We are cutting back the food stamp program, only to witness revival of the direct handout and the soup kitchen.

In the National Weather Service (NWS) budget, there are ill-advised cuts in the programs for agricultural weather, fruit frost, and fire weather. These NWS operations are vital to America's farmers and ranchers and must be maintained. The recent proposal to sell off the NWS weather satellites, without a plan for insuring the farm sector's role in future schemes, must be opposed. I am willing to work on alternative approaches for insuring delivery of agricultural weather information, but I will not go along with the present precipitous moves.

In sum, agriculture has fared well in a few areas and suffered in many. While I am sure that some programs in USDA are obsolete or inefficient, I do not think that the overall reduction of 25 percent in the Department's budget represents a sensible course of action. The House Agriculture Committee has seen fit to recommend increases in many of USDA's programs over the administration's proposals. I strongly support the bulk of these recommendations, particularly the increases for research, extension, and education. I hope that the Budget and Appropriations Committees will give them careful consideration.

Let me assure my colleagues that as chairman of the Department Operations, Research, and Foreign Agriculture Subcommittee of the Committee on Agriculture, I will be conducting oversight hearings on a wide range of USDA programs. We will do our utmost to separate the successful from the unsuccessful efforts and encourage innovative ways of approaching critical problems. Mr. Chairman, I realize the enormous pressure to reduce Federal spending; this is a reality we all must face. However, I wish to remind my colleagues that, despite the advances of science, technology, and industry, we remain an agricultural civilization. Farming and ranching provide almost the whole of our food and much of our fiber and other materials. Farming and forestry, moreover, are important future sources of industrial chemicals and feedstocks, including fuels. Trade in agricultural products is an essential part of our economy at home and abroad, with tremendous implications for our relations with other nations. It is our responsibility to see that this Government designs and implements an agricultural policy that will meet the needs of the American people now and for the future.●

SONG OF THE CENTURY

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. BORSKI. Mr. Speaker, I rise to pay tribute to the man who literally changed the face of the music world, Mr. James E. Myers. As the creator of one of the most widely played songs in the world, "Rock Around the Clock," he led the way for the popular explosion of rock music and helped to make Philadelphia one of the most important musical centers in the United States.

March 31, 1983, will mark the 30th anniversary of "Rock Around the Clock." First recorded in 1954 under Mr. Myers' direction by the legendary Bill Haley and the Comets, "Rock Around the Clock" went on to sell an estimated 100 million recordings. It has been translated into 30 different languages, recorded on nearly 500 record labels, performed in some 28 motion pictures and featured on countless television and radio programs throughout the world. It has often been called the "Song of the Century."

In addition to authoring this rock and roll classic, Mr. Myers has written more than 200 songs, has recorded with his own band, and has been actively involved with both an acting and a writing career. He continues to write his weekly "Actor Diary" newspaper column in Philadelphia's Center City Office Weekly, and produces screenplays, recordings, and books.

Presently he is a member of the American Society of Composer and Author Publishers, the American Film, Television and Radio Artists, the American Guild of Authors and Composers, and the Screen Actors Guild, and has been responsible for the discovery and rise of many young artists in show business.

So it is with great pride that I honor this talented artist who has made such an important contribution to the entertainment industry, to our community, State, and Nation.●

WRONG RESPONSE TO MISTAKEN ARMS POLICIES

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. WEBER. Mr. Speaker, millions of well-intentioned Americans have made their vkices heard in recent months by supporting a nuclear arms freeze. Millions of other well-intentioned Americans, like me, have a great deal of difficulty supporting this kind of proposal.

Each side needs to lower its voice and reach an agreement with the other on a proposal that will at once protect this great Nation's security while making the chance of nuclear war less likely.

The Minneapolis Star and Tribune last Sunday presented a very sensible critique of the nuclear freeze debate now being discussed here in the Congress. I would commend this excellent editorial to my colleagues on both sides of the aisle.

Thank you, Mr. Speaker.

[From the Minneapolis Star and Tribune, Mar. 20, 1983]

WRONG RESPONSE TO MISTAKEN ARMS POLICIES

[An Editorial]

An American president would have to bury his head in the ground to ignore the integrity, sincerity and legitimate concerns of the nuclear freeze movement. Unfortunately, President Reagan has sand in his eyes. But there is also an unfortunate aspect to the freeze proposal debated last week in the House of Representatives: It is unrealistic at best, and at worst could lead to a more dangerous world.

Perversely, the president invited the kind of opposition so clearly manifested by the freeze movement. His speech earlier this month to the National Association of Evangelicals gathered into one presentation—tirade is not too strong a word—a phobic world view previously visible only in fragments. Last fall, for example, Reagan made passing reference to freeze advocates as dupes of the communists. This month, he called the freeze a fraud; he spoke of it as a reward to the Soviets; he railed against appeasement and wishful thinking and ignorance of history by those (he meant freeze supporters) who would remove themselves from the struggle between good and evil.

Such intemperate and ill-foundered attacks demean the president, not the people who challenge his views. But many of the challengers have made themselves vulnerable to the valid charge that they are pursuing a chimera rather than offering useful ideas for arms control. That realization may have dawned in the House. The vote on a freeze resolution, expected last week, was deferred until next month after floor debate

exposed some of the resolution's muddy concepts.

A clear statement of the underlying contradiction came from Speaker Thomas P. O'Neill. The freeze is a vote of conscience, he said, and it need not have much influence on future votes for arms programs. In other words, Congress can have it both ways. Demand that the superpowers stop building nuclear weapons; later on, approve the weapons the majority thinks necessary.

The debate is as muddy as the freeze. The freeze is muddy because it's supposed to be simple, but isn't. The House resolution calls for a mutual and verifiable halt to the testing, production and further deployment of all kinds of nuclear weapons, and says the halt (followed by reductions) should be immediate. If the idea is to define a goal that has some reasonable chance of being reached, freeze sponsors deceive themselves and the public. Four administrations have worked 15 years, with only mixed results, on arms control measures less drastic than a freeze.

Even if the freeze goal were realistic, questions would remain about its desirability. By making no distinctions among sizes or kinds of nuclear weapons, the resolution includes all. The implication is that strategic arms limitation agreements like SALT II, unwisely withdrawn by President Carter and wrongly rejected by Reagan, would be unsatisfactory for failing to include short- and intermediate-range weapons.

The resolution also would freeze some of the wrong things while failing to freeze others. The point of having nuclear arms is to deter adversaries from using theirs. Deterence requires mutual belief in the workability of each other's systems. For example, reasonable enhancement of deterrence could include replacing old Minuteman missiles with a simpler, more reliable version as suggested in an article on the next page. A freeze would seem to rule out that possibility. And it would do nothing to prevent the development of countermeasures like submarine detection. If country A became convinced that it nullify country B's nuclear threat, country A could be more tempted to use nuclear weapons in a time of crisis.

None of this argues for the Reagan drive to accelerate the production and deployment of nuclear arms, or for the mistaken idea that such a buildup will induce the Soviets to negotiate reductions. It does argue for more sensible, selective approaches. The administration should recognize the freeze movement as a justified national protest against its nuclear arms policies. Freeze supporters should turn their attention to practical arms control. Both should support negotiations with the most promise of success in lowering the nuclear threat. A good way to start would be to take SALT II off the shelf.●

SOUTH CAROLINA VOICE OF DEMOCRACY WINNER LAUDED

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. CAMPBELL. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conduct a Voice of Democracy contest. This year more than 250,000 secondary school students participated in the contest competing for the five national scholarships which are awarded as top prizes. The contest theme this year was "Youth—America's Strength."

I would like to take this opportunity to congratulate the winner from South Carolina, who also happens to be from my district. Robert R. Jones IV is an outstanding young man whose patriotism sets an example we all could follow. I am pleased to offer his prize-winning speech for us all to enjoy.

1983 VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM SOUTH CAROLINA WINNER

Many times in the past 200-odd years, Americans have fought to protect this country from enemies who would take away our freedoms. Great Britain, France, Germany, Italy, and Japan have all been defeated because so many Americans were willing to sacrifice so much.

Now America is under attack again, this time not from external foes, but from enemies within. The enemies of intolerance, self-indulgence, and apathy threaten the very foundation upon which our country was built. Some say we cannot win this war, for we have no armies to fight foes that cannot be seen or felt. But I say there is an army to fight this war: the vast army of youth. And for each enemy we face, we have a weapon with which to fight.

With the weapon of "respect for opinions," we can defeat the enemy of "intolerance toward differing opinions." If each young person in America has his or her own ideas, but denies others the right to a differing viewpoint, Americans may again shed each other's blood as they did in the Civil War. Personal viewpoint is important, but it shouldn't be everything to us. As John Donne said: "No man is an island entire of itself; every man is a piece of the continent, a part of the main." None of us has all the answers, so why act like we have?

Our second big enemy is self-indulgence. So many people today won't deny themselves anything. They live for the moment, never taking a thought for tomorrow. If a man has a problem, he'll drown it in alcohol and hope it takes care of itself. If a wife wants a luxury she can't afford, she may buy it on credit and let her husband worry about the bills. If some teenagers get depressed, they'll shoot themselves full of drugs to achieve the "high" they desire, without ever stopping to think about what they're doing to their minds. This enemy of self-indulgence can be even more dangerous than intolerance, but it can be beaten, using the weapon of self-discipline. We owe it to our future, and the future of our country, to stop and think about the long-term effects of our indulgences.

Finally, to defeat apathy, we have love—love for country, love for family, love for God. If the youth of America has nothing to love, we have nothing worth fighting to keep. If we love our country, we'll fight to keep it free; if we love our families, we'll fight to keep them together; and if we love God, we'll fight for the right to worship Him as we wish.

In past wars, thousands of brave men have sacrificed their health, their sanity, and even their lives to keep America great. This war also calls for sacrifice—not of health, but of time; not of sanity, but of effort; and not of life, but of priorities. If we, as this country's youth, will use the weapons of love, self-discipline and respect for opinions; if we'll sacrifice time, effort, and wrong priorities, then we'll win this war, and our country will be a little stronger because of it. And as the nation grows stronger, so will we—we'll truly be America's strength.●

PERSONAL EXPLANATION

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. TORRES. Mr. Speaker, I was not present for House proceedings on Monday, March 21, 1983. I was out of the country with other members of the Subcommittee on International Development Institutions and Finance. Had I been present on the House floor, I would have cast my votes in the following manner:

Rollcall No. 34: House Resolution 141, the rule under which H.R. 1149 was considered, 234 to 84. Voted "aye."

Rollcall No. 35: Smith amendment in the nature of a substitute that sought to preclude the addition of Oregon roadless lands in the wilderness system, 58 to 292. Voted "nay."

Rollcall No. 36: Young amendment in the nature of substitute that sought to delete approximately 75 percent of the lands designated in the bill, 91 to 249. Voted "nay."

Rollcall No. 37: Walker amendment that sought to authorize the Secretary of Agriculture to waive provisions of the bill that result in employment, 96 to 240. Voted "nay."

Rollcall No. 38: Final passage of H.R. 1149—Oregon Wilderness Act, 252 to 93. Voted "aye."●

MARITIME SAFETY AND SEAMAN WELFARE LAWS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. BIAGGI. Mr. Speaker, today I join in cosponsoring a bill being introduced by Mr. STUDDS, the chairman of the Subcommittee on Coast Guard and Navigation. This will consolidate and clarify certain marine safety and seamen's welfare laws without significant substantive changes of a controversial nature. This legislation is a product of many years of labor and is a continuing effort to update a most confusing set of laws. They are archaic, unclear, redundant, complicated, and extremely difficult to understand and administer. These laws, that are enforced by the Coast Guard, are codified in several chapters of title 46 of the United States Code.

As the prior chairman of the Subcommittee on Coast Guard and Navigation, I have been privy to this diffi-

cult task and the efforts that were made in attempting to rewrite these laws so that they are clear, comprehensive, well organized, and relevant to today's maritime industry. The Coast Guard has for a number of years led this effort several times but without success. One reason for the failure was the sheer magnitude of the project. Another was the fact that some groups opposed changes on the expressed belief that any rewrite may adversely affect them.

Some time ago I suggested that the Coast Guard contact interested and affected groups so that they could participate in the process of developing a draft bill that would have broad support. This suggestion was followed—and input from management, labor, and other interested parties was provided. I believe that this legislation will not significantly affect any rights, benefits, or duties, or adversely impact on anyone affected by the existing laws.

I say this because of the spirit of cooperation that has taken place between both Houses of Congress, involved staffs, the Coast Guard, and other interested experts from maritime management and labor. Since the introduction of H.R. 7103 and the companion bill S. 2660 during the last Congress, there has been considerable public comment. We have received testimony, we have repeatedly met with the Coast Guard, we have listened to and discussed many issues with organized maritime labor and management, and we have developed revised working drafts of the title 46 revision. We now believe we have settled as many discrepancies as possible and are ready to proceed with a clean bill and new hearings to review the remaining limited issues. It is anticipated that a companion bill in the Senate will likewise receive expedited consideration for final passage of this long overdue legislation.

I might mention that the House version does not amend existing law but will enact into positive law the statutes that affect maritime safety and the general welfare of seamen. This approach has the approval of the law revision counsel who is pursuing an ongoing effort to enact each title into positive law. While the format we are using is different than the Senate's, the substantive provisions are the same. Our staffs have been working well together, and any changes in either version have so far been mutually acceptable.

I believe that the responsible and sincere approach that has been exhibited by those who will be affected by this legislation will continue to provide us with the wherewithal to enact this much needed legislation.●

FTC TRUTH-IN-FUNERALS RULE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. DINGELL. Mr. Speaker, funerals are the third largest single purchase consumers ordinarily make, costing a total of more than $5.4 billion annually, most of that in fees to funeral directors. After a preliminary investigation of numerous complaints from the public, the FTC began a rulemaking proceeding in 1975 to determine whether a rule on funeral practices was necessary. For example, on October 11, 1975, a man from Niantic, Conn., wrote to the Federal Trade Commission and said the following:

I lost my wife about two years ago. She requested that she be cremated. She did not want any expensive casket nor did she wish to be embalmed. Both of these things were required (by the funeral director). They advised me that she must be cremated in the casket. This is ridiculous . . . Anything that you do to bring about a change in this practice will certainly be a wonderful step in the right direction.

On Septmeber 28, 1982, the Federal Trade Commission promulgated a trade regulation rule governing funeral industry practices. That rule was submitted to Congress on January 25, 1983.

WHAT THE RULE DOES

As approved by the Commission, the rule provides protection in three major areas:

Price disclosures—Consumers must be provided with itemized price lists in the funeral home before any discussions about particular services or merchandise. They must also be given a written statement which lists the charges for services and merchandise selected. Itemized price information must be provided over the telephone upon request.

Misrepresentations—Prohibits funeral providers from misstating legal, crematory, or cemetery requirements. Also prohibits funeral directors from suggesting that embalming, caskets, or burial vaults can preserve the body for extended periods of time.

Unfair practices—Prohibits embalming for a fee without prior permission from family members except in certain specified circumstances. Also prohibits funeral providers from requiring a casket for direct cremations; prohibits conditioning the purchase of any funeral services or goods on the purchase of any other funeral goods of services, except as provided by law.

WHAT THE RULE WILL COST

The rule has been extensively simplified to minimize compliance costs. It requires:

Preparation of three simple price lists, which may be combined into a single list.

Revision of contracts to include required information.

Retention of documents for 1 year.

Even prior to the rule's simplification, funeral directors surveyed by an independent consultant said that the rule would not place a significant burden on their businesses. In June 1982, OMB approved the paperwork requirements of the rule, after a review to determine if the burdens were necessary for the proper performance of the agency.

On February 24, 1983, Congressman Russo of Illinois submitted House Concurrent Resolution 70, disapproving the FTC funeral industry rule. That resolution has been referred to the Committee on Energy and Commerce for appropriate action. Congress will soon be asked to vote on whether or not to veto this rule.

I encourage you to give careful consideration to this issue. Accordingly, I call your attention to the February 27 New York Times article which offers some interesting insight into support for the FTC rule among several regional trade groups, including the New York State Funeral Directors Association, with 800 members, and the Metropolitan Funeral Directors Association, which has 175 members in New York City.

[From the New York Times, Sunday, Feb. 27, 1983]

A NEW TRY FOR TRUTH-IN-FUNERALS

(By Michael deCourcy Hinds)

WASHINGTON.—Sidney A. Miller ordered a $95 pine coffin for his deceased uncle in 1981. That's not what he got. A Baltimore funeral director persuaded Mr. Miller's mother to buy a $1,350 "funeral package" that included among other items a $470 casket, $75 for "body deodorants" and $35 for a rabbi who did not attend the service. Elizabeth Miller said she "felt uncomfortable questioning the funeral director about prices.". Besides, she said, "He told me the pine coffin had holes."

The Millers were furious; so furious, they told a Congressional committee about their experience and, along with other consumers, demanded better regulation of the funeral industry. The Federal Trade Commission complied during the last session of Congress, offering a rule requiring funeral directors to disclose prices and services at the first meeting with consumers and over the telephone. The rule also prohibited the misrepresentation of such things as the benefits of embalming.

Congress was busy with the budget and did not vote on the proposal. The commission has thus resubmitted it. If neither house vetoes the rule by late April, it will go into effect.

The regulation's passage, however, is not assured. Representatives Marty Russo, an Illinois Democrat, last week introduced a veto resolution, hoping for the same success he enjoyed in 1979 with a commission attempt to regulate the funeral industry. The industry is large: Americans spend more than $5 billion a year on funerals, most of that in fees to funeral directors. But Mr. Russo argues that the individual businesses are small. And the Government, he says,

should not interfere with small businesses engaged in intrastate commerce.

Aside from disliking Federal regulation in principle, the funeral industry is affronted by the commission rule in particular. "Its primary thrust is negativistic," said Bernard R. Fielding, a spokesman for the National Funeral Directors Association, a trade group with about 2,000 members. "I don't put doctors or lawyers on any higher plane than funeral directors, and doctors and lawyers don't have to disclose prices over the telephone." William Rutherford, president of the 13,500-member Funeral Directors Association, said the rule would "take away a fiduciary trust between the bereaved and the funeral director." Moreover, he said, it is impractical. "A widow, who may just have kissed her husband goodbye for the last time, is not in any mood to have all these prices thrown at her," Mr. Rutherford said.

Several regional trade groups disagree. The F.T.C. proposal "really isn't a problem," said Randall S. Archibald, executive director for the New York State Funeral Directors Association, with 800 members, and the Metropolitan Funeral Directors Association, which has 175 members in New York City. Mr. Archibald and his colleagues have had years of experience with state and city disclosure laws. "Funeral directors," he said "aren't bothered by the requirements, except when the city inspectors come nosing around."

Since New York City's law became effective in February 1982, the Department of Consumer Affairs has made two "enforcement sweeps," issuing summonses to lawbreakers. (The courts can impose fines.) The last survey, in August, found that 91 percent of funeral directors itemized services and costs on the telephone, but 78 percent violated one or more sections of the law relating to disclosures at first meetings.

In New Jersey, the state Board of Mortuary Science, a regulatory panel dominated by funeral directors, decided in 1973 to initiate a reform of sales practices. The board passed a rule similar to that of the F.T.C., with no outcry from local funeral directors. As proof of the rule's effectiveness, James Barry, director of the state Division of Consumer Affairs, said that the board is much better able to police the industry. Complaints about overcharging, he said, rose from "very few before the rule to more than 90 a year."

Five other states—Connecticut, Florida, Colorado, Texas and Arizona—have rules requiring presale price disclosure, according to the F.T.C. An industry trade group survey found almost identical funeral costs in states requiring disclosure and states that do not.●

PERSONAL EXPLANATION

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. RICHARDSON. Mr. Speaker, I left Santa Fe early yesterday morning fully intending to be present for the votes on H.R. 1149, the Oregon Wilderness bill. However, I was unavoidably absent due to the heavy snowstorm which blanketed the Chicago Airport, where I had to change planes. Had I been present, I would have voted nay on the amendments offered by Mr. YOUNG of Alaska and Mr. WALKER, and I would have voted "aye" on final passage.

I commend the gentleman from Oregon, the distinguished chairman of the Mines Subcommittee, for his work in bringing this important piece of wilderness legislation to a speedy and successful vote on the floor, and I only regret that I was unable to be present at the time of final passage.●

PRO BOXING INDUSTRY NEEDS SCRUTINY OF CONGRESS

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. ROE. Mr. Speaker, professional boxing is again being looked at by a committee of the Congress.

Our colleague from New Jersey, JIM FLORIO, chairs the House Energy and Commerce Subcommittee that has held two hearings on boxing safety and the lack of regulation from State to State in that industry.

Our State of New Jersey has risen to be the No. 1 location for pro boxing bouts, many of which are held in Atlantic City.

I commend our colleague for initiating this inquiry, and I look forward to reviewing the recommendations of his committee.

This issue was the subject of an informative column in the New York Times sports pages on March 21, authored by Dave Anderson. I hope that the Members will find it of interest.

The article follows:

BOXING'S "ACCOUNTABILITY"

Boxing belongs here. The punishment fits the crime. Just as the glitter of Atlantic City's new boardwalk casino-hotels quickly fades after one block into the gloomy decay of its Monopoly-game streets, the dazzle of a big title fight often obscures the sour scams of the sweet science. But for a few hours Friday, two light heavyweights, Michael Spinks and Jim Florio, bridged boxing's two worlds. And in another few months, those two worlds may never be apart again.

Michael Spinks, wearing white trunks and a cautious manner, outpointed Dwight Braxton in a unanimous 15-round decision. It resulted in his coronation as the first one and only 175-pound champion recognized by both the World Boxing Council and the World Boxing Association since Bob Foster's reign a decade ago.

Jim Florio, wearing a gray suit and a searching manner, earlier outpointed several witnesses in a court-house hearing on a Congressional bill. It would create a 10-member Congressional advisory commission in order to establish Federal control of what he called the "prizefighting industry."

Michael Spinks bragged later that he had beaten Dwight Braxton with "one hand," meaning his left jab. Jim Florio never bragged, but the Congressman from New Jersey had stopped all his opponents with one word that many boxing people have never understood—"accountability." Some boxing people probably think that accountability is an accountant with ability, not to be confused with honesty. But in time perhaps Jim Florio and his committee will make boxing people understand its true meaning.

"How do we have proper accountability?" Jim Florio said during Friday's hearing. "Accountability is the key factor we're looking for."

Representative James J. Florio, Democrat of New Jersey, chairman of the Subcommittee on Commerce, Transportation and Tourism, was sitting behind a long shiny wooden table in a first-floor courtroom of the Atlantic County courthouse. He was addressing Jim McKenna, a vice president of CBS Sports, who had proposed that "local supervision and control in each state seems more desirable" than a Federal commission.

"I'm troubled by your proposal, your justification of the status quo," Jim Florio said, "when the status quo is not acceptable."

Jim Florio is still seeking solutions, but he has quickly recognized one problem—the scattered supervision of boxing in this country by so many different states in so many different ways. José Sulaimán, the World Boxing Council president, told the committee Friday that "most other nations regulate boxing on a national level" and added that "some countries are excellent and others are not." Asked which nations had the best boxing commissions, he mentioned Italy and England to the committee.

"They get into the business of boxing," he said, "but they are not too bureaucratic."

When José Sulaimán later returned to his seat at the rear of the courtroom, he quietly identified France, Spain and Japan as also having good commissions.

"What's the worst nation to work with?" he was asked.

"The United States," he whispered behind a raised hand cupped near his mouth. "None of the states agree with each other."

"Why is that?" José Sulaimán was asked.

"Independence. Autonomy. Selfishness. Ego."

Jim Florio also appears to have recognized another problem—the hazy relationship among the television networks, the boxing promoters and the two governing bodies of worldwide boxing—the W.B.A., whose representative failed to appear, and the W.B.C. He also appears ready to pursue the obvious conflict of interest concerning Carl King, the son of the promoter Don King, as the manager of both boxers, Carlos de Leon and Leon Spinks, in a recent W.B.C. cruiserweight elimination bout promoted here by his father.

"There's a growing lack of clarity," Jim Florio said, "in the close-knit relationship between the promoters, the managers, the broadcasting networks, the W.B.A. and the W.B.C."

Jim Florio formed his committee following the death late last year of Duk Koo Kim, the South Korean lightweight challenger who was knocked out Nov. 12 in Las Vegas by Ray Mancini in a W.B.A. title bout promoted by Bob Arum and televised by the CBS network. Improved safety regulations for boxers was the original premise of the committee, but Jim Florio is quickly learning that what happens inside the ring is the purest part of boxing, for better or for worse.

No matter how strict improved safety regulations might be, they won't prevent a boxing death every so often. That's the nature of the beast, just as it is in auto racing. But new government regulations of promoters, managers and the television in-

dustry would help to wipe some of the dirt off a greasy business. And wait until Jim Florio discovers the plight of the club fighters.

Judging by his reaction, Jim Florio didn't realize until he was informed at Friday's hearing that Duk Koo Kim was not even rated by the W.B.C. among its top 10 lightweight challengers at the same time the W.B.A. ranked him as its No. 1 challenger. Jim Florio also sounded annoyed at what he described as the "inability" of boxing's two most important promoters, Don King and Bob Arum, to comply with invitations to appear at Friday's hearings.

"The whole combination," Jim Florio said, referring to the relationship between the promoters, managers and television networks, "dictates there be a public accountability loftier than entertainment and ratings."

There's that word again. Yes, boxing indeed owes an accountability not only to the public but also to its own conscience, or what's left of it. But the weakness of Jim Florio's boxing bill is that it proposes to create a Congressional advisory commission that would create a Federal boxing commission. Instead, as Pat Williams, Democrat of Montana, suggested to the committee at Friday's hearing, it would make more sense to introduce a bill that would establish a Federal boxing commission without any bureaucratic delay.

Especially when $2 million in taxpayers' money already has been authorized for the current committee's work. Jim Florio has to have a sense of accountability, too.●

THE 162D ANNIVERSARY OF THE GREEK PEOPLE'S WAR OF INDEPENDENCE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. YATRON. Mr. Speaker, it is a great honor to join with my colleagues today to commemorate the 162d anniversary of the Greek people's war of independence from the Ottoman Empire. I wish to express my deepest gratitude to our colleague, Congressman MICHAEL BILIRAKIS, for initiating this special order so that we may pay tribute to the Greek people, who share our passion for feedom and independence.

In 1453, the Byzantine Empire fell. For more than 1,000 years this empire had developed a remarkable civilization based on the solid foundation of the Hellenic-Christian spirit. It was not until nearly 400 years later, after centuries of slavery, that the whole Greek nation would again embark on a fierce struggle to regain the most cherished right of man—liberty. This struggle, undertaken against overwhelming odds, was a truly remarkable feat.

It was a small number of brave men and women who had the courage to challenge the most powerful Ottoman Empire. Victory was accomplished after 8 years during which the people fought under terrible hardships, but with unfailing faith in the final outcome. The modern Greek state, which was declared free on March 25, 1821, was rebuilt on the sacred soil of the ancient Hellas.

One hundred and sixty-two years have passed since that historic day, and as it goes farther into history, so it becomes stronger in the hearts of all who cherish freedom. The heroic achievements of the Greek people of 1821 indeed proved them worthy sons and daughters of the heroes of Marathon and Thermopylae, and Salamis and Psara.

The spirit of 1821 is not limited to the boundaries of Greece. It is universal. For us, in the United States, our heritage of freedom is founded in the spirit of 1776. In so many ways, both countries' love of freedom and independence have joined together to advance the cause of liberty in the world. In the hearts and souls of the Greek people, the flame of 1821 continues to shine brightly, just as the freedom of 1776 shines within each American. The struggle of the Greek and American people to remain free and independent is a source of inspiration to us all. Greek civilization is remembered for many things: Art, literature, philosophy, and architecture. But it is the dedication to freedom and a close adherence to the principles of liberty which makes a nation great. I know that we all join together in our hope that the spirit of 1821 and 1776 remains embedded in the hearts and minds of free and independent Greeks and Americans, not only on Independence Day, but every day.●

IN HONOR OF BYELORUSSIAN INDEPENDENCE DAY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. BROOMFIELD. Mr. Speaker, March 25 marks the 65th anniversary of the declaration of independence of the Byelorussian Democratic Republic. This is truly a historic day that is cherished by all freedom-loving people who are deeply committed to the ideals of self-determination and independence of thought and action.

On March 25, 1918, the executive committee of the First Byelorussian National Congress proclaimed the Byelorussian Democratic Republic. This act began a period of guaranteed freedom of speech, assembly, and the equality of all citizens under the law.

It is unfortunate that their exercise in freedom lasted only 9 months. Under the leadership of Lenin, the new imperialistic Bolshevik government of Soviet Russia reconquered the independent Byelorussian states. The Soviets imposed upon the Byelorussians a puppet government which it then recognized as the official representative of the people. This was a clear contravention of stated desires of the Byelorussians.

Since that time, the people of Byelorussia have lived with an imposed government. The new regime in Russia proclaimed the end of the czarist empire and freedom for all the nations that had been conquered by the czars. The record shows that the Soviet Union has become only the newest and most oppressive empire of modern times.

I would like to lend my support today to a request by the Byelorussian American community that the Byelorussian language be included as part of our Voice of America programing.

It is vitally important that our Byelorussian brothers know that the people of the United States strongly support their efforts to regain their lost freedoms.

The proud and dauntless people of Byelorussia are an inspiration to all of us. We join them today in the hope that one day their dreams of freedom and independence will be realized.●

THE 50TH ANNIVERSARY OF FLINTRIDGE PREPARATORY SCHOOL

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. MOORHEAD. Mr. Speaker, Flintridge Preparatory School of La Canada Flintridge is celebrating its 50th anniversary year on Friday, April 8.

A special part of the dedication will be to bury a time capsule, filled with items and remembrances of the school, its traditions, students, teachers, and alumni that relate to its midcentury celebration.

The capsule, made of a special alloy, was fashioned by the scientists of nearby JPL and designed to withstand the rigors of long-term burial.

When Flintridge Prep enjoys its 100th anniversary year, the capsule will be exhumed and its contents examined, and, no doubt, judged for their appropriateness.

What they will not find in the capsule will be the virtues which have sustained this fine institution for five decades and which will undergird its quest for 100 years.

Remaining above ground, viable and visable, will be its pursuit of excellence in young people; its high standards of educational attainment and its tradition of truth seeking wherever the path leads.

Mr. Speaker, while you and I will not survive until the year 2033, as the Congress of the United States is no

fountain of youth, I have no doubt that Flintridge Preparatory School, a fountain of youth in its own way, will indeed survive at least another 50 years.●

WELCOME TO OUR NEWLY NATURALIZED AMERICANS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. GILMAN. Mr. Speaker, it is with sincere pleasure that I congratulate the residents of New York's 22d Congressional District who have recently chosen to become citizens of the United States, with all of the privileges, freedoms, and responsibilities that American citizenship entails.

Our Hudson Valley region in New York State is proud of its newest citizens, and I invite my colleagues to join in welcoming the following newly naturalized Americans and extending to them our best wishes for a happy and prosperous life in their new homeland:

Arthur Livingston Adams, Ludmilla Alexeeva, Nusrat Mukhtar Ali, Una Ula Virginia Amos-Mantey, Diana Antich, Francisco Roberto Antich, Oscar Ferrer Arguelles, Gloria Badillo, Jaswant Singh Basuta, Imelda Sales Bawas, Tito Dimagan Bawas, Rose Myrlene Joseph Benjamin, Mr. Antal Bercze, Anjan Bhattacharyya, Mansukh Mohanlal Bhatty, Neena Mansukh Bhatty, Joseph Edward Blackwood, Shirley Metega Bodurtha, John Warfield Bolman, Siri Borgsathavij, Pankaj Vipin Brukhanwala, Alice Yen-Hee Bsieh, Greta Fay Keith Byles, Antonia Cabrera, Nancy Camilleri, Kathleen Rita Campion, Giuseppe Careri, Lap Fan Chan, Ramesh Chandra, Ker-Chang Chang, Amy Hsien-Feng Chen, Joan-Hwei Chen.

Antonio Jose Chua Cheng, Shu-Chung Cheng, Casey Elizabeth Chiang, Maria Elena Chirino, Philip Michael Chirino, Chin Sun Choi, Duk Kyoon Choi, Elise Kuei-Fung Chou, Steadman Lee Clare, Veronica Cocchiaraley, Elvia Colon, Maria Ercilia Costa, Jeanette Eulalia Cueva, Jose Domingos Daraquel, Rose DiGasbarro, Primitiva Casimiro Dikitanan, Lydia Balmaceda Dondiz, John Arthur Drumm, Antonio Manuel Duarte, Adelaida Evicta Eliazo, Jean Claude Enelus, Joseph Benedict Etienne, Jay Gene Ewang, Eugene Falkenflug, Sara Falkenflug, Amilcar Ferreira, Adilia Ferreira, Ana Ferreiras, Concetta Fontana, Juan Carlos Formoso, Esmat Mohamed Zaki Darwish Fouda, Maybelle Ellen Fraser.

Lea Gabbay, Shlomo Gabbay, Olga Garcia, Simon Antonio Garcia, Amelia de Jesus Garrido, Margaret Gasser-Zubler, Marie Laurent Georges, Roger Laurent Georges, Fayth Yvonne Glotzer, Teresita Ordones Graham, Diana Green, Ferdinand Lacson Guanzon, Raj Kumar Gupta, Sun Keum Guthrie, Eusebio Gutierrez, Julia Gyba, Henry Ilsuk Hahn, Samuel Hyuksoo Hahn, Sally Youngsoon Hahn, Gabriela Cecilia Hammond, Margaret Mary Healy, Ernesto Moises Hernandez, Jr., John Laurence Hickey, David Hirst, Tom Ho, Jacqueline Holmes, Vivian Huynh, Neslie Hyppolite, Eleanor Inniss, Lina Iozzo, Vincenzo Graziano Iozzo, Kimberly Denise Jackson.

Maria Jimenez, Jung Hwa Joe, Sung Hyun Joe, Mr. Raymond Jean Julien, Anant Hari Kelkar, Verona Novelette Kemp, Nagui Gouda Khalifa, Eugene Kim, Yeong-Ja Kim, Jill Kingsbell, Antal Kiss, Claire Dimitrios Koskinas, Ferano Kovacs, Emeric Kreiter, Jacques Ronel Lecorps, Young-Bumm Lee, Nelson Eduardo Lesmo, Christine Maria Lidl, Lucy Lin, Shan Lin, Angel Alfredo Llerena, Pascale Marie Carmel Lolagne, Luz Aridia Lopez, Francoise Sylvain Louis, Lucrece Louisius, Jeanette Lukasik, Vera Ukperaj Lusha, Maria Elena Manny, Dushica Manoylovich, John Manoylovich, Thomas Marzella, Fabulas Joseph Mathe.

Dinesh Chhaganlal Mehta, Arturo Tamayo Mercado, Andrew Karl Mittag, Joseph Moger, Adelaida Ynes Munoz, Jose Nicolas Munoz, Noemi Jacqueline Munoz, Saira Josefina Munoz, Beithy Eugena Murphy, Beulah Mae Murphy, Esther-Jane Murray, Emma-Katherine Murray, Mark Sebastian Markwitch Murray, Samuel James Markwitch Murray, Krishna Gadde Murti, Carol May Mussberger, Laura Kathleen Nelson, Cheuk Lam Ng, Abdol Hamid Nikkah, Gisele Riboul Noisy, Gisela O'Neil, Tchun Suk O, Tudor Oprea, Mercedes Ospovat, Chong Soon Paik, Fernando Alcaion Pangilinan, Jr., George Hamilton Pearce, Maria Ana Perlstein, Edwine Desnoyers Phanor, Rosa Philbert, Lucie Pierre.

Michel Jean Baptiste Pierre, Gopalakrishna Pillai, Gina Pifera, Paul Jason Pinera, Marc Bennett Popkin, Liliane Marie Potier, Sabine Rohland, Louis Roman, Ziza Roman, Angelo Ruscitto, Kuldip Kaur Sachdev, Lita Sagullo Salcedo, Maria Imelda, Villamaria Samson, Soosamma Samuel, Jane Valdepense San Jose, Florencia Fonacier Santos, Leonardo Santos, Joseph Sanzi, Pratibha Jitendra Shah, Zeenat Khatoon Sheikh, Dov Sheiner, Frimet Sheiner, Luisa Limonco Sia, Luis Siguenza, Eleuteria Farin Silva, Victor Manuel Simoes, Enrica Grazia Solari, Mirella Anna Solari, Maria Solari, Maria Francisca Sosa, Rivka Stein, Kuo-Li Paul Sung.

Lamping Amy Sung, Georges Louis Thieule, Jeannine Adrienne Thieule, Karim Tinati, Albertha Van, Annamma Varghese, Patricio Antonio Vasquez, Iva Verma, Jose Luis Limcolioc Villamaria, Dyana Jin Wamsley, Yvette Zeferina Weinrauch, Eliezar Weiss, Natan Weissman, Elaine Christine Wesner, Nikolay Williams, Ruth Wolfenfeld, Zwi Wolfenfeld, Tatyana Yasnovsky, Vacheslav Yasnovsky, Christos Yianmakou, Agrypni Yosifides, Pyong Ki Yun, Shyunlong Yun, Jael Noam Zickel, Jacob Boris Zilberfarb.●

COMMEMORATION OF FRED I. SIMON

HON. FOFO I. F. SUNIA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. SUNIA. Mr. Speaker, today I join my colleagues in paying tribute to a great American Samoan leader, Fred I. Simon.

American Samoans remember Fred Simon with respect, having seen an example of concerned leadership and a striving to voice the needs of our people.

Fred Simon came to us in 1950, having been named by President Harry Truman as the first civilian attorney general to American Samoa. At the start of his service to our territory he listed as his goals to establish good will between the Polynesian people and the United States and the preservation of their rights. Without a doubt, he succeeded in these noble goals.

I particularly was impressed by Mr. Simon's background in the field of law. Fred Simon brought to American Samoa a wide range of experiences having served on the faculty of Loyola University in Chicago where he taught fraud perception and corporate finance, and was appointed to the National Economic Board of Korea, where he uncovered mammoth fraud and recovered $23 million in 1948 which had been sent for the relief and rehabilitation of Korea by the U.S. Government.

He practiced law before the U.S. District Court and U.S. Court of Appeals for the District of Columbia, Court of Appeals of Maryland, Supreme Court of Korea, State of Illinois Supreme Court, and the Supreme Court of the United States of America.

American Samoa was fortunate that he stood firm in his beliefs that our Government must remain stable through high lawful ideals. Never would Mr. Simon acquiesce to less than honorable behavior.

For his dedication to American Samoa, our people gave Mr. Simon the high chief title "Laloifi" before he returned to the United States. A high chief cannot be forgotten and that is why with the approaching Flag Day ceremony in American Samoa marking the day we became a part of this great Union we commemorate and pay tribute to the generosity of spirit of Fred Simon and recognize his high ideals of faith and lawful patriotism.●

GOLDEN JUBILEE

HON. GERALDINE A. FERRARO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Ms. FERRARO. Mr. Speaker, I would like to take this opportunity to call to the attention of my distinguished colleagues the Golden Jubilee of a Catholic Missionary Sister in my district—Sister Trinita, M.S.B.T.

Sister Trinita is a member of the Missionary Servants of the Blessed Trinity, an organized community of Roman Catholic women dedicated to serving others regardless of race, creed, or color.

For the past 15 years, she has served at St. Margaret Mary's Parish in Astoria, Queens. She is the coordinator of the religious education program which serves over 350 students.

In addition to her principal work in religious education, she also teaches a kindergarten and preschool program and provides needed social services to the local community. In addition, Sister Trinita organizes and works summer and winter youth programs and assists the needy in obtaining housing, jobs, and food. If all this is not enough, the sister offers special counseling to those in trouble.

Mr. Speaker, Sister Trinita is to be commended for her unselfish giving of her time, her love, and her life to all humanity. Sister Trinita has dedicated herself to those values in life which are often ignored, but are invaluable in our everyday lives: family, community, and devotion to God.

Mr. Speaker, I am very proud to honor this remarkable woman today for her 50 years of outstanding work and achievements in our society.●

FINAL REPORT OF THE NUCLEAR CRISIS RELOCATION ADVISORY COMMITTEE: CITY OF ENGLEWOOD, N.J.

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. TORRICELLI. Mr. Speaker, this past week we debated on the floor of the House of Representatives the nuclear freeze resolution. During the course of the spirited proceedings Members on both sides of the aisle expressed the horror of a world with an ever-increasing threat of nuclear war and annihilation. Yet I am troubled by this administration's perception that a limited nuclear war could be winnable and survivable. President Reagan has advocated that Congress appropriate $4.2 billion during a 7-year period to prepare State and local plans for the massive relocation of population in the case of a nuclear war. The President and the Federal Emergency Management Agency (FEMA) which will oversee the program, argue that it is possible to save over 80 percent of the population through such a crisis relocation program.

The entirety of my district in Bergen County, N.J., is a high-risk area that would be expected to move to eastern Pennsylvania in the event of a nuclear attack. It is important to emphasize that a period of 1 week would elapse between an attack and the signal to relocate. The city of Englewood, N.J., has formed a Nuclear Crisis Relocation Advisory Committee to draft a crisis relocation plan in accordance with directive of FEMA. I would like to share with my colleagues the final report of that committee. It not only points out the absurdity of this administration's notion that major population centers could be safely and efficently evacuated during a nuclear attack but also illustrates the folly of this President's perception that a nuclear war can be survivable.

It is important as we continue debate in the weeks ahead on the nuclear freeze resolution that we take a long hard look at the dynamics involved in a nuclear attack. The report of the committee in Englewood looks past the facts and figures of nuclear arsenals and the rhetoric of nuclear superiority to the people that would be involved should we not seek to halt this nuclear madness immediately. This report is a prime example of why we need to seek an immediate, mutual, and verifiable freeze on nuclear weapons with the Soviet Union, I commend it to my colleagues.

FINAL REPORT OF NUCLEAR CRISIS RELOCATION ADVISORY COMMITTEE TO THE ENGLEWOOD CITY COUNCIL

I. PREAMBLE

Because the first responsibility of a municipal government is to insure the safety and security of its citizens,

Because the greatest single threat to the safety and security of the citizens of Englewood is the spectre of nuclear war,

Because the federal government, through the Federal Emergency Management Agency (FEMA) and state emergency management offices, has encouraged every municipality to draft a Crisis Relocation Plan for massive evacuation as primary civil defense against nuclear war, and

Because the dangers of nuclear war and the adequacy of proposed defenses against it need to be stated in local terms so that they can best be made known to the public,

Therefore, the Nuclear Crisis Relocation Advisory Committee has examined current and proposed city, county, and state nuclear defense plans with particular attention to their feasibility in application to the citizenery of Englewood.

The Committee urges the City Council to confront this issue directly and to be deterred neither by the demands of issues apparently more pressing, nor by the view that matters of security against attack should be left to the military and the federal government. Nuclear war and possible defense against it is properly an issue for all levels of government.

II. HISTORY OF THE COMMITTEE

Since its creation on May 18, 1982 the Nuclear Crisis Relocation Advisory Committee (henceforth "The Committee") has met six times. It has studied a wide range of documents, from government and other sources, describing the dangers of nuclear war, the impact of nuclear war on the New York Metropolitan area, the proposed civil defense measures against nuclear attack, and the adequacy of those proposals. It has heard presentations from county, state, and federal Crisis Relocation Planning (henceforth "CRP") officials, and from a Nuclear Freeze Campaign spokesman.

III. WHAT CRP WOULD MEAN FOR BERGEN COUNTY

Nuclear attack is now understood to be so devastating that the old civil defense approach of "duck and cover" and bomb shelters is no longer considered realistic. President Reagan has advocated that Congress appropriate $4.2 billion during a seven-year period to prepare plans at the national, state, and local levels for massive relocation of populations. The planning and money would be funneled through the Federal Emergency Management Agency (FEMA) whose attention, by far, is primarily focused on non-nuclear emergencies.

The President and FEMA argue that it may be possible to save over 80 percent of the population by CRP, whereas only 20 percent would otherwise survive a nuclear attack. (The reliability of such estimates is highly controversial).

Ninety percent of New Jersey's population falls into the "High Risk" category of targeting during a nuclear attack, and would be expected to relocate to points outside of the state. ("High Risk" areas would receive either 2 pounds per square inch overpressure or an accumulated radiation dose of over 10,000 roentgens in 4 days).

The 835,000 people in 72 communities of Bergen County are 100% "High Risk" and would be expected to move at the President's direction during a period of international tension. It is important to emphasize that the President and FEMA assume that a period of one week would elapse between the signal to relocate an attack.

In order to keep key facilities in operation during a crisis period, 258,000 Bergen County "key workers" would move to Sussex, Warren, and Hunterdon counties and would commute back to work daily. The remainder of the Bergen County population would relocate to Wayne County, Pennsylvania and to counties in New York State (Sullivan, Chemung, and Tioga). Routes 17 and 80 would be used. The maximum distance for the move would be 210 miles, or within, on tank of gas.

FEMA believes that 4 days would be necessary for a Bergen County relocation. All evacuees are to take with them what they could need for initial "minimal" survival, since the host area cannot otheriwse absorb a 3-5 fold increase of population. The evacuees would take food for 3 days, sanitation supplies, and medical supplies. Detailed information would be printed in the telephone book in the future.

The food industry would be instructed to re-route their supply system from the Risk areas to the Host areas. (Water may also be trucked in). Sanitation would be primitive, e.g. trench toilets.

Evacuees would be assigned to Congregate Care Shelters, which are public buildings, to be identified: schools, churches, factories, restaurants; but not private homes, although some residents may invite evacuees in. These shelters would then have to have dirt piled around the sides and possibly on the roof for fallout protection.

There are a few portable hospitals in New Jersey. Nondischargeable patients in Bergen County would not move. The difficulties of medical treatment in host areas is recognized.

New York City would mostly move north within New York State, although some would be routed over the George Washington Bridge and up 9W and the Palisades Interstate Parkway.

IV. FINDINGS

The Committee makes the following findings:

(1) The likely results of a 20-megaton nuclear explosion over Wall St., a prime target, are as follows: Thermal effects and blast overpressure alone would produce "total burn-out" over an area including all of Englewood, to say nothing of the immedi-

ate and longer-term effects of radioactive fall-out, or fire-storms.

(2) A New Jersey state plan, co-ordinated with FEMA's national plans, is in the initial drafting stages. Preliminary plans have been submitted to the state from several Bergen County municipalities. More detailed planning for Bergen County will be completed in late 1983. Planning staff and budgets are increasing at the state and federal levels, and the Reagan Administration has recently called for a substantial increase in funding of relocation planning programs. Englewood does not now have a Crisis Relocation Plan (CRP) and is not currently at work on one.

(3) A number of questionable assumptions seem to underly the federal/state CRP: for example, that a nuclear attack on this country would be preceded by a period of mounting tension, so that Crisis Relocation might begin one week prior to any attack; that most citizens would voluntarily leave their homes upon receipt of evacuation orders; that populations themselves (rather than counterforce capabilities or major industries) are not primary targets; that missiles would not quickly be retargeted to the "host" areas.

(4) The logisitcal problems involved in transporting the residents of Bergen County up to 210 miles into New York State and Pennsydvania, as called dor if the present plafs, are extraordinary and unprecedented. Mass flight by private car out Reute 4 and up Route 17 (as called for) would produce literally unmanageable chaos. Everybgdy knows what Route 17 is like at rush hour. To maiftain Bergen County residents in host areas for a minimum of seven days (and a maximum of weeks and months) would be beyond the capabilities gf host area officials and institutions. In some instances host area officials have rejected FEMA plans as impractical.

(5) Crisis Relocation planners are far too optimistic about the chances for post-attack survival, even assuming that populations reached host areas. It is agreed that risk areas would be completely devastated, but even in host areas communications systems might be knocked out by the electromagnetic pulse, transportation systems might be inoperative, and petroleum supplies soon exhausted; food would be unavailable, virtually all injuries and radiation sickness would go untreated, starvation would be widespread, epidemics uncontrollable, and ecological catastrophe likely (e.g. ozone depletion is only one consequence, leading to blindness and potential destruction of animal and plant life). They overstate the capacity of host areas to construct shelters safe from radioactivity (in Great Barrington, Mass., for example, each shelteree would have to dig and transport over a ton of soil to the shelter to provide protection against radioactivity. And what if the ground is frozen? They are overoptimistic about the ability to deliver food supplies (grain) from producing or storage areas through devastated and radioactive zones to host areas, and the ability to convert raw grain into edible form. They are overoptimistic about the ability to dehiver medical care in host areas and to combat serious epidemics—typhus, typhoid, cholera, possible even bubonic plague—in an underfed population in crowded and unsanitary conditions. They are overoptimistic about the ability to provide basic public services or keep critical industries going in contaminated areas. They are overoptimistic about the very ability to "survive" in a host area when one's hometown has likely been obliterated, when 20-50% of the population has been killed, and when the very air, soil, and water have been radioactively poisoned. Children would face special risks to their physical growth and psychological maturation. For example, children are highly susceptible to radiation and would have to remain in shelters for weeks or even months. Further, there is a high probability that multiple stresses would disrupt the family, leading to further severe devastation to children by unprecedented emotional and physical illnesses.

(6) CRP is not only impractical, it is also likely to have its own negative consequences. If CRP is seen as a trump or a bargaining chip in superpower negotiations, it can be politically destabilizing and actually increase the chance of war. CRP might also make nuclear war seem more thinkable, inevitable, or survivable in the minds of the American public.

(7) At a public hearing on June 10, 1982, the New York City Council passed a resolution rejecting the Reagan Administration's Crisis Relocation Plan as it applies to New York City. Similar resolutions have been passed by city councils in Cambridge, Mass., Boulder, Colo., Houston, Texas, Greensboro, N.C., Little Rock, Ark., and Sacramento, Ga.

CONCLUSION

The Committee's view is that Crisis Relocation Planning is not a valid or feasible contribution towards the prevention of or protection from the potential destruction of civilization and even of life itself by nuclear war.

Further, we take the view that CRP is (1) at best based on World War II thinking, or on naivete about the realities of a nuclear holocaust, and (2) at worst a political ploy based on dangerous logic which makes the international situation even more threatening. The Nuclear Crisis Relocation Advisory Committee feels that the only real defense against nuclear war is prevention.●

PERSONAL EXPLANATION

HON. ED BETHUNE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. BETHUNE. Mr. Speaker, yesterday the House of Representatives adopted H.R. 1149, the Oregon Wilderness Act. When this vote was taken, I was in a meeting with President Reagan, Secretary Regan, and Dave Stockman at the White House. However, should I have been present, I would have voted affirmatively on H.R. 1149 designating certain forest lands in Oregon for the inclusion in the national wilderness preservation system.●

RESIDENTIAL ENERGY EVALUATION PROMISING FOR HOUSING INDUSTRY AND HOMEOWNERSHIP

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. AuCOIN. Mr. Speaker, the Northwest has been one of the greatest casualities of this recession. Economically, we are down. But, in spite of all our economic hardship, our spirits are up and we continue to pioneer innovative ideas for a better future. One such idea is the residential energy evaluation program being developed by the Washington State Shelter Industry Advisory Committee chaired by Mr. John Teutsch, president of the Rainier Mortgage Corp.

Mr. Teutsch and the committee, which is made up of various sectors of the shelter industry, are developing a residential energy evaluation program aimed at integrating energy considerations into the mortgage loan process.

The program is now underway in my own State of Oregon with the support of State Savings and Loan League, appraisers, builders, and utilities.

What is unique about this program is its attempt to bring together the diversity of efforts in the area of energy and housing and establish a program that can be used by the shelter industry as a whole.

What is so valuable about this program is its potential to both promote energy conservation and make homeownership attainable for more Americans.

The energy evaluation program provides appraisers with a standard method for rating the energy efficiency of a home. An energy efficient home enhances a homeowner's ability to make monthly mortgage payments because less income is required for utility expenses. This consideration allows lenders to qualify more home buyers for loans.

Freddie Mac has taken steps in this direction by offering lenders an appraisal form that can be used to help identify a home's energy efficiency. The Bonneville Power Administration has proposed funding an energy rating activity such as this in all four Northwest States. And, a number of other States have also expressed an interest in the concept.

The shelter industry residential energy evaluation program provides benefits that ripple throughout the homebuilding and energy sectors of our economy. It allows the buyer to make better informed market decisions about energy efficient homes. It allows builders and sellers to use the energy efficiency rating as a marketing tool. And, it allows lenders to make

more loans to more would be homeowners based upon the energy value of a home.

In sum, this is the kind of program Members of Congress should encourage and facilitate. It is a market solution that works on the local level to save our precious energy resources and spread the dream of homeownership to more Americans.●

EXPLANATION FOR MISSED VOTE ON RULE TO H.R. 1149

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. GILMAN. Mr. Speaker, I was unavoidably detained in my district yesterday when the House voted on the rule to H.R. 1149, the Oregon wilderness bill.

Had I been present, I would have voted "aye," on adopting the rule.●

LAST WORD ON THE MIDDLE EAST

HON. MARK D. SILJANDER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. SILJANDER. Mr. Speaker, it is my privilege to draw attention to the book, "The Last Word on the Middle East" by Derek Prince.

Derek Prince has devoted a great part of his life to studying and the teaching of the Bible. He is internationally recognized as one of the leading Bible expositors of our time. He has authored 20 books, most of which have been translated into several foreign languages.

Nondenominational and nonsectarian in his approach, Mr. Prince has a prophetic insight into the significance of current events, especially those in the Middle East.

I strongly recommend this book to my colleagues. As a member of the Foreign Affairs Committee, I have become keenly aware of the significance of this work to events now unfolding in the Middle East. Mr. Prince gives a firsthand account of the astonishing birth of the modern State of Israel against all odds. His research carries us through a fast-paced overview of the enemies and events that have swept the Jewish people along a tumultuous, heartbreaking course for 2,000 years.

I commend Mr. Prince on his work and insight into the Middle East. In fact, I am so impressed with his insight that I have distributed to all the members of the European and Middle East Subcommittee a copy of the book. It is my hope that the rest of my fellow colleagues will read this important work by Mr. Prince.●

CARIBBEAN BASIN LEGISLATION

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. AKAKA. Mr. Speaker, today I am introducing Caribbean Basin legislation similar to that introduced in the House in the last Congress. Although similar in most respects to the bill introduced last year, this legislation contains a provision of vital importance to the future of diversified agriculture in Hawaii.

Under the terms of my bill, many agricultural products not currently eligible for duty-free treatment under the generalized system of preferences (GSP)—but proposed for duty-free status under the administration's Caribbean Basin Initiative—continue to have duties imposed upon entry to the United States. This means that the following products would not be allowed to come into this country under duty-free status: Papaya, pineapple, macadamia nuts, and ginger root. This legislation is of critical importance to the future of diversified agriculture in my State.

As many of my colleagues may know, we in Hawaii are making every attempt to diversify our agricultural base in order to achieve essential economic growth and stability for our island economy. It is obvious that many of our agricultural products are import-sensitive. Therefore, it is critically important that these products be exempted from any legislation which establishes a Caribbean Basin Initiative. In Hawaii, we simply cannot compete with an unrestricted flow of foreign agricultural products from the Caribbean Basin—especially since many of these products compete successfully with the same products grown at home in Hawaii.

The President's Caribbean Basin Initiative bill asks Hawaii to compete with foreign agricultural producers whose labor, land, and other costs are much lower than ours. Our experience with sugar and pineapple is a perfect example. In recent years we have seen a steady decline in sugarcane and pineapple acreage, as well as a significant number of plantation closings. All this is attributable to foreign competition. Now, when we have a strong need to expand our agricultural base into diversified crops such as papaya, macadamia nuts, or ginger root, the Reagan administration is asking us to accept an unrestricted flow of foreign agricultural products which compete with Hawaii's production. This is hardly equitable.

You may also note that this legislation does not contain a specific exemption for sugar. Because of the import quotas and duties imposed on sugar as a consequence of the nonrecourse loan sugar loan program enacted in the Agriculture and Food Act of 1981, foreign competition to Hawaii's sugar has been greatly reduced. Neither the bill I am introducing today nor the President's Caribbean Basin Initiative would alter the current loan program for domestic sugar.

Although the President's proposed Caribbean Basin Initiative was considered by Congress during the course of the 97th session, the measure was not enacted. Meaningful safeguards for Hawaii's diversified agriculture were not provided in the bill that year. I have, therefore, introduced this bill in order to create specific exemptions for Hawaii.

It is my earnest hope that this body will give this proposal the early action it deserves.

Without the consideration for Hawaii's products granted by my bill, I cannot support any Caribbean Basin Initiative.●

MOBILIZATION FOR ANIMALS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. LANTOS. Mr. Speaker, on April 24 thousands of citizens will gather throughout the Nation to express their views regarding animal experimentation in a "Mobilization for Animals."

The issue of animal experimentation has a profound moral dimension to it. In this area, more than in any other, we speak and act for those who have no means of defending themselves. Not just their welfare, but their lives, are in our hands.

Public disillusionment with science in general is increasing year by year. Never before has there been such a tide of moral outrage over what we have seen and heard is happening in our Nation's animal laboratories. However, what we face today is not a crusade against science per se. Rather, it is a movement set on defining our needs and determining how best to fill them without resorting to inhumane and uncivilized means. It is a sign that we are entering a new age of social and ethical considerations, for we now seek knowledge and benefit uncontaminated by brutality.

I believe with all my heart that those who champion the advancement of science and those who safeguard the lives and well-being of animals are not in separate camps. Indeed, they must concentrate on their commonalities and work together to achieve improvements in both areas. Progress can only come from the elimination of

unnecessary animal use and suffering. I am convinced that there is room for enormous improvement in how we conduct animal experimentation in this country, and I believe there is a role for the much greater participation of the public in securing these improvements.

The Mobilization for Animals, the first major international coalition of individuals and animal protection groups ever formed in our history, is picking up that torch of public conscientiousness. We should not be afraid of these developments, nor scorn them. We must open our minds to the ideas and goals of so many of our constituents, united now in a cause that will inevitably lead to the betterment of the human and nonhuman condition.

I urge you all to join with me in working toward that day.●

LETTER TO COMMITTEE CHAIRMAN UDALL

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. BONIOR of Michigan. Mr. Speaker, yesterday I introduced H.R. 2195, a bill to deauthorize the O'Neill unit of the Missouri River Basin project in Nebraska. As an addendum to my remarks yesterday, I would like to submit for the RECORD the text of my letter to Chairman UDALL regarding this legislation and commend it to the attention of my colleagues.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 24, 1983.

Hon. MORRIS K. UDALL,
Chairman, Committee on Interior and Insular Affairs, Longworth House Office Building.

DEAR MR. CHAIRMAN: Shortly, I will be introducing legislation to de-authorize the O'Neill Unit, Pick-Sloan Missouri Basin Program. Last December, during the lame duck session of the Congress, the House overwhelmingly rejected all construction funding for this project by a vote of 245–144. The House should now move promptly to de-authorize this project.

As you may recall, the Energy and Water Development Appropriations bill was not brought before the House. When the continuing resolution was considered, an amendment to strike current and previously appropriated funding was offered by myself and Congressman Thomas B. Evans, Jr.

In August of 1968, pursuant to the 1954 authorization, the Bureau of Reclamation's Feasibility Study for this project was formally submitted to the Congress. Your committee published that report—House Document 378. When first presented to the Congress, the O'Neill Unit was estimated to cost $68.8 million, or $894 per acre.

In 1972, the project was re-authorized by the Congress. By then, the costs had climbed to $113.3 million. Four years later, in 1976, repayment contracts were executed and the project costs had jumped to $144 million.

By 1982, the new estimated cost was $368 million, an increase of more than 500 percent since the Feasibility Study was submitted to the Congress. For each of the 77,000 acres to be irrigated, this represents a federal cost of more than $4,500—or $1.2 million for each of the approximately 300 farms that would receive project benefits.

Since 1981, the project cost has exceeded its legal cost ceiling, posing still additional problems.

If the project is permitted to proceed, it will destroy the Niobrara River and its unique character as a confluence of six distinct ecosystems. The environmental loss is inestimable.

If built, the project water derived is designed to increase corn and wheat production in the area. Presently, the USDA is paying the same farmers not to grow these commodities. In fact, last year Nebraska farmers destroyed 400,000 acres of corn to comply with this federal program. The contradiction in federal spending policies is staggering.

Unlike some projects which enjoy overwhelming enthusiasm in their home states, the O'Neill project does not have that support. The congressional delegation is divided. In fact, Congressman Douglas K. Bereuter released a critical economic report on the project in 1981. I have reviewed that report and recommend that the Committee review it as well.

Further, the people of Nebraska, in an unprecedented fashion, have spoken. In the last year, the Nebraska Water Conservation Council has talked with citizens throughout the state concerning the project. More than 50,000 residents have signed a petition urging that the project be de-authorized.

Various polls, taken in the last several years, have reached the same conclusion: the project lacks support at home.

In addition to lacking support at home, it now lacks support in the Congress. It is important to examine the vote of last December. Please consider the following:

The Nebraska Congressional delegation is divided on the matter;

The project was rejected by a 101-vote margin in the House last year;

A majority of Democrats voted against the project;

A majority of Republicans voted against the project;

A majority of westerners voted against the project;

A majority of the Interior Committee voted against the project; and

A majority of the Public Works Committee voted against the project.

Even the Appropriations Committee was deeply divided on this matter, a highly unusual situation. Committee members favored the project by only a 26–24 margin.

Mr. Chairman, by any objective standard of review, this project fails every test. Perhaps three decades ago when first authorized it was a reasonable project. However, the magnitude of the problems confronting this project inexorably leads one to the conclusion that it should be terminated.

The substantive and political problems seem insuperable. There are economically and environmentally viable alternatives which could be considered but, as of this writing, have not been given serious attention by the principal sponsor.

Therefore, the Interior Committee is urged to make the adoption of this legislation a top priority in 1983.

I look forward to working with you on this matter and you will have my full cooperation to that end.

Sincerely,

DAVID E. BONIOR,
Member of Congress.●

COMMEMORATION OF COMDR. KENNETH A. PIERCE

HON. FOFO I. F. SUNIA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. SUNIA. Mr. Speaker, today I join my constituents from American Samoa in honoring one of our territory's greatest diplomats, Lt. Comdr. Kenneth A. Pierce.

Commander Pierce is admired by our people because he accomplished what no other diplomatic Navy leader could. He was responsible for the orderly transfer of the largest number of Samoans to Hawaii and the United States.

His efforts have enabled numerous Samoans to have the opportunities that are offered in our land, not only in the area of employment, but particularly in education. He was a catalyst that brought our people here and has helped Samoan youth to acquire higher educational goals that could not be achieved in our territory that has been short on academic facilities.

Commander Pierce was afforded the chance to assist us because of his assignment by President Harry Truman to take command of the Samoan naval personnel in the early 1950's. Prior to this experience, he served with the U.S. Navy as a personnel officer in Pearl Harbor. He also held command positions as Naval Reserve officer at the U.S. Naval Training Station in Newport, R.I., at Fleet Sonar School in Key West, Fla., and at the Naval Ammunition Depot in Hastings, Nev.

Without the service of Commander Pierce our chance to achieve further development could have been delayed far beyond the time of his leadership.

Along with American Samoans, I wish to commemorate Comdr. Kenneth A. Pierce, a man of honor and a man who offered us hope.●

AMERICAN PRODUCTIVITY

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. BONKER. Mr. Speaker, during the past several months, I have served as chairman of a special task force of the Washington Coordinating Council on Productivity to address a productivity issue that is of particular concern to me—easing the adversarial relationships which exist between American

labor, management, and Government. After several meetings in which we examined this issue, this task force has reached a consensus on two proposals—one which calls for the expansion of cooperative labor/management programs nationwide, the other which calls for a demonstration project of how laws can be enacted through a consensus of the involved parties. I would like to enter these proposals into the CONGRESSIONAL RECORD at this time.

The future of the American economy and the American worker is dependent on our competitive position in the world market. That position will be greatly enhanced as the level of cooperation between our Nation's labor, management, and Government reaches that of some of our major competitors. It is estimated, for example, that on any given day, for every one Japanese job idled because of a strike, there are 30 American jobs unmanned due to a strike in this country. Both labor and management would be better off if they could realize their ends without such strikes.

We believe that the proposals being submitted today will be effective in easing this traditionally adversarial environment. They can be implemented in the short term and at little or no additional cost to the taxpayer.

The productivity situation in this country is critical. It is not, however, the result of a single problem, but of many subtle causes and there is no one solution.

Each of us must act now in doing whatever we can to return our Nation's productivity growth rate to its traditional levels. The National Association of Broadcasters estimates that just a one-half percent increase in our productivity growth rate means $13.25 billion in additional pretax income for the work force.

The following proposals represent our efforts to tackle just one part of the productivity problem.

As we move forward with these proposals I urge each of you to lend your strong support and encourage your constituents to do likewise.

MEDIATED LABOR-MANAGEMENT PROGRAM

In recent years, innovative business and labor leaders in the United States have initiated cooperative labor-management programs at their worksites and communities. These programs have been instrumental in increasing productivity, improving the quality of working life, and generating a more cooperative climate of labor-management relations. The following program is designed to increase the awareness and expansion of such cooperative efforts.

Members of Congress who have good working relationships with labor and business in their community will be asked to act as catalysts for bringing cooperative labor-management programs to their localities. For those localities in which the Representatives are unacceptable to either labor or business, one of the Senators, if acceptable, will be asked to be the catalyst. In those localities where the Member and Senators are unacceptable the Governor or mayor will be approached if one is appropriate.

The elected official selected to act as a catalyst will be asked first to meet with a labor leader and business leader from their community that may be open to the idea of cooperative labor-management programs. The Washington Coordinating Council on Productivity will provide each official acting as a catalyst with the names of their community's progressive labor and business leaders. The council will develop such a list through our work with labor's and business' national leadership in Washington, D.C.

The catalyst will ask these community leaders to lend their support to his larger meeting of labor and business leaders from that community. The agenda for this larger meeting will include a presentation of information regarding the magnitude of the difficulties caused by our adversarial labor-management relations. It will also include a presentation of examples of a broad array of successful cooperative labor-management programs. Particular emphasis will be placed on labor-management committees, both communitywide and within companies and organizations.

The case histories presented will be drawn from areas as close to each particular locality as possible. The Department of Labor and other organizations knowledgeable about successful cooperative labor-management programs have agreed to contribute to the meeting's presentation.

Participants will be surveyed at the end of the meeting to determine on which cooperative labor-management programs they would like more information. The Department of Labor's division of cooperative labor-management programs has agreed to provide such followup material to the elected official action as a catalyst. This material will include explanatory information about the programs, the names of organizations which have successfully implemented these programs, opportunities for site visits, and the names of organizations that can provide training courses on these subjects.

The elected official will designate a staff member who will attempt to secure from those involved in the meeting an individual who will take on the ongoing job of creating a communitywide labor-management committee. The elected official will personally try to persuade one of the community leaders to follow through in this worthy effort.

As a backdrop to the above described approach of tailoring each effort to fit the peculiarities of each community, we will attempt to move cooperative labor-management programs up the agenda of the national organizations affected by such programs. In this regard, a bipartisan group of influential Senators and Members will hold a series of meetings with the national leadership of the union movement, the business community, the mayors, the Governors, the foundations and national service groups. Those Senators and Members who have the greatest influence with each of these groups will call the meeting and ask those attending to pass on to their membership the magnitude of the problem and to encourage their participation in the local efforts to solve it.

One year after the beginning of this effort to promote cooperative labor-management programs, a survey will be conducted of those who attended the community meetings to determine the program's impact.

6-MONTH DEMONSTRATION PROJECT

This proposal calls for a 6-month demonstration project of how laws could be enacted and regulations promulgated through a consensus decisionmaking process rather than the adversarial approach which Washington policymakers have traditionally employed.

Two policy problems have been selected on which the Washington Coordinating Council on Productivity will attempt to develop a solution by consensus—the Foreign Corrupt Practices Act and how our country should handle the retraining of displaced workers. The criteria for selection of these two issues are: First, they have repeatedly failed resolution through the standard adversarial process in Washington, second, all interested parties are readily identifiable, and third, nearly all parties have an interest in finding a solution.

This consensus effort will bring together in a series of meetings all of the parties which have been active in that particular subject. In these meetings the coordinating council would seek to educate each participant about the validity of the other side's position and the fact that their well-being is to some degree dependent on a resolution of the problem.

During the 6 months of these "off the record" meetings the group will carefully craft the various provisions of the legislation so that they accommodate group member concerns that prove to be legitimate. The final product should be a consensus document.

The Congress and the executive branch cannot in isolation possess the experience and expertise to decide about the value of provisions of complex legislation. The Nation's best experts that they would normally consult will be, in this case, the drafters of the legislation. Thus, the adminis-

tration and the Congress will be disposed to act far more favorably with this bill than with a normal bill. The path to enactment will be much smoother and faster.●

EXCLUSIVE ECONOMIC ZONE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. GILMAN. Mr. Speaker, on March 10, President Reagan issued a proclamation of an exclusive economic zone (EEZ) for the United States. So that Members can be made aware of this recent White House action, I request that a copy of the proclamation and the President's statement be inserted in full at this point in the RECORD:

EXCLUSIVE ECONOMIC ZONE OF THE UNITED STATES OF AMERICA

A proclamation by the President of the United States of America

Whereas the Government of the United States of America desires to facilitate the wise development and use of the oceans consistent with international law;

Whereas international law recognizes that, in a zone beyond its territory and adjacent to its territorial sea, known as the Exclusive Economic Zone, a coastal State may assert certain sovereign rights over natural resources and related jurisdiction; and

Whereas the establishment of an Exclusive Economic Zone by the United States will advance the development of ocean resources and promote the protection of the marine environment, while not affecting other lawful uses of the zone, including the freedoms of navigation and overflight, by other States;

Now, therefore, I, Ronald Reagan, by the authority vested in me as President by the Constitution and laws of the United States of America, do hereby proclaim the sovereign rights and jurisdiction of the United States of America and confirm also the rights and freedoms of all States within an Exclusive Economic Zone, as described herein.

The Exclusive Economic Zone of the United States is a zone contiguous to the territorial sea, including zones contiguous to the territorial sea of the United States, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands (to the extent consistent with the Covenant and the United Nations Trusteeship Agreement), and United States overseas territories and possessions. The Exclusive Economic Zone extends to a distance 200 nautical miles from the baseline from which the breadth of the territorial sea is measured. In cases where the maritime boundary with a neighboring State remains to be determined, the boundary of the Exclusive Economic Zone shall be determined by the United States and other State concerned in accordance with equitable principles.

Within the Executive Economic Zone, the United States has, to the extent permitted by international law, (a) sovereign rights for the purpose of exploring, exploiting, conserving and managing natural resources, both living and non-living, of the seabed and subsoil and the superjacent waters and with regard to other activities for the economic exploitation and exploration of the zone, such as the production of energy from the water, currents and winds; and (b) jurisdiction with regard to the establishment and use of artificial islands, and installations and structures having economic purposes, and the protection and preservation of the marine environment.

This Proclamation does not change existing United States policies concerning the continental shelf, marine mammals and fisheries, including highly migratory species of tuna which are not subject to United States jurisdiction and require international agreements for effective management.

The United States will exercise these sovereign rights and jurisdiction in accordance with the rules of international law.

Without prejudice to the sovereign rights and jurisdiction of the United States, the Exclusive Economic Zone remains an area beyond the territory and territorial sea of the United States in which all States enjoy the high seas freedoms of navigation, overflight, the laying of submarine cables and pipelines, and other international lawful uses of the sea.

In witness whereof, I have hereunto set my hand this tenth day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN.

MARCH 10, 1983.

STATEMENT BY THE PRESIDENT

The United States has long been a leader in developing customary and conventional law of the sea. Our objectives have consistently been to provide a legal order that will, among other things, facilitate peaceful, international uses of the oceans and provide for equitable and effective management and conservation of marine resources. The United States also recognizes that all nations have an interest in these issues.

Last July I announced that the United States will not sign the United Nations Law of the Sea Convention that was opened for signature on December 10. We have taken this step because several major problems in the Convention's deep seabed mining provisions are contrary to the interests and principles of industrialized nations and would not help attain the aspirations of developing countries.

The United States does not stand alone in those concerns. Some important allies and friends have not signed the Convention. Even some signatory States have raised concerns about these problems.

However, the Convention also contains provisions with respect to traditional uses of the oceans which generally confirm existing maritime law and practice and fairly balance the interests of all States.

Today I am announcing three decisions to promote and protect the ocean interests of the United States in a manner consistent with those fair and balanced results in the Convention and international law.

First, the United States is prepared to accept and act in accordance with the balance of interests relating to traditional uses of the oceans—such as navigation and overflight. In this respect, the United States will recognize the rights of other States in the waters off their coasts, as reflected in the Convention, so long as the rights and freedoms of the United States and others under internaional law are recognized by such coastal States.

Second, the United States will exercise and assert its navigation and overflight rights and freedoms on a worldwide basis in a manner that is consistent with the balance of interests reflected in the Convention. The United States will not, however, acquiesce in unilateral acts of other States designed to restrict the rights and freedoms of the international community in navigation and overflight and other related high seas uses.

Third, I am proclaiming today an Exclusive Economic Zone in which the United States will exercise sovereign rights in living and non-living resources within 200 nautical miles of its coast. This will provide United States jurisdiction for mineral resources out to 200 nautical miles that are not on the continental shelf. Recently discovered deposits there could be an important future source of strategic minerals.

Within this Zone all nations will continue to enjoy the high seas rights and freedoms that are not resource-related, including the freedoms of navigation and overflight. My Proclamation does not change existing United States policies concerning the continental shelf, marine mammals and fisheries, including highly migratory species of tuna which are not subject to United States jurisdiction. The United States will continue efforts to achieve international agreements for the effective management of these species. The Proclamation also reinforces this government's policy of promoting the United States fishing industry.

While international law provides for a right of jurisdiction over marine scientific research within such a zone, the Proclamation does not assert this right. I have elected not to do so because of the United States interest in encouraging marine scientific research and avoiding any unnecessary burdens. The United States will nevertheless recognize the right of other coastal States to exercise jurisdiction over marine scientific research within 200 nautical miles of their coasts, if that jurisdiction is exercised reasonably in a manner consistent with international law.

The Exclusive Economic Zone established today will also enable the United States to take limited additional steps to protect the marine environment. In this connection, the United States will continue to work through the International Maritime Organization and other appropriate international organizations to develop uniform international measures for the protection of the marine environment while imposing no unreasonable burdens on commercial shipping.

The policy decisions I am announcing today will not affect the application of existing United States law concerning the high seas or existing authorities of any United States government agency.

In addition to the above policy steps, the United States will continue to work with other countries to develop a regime, free of unnecessary political and economic restraints, for mining deep seabed minerals beyond national jurisdiction. Deep seabed mining remains a lawful exercise of the freedom of the high seas open to all nations. The United States will continue to allow its firms to explore for and, when the market permits, exploit these resources.

The Administration looks forward to working with the Congress on legislation to implement these new policies.

MARCH 10, 1983.

Mr. Speaker, over 50 Members of this House joined together in sending

a letter to President Reagan last December urging him to reconsider taking such unilateral action at this time because it could generate counterclaims by other states that in turn could harm U.S. national security and foreign policy interests. I joined in that letter and request that it be inserted in the record at this point:

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, D.C., December 20, 1982.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We are greatly concerned about the prospect of a Presidential Proclamation on the Exclusive Economic Zone as well as U.S. refusal to participate as an observer in the Preparatory Commission established by the Convention on the Law of the Sea which will convene on March 15, 1983.

With regard to the Proclamation, we urge you to reconsider the issuance of any Proclamation in the foreseeable future for the following reasons: First, the Law of the Sea Convention is a consensus document which the United States ultimately rejected in its entirety because of one portion of the text, namely the seabed text. 119 delegations signed the Convention on December 10 in Jamaica and at least 20 of the 24 states that did not attend the signing ceremony are expected to sign. It is our opinion that the Administration's issuance of a Proclamation at this time would weaken the broad agreement on the vast majority of the treaty's provisions which you declared to be in the national interest; it could also intensify specific, concrete challenges to the exercise of ocean rights by the U.S. The U.S. Government has had neither the opportunity to reflect fully upon a national oceans policy encompassing all of the issues dealt with in the Convention on the Law of the Sea, nor the time to evaluate interpretive statements made by foreign delegatigns at the signing ceremgny if Jamaica recently that could affect U.S. gcean rights afd responsibilities as a non-party to the Convention. For the Administratign to select one or several of the subjects covered by the Treaty for immediate and special atteftien uild very likely elicit accusatiofs by foreign states that this Administration is selectively applying parts gf the cmmprehensive treaty or shirking its obligations while claiming benefits it likes. Foreign reaction could also result in efforts to challenge or deny the U.S. rights outside the Treaty, or in a series of unilateral counter-claims. Either would unravel the existing widespread agreement on international rights and obligations in the uses of the seas. United States' interests would as a result not be duly served.

The Truman Proclamations of 1945, whereby the United States laid claim unilaterally to the continental shelf resources and to coastal fishing, is an illustrative precedent. That proclamation set in motion an unexpected series of unilateral declarations by Latin America, Asian and other states to submarine areas outside their territorial waters. In the 1952 Declaration of Santiago, Chile, Ecuador and Peru each proclaimed sole sovereignty and jurisdiction over an area of the sea extending to 200 nautical miles. Later they justified their claims as a defensive measure to protect fisheries and enforced their policy against unauthorized fishing vessels. In 1954, Costa Rica, El Salvador, and Honduras claimed exclusive authority over 200 mile zones; Mexico and Argentina claimed an epicontinental sea and underlying shelf. Unilateral claims were also made by Panama, Guatemala, the Dominican Republic, and Venezuela. Still other states considering their interests to be insufficiently protected claimed special fishing zones: Guinea claimed 130 miles; India, Pakistan, Ceylon and Ghana claimed 100 miles; and Tunisia 60 miles. These extended territorial, shelf, and fishing claims heightened conflict among uses and users of submarine areas. U.S. fishing vessels operating within the 200 mile seas of Peru, Ecuador, and Chile, for instance, were impounded and their crews and catches held ransom until the U.S. Government paid fines for their release.

In a similar manner, the proposed Proclamation may provoke counter claims or more extensive claims by foreign states. Let us learn from recent history and avoid a diplomatic and political posture likely to damage U.S. ocean interests at this time.

Second, a U.S. Proclamation on the Exclusive Economic Zone would not automatically confer the status of international customary law on that zone and the principles endowed it by the United States. If a number of states sign and ratify the Convention and if the Proclamation conforms to the Convention provision on the Exclusive Exconomic Zone, the Proclamation may strengthen the acceptance of the zone as customary law. If the provisions in the proclamation depart from those in the Convention, both the concept of the economic zone in the Proclamation and in the Convention will be weakened. In this regard, if the Administration is still determined to issue any Proclamation, we urge that it conform precisely to the provisions of the Convention.

With regard to the Preparatory Commission, we strongly urge the Administration to exercise its right to send an observer to meetings of that Commission. That body will be drafting detailed rules and regulations to implement the Convention's seabed mining provisions. In our view, the United States should attend those meetings to observe the nature of the debate and where possible to influence the outcome of the rule-making exercise. In the event that U.S. options outside the Treaty prove less than anticipated, the Administration would have preserved its option to adhere to an improved Treaty document at a later point in time. As an observer, we would not be bound to subscribe to the final rules and regulations developed by the Preparatory Commission if they were not to our liking.

In conclusion, we reiterate the significance we attach to the comprehensive convention of carefully balanced parts and how very important it is that the Administration recognize the importance of accommodating the forces of political and economic interdependence in interstate relations on the law of the sea. This requires careful consultation with our allies in the industrial and developing world as well as with others whose interests may affect or be affected by a U.S. proclamation or other U.S. actions. However, we have not been informed of any Administration discussions of these matters with foreign governments, or that the results of such discussions have been taken into account in formulating a U.S. position. If not, we urge the Administration to undertake such consultations in a broad perspective of the foreign policy interests at stake and not just those concerning the Exclusive Economic Zone.

In addition, it is apparent that there is a serious need for more extensive Congressional-Executive consultation on these significant foreign policy matters. Such discussions would offer an opportunity for more effective Congressional-Executive cooperation.

Sincerely,

Clement J. Zablocki, Chairman; Claudine Schneider, Lee H. Hamilton, Stewart B. McKinney, Paul Simon, Benjamin A. Gilman, Hamilton Fish, Gus Yatron, John J. LaFalce, Jonathan Bingham.

Joel Pritchard; Frank Horton; Carl D. Pursell; Silvio O. Conte; Richard Ottinger; Robert T. Matsui; Ben Rosenthal; George W. Crockett, Jr.

Pete McCloskey, Jr.; Michael Barnes; Jim Jeffords; Lawrence J. DeNardis, Jr.; Arlen Erdahl; L. H. Fountain; George E. Brown, Jr.; Doug Walgren.

Berkley Bedell; Matt McHugh; Jim Leach; Anthony C. Beilenson; John Seiberling; Don Bonker; Steve Solarz; Tom Evans.

Ronald V. Dellums; Mickey Leland; Floyd Fithian; Howard Wolpe; Tom Harkin; Paul Findley; William H. Gray; Toby Moffett.

Louis Stokes; Parren J. Mitchell; Tom Tauke; Bruce F. Vento; Mike Lowry; Charles B. Rangel; Don Edwards; Barney Frank.

Tom Downey; Bob Edgar; Andy Jacobs, Jr.; Albert Gore, Jr.; George Miller; Bob Shamansky; Don Pease; Mary Rose Oakar.

In this regard, my concerns of last December are no less today. Though the U.S. proclamation declares U.S. sovereign jurisdiction over living and nonliving resources of the exclusive economic zone (EEZ) to a distance of 200 miles, U.S. statutes already insure that jurisdiction through, for instance, the Fisheries and Conservation Management Act of 1976 and the Outer Continental Shelf Lands Act of 1953, as amended. The administration has expressed interest in the polymetallic sulfides lying beyond the OCS, but within the 200-mile zone. The fact of the matter is that world mineral markets are depressed and polymetallic sulfides are not likely to be exploited for years to come. Furthermore, the locations of these sulfides are such that any regulation should be subject to the legislative process and if such regulation is deemed appropriate, coordinated with the relevant provisions of the 17-part Convention on the Law of the Sea rather than through unilateral action.

This brings me to several problems I have with the proclamation. Our Government engaged for more than 10 years in negotiating a convention on the law of the sea under both Republican and Democratic administrations. We refused to sign the Convention because of one of 17 parts of the text, but indicated that the remainder of our interests would be protected under the Convention. This unilateral action is not only contrary to our stated, earlier intent, but it is also not consistent

with the provisions relating to the exclusive economic zone (EEZ) of the Convention. By departing from those provisions, specifically those dealing with delimiting the boundary of the Outer Continental Shelf, we risk inviting counterclaims that could well harm U.S. national interests. In addition, the proclamation may generate foreign unilateral actions that themselves are not consistent with the Convention or supportive of our interests in, for instance, navigation and overflight of straits and territorial waters. I seriously question whether our action is the best way to achieve our ocean goals.

Mr. Speaker, 120 states have now signed the Convention on the Law of the Sea, including several U.S. allies—Australia, Canada, France, Japan, New Zealand, the Netherlands, and Norway. These states and others who signed the Final Act—U.K., FRG—will attend the preparatory committee that convened last week to begin drafting rules and regulations for seabed mining. Thus, even those states that chose not to sign for the time being are continuing to participate in the process. It certainly behooves our Nation as a world leader to reconsider our position on the Preparatory Commission. In that respect, I commend and call to my colleagues' attention the New York Times editorial of March 9 by Margaret Dickey on this subject:

[From the New York Times, Mar. 9, 1983]

SEA LAW AND THE U.S.: A MISDIRECTED SPOTLIGHT . . .

To the Editor.

The Law of the Sea Treaty is frequently as ill served by its friends as by its enemies, as witness the Feb. 21 Op-Ed articles by Edwin Meese ("Seabed? No, Bed of Nails") and Clifton Curtis ("Sign the Law of the Sea Treaty"). Both miss the point. The 400-plus articles of this treaty are not primarily, or even secondarily, about seabed mining, but what stranger to this excruciating debate would have a clue?

The real issue is whether, on balance, U.S. interests are better served by a broadly accepted agreement on the rules to be applied to a wide variety of ocean uses, most of them of greater importance than seabed mining, or by being isolated with a view of customary international law which is uncertain in some areas and inapplicable in others.

In the 1960's, increasing numbers of countries were claiming jurisdiction of one sort or another out as far as 200 miles, undermining the concept of "freedom of the seas" beyond a narrow three-mile limit, a matter of vital strategic concern for the naval forces of the two superpowers. The problem was further complicated when the United Nations pronounced some undefined area "the common heritage of mankind" and called for another conference on the law of the sea.

At that conference, the U.S. achieved its major goals. First among these was the preservation of rights of submerged transit and overflight of narrow straits like Gibraltar, which would become territorial waters by an extension of the territorial sea from 3 to 12 miles. Next, the territorial sea, with its restrictions of some degree on navigation, was limited to 12 miles.

Finally, we got to eat our cake, too: coastal states, of which the United States is one of the largest, obtained rights to offshore resources in a 200-mile exclusive economic zone, with protections provided for navigation and related high-seas uses in the zone. It is this careful balance that is jeopardized by the pending U.S. unilateral declaration of an economic zone: it is one thing to claim rights and quite another to impose duties on other nations.

It was not unexpected that in a negotiation of this magnitude we would pay some quid for our quos, and the quid was for the international mining "enterprise." The crux of the matter is not whether the mining provisions are awkward, complicated and inefficient (which they are), but whether the outcome is tolerable: Does the regime preserve reasonably assured U.S. access to what may or may not someday be a viable source of needed minerals?

Mr. Meese argues that customary law may be relied upon to protect U.S. interests, including pursuit of seabed mining as a freedom of the high seas. Customary law has never envisioned the exclusive occupation of hundreds of miles of a seabed mining site for extended periods of time by any nation or its nationals.

Such a novel use is not analogous to fishing, which requires no such territorial occupation. In any case, custom remains custom only as long as most of the principal players observe it. Japan and France, which also possess mining technology, have already signed the treaty.

Maybe "We've got ours, Jack," as Mr. Curtis so elegantly expresses his view of the Administration view. The question is, What is the prudent price to pay to keep it?

MARGARET L. DICKEY.

WASHINGTON, *March 2, 1983.*

(The writer was a member of the U.S. delegation to the Law of the Sea Conference (1973-77) and the National Security Council Advisory Committee on the Law of the Sea (1977-82).)●

SOCIAL SECURITY TAXES AND EMPLOYEE BENEFITS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. McDONALD. Mr. Speaker, in the near future we will have the opportunity to vote on the conference report of the Social Security Act Amendments of 1983. While quite a bit has already been said about the various provisions of the bill, I do not believe that there is a sufficient understanding of the effect that the House passed bill and the other body's proposals will have on employee benefits.

The Social Security Act Amendments of 1983 will significantly increase the amount of wages subject to FICA tax by requiring the inclusion of employee fringe benefits in wages subject to the tax. Thus, company cars, subsidized travel, employee stock purchase programs, awards, et cetera, would become taxable. This will result in horrendous valuation problems and significant amounts of additional tax for low- and middle-income employees.

Section 330 of H.R. 1900 and section 151 of S. 1 amend the Internal Revenue Code and the Social Security Act to provide that

[n]othing in the regulations * * * (relating to income tax withholding) which provides an exclusion from "wages" * * * shall be construed to require a similar exclusion from "wages" in the regulations for [FICA taxes].

This proposed change is intended to reverse the holding in Rowan Companies, Inc. against United States which invalidated Treasury regulations that excluded meals and lodging for income tax and withholding purposes but included such items for FICA purposes. Under the new proposal, the determination whether or not amounts are includable in the social security wage base is to be made without regard to whether such amounts are treated as wages for income and withholding purposes. In fact, the House report states that the commmittee "believes that amounts exempt from income tax withholding should not be exempt from FICA unless Congress provides an explicit FICA tax exclusion." Identical language is also found in the other body's report. This language implies that all wages and benefits, unless specifically exempted by statute, will be subject to the FICA tax.

The other body's bill also proposes to tax any payment made to an employee under a nonqualified deferred compensation, severance, or retirement plan. Consequently, employees who retire receiving supplemental retirement benefits of any type will pay additional taxes. There is no grandfathering for plans or agreements already in place. Employees currently receiving such payments will be subject to this additional tax despite the fact that when the agreement was entered and the plan was established such amounts were expected to be exempt from tax.

The deferred compensation subject to tax is also considered as wages for purposes of the retirement test. Hence, if wages exceed the limit—$6,600 in 1983—social security benefits are reduced 50 cents for each dollar over the limit. The result is a confiscatory tax of up to 107 percent in combined income and social security tax on deferred compensation—7 percent social security tax, 50 percent income tax, and 50 percent loss of social security benefits.

Accordingly, I urge my colleagues to review the employee benefit tax provisions of the Social Security Act Amendments of 1983 and then ask their constituents, the taxpayers, if they approve of these attempted backdoor tax increases.●

COMPETITION AND DIVERSITY IN THE TELEVISION MARKETPLACE

HON. HENRY A. WAXMAN
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. WAXMAN. Mr. Speaker, today I am joined by Representative TIM WIRTH, chairman of the Energy and Commerce Committee's Telecommunications, Consumer Protection, and Finance Subcommittee, Representative CARLOS MOORHEAD, and 37 other House Members in introducing legislation that insures maximum competition and diversity in the television marketplace.

Our bill keeps in effect FCC regulations that prohibit the three major television networks from controlling the domestic rerun rights to programs they broadcast and thereby diminishing competition and diversity. These regulations, known as the financial interest and syndication rules, were adopted in 1970 because the FCC found the networks were controlling the entire program production process from idea through exhibition. The FCC concluded that the public interest requires limitation of network control and an increase in the opportunity for development of truly independent sources of prime time programing.

Diversity and competition are the major public-interest issues; others include advertising costs, television's portrayal of women and minorities, and the economic viability of independent television stations not affiliated with a network.

The financial interest and syndication rules have met these needs by vitalizing both independent program producers and independent television stations around the Nation, and have brought unprecedented competition and diversity to television.

Prior to adoption of the rules, the networks were free to control the rerun rights to the programs they broadcast. Since these rights can be extraordinarily profitable, the networks demanded their transfer in virtually every negotiation with independent program producers. The program producers, faced with only three outlets for their work, invariably forfeited their rights, and any hope of profits, to the networks.

For independent stations the situation was even worse. Since the networks controlled the syndication rights, they decided when programs would be released and which stations would broadcast the reruns. In effect, this allowed networks to hold back shows until a program's first network run was completed, and to favor their affiliates over independent stations for eventual broadcast. Independent stations, denied of programs that could command high ratings, remained weak and few in number.

Adoption of the rules changed television's landscape. For producers, the rules meant they could retain their rights and sell their programs to any station. It meant increased revenue and independence, thus enabling them to experiment with innovative programing.

For independent stations, the rules meant opportunities to bid for popular programs that could attract viewers and advertisers, thus strengthening them for competition with network affiliates for prime-time audiences.

In television, more is better. And the rules have brought more of everything. Now there are more programs created by more producers that can be sold to more stations than ever before. Television viewers are enjoying an ever growing pool of competition and diversity.

Despite this good news, all is not well with television. The three major networks still capture over 80 percent of the national viewing audience. Moreover, serious content problems still plague the industry. Most programs seem aimed at the lowest common denominator, and women and minorities generally receive infrequent and stereotyped portrayals.

So while the rules have brought new life to television, I believe further improvements are necessary.

The networks disagree, and have joined their resources to convince the FCC to repeal the rules. Unfortunately for the public, the FCC seems to be siding with the networks. Not only has the Commission placed the burden of proof on those supporting continuation of the rules, but it is manipulating the procedural rulemaking requirements to reach an early decision. Indeed, oral arguments have been held despite the fact that reply comments have not even been released.

So Congress must and will act; 40 Members, both Democrat and Republican, conservative and liberal, have already cosponsored a commonsense response to the networks' efforts. Our bill prevents the FCC from repealing the rules until at least 1988, at which time it can assess network dominance in the television industry. If the industry is then truly competitive, the rules could be repealed.

At issue in the debate over repeal is something far more important than profit distribution or ratings points. The rules have their basis in a principle fundamental to our political system—the free and unencumbered flow of information from a diversity of sources. The rules are neither obsolete nor economically inefficient. Rather, they insure competition and diversity in our most powerful and persuasive medium.

Repeal would make three already powerful companies even more powerful. It would reinforce a control that has diminished slightly over the last decade. And it would drive a lot of fledgling independent stations right out of business.

The financial interest and syndication rules are too important to be accorded the casual treatment the FCC seems inclined to give them. The rules must stay in effect.

Mr. Speaker, the Washington Post has recently printed an editorial column on the importance of the financial interest and syndication rules, and I am inserting it in the RECORD. I am also inserting a letter written in opposition to repeal by the National Education Association, a group concerned with quality children's television and the largest organization of educators in the country, in the RECORD.

The article and letter follows:

[From the Washington Post, Jan. 28, 1983]

THE NETWORKS WANT IT ALL BACK

(By Margita E. White)

The three television networks are appealing for an end to rules that restrict their financial interest in TV programs and prevent them from syndicating them. In doing so, they portray themselves as helpless underdogs, tethered by the Federal Communications Commission so they cannot compete with cable television and other video technologies that will rob the American public of free, advertiser-supported television. This was the argument put forth by NBC vice president M. S. Rukeyser, Jr., in The Post [Free for All, Dec. 18].

This script is brought to you by profit-making networks that are the sole outlet for 69 percent of all prime-time programs, whose share of all such viewing is 82 percent and who, by any measure, dominate the television industry. Their control would be absolute were it not for the Federal Communications Commission's Financial Interest and Syndication Rule, which was adopted in 1970 to promote the public interest in fair competition and diversity in prime-time television programming.

Such was the power of the networks before 1970, when the FCC found they had exploited their "undue concentration of control" over the television industry to determine not only what most Americans saw on television but what they could not see. The Justice Department followed with antitrust suits, charging that "the three national television networks for all practical purposes controlled the entire network television program production process, from idea through exhibition."

The networks controlled the pipeline to the television screen and used their enormous leverage to demand concessions from producers that would not have been granted in a competitive marketplace. For example, they accepted virtually no entertainment program for network exhibition in which they did not have a financial interest, routinely barring programs from the air unless producers gave up half their profits from subsequent non-network uses.

The Financial Interest and Syndication Rule simply prohibits the networks from domestic distribution and profit participation in non-network shows. Consent decrees entered into by the Justice Department and

networks in 1978 and 1980, essentially replicate the FCC rule.

Even under this rule, the networks decide which programs enter the video pipeline, since they buy the first-run programs. But they no longer can lock up a series once it has run on the network, or heavily favor only those in which they have a financial interest. This has enhanced competition in the secondary market of syndicated programs (reruns of popular series such as "M*A*S*H") upon which independent stations depend. Indeed, during the decade the rule has been in effect, independent stations have become increasingly viable and their number has doubled.

At the same time, producers have become more willing to risk larger investment in new shows, knowing that the financial rewards for later off-network showing will not be diluted by forced surrender of part of the profits to the networks. There has been a 51 percent increase in syndication program suppliers. A first-run syndication market also has developed in which specials and series, such as "A Woman Called Golda" and "P.M. Magazine" are produced and sold directly to non-network station groups. In other words, the rule has worked to expand program choices and competition on over-the-air television.

A competing video marketplace of new technologies also is beginning to emerge, but the networks remain dominant. Their 82 percent share of total viewing is projected to remain above 70 percent by 1990, when ABC forecasts the networks will reach a greater number of viewers than today because of the rapid growth in television households. The FCC, the Justice Department and a 1981 House committee staff report have concluded, respectively, that cable television creates no applicable diversion of network viewing, that cable programs are not substantially competitive with network programs and that there are no realistic competitive alternatives to the networks now or in the near future. Meanwhile, ABC and NBC are reporting increased profits from television operations. Only CBS, whose profits rose by 25 percent in 1981, reported a recent decline, due in part to its own unsuccessful CBS Cable venture—which suggests inflated expectations for this new technology on the part of CBS.

Repeal of the FCC rule also is being ballyhooed as deregulation. Yet the premise of deregulation is that the public interest is served best through a free and fair competitive marketplace. It was precisely because the marketplace was distorted through an unhealthy concentration of network control that the rule was instituted. Scuttling it now will restore the networks' ability and incentives to compete unfairly by using their monopoly powers.

The consequences would be diminished competition in the television industry, a crippling of the emerging first-run syndication sector, the elimination of most independent syndicators, a serious weakening of independent stations and stifled innovation and diversity in television programming. Anti-trust actions—which are lengthy and expensive—would be virtually useless in preventing or reversing this.

Yet the issue is larger than concentration of economic power or the FCC pulling the rug out from under those who in good faith entered the television marketplace on the basis of the rule's protection against unfair competition. Repeal would result in the networks' having creative control over the content of all television programs, raising profound philosophical and constitutional concerns for a free society over the concentration of power in the marketplace of ideas.

To abolish the rule now could set back overall deregulation by impeding the development of genuine competition giving the public increasing choices among a diversity of programs and programming outlets.

NATIONAL EDUCATION ASSOCIATION,
Washington, D.C., January 26, 1983.

Hon. MARK S. FOWLER,
Chairman, Federal Communications Commission, Washington, D.C.

DEAR CHAIRMAN FOWLER: The National Education Association supports the retention of the network financial interest and syndication rules, 47 C.F.R 73.658(j). These rules, which prevent the three television networks from obtaining domestic or foreign syndication rights or any financial interest in the subsequent non-network broadcast of network television programs, are vital to the access opportunities of special interest producers who design television programs. As you know, the DEA is concerned about the dearth of good television programs targeted to children and minority audiences.

The Commission has suggested that the availability of alternative broadcast sources such as cable, STV, DBS, etc., will compensate for specialized programming that may be reduced or eliminated from the networks as a result of the repeal of these rules. No evidence supports that suggestion. With only 30 percent of all TV households wired for cable, and an unknown future for new technology penetration, it is unrealistic and premature for the FCC to eliminate current regulation. The very audiences who will be forced to seek programming on a pay TV service instead of a free network are the most disadvantaged and disenfranchised audience—low income families and children.

Since NEA presented concerns about children's television last January, there has been a severe decline in the quantity of children's programs on network television. Indeed, the only sustaining programs designed for children which are broadcast in communities around the country during the week are syndicated programs. If the financial interest and syndication rules are repealed, we believe that the independent producers, many of whom are financially dependent upon the profits from the distribution of their programs, will not be able to compete with the major networks in distributing programs to local TV stations. Since the networks have already proven their disinterest in producing good programming for children, we have little doubt that they will change that attitude in distributing to the child audience. The local stations, which have financially supported the syndication of "The Great Space Coaster," "Mr. Moon's Magic Circus," "Lorne Green's Adventure," to name a few, may find that the menu of children's programs offered to them by network syndicators are merely a duplication of the programs which are currently available to children during the week on the networks—soap operas.

Therefore, the NEA would like to be included in the record of comments for FCC BC Docket No. 82-345 in support of the retention of the network financial interest and syndication rules.

Sincerely,

ROBERT E. HARMAN.●

A BATTLE FOR CONTROL OF TV

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. WIRTH. Mr. Speaker, Congressman WAXMAN and I are today introducing legislation which would strip the Federal Communications Commission of authority for a 5-year period to repeal the network financial interest, syndication, and prime-time access rules. As Chairman of the Telecommunications, Consumer Protection and Finance Subcommittee, I strongly believe that this bill deals with one of the most important communications policy questions the Nation now faces. I am cosponsoring this legislation with Congressman WAXMAN in order to help focus congressional attention on this critical issue.

The financial interest and syndication rules, as well as the prime-time access rules, were adopted in the early 1970's to address the problems posed by the overwhelming dominance of the three commercial television networks—ABC, CBS, and NBC. As both purchasers and distributors of programming, it is clear that the dominance of the networks remains. Yet, the Federal Communications Commission has initiated a rulemaking to repeal the financial interest and syndication rules—rules which continue to play a vital role in protecting the public interest, and the prime-time access rule has been the target of repeal efforts in the recent past.

I have consistently stated that there are two fundamental communications policy objectives which must be addressed above all others. The first is to promote and encourage competition in the marketplace. The second is to provide the American public with the widest possible diversity of programing sources.

It is true that the video marketplace is becoming increasingly competitive. But the three commercial networks still command a dominant share—over 80 percent—of the viewing audience. At some point in the future the networks, which today clearly remain dominant as program buyers and distributors, may no longer occupy such positions of dominance, and repeal of these rules may then be justified. However, the time for repeal of these rules is clearly not now. CBS' own projections put network audience share at 70 percent by 1990. Under this legislation the FCC's authority to repeal these rules would only be stripped until June 30, 1988.

Right now, only about 30 percent of the Nation's homes have cable, most low power television licenses have not yet been granted, even the inception of DBS is still a few years away and

only about 2 percent of the United States receives STV or MDS service. The video marketplace, with a number of new competitive entrants, has great potential. Simply put, in most of the country, the video market is not yet competitive.

As I have repeatedly stated, regulation must not be lifted because of some feverish rush to deregulate for the sake of deregulation. We must only deregulate when it is warranted by the level of competition—and the level of competition in the video marketplace simply does not justify lifting those rules which were carefully designed to protect the public interest from the lack of competition now facing the networks.

Information diversity is the cornerstone of the first amendment, and is a fundamental precondition of the robust marketplace of ideas that must characterize a free and democratic society. This is our most fundamental public interest goal. It must be protected, nurtured and promoted. Whether it is by prohibiting AT&T from owning or controlling information provided over its own monopoly transmission facilities, or whether it is through the presentation of conflicting viewpoints under the Fairness Doctrine, regulation is often necessary to help insure true diversity.

We are all aware of the contributions the networks have made to American television. Network news and much network entertainment have added significantly to the richness of our lives. But the dominance of the networks goes to the very heart of the issue of diversity of information sources in a democratic society.

If diversity in the video marketplace means anything today, it means alternatives to the networks. The controversy over the financial interest rules is not an issue of Hollywood versus New York, or of big studios versus bigger networks. Unfortunately, to date most of the press discussion of the rules has cast the issue as one only of dollars and cents. It is not government's role to divvy up profits among large corporations. But it is our responsibility to assure the fullest diversity of information sources, and to encourage a fully competitive marketplace of ideas. This principle is the foundation of my concern about the financial interest and syndication rules.

Promoting video diversity includes promoting programing alternatives. The rules have fostered the development of strong, independent broadcast outlets available to the public. Repeal of the rules might well give the networks the ability to undermine the growing competitive strength of the independent stations by restricting their ability to run off-network shows. In fact, the Justice Department, in commenting on the proposed repeal of the rules, concluded that if the rules are repealed there is a significant possibility the networks could manipulate the availability to indepenent broadcasters of off-network syndicated programs. In addition, the Department of Justice has stated that such collusion is so difficult to detect, that a real doubt exists as to whether the antitrust laws could serve as an adequate substitute for an FCC rule.

The networks argue that the future of free, non-pay television is at stake. I disagree. The future of free TV lies in a competitive independent marketplace, not just with the domination of commercially-supported television, available only from the three networks. And if anybody has an interest in the preservation of a healthy advertiser-supported video marketplace, it is the nation's advertisers—and they have come out in support of retaining these rules.

The independent production community must be included in this discussion. Thriving independent production provides diversity in the free TV market, and if maintained, will help to fill the multitude of new channels provided by new delivery systems that are now being constructed, or will be in the next decade.

But if the financial interest and syndication rules are repealed, independent producers will have far less incentive to develop programing, the market will contract, and program source diversity will be reduced.

Perhaps most important, the networks already exert enormous control over of the content of the programing they distribute. If the networks are permitted to own the programing they distribute, their control of program content can only increase. It may be only a marginal increase today, but that margin can make a great difference in the quantity and quality of creativity coming through the network funnel.

Three public policy goals—diversity of resources for programing, diversity of outlets, and diversity of creativity—must be met if the video marketplace is going to serve the best interests of the public. The financial interest, syndication and prime time access rules promote these goals.

I would like to take this opportunity to commend the dedicated efforts on this issue of my colleague from California, Congressman WAXMAN, a member of the Telecommunications Subcommittee. I would like to bring to my other colleagues' attention an excellent article on this subject by Mr. WAXMAN that recently appeared in the Los Angeles Times, which clearly delineates these critical issues:

[From the Los Angeles Times, Mar. 9, 1983]

A BATTLE FOR CONTROL OF TV—NETWORK VICTORY AT FCC WOULD ROB THE PUBLIC OF DIVERSITY

(By Henry A. Waxman)

If you think that television programming is bland and predictable now, imagine what it will be like if the three networks manage to persuade the Federal Communications Commission to repeal a set of 1970 rules that have been instrumental in bringing more diverse and better programming to television. Unfortunately, it appears that the Reagan Administration and the networks share fond memories of the "good old days," when just three enormous companies completely dominated the television industry and its programming.

At first blush, the rules under siege seem classic Washingtonese. Their name—the financial interest and syndication rules—sounds vapid and technical, and their definition is slightly confusing.

But the operation of the rules is simple: The three television networks are forbidden to syndicate the programs that they broadcast, and they can't share in any of the $800 million that independent producers earn each year from selling "rerun" rights to individual stations.

Because ABC, NBC and CBS want the rule repealed, and the independent program producers want it continued, the issue often is cast as a fight over profits—the networks versus the production community. This seems to be the FCC's view, and, as the rule moves closer to repeal, important public-interest questions are being brushed aside.

Diversity and competition are the major public-interest issues; others include advertising costs, television's portrayal of women and minorities and the economic viability of independent television stations not affiliated with a network. All the issues boil down to one: what people will be able to see when they switch on their sets.

The rules that the FCC wants to repeal were instituted in 1970 after it concluded that "(the) public interest requires limitation of network control and an increase in the opportunity for development of truly independent sources of prime-time programming." At the time, the three networks, for all practical purposes, controlled the entire program production process. And, because they could require producers to give them syndication rights, they also could control what and to whom they would sell through syndication.

As Grant Tinker, onetime head of MTM Productions and now president of NBC, said, "Syndication is where the money is made, if any money is made at all." Yet, to have shows broadcast, producers had to cede these syndication rights away. The FCC found that the networks accepted virtually no entertainment programs in which they did not have a financial interest in syndication or other subsequent use.

To break this network dominance and strengthen independent producers and stations, the FCC ruled that the networks could no longer syndicate programs after they showed them.

For producers, this meant that they retained their rerun rights and could sell the programs to any stations they wanted. It meant increased revenue and independence, thus enabling them to try innovative programs.

For independent stations, the rule meant opportunities to bid for programs, such as "M*A*S*H," that would attract viewers and

advertisers, thus strengthening them in competition with network affiliates for prime-time audiences. Increasing ratings and revenues allow independent stations to broadcast first-run material, such as "A Woman Called Golda" and the "Life and Adventures of Nicholas Nickelby."

For advertisers, it meant lower costs because of more outlets, and thus more competition.

For women and minorities, competition brought new artistic realism.

For the public, the benefits were the greatest: more television stations and more choices of what to see and when to see it.

Since 1970, there has been a 26 percent increase in the number of independent producers, and the number of independent television stations has doubled. If the rule is repealed, and if my legislation to turn the rule into a law is not approved, we are likely to return to the pre-1970 period, when 97 percent of all evening television programs were controlled by the networks.

Of course, the networks have a legitimate economic interest in seeking repeal; their balance sheets reflect (in part) the control that they hold over the television industry. Moreover, cable and other telecommunication technologies threaten to raid network viewers. Yet, in reports to stockholders and advertisers, the networks boast that the nascent cable competitors will have little effect on their audience share.

Although they also argue that repeal would benefit the public interest, it is difficult to discount the overall benefits to the public of the last 12 years. But these improvements have not solved all of television's problems. There are still too many programs aimed at the lowest common denominator. Progress is likelier with an ever-expanding pool of independent producers and stations than with three companies dominating our most important medium.

Despite the clear public benefits of the existing rules, network pressure seems to be pushing the FCC toward repeal. In fact, the commission has suddenly advanced its first hearing to Monday.

It appears that only congressional action to keep the rules intact can maintain the competition and diversity that the public interest requires.

David Poltrack, CBS' vice president for research, nicely framed the repeal issue when he conceded that new, non-network programs are "distracting network viewers." But Poltrack added, "We think we can control" that. He could be right, of course—if the financial interest and syndication rules are repealed.●

CONGRESSIONAL SALUTE TO HON. JOSEPH MARTOCCIA—1983 POMPTON LAKES CHAMBER OF COMMERCE OUTSTANDING CITIZEN OF THE YEAR AWARD

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. ROE. Mr. Speaker, on Saturday, March 26 the people of Pompton Lakes, my congressional district and the State of New Jersey will assemble at the Annual Installation Dinner of the Pompton Lakes Chamber of Commerce to honor an esteemed businessman, community leader, and good friend—the Honorable Joseph Martoccia, "Mr. Pompton Lakes," of New Jersey—whose lifetime of service to the Borough of Pompton Lakes and its surrounding communities has earned him the highly coveted Outstanding Citizen of the Year Award of the Pompton Lakes Chamber of Commerce.

Mr. Speaker, the Pompton Lakes Chamber of Commerce is one of our Nation's most prestigious affiliates of the U.S. Chamber of Commerce. Their masthead reads, "where the historic past meets the progressive future," and their organization has surely served the business community of Pompton Lakes with distinction. Joseph Martoccia has also distinguished himself in the community and has been selected by them as this year's honoree for his outstanding record of responsible service to the people of the community.

Mr. Speaker, I know that you and our colleagues here in the Congress will want to join with me in extending our warmest greetings and felicitations to Joe Martoccia upon receiving this citation of merit which will be presented and commemorated on Saturday, March 26.

Joseph Martoccia has been a staunch supporter and active participant in many civic and community improvement programs and we applaud the quality of his leadership endeavors in the vanguard of service to people's needs.

Our honoree, Joe, was born in New York City September 28, 1903 and adopted the Borough of Pompton Lakes, N.J., as the home of his residence in the year 1914.

There is much that can be said about Joseph Martoccia and all of his good works. He received many citations of merit and honor for his many charitable and rewarding contributions to the quality of life and way of life for all of our people.

In 1936, Joe joined the Pompton Lakes First Aid Squad, Inc., where he held office as secretary, then vice president for 12 years and president in 1951-52. As chairman of the Salvation Army for Community Service, he executed countless missions in responding to the needs of families in distress since 1963.

He was a member of the community's civil defense and disaster control units since the First World War and is still active in these most worthwhile endeavors. Twelve years ago he founded the lifesaving service known as the blood bank which is still effectively operating in conjunction with the chamber of commerce. It is interesting to note that before this permanent blood bank was established, he provided a so-called walking blood bank for everyone in town.

Upon retiring from a successful career in the business community, Joe was commissioned by the then mayor as the perfect candidate to head up the welfare department of the borough. Joe provided a small medical supply outlet in his home for any person needing a cane, crutches, wheelchair, and so forth, and was often called upon to transport senior citizens to the doctor's office in his own personal car.

In recognition of his benevolence and compassion for his fellowman, and his many acts of kindness and charity to the friars of the province, he was awarded a certificate of appreciation from the province of the Most Holy Name of Jesus, the Order of Friars Minor. In March 1978 the mayor of Pompton Lakes proclaimed 1 week as Joseph Martoccia Week and designated him "Mr. Pompton Lakes"—an honorary title he had continued to hold as a symbol of respect and thanks from a grateful community.

Throughout his lifetime Joseph Martoccia has forged ahead with dedication, devotion, and sincerity of purpose in responding to the needs of the people of Pompton Lakes. He is a charter member and past president—1959-60—of Pompton Lakes Rotary Club with 100 percent attendance record for the past three decades. He was chosen the Paul Harris Fellow of the Rotary Club, the highest award that rotary can bestow upon any of its members. During the past 20 years he handled community service for the club. As we all know, rotary's motto is: "We make a living by what we get * * * we make a life by what we give"—"Service above Self"—and their good deeds in helping others, young and adults alike have served to inspire all of us.

Mr. Speaker, it is also important to note that Joe was honored by the Pompton Lakes Lions Club in 1954 and by the Kiwanis Club in 1962. He was also the recipient of the Edel-Muley-Donney Award for outstanding community service in Passaic County, June 4, 1970.

Joseph Martoccia has the distinguished honor also of being a charter member of the chamber of commerce which was organized in 1925, past president—1936-37—and now permanent treasurer.

Among his many other civic and charitable endeavors he is on the board of directors and treasurer of the Senior Citizens Housing; member, board of directors of the Passaic Valley Red Cross; Pompton Lakes Marion Council Knights of Columbus 3801 since 1946; treasurer, the Columbian Club, Marion Council 3801; Pompton Lakes High School Advisory Committee; VFW District 1; the Pompton Lakes Elks Club No. 1895; and for the past 18 years has been an active

member of the Christian Businessmen's Committee, Lakeland area. He received the 1957 Man of the Year Award of the Veterans of Foreign Wars and Ladies Auxiliary.

Mr. Speaker, it is indeed appropriate that we reflect on the deeds and achievements of our people who have contributed to the quality of life here in America. As we gather together on May 26 with the Pompton Lakes Chamber of Commerce in tribute to Joe's leadership endeavors and personal commitment dedicated to service to people, we do indeed salute a great American—the Honorable Joseph Martoccia of Pompton Lakes, N.J.—1983 Pompton Lakes Chamber of Commerce Outstanding Citizen of the Year.●

PRESERVATION OF THE MOUND STATE PARK

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. SHELBY. Mr. Speaker, Senator HOWELL HEFLIN of Alabama and I are today introducing, in our respective Chambers, a bill to protect the historical and cultural heritage of Mound State Park in my district. The bill authorizes the Secretary of the Army to correct slope failure and erosion problems which have developed along the banks of the Warrior River where it flows past Mound State Park.

The Mound State Park is a treasure to my State of Alabama and my district. It harbors a wealth of history that is invaluable not only to Alabama but to the Nation. This unique park contains numerous Indian burial mounds and relics which have provided tremendous insight into the customs and folklore of the American Indian.

This important park is now being threatened by the erosion of the banks of the Warrior River which runs adjecent to the Indian mounds. The deterioration of this property must be stopped to insure the safekeeping of this historic landmark.

A Corps of Engineers on-site inspection in 1980 revealed that 2,400 feet of river bank require protection to prevent a loss of the park's cultural resources. The erosion of shoreline in the area of the park has already caused some loss, and this loss is anticipated to increase in magnitude as the erosion approaches the Indian mounds. It is for these reasons that Senator HEFLIN and I are introducing legislation to insure the preservation of this invaluable historical resource.

It would be a tragedy to sit idle while a landmark of such historical value and significance is threatened by erosion from the Warrior River. This bill would initiate the necessary steps to insure that this historical site is preserved for generations to come.●

RED CHINA TRADE AND AMERICAN LABOR

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. McDONALD. Mr. Speaker, it was not too long ago that the excecutive branch determined it was in the national interest to extend export-import credits to the tune of millions of dollars to the Chinese Communists. I would inquire of my colleagues if this is in the national interest.

In the first place, all Americans should recall what these same Chinese Communists did to our men in Korea. So that memories may be refreshed, I would first like to introduce "Findings and Conclusions, Committee on Government Operations, Korean War Atrocities, United States Senate," dated January 11, 1954.

After reading these conclusions, Americans should be reminded that these Chinese Communists are the same legitimate offspring of Satan that perpetrated the massacres, horrendous tortures, and permanent maiming of our prisoners of war in Korea.

If that is not enough, how can anyone in this body vote for continued American moneys to sustain both the Soviet and Chinese Communist empire of slave labor. Perhaps what a second item I introduce here puts some credence in the belief that David Rockefeller makes more of a profit dealing with a slave labor economy. How can the American labor man of a free society compete with a totalitarian controlled economy? The reply to that one is—he cannot.

Proof of such a thesis is offered for the benefit of my colleagues in a column by Charley Reese, writing in "The Times and Democrat," of Orangeburg, S.C., of January 13, 1983. Both the Senate Government Operations report and Charley Reese's column follow:

VIII. FINDINGS AND CONCLUSIONS

Upon hearing the testimony of all witnesses and studying the documentary evidence submitted, the subcommittee advises:

(1) The North Korean and Chinese Communist armies were guilty of the following war crimes and crimes against humanity committed against American personnel during the conflict in Korea from June 25, 1950, until July 27, 1953:

(a) Murder;

(b) Attempted murder;

(c) Malicious and aggravated assaults;

(d) Various acts of torture, i.e., perforating flesh of prisoners with heated bamboo spears, burning prisoners with lighted cigarettes and inserting a can opener into a prisoner's open wound;

(e) Starvation;

(f) Deliberate policy of fostering starvation;

(g) Experimental medical operations;

(h) Coerced Communist indoctrination;

(i) Bayonetting.

(2) The Communist government in China is equally responsible and guilty as the Communist government in Korea for war atrocities committed against Americans.

(3) Virtually every provision of the Geneva Convention governing the treatment of war prisoners was purposely violated or ignored by the North Korean and Chinese forces.

(4) More than 5,000 American prisoners of war died because of Communist war atrocities and more than a thousand who survived were victims of war crimes.

(5) Several thousand American soldiers who have not been repatriated were victims of war crimes, died in action, or are presently confined behind the Iron Curtain.

(6) Communist forces violated the "Little Switch" agreement by failing to repatriate the sick and wounded prisoners in accordance with the Panmunjom truce.

(7) The Communists in Korea, by false propaganda, have attempted to inaccurately portray the treatment accorded by them to American prisoners of war.

WHEN YOUR'RE TIRED OF IT . . .

(By Charley Reese)

Red China is buying 10 Boeing jets. Good deal, huh? Wrong. The U.S. taxpayer is buying 10 Boeing jets for the Red Chinese and I wouldn't bet a six-pack we will ever get our money back.

A lot of so-called world trade is a scam. The Red Chinese, like most socialists, are dead broke. If they could have afforded to buy American technology, they wouldn't have gone through the charade of pretending to be semi-friendly. They would have bought it on the open market from the multinationals.

The deal behind opening up relations with Red China, which was engineered by David Rockefeller, was for the U.S. taxpayer to provide the funds for the Chinese to buy the products and services of Mr. Rockefeller and his friends.

Such so-called trade is a bad deal for the American people. Sure, Boeing workers get a chance to build 10 planes they might not otherwise have built, but they and the rest of us taxpayers put up the dough. At the same time, the Red Chinese are given access to the American market to peddle their slave-made textiles and other junk. Since they are borrowers, the argument goes, they must be allowed to earn foreign currency in order to pay their debts.

The trouble with that scam is that while Chinese imports put Americans out of work, the Chinese will use the foreign currency to build weapons or to indulge in their own foreign aid schemes so that in the end, the taxpayers will get stuck with the bill for the planes.

That variation is bad enough, but the story gets more revolting. There are thousands of American steelworkers out of work. Mills are closing. So does the United States try to sell the Red Chinese steel, even on credit? Oh, no, it sells the Chinese a steel mill on credit. That means, among other things, Red China will never become a market for American steel. At best, they will become a competitor. No doubt when the American taxpayer-financed modern mill goes on line, the Chinese will export some

of their steel to America—if, by then, they don't decide to shoot it back at us in the form of missiles.

The United States is being sold right out from under us by a bunch of greedy multinational corporations, whose leaders aren't even moral, much less patriotic.

Don't you think it's strange that the U.S. government will finance a new steel mill in a hostile foreign country but not in Ohio or New York? Don't you think it's strange that American workers have to pay 14 percent for a mortgage and 15 percent or even 18 percent for a consumer loan, but the Chinese communists pay, if they ever pay at all, less than 8 percent? Don't you think it's strange that the American government will spend $300 million to keep communist Poland from going into default while thousands of Americans are losing their homes and farms to foreclosures? Don't you think it's strange that an American president says we have to cut $40 billion in domestic spending but double our contributions to the International Monetary Fund?

I do. I think it tells you that the Rockefellers and other corporate moguls have a lot of clout in the White House and in Congress. I think it tells you that they and their political and media suck-toes believe the American people are stupid.

Just the other day I read a piece put out by the Los Angeles Times, the gist of which was, gee, we'd better not offend the Japs or they won't be our friends. We're not supposed to offend the Russians by suggesting they shot the pope. We're not supposed to offend the Arabs by asking them to make peace with Israel. We're not supposed to offend the Red Chinese by arming the Nationalist Chinese. Well, you know the old saying: Mr. Rockefeller's customers and friends are always right. The only people Washington thinks it is safe to offend are the American taxpayers.

We forgive debts by communist thugs but we make it up by taxing the tips of waitresses, the savings of our old people, and the gasoline of our unemployed. We hand Brazil a few billion, but we save a billion or so on food stamps and school lunches. The big banks tell American business there's a capital shortage and then lend $342 billion to foreigners.

Let me know when you're tired of taking this (expletive deleted). I already am, but one-man revolutions never get very far.●

A NEW LOOK AT THE VIETNAM WAR

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. GINGRICH. Mr. Speaker, Jim Minter, editor of the Atlanta Journal and the Atlanta Constitution, has brought to our attention a fundamental problem in the American news media. As he says himself in an article in the February 27, 1983, editions of the newspaper:

How could it take us 14 years to figure out that the Tet offensive, covered by the most sophisticated news organizations, was really a substantial American victory rather than a smashing defeat?

I would submit to my colleagues that as long as the American news media is committed intellectually to a liberal welfare state philosophy in its coverage of the news the American public will continue to be "softened" in its view of the world. As George F. Will wrote in a column in the Washington Post on March 10, 1983:

The memory of the Holocaust is the black sun into which we cannot bear to stare. But we should stare, because this mentally soft republic is threatened by the inability of its citizens to comprehend how radically the untamed world—from the brutalized elite in the Kremlin to the pandemic savagery of El Salvador—differs from their mild experiences and assumptions.

The Holocaust museum, located at the epicenter of our collective life, can be a mind-opening reminder of the furies beyond our shores. The museum is needed because nothing in nature is more remarkable, or dangerous, than the recuperative power of innocence in a liberal society.

Mr. Minter's column is a useful start in creating a national dialog that hopefully by the end of the 1980's will produce a news media much more able to help America survive as we face the challenges of the Soviet Union and nuclear weapons.

[From the Atlanta Journal and the Atlanta Constitution, Feb. 27, 1983]

AFTER 10 YEARS, A NEW LOOK AT THE VIETNAM WAR

(By Jim Minter)

Believe it or not, a funny thing is happening to the Vietnam War on the way to the history books, and in due time the story may turn out quite different from the one we've heard up to now. Hello, Jane Fonda!

On the 10th anniversary of the United States abandonment of that troubled Asian country, Fox Butterfield of the The New York Times had compiled a remarkable "new look" at the controversial war from a perspective of passing time and cooling passions.

Cautiously titled "The New Vietnam Scholarship," Butterfield's article in the Times magazine is certainly the most honest account to appear in the national media. The subtitles are less timid and more to the point. Challenging Old Passions . . . Many Truisms About the War Are Being Upset. . . .

The truisms being upset are those of the liberal left, anti-war protesters and fuzzy-headed intellectuals. Ten years later it is being suggested that these people not only were naive, but in many cases flat out wrong.

Would you believe that:

Lyndon Johnson was not really a warmonger but a President mostly interested in his Great Society?

The Tet offensive of 1968, billed as a great victory for the Viet Cong, actually was a smashing defeat?

American liberals, and even a star reporter for the The New York Times, early on were snookered into believing the Viet Cong were operating independent of Hanoi?

The United States was at peak strength militarily and firmly in control when we decided to turn and bug out?

So what's new? Nothing except the sources. It's a story Gen. William Westmoreland has been preaching coast-to-coast, border-to-border for more than a decade. We couldn't believe a West Point graduate who wears four stars.

Now Butterfield has interviewed scholars, anti-war activists, journalists and junior military officers. The picture comes into a different focus.

Many of the academic gurus of the peace movement, we now discover, didn't know beans about the Vietnamese people. We had experts who had never visited the country, who did not speak the language.

Author Frances FitzGerald, who won a Pulitzer Prize with "Fire in the Lake," isn't coming off too well in retrospect. Scholars are beginning to call her work romantic nonsense. One West Coast academic suggests that Ms. FitzGerald's notion that the South Vietnamese would be better off under communism was "both racial and condescending."

The so-called "New Scholarship" won't change anything. It does raise alarming questions. For example: How could it take us 14 years to figure out that the Tet offensive, covered by the most sophisticated news organizations, was really a substantial American victory rather than a smashing defeat?●

HELGE NILSEN, MARINE ENGINEER AND VICE PRESIDENT WESTERN CRUISE LINES TO RETIRE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. ANDERSON. Mr. Speaker, it gives me great pleasure to announce the retirement of a good friend, a respected seaman and marine engineer, and a great Norweigian, Helge Nilsen.

Helge will retire this Friday, March 25, 1983, after 25 years of service as a marine engineer. During his long and distinguished career, he has served as chief engineer on numerous motor and steam vessels. But his love for the big ships and his thirst for knowledge led Helge not only to develop an expertise in the physical operating characteristics of the huge powerplants that drive these enormous vessels, but also to understand how the entire vessel must be designed and constructed in order to allow these giant engines to push the ship over the ocean in the most efficient and safe manner possible. The expertise that Helge has developed during his career has proved to be most valuable to the companies he has worked for, as well as to all of us concerned about safety in our ports and on the high seas. This is due to Helge's work in the design and construction of liquid natural gas tankers built in Norway and Japan.

More recently, Helge has taken on the responsibilities of vice president of marine operations for Western Cruise Lines, which is home-ported in my district in San Pedro Bay.

We, who live in and around the Los Angeles Harbor area, are fortunate to have Helge Nilsen in our area, for he brings to us the unique perspective of

a man who has lived and worked at sea, a man who has experienced real danger at first hand, yet who continues to face the world with a twinkle in his eye and a smile in his soul.

So, my wife, Lee, joins me in wishing all the best to Helge Nilsen, his wife Anna, his daughters Katrine and Hanna, and his son Fröde.

Gud Velsigne, Nilsen Family.●

EXPLANATION ON OREGON WILDERNESS BILL

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. TAUKE. Mr. Speaker, yesterday the House debated and voted on H.R. 1149, the Oregon wilderness bill. During that time, I was called to the White House to meet with the President and other Government officials on the upcoming budget legislation. Had I been present on the House floor, I would have voted "aye" on rollcall No. 37, on an amendment that sought to authorize the Secretary of the Department of Agriculture to waive provisions of the bill that result in unemployment, upon application by Oregon. In addition, I would have voted "aye" on rollcall No. 38, the vote on final passage of the Oregon wilderness bill.●

COMMENDING THE OUTSTANDING ACHIEVEMENTS OF WALLACE BRAZELTON

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. FAZIO. Mr. Speaker, it is indeed an honor for me to rise today to commend my very good friend, Wallace Brazelton, for his past outstanding achievements and enormous contribution to the people of Solano County as a former chairman and member of the board of supervisors.

Living in the house in which he was born, Wally commanded a deep understanding of the community's needs and interests. Along with his brothers, Eugene and McKnight, and his mother, Ethel, he has been an active orchard farmer and cattle rancher. For example, as a member of the board, he was an ardent champion of agriculture and one of the strongest supporters of preserving prime agricultural land in the county.

For 20 years, Wally served the citizens of Solano County with dedication as a member of the board. He was first sworn into office on January 7, 1963, and served as chairman for 5 years from 1969 to 1972 and in 1980. And his willingness to work diligently for the county's needs undeniably reflect a genuine and sincere desire to unselfishly serve the people of Solano.

In conjunction with his efforts on the board, Wally became involved with many other government-related organizations. The County Supervisors Association of California, the Sacramento Mother Lode Regional Association of County Supervisors, the Local Agency Formation Commission, and the Yolo/Solano Air Pollution Control District Board of Directors are among those organizations that benefited from Wally's knowledge and enthusiasm. In addition, his work on the Solano County Armed Services Committee, Law Library Committee, and Health, Welfare and Corrections Committee, only further demonstrate his limitless energy and strong commitment to the community.

Wally has also devoted many hours of hard work to civic organizations. To name only a few, Wally is a longtime member of the Moose, Elks, and Rotary Clubs. He has also served as a member of the Solano County Farm Bureau, Veterans of Foreign Wars, and the Vacaville Chamber of Commerce.

Mr. Speaker, it is a privilege for me to rise today to recognize Wally Brazelton's achievements, and it is an honor for me to represent such a concerned and dedicated citizen in the Congress. During his 20 years in public office, Wally was an exemplary civic leader; indeed, he was a public servant in the truest and finest sense.●

HANOI COMRADE JANE FONDA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. McDONALD. Mr. Speaker, it was back in July 1972 that Hanoi Janie Fonda manned a North Vietnamese antiaircraft gun in the heartland of the enemy. Not too surprising her husband-to-be was supporting the Vietcong back here in the United States. Both Mr. and Mrs. Jane Hayden are now attempting to socialize and disarm the State of California.

What should disgust my colleagues is that Hanoi Janie should have been prosecuted back in 1972 for violation of section 2387 of tittle 18 of the United States Code. That, and not the charge of treason, which some suggested at that time, would have stuck and incarcerated her in a Federal penitentiary where she belongs. Remember she not only manned guns in the capital of the enemy, but broadcast to our military in the field from enemy headquarters. And what does section 2387 of title 18 state? I quote for the benefit of my colleagues: "Whoever, with intent to interfere with, impair, or influence the morale, or discipline of the military or naval forces of the United States: (1) advises, counsels, urges, or in any manner causes or attempts to cause insubordination, disloyalty, mutiny, or refusal of duty . . . is in violation of the law."

Evidently the people of California in part do not support Jane Fonda or her attempts while arming Communists in North Vietnam, would disarm the citizens of California. Gun Owners of America, with Larry Pratt as executive director, made note of that in its December 1982 issue of the Gun Owners.

Before introducing this timely piece, I would call my colleagues' attention to another entry on this date on the matter of Armand Hammer who also supported taking away the guns of the people of California. Hammer, and Fonda, and Hayden have a common thread of fealty to arm the Communist enemy and disarm America. The Gun Owners article follows:

[From the Gun Owners, December 1982]

LENIN, TOM, JANE AND GUN CONTROL

On November 22, 1969, Jane Fonda told a student group at Michigan State University, "I would think that if you understood what communism is, you would hope, you would pray on your knees that we would someday become communists."

The ghosts of the countless millions of people callously murdered by this vicious ideology would scream their silent curses of rejection at Fonda's assertion. Indeed, if they were still alive, they would fall on their knees and pray for freedom and deliverance, not communism. In fact, the living are fleeing, or trying to flee, the concentration camp existence they are subject to under the yoke of communism. The boat people fleeing from Fonda's communist dominated "paradise" of Southeast Asia graphically show how they will take enormous risks to escape from this horrendous tyranny.

How are such appalling conditions able to exist on this planet? The communist thugs control the guns while their wretched subjects are deprived of the means to resist their masters. In order for such gruesome slavery to exist, the enslaved masses must be rendered incapable of resistance. Gun control is imposed by all communist regimes with a vengeance.

Lenin, one of the ideological godfathers of the communist movement, was crystal clear on the subject of gun control. He said, "Only the Soviets can effectively arm the proletariat and disarm the bourgeoisie. *Unless this is done, the victory of socialism is impossible.*" (emphasis added—TGO) (From Lenin's Collected Works, Theses and Report on Bourgeoisie Democracy and The Dictatorship of the Proletariat, March 4, 1919, Vol. 28, p. 466, U.S. Library of Congress Reference: English DK254.L3A2323.).

Lenin didn't tolerate any disagreement with those who dissented from his gun control policy, as he advocated draconian measures to back up his gun control policy: "Make mass searches and hold executions for found arms," he said (From Lenin's Collected Works, Vol. 35, 4th edition, p. 286. Congressional Record, April 28, 1970, p. H.3601.).

Incidentially, the word bourgeoisie which is glibly bantered about in the lingo of communism is French for the middle class. The

communists have twisted it into a dirty word for anyone who disagrees with them—which means you and I and all other freedom loving people.

Obviously, the communists would like to see private citizens in the Ujited States deprived of firearms. There is hardly any secret about this.

Since Jane Fonda wants us to get down on our knees and pray to become communists, it would be logical to assume she and her fellow travelers support gun control. Well, it so happens that Tom Hayden, the radical husband of Jane Fonda, was an enthusiastic supporter of gun control. He campaigned actively for the recent anti-gun Proposition 15 referendum that was overwhelmingly defeated by California's "bourgeois" votes. In a statement that is typical of the rhetoric of the two Fondas, Jane and Tom (Mr. Jane Fonda is what people in some circles call Hayden), Hayden said that the passage of the anti-gun Proposition 15 would, "lay the responsibility for the massive violence in our cities at the door where it partly belongs, and that is [GOA chairman] Senator H. L. Richardson and the gun lobby."

That's the Fonda mentality in a nutshell, my friends; you, the law abiding gun owner, are the cause of violent crime in our society! What utter rubbish.

By the way, Fonda and Hayden have set up a political organization in California called the Campaign for Economic Democracy. Economic Democracy is Hayden and Fonda's new jargon for their brand of socialism. (Remember, Fonda wants us to get down on our knees and pray for it.) The Fonda-Hayden anti-gun organization is financed mainly from the profits of the numerous Jane Fonda health spas, or workout studios, located throughout the country.

Through the Campaign for Economic Democracy, Fonda and her husband are continuing their Vietnam, anti-war period assault on the American system and our cherished values.

Like Lenin, the Fondas believe that a society must be disarmed before socialism—even if it's called "economic democracy"—can be imposed on it.

With your help, GOA will resist this anti-American totalitarian scheme to the end of our days!●

THE PIK TAX QUESTION

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. BEREUTER. Mr. Speaker, Congress rarely hears encouraging words on its performance. My colleagues might wish to note the following complimentary words for the Ways and Means Committee, the House, and the Congress on the handling of the PIK tax question, as reported by the March 17, 1983, issue of the Drovers Journal:

[From the Drovers Journal, Mar. 17, 1983]

PIGS IN THE PARLOR, MR. SECRETARY

We are impressed with the sense of urgency displayed by the U.S. Congress in acting on legislation exempting PIK grain from taxation in the year received.

This action brings to mind the analogy frequently used by Agriculture Secretary John Block in describing how legislation is usually handled in Washington.

Block first tells how, when sows are due to farrow on his Illinois farm and someone is told to put them in the farrowing parlor, the order is carried out post haste.

In Washington, according to Block, before an order is acted on, it is studied, hearings are held and time passes. Were this to happen on the farm, he says, the sows would farrow in a snow bank and the pigs would die.

While this is an analogy that even congressmen can accept, we are compelled to say the pigs were farrowed in the parlor this time, Mr. Secretary.

The PIK tax question originally surfaced the first week in February when the Internal Revenue Service issued an informal opinion that grain received by farmers under the PIK program was subject to taxation the year it was received.

This situation "flew in the face" of rules applying to produced grain which is not taxed until it is sold or the year in which livestock to which it is fed are sold.

The congressional scenario began on Feb. 3 when a bill was introduced in the Senate. A bill also was introduced in the House on Feb. 7.

Early indications were that the legislation would move slowly, taking priority behind consideration of Social Security legislation.

However, using the House as an example, by Wednesday of the following week, Feb. 16, hearings were held by a subcommittee of the Ways and Means Committee. The subcommittee approved the bill on the following Monday, Feb. 21.

The full House Ways and Means Committee, after making minor changes, marked the bill up for consideration by the full House.

Within a week, the legislation was to receive approval in both the House and Senate. Both bodies considered and passed bills on Tuesday, March 8.

Differences in the bills were quickly resolved and the final legislation was signed by President Ronald Reagan on Friday, March 11, the deadline for farmer signup.

Feb. 3 to March 11. That's 36 days, or "overnight" by legislative standards. To say the least, it was fast enough to get the pigs farrowed in the "parlor."

Two things stand out in this situation as being unusual, if not expected:

One is the support the legislation received across the board in both the House and Senate. In the House, for example, the vote was 401-1. Recognizing this was an agricultural matter, and the House is short on farm-oriented members, the vote must be considered surprising.

Second is the leadership exhibited by Block. For a second time, the position of Block was "we're going to settle this with or without congressional support." This stance worked during basic development of the PIK program when Congress adjourned without passing legislation. As a minimum, it appears to have been a strong influence in achieving the just-passed legislation on the tax question.

For better or for worse, the PIK program is on its way. We'll know next week (March 22) the degree to which it is being supported by farmers.

To whatever degree the PIK program succeeds, it should be remembered that it supplied the impetus for a legislative memory. Valuable legislation made its way through an often criticized system in only 36 days.

Hats off to Congress.●

RESTORING AMERICA'S ABILITY TO COMPETE

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1883

● Mr. BONKER. Mr. Speaker, improving math, science, and foreign language education is critical to America's national security, cultural excellence, and commercial capabilities in the 1980's and beyond.

That is why the Emergency Science and Mathematics Education Act, passed earlier this month by the House of Representatives, is an important first step in addressing the frightening reality of our Nation's technical inadequacy.

Our Nation's lack of emphasis upon mathematics, technical, and foreign language skills is seriously impeding our ability to compete in the international marketplace. Time is running out to catch up in vital technical skills; without these skills we cannot maintain our strong position in the fiercely competitive world economy.

An alarming shortfall already exists in the number of trained, skilled graduates to fill certain technical positions. In the home, the business world, and the international marketplace, there is an ever-increasing need for proficiency in mathematics, science, and language.

In recent years, we have not emphasized the importance of languages, math and science, which are the very fields that are so essential to this Nation's future. While significant gains were made during the late 1950's and early 1960's in response to the Soviet launch of the Sputnik I satellite, the late 1960's and 1970's saw a gradual erosion in technical training, mathematics, scientific study, communication, and foreign language study. A 1980 study conducted by the Center for Education Statistics found that only 41 percent of college-bound high school graduates had taken 3 years of science, with the percentage dropping to only 13 percent for general studies students and only 9 percent for vocational education students.

As a result of this steady decline basic math and science education technical training, there are not enough graduates to meet the demand in critical scientific and mathematic skill areas. In contrast, Japan, a country with only half the population of the United States, graduates 40 percent more electrical engineers each year. In the State of California, for example, 60,000 electrical engineering positions open up every year, while there are only 14,000 California university graduates qualified to fill these positions. It is imperative that we meet the growing need for technically skilled workers in our country, particularly in

view of the fact that other countries have recognized the potential for growth in this area and have responded with appropriate training.

During the discussion of this legislation, there had been debate on whether to include foreign language instruction as a national priority in addition to mathematics and science education.

As chairman of the Subcommittee on International Economic Policy and Trade, I cannot stress enough the importance of foreign language training. One out of every eight jobs in American industry and one out of every five jobs in American agriculture depend on international trade. Four out of every five new jobs in American manufacturing are related to international trade.

Yet only 1 in every 10 Americans can speak, read, or effectively understand any language other than English. While Japanese schoolchildren are required to take 6 years of English, fewer than 8 percent of our Nation's colleges and universities impose foreign language requirements for admission, and only half of these institutions require a foreign language to graduate.

According to one observer, at any one time there are 10,000 Japanese in this country, nearly all of whom speak fluent English; by comparison, at any one time there are only 1,000 or so American business representatives in Japan, and only a handful speak even a word of Japanese.

Our neglect of basic math, science, and foreign language training is one reason why the United States has lagged behind our competitors in export activity. Our exports have shown only modest growth in recent years, from 5 percent of gross national product in 1956 to 8 percent today. By contrast, French exports have nearly tripled from 9 percent of GNP in 1956 to 24 percent today; Japan's exports have climbed from 7 percent to 17 percent of GNP, and Italy's exports have shot from 7 percent to 31 percent of GNP.

The Emergency Science and Mathematics Education Act will begin the long process of correcting years of inattention to basic math, science, and foreign language education.

Briefly, the bill provides for:

Elementary and Secondary Education.—Authorizes $250 million in FY 1984 and such sums as may be necessary in FY 1985 for a new state grant program to improve math and science education at the elementary and secondary levels. At least 75% of each state's funds must be allocated to local education agencies with the remainder to be used by state educational agencies.

Postsecondary Education.—Authorizes five separate programs to improve postsecondary education in math, science, and foreign language skills. Twenty million dollars for teaching scholarships is authorized in fiscal year 1984 and such sums as may be necessary in fiscal year 1985 for persons pursuing teaching degrees at undergraduate or graduate institutions in the areas of math, science, or foreign language. Provides for 5,000 scholarships of this kind in the 1984/85 academic year, and for 10,000 scholarships in 1985/86.

National Engineering and Scientific Personnel.—Authorizes $100 million annually in 1984–88 to establish an Engineering and Scientific Personnel Fund, providing grants for research in engineering, scientific, and technical fields.

Mr. Speaker, an article in the March 21 edition of the Wall Street Journal offers a number of insights into our current situation and the need to upgrade our Nation's educational effort in the areas of math, science, and foreign language. I commend this article to the attention of my colleagues.

CONCERN OVER HIGH-TECH COMPETITIVENESS SPURS ATTENTION TO SCIENCE, MATH EDUCATION

(By Arlen J. Large)

These are both hopeful and frustrating times for those who want to improve the nation's science and math education.

Consider these three events:

An oil company is donating money to get high-school students to look at real frost crystals under a microscope, instead of studying pictures in books. "We hope their teachers will begin to get a sense of the nonbookishness of science," says science educator James Rutherford. "We want to get some of the juiciness back."

Since 1980 at least nine states have ordered high school students to take more mathematics courses to qualify for graduation. "Generally there is a trend out there for more math and science courses," says Chris Pipho, a researcher for the Education Commission of the States in Denver. "It's definitely a turnaround."

There are no statewide course requirements in Wisconsin, where nearly 100 of the 432 school districts allow high-school students to graduate with just one year of science instruction. But in letters to parents, booklets to school boards and slide shows to eighth-graders, state school authorities and the University of Wisconsin are urging the college-bound to take three years of science and math. "We're using the bully pulpit," says Herbert Grover, state superintendent of public instruction in Madison.

POLITICIANS NOTICE

Thus, slowly, the nation's ponderous education establishment has begun to respond to what everybody says is a "crisis": a neglect of science and math training that threatens U.S. economic competitiveness in a high-technology world. The crisis has come to the notice of politicians. In Washington, Congress is trying to pass a law dealing with an acknowledged shortage of trained science and math teachers. Even the Reagan administration, which wanted to end an education-aid program, is changing its tune.

Behind all the concern is declining interest in science and teaching. Every year a UCLA education professor, Alexander Astin, surveys college freshmen on their career goals. In 1966, he found that 21.7% wanted to be school teachers. By last year, that had dropped to just 4.7% and a "disproportionately small" number of these wanted to teach science and math, Mr. Astin believes. In 1966, a slim 3.5% of the freshmen aspired to be researchers in chemistry, physics and biology, but last year that was a vanishing 1.5%. In contrast, business and engineering careers were much more popular.

What's discouraging potential scientists? The American Association for the Advancement of Science, a private professional group, has this view:

"Captured by television and the entertainment industry, far too many students seem to show reduced attention spans, underdeveloped reading and writing skills and negative attitudes toward demanding subjects. They lack motivation to study science and mathematics, often because those subjects are made boring, but also because peer pressure and school climates are frequently unfavorable to the pursuit of excellence.

"Students don't see that science is important to them personally, and neither do many of their parents, teachers or school counselors."

Mr. Rutherford is chief education officer for the association. "There is no quick fix," he says. But he has been working on some little fixes, aided by a $1.7 million grant to the association from Standard Oil Co. of Ohio. Starting next fall, junior high school science classes in Colorado, North Carolina and Ohio will get colorful posters and teacher handbooks on activities like the study of real frost crystals or discussions of the concept of infinity. Next year the project will expand to 15 states.

The idea is to give both youngsters and teachers a fresh look at topics that may sound dull in regular science textbooks. "What we'd like to do is get more kids interested in science longer," says Mr. Rutherford.

Students lost interest in science research and teaching during a period of rising federal outlays for education. Even so, the current perceived crisis in science and math education has stimulated new political demands for more money, to the cheers of organized education. Democratic presidential candidates decry the crisis. Sen Gary Hart of Colorado, for one, has introduced a science-education bill titled the "American Defense Education Act."

Earlier this month the House passed by a vote of 348–54 a bill authorizing $425 million to improve science and math teacher training from the grade schools through college. Sponsors say the bill will demonstrate federal leadership in attacking the crisis, but concede that the money amounts to one-quarter of 1% of the nation's total spending on education. Members tended to park their ideology at the door in voting for the bill. "Conservatives feel threatened by the idea that we've lost our primacy in the world," says Becky Timmons, a lobbyist for the American Council on Education.

ADMINISTRATION SWITCH

The bill has gone to the Senate, where action will be slower. For one thing, the Reagan administration has a rival plan. That in itself is a change, however. In 1981 the administration sought to end a sleepy education-aid program run by the government's National Science Foundation. Educators complained the cut would make it harder for universities to train graduates for science-faculty duty, instead of losing them to big-paying outside jobs.

As recently as last year the administration's rationale was still being defended by presidential science adviser George Keyworth. "Although this situation has serious national implications," he said in one speech, "it is primarily one of the marketplace working as it should, and does not require a massive federal response."

DIRECT SUBSIDIES SHUNNED

The administration's revised proposal isn't massive, but there are no more blanks in its science-education budget. It wants $75 million for science-teacher training, and "presidential" awards for new star-quality science researchers.

So far both the administration and Congress have shunned any direct subsidy that would let a financially pinched local school board pay a bigger salary to math and science teachers than to other teachers. Such bonsuses are being offered by school boards in some places. But teacher pay scales are traditionally the turf of local and state authorities, and there's no serious Washington plan to change that. Local teacher unions oppose pay differentials for different kinds of teachers and they're supported by the powerful National Eduction Association.

Direct bonuses for science and math teachers are "a bankrupt notion," says Sharon Robinson, an NEA specialist in teaching careers. "All you're going to do is create a shortage in another kind of discipline."●

CONGRESSIONAL SALUTE TO THE CONGREGATION OF THE SECOND CHRISTIAN REFORMED CHURCH UPON ESTABLISHMENT OF REACH-OUT PROGRAM OF CARE AND CONCERN FOR THE PEOPLE OF PROSPECT PARK, N.J.

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. ROE. Mr. Speaker, in these times of distress and neglect for many of the people of our land, when programs are being discarded and shoved aside, I would like to tell you of a group of people in my constituency, the Borough of Prospect Park, who are meeting a challenge of care and concern for their neighbors in a most unique way.

Mr. Speaker, the Borough of Prospect Park was settled by natives of the Netherlands who came to this country to find a better place to live. Although many of these Hollanders still live in the borough, during recent years there has been an influx of many other ethnic groups also in quest of the American dream.

The borough is the smallest municipality in Passaic County. It is fourtenths of a square mile in size but it is a crowded area with a population of 5,000 residents. It is a municipality which still observes the blue laws. There are no taverns or saloons in this town and Sunday is a day of quiet and worship.

Mr. Speaker, the Second Christian Reformed Church in this borough has been a landmark in the community for almost 50 years. It is one of four houses of worship in Prospect Park and this is the congregation I would like you and our colleagues here in the Congress to join with me in saluting today. The members of this church have instituted a highly responsive reach-out program of quality service for residents of the Borough of Prospect Park.

At the outset let me commend to you and our colleagues the organizer and founder of this reach-out program, the Honorable Bert Nawyn of Prospect Park and members of the executive committee, as follows: Bert Nawyn, Prospect Park, chairman; Arthur Boonstra, North Haledon; Raymond Talsma, North Haledon; Linda Van Lenten, Prospect Park; Nellie Meima, Prospect Park; and John Evan Everett, Haledon. And also the 160 adult members of the congregation who have volunteered their services for this program. Some have volunteered for only one area of service while others have volunteered for all of the services being provided.

On February 7, literature was mailed to the 2,030 apartments and homes in the borough outlining this reach-out program of care and concern for residents who need such services. The new program provides: Emergency babysitting, emergency transportation, emergency meal preparation, doing errands for shut-ins, shopping for shut-ins, reading to an old or blind person, on occasion visit an old person, and counseling.

In discussing this program with the distinguished Chairman Bert Nawyn, he advised me, as follows:

The ministry is designed to reach out to residents of the community in their time of need. This program comes at a time when the President is calling upon community members to become involved in the needs of their neighbors. As Christians, we also respond to the Biblical command in Matthew 25, verses 35 and 36, which speaks of love for one's neighbor. Here Christ, in a parable, tells his disciples, "I was hungry and you gave me something to eat; I was thirsty and you gave me something to drink; I was a stranger and you invited me in; I needed clothes and you clothed me; I was sick and you looked after me; I was in prison and you visited me."

The Second Christian Reformed Church on North 11th Street is more than a structure of brick, mortar, and wood. It stands as a symbol of people caring for other people out of concern and Christian love. We are our brother's keeper and God demands that we show concern and care for our neighbor. We are happy that the resident of Prospect Park are making use of this program. We are constantly ready to help them when they need us.

Mr. Speaker, the Second Christian Reformed Church has combined all of the ingredients of the private sector initiatives, volunteerism, and neighborhood self-help programs that are touted today into a teamwork endeavor that does not cost the taxpayers a penny. It has grown out of compassion, benevolence, unselfishness, and willingness to help others, young and adults alike, with immediate need where spontaneous personal commitment requires no debate or discussion—but, most assuredly, where immediate action is essential.

We do indeed salute the congregation of the Second Christian Reformed Church upon the establishment of a reach-out program of care and concern for the people of Prospect Park, N.J.●

REGISTER ARMAND HAMMER NOT FIREARMS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. McDONALD. Mr. Speaker, John M. Snyder is the director of publications and public affairs for the citizen's Committee for the Right to Keep and Bear Arms. He is an individual who is noted not only for his dedication to our absolute rights under the second amendment, but he is aware as somebody once suggested, that, * * * freedom is one ball of wax, and is dedicated to preserving all our freedoms.

It is interesting as Mr. Snyder suggests, that one millionaire in America, Armand Hammer, poured some $250,000—that's a quarter of a million—into an attempt to ban handguns in the State of California. Mr. Snyder correctly refers to Armand Hammer's continuity in doing business with Communist totalitarian dictatorships.

For the benefit of my colleagues, I would point to the complete record of Armand Hammer, which a great American named John Ashbrook documented so well back in October 17, 1973 (pages 34492 to 34496). Armand Hammer's father led the Communist Labor Party back in 1919 following which he was imprisoned in Sing Sing Prison for abortion. While Armand Hammer's father was in prison, Armand went to the Soviet Union and it would not be long before Lenin, first Communist dictator of Russia would write: "I beg you to give every assistance to the bearer, Comrade Hammer * * * with Communist greetings." And since that communique in 1922, Armand Hammer has remained "Comrade" to the Soviet Union. It is in keeping with his beliefs that he would call for the disarmament of the citizenry.

So for the benefit of my colleagues, Washington Dateline, the article, "Register Tire Irons?" by John Snyder as it appeared in the Newton Record, of Newton, Miss., on February 9, 1983 follows:

[From the Newton Record, Feb. 9, 1983]

REGISTER TIRE IRONS?

(BY JOHN M. SNYDER)

Recently, a grand jury in Louisiana indicted an official of the California National Organization of Women (NOW) for using a tire iron to murder a victim 17 years ago in New Orleans.

Surprisingly, another Californian, Armand Hammer, Chairman of Occidental Petroleum, did not come forth with a proposal to ban tire irons. What made this so surprising was that last year Armand Hammer did come forth with a contribution of one quarter of a million dollars in support of a proposal to ban handguns in the State of California.

The handgun ban proposal, known as Proposition 15, was shot down by California voters last November by a whopping 63 percent-37 percent margin, Armand Hammer and others not withstanding.

Hammer, notable for numerous business deals with Communist dictatorships, got a big push in life from his former associate, the late Vladimir I. Lenin, first dictator of the Soviet Union, another promoter of the anti-gun movement. One time he ordered his followers to "make mass searches and hold executions for found arms." (Lenin's Collected Works, Vol. 35, 4th edition, p. 286. CONGRESSIONAL RECORD, April 28, 1970, p. H3601.)

At another time, he wrote that "only the Soviets can effectively arm the proletariat and disarm the bourgeoisie. Unless this is done, the victory of socialism is impossible." (Lenin's Collected Works, Theses and Report on Bourgeoisie Democracy and the Dictatorship of the Proletariat, March 4, 1919, Vol. 28, U.S. Library of Congress Reference: English DK254.L 3 A323.)

Lenin, of course, was not the only Soviet Leader to write like this. His successor, Stalin, wrote that "if the opposition disarms, well and good. If it refuses to disarm, we shall disarm it ourselves." (J. V. Stalin, Reply to the discussion on the Political Reports of the Central Committee, Dec. 7, 1927, Stalin's Works, Vol. 10, p. 378. U.S. Library of Congress Reference: English DK268.S75A267.)

Despite Communist propaganda and desires, Americans do not want to be disarmed. The vote in California proves it. So do developments in other States.

In New Hampshire, voters endorsed a strengthened version of a State constitutional amendment guaranteeing individuals the right to keep and bear arms by a 72 percent-28 percent margin. Voters in Nevada did the same thing by a 71 percent-29 percent margin.

On the Federal level, pro-gun legislators are working to prevent handguns from being taken away from people at the local level. One great piece of legislation in this regard is the aptly numbered S. 45, by Sen. Steve Symms of Idaho, which would deny certain Federal funding to cities which ban handguns from possession by their citizens.●

THE RICHMOND-JAMES RIVER FLOODWALL

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 22, 1983

● Mr. BLILEY. Mr. Speaker, today I am introducing legislation to authorize construction of the Richmond-James River floodwall, a project of great significance to the city of Richmond, the Third Congressional District, and to the Commonwealth of Virginia as a whole.

I am pleased to be joined in introducing this legislation by my colleagues in the Virginia delegation. We are all proud to have this opportunity to protect our capital city, and to contribute to the enormous growth and development which will surely occur with adequate flood protection.

As many of my colleagues know, an important portion of the city of Richmond lies in a particularly vulnerable area of the James River flood basin. Much of that area, on both the north and south sides of the river have an enormous unfulfilled potential for urban revitalization, economic stimulation, the creation of jobs, cultural revival, and esthetic renaissance.

I know of no organization either public or private in Richmond which does not enthusiastically support construction of the floodwall. In fact, many local organizations have devoted their efforts to the singular pursuit of obtaining the floodwall, and countless numbers of citizens have expressed their unqualified support for these efforts to the city of Richmond, the Commonwealth of Virginia, and to the Congress of the United States.

I know of no better way to indicate to my colleagues the extreme importance of this project than to share with you the comments on the floodwall prepared by one of those citizens, also a member of the Richmond business community. The title of the paper in which these comments appear foretells the whole story of a city given flood protection—"Richmond: A City of Renaissance."

RICHMOND: A CITY OF RENAISSANCE

Richmond, an old riverfront city in Central Virginia, is in the process of being reborn. The City has the ingredients—central location, good access, well developed services, and historical significance—to become a focal point for the Mid-Atlantic region. The catalyst to achieve that goal is the City's determination to restore and enhance its unique assets. This commitment is a critical factor in weighing a city's chance to survive and to eventually prosper.

HISTORY AND TRENDS

The first permanent settlement in the Richmond area was on the bank of Shockoe Creek in the 1670's. Richmond was incorporated as a town in 1742. Town limits were 17th and 25th Streets, the James River and Broad Street (Exhibit I). Prior to the 1860's, the Shockoe Valley was a bustling center of trade. In addition to the shops, factories and warehouses were fashionable residences and apartments. After the destruction of the War Between the States, the Shockoe Valley emerged as a strong industrial district. New Victorian buildings were added to the old creating the intriguing character which it still retains.

Following a major flood in 1936 industries began relocating to other segments of the metropolitan area. Buildings deteriorated and property values declined. Floods of "250 year" frequency struck again in 1969 and twice in 1972. Direct damages totaled $23 million in 1969 and $59 million in 1972. The Valley has been mostly vacant since 1972.

Although the floodplain is no longer an industrial center, the City, as a whole, has maintained its manufacturing, a critical element to a city's economic base. From 1967 to 1977, Richmond's value added by manufacturing increased 39 percent after discounting inflation. The City also retained its 75 percent share of regional manufacturing establishments.

As most core cities across the country, Richmond has experienced a decline in population and a change in household composition. Between 1950 and 1978, Richmond lost 22 percent of its 1950 population. By comparison neighboring Henrico and Chesterfield counties grew by 202 percent and 280 percent, respectively. The City Planning Department estimates that 2000 population will be about 198,500.

In addition to losing residents, Richmond has lost a large share of area retail sales, plummeting from 72 percent to 49 percent, over the 10 year period ending in 1977. Accounting for inflation, Richmond's sales dropped 10 percent, while Chesterfield's increased 115 percent and Henrico's by 152 percent.

ALTERNATIVES OPEN TO RICHMOND

A. Do nothing. If the City does not act to reverse or slow past trends, it is expected that by the year 2000, Richmond's:

1. Share of total regional employment could drop to 56 percent from 72 percent in 1970;

2. Percentage of area retail sales could fall to 35 percent from 49 percent in 1977;

3. Register of car owners could decline to 26 percent from 40 percent in 1977.

Many city residents depend on public transit and as a result, their access to jobs available in the suburbs would be denied. Unemployment would increase exponentially as job opportunities in the City eroded.

Responsible managment cannot ignore these trends and do nothing to reverse them.

B. Aggressively act to counter deterioration. City officials are committed to sacrifice short-term amenities in order to fund projects having long range benefits. Curtailing municipal services and cutting expenditures have been unpopular with several special interest groups, yet they are necessary to insure a balanced budget and to stimulate capital development.

In an effort to get the maximum return on its investments, Richmond has been selective in which projects to fund. Projects in the Main-to-the-James and Shockoe Valley areas that have been included in the City's Capital Improvement Program are: the floodwall, Tredegar Ironworks, Main Street Station, the Farmers Market, Tobacco Row, the riverfront, James Center and Lower Shockoe Slip. Except for the floodwall, the City's part of development concentrates on cosmetic improvements in the blighted districts. In 1985 dollars, the City's investment will be approximately $17 million, the federal government's $91 million, while private development is expected to be $644 million (Exhibit II).

It is anticipated that Richmond's actions will attract people back to the City to work, live and shop. Succeeding in these efforts will signal the reversal of past trends and the renaissance of Richmond.

FLOODWALL AND PLANNED DEVELOPMENT

The floodwall, a U.S. Army Corps of Engineers' project, will be under construction for 2½ years beginning in 1984 or 1985. The wall is designed to protect approximately 350 acres of land from the most severe flooding (Exhibit I) and to provide better access to the riverfront. The floodplain on

the north bank is a narrow valley following the course of Shockoe Creek and continuing deeply into the north. The height of the concrete wall will range from 10 to 27 feet and will be 3,000 feet in length. Following the line of the Southern Railroad rails east, the wall will extend from 12th Street and Byrd to 23rd and Cary. It will separate the active rail lines from Shockoe Slip, acting as a sound barrier.

The floodplain on the south bank involves 250 acres spread over a broad area. The maximum flooding area is one mile long and 2,800 feet in depth. The floodwall will be concrete for 750 feet and an earthen levee for 10,000 feet. Starting at the Manchester Bridge, the wall will stretch to I-95, then follow I-95 to Goode Street. The structure will vary from 10 feet to 32 feet in height.

On the north bank, there are about 30 blocks of excellent historic buildings intact. Nationwide trends support restoration of old buildings for new uses. The interest in historic buildings has been proven in successful Shockoe Slip, renovation is less expensive than new construction, and there are significant tax advantages with accelerated depreciation. With the protection of the floodwall, the north bank would probably be developed over the next 10 to 20 years. Through well planned rehabilitation, it will be possible to preserve and interpret a significant portion of history in a living and working community.

The floodwall will allow development to occur, while preserving the unique character of the area. The focal point of the Valley is the old Main Street Station and Farmers Market. The City has secured a UDAG grant to help fund the renovation of the Market and Station. The Market has been in continuous operation for over 200 years, and the Station is a national landmark. Similar to Fanueil Hall and Quincy Market in Boston and Ghirhadelli Square in San Francisco the Main Street Station will be a high quality specialty shopping mall. The project will be the first major improvement in the floodplain and should stimulate renovation of neighboring properties.

Tobacco Row, a series of large tobacco factories and warehouses parallel to the Richmond Dock, is of historic importance as a prime example of industrial architecture. With 1½ million square feet overlooking the James River, Tobacco Row could be converted into 1,000 to 1,500 residential units. Office and commercial uses would also be compatible.

Lower Shockoe Slip borders a highly successful restaurant and retail district. An overflow of the Slip's development is expected in the western portion of the lower region. Since the area is no longer suited for industrial uses, it is anticipated that demand for retail and office space will develop.

Planned projects for the Main-to-the-James program are the James Center, the Tredegar Ironworks, and the riverfront. The James Center will house CSX Corporation's headquarters and a Marriott Hotel. The Tredegar Ironwork's restored buildings along the river would function as a community center for the townhouse neighborhood stretching up Gamble's Hill, past Ethyl Corporation. The site has potential to be distinctive with the integration of waterways, parks and housing. Condominium developments in the Fan and on Church Hill have been popular in the past decade. This popularity and rising transportation costs suggest that residential development near downtown would be logical.

In conjunction with the residential development along the river, the City plans to clean up and enhance its most prominent and overlooked asset—the James River. A linear park will follow the river's edge on both banks. In addition, the City plans recreation facilities on the islands across from the Tredegar Ironworks and Tobacco Row.

The protected area on the south bank is the largest tract of available land in the City for prime industrial use. It has excellent mass transit service and is fully served by gas, water and sewer. Merger of the Seaboard Coastline and the C&O will give this property access to the C&O network. The south bank floodplain has nothing of historic value and is not attractive for any use other than industrial. With appropriate development, the area could become one of the most important industrial sectors in the City.

Without the floodwall, the current underutilization of the land would be expected to continue. This extremely low use of the property does little to stimulate the area's economy.

On the north bank the Valley's development would be postponed as much as 15 to 20 years without the floodwall. The cost of floodproofing existing structures is so high that it would not be economically feasible to save the smaller historic buildings. As future development occurred, the old buildings would be replaced with modern high rise towers. The character and charm of the Valley would be lost along with the real development potential the area holds.

BENEFITS

Final approval of the floodwall will be sufficient to stimulate the rehabilitation and land values of many buildings in the immediate future. Values of properties in restored areas of Richmond have exploded in the last decade (Exhibit III). These huge increases have not happened in non-historic districts. Speculation in the Valley has already increased sales prices of several properties in the last two years. Since January, 1979 sales prices have averaged 148 percent above the assessed value.

With flood protection, the upward potential for the City's tax base is tremendous. In 1979 assessed values for blocks in Shockoe Valley ranged from $1.54 to $5.46 per square foot. Properties in Shockoe Slip and the financial district were valued at $24.88 and $119.02 (Exhibit IV), respectively—areas within five blocks of Main Street Station. Property taxes generated by riverfront and floodplain development are expected to total $9.1 million. Auxiliary taxes, particularly machinery taxes produced by south bank development, would also increase significantly.

Construction and renovation would provide badly needed jobs for many of the City's residents. New sources of employment would result from the completed projects. As new businesses locate on the south bank, the loss of industrial jobs citywide would slow.

Tourism in Richmond has not been fully cultivated. With the City's revitalization and proper promotion studies indicate that Richmond could increase its annual tourism revenue of $10 million ten times. The Valley would link restored Church Hill to the Capitol. Main Street Station would be the main point of arrival on I-95. Fanueil Hall lacks three key features which Main Street Station prossesses: visibility, easy access and ample parking. In spite of these deficiencies Fanueil Hall surpassed Disneyworld last year as the number one attraction in the country. As a major tourist district, the Valley would lure people downtown, employ workers, bring in tourist dollars, and pay taxes.

CONCLUSION

While Richmond is currently plagued with the problems of many central cities in the United States, action is being taken to stop negative trends and to stimulate new growth. With the aid of the floodwall, Richmond, in the year 2000, will be a new city in a rich setting. The mixed use environment of the 21st century will be reminiscent of Richmond as the bustling center of commerce and activity in the 19th century.●